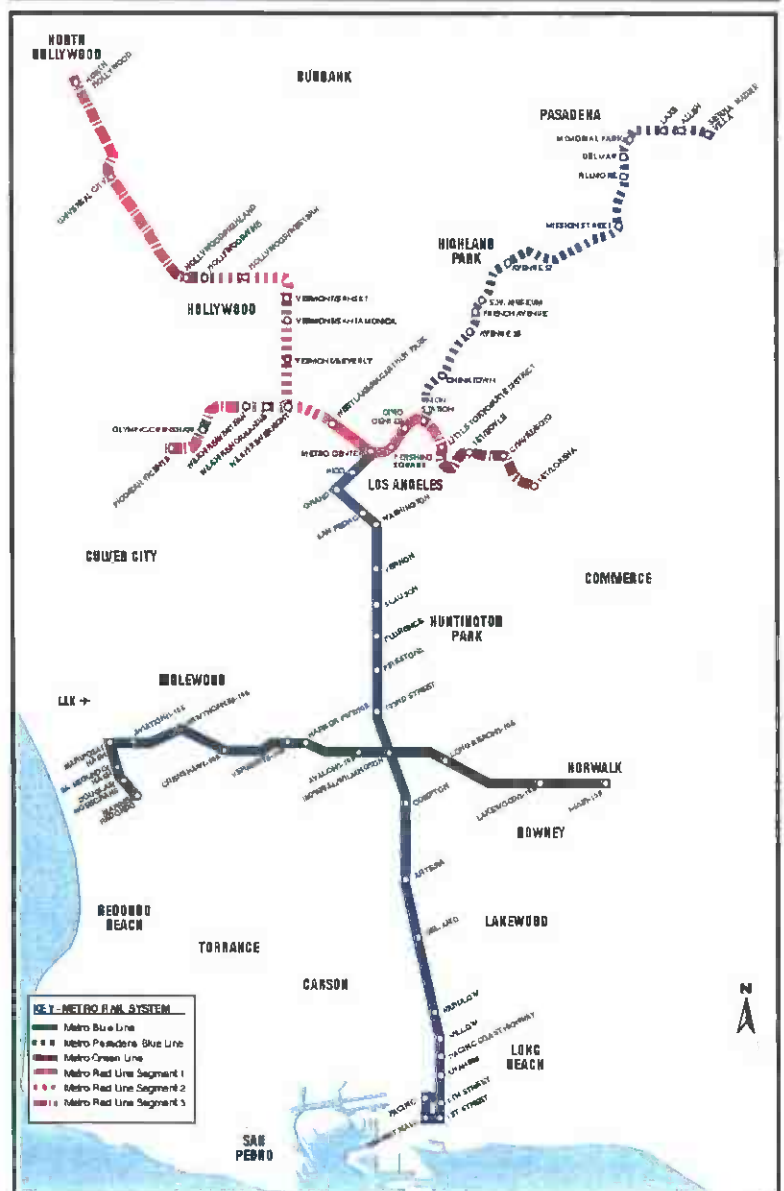


MTA METRO CONSTRUCTION



Executive Report Rail Program Status



September 1998

RAIL PROGRAM STATUS SUMMARY

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY
METRO CONSTRUCTION DIVISION

SEPTEMBER 1998

RAIL PROGRAM SUMMARY



EXECUTIVE SUMMARY RAIL PROGRAM STATUS as of September 1998

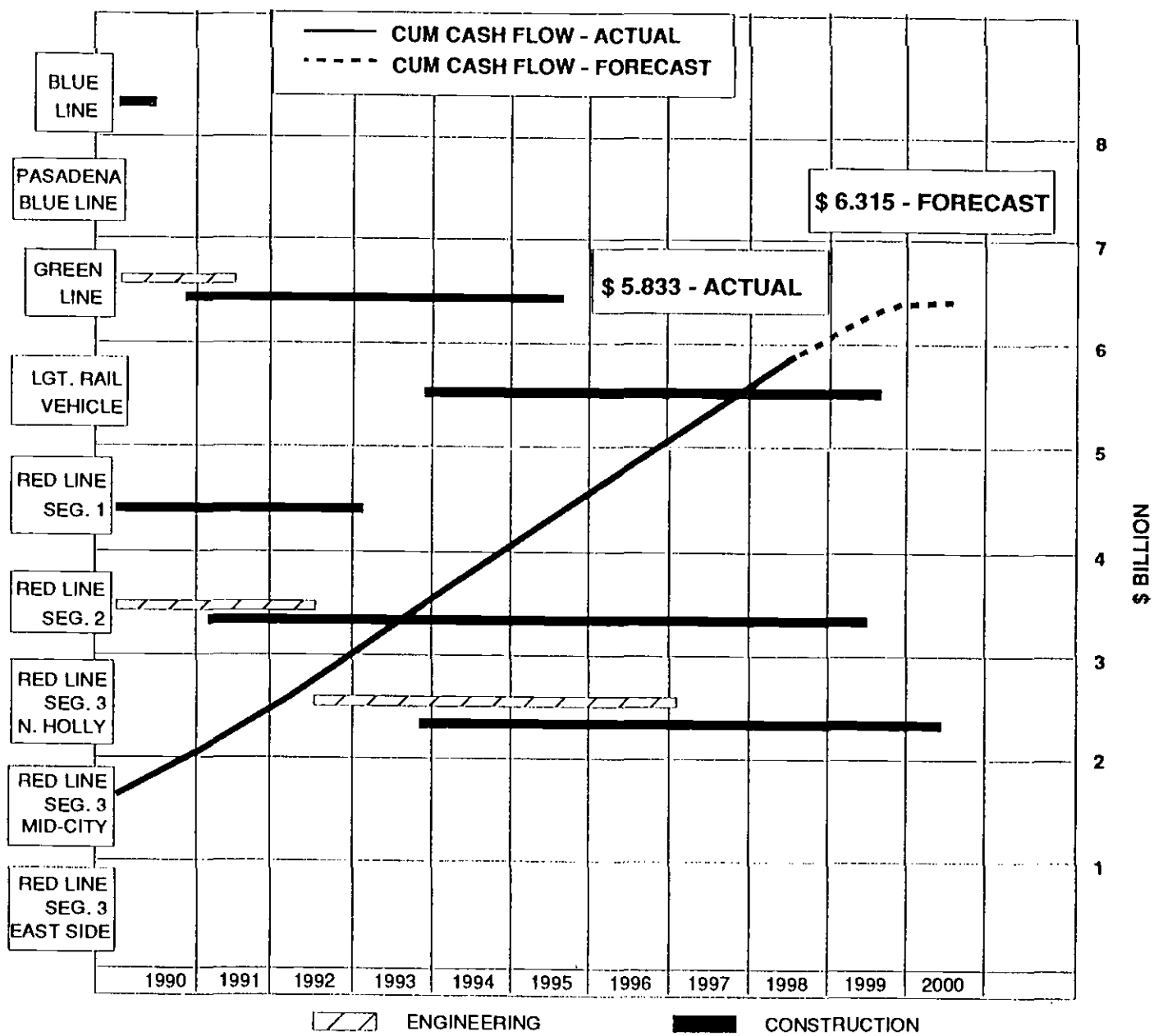
	RED Segment 1	RED Segment 2	RED Seg 3 N. Hollywd.	RED Seg 3 Mid-City	RED Seg 3 East Side	BLUE Long Beach/LA	BLUE Pasadena	GREEN	Light Rail Vehicle	Summary
Length	4.4 MI.	6.7 MI.	6.3 MI.		.	22 MI.		20 MI.	—	59.4 MI.
Number of Stations	5	8	3			22		14	52 cars	52 stas.
Technology	Heavy Rail	Heavy Rail	Heavy Rail			Light Rail		Light Rail	Light Rail	—
MTA Approved Opening Date	Jan 1993	Wilshire Jul 1996 Vermont May 1999	May 2000			July 1990		August 1995	Final Car Delivery Nov 1999	Final Completion May 2000
Design Status	Completed	100.0%	95.4%	Project suspended	Project suspended	Completed	Project suspended	Completed	Based on Milestones 98%	3 of 6 complt.
Construction Status	Completed	97.2%	73.4%	Project suspended	Project suspended	Completed	Project suspended	99%	Based on Milestones 67%	3 of 6 complt.
Expenditures to Date (in mil.)	\$1438	\$1530	\$834	\$13	\$133	\$860	\$235	\$674	\$116	\$5833
MTA Approved Budget (in mil.)	\$1450	\$1739	\$1314	Project suspended	Project suspended	\$877	Project suspended	\$712	\$258	\$6350
Federal Funding	48%	44%	62%			0%		0%	33%	31%
State/Local Funding	52%	56%	38%			100%		100%	67%	69%

**METROPOLITAN TRANSPORTATION AUTHORITY
FUNDING SOURCES (IN MILLIONS)**

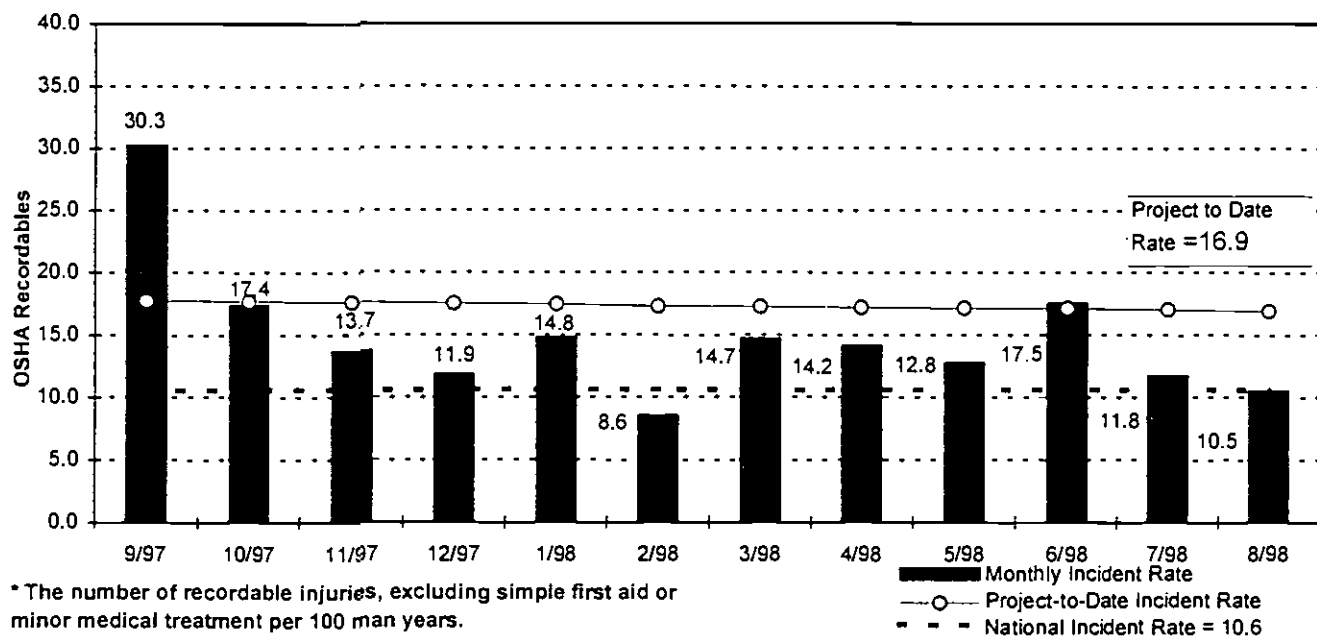
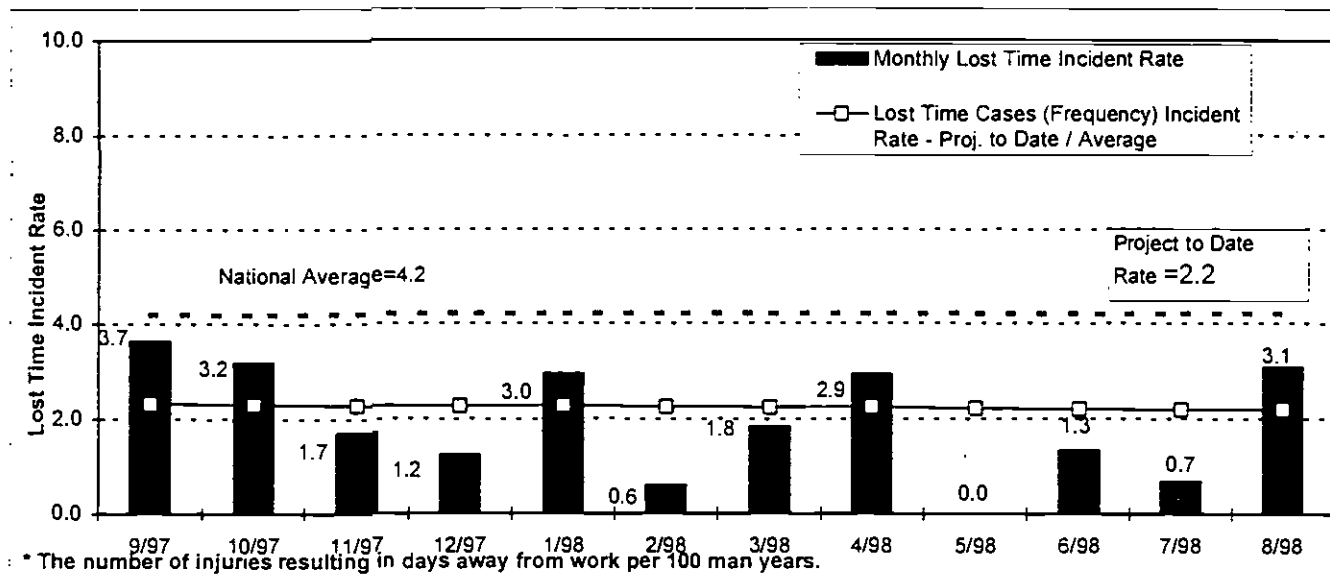
SEPTEMBER 1998

	METRO BLUE LINE	METRO GREEN LINE	METRO RED SEGMENT 1	METRO RED SEGMENT 2	METRO RED SEGMENT 3 - NH	LIGHT RAIL VEHICLE	TOTAL PROGRAM	
	\$	\$	\$	\$	\$	\$	\$	%
ORIGINAL SCOPE:								
FTA SECTION 3			605.3	667.0	681.0		1953.3	31
FTA - OTHER								
ISTEA - FED SURFACE TRANSIT PROG				52.1	57.8	76.2	186.1	3
FED ISTEA NSIP/CMAQ					80.6	6.1	86.7	1
FTA SECTION 9			90.6				90.6	1
STATE		105.9	210.3	133.0	265.2	16.4	730.8	12
STATE ISM MATCH					13.2		13.2	0
SR 1995 TRUST FUND					66.7		66.7	1
PROPOSITION A	877.2	205.1	179.5	504.3			1766.1	28
PROPOSITION C		395.3			56.3	158.9	610.5	10
PROP C (AMERICAN DISABILITY ACT)		6.0					6.0	0
CITY OF LOS ANGELES			34.0	96.0	90.0		220.0	4
BENEFIT ASSESSMENT			130.3				130.3	2
COST OVERRUN ACCOUNT			200.1	191.3			391.4	6
APPROVED BUDGET	877.2	712.3	1450.1	1643.7	1310.8	257.6	6251.7	99
CURRENT FORECAST	877.2	716.3	1439.0	1643.7	1310.8	201.4	6188.4	
ADDITIONAL LOCALLY FUNDED ACTIVITIES:								
PROP C (ARTWORK)					2.7		2.7	0
PROP C (NON REV. CONNECTOR)					0.3		0.3	0
COST OVERRUN ACCOUNT				24.6			24.6	0
PROP C (TRANSIT ENHANCEMENTS)				66.0			66.0	1
PRIVATE FUNDS (KAISER HOSPITAL)				4.5			4.5	0
APPROVED BUDGET	0.0	0.0	0.0	95.1	3.0	0.0	98.1	1
CURRENT FORECAST	0.0	0.0	0.0	95.1	31.9	0.0	127.0	

Note: Metro Red Line Segment 3 Mid-City Extension, Metro Red Line Segment 3 East Side Extension, and Metro Pasadena Blue Line projects have been suspended.



Total All Segments Safety Summary Status



METRO RED LINE SEGMENT 2 Rail Program Status Summary Period Ending - September 25, 1998



PROJECT DESCRIPTION

Metro Red Line Segment 2 is a continuation of the Segment 1 system and consists of the design, construction, testing and startup operations for 6.63 miles of a two-track rapid transit line, all in subway, with eight stations, three double crossovers and one pocket track.

SCHEDULE PROGRESS

	Expended (in \$ Mil.)	Percent Complete
DESIGN		
Monthly Progress	N/A	0.0 %
Prior Cumulative Prog.	\$ 169.8	100.0
Cumulative Progress	169.8	100.0
CONSTRUCTION		
Monthly Progress	N/A	0.2 %
Prior Cumulative Prog.	\$ 993.0	97.0
Cumulative Progress	993.0	97.2
OTHER Cost Elements	\$ 367.5	
TOTAL	\$ 1530.3	

STATUS OF FUNDS BY SOURCE (in \$ mil.)

Source	Total Funds Anticipated (in \$ mil.)	Total Funds Available (in \$ mil.)	Expend.
FTA - Section 3	\$522.4	\$522.4	\$522.4
FTA - Sect 3 Defer. Local	144.6	144.6	144.6
FED ISTEA STP (State)	52.1	52.1	52.1
State of California	133.0	133.0	133.0
Proposition A	504.3	504.3	450.6
City of Los Angeles	96.0	96.0	94.6
Benefit Assessment Dist	0.0	0.0	0.0
Benefit Assess. Shortfall	0.0	25.4	25.4
Cost Overrun Account	191.3	82.1	56.0
TOTAL	\$1643.7	\$1559.9	\$1478.7
ADDITIONAL LOCALLY FUNDED ACTIVITIES			
Prop C Transit Enhance	66.0	51.6	51.6
Cost Overrun Account	24.6	0.0	0.0
Private Funds Kaiser Hos	4.5	0.0	0.0
TOTAL	\$95.1	\$51.6	\$51.6

BUDGET/FORECAST STATUS (in \$ mil.)

Cost Element	Current Budget	Current Forecast
Construction	\$1050.3	\$1054.1
Professional Services	438.6	444.2
Real Estate	83.7	84.7
Utility Force Account	30.4	28.4
Special Programs	2.5	2.5
Contingency	39.5	31.1
Project Revenue	(1.3)	(1.3)
TOTAL ORIGINAL SCOPE	\$1643.7	\$1643.7

	Current Budget	Current Forecast
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$95.1	\$95.1

SCHEDULE STATUS

REVENUE OPERATIONS DATE: May 1999

The Project Office is forecasting a twenty-seven (27) calendar day slip from the approved ROD of May 29, 1999. In addition, the schedule indicates a forty-two (42) calendar day slip to the completion of construction targeted for February 27, 1999. Pre-revenue operations is scheduled for April 19, 1999 through May 28, 1999.

CURRENT ACTIVITIES / ISSUES

The Project Office is focusing attention on issuing a change order to the Vermont/Sunset Contractor for the Kaiser Entrance as well as resolving critical time issues with systemwide contractors. The most critical issue is mitigation of delays associated with the Transit Automatic Control (TRACS) and the SCADA System which is impacting the forecast revenue operations date.

METRO RED LINE SEGMENT 3 NO. HOLLYWOOD

Rail Program Status Summary

Period Ending - September 25, 1998



PROJECT DESCRIPTION

The North Hollywood Extension includes three stations and extends 6.7 miles northwest from the terminus of Segment 2 at Hollywood/Vine to a new terminus at North Hollywood station. Two intermediate stations, one at Hollywood/Highland and another at Universal City, complete this extension.

SCHEDULE PROGRESS

	Expended (in \$ Mil.)	Percent Complete
DESIGN		
Monthly Progress	N/A	0.1 %
Prior Cumulative Prog.	\$ 73.2	95.3
Cumulative Progress	73.2	95.4
CONSTRUCTION		
Monthly Progress	N/A	1.2 %
Prior Cumulative Prog.	\$ 541.3	72.2
Cumulative Progress	541.3	73.4
OTHER Cost Elements	\$ 219.2	
TOTAL	\$ 833.7	

STATUS OF FUNDS BY SOURCE (in \$ mil.)

Source	Total Funds Anticipated (in \$ mil.)	Total Funds Available (in \$ mil.)	Expend.
FTA - Section 3	\$544.8	\$347.0	\$375.2
FTA - Sect 3 Defer, Local	136.2	86.7	93.8
FED ISTE A STP (State)	57.8	57.8	50.0
FED ISTE A STP/CMAQ	71.4	53.0	71.0
FED ISTE A RSTP Defer	9.2	6.9	9.2
SB 1995 Trust Fund	66.7	66.7	66.7
State SHA/Article XIX	66.4	40.4	48.7
State Proposition 116	57.7	57.7	36.3
State TSM Match	13.2	10.5	13.2
State CTIP	141.1	0.0	0.0
City of Los Angeles	90.0	55.4	55.4
Proposition C	56.3	72.6	13.8
Benefit Assessment Dist	0.0	0.0	0.0
TOTAL	\$1310.8	\$854.7	\$833.3
ADDITIONAL LOCALLY FUNDED ACTIVITIES			
Prop C (Artwork)	2.7	0.6	0.4
Prop C (Non-Rev Connect)	0.3	0.0	0.0
TOTAL	\$3.0	\$0.6	\$0.4

BUDGET/FORECAST STATUS (in \$ mil.)

Cost Element	Current Budget	Current Forecast
Construction	\$824.7	\$855.2
Professional Services	300.8	310.0
Real Estate	89.0	86.3
Utility Force Account	26.3	26.6
Special Programs	0.0	0.0
Contingency	69.6	30.0
Project Reserve	0.4	2.7
Project Revenue	0.0	0.0
TOTAL ORIGINAL SCOPE	\$1310.8	\$1310.8
	Current Budget	Current Forecast
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$3.0	\$31.9

SCHEDULE STATUS

REVENUE OPERATIONS DATE: May 2000

Although the FTA FFGA stipulates project completion on December 12, 2000, the current forecast completion date is May 17, 2000 which is also the planned target date.

CURRENT ACTIVITIES / ISSUES

The project is forecasting a \$28.9 m overrun to the current budget due to increased agency overhead costs.

METRO RED LINE SEGMENT 2

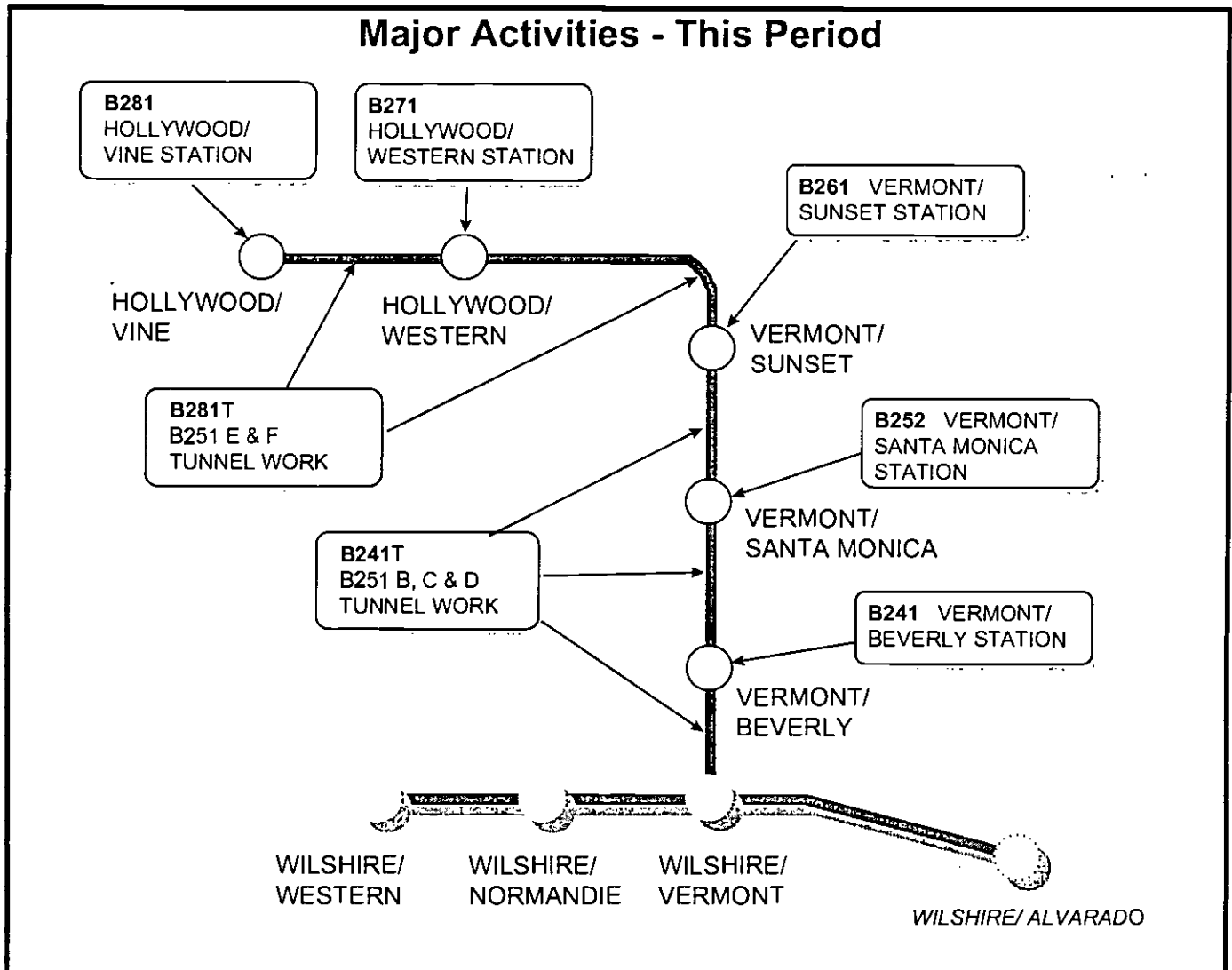
EXECUTIVE SUMMARY

METRO RED LINE Segment 2

Quarterly Project Status Report
Period Ending - September 1998



Major Activities - This Period



SYSTEMWIDE ACTIVITIES:

B620, AUTOMATIC TRAIN CONTROL (ATC) INSTALLATION: Implemented change to Hollywood/Vine tail track and commenced dynamic testing forecast to be completed by December 1998.

B631, TRACTION POWER: Completed traction power section proving at Vermont/Sunset, Hollywood/Western and Hollywood/Vine stations, getting ready for energization of the contact rail.

B641, RADIO: All installation work has been completed and pre-testing of the antenna system is

also completed, with the exception of the emergency exits and fan rooms at Vermont/Sunset Station.

B642, Public Address: Completed equalization curves, post installation inspection (PII) and LFAT at Vermont/Santa Monica, Hollywood/Western and Hollywood/Vine stations.

B644S, Fiber Optic and Cable Transmission: All contractual testing for Vermont/Hollywood Corridor has been completed with the exception of Vermont/Sunset Station.

B645, TRACS: Completed remote terminal units (RTU) LFAT at Hollywood/Western and

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



Vermont/Beverly stations and continued Factory Acceptance Testing (FAT).

B646, Fire and Emergency Management (F&EM): PIs have been completed at Hollywood/Western and Vermont/Beverly stations. Continued Vermont/Sunset design change that scheduled to be issued to the Contractor in October.

B648B, Communication Installation: Completed smoke detectors in the air-handlers for Hollywood/Western Station and ready for F&EM LFAT. Started installation of conduit and wiring for the air-handlers smoke detector.

B710, Elevator/Escalator: Achieved substantial completion at the Hollywood/Vine Station and continued the installation at all stations.

B740/B745, Air Handling/Ventilation: Substantially completed installation and began testing for the ventilation equipment on the south end of the Vermont/Sunset Station.

B271 HOLLYWOOD/WESTERN STATION: Testing of electrical and mechanical equipment in the station approached completion and air balance is about to begin. Continued punchlist work. The Contractor has achieved 12 liquidated damage milestones to date. The Contract is 99.0% complete.

B281 HOLLYWOOD/VINE STATION: Continued punchlist work. The Contractor has achieved 13 liquidated damage milestones to date. The Contract is 98.9% complete.

FACILITY ACTIVITIES

B241 VERMONT/BEVERLY STATION: Completed installing street light poles. Testing of electrical and mechanical equipment approached completion. Continued rockwork artwork installation. Punchlist work continued. The Contractor has achieved 11 liquidated damage milestones to date. The Contract is 99.8% complete.

B252 VERMONT/SANTA MONICA STATION: North entrance plaza work approached completion. Installed the station entrance pylons. Continued punchlist work. The Contractor has achieved 14 liquidated damage milestones to date. The Contract is 99.95% complete.

B261 VERMONT/SUNSET STATION: Appendage concreting approached completion. Continued electrical and mechanical installations, primarily in the north end of the station. Continued equipment testing at the south end of the station. Continued interior finish work. MTA Project Office staff completed negotiations with the B261 contractor to build the Kaiser Entrance as a change to the B261 contract with Notice-to-Proceed forecast for October 8, 1998. The Contractor has achieved 7 liquidated damage milestones to date. The Contract is 95.4% complete.

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



Quality Assurance

SYSTEMWIDE AND FACILITIES

SURVEILLANCES

Number	Contract	Date	Scope	
S98-143P	B241	7/8/98	Station Contact Grouting	
S98-144	B646	7/9/98	Fire and Emergency Local Field Acceptance Test	
S98-147	B630	7/20/98	Corrective Action for Flood-Damaged Equip. at B261	
S98-148	B629	7/20/98	Cable Clamp Spacing at B241	
S98-149	B620	7/21/98	Cable Installation at B261	
S98-150	SIT	7/21/98	Integration Test: Procedure I-407, I-301 and I-404 at B252	
S98-151	HO121	7/28/98	Resident Engineer Activities; No Inspection	
S98-152	SIT	7/27/98	Integration Test Procedure I-406 at B252	S98-156
B631	7/24/98		Corrective Action for Cable Terminations at B241	
S98-158	B631	7/24/98	Corrective Action for Equipment Installation at B261	
S98-160	B630	7/24/98	Corrective Action for Corrosion, A/C Switchgear at B252	
S98-161	B631	8/3/98	Cable Installation Followup at B241	
S98-162	B620	7/29/98	Corrective Action for Dirt/Debris in Cableway at B252	S98-163P
B271	7/29/98		Battery Room Grounding	
S98-164P	B241	7/31/98	Concrete Testing	
S98-165	B631	8/12/98	Cable Installation Conflict, Safety Hazard at B281	
S98-166	B620	8/12/98	Program Stops: Rail Sensor at B271	
S98-167	B648B	8/12/98	Blue Light Station Installation at B281	
S98-168	B620	8/12/98	Program Stops: Rail Sensor at B281	
S98-169	B631	8/18/98	Equipment Wiring at B671	
S98-170	B648B	8/17/98	Power Supply Installations at B271	
S98-171P	B710	8/14/98	Elevator & Escalator Grounding	
S98-173	B646	8/18/98	Power Rectifier Workmanship at B281	
S98-174	B631	8/26/98	DC Disconnect Switch at B252	
S98-175	SIT	8/26/98	Integration Test: Uninterrupted Power Supply at B252	
S98-177	B630	8/27/98	Local Field Acceptance Test: DC Switchgear at B271	
S98-178	B646	8/26/98	Local Field Acceptance Test: Fire & Emerg. Mgmt. System at B281	
S98-182	B252	9/3/98	Communications Interface Installation	
S98-183	SIT	9/3/98	Integration: TRACS Test Procedure 414 at B241	
S98-184P	B710	8/31/98	Non-Destructive Examination Inspection Records	
S98-185P	All	8/31/98	Verification Test Reports	
S98-186P	All	8/31/98	Smith-Emery Test Lab	
S98-189P	B271	9/3/98	Non-Destructive Examination	
S98-190	B281	9/14/98	Communications Interface Installation	
S98-191P	B252	9/15/98	Closeout Activities	
S98-192P	B271	9/8/98	Non-Destructive Verification Records	
S98-193	SIT	9/9/98	Integration: Sprinklers, Test Procedure I-301 and I-302 at B281	
S98-195P	B241	9/10/98	Non-Destructive Examination Verification Records	
S98-196P	B261	9/10/98	Non-Destructive Verification Records	
S98-197P	B281	9/10/98	Non-Destructive Verification Records	
S98-198P	B252	9/10/98	Non-Destructive Verification Records	
S98-201P	B261	9/15/98	Installation - Electrical Conduit	
S98-201P	B271	9/1/98	Closeout Activities	

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



S98-202	EMC	9/22/98	Auxiliary Transformers Surge Arrestors at CO351	
S98-205	SIT	9/17/98	Integration: TRACS, Test Procedure I-408 at B281	
S98-206	B630	9/18/98	DC Switchgear, Local Field Acceptance Test (LFAT) at B281	S98-211P
B710	9/17/98	Fujitec Welding Inspection		
S98-213	SIT	9/22/98	Integration: TRACS, Test Procedure I-303 at B281	
S98-217	B631	9/98	Traction Power at Main Yard	
S98-218	SIT	9/24/98	Emergency Trip Switch at B215 thru B261	
S98-222	SIT	9/98	Integration: Uninterrupted Power Supply, LFAT at B261	

AUDITS

A98-20	All	9/10/98	Orange Coast Testing, Long Beach, California; Annual audit and addition of Non-Destructive radiograph to scope of work.
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QARs CLOSED

Number	Contract	Date Closed	Scope
A96-008-04	B631	9/4/98	As-Built Documents
A97-21-05	B645	9/17/98	SYSECA Resubmittals
A98-06-01 thru 05	MTA	7/21/98	Project Management, Cost Forecasting
A98-11-02 thru 08	MTA	8/3/98	Project Management, Schedule Forecasting
S97-264-01	B630	7/24/98	Corrosion Underside of Equipment at B252
S98-105-01	B630	7/20/98	Equipment Rust due to Flood at B261
S98-112-01	B631	7/24/98	Equipment Not Installed Correctly at B261
S98-113-01	B631	7/24/98	Third Rail Cable Connections at B261
S98-127-01	B620	9/30/98	Clamps, Electrical Cable at B641
S98-14-01	B631	8/18/98	Circuit Card Workmanship
S98-177-01	B631	9/30/98	Cable Installation at B271
S98-38-01	B631	9/30/98	Wire Bundle Straps at B281
S98-61-01	B631	7/24/98	Third Rail Cable Connectors at B241
S98-62-01	B631	9/30/98	Third Rail Cable Connections at B241
S98-80-01	B631	7/24/98	Porcelain Cable Supports at B241
S98-89-01	B631	7/24/98	Third Rail Conector Lubs at B252
S98-90-01	B631	9/30/98	Wire Ties and Glastic Insulation at B241

QAR RESPONSES DUE

Number	Contract	Date Issued	Scope
A95-2-15-02	B241	9/9/98	As-Built
A96-032-01	All	11/15/97	Twining Lab - Non-Destructive Examination Procedures
A96-032-02	All	11/15/97	Twining Lab - Qualification Records
A96-032-03	All	11/15/97	Twining Lab - Non-Destructive Examinations
A96-032-04	All	11/15/97	Twining Lab - Non-Destructive Level III Qual
A96-032-05	All	11/15/97	Twining Lab - UT Test Equipment
A96-032-06	All	11/15/97	Twining Lab - MT Testing
A96-032-07	All	11/15/97	Twining Lab - Non-Destructive Examination Testing Person
A96-032-08	All	11/15/97	PD/JMA - MT Testing
A96-032-09	All	11/15/97	PD/JMA - UT Testing Equipment
A96-034-07	All	7/1/97	Smith-Emery - No CCRL
A97-002-03	B241,261	11/3/97	Non-Destructive Examination Incomplete
	252, 281		

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



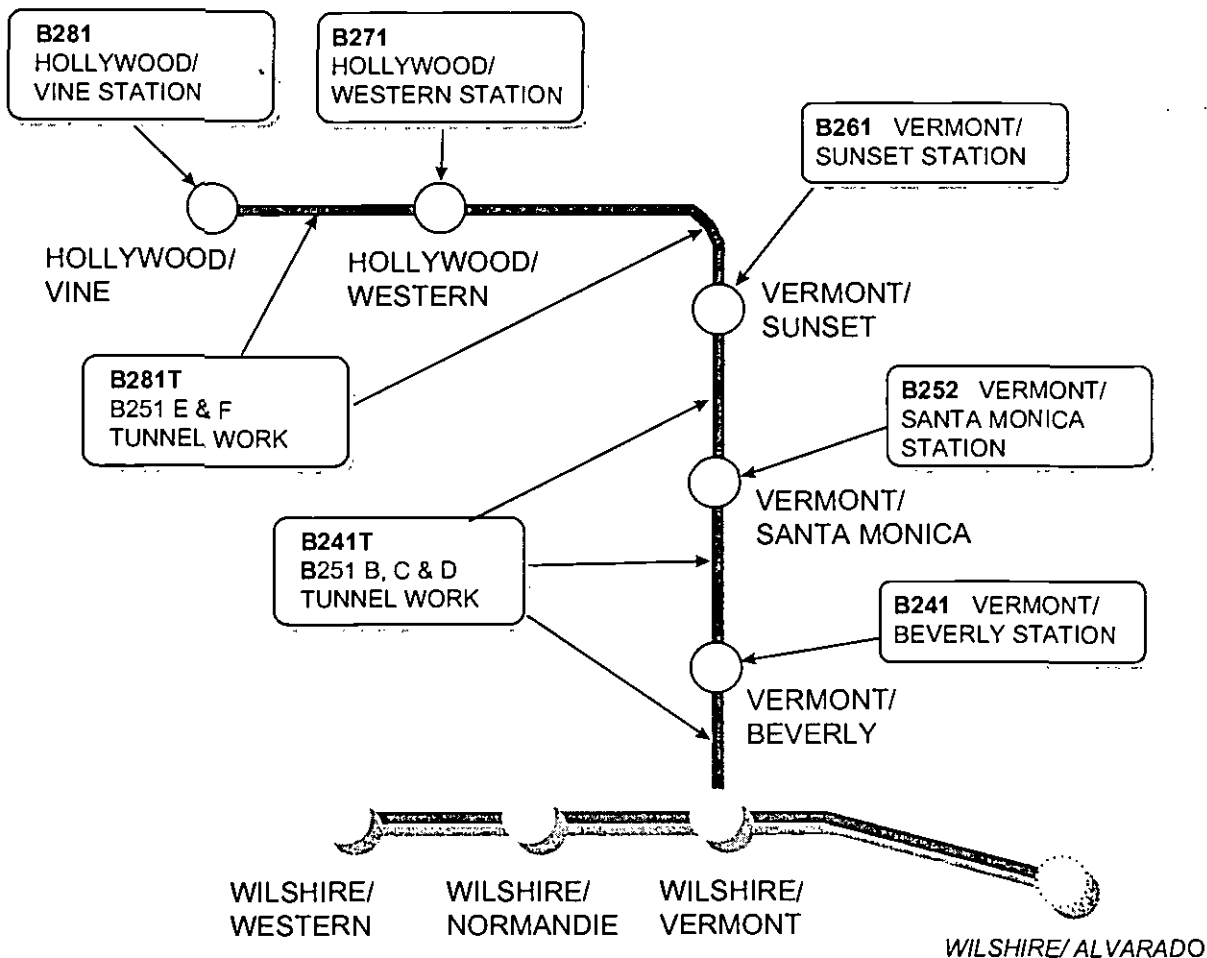
A97-004-010	B241	9/9/98	Unauthorized Welding on Rebar
A97-004-019	B241	9/9/98	Non-Destructive Examination Records incorrect and Non-Destructive Examination Lab not audited.
A97-004-04	B241	9/9/98	Resident Engineer Verification Testing
A97-004-05	B241	9/9/98	Drawing Procedure not approved
A98-14-01	MTA	8/2/98	Records Mgmt, QARS 01 thru 04
S96-145P-01	B241	9/9/98	Resident Engineer Verification Testing
S96148P-01	B241	9/9/98	Current Status Drawings
S97-159P-01	B271	5/31/98	Backfill Soils Testing
S98-02-01	B241	2/5/98	Debris & Dirt in Cableway
S98-151-01	HO121	8/7/98	Inspection
S98-182-01	B252	9/24/98	Communications Interface Cabinet @ B252
S98-183-01	SIT	9/17/98	Integration:Proc. Not Apprvd, Test Procedure I-414 at 252
S98-190-01	B281	9/28/98	Communications Interface Cabinet @ B281
S98-191P-01	B252	9/30/98	Punchlist - Physical Closeout
S98-191P-02	B252	9/30/98	REP 4.11 - Physical Closeout
S98-26-01	All	3/13/98	O & M Manuals
S98-70-01	B631	4/21/98	Glastic Insulation @ B271
S98-81-01	B631	4/20/98	Wire Tie Supports @ B241
S98-86-01	B646B	8/14/98	Electrical Cabinet Installation @ B271

METRO RED LINE Segment 2

Quarterly Project Status Report
Period Ending - September 1998



Major Activities - Next Period



SYSTEMWIDE ACTIVITIES:

B620, AUTOMATIC TRAIN CONTROL (ATC) INSTALLATION: Continue dynamic testing of the entire Vermont/Hollywood Corridor.

B631, TRACTION POWER: Continue work in the yard and energize the remaining equipment.

B641, RADIO: Local Field Acceptance Testing (LFAT) is scheduled to start.

B642, Public Address: The Contractor is scheduled to conduct post installation inspection (PII) and provide technical support for LFAT and Systemwide

Acceptance Test (SWFAT) at Vermont/Beverly and Vermont/Sunset in December 1998.

B645, TRACS: The RTU LFAT at Vermont/Sunset Station is scheduled for October.

B646, Fire and Emergency Management (F&EM): Completed F&EM LFATs for Hollywood/Western and Vermont/Beverly stations.

B648B, Communication Installation: FAT for CCTV procurement is scheduled to occur in October 1998.

METRO RED LINE Segment 2

Quarterly Project Status Report Period Ending - September 1998



B710, Elevator/Escalator: Substantially completed installation at the Hollywood/Western Station. Begin installation at the Vermont/Sunset Station.

B740/B745, Air Handling/Ventilation: Continued testing at Vermont/Sunset Station.

FACILITY ACTIVITIES

B241 VERMONT/BEVERLY STATION: Complete testing electrical and mechanical equipment and begin air balance. Continue installing art rockwork. Continue punchlist work.

B252 VERMONT/SANTA MONICA STATION: Complete punchlist work. Achieve substantial completion.

B261 VERMONT/SUNSET STATION: Continue installing electrical/mechanical equipment and wiring, primarily in the north end of the station. Continue testing station equipment and street restoration. Complete concreting station appendages. Continue installing finishes. Issue a notice-to-proceed for the Kaiser Entrance and begin construction work.

B271 HOLLYWOOD/WESTERN STATION: Begin air balance. Complete final street paving. Continue punchlist work.

B281 HOLLYWOOD/VINE STATION: Achieve substantial completion. Continue interior station finish and punchlist work.

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



Budget/Forecast Variance

Original Scope Activities
(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	September Change in Forecast
CONSTRUCTION	\$1,050.3	\$1,054.1	\$3.8	\$2.0
PROFESSIONAL SERVICES	\$438.6	\$444.2	\$5.6	\$1.8
REAL ESTATE	\$83.7	\$84.7	\$1.0	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$30.4	\$28.4	(\$2.0)	\$0.0
SPECIAL PROGRAMS	\$2.5	\$2.5	\$0.0	\$0.0
PROJECT CONTINGENCY	\$39.5	\$31.1	(\$8.4)	(\$3.8)
PROJECT REVENUE	(\$1.3)	(\$1.3)	\$0.0	\$0.0
TOTAL PROJECT	\$1,643.7	\$1,643.7	\$0.0	\$0.0

Budget/Forecast Variance Analysis

Original Scope Activities

Due to rounding, some values may differ from Cost Management System (CMS) values.

-Expenditures through July 1998 for Original Scope are \$1,478.7 million or 90.0% of current total forecast. (August 1998 information is not available).*

Commitments to date for Original Scope are \$1,545.8 million or 94.0% of current total forecast.

The Current Project Forecast remains unchanged.

Construction increased \$2.0 million due to:

- B252 (Vermont/Santa Monica Station) increased \$1.6 million due to increase in potential claims.
- B271 (Hollywood/Western) increased \$0.1 million due to potential claims.
- B648B (Vermont/Hollywood Corridor Communication Installation) increased \$0.2 million due to potential acceleration for early ROD.
- Miscellaneous changes for \$0.1 million.

Professional services increased \$1.8 million due to:

- EMC office facility rent.

Contingency decreased \$3.8 million due to:

- Offset changes as noted above.

*No change to the previously reported FIS figures due to fiscal year closeout processing issues.

METRO RED LINE Segment 2

Quarterly Project Status Report
Period Ending - September 1998



Budget/Forecast Variance

Additional Locally Funded Activities
(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	September Change in Forecast
CONSTRUCTION	\$50.9	\$52.2	\$1.3	\$0.0
PROFESSIONAL SERVICES	\$44.2	\$41.3	(\$2.9)	\$0.0
REAL ESTATE	\$0.0	\$0.0	\$0.0	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$0.0	\$0.0	\$0.0	\$0.0
SPECIAL PROGRAMS	\$0.0	\$0.0	\$0.0	\$0.0
PROJECT CONTINGENCY	\$0.0	\$1.6	\$1.6	\$0.0
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$95.1	\$95.1	\$0.0	\$0.0

Budget/Forecast Variance Analysis

Additional Locally Funded Activities

Due to rounding, some values may differ from Cost Management System (CMS) values.

Expenditures through July, 1998 for Additionally Locally Funded Activities are \$51.6 million or 54.3% of current total forecast. (August 1998 information is not available).*

Commitments to date for Additionally Locally Funded Activities are \$68.7 million or 72.3% of current total forecast.

The project forecast remains unchanged.

Construction remained unchanged.

Professional Services remained unchanged.

Contingency remains unchanged.

CONTRACT/LINE ITEM VARIANCE

CONTRACT VARIANCE: None

LINE ITEM VARIANCE: None.

(Current Forecast differs from Current Budget by 10% or more for the Line Item Total).

*No change to the previously reported FIS figures due to fiscal year closeout processing issues.

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending -September 1998



Status Of Funds By Source

(\$ Millions)

SOURCE	ORIGINAL BUDGET	TOTAL FUNDS ANTICI- PATED	TOTAL FUNDS AVAIL- ABLE	COMMIT- MENTS \$	COMMIT- MENTS %	EXPENDI- TURES \$	EXPENDI- TURES %	BILLED TO SOURCE \$	BILLED TO SOURCE %
Original Scope									
FTA-SECTION 3	\$667.000	\$522.396	\$522.396	\$522.396	100%	\$522.396	100%	\$522.396	100%
FTA-SECTION 3 DEFERRED LOCAL SHARE	\$0.000	\$144.604	\$144.604	\$144.604	100%	\$144.604	100%	\$144.604	100%
FED ISTE A STP (STATE)	\$0.000	\$52.100	\$52.100	\$52.100	100%	\$52.100	100%	\$52.100	100%
STATE	\$185.985	\$133.029	\$133.029	\$133.029	100%	\$133.029	100%	\$133.029	100%
PROPOSITION A	\$439.447	\$504.299	\$504.299	\$504.299	100%	\$450.536	89%	\$450.536	89%
CITY OF LOS ANGELES	\$96.000	\$96.000	\$96.000	\$96.000	100%	\$94.635	99%	\$94.635	99%
BENEFIT ASSESS.	\$58.000	\$0.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
BENEFIT ASSESS. SHORTFALL	\$0.000	\$0.000	\$25.400	\$25.400	0%	\$25.400	0%	\$25.400	0%
COST OVERRUN ACCOUNT	\$0.000	\$191.354	\$82.063	\$68.015	36%	\$56.003	29%	\$56.003	29%
Total Original Scope	\$1,446.432	\$1,643.782	\$1,559.891	\$1,545.843	94%	\$1,478.703	90%	\$1,478.703	90%
Other Locally Funded Activities									
PROP C (TRANSIT ENHANCEMENTS)	\$0.000	\$65.968	\$51.604	\$68.722	104%	\$51.604	78%	\$51.604	78%
COST OVERRUN ACCT.	\$0.000	\$24.587	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
PRIVATE FUNDS (KAISER HOSPITAL)	\$0.000	\$4.434	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
Total Other Locally Funded Activities	\$0.000	\$94.989	\$51.604	\$68.722	72%	\$51.604	54%	\$51.604	54%

Status Of Funds By Source Analysis

STATUS OF FUNDS ANTICIPATED

ISTEA RSTP

In December 1997, MTA submitted a grant application for \$2.528M. Grant application has been withdrawn.

BENEFIT ASSESSMENT

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending -September 1998



No funds are expected to be available until fiscal year 2003.

COST OVERRUN ACCOUNT

The CAPRA account cash balance as of August 31, 1998 is \$25,188.625.

The revised budget growth is funded as follows:

CAPRA: \$21.6M

Prop A: \$194.3M

FISCAL YEAR 1999 BUDGET

The approved budget is 86.0M with funding to be provided by the following sources:

City of Los Angeles: \$1.9M

Prop A 35% Rail Bond: \$84.1M (will also be used to fund part of the Cost Overrun Account)

FUTURE FUNDING NEEDS

Future funding needs have been incorporated into the MTA long range transportation plan based on projected cash flow expenditures.

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



Schedule - Vermont/Hollywood Corridor

	Current Status	Change from Last Month
Current ROD	May 1999	none
Design Progress	100.0%	none
Critical Path Float	-27 days	-16 days
Construction Progress	97.2%	+0.2%

Current Critical Path Analysis

The Project Office is measuring float against the Revenue Operations Date (ROD) of May 29, 1999 approved by the MTA Board of Directors.

PRIMARY CRITICAL PATH (-27 CALENDAR DAYS)

This path slipped 16 calendar days this period, due to delays in completing the B645, TRACS Factory Acceptance Test (FAT) and the required Software Problem Reports (SPR), which needs to be completed prior to download of the TRACS software and the commencement of the interface test at Vermont/Santa Monica Station. This work is critical because it is followed by Phase II system integration tests at Vermont/Santa Monica, Hollywood/Vine, Hollywood/Western, Vermont/Beverly and Vermont/Sunset stations, leading to pre-revenue operations and ROD. The forecast ROD, without schedule mitigation, is June 25, 1999.

SECONDARY CRITICAL PATH (-16 CALENDAR DAYS)

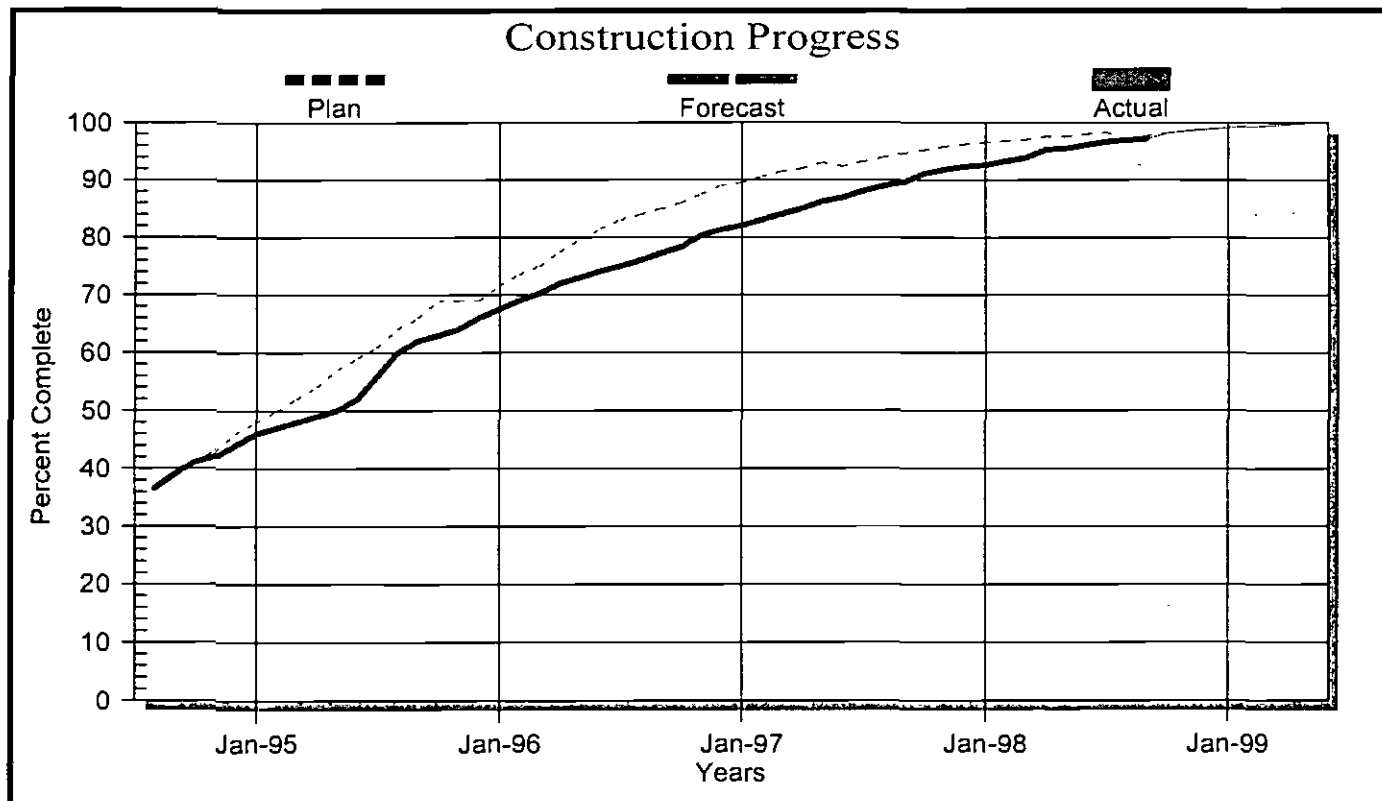
The correction activities for the discrepancy report of Phase 1 System Integration Test (SIT) at Vermont/Santa Monica Station is leading this path with 11 calendar days away from the primary critical path, followed by completing the remaining tests and drills, and start of the Phase 2 SIT.

TERTIARY CRITICAL PATH (-13 CALENDAR DAYS)

Continuing the Phase 1 SIT in the order of Hollywood/Vine, Hollywood/Western, Vermont/Beverly and Vermont/Sunset stations represents a delay of 13 calendar days to the May 29, 1999 ROD.

METRO RED LINE Segment 2

Quarterly Project Status Report
Period Ending - September 1998



Construction Progress Analysis

The project physical progress measurement (PPM) cumulative actual to date is 97.2% versus the planned 97.9%.

The plan versus actual physical progress variance is due to delays for contracts B620, Train Control access problems; B645, TRACS and B646, F&EM slower progress than planned due to late changes; B710, Elevators/Escalators delayed access at Vermont/Sunset and Vermont/Beverly stations; B261, Vermont/Sunset Station finish work slow progress and B648B, Communication Installation delayed access to Vermont/Sunset Station.

METRO RED LINE Segment 2

Quarterly Project Status Report
Period Ending - September 1998



Construction Safety Statistics

Project-to-Date-Rates	Current Status	Change from Last Month
Recordable Injury Rate		
National Average	10.6	
Project Rate (Cum.)	18.0	-0.1
Lost Time Rate (Freq.)		
National Average	4.2	
Project Rate (Cum.)	2.5	none

Recordable Injury Rate: The number of recorded injuries excluding simple first aid or minor medical treatment, per 100 man years.

Lost Time Incident Rate: The number of injuries resulting in days away from work, per 100 man years.

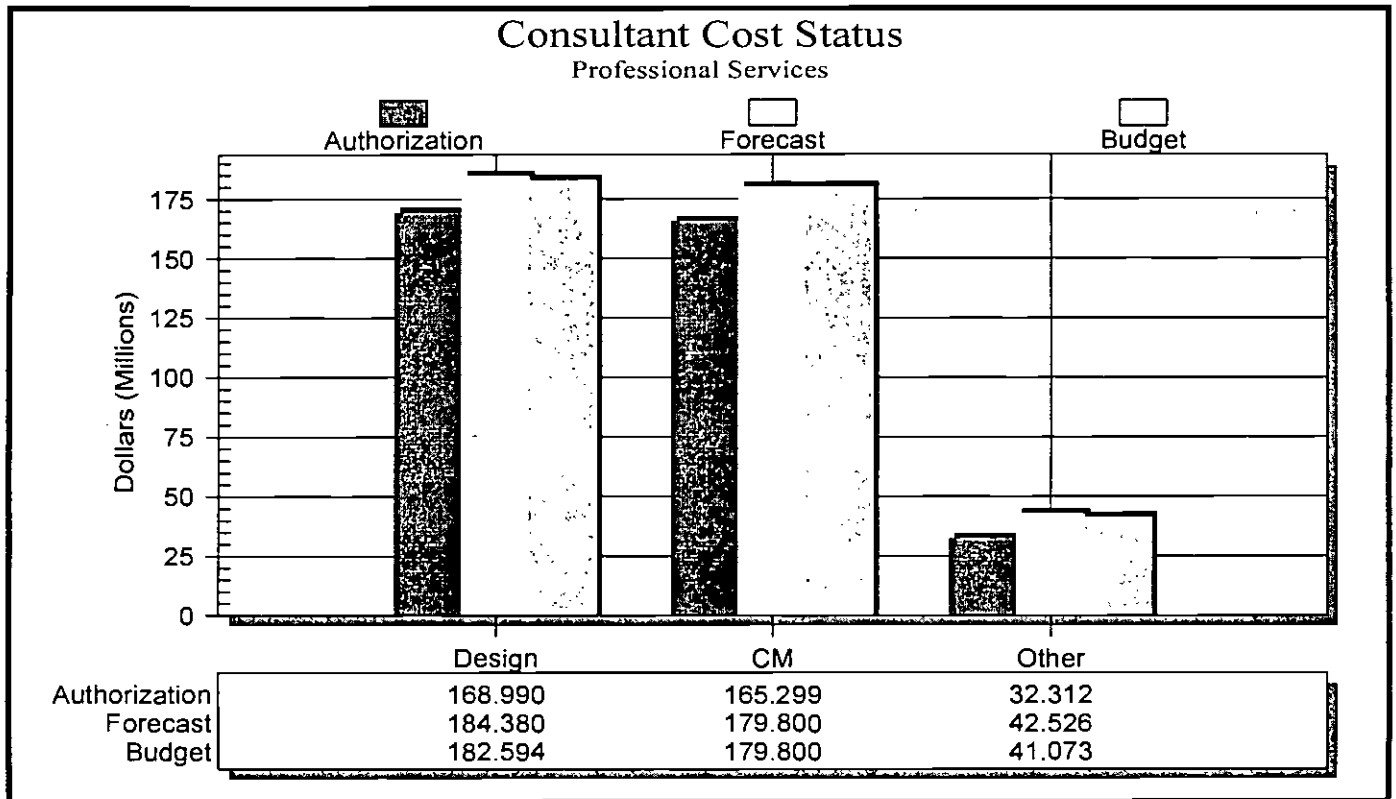
Construction Safety Summary

- The Project-to-Date Lost Time Injury Rate is 2.5. This rate is below the 1995 National Average of 4.2.
- The project is currently completing over 80,000 work hours each month and has produced almost 13,600,000 work hours to date without a fatal injury.

Statistics reflect injuries through August 1998.

METRO RED LINE Segment 2

Quarterly Project Status Report
Period Ending - September 1998



Professional Services Cost Analysis

There were changes to Design Services and Professional Services, and potential changes to Construction Management.

Design Services

The forecast increased 1.8 million due to inclusion of EMC office rent cost.

Construction Management Services

The forecast was unchanged in September. CM services may change as a result of rebaselining of the staffing plan for project delays.

Other Professional Services

The forecast remained unchanged in September.

METRO RED LINE Segment 2

Quarterly Project Status Report

Period Ending - September 1998



Management Issues

NEW

Item (Initiated September 1998)

Out of Plumb Elevator Casing at the B241 Vermont/Beverly Station

Concern/Impact

The elevator casing at the B241 Vermont/Beverly Station is out of plumb. This is delaying installation of elevator equipment by the B710 Elevator/Escalator contractor and has less than two weeks float to the Vermont/Hollywood construction completion milestone.

Status/Action

Meetings were held with the B241 and B710 Contractors in September to discuss the issue, and a letter was sent to the B241 contractor to develop a corrective action. The B241 contractor has performed a survey of the area and is preparing a solution to the problem.

ONGOING

Item (Initiated August 1998)

Fire and Emergency Management System (B646) Late Changes

Concern/Impact

Late changes continue to be issued, which impacts the current schedule. Delay on the Change Notice 83 engineering design submittal for B271 station has impacted the F&EM (Fire and Emergency Management) Local Field Acceptance Test (LFAT) and the early ROD. The project activities (completion of Change Notice 83 submittal, EMC review and field implementation by B648B, followed by F&EM LFAT, and the start of phase one system integration test at B271 station).

Status/Action

The Contractor had submitted the engineering design which was approved by EMC. The B648B contractor has started the installation of the required equipment associated with this change. The B271 station will be ready for Phase I system integration test following the B281 station. New Change Notices 89 and 90 were initiated this period and Change Notice 93 is being processed to be issued to the Contractor in October. The impact of these late changes could delay the LFAT progress.

ONGOING

Item (Initiated December 1997)

Vermont/Sunset Station (B261) -- Delays to station electrical and mechanical work, including water damage to the electrical equipment

METRO RED LINE Segment 2

Quarterly Project Status Report Period Ending - September 1998



Concern/Impact

Delays to station electrical/mechanical installation, which is followed by station functional testing and overall integrated testing, has placed this work near the critical path to the Segment 2 Revenue Operations Date.

Status/Action

The MTA Project Office reached agreement with Tutor-Saliba to complete mechanical/electrical equipment installation and station functional testing by November 30, 1998. Tutor-Saliba submitted a schedule to meet the November 30 date, which was approved. There was a two-week slip against this schedule in August, which was maintained in September, and the Contractor's ability to complete testing by November 30 remains an area of concern. During the last week in September, the Contractor began working overtime to mitigate the delays.

ONGOING

Item (Initiated February 1998)

B263, Vermont/Sunset Kaiser Entrance Award and Notice to Proceed (NTP)

Concern/Impact

The critical schedule issue is that a vent structure needs to be constructed at the Vermont/Sunset Station, prior to revenue operations, which will allow smoke exhaust and ancillary fans to be exhausted into a combined shaft to the surface. Upon completion of this vent structure, the airflow within the station can be tested, and project staff can then seek approval from the Fire/Life/Safety Committee for a beneficial occupancy permit, allowing the station to be used for revenue service. The plan is to have the vent structure built as part of the Kaiser entrance by the successful B263 Kaiser entrance contractor.

Status/Action

During September, a Change Order was negotiated with Tutor-Saliba to build the Kaiser Entrance as a change to the B261 contract. Notice-to-Proceed is scheduled for October 8, 1998. Alternative ventilation plan is being developed by EMC to allow the testing and operation of the station without the Kaiser Entrance ventilation shaft.

ONGOING

Item (Initiated February 1998)

Unauthorized Labor Charges Originating From Operations Division

Concern/Impact

During Fiscal Year 1996-1997, the Operations Division charged unauthorized labor to the Construction Division. The unauthorized Operations Labor Charges directed to Metro Red Line Segment 2 specifically have been found to total approximately 20,336 hours or approximately \$1M.

Status/Action

Attempts have been made to disallow these charges to Segment 2 through the appropriate channels.

A meeting with the Office of Management and Budget recommended that the DEO Project Manager for Segment 2 and the Rail Activation Manager resolve the issues through negotiations. These discussions are continuing.

METRO RED LINE SEGMENT 3
NORTH HOLLYWOOD EXTENSION
EXECUTIVE SUMMARY

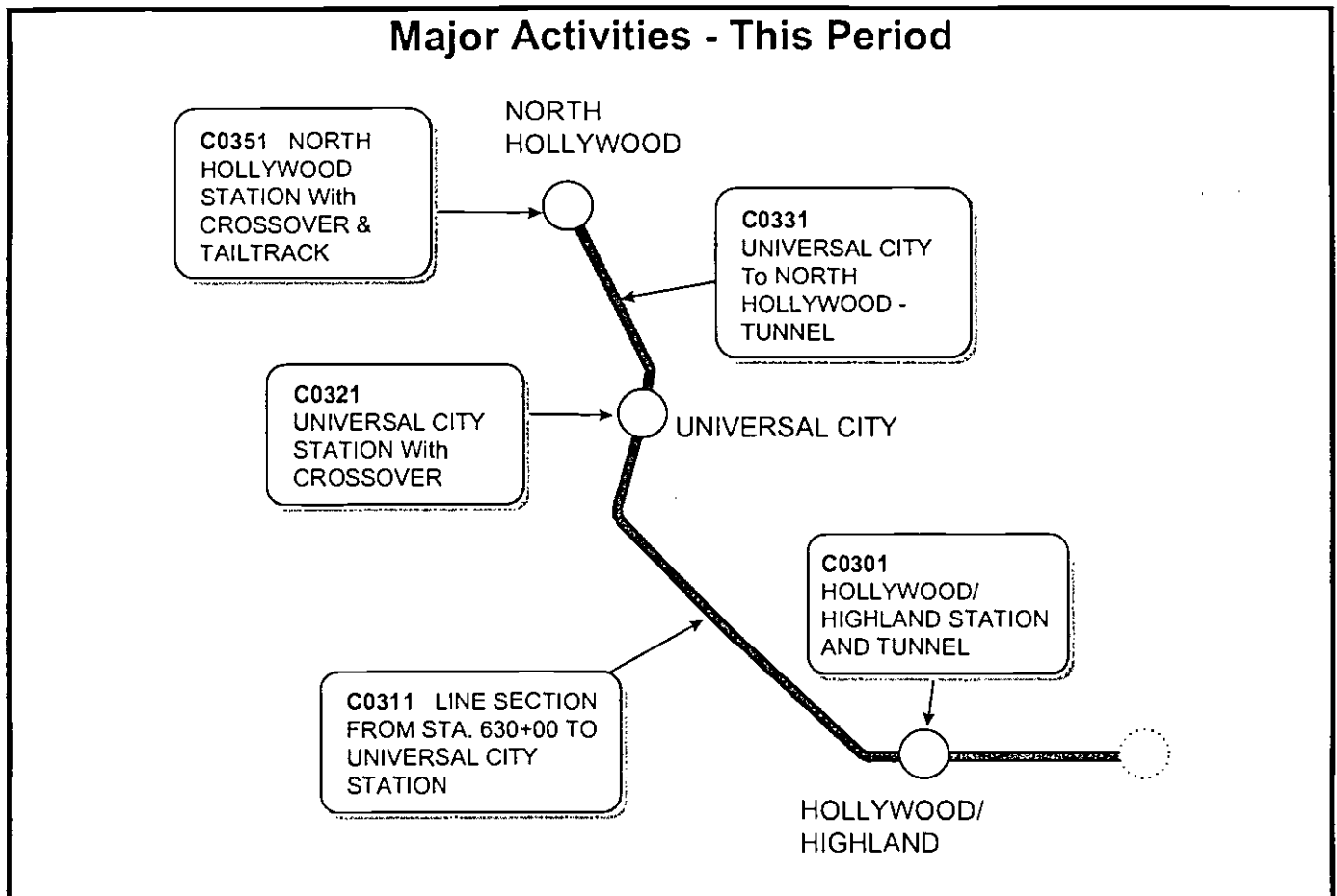
METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report

Period Ending - September 1998



Major Activities - This Period



SYSTEMWIDE ACTIVITIES:

- C0322 (UCS Pedestrian Undercrossing) submitted the Final Preliminary Engineering
- C0352 (North Hollywood Station Sitework) received limited NTP and started surveying
- C0390 (Miscellaneous Construction) submitted the Pre-final Submittal
- C1326 (UCS Freeway Overcrossing & Ramps) continued work toward the 100% Final design
- H0123 (Variable Message Signs) supported MTA and CM on the procurement process

B620 AUTOMATIC TRAIN CONTROL (ATC): Commenced A/C feeder installation to A135 mid vent structure; delivered C0301 TC&C room equipment and stored in C0301 tunnel.

B630 TRACTION POWER SUBSTATION EQUIPMENT: Completed delivery of 38KV

switchgear and 750v DC switchgear for station TPSS rooms.

B641 RADIO SYSTEM: Completed station cable layout design.

B642 PUBLIC ADDRESS (PA): Completed Factory Acceptance Test (FAT) and delivered to H0648 for installation.

B644S FO&CT (WILTEL): Completed Factory Acceptance Test (FAT) and ready for delivery to H0648 for installation by September 30, 1998.

B646 FIRE AND EMERGENCY MANAGEMENT (FE&M): Submitted Final Design Review (FDR) for C0321 to EMC for review.

METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report Period Ending - September 1998



B710 ESCALATORS AND ELEVATORS:

Commenced delivery of equipment and installation at C0321 station.

B740 VENTILATION EQUIPMENT: Continued installation at all stations.

B745 AIR HANDLING EQUIPMENT: Delivered air handling units, TPSS fans, dampers and filtration banks for installation by facilities contractors.

B795 UNINTERRUPTIBLE POWER SUPPLY (UPS): Completed delivery of UPS equipment for all stations and delivered UPS batteries for C0351 station.

C0301 HOLLYWOOD/HIGHLAND STATION AND TUNNELS COMPLETE:

- Completed 98% of high bay ceiling
- Completed 89% of HVAC
- Completed 80% of electrical installation
- Completed 91% of mechanical piping installation
- Met Milestones #4 and #5, C1610 (Trackwork) access to station, on schedule
- Met Milestones #8A, #8B, #9A, and #9B, B710 (Escalators & Elevators Installation) access to platform level, on schedule
- Met Milestone #14A-2, energize equipment in west end auxiliary power room, on schedule
- Issued two WACN's to expedite the start of Hollywood Blvd. restoration

C0311 LINE SECTION FROM STATION 630+00 TO UNIVERSAL CITY:

- Completed AR tunnel invert from the Seismic Section to La Brea Shaft
- Completed AR tunnel arch from Track Level Rooms to Crosspassage 44
- Completed AL tunnel arch from Crosspassage 50 to Crosspassage 47
- Turned over the AL tunnel (Milestone #12) from Hollywood/Highland Station to La Brea Shaft to the C1610 contractor on schedule
- Started Track Level Rooms exterior wall rebar and form work
- Continued walkway concrete installation in AR and AL tunnels north of the Track Level Rooms
- Continued AR and AL tunnel electrical conduit and lighting installation north of the Track Level Rooms
- Started wire pull in the AR and AL tunnels north of the Track Level Rooms
- Continued wet stand pipe installation in the AR and AL tunnels north of the Track Level Rooms

C0321 UNIVERSAL CITY STATION:

- Placed concrete in Fresh Air Intake #3 and #5 exterior walls and roof

- Drilled and placed emergency stairway #11.1 soldier piles by Universal Place

- Excavated and installed timber lagging for stairway #11.1

- Installed elevator enclosure #3 in the south entrance area

- Installed architectural finish-related items in the entrance upper passageway

- Installed air supply fans, dampers, and HVAC ducting

- Achieved Milestones #4 and #5 (Access to B710 Elevators/Escalators) at station entrance

C0331 LINE SECTION, NORTH HOLLYWOOD STATION TO UNIVERSAL:

- Started Lankershim Blvd. street restoration at Mid Vent Shaft

- Given access to B620 contractor to Mid Vent Shaft

C0351 N. HOLLYWOOD STATION W/CROSSOVER & TAILTRACK COMPL:

- Completed 2 of 6 weekends of closure on Lankershim between Cumpston and Weddington for street restoration work
- Started electrical testing

C1610 TRACKWORK INSTALLATION:

- C0351/C0331 AR Alignment (including Tail Track) installed, lined, gauged and graded all running rail; Milestone #2 for High Rail Access was achieved on September 20; Contact Rail Pedestals are installed
- C0351/C0331AL Alignment (including Tail & Pocket Track) installed, lined, gauged and graded all running rail; Milestone #3 for High Rail Access is on schedule for October 10; Contact Rail Pedestal installation is underway
- C0321 (Station/Crossover) installed all plinth concrete and special trackwork; Milestone #4 for High Rail Access is on schedule for October 14
- C0301 AR/AL tunnels from 558+81 to 616+00 access was granted on August 17 and 31; completed installation of survey, waterblast and temporary rail; material and form deliveries through Segments 1 and 2 are underway

H0122 CLOSED CIRCUIT TELEVISION (CCTV):

Completed Final Design Review submittal and approved by EMC.

H0631 TRACTION POWER, INSTALL: Continued installation at all stations.

METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report
Period Ending - September 1998



Quality Assurance

Refer to page PS-7 for Quality Assurance / Total Quality Management

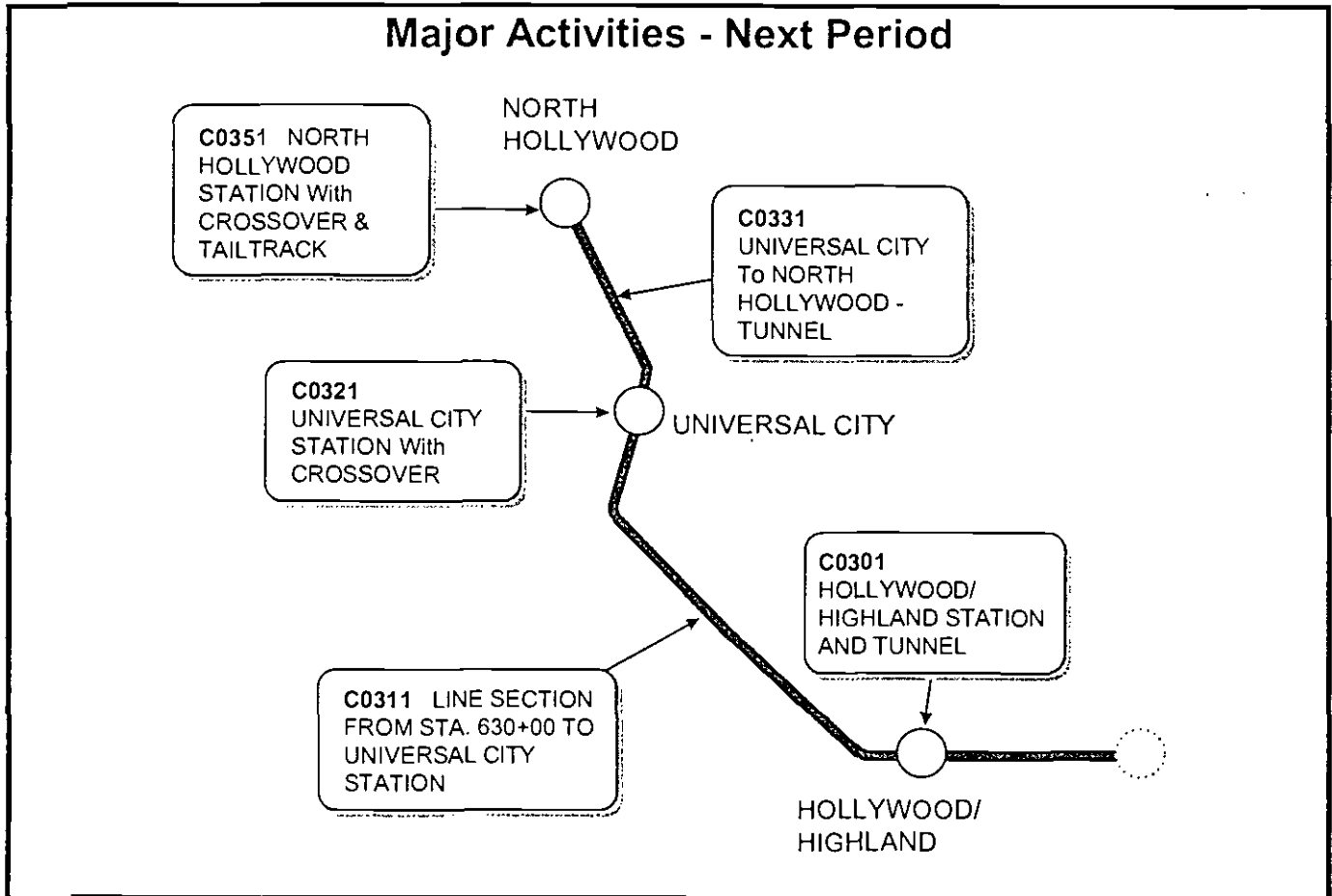
METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report

Period Ending - September 1998



Major Activities - Next Period



SYSTEMWIDE ACTIVITIES:

- C0322 (UCS Pedestrian Undercrossing) begin Final Design
- C1326 (UCS Freeway Overcrossing & Ramps) continue with the 100% Final design
- C0390 (Miscellaneous Construction) continue with the 100% design work
- H0123 (Variable Message Signs) continue with the support on the procurement process

B620 AUTOMATIC TRAIN CONTROL (ATC): Access and start installation at C0321 TC&C room after the flood damage repaired by the facility contractor.

B630 TRACTION POWER SUBSTATION EQUIPMENT: Continue procurement and manufacturing traction power equipment for C0311 and C0331 MVS.

B641 RADIO SYSTEM: Finalize engineering design.

B644S FO&CT (WILTEL): Deliver FOCT equipment to H0648 for installation.

B740 VENTILATION EQUIPMENT: Continue installation at all stations.

B795 UNINTERRUPTIBLE POWER SUPPLY (UPS): Complete delivery of remaining UPS batteries.

C0301 HOLLYWOOD/HIGHLAND STATION AND TUNNELS COMPLETE:

- Complete 99% of high bay ceiling
- Complete 90% of HVAC
- Complete 82% of electrical installation
- Complete 92% of mechanical piping installation
- Complete Milestones #10A and #11A, B710 (Escalators & Elevators Installation) access to

METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report
Period Ending - September 1998



entrance area; complete B740 Ventilation Equipment Installation at east end; complete Milestone #15, Turnover Communication Interface Cabinets (CIC); and complete raceway installation in Traction Power Substation (TPSS) room

- Complete WACN work to expedite the start of Hollywood Blvd. restoration

C0311 LINE SECTION FROM STATION 630+00 TO UNIVERSAL CITY:

- Complete tunnel arch pours in the AR tunnel from the Track Level Rooms to the La Brea Shaft
- Complete tunnel invert pours in the AL tunnel from the Seismic Section to the La Brea Shaft
- Complete tunnel arch pours in the AL tunnel from the Track Level Rooms to the Seismic Section
- Complete walkway concrete pours and wet stand pipe installation in the AR tunnel north of the Track Level Rooms
- Commence work on concrete pours for Track Level Rooms exterior walls and arch
- Complete cable tray, electrical conduit, and lighting installation in the AR tunnel north of the Track Level Rooms
- Complete concrete work for Crosspassages 44 to 50

C0321 UNIVERSAL CITY STATION:

- Install HDPE, rebar, and formwork for emergency stairway #11.1 by Universal Place
- Install granite steps and platform floor tiles
- Complete wall tile operations in the entrance area
- Perform electrical testing procedures with temporary power
- Backfill phase 3 roof lifts 13-15

C0331 LINE SECTION, NORTH HOLLYWOOD STATION TO UNIVERSAL:

- Give access to H0631 contractor to Mid Vent Shaft
- Complete street restoration at Mid Vent Shaft

C0351 N. HOLLYWOOD STATION W/CROSSOVER & TAILTRACK COMPL:

- Energize permanent power
- Complete Lankershim Blvd. street restoration closures
- Complete metal ceiling

C1610 TRACKWORK INSTALLATION:

- C0351/C0331 AL Alignment (including Tail & Pocket Track) complete work associated with Milestone #3 for High Rail Access on October 10
- C0351/C0331 AR/AL Alignment (including Tail & Pocket Track) begin contact rail, coverboard and

crosswalk installation for Milestone #9 due November 29

- C0321 (Station/Crossover) continue work associated with Milestone #4 for High Rail Access on October 14; begin contact rail, coverboard and crosswalk installation for Milestone #9 due November 29
- C0301 AR Tunnel from 558+81 to 617+00 continue work associated with Milestone #7 including contact rail, coverboards, and crosswalks due November 15
- C0301 AL Tunnel from 558+81 to 617+00 complete work associated with Milestone #8 including contact rail, coverboards, and crosswalks due November 29
- C0311 AR Tunnel from 758+13 to 676+30 receive access and begin survey, waterblast and plinth dowel installation

H0631 Traction Power, Install: Continue installation at all stations.

METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report
Period Ending - September 1998



Budget/Forecast Variance

Original Scope Activities
(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	September Change in Forecast
PROJECT RESERVE	\$0.4	\$2.6	\$2.3	\$0.0
CONSTRUCTION	\$824.7	\$855.2	\$30.5	(\$4.5)
PROFESSIONAL SERVICES	\$300.8	\$310.0	\$9.2	\$0.2
REAL ESTATE	\$89.0	\$86.3	(\$2.8)	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$26.3	\$26.6	\$0.3	\$0.0
SPECIAL PROGRAMS	\$0.0	\$0.0	\$0.0	\$0.0
PROJECT CONTINGENCY	\$69.6	\$30.0	(\$39.5)	\$4.3
PROJECT REVENUE	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL PROJECT	\$1,310.8	\$1,310.8	\$0.0	\$0.0

Budget/Forecast Variance Analysis

Original Scope Activities

Total Original Scope Expenditures through June 1998: \$829.8 million (July and August 1998 information not available)*

Total Original Scope Commitments through September 1998: \$1,048.1 million

The Current Budget and Current Forecast totals remain unchanged at \$1,310.8 million.

However, there were a number of Forecast Changes within the Project Elements which were offset by Project Contingency as follows:

Contract C0321 (Universal City Station) - Forecast decreased by \$3.6 million due to the reevaluation of the contract contingency based on the substantial completion of the station structure.

Contract B646 (Fire & Emergency Mgmt.) - Forecast decreased by \$0.9 million due to the reevaluation of the contract contingency.

Contract CM002 (LKG-CMC Configuration Management Support Services) - Forecast increased by \$0.2 million to reflect FY00 and FY01 close-out workscope.

Project Contingency - Forecast increased \$4.3 million due to the above mentioned forecast changes.

The September 1998 Planned Project Contingency is \$34.7 million; the Actual Project Contingency is \$30.0 million. The variance of \$4.7 million between the planned and the actual contingency is due to allocations to several construction and professional services contracts.

*No change to the previously reported FIS figures due to fiscal year closeout processing issues.

METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report

Period Ending - September 1998



Contract Variance (Current Forecast Differs from Current Budget by 10% or more and Current Budget is \$50 Million or more):

***Contract B251 - Tunnel Segment Hollywood/Vine to Rock Interface (603+00)**

Current Budget: \$60,500,000
Forecast: \$44,859,587
Variance: (\$15,640,413)
% Variance: (25.9%)

Mitigation: The Current Budget was updated through PBCR #3 which allocated additional budget to the contract for original contract delays, grouting, work resequencing and potential claims as a result of the tunnel settlement and termination of the SKK contractor. The forecast reflects the last known information prior to the sinkhole and street settlement. The contractor has been terminated and ongoing litigation between MTA, PD and SKK will result in significant claims and insurance damages. Since the attorney client confidentiality prevents PD from disclosing a possible claim exposure figure, the forecast will remain unchanged until public filings are made.

***Contract C0301 - Hollywood/Highland Station**

Current Budget: \$73,991,000
Forecast: \$81,935,382
Variance: \$7,944,382
%Variance: 10.7%

Mitigation: The Current Budget reflects the anticipated cost of the physical workscope of the contract. The variance as reported in the forecast is largely comprised of potential change growth and allocated contingency to address outstanding claim exposure. The JMA Construction Management field office staff is actively evaluating delay mitigation measures which comprise a large portion of the variance.

***Contract C0331 - Tunnels from UC City Stn to NH Stn**

Current Budget: \$98,628,200
Forecast: \$116,397,995
Variance: \$17,769,795
%Variance: 18.0%

Mitigation: The Current Budget reflects the anticipated cost of the physical work scope of the contract. The variance as reported in the forecast is largely comprised of potential change growth and allocated contingency to address outstanding claim exposure. The PD Construction Management field office has a claims evaluation team assessing the contractor submittals to identify areas of claim mitigation.

***Contract C0351 - North Hollywood Station**

Current Budget: \$83,742,000
Forecast: \$71,748,199
Variance: (\$11,993,801)
%Variance: (14.3%)

Mitigation: The Current Budget reflects the final engineer's estimate prior to contract award. Forecast is less than the budget due to contract bid coming in at a lower than anticipated value.

Contract E0070 - Engineering Management Consultants

Current Budget: \$82,187,000
Forecast: \$93,380,279
Variance: \$11,193,279
% Variance: 13.6%

Mitigation: The Current Budget reflects the original project budget. The forecast for the North Hollywood Project has been updated to reflect the cost exposure of \$5.8M due to CWO #072 - Project Office Expense Rate (POER). Once MTA Procurement finalizes all negotiations with the EMC regarding POER, a reevaluation of the forecast will occur.

METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report

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Line Item Variance (Current Forecast Differs from Current Budget by 10% or more for The Line Item Total)

*Line 03 - Hazardous Material Handling

Current Budget: \$15,058,000

Forecast: \$5,177,718

Variance: (\$9,880,282)

%Variance: (65.6%)

Mitigation: The Current Budget reflects the conservative scenario presented by MTA Environmental based on the limited information available at the inception of the North Hollywood Project. Forecast is less than the budget due to less than anticipated contaminated soil encountered to date. A budget forecast reconciliation is in process which will align the estimated final costs once hazardous material handling is significantly complete.

Line 07 - Systemwide Equipment

Current Budget: \$46,051,000

Forecast: \$53,605,614

Variance: \$7,554,614

%Variance: 16.4%

Mitigation: The forecast variance of \$7.6M is largely due to a number of contracts with significant changes in workscope, delay claim exposure and additional escalation costs including design updates, labor and overhead issues, economic price adjustments and contract contingency adjustments.

*Line 08 - Trackwork

Current Budget: \$25,526,000

Forecast: \$33,545,657

Variance: \$8,019,657

%Variance: 31.4%

Mitigation: Contract C1610, Trackwork Installation, is contributing \$7.9M of the total variance of \$8.0M. The variance is due to the necessary addition of installation, operation and maintenance of the temporary ventilation system and sump pumps, operation and maintenance of the La Brea and North Access shafts, and constructing a sound wall for the C1610 yard work at North Hollywood. These changes were necessary to coordinate the overall system ventilation, provide more effective access through the Access Shafts, and to satisfy environmental requirements not initially budgeted. There is no potential to recover this variance.

*Line 09 - Testing and Pre Revenue Operations

Current Budget: \$7,715,000

Forecast: \$9,296,000

Variance: \$1,581,000

%Variance: 20.5%

Mitigation: The Current Budget reflects the original Project Control assessment of testing and pre-revenue operational requirements established in 1993. The forecast has been re-evaluated to include areas of potential cost exposure related to delay mitigation/acceleration. Project staff is implementing mitigation measures by concentrating on reducing direct labor charges to the project and comprehensively re-examining the proposed staffing levels required for the impacted Operations division which will service this aspect of the project.

*Notes no change from prior period.

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Budget/Forecast Variance

Additional Locally Funded Activities
(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	September Change in Forecast
CONSTRUCTION	\$1.9	\$0.2	(\$1.7)	\$0.0
PROFESSIONAL SERVICES	\$0.7	\$30.8	\$30.1	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$0.0	\$0.0	\$0.0	\$0.0
SPECIAL PROGRAMS	\$0.0	\$0.9	\$0.9	\$0.0
PROJECT CONTINGENCY	\$0.4	\$0.0	(\$0.4)	\$0.0
PROJECT REVENUE	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$3.0	\$31.9	\$28.8	\$0.0

Budget/Forecast Variance Analysis

Additional Locally Funded Activities

Total ALFA Expenditures through June 1998: \$3.9 million (July and August 1998 information not available)*

Total ALFA Commitments through September 1998: \$4.5 million

"Additional Locally Funded Activities" (ALFA) are defined as work scope not originally covered under the FFGA and are therefore ineligible for Federal funding. This includes Station Artwork, Hollywood Boulevard Settlement, Non Revenue Connector, etc. The Current Budget contains approximately \$3.0 million in ALFA categories under the Construction, Professional Services and Contingency elements.

Contract S019 (MTA Project Admin.) - The MTA has revised the allocation of Agency overhead and indirect charges to the project in excess of the budget plan. The forecast of \$30.8 million is due to this potential overrun in the Agency cost element of the project. Project contingency established in the original budget has not been transferred to absorb this potential project cost increase.

*No change to the previously reported FIS figures due to fiscal year closeout processing.

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STATUS OF FUNDS ANTICIPATED

FTA SECTION 3: MTA submitted a grant application for \$37,393,664 of Section 3 Funds in March 1998 for the North Hollywood Project. Grant was approved on October 2, 1998 and funds will be available for drawdown by end of October.

**FTA SECTION 9
FED ISTE/CMAQ:** Grant award was approved on August 27, 1997 for FY 96 CMAQ \$20 million for the East Side Project. Funds will not be available for drawdown until Federal review of the Regional Transit Alternative Analysis. MTA submitted a grant application on March 31, 1998 for \$20.6 million of CMAQ funds to be allocated to the North Hollywood Project. Approval is expected in October 1998.

**FTA SECTION 9
FED ISTE/STP:** Grant award for \$75 million of STP funds was approved on August 27, 1997. Funds are now available for drawdown with the exception of \$25 million allocated to the Eastside Project. These funds will be available for drawdown upon Federal review of the Regional Transit Alternative Analysis. MTA submitted a request to CTC to reprogram STP funds initially earmarked for LA Rail Car Project to the North Hollywood Project for a total of \$7.8 million. CTC approved MTA request on March 31, 1998.

STATE PROP 116: MTA submitted on April 8, 1997 a grant application and an allocation request to the CTC for \$15 million of Prop. 116 Rail Bond Funds. Funds will now be allocated against the North Hollywood Project instead of the Eastern Extension Project. MTA requested the CTC to take action for transferring the funds. Funds were allocated on March 31, 1998. MTA submitted a Prop. 116 application to transfer allocation of funds from LA Rail Car Project to the North Hollywood Project for a total of \$17.1 million. CTC approval was granted on March 31, 1998.

STATE SHA: MTA submitted on June 27, 1997 an allocation request to the CTC for \$20 million of State Highway Account (SHA) funds for the North Hollywood Project. Approval was obtained in February 1998. On May 5, 1998, the CTC approved \$26 million of State SHA for the North Hollywood Project. The fund transfer agreement was executed in July 1998. MTA plans to submit on October 27, 1998 an allocation request to the CTC for \$6.7 million of SHA funds for the North Hollywood Project.

CITY OF LA: A fund transfer agreement was executed on July 24, 1997 for a total amount of \$200 million. The first installment totaling \$55.4 million has been drawdown.

**BENEFIT
ASSESSMENT:** Funds are no longer expected due to passage of Prop. 218 (Right to Vote on Tax Initiatives).

METRO RED LINE Segment 3 North Hollywood

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FINANCIAL DETAIL METRO RED LINE NORTH HOLLYWOOD PROJECT (IN MILLIONS OF DOLLARS)

SOURCE	(A) ORIGINAL BUDGET	(B) TOTAL FUNDS ANTICIPATED (1)	(C) TOTAL FUNDS AVAILABLE	(D) COMMITMENTS \$	(D/B) %	(E) EXPENDITURES \$	(E/B) %	(F) BILLED TO FUNDING SOURCE \$	(F/B) %
ORIGINAL SCOPE:									
FTA-SECTION 3	\$681.037	\$544.830	\$346.998	\$544.830	100%	\$375.165	69%	\$346.998	64%
FTA-SECTION 3 DEFERRED LOCAL SHARE		\$136.207	\$86.749	\$136.207	100%	\$93.791	69%	\$86.749	64%
FED ISTEA STP (STATE)	\$0.000	\$57.800 (5)	\$57.800	\$50.000	87%	\$50.000	87%	\$50.000	87%
FED ISTEA STP/CMAQ (REGIONAL)	\$25.000	\$71.358	\$53.037	\$71.007	100%	\$71.007	100%	\$53.037	74%
FED ISTEA RSTP DEFERRED LOCAL SHARE		\$9.245	\$6.871	\$9.199	100%	\$9.199	100%	\$6.871	74%
SB 1995 TRUST FUND	\$53.000	\$66.686	\$66.686 (2)	\$66.686	100%	\$66.686	100%	\$66.686	100%
STATE SHA/ARTICLE XIX	\$115.000	\$66.355 (6)	\$40.355	\$48.656	73%	\$48.656	73%	\$20.855	31%
STATE PROP 116	\$0.000	\$57.652 (5)	\$57.652	\$36.345	63%	\$36.345	63%	\$25.000	43%
STATE TSM Match	\$0.000	\$13.218	\$10.537	\$13.218	100%	\$13.218	100%	\$10.537	80%
STATE CTIP	\$0.000	\$141.145 (5)	\$0.000	\$4.610	3%	\$0.000	0%	\$0.000	0%
CITY OF LA	\$101.500	\$90.046 (3)	\$55.446	\$55.446	62%	\$55.446	62%	\$55.446	62%
PROP C	\$318.185	\$56.280	\$72.558 (8)	\$14.921	27%	\$13.794	25%	\$36.989	66%
BENEFIT ASSESS. DISTRICT	\$17.100	\$0.000 (7)	\$0	\$0	0%	\$0	0%	\$0	0%
TOTAL	\$1,310.822	\$1,310.822	\$854.689 (4)	\$1,051.125	80%	\$833.307	64%	\$759.168	58%
OTHER LOCALLY FUNDED ACTIVITIES:									
PROP C (ARTWORK)	\$0.000	\$2.435	\$0.610	\$1.396	57%	\$0.342	14%	\$0.342	14%
PROP C (NON-REV. CONNECTOR)	\$0.000	\$0.285	\$0.003	\$0.077	27%	\$0.003	1%	\$0.003	1%
TOTAL	\$0.000	\$2.720	\$0.613	\$1.473	54%	\$0.345	13%	\$0.345	13%

(1) Based on Current Budget. Allocation by funding source based on Nov 97 draft funding plan.

(2) Funds available have been reduced by \$7.3M due to usage of interest proceeds to other programs.

(3) Assumes the City of LA will contribute 7% of the total project cost.

(4) When funds available are lower than expenditures, Treasury uses the cash pool account to pay the unfunded balance. Once funds become available, Grant Accounting bills the appropriate funding source and Treasury reimburses the cash pool account.

(5) State CTIP funds (\$85.952M) are being replaced by additional STP funds (\$7.8M transfer from LA Rail Car project), additional State SHA funds (\$4.9M from Del Norte Station project and \$21.1M from LA Rail Car project), and additional Prop 116 funds (\$15M from East Side project & \$17.152M from LA Rail Car project).

(6) \$5M of SHA funds from FY 98 STIP (non committed project) has been transferred to State Prop 116 per agreement with the CTC (Oct 98).

(7) Benefit Assessment District funds are no longer expected due to passage of Prop 208 (Right to vote on tax initiatives)

(8) Based on actuals through FY 98 plus FY 99 budget.

NOTE: EXPENDITURES ARE CUMULATIVE THROUGH AUGUST 1998.



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FINANCIAL DETAIL
METRO RED LINE TOTAL SEGMENT 3 PROJECT
(IN MILLIONS OF DOLLARS)

SEPTEMBER 1998

STATUS OF FUNDS BY SOURCE

SOURCE	(A) ORIGINAL BUDGET	(B) TOTAL FUNDS ANTICIPATED	(C) TOTAL FUNDS AVAILABLE	(D) COMMITMENTS \$	(D/B) %	(E) EXPENDITURES \$	(E/B) %	(F) BILLED TO FUNDING SOURCE \$	(F/B) %
ORIGINAL SCOPE:									
FTA-SECTION 3	\$1,317.912	\$1,133.192	\$408.182	\$629.035	56%	\$436.349	39%	\$408.182	36%
FTA-SECTION 3 DEFERRED LOCAL SHARE	\$98.578	\$283.298	\$102.045	\$157.258	56%	\$109.087	39%	\$102.045	36%
FED ISTEA STP (STATE)	\$25.000	\$82.800	\$82.800	\$50.000	60%	\$50.000	60%	\$50.000	60%
FED ISTEA STP/CMAQ (REGIONAL)	\$156.617	\$134.771	\$71.998	\$72.262	54%	\$72.262	54%	\$54.292	40%
FED ISTEA RSTP DEFERRED LOCAL SHARE	\$9.875	\$17.461	\$9.328	\$9.362	54%	\$9.362	54%	\$7.034	40%
SB 1995 TRUST FUND	\$53.000	\$66.686	\$66.686	\$66.686	100%	\$66.686	100%	\$66.686	100%
STATE SHA/ARTICLE XIX	\$165.000	\$106.355	\$40.355	\$48.656	46%	\$48.656	46%	\$20.855	20%
STATE PROP 116	\$87.300	\$57.652	\$57.652	\$36.345	63%	\$36.345	63%	\$25.000	43%
STATE FLEXIBLE CONGESTION RELIEF	\$26.000	\$50.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
STATE TSM Match	\$11.142	\$19.723	\$10.537	\$13.218	67%	\$13.218	67%	\$10.537	53%
STATE CTIP	\$0.000	\$141.145	\$0.000	\$4.610	3%	\$0.000	0%	\$0.000	0%
CITY OF LA	\$136.244	\$163.490	\$55.446	\$55.446	34%	\$55.446	34%	\$55.446	34%
PROP C	\$677.318	\$786.179	\$140.699	\$91.698	12%	\$81.935	10%	\$105.130	13%
BENEF ASSESS. DISTRICT	\$17.100	\$0.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
TOTAL	\$2,781.086	\$3,042.752	\$1,045.728	\$1,234.576	41%	\$979.346	32%	\$905.207	30%
OTHER LOCALLY FUNDED ACTIVITIES:									
PROP C (ARTWORK)	\$0.000	\$2.435	\$0.610	\$1.396	57%	\$0.342	14%	\$0.342	14%
PROP C (NON-REV. CONNECTOR)	\$0.000	\$0.285	\$0.003	\$0.077	27%	\$0.003	1%	\$0.003	1%
TOTAL	\$0.000	\$2.720	\$0.613	\$1.473	54%	\$0.345	13%	\$0.345	13%

(1) BASED ON CURRENT BUDGET

NOTE: EXPENDITURES ARE CUMULATIVE THROUGH AUGUST 1998.



METRO RED LINE Segment 3 North Hollywood

Quarterly Project Status Report
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Schedule

	Current Status	Change from Last Month
Current ROD	May 2000	none
Design Progress	95.4%	+0.1%
Critical Path Float	0 days	none
Construction Progress	73.4%	+1.2%

Current Critical Path Analysis

The September 1998 Master Schedule shows the project on schedule with the Forecast Revenue Operation date of May 17, 2000. The project critical path runs through C0311 (Line Section under Santa Monica Mountains), C1610 (Trackwork Installation), B620 (Automatic Train Control), and Integration /Testing/Pre-Revenue Operations. The C0311 mitigation plan has improved the schedule turnover to follow-on contractors. Mitigation included the resequence of the concrete work in the Track Level Rooms so that the mechanical and electrical room could become available for mechanical and electrical installation at an earlier date. Mitigation also included the switching of the concrete operations from the North Access Shaft to the La Brea Shaft to allow for an earlier construction of Crosspassage 60, and the acceleration of the concrete placement by adding a third train. The plan is working and with no anticipated delays to the trackwork turnover dates.

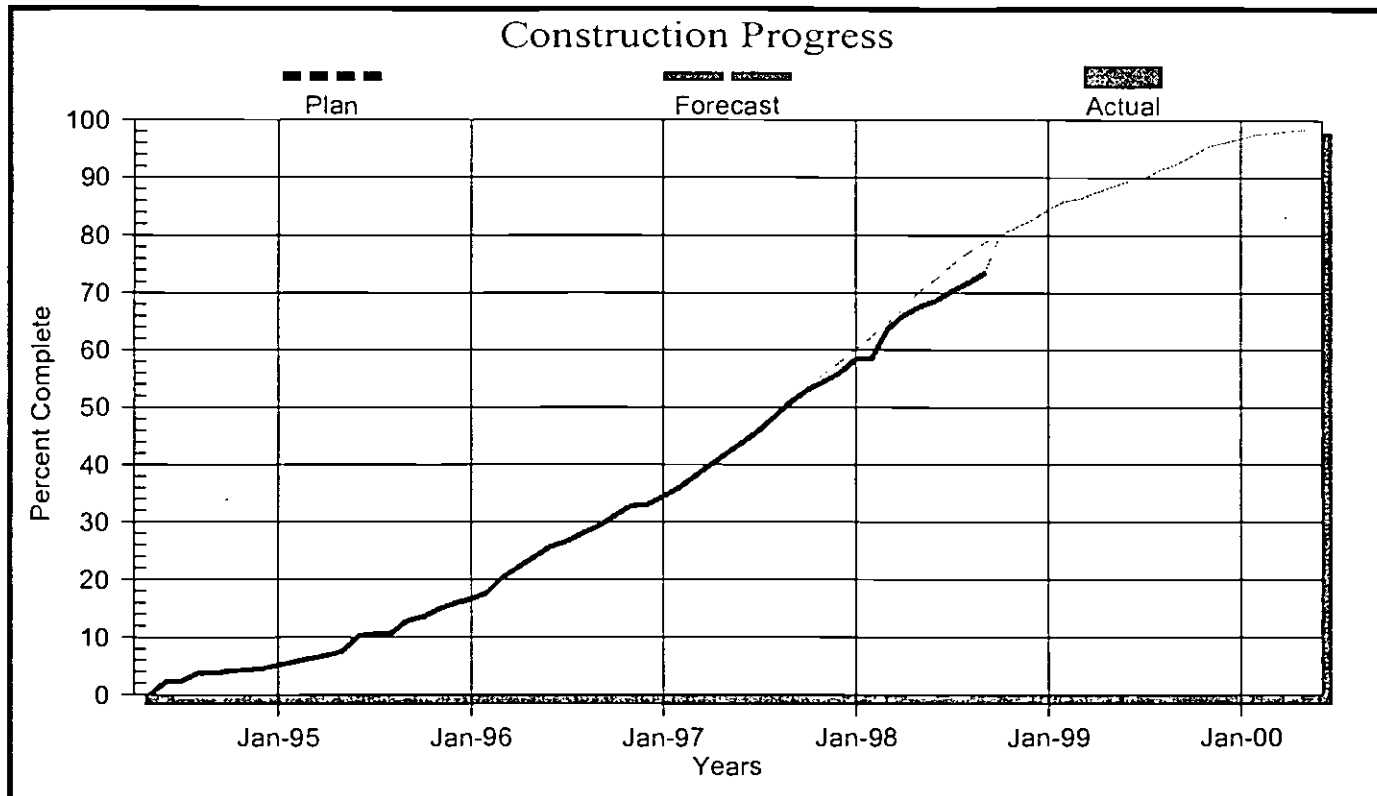
The project is shifting from facilities concreting to more complex mechanical, electrical and systems work. Contracts B645 and B646 are being closely monitored since any potential delay to the design and delivery of the computer software and equipment will impact H0648 and the systems testing.

To support the overall Program Schedule a plan was developed for Beneficial Occupancy at each station. The first phase of the plan has been successfully completed with H0631 (Traction Power System Installation) contractor mobilized into three stations. Equipment required to provide permanent power to the facilities has been identified and its installation and testing are being closely coordinated. All facilities access dates for systems contracts have been met except for change order work and are forecast on schedule for the next three months.

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Construction Progress Analysis

The overall construction progress through September is 73.4% complete.

Contract C0301 (Hollywood/Highland Station) concrete placement except penthouse at the McCadden Plug is complete. In September seven milestones were accomplished on schedule. The contractor continues to recover some of the time that was lost on the east end (lifts 1-4) of the station.

Contract C0311 (Line Section from Universal City Station to Station 630+00) invert concrete is 99% complete in the AR tunnel and 92% complete in the AL tunnel. Both tunnels, from Hollywood/Highland Station to La Brea Shaft, have been turned over to the C1610 contractor. The C0311 contractor has implemented a mitigation plan that allows for tunnel timely turnover to follow-on contractors.

Contract C0321 (Universal City Station) completed soldier pile installation for the emergency exit stairway #11.1 by Universal Place. Facility/Systems coordination is ongoing. Permanent power is scheduled to be energized by November 17, 1998. The Escalators/Elevators (B710 Fujitec) contractor was given access to the entrance and set escalator truss #5, #1 and #2. The mechanical subcontractor is behind on installation and "testing" work activities.

Contract C0331 (North Hollywood Tunnel) remaining tunnel work for Milestone #3 completion is punch list and NCR resolution. The contractor continues to backfill the MVS with focus on turning over the TC&C rooms to B620. Access to the TPSS room was given.

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Contract C0351 (North Hollywood Station) metal ceiling at the platform is 90% complete. System contracts H0631 and DWP are working to meet an October 9, 1998 permanent power energization date. The contractor continues to work a three-shift operation.

Contract C1610 (Trackwork Installation) is on schedule to complete the milestones. All plinth concrete and running rail are installed in the C0321, C0331 and C0351 area. Survey, waterblast and temporary rail installation are complete.

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Construction Safety Statistics

Project-to-Date-Rates	Current Status	Change from Last Month
Recordable Injury Rate		
National Average	10.6	
Project Rate (Cum.)	16.3	-0.2
Lost Time Rate (Freq.)		
National Average	4.2	
Project Rate (Cum.)	1.9	none

Recordable Injury Rate: The number of recorded injuries excluding simple first aid or minor medical treatment, per 100 man years.

Lost Time Incident Rate: The number of injuries resulting in days away from work, per 100 man years.

Construction Safety Summary

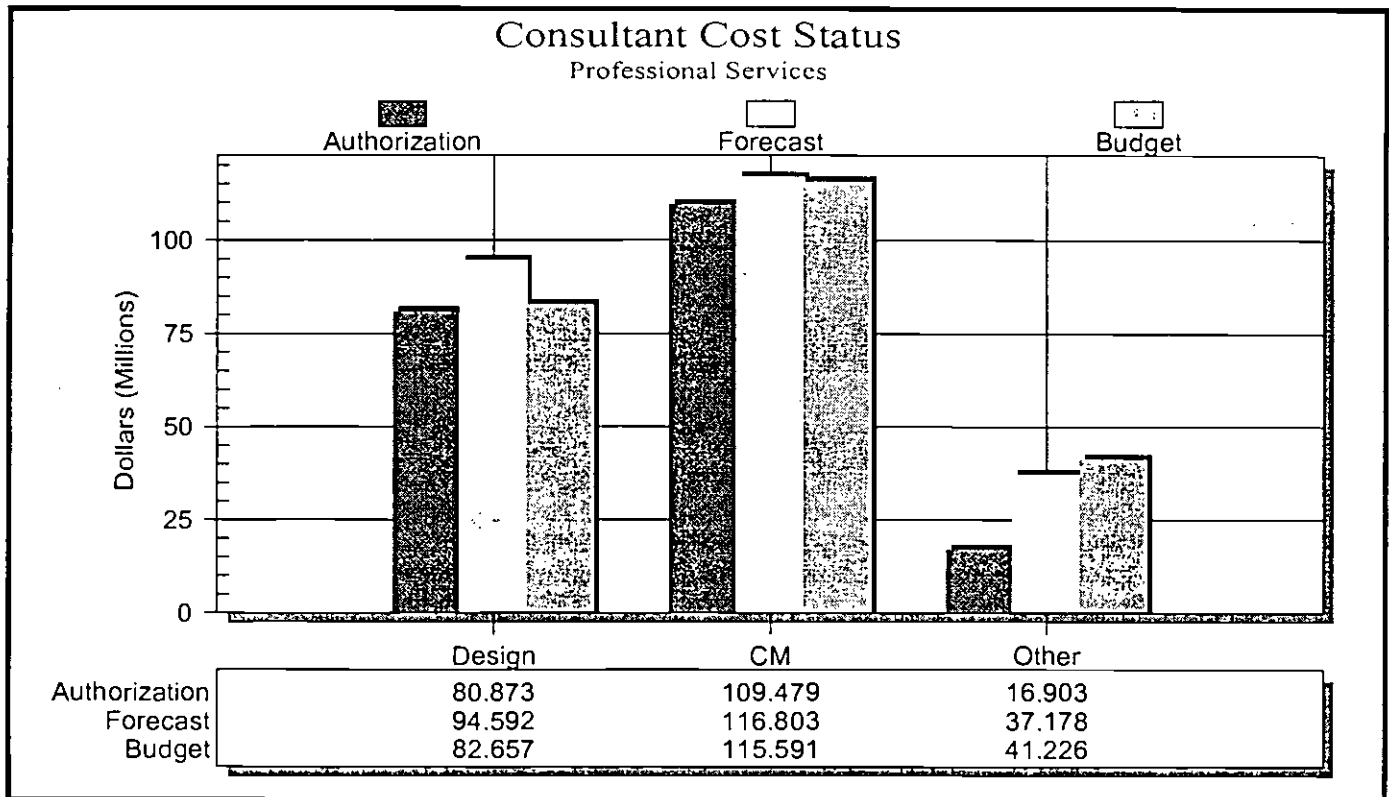
The project-to-date lost time injury rate is less than one-half the national average of 4.2.

The project is currently completing over 200,000 work hours per month. To date, the project has completed almost 6,900,000 work hours.

Statistics reflect injuries through August 1998.

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Professional Services Cost Analysis

The authorization and forecast for the "Design," "Construction Management" and "Other" professional services did not change significantly this period. The changes represent executed change orders that were processed during the period.

The budget for the "Design," "Construction Management" and "Other" professional services did not change from the last period.

The forecast for the "Design" professional services has a significant variance over the budget due to cost exposure related to CWO 72 for "Project Overhead Expense Rate - POER" through project completion. Upon completion of negotiations between MTA Procurement and the EMC, this CWO will be presented to the MTA Board with a corresponding budget adjustment to address the current budget forecast variance.

The forecast for the "Other" professional services is \$20 million above the current authorization due to pending and potential contract work orders, amendments and other cost exposures identified to date. The impacted services under this category include the following: Configuration Management, Systems Engineering and Analysis, Rail Vehicle Procurement Services, Environmental Services, Project Management Assistance, Legal Services, Construction Support Services, Labor Compliance Monitoring and Security Staffing.

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Management Issues

New Item (Date initiated: September 1998)

CONTRACT E0070 - EMC, CWO #072 - PROJECT OFFICE EXPENSE RATE (POER)

Concern/Impact

Since May 1, 1997 EMC has been incurring cost against CWO #072 - POER without payment of services, until recently an amount of \$5.5 million out of an approximate amount of \$11 million cost exposure has been released to EMC. MTA Procurement has held payment until their analysis of staffing requirements and negotiations with the EMC were completed. Since there were delays in the negotiations with EMC, the cost exposure to the remaining MTA projects (Segment 2 and Segment 3) are more than originally budgeted.

Status/Action

EMC's cost exposure for POER through project completion has been estimated at an additional \$5.8 million. A trend for this amount was reflected in July 1998. MTA Procurement has completed their negotiations for POER through December 1998. MTA Procurement's decision on how POER will be handled in the future, whether by CWO #072 or have the individuals charge directly to the project CWOs, remain. Once the decision is made and the remaining POER negotiated, the cost exposure to North Hollywood Project can then be re-evaluated.

Ongoing Item (Date initiated: August 1998)

CONTRACT H0123 - VARIABLE MESSAGE SIGNS

Concern/Impact

The re-procurement of Contract H0123 will impact the forecast ROD of May 17, 2000, if the notice to proceed (NTP) to the contractor is delayed beyond March 1, 1999. Risk due to the limited number of bids that might be received is still high with re-procurement of this contract.

Status/Action.

The bid documents were available to the bidders on September 16, 1998. Pre-bid meeting is planned for October 1, 1998 with the first bid opening scheduled for October 20, 1998. MTA Board approval is still scheduled for December 1998 with an NTP achievable for January 1999.

Ongoing Item (Date initiated: June 1998)

TRIZECHAHN AND MTA JOINT DEVELOPMENT AT HOLLYWOOD/HIGHLAND STATION

Concern/Impact

TrizecHahn Centers (THC), a land developer, is finalizing plans to construct an entertainment/retail center on and around the C0301 Hollywood/Highland Station. The center is scheduled for completion in the last quarter in 2000. Demolition started 7/28/98 and there will be impact on the final construction of the station. Areas affected will be: the modified construction access and laydown area for the contractor, Tutor-Saliba Perini (TSP), and follow-on systems contractors; the demolition of part of the blast relief shaft (BRS) and construction of a THC designed BRS; the demolition of the 12-story building at the northwest corner of Hollywood Boulevard and Highland Avenue; the demolition of the Holiday Inn parking structure; and, the shoring and excavation adjacent to MTA facilities.

Status/Action

THC and MTA have entered into a memorandum of understanding for the joint development. As such, it will be tracked separately and MTA has already identified prior labor charges that are eligible for reimbursement by THC. The final Joint Development Agreement has been proposed and stated within are the required completion dates for the blast relief shaft (BRS) and portal entrance. If THC completes the work by these dates then there should

METRO RED LINE Segment 3 North Hollywood

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be no impacts to the project completing by the forecast ROD of May 17, 2000. However, THC has been unable to reach an agreement with Tutor for the BRS modification, which may result in delays. THC has requested their contractor, McCarthy, to perform demolition and construction of the BRS.

Ongoing Item (Date initiated: March 1998)
PROJECT AGENCY COST FORECAST

Concern/Impact

The project agency forecast cost at completion will potentially exceed the budget by \$30 million. This is due to revised allocation of MTA overhead to the project.

Status/Action

The project team is attempting to mitigate this potential cost impact by focusing on staffing charges allocated to the North Hollywood Project. Additionally, the MTA Project Management team has produced a draft Board report to address this potential overrun. Lastly, professional service consulting contract requirements are being reassessed and revised to reduce overall manpower costs.