



CEO Julian Burke discusses Superior Court's \$29 million award at MTA news conference.

Jury Awards \$29 Million to MTA in Suit against Tutor-Saliba-Perini

(Aug. 1, 2001) A Superior Court jury returned a verdict, Wednesday, awarding the MTA more than \$29 million in its six-year quest to recover damages from the Tutor-Saliba-Perini Corp.

Judge Joseph Kalin earlier ruled that Tutor-Saliba-Perini had intentionally withheld and destroyed documents concerning alleged false payment claims for construction work on the Metro Red Line.

Wednesday's jury award of \$29,567,407 to the MTA stands in sharp contrast to the \$16 million Tutor-Saliba-Perini originally sought from the MTA in 1995 for Metro Red Line work. The company's claims – later reduced to less than \$2.5 million – were denied by the court.

The Board in mid-July rejected a settlement offer by Tutor-Saliba-Perini. No details of the settlement offer were given.

In a statement released Wednesday, MTA Board Chairman John Fasana noted that the court found Tutor-Saliba-Perini responsible as a matter of law for false claims and unfair business practices spanning a decade and said, "...we are gratified that the jury has now agreed that such conduct justified substantial monetary damages."

Reimbursement for legal costs

Assistant County Counsel Steve Carnevale, in a memo to MTA Board members, said the judge also may award a separate amount to reimburse the MTA for certain legal costs. That could add as much as \$7 million to \$10

MTA states reaction to jury verdict at news conference Wednesday afternoon:



MTA lead attorney David Casselman said contractors who engage in illegal practices must be prepared for stiff consequences.



Supervisor Zev Yaroslavsky said MTA acted on behalf of all agencies that use private contractors for public projects.



million to the amount awarded by the jury.

Carnevale also told Board members that Tutor-Saliba-Perini is expected to file post-trial motions and an appeal.

Assistant County Counsel Steve Carnevale said the federal government now will look into the case.

In his statement, Fasana said, "...the case against Tutor-Saliba-Perini was not just about money. The MTA hopes to send a strong message to these contractors and all the others that do business with the MTA or any other public agency in Los Angeles County that they must abide by the law or face stiff consequences."

"The MTA works with hundreds of contractors that are legitimate and who play by the rules," Fasana said. "They range from large businesses to small and minority firms. They get paid in full and enjoy a reasonable profit."

"The MTA welcomes their participation as we move forward together on a variety of fronts to improve mobility in Los Angeles County today and into the future," Fasana said.

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