

Appendix K
Settlement Agreement

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Decision 10-07-026 July 29, 2010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the Exposition Metro Line Construction Authority for an order authorizing the construction of a two-track at-grade crossing for the Exposition Boulevard Corridor Light Rail Transit Line across Jefferson Boulevard, Adams Boulevard, and 23rd Street, all three crossings located along Flower Street in the City of Los Angeles, County of Los Angeles, California.

Application 06-12-005
(Filed December 6, 2006)

And Related Matters.

Application 06-12-020
Application 07-01-004
Application 07-01-017
Application 07-01-044
Application 07-02-007
Application 07-02-017
Application 07-03-004
Application 07-05-012
Application 07-05-013

FINAL DECISION APPROVING SETTLEMENT AGREEMENT

1. Summary

In this decision, we approve a settlement agreement among the applicant, Exposition Metro Line Construction Authority, protestants Los Angeles Unified School District and Los Angeles County Metropolitan Transportation Authority that provides for a station at Farmdale Avenue on the Exposition Boulevard

Corridor Light Rail Transit Line, in Los Angeles County. The new station will be adjacent to Susan Miller Dorsey High School and will allow for at-grade vehicular and pedestrian crossings with extensive safety procedures and mechanisms.

2. Background

In Interim Decision (D.) 07-12-029, the Commission authorized the construction of 36 of the 38 crossings proposed by the applicant. On February 20, 2009, the Commission addressed the two remaining crossings in D.09-02-031 and found that it is practicable to construct a grade-separated pedestrian crossing at Farmdale Avenue on the Exposition Boulevard Corridor Light Rail Transit Line, in Los Angeles County. That decision also authorized the applicant, Exposition Metro Line Construction Authority (Expo) to file amendments or a new application consistent with the February decision for the Farmdale crossing.

On July 29, 2009, Expo filed and served its amendment to Application 07-05-013. In its amended application, Expo Authority offered four alternatives to its original at-grade crossing at Farmdale Avenue for both vehicles and pedestrians:

- A. Grade-separated pedestrian overcrossing with Farmdale Avenue closed to vehicular traffic.
- B. At-grade pedestrian and vehicular crossing, subject to a permanent "Stop and Proceed" order for all light rail vehicles.
- C. At-grade pedestrian and vehicular crossing with a station including platforms east and west of Farmdale Avenue which would require all light rail vehicles to come to a full stop at the crossing.

- D. Alternative B as a temporary measure pending construction of station as described in Alternative C.

Protests were filed by the United Community Associations, Inc., jointly with Neighbors for Smart Rail, and the Los Angeles Unified School District. The United Community Associations, Inc. and Neighbors for Smart Rail also moved to strike alternatives B, C, and D as listed above and contended that the Commission had determined in D.09-02-031 that the Farmdale crossing must be grade-separated.

On September 30, 2009, the assigned Administrative Law Judge (ALJ) convened a prehearing conference. The parties requested an opportunity to enter into settlement negotiations, and subsequently reported to the ALJ that such discussions had been fruitful, with a final agreement anticipated in early 2010. The ALJ also heard oral argument on the motion to strike the non-grade-separated alternatives and ruled that in D.09-02-031 the Commission left the proceeding open to allow Expo to file “any amendments or a new application” and did not limit the alternatives that could be proposed to be grade-separated.

On December 21, 2009, the assigned Commissioner issued an Amended Scoping Memo which addressed the ongoing procedural schedule and scope related to the Farmdale crossing. The ruling set a flexible procedural schedule to accommodate on-going settlement negotiations, but set a hearing date for May 3, 2010, if no settlement agreement had been filed by that date. In the scoping ruling, the Commissioner also ruled on United Community Associations, Inc. and Neighbors for Smart Rail’s motion for reconsideration of the ALJ’s ruling that the Commission’s decision did not preclude non-grade-separated alternatives and upheld the ALJ’s determination.

Accordingly, all four alternatives were determined to be within the amended scope of the proceeding.

On January 22, 2010, Expo moved for an interim decision addressing compliance with environmental review requirements. On April 27, 2010, the Commission issued D.10-04-036 which certified the Addendum to the Final Environmental Impact Statement/Final Environmental Impact Report, which had been certified by the Los Angeles County Metropolitan Transportation Authority in 2005.

On May 3, 2010, the assigned ALJ convened another prehearing conference and Expo reported that a settlement agreement with the Los Angeles Unified School District was imminent. The ALJ set May 12, 2010, as the date for filing the settlement agreement, and on that date Expo and the Los Angeles Unified School District filed and served their joint motion seeking approval of the settlement agreement, with the settlement agreement attached. At the prehearing conference, the ALJ set a schedule for considering the settlement agreement which included written comments by the parties and a Public Participation Hearing at Susan Miller Dorsey (Dorsey) High School.

On June 1, 2010, the assigned Commissioner and ALJ convened the Public Participation Hearing at Dorsey High School. After brief presentations by the applicant and United Community Associations, Inc./Neighbors for Smart Rail, approximately 85 members of the public offered comment for the record. More than half of the comments opposed the at-grade vehicular and pedestrian crossings in the settlement agreement and instead supported complete grade-separation of all light rail and vehicular and pedestrian traffic by either placing the light rail tracks in a bridge over the Farmdale crossing or

underground. Other commenters recommended approval of the settlement agreement to enable the Expo line to move towards completion.

The Commission has received 45 written comments from the public on the proposed Farmdale station crossing. One comment opposed the station and the other 44 supported it.

On June 4, 2010, Expo and the Los Angeles Unified School District amended their motion for approval of the settlement agreement and the settlement agreement itself to reflect that the Los Angeles County Metropolitan Transportation Authority had joined the settlement agreement.

Also on June 4, 2010, United Community Associations, Inc. and Neighbors for Smart Rail filed joint comments opposing the settlement agreement. The opposing parties reiterated their argument that the Commission's 2009 decision authorizing amendments to the application precluded non-grade-separated crossing proposals and contended that the testimony previously presented by the school district showed that Dorsey High School students are "distracted," likely to take "risks that adults would not," and that two or three students per day are identified as being "under the influence of alcohol or marijuana."¹

The settling parties responded on June 11, 2010, that the Commission did not limit the types of alternatives that Expo could present in the amendment to the application and the assigned ALJ's and assigned Commissioner's determination are binding.

¹ United Community Associations, Inc. and Neighbors for Smart Rail Comments on Settlement at 3 - 4.

3. Description of the Settlement Agreement

The settlement agreement provides for construction of a passenger station at the intersection of Farmdale Avenue and Exposition Boulevard, with Farmdale Avenue open to crossing vehicular and pedestrian traffic at-grade at Exposition Boulevard. This crossing would have quad gates, flashers, bells, and traffic signals to control vehicular traffic. The passenger station would be constructed as a near-side split-platform configuration at the intersection of Farmdale Avenue and Exposition Boulevard and all trains would stop at the platform prior to reaching the crossing. A small train control and communications facility would be located east of the station along Exposition Boulevard. Approximately 5,000 square feet of property would be acquired from Dorsey High School for the construction of the eastbound platform, and would result in the loss of approximately 19 parking spaces. These lost spaces would be made up by Expo in a new paved 26-space parking lot on the northeast corner of the intersection of Exposition Boulevard and Farmdale Avenue.

To the west of Farmdale Avenue, construction of the eastbound platform would require relocating overhead utility lines and an electrical transformer. The existing Dorsey High School driveway would also be realigned to accommodate the pedestrian plaza for the at-grade pedestrian crossing, with a similar pedestrian plaza on the other side of the tracks, both including specifications for swing gates, pedestrian gates, and traffic signals to control pedestrian and vehicular traffic.

4. Need for a Hearing

No party has identified a disputed issue of material fact relating to the settlement agreement so no further evidentiary hearings are necessary. Thus, we

find that the record on this consolidated proceeding can be closed and the matter determined at this time.

5. Discussion

5.1. Commission Standard for Considering Settlement Agreements

In this application, Expo bears the burden of proof to show its requested crossing is safe. In order for the Commission to approve any proposed settlement, the Commission must be convinced that the parties have a sound and thorough understanding of the configuration of the proposed crossing, the future users of the proposed crossing, the safety measures that will be employed, and are able to assess the overall safety of the users of the crossing. This level of understanding of the proposed crossing and development of an adequate record is necessary to meet our requirements for considering any settlement. These requirements are set forth in Rule 12.1, which states, in pertinent part:

The Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with law, and in the public interest.

As discussed below, we find the settlement agreement consistent with Rule 12.1.

5.2. Reasonable in Light of the Record as a Whole

As reflected in previously filed testimony, the parties held different positions on the crossing proposals initially brought forward by the applicant. After the Commission's 2009 decision, the applicant offered four alternatives, one of which for the first time included constructing a station at the Farmdale crossing.

All parties to this proceeding, with the assistance of the Commission's Rail Crossings Engineering staff, began settlement negotiations in the Commission's hearing room immediately after the conclusion of the September 30, 2009,

prehearing conference. A formal settlement conference was held on January 29, 2010, which all parties and the Commission's staff attended.

Although United Community Associations, Inc. and Neighbors for Smart Rail did not join the settlement agreement, they were present during the negotiations and offered their views on the detailed design for the proposed Farmdale station. The settling parties considered the facts and law relevant to this case before agreeing to a specific design for the station, and used their collective and different experiences to produce a station design that offers students and vehicles superior safety.

The settling parties believe that the settlement agreement balances the various interests affected in this proceeding, reflects appropriate compromises of the parties' litigation positions, and is reasonable.

The opposing parties contend that only a grade-separated crossing is safe. As set forth below, we have fully analyzed this contention in accord with our seven criteria for evaluating at-grade crossings and concluded that, on balance, the proposed Farmdale station and at-grade crossing offers pedestrians a safer crossing.

Therefore, we conclude that the Farmdale station alternative shown in the proposed settlement agreement is reasonable in light of the record.

5.3. Consistent With Law and Prior Commission Decisions

The seven criteria from prior Commission decisions for evaluating a proposed grade separation are discussed below.

5.3.1. Public Need for the Crossing

No party contended that the Farmdale Avenue crossing of the Expo line was not needed.

5.3.2. A Convincing Showing That All Potential Safety Hazards Have Been Eliminated

In D.09-02-031, the Commission found that Expo's proposed state-of-the-art system of gates and other warning devices at the Farmdale crossing can be avoided easily by pedestrians such that the previous proposal would not eliminate all potential safety hazards.

The now-proposed Farmdale station addresses directly the greatest risk for pedestrians – trains moving through the crossing at top speed – by mandating that each train come to a complete stop at the station and then proceed through the intersection. All trains going through the intersection will begin at zero miles per hour and only have about 110 feet in which to accelerate before the crossing is cleared. Automatic train protection shall be set on all light rail vehicles such that the vehicle will never exceed 15 miles per hour when the cab of the light rail vehicle is in the Farmdale crosswalk. The Farmdale station shall be constructed such that the rail vehicle operator will have a clear line of sight from the platform to the entire intersection, and the train will not leave the station until the operator has verified that the at-grade crossing is clear. In conjunction with the safety devices and signals for pedestrians and vehicles, the proposed Farmdale station substantially eliminates the risk of high speed collisions.

To assist Expo line patrons and the public in adapting to the Expo line station at Farmdale Avenue, the Los Angeles County Metropolitan Transportation Authority will operate its Ambassador program at the Farmdale station for one year. The Ambassador program will provide retired bus and train operators to educate the public about safe practices around light rail tracks and will identify unsafe behavior, as well as reporting any such behavior to the program manager. As provided in the settlement agreement, Ambassador

program representatives will be present during peak school transit times of 7:30 a.m. to 9:30 a.m. and 2:30 p.m. to 4:00 p.m.

The proposed Farmdale station has several advantages over the pedestrian overcrossing, vehicular crossing closed option found practicable by the Commission in D.09-02-031. When considering the overcrossing, the Commission had before it only a limited description of the structure and no specific construction-quality plans. After the decision issued, Expo moved forward with more detailed engineering of the constrained space at the crossing and determined that a nearly four-story tall, approximately 300 feet long structure would be necessary to provide a pedestrian separated crossing. Requiring large numbers of students to move through this lengthy structure with many concealed portions, including two elevators, creates serious safety and policing issues. The entrance to the structure would need to be located near the school building and would also require removal of a significant number of mature trees on the school grounds.

In contrast, the station proposal will place a pedestrian plaza near the corner between the school and the Expo line, with access to the station on that side of the intersection. Both portions of the “split” station will include ticket machines, benches, shelter, and will be lighted and landscaped. The intersection will have a stop light, a well-marked pedestrian crossing, and all required safety equipment. Additional secure parking for school personnel will be available on the northeast corner, which will also provide facilities for campus police. The entire crossing will be open to clear view by police and other monitors. The station proposal also retains a vehicular crossing, which is particularly useful near a school to improve traffic flow during peak use times. The advantages of the Farmdale station alternative persuaded the Los Angeles Unified School

District to support the at-grade with a station proposal and it set aside its opposition to the original at-grade proposal which did not include a station.

5.3.3. The Concurrence of Local Community and Emergency Authorities

As noted in D.09-02-031, Expo reviewed the Expo Line project with the City Bureau of Street Lighting, Fire Department, and other Los Angeles agencies; as well as the California Department of Transportation, and the Commission's Rail Crossings Engineering staff.

The Los Angeles Unified School District and the Los Angeles County Metropolitan Transportation Authority are parties to the settlement agreement and encourage the Commission to approve it.

5.3.4. The Opinions of the General Public, and Specifically Those who may be Affected by an At-Grade Crossing

The public's views about the proposed settlement agreement and station were addressed at the June 1, 2010, Public Participation Hearing. More than half of the approximately 85 commenters opposed the Farmdale crossing being constructed at-grade. Many of the opposing commenters supported complete vehicular and pedestrian grade separation. That alternative, however, has not been presented by Expo and, the Commission declined to find such options practicable in D.09-02-031. Expo also contends that as a result of its outreach into the community, the nearby public is satisfied with the revised proposal for the Farmdale crossing. The Commission has received 45 written comments from the public on the proposed settlement. One comment opposed the proposal and the other 44 supported it.

5.3.5. Although Less Persuasive Than Safety Considerations, the Comparative Costs of an At-Grade Crossing with a Grade Separation

The settling parties state that improving safety rather than lowering cost is the driving factor in their preference for the proposed Farmdale station crossing, but offered no specific cost information.

5.3.6. A Recommendation by Staff that it Concurs in the Safety of the Proposed Crossing, Including any Conditions

The Commission's Rail Crossings Engineering staff supported the originally-proposed Farmdale Avenue at-grade crossing. The Staff participated in the settlement negotiations and raised issues that have been addressed. Although not a signatory to the settlement agreement, the Staff has raised no further safety issues with the Farmdale station proposal.

5.3.7. Commission Precedent in Factually Similar Crossings

The settling parties noted that the Commission accorded little or no weight to this issue in D.09-02-031 and encouraged the Commission to evaluate the proposal on its own merits.

5.3.8. Conclusion

On balance, the Farmdale crossing station proposal substantially diminishes the safety issues created by a pedestrian at-grade crossing, without adding new safety and aesthetic issues. The station also adds to the neighborhood convenience by providing walkable access to the Expo line for residents and students and retains the vehicular crossing. We, therefore, conclude that the Farmdale station alternative is superior to the pedestrian overcrossing, vehicular crossing closed option.

5.4. In the Public Interest

Numerous Commission decisions endorse settlements and support the public policy favoring settlement of disputes that are fair and reasonable in light of the whole record.² The Commission's support of this public policy furthers many worthwhile goals, including reducing the expense of litigation, conserving the scarce resources of the Commission, and allowing parties to reduce the risk that litigation will produce unacceptable results.³ Furthermore, as analyzed above, the provisions of the settlement agreement will result in a Farmdale station crossing that is superior to the pedestrian overcrossing, vehicular crossing closed option. We, therefore, conclude that the public interest will be served by approving the settlement agreement.

We find that the requirements of Rule 12.1 have been met and the settlement agreement should be approved.

6. Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. No comments were submitted.

7. Assignment of Proceeding

Timothy Alan Simon is the assigned Commissioner and Maribeth A. Bushey is the assigned ALJ in this proceeding.

² D.88-12-083 and D.91-05-029.

³ D.92-12-019.

Findings of Fact

1. The parties, along with the Commission Rail Crossings Engineering staff, began settlement negotiations after the prehearing conference on September 30, 2009.
2. The settlement agreement provides for a split platform light rail station located east and west of Farmdale Avenue.
3. The settlement agreement provides for operational constraints such that no light rail vehicle will exceed 15 miles per hour while the cab is located in the Farmdale Avenue crossing.
4. The settlement agreement provides that approximately 19 school parking spaces will be lost, but these lost spaces will be more than made up by a new paved 26-space parking lot on the northeast corner of the intersection of Exposition Boulevard and Farmdale Avenue.
5. The settlement agreement provides that an existing Dorsey High School driveway will be realigned to accommodate the pedestrian plaza for the at-grade pedestrian crossing, with a similar pedestrian plaza on the other side of the tracks, and that both plazas will include specifications for swing gates, pedestrian gates, and traffic signals to control pedestrian and vehicular traffic.
6. The settlement agreement provides that the Los Angeles County Metropolitan Transportation Authority will operate its Ambassador program at the Farmdale station for one year to assist the public in safely using the station and crossing.
7. All parties to the settlement agreement will coordinate and collaborate to identify and address any safety issues that may arise.

8. On balance, the proposed Farmdale station is a superior alternative to the pedestrian grade-separated, vehicular crossing closed option adopted in D.09-02-031.

9. D.10-04-036 certified the Addendum to the Final environmental Impact Statement/Final Environmental Impact Report for this project/or portions thereof.

Conclusions of Law

1. No party has identified a disputed issue of material fact so no evidentiary hearings are necessary. The record on this application can be closed and the matter determined at this time.

2. The attached settlement agreement is reasonable in light of the whole record, consistent with law and in the public interest.

3. These consolidated applications should be closed.

O R D E R

IT IS ORDERED that:

1. The Exposition Metro Line Construction Authority is authorized to construct an at-grade crossing of Farmdale Avenue by the Exposition Boulevard Corridor Light Rail Transit Line including a station with split platforms east and west of the intersection of Farmdale Avenue and Exposition Boulevard. The crossing will be identified as CPUC Crossing No. 84S-105.00.

2. The Exposition Metro Line Construction Authority shall notify the Commission's Consumer Protection and Safety Division - Rail Crossings Engineering Section at least five (5) business days prior to opening the crossing to light rail vehicle traffic. Notification should be made to rces@cpuc.ca.gov.

3. Within 30 days after completion of the work under this order, the Exposition Metro Line Construction Authority shall notify the Rail Crossings Engineering Section in writing, by submitting a completed Commission Standard Form G (Report of Changes at Highway Grade Crossings and Separations), of the completion of the authorized work. Form G requirements and forms can be obtained at the CPUC web site Form G page at <http://www.cpuc.ca.gov/formg>. This report may be submitted electronically to rces@cpuc.ca.gov as outlined on the web page.

4. The Exposition Metro Line Construction Authority shall comply with all applicable rules, including Commission General Orders and the California Manual on Uniform Traffic Control Devices.

5. The settlement agreement among Exposition Metro Line Construction Authority, protestant Los Angeles Unified School District, and Los Angeles County Metropolitan Transportation Authority that provides for a station at Farmdale Avenue on the Exposition Boulevard Corridor Light Rail Transit Line, in Los Angeles County, attached hereto as Attachment A, is adopted. The parties must comply with the terms of the settlement agreement which include:

- a. Exposition Metro Line Construction Authority shall construct a station with split platforms east and west of the intersection of Farmdale Avenue and Exposition Boulevard, and such station must allow the rail train operator clear line of sight from the platform to the entire intersection.
- b. Exposition Metro Line Construction Authority must use its best efforts to acquire the property located at the northeast corner of the intersection of Farmdale Avenue and Exposition Boulevard and, after acquisition, must demolish the existing building and construct on the site a surface parking lot secured by a protective fence, with electronic gates and card-key entry, and a modular building for use by the Los Angeles Unified School

District School Police. After completion, the property and improvements must be transferred to the Los Angeles Unified School District.

- c. The Los Angeles Unified School District must transfer at no cost to the Los Angeles County Metropolitan Transportation Authority a narrow strip of property of approximately 5,593 square feet along the northern boundary of the Susan Miller Dorsey High School campus for use in the eastbound station platform.
- d. Exposition Metro Line Construction Authority must modify the northeast entrance to the campus to accommodate the eastbound station platform and pedestrian plaza, as well as the southern entrance to the school campus from Rodeo Drive so as to allow extended length vehicles to use the entrance without scraping their undercarriages.
- e. Los Angeles County Metropolitan Transportation Authority must operate its Ambassador program at the Farmdale station for six months before and after the revenue operation date. The Ambassador program will provide retired bus and train operators to educate the public about safe practices around light rail tracks and will identify unsafe behavior, as well as report any such behavior to the program manager. Ambassador program representatives will be present during peak school transit times of 7:30 a.m. to 9:30 a.m. and 2:30 p.m. to 4:00 p.m.
- f. Exposition Metro Line Construction Authority, Los Angeles County Metropolitan Transportation Authority, and the Los Angeles Unified School District must coordinate and collaborate with each other regarding any safety concerns that arise from the operation of the light rail vehicles.

6. In addition to Section 2.8 (c) and (d) of the settlement agreement, calling for data sharing and cooperation and collaboration between the Exposition Metro Line Construction Authority, Los Angeles Metropolitan Transportation Authority and the Los Angeles Unified School District to address any safety

concerns that may be identified or arise, those parties shall include the Commission's Consumer Protection and Safety Division - Rail Crossings Engineering Section staff in any such data sharing, correspondence or meetings relating thereto.

7. Consolidated Applications (A.) 06-12-005, A.06-12-020, A.07-01-004, A.07-01-017, A.07-01-044, A.07-02-007, A.07-02-017, A.07-03-004, A.07-05-012, and A.07-05-013 are closed.

This order is effective today.

Dated July 29, 2010, at San Francisco, California.

MICHAEL R. PEEVEY

President

DIAN M. GRUENEICH

JOHN A. BOHN

TIMOTHY ALAN SIMON

NANCY E. RYAN

Commissioners

[D1007026 Attachment A](#)

A.06-12-005 et al. ALJ/MAB/lil

ATTACHMENT A

Appendix A

JOINT SETTLEMENT AGREEMENT

This JOINT SETTLEMENT AGREEMENT (“Joint Settlement”), dated for purposes of reference as May 12, 2010, is entered into by and between the EXPOSITION METRO LINE CONSTRUCTION AUTHORITY (“Expo Authority”) the LOS ANGELES UNIFIED SCHOOL DISTRICT (“LAUSD”), and the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (“MTA”) (together, the “Settling Parties”). This Joint Settlement resolves certain issues relating to the design of the Exposition Boulevard Corridor Light Rail Transit Line (the “Expo Line”) and related facilities in the immediate vicinity of the intersection of Farmdale Avenue and Exposition Boulevard in the City of Los Angeles, and is intended to be effective as of the date of the last signature below.

INTRODUCTION

1.1 Plans for the Expo Line project, as described in the Los Angeles Mid-City Westside Transit Corridor/Mid-City Exposition Light Rail Project Final Environmental Impact Statement/Environmental Impact Report (“FEIS/FEIR”) dated October 2005 and prepared under the direction of MTA and the Federal Transit Administration (“FTA”) as joint lead agencies, included the construction of an at-grade rail/street crossing at Farmdale Avenue, in the vicinity of Dorsey High School.

1.2 In May 2007, Expo Authority filed an application, designated as A.07-05-013, with the California Public Utilities Commission (“CPUC”), seeking CPUC authorization of the planned at-grade rail/street crossing at Farmdale Avenue.

1.3 The CPUC considered A.07-05-013 along with other Expo Authority grade crossing applications in a consolidated proceeding generally referred to as A.06-12-005, *et al*, and

adopted a decision in that proceeding, D.07-12-029, in December 2007, by which the CPUC authorized 36 out of 38 proposed grade crossings but held open for further consideration Expo Authority's plans for the remaining two, including an at-grade crossing at Farmdale Avenue.

1.4 In January 2008, LAUSD was granted party status to participate in the CPUC's further proceedings in A.06-12-005, *et al.*, and LAUSD did participate actively in such further proceedings along with applicant Expo Authority and interested parties United Communities Association, LLC ("UCA") and Neighbors for Smart Rail ("NFSR").

1.5 After evidentiary hearings in August and September 2008 and briefing of the issues, the CPUC adopted a further decision, D.09-02-031, in February 2009, which denied Expo Authority's application for an at-grade crossing at Farmdale Avenue, but held the proceeding open to allow Expo Authority to amend its application regarding Farmdale Avenue.

1.6 In July 2009, Expo Authority filed an Amendment to Application No. 07-05-013 (the "Amendment"), proposing a set of four new options for a Farmdale Avenue crossing, including 1) a grade separated pedestrian over-crossing with Farmdale Avenue closed to vehicular traffic; 2) an at-grade crossing, as previously proposed, subject to a "Stop and Proceed" procedure for light rail vehicles approaching the crossing; 3) an at-grade crossing, as previously proposed, subject to construction of a station with "near-side" platforms east and west of Farmdale Avenue at which all light rail vehicles would stop; and 4) a combination of options 2) and 3), with the "Stop and Proceed" procedure to be in effect until completion of construction of a station with "near-side" platforms.

1.7 Following the receipt of protests of the Amendment by LAUSD, UCA, and NFSR, the CPUC set a prehearing conference in A.06-12-005, *et al.*, for September 30, 2009, at which Administrative Law Judge ("ALJ") Bushey encouraged the parties to pursue a substantive

discussion of the issues, which began that day and continued in several subsequent meetings of the parties.

1.8 As a result of that process, the Settling Parties have reached agreement on a set of terms to settle and resolve the issues, claims and disputes arising out of or relating to the proposed Farmdale Avenue crossing.

1.9 The Settling Parties have concluded that the terms of this agreement contribute to public safety and environmental improvement in and around the proposed Farmdale Avenue crossing. Based on their detailed consideration of alternatives in the course of the CPUC proceeding, Expo Authority and LAUSD have concluded that the agreed improvements will be safer than a pedestrian overpass at this crossing.

NOW, THEREFORE, in consideration of the foregoing, Expo Authority, LAUSD, and MTA hereby agree as follows:

TERMS AND CONDITIONS

2.1 Expo Authority will construct a station in the immediate vicinity of Farmdale Avenue, with construction to be completed and the station available for public use within a period not to exceed a total of eighteen (18) months from the date on which FTA adopts a Finding of No Significant Environmental Impact with respect to such construction. The station shall include split platforms east and west of the intersection of Farmdale Avenue and Exposition Boulevard. These will be “near-side” platforms, at which all light rail vehicles approaching Farmdale Avenue will stop prior to reaching the Farmdale Avenue intersection. Expo Authority shall construct the Farmdale Station in such a manner that allows the MTA rail vehicle operator clear line of sight from the platform to the entire intersection. Once passenger boarding and alighting

are completed and the light rail vehicle operator has determined that the crossing is clear, provided the Farmdale Station is constructed in such a manner that allows the rail vehicle operator clear line of sight from the platform to the entire intersection, the light rail vehicle will exit the station platform, accelerating to full operational speed, subject to the condition specified in paragraph 2.8(b), below. Except as specified herein, the general design of the Farmdale station will be consistent with the design of all other Expo Line stations.

2.2 The Farmdale station platforms will be designed and located in accordance with attached Diagrams A, B, and C. Diagram A provides a “bird’s eye” view of the dimensions and location of the platform south of the rail line and west of the Farmdale intersection, at which eastbound light rail vehicles will stop before reaching the intersection. Diagram B provides a similar “bird’s eye” view of the dimensions and location of the platform north of the rail line and east of the Farmdale intersection, at which westbound light rail vehicles will stop before reaching the intersection. Diagram C provides a “bird’s eye” view of the intersection, showing the rail line, crossing, and station platforms as planned to be constructed. As illustrated by Diagrams A and C, the eastbound platform will be located directly adjacent to the pedestrian plaza area at the southwest corner of the Farmdale intersection, with an ADA-compliant ramp connecting the pedestrian plaza area to the station platform. Diagram B illustrates the similar facilities that will connect the westbound station platform with the pedestrian plaza area at the northeast corner of the Farmdale intersection.

2.3 Expo Authority will pursue its best efforts to acquire in Expo’s name, either by contractual agreement or by exercise of the power of Eminent Domain, the real property known as 4523 Exposition Boulevard, which is located at the northeast corner of the intersection of Farmdale Avenue and Exposition Boulevard and is presently occupied by an operating motel.

Upon acquiring that property and as further shown in attached Diagram D, Expo Authority will demolish the existing structure or structures on the property and will construct a surface parking lot secured by a protective fence, electronic gates with card-key entry, a 10-foot by 36-foot modular building for the use of LAUSD School Police and other law enforcement agencies, and closed circuit television cameras, in accordance with plans to be developed in cooperation with LAUSD and subject to applicable zoning and building code requirements as well as a remote ticketing area for use by MTA. Once construction of the parking lot and protective fence has been completed, Expo Authority will convey, at no cost, all its rights, title, and interest in the real property so acquired and developed, as generally described in attached Diagram E, with the exception of the remote ticketing area, to LAUSD for use in accordance with the needs of LAUSD and its assignees. Upon and after such conveyance, all maintenance and surveillance of the property and operation of any facilities located on such property shall be the responsibility of LAUSD or its assignees and neither Expo Authority nor MTA shall have any responsibility for such maintenance, surveillance, or operation with respect to the property. Further, Expo Authority will convey, at no cost, all its rights, title, and interest in the real property comprising the remote ticketing area, as generally described in Diagram E, to MTA for use in accordance with the needs of MTA and its assignees. Upon and after such conveyance, all maintenance and surveillance of the property and operation of any facilities located on the remote ticketing area shall be the responsibility of MTA or its assignees and neither Expo Authority nor LAUSD shall have any responsibility for such maintenance, surveillance, or operation with respect to that property.

2.4 LAUSD will convey, at no cost, to MTA, no later than 180 days after the CPUC's decision approving the Farmdale crossing as herein proposed, all its rights, title, and interest in certain real property (the "Station Border") that is presently within the campus of Dorsey High

School (the “Campus”), as generally described in Diagram E. The Station Border consists of a narrow strip of approximately 5,693 square feet of land along the northern boundary of the Campus that will be required in order to provide sufficient space for construction, use, operation, and maintenance of the eastbound station platform on the south side of the Expo Line tracks as well as the pedestrian plaza area at the northeast corner of the Campus abutting the relocated school driveway. The square footage of the Station Border to be conveyed by LAUSD to MTA will be consistent with Diagram E, which has been determined in accordance with safety considerations relevant to the design of the station platform, the driveway, and the pedestrian plaza area at the Farmdale intersection. Expo Authority and LAUSD will cooperate in working to arrange for temporary parking space until the new parking facility has been constructed and made operational. No later than 30 days after the CPUC’s decision approving the Farmdale crossing as herein proposed, LAUSD will provide Expo Authority and its agents at no cost, with a right of entry onto those portions of the Campus, that Expo Authority reasonably needs to enter for the purpose of site assessment, design, and construction of the Farmdale station, driveway reconfiguration, and other improvements described herein.

2.5 The Farmdale Avenue (northeast) entrance to the school site will be modified for the purposes specified in paragraph 2.4 above. The driveway will be reconfigured in such a manner as to accommodate all vehicles that would reasonably be anticipated to require access to the school site (school buses, materials delivery, rubbish services, etc.). As an alternate means of entry for vehicles unable to complete the “S-shaped” curve of the Farmdale entrance, Expo Authority will improve the Rodeo Road (southern) entrance to the school site in such a fashion as to allow vehicles of extended length to enter the school site without scraping their undercarriages. It is recognized that modifications to City of Los Angeles right of way (gutters, curbs, and sidewalks), as well as school property may be required to achieve this improvement.

2.6 The rail/street crossing at the intersection of Farmdale Avenue and Exposition Boulevard will be constructed and operated in accordance with Expo Authority's original plan for an at-grade crossing as modified by this Joint Settlement (the "Modified Crossing Design").

Illustrations of the Modified Crossing Design and its safety features, as presented and considered during the September 2008 evidentiary hearings, are provided in two attached excerpts from Exhibit Expo 15 (Supplemental Information), Items F-6 and F-11. The design of the pedestrian plaza areas at the southwest and northeast corners of the crossing will be further modified in certain respects, as illustrated by the attached Diagrams A and B, to accommodate access to the adjacent station platforms, to eliminate fencing at the south end of the southwest waiting area (away from the crossing), and to provide the protection of an 8-foot-high fence facing the track at the pedestrian crossing.

2.7 Test and Revenue Operation of light rail vehicles on the Expo Line by MTA, as defined below, may commence prior to completion of the construction of the Farmdale Avenue station so long as MTA complies with the "Stop and Proceed" Rule. The Stop and Proceed Rule requires that (i) light rail vehicles come to a full stop under automatic train protection at the locations designated as the Farmdale station; and (ii) light rail vehicles will proceed across the intersection in either an easterly or westerly direction only after the light rail vehicle operator has verified that it is safe to do so, provided the Farmdale Station is constructed in such a manner that allows the rail vehicle operator clear line of sight from the platform to the entire intersection, and at the Restricted Speed. Restricted Speed shall mean a speed not to exceed 15 miles per hour. MTA shall operate in compliance with the Stop and Proceed Rule prior to completion of station construction and implementation of the permanent operating rules stated in Section 2.8(a) and (b). No such Test and Revenue Operation may commence prior to the installation and full operation of gates, signals, fencing, and all other safety equipment specified in the Modified

Crossing Design. For purposes of this Agreement, “Test” as used herein shall mean testing of the alignment by light rail vehicles operating under power and at line speed, including pre-revenue operations, to verify vehicle and operational system parameters and “Revenue Operation” as used herein shall mean operation of light rail vehicles in revenue service with carriage of fare-paying passengers.

2.8 The following conditions shall govern light rail vehicle operations along the Expo Line after completion of the construction of the Farmdale Station:

(a) All light rail vehicles shall come to a full stop under automatic train protection at the Farmdale station and will not leave the station until the operator has verified the at-grade crossings are clear, provided the Farmdale Station is constructed in such a manner that allows the rail vehicle operator clear line of sight from the platform to the entire intersection. MTA shall maintain the Farmdale station in accordance with its customary maintenance standard for all other MTA light rail stations.

(b) Automatic train protection shall be set and maintained on all light rail vehicles on the Expo Line such that the speed of the light rail vehicle shall never exceed 15 miles per hour when the cab of the light rail vehicle is within either Farmdale Avenue crosswalk.

(c) MTA will operate its Ambassador program at the Farmdale Station site for a period of time commencing six (6) months before the planned revenue operation date (“ROD”) and ending six (6) months after ROD. During the period MTA is operating its Ambassador program (or other, similar inaugural program for the Expo Project line, however denominated), MTA will station an ambassador at the Farmdale Station site in accordance with its Ambassador program. The MTA Ambassador program employs retired bus and train operators whose tasks include educating the public about safety around the light rail tracks, identifying unsafe behavior

of motorists and pedestrians, explaining to motorists and pedestrians the dangers of their unsafe actions, and reporting any unsafe conditions to the MTA's Ambassador program manager. Such personnel shall be stationed at the Farmdale Station site at all peak hours of pedestrian traffic, including but not limited to 7:30-9:30 a.m. and 2:30-4:00 p.m. on days when Dorsey High School is in session. In addition to the Ambassador program, once the Farmdale Station is complete and operational, MTA, Expo Authority and LAUSD shall coordinate and collaborate with each other regarding any safety concerns arising from the operation of the light rail vehicles and how to address such safety concerns as set forth below in paragraph 2.8(d).

(d) During the first year after Revenue Operation commences through the Farmdale crossing, MTA shall review any observations or reports of unsafe behavior and any accident trends over such 12 month period. MTA shall share this safety data with LAUSD and, based on such data, LAUSD and MTA will work cooperatively and collaboratively together to identify and implement appropriate changes at the crossing to further enhance the level of safety for pedestrians and motorists who use the crossing. MTA shall be responsible for implementing any measures (construction or staffing) that MTA deems necessary to ensure safe operation of the crossing.

(e) The conditions set forth in Section 2.8(a) and (b) shall remain in effect for as long as light rail vehicles are running on the Expo Line unless modified by mutual agreement of the Settling Parties.

2.9 LAUSD will not challenge the adequacy of the documentation and review of potential environmental impacts associated with the crossing proposal described in this Joint Settlement or the compliance of such documentation and review with relevant state and federal statutes and

regulations. Nor will LAUSD challenge or seek rehearing of a CPUC decision approving the Joint Settlement as proposed.

MISCELLANEOUS PROVISIONS

3.1 The signatories to this Joint Settlement personally and independently verify that all elements, including the attached tables, are correct, complete, and internally consistent, to the best of their knowledge and ability. Obligations of each party shall remain the obligation of that specified party and none of the other parties to this Agreement shall have the obligation to fulfill another party's obligation.

3.2 Entering into this Joint Settlement or approval of this Joint Settlement by the CPUC shall not be construed as an admission or concession by any Party regarding any fact or matter of law in dispute in this proceeding.

3.3 The CPUC shall have jurisdiction over this Joint Settlement.

3.4 The Settling Parties acknowledge that the positions expressed in this Joint Settlement were reached after consideration of all positions advanced in prior testimony and briefing as well as during discovery and settlement negotiations. This Joint Settlement embodies compromises of the Settling Parties' positions.

3.5 This Joint Settlement sets forth the entire understanding and agreement among the Settling Parties, and may not be modified or terminated except through written assent by all Settling Parties.

3.6 Each individual executing this Joint Settlement on behalf of an entity hereby warrants that he or she is authorized to execute this Joint Settlement on behalf of said entity. The Settling

Parties agree that no signatory to this Joint Settlement, nor any officer, employee, or member of Expo Authority or LAUSD, assumes any personal liability as a result of this Joint Settlement.

3.7 The Settling Parties agree to support the Joint Settlement and use their best efforts to secure CPUC approval of the Joint Settlement in its entirety and without any modification not agreed to by the Settling Parties.

3.8 The Settling Parties agree that if the CPUC adopts a decision addressing the Joint Settlement but fails to adopt the Joint Settlement in its entirety, or if the Commission or an appellate court subsequently adopts a decision that reverses or voids the Commission's previous adoption of the Joint Settlement in its entirety, the Settling Parties shall confer within 15 days after such decision to discuss whether they can resolve issues presented by the Commission's or the appellate court's actions. Likewise, if Expo Authority concludes that it cannot acquire the real property referenced in Paragraph 2.3 above, or cannot obtain any other regulatory approval necessary for construction of the Farmdale crossing and station as provided for in this Joint Settlement, or cannot obtain a Finding of No Significant Impact pursuant to the National Environmental Policy Act, Expo Authority shall so inform the other Settling Parties. If the Settling Parties cannot mutually agree to resolve the issues presented by such actions and have not entered into a written agreement to that effect within 90 days after adoption of the relevant CPUC or appellate court decision or after the relevant conclusion by Expo Authority, the Joint Settlement shall be rescinded and the Settling Parties shall be released from their obligation to support the Joint Settlement and any real property conveyed by Expo Authority pursuant to Section 2.3, above, or by LAUSD pursuant to Section 2.4, above, will be reconveyed to the previously conveying owner. Thereafter, the Settling Parties may pursue any action they deem appropriate, but agree to cooperate to establish a procedural schedule.

3.9 Notices and other correspondence and communications regarding this Joint Settlement and the actions to be taken pursuant to this Joint Settlement should be directed to the following persons:

To Expo Authority:

Eric Olson
Chief Project Officer
Exposition Metro Line Construction Authority
707 Wilshire Blvd., 34th Floor
Los Angeles, CA 90017
Tel.: (213) 243-5537
Fax: (213) 243-5551
E-mail: eolson@exporail.net

With a copy to:

Martin Mattes
Attorney at Law
Nossaman LLP
50 California St., 34th Floor
San Francisco, CA 94111
Tel.: (415) 438-7273
Fax: (415) 398-2438
E-mail: mmattes@nossaman.com

To LAUSD:

John Sterritt
Director
Office of Environmental Health and Safety
Los Angeles Unified School District
333 South Beaudry Street
Los Angeles, CA 90017
Tel.: (213) 241-3199
Fax: (213) 241-6816
E-mail: john.sterritt@lausd.net

With a copy to:

Jay F. Golida
Associate General Counsel
Office of the General Counsel
Los Angeles Unified School District
333 South Beaudry Street
Los Angeles, CA 90017
Tel.: (213) 241-5140
Fax: (213) 241-8386
E-mail: jay.golida@lausd.net

To MTA:

James Cohen
Deputy Executive Officer, Project Management
One Gateway Plaza, 99-16-5
Los Angeles, CA 90012
Tel.: 213-922-7911
Fax: 213-922-7384
E-mail: cohenja@metro.net

With a copy to:

Joyce Chang
Principal Deputy County Counsel
Transportation Division
Los Angeles, CA 90012
Tel.: 213.922.2502
Fax: 213.922.2531
E-mail: changj@metro.net

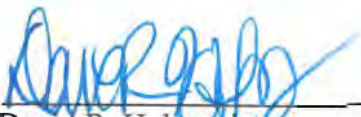
3.10 This Joint Settlement shall be governed by the laws of the State of California as to all matters, including, but not limited to matters of validity, construction, effect, performance and remedies

CONCLUSION


The Settling Parties mutually believe that based on the terms and conditions stated above, this Settlement is reasonable in light of the whole record, consistent with the law, and in the public interest.

Dated: 5/11, 2010

LOS ANGELES UNIFIED SCHOOL DISTRICT

By: 
David R. Holmquist
General Counsel


Approved as to Form:

By: 
Jay F. Golida
Associate General Counsel

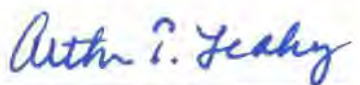
EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

for By: 
Richard D. Thorpe
Chief Executive Officer

Approved as to Form:

By: 
Martin A. Mattes
Attorney for Exposition Metro Line Construction Authority

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: 
Arthur T. Leahy
Chief Executive Officer

Approved as to Form:

ANDREA SHERIDAN ORDIN
County Counsel

By: 
Joyce L. Chang
Principal Deputy County Counsel

