

### **MTA Board Rejects Settlement Offer in Tutor-Saliba Lawsuit**

**UPDATE** (July 12, 2001) The lead attorney in the MTA's court action against Tutor-Saliba announced late Wednesday afternoon that the Board had rejected an offer to settle the lawsuit.

No details of the settlement – described to the Board in a closed session – were released. The Superior Court jury now must decide the amount of damages to be assessed against the Metro Rail contractor.

### **Burke to Brief Board on Court Victory in Tutor-Saliba Lawsuit**

(July 11, 2001) CEO Julian Burke will brief the MTA Board, today, on a Superior court ruling against the Tutor-Saliba Corp. that the County Counsel's office has hailed as "a great victory."

Judge Joseph Kalin ruled, Tuesday, that Tutor-Saliba had intentionally withheld and destroyed documents concerning alleged false payment claims for construction work on the Metro Red Line. A jury now must decide how much the MTA will receive in damages from Tutor-Saliba.

"There has been evidence withheld, evidence destroyed and misrepresentations to the court and counsel," MTA lawyer David B. Casselman said following Tuesday's court session.

According to an analysis by the County Counsel's office, the lawsuit began when Tutor sued in 1995 to gain as much as \$16 million in additional compensation for Metro Rail construction work. The claims later were reduced to less than \$2.5 million.

The MTA then "cross-complained alleging, among other things, breach of contract, false claims and unfair business practices," the Counsel's office said. "Tutor has been found liable to the MTA for all claims set forth in the MTA's cross-complaint."

"This case against Tutor-Saliba-Perini is not just about money," Burke said in a statement released Tuesday. "The MTA wants to send a strong message to these contractors and all the others that do business with the MTA or any other public agency in this county that you have to abide by the law or face stiff consequences."

[Back to MTA Report](#)