



**FTA QUARTERLY REVIEW
BRIEFING BOOK**

September 15, 1999

Submitted By:

***Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, California 90012***

MTA LIBRARY

AGENDA
FTA QUARTERLY REVIEW MEETING
Los Angeles County Metropolitan Transportation Authority
Wednesday, September 15, 1999 - 10:00 a.m.
Gateway Conference Room - 3rd Floor

PRESENTER
Julian Burke

I. OVERVIEW

- A. Organizational Issues
- B. Legislative Issues
- C. Legal Issues
- D. FTA Quarterly Review Briefing Book
- E. MTA Restructuring Plan Third Quarterly Report

II. RESTRUCTURING PLAN QUARTERLY REPORT

Allan Lipsky

(Reference Congressional Requirements for Quarterly Report on Restructuring Plan)

- A. Rail Projects (Covered below—Item III)
 - 1. Metro Red Line Segment 2
 - 2. Metro Red Line Segment 3 North Hollywood
- B. Bus Operations
 - 1. Consent Decree Update
 - 2. Accelerated Bus Procurement Plan vs. Actual
- C. Reforecasted Plan and MTA Budget
 - 1. Corridor Studies of RTAA & Rapid Bus Status
(East Side, Mid-City & SF Valley)
 - 2. Capital and Operating MTA Annual Budget
 - 3. CIP Projects
- D. Planning
 - 1. New Long Range Transportation Plan for 2000
- E. Special Items
Business Action Plans - Workout Team Progress

James de la Loza

Richard Brumbaugh
Wayne Moore

Keith Killough

III. METRO CONSTRUCTION REPORTS (Presentations should emphasize issues and efforts to resolve them with questions and answers to follow)

- A. Recent Events
- B. Metro Red Line Segment 2
- C. Metro Red Line Segment 3
 - North Hollywood Extension
- D. Segment 1 Thin Tunnel Repair Work Completion Schedule
- E. Metro Blue Line ADA Compliance

Charles Stark
Charles Stark

Dennis Mori
Henry Fuks
Marilyn Morton

IV. OPEN ACTION ITEMS

Jeff Christiansen

- A. FTA (Reference June 1999 PMOC Monthly Report)
- B. Project Management Plan (PMP)
- C. Y2K Business Continuity and Contingency Plan

Don Stiner

V. PROPOSED SCHEDULE AND LOCATION OF NEXT MEETING:

Los Angeles Metropolitan Transportation Authority
Wednesday, December 8, 1999 - 10:00 a.m.
Gateway Conference Room - 3rd Floor

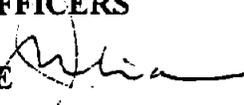
LACMTA MANAGEMENT
ORGANIZATION CHART



DATE: August 12, 1999

Julian Burke
CEO

TO: EXECUTIVE OFFICERS

FROM: JULIAN BURKE 

Metropolitan
Transportation
Authority

SUBJECT: ORGANIZATIONAL CHANGES

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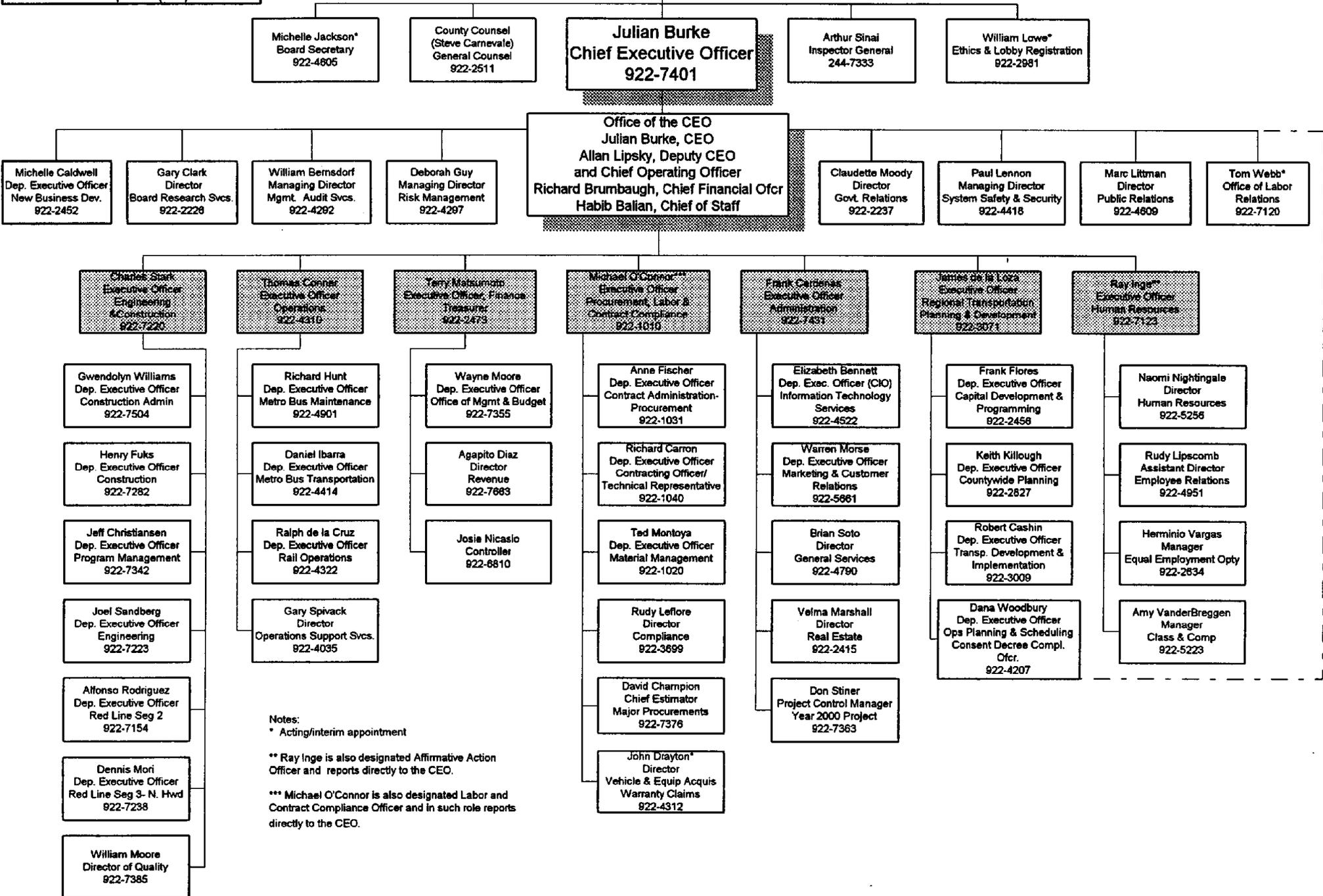
The attached updated organization chart reflects several changes to the structure of the MTA. As previously announced, all Executive Officers will report directly to the Chief Executive Officer. However, Allan Lipsky, as Chief Operating Officer, will be responsible for managing the day-to-day Executive Officer issues for the Office of the Chief Executive Officer, including management plans, budgeting and Board reports. In addition, the Office of Safety and Security will continue to report to the Office of the CEO, but Allan Lipsky will oversee its operation.

Certain key departments will continue to report to the Office of the CEO and be administered by the Chief of Staff, Habib F. Balian. These departments are the Management Audit Services Department, Government Relations, Board Research Services and Labor Relations. Labor Relations has been separated from Employee Relations and is charged with negotiating responsibilities with our collective bargaining units with Tom Webb as its interim manager.

The following represent the changes since the last published organizational chart was released. As you know, Richard Brumbaugh has been appointed Chief Financial Officer and has the Executive Officer of Finance, the Managing Director of Risk Management, and the Director of Strategic Planning as direct reports. Tom Conner, of course, is the new Executive Officer of Operations; Gary Clark is now the Director of Board Research Services; Wayne Moore is the Deputy Executive Officer for the Office of Management and Budget; Claudette Moody is the Director of Governmental Relations; and Josie Nicasio is the Controller. In addition, the Deputy Executive Officer for Marketing and Customer Relations, Warren Morse, will now report through the Executive Officer of Administration. Also note that as Executive Officer of Human resources, Ray Inge will now oversee the departments of Equal Employment Opportunity and Employee Relations.

Attachment

MTA
Board of Directors



Notes:
 * Acting/interim appointment

** Ray Inge is also designated Affirmative Action Officer and reports directly to the CEO.

*** Michael O'Connor is also designated Labor and Contract Compliance Officer and in such role reports directly to the CEO.

METROPOLITAN TRANSPORTATION AUTHORITY

**GOVERNMENT RELATIONS
1999/00 LOCAL, STATE AND FEDERAL LEGISLATIVE MATRIX
as of August 2, 1999**

LOCAL		
PROPOSALS/ACTIONS	DESCRIPTION	STATUS
\$200 million Agreement with the City of Los Angeles	The MTA and the Los Angeles City Council signed an agreement July 24, 1997, that committed the City to providing the MTA \$200 million over eight years to assist with the construction of the MTA's rail program.	<p>The MTA and City of Los Angeles Chief Legislative Analyst (CLA) are currently negotiating the balance of the agreement.</p> <p>On May 4, 1999, the Los Angeles City Council unanimously adopted a resolution to formally direct city staff to amend the current agreement with the MTA. Negotiations between the MTA and the City of L.A. are continuing.</p>

LOCAL		
PROPOSALS/ACTIONS	DESCRIPTION	STATUS
Valley Transportation Zone	On August 26, 1998, the Los Angeles City Council approved a motion to explore the feasibility of a transportation zone in the San Fernando Valley.	<p>On February 25, 1999, the MTA Board voted to give the public, municipal transit agencies, transit unions and others an additional month to comment on draft guidelines for proposed new transit zone recommendations. The board will consider this motion at it's April 29, 1999 meeting.</p> <p>On April 29, the MTA Board approved the zone pre-applications but voted to adopt the Local Transit Zone Guidelines. Staff was directed to continue to work with the applicants to revise the guidelines. The board will consider the revised guidelines at it's May 27, 1999 meeting.</p> <p>On May 27, 1999, the MTA Board of Directors approved pre-applications for proposed transit zones filed by Foothill Transit and the Greater San Fernando Valley Transportation Zone. The Board also approved the selection of 36 Metro bus lines as being significant to the region.</p>

LOCAL		
PROPOSALS/ACTIONS	DESCRIPTION	STATUS
101 - 405 Freeway Interchange	The Los Angeles City Council established a task force to identify improvements and study solutions that could be in place within five years to relieve the traffic congestion at the interchange.	<p>On November 19, 1998, MTA Board of Directors recommended a list of candidate projects for consideration by Caltrans for inclusion in the Interregional Transportation Improvement Program (ITIP).</p> <p>On January 21, 1999, the MTA Planning & Programming Committee adopted to provide a 20 % match to the \$13.1 million proposal to fund improvements for the interchange.</p> <p>On April 29, the MTA Board adopted the Planning & Programming Committee's recommendation to approve the Los Angeles county project list which prioritizes rebuilding 101-405 Interchange.</p> <p>On July 29, the MTA Board adopted the 1999 TIP Call for Projects which includes \$8.2 million in funding for two lane additions at the 101-405 interchange.</p>

STATE ASSEMBLY

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
AB 30 (Pescetti) LA 4/26/99	Appropriates \$100 million to the Office of Criminal Justice Planning to fund grants for the salaries and benefits of peace officers previously funded by a federal grant that expires on or before January 1, 2002. This bill could benefit the MTA by providing funding for existing and additional police officers to patrol our transit services.	Support	Held in Assembly Appropriations Committee 2-year bill
AB 38 (Washington) LA 7/14/99	Original bill extended the \$1 motor vehicle registration fee to the year 2004 for South Coast Air Quality Management District (SCAQMD) projects. Amended bill unrelated to transportation.	Neutral	Passed in Senate Education Committee, 7/14 In Senate Appropriations Committee
AB 44 (McClintock) LA 4/15/99	Mandates the re-designation of all existing High Occupancy Vehicles (HOV) as mixed flow-lanes and directs a study be conducted on the efficacy of HOV lanes.	Oppose	Held in Assembly Transportation Committee 2-year bill
AB 71 (Cunneen) LA 7/14/99	Allows low-emission vehicles (ILEV) to use HOV lanes and require DMV to design and make available special license plates for ILEV's.	Oppose	Hearing in Senate Appropriations Committee, 8/16
AB 102 (Wildman/Hertzberg) LA 5/28/99	Provides 100 percent of the funding necessary to complete construction of the 1989 Retrofit Soundwall List. It is anticipated this bill may be heard on August 17.	Support Sponsor	In Senate Transportation Committee
AB 276 (Longville) LA 5/18/99	Directs all sales tax proceeds derived from gasoline sales to the Public Transportation Account (PTA).	Support	Held in Assembly Appropriations Committee 2-year bill

STATE ASSEMBLY

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
AB 308 (Longville) LA 7/13/99	Adds the rehabilitation and reconstruction of rolling stock and transit capital infrastructure to the list of annual fund estimates.	Support	Hearing in Senate Appropriations Committee, 8/16
AB 357 (Calderon) LA 5/28/99	Original bill added \$45 million to \$15 million off the top of State Highway Account funding for grade separation projects throughout the state. Amended bill for a report on the sufficiency of grade separation projects.	No Position	In Senate Transportation Committee
AB 521 (McClintock)	Redirects the state share of sales tax on gasoline currently allocated to the general fund to fund the construction and maintenance of mixed flow freeway lanes and increase the share of funding to cities and counties.	Neutral	Held in Assembly Transportation Committee 2-year bill
AB 581 (Firebaugh) LA 7/6/99	Directs a study conducted to assess traffic congestion on Route 710, the Long Beach Corridor. The MTA Board decided to amend the bill to permissive not a mandate. The bill was amended to make it permissive.	Support with Amendment	In Senate Appropriations Committee
AB 682 (Margett)	A "spot" bill which currently makes non-substantive changes to MTA law.	Neutral	In Assembly
AB 872 (Alquist) LA 7/7/99	Clarifies the procedures and uses of funding reimbursement to local agencies from the state.	Support	Hearing in Senate Appropriations Committee, 8/16
AB 923 (Hertzberg) LA 7/13/99	Measure relating to rail safety. Amended to mirror "red-light running," moving violations and increases fines with a portion to return to rail transportation authorities for safety programs.	Sponsor	Passed in Senate Judiciary Committee, 7/13 In Senate Appropriations Committee

STATE ASSEMBLY

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
AB 958 (Scott) LA 7/14/99	Provides a clearer process for the utilization by local agencies of the design-build procurement authority established in 1996.	Support	Passed in Senate Local Government Committee, 7/14 In Senate Transportation Committee
AB 1012 (Torlakson) LA 7/12/99	Streamlines the project delivery process at Caltrans and "spend downs" the over \$1.6 billion cash balance in the State Highway Account with a loan program for transportation agencies.	Support with Amendments	In Senate, read second time Re-referred to Senate Transportation Committee
AB 1425 (Runner) LA 7/7/99	Provides that funding identified as the federal regional surface transportation program funds would not merely be added to the overall STIP for distribution, but rather be apportioned to metropolitan planning organizations, or in Southern California, to county transportation commissions based upon population. Committee amendment added to apportion 20% of the funds to environmental enhancement programs.	Sponsor	Hearing in Senate Appropriations Committee, 8/16
AB 1473 (Hertzberg) LA 5/28/99	Streamlines the Director of Finance's report on the state's need for major capital projects. Urgency provision adopted.	Support	Hearing in Senate Appropriations Committee, 8/16
AB 1475 (Soto) LA 7/13/99	Provides a mechanism for local jurisdictions to access available federal safety-related funds for "Safe Routes to School" programs.	Support	Hearing in Senate Appropriations Committee, 8/16
AB 1571 (Villaraigosa and Brulte) LA 5/6/99	Establishes the Carl Moyer Memorial Air Standards Attainment Program, a grant program for the purchase of low emissions heavy-duty engines. Urgency provision adopted.	Support with Amendments	Passed Assembly 6/1 In Senate Committees on Transportation and Environmental Quality

STATE ASSEMBLY

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
AB 1593 (Villaraigosa)	A "spot" bill which currently makes non-substantive changes to MTA law.	Neutral	Hearing in Senate Appropriations Committee, 8/16
AB 1612 (Florez) LA 6/22/99	Directs \$300 million in State Highway Account (SHA) funds for local streets and roads rehabilitation and storm drainage repairs. This measure is identical to SB 10 (Rainey). Given the fact that these are identical, staff has noted a MTA position of neutral seek amendments.	Neutral seek Amendments	In Senate Transportation Committee
AB 1650 (Assembly Transportation Committee) LA 6/22/99	Omnibus Committee bill which includes the MTA's language relating to non-commuting bicycle riding on transit agency property. MTA staff worked with a state-wide bicycle organization to include clarifying legislation that the prohibition was not to dissuade bicycle commuters with valid permits from using rail and bus transit as permitted.	Sponsor	In Senate Transportation Committee

Deferred = bill will be brought up at another time; Chaptered = bill has become law; LA = Last Amended; Enrolled = bill sent to Governor for approval or veto
 Note: "Status" will provide most recent action on the legislation and current position in the legislative process.

STATE SENATE

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
SB 10 (Rainey) LA 4/21/99	Directs \$300 million in State Highway Account (SHA) funds for local streets and roads rehabilitation and storm drainage repairs. This measure is identical to AB 1612 (Florez).	Neutral, seek amendments	Held in Senate Transportation Committee
SB 14 (Rainey) LA 7/12/99	Requires the Department of Transportation (Caltrans) to complete a study setting forth criteria for determining the "effectiveness" of HOV lanes. Mandates that Caltrans cannot designate or construct any new HOV lanes until study is completed. Amended to a study bill only.	Oppose, unless amended As amended, now neutral	Passed in Assembly Transportation Committee, 7/12 In Assembly Appropriations Committee
SB 17 (Figueroa) LA 4/29/99	Provides a tax incentive for employers who subsidize transit passes for their employees by granting a tax credit equal to 40% of the employer's cost.	Support	Held in Senate Appropriations Committee 2-year bill
SB 63 (Solis) LA 7/12/99	Requires that Caltrans convert the High Occupancy Vehicle (HOV) lanes on the San Bernardino (I-10) portion of the El Monte Busway to a "2-person plus" minimum occupancy requirement rather than the "3-person plus" requirement.	Oppose unless amended to peak only	Chaptered # 168, 7/26
SB 65 (Murray) LA 3/23/99	Provides \$20 million in funds for transportation programs for CalWORKS recipients.	Support with amendments	Held in Senate Appropriations Committee 2-year bill
SB 98 (Alarcon) LA 5/10/99	Original bill extended the \$1 motor vehicle registration fee to the year 2004 for South Coast Air Quality Management District (SCAQMD) projects. Amended bill requires SCAQMD to establish an office technology advancement to administer the clean-burning fuels program.	Original neutral as amended	Chaptered No. 36

STATE SENATE

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
SB 315 (Burton/Karnette) LA 7/12/99	Provides four bond measures to be placed on the ballot. Part of a packet of measures, SCA 3 and SR 8, relating to funding for California's transportation capital needs.	Support	Passed in Assembly Transportation Committee, 7/12 In Assembly
SB 364 (Perata) LA 6/2/99	Would extend the State and Local Partnership Program to July 1, 2000. The program is set to expire on July 1, 1999. The bill would also allocate up to \$200 from the State Highway Account (SHA) to fund projects already slated for funding only. Amended to clarify the bill does not extend the programs, but only allows for the completion of projects. Urgency provision added.	Neutral	Signed by Governor, 6/28 Chaptered # 47
SB 532 (Senate Committee on Transportation) LA 7/7/99	Omnibus committee bill, which includes language relating to: (1) increasing MTA's threshold for advertising for bidders on contracts from \$25,000 to \$40,000; and, (2) increasing the MTA threshold for requiring price quotes on small purchases from \$1,000 to \$2,400.	Sponsor of MTA provisions	Hearing in Assembly Appropriations Committee, 8/18
SB 601 (Karnette) LA 6/16/99	CTA sponsored state-wide bill which provides that transit agencies may use "competitive negotiation" to purchase buses.	Support/co-sponsor	Signed by Governor, 7/13 Chaptered # 101
SB 677 (Polanco) LA 4/21/99	Provides for a partial and temporary exemption of the sales tax specifically for the MTA and its purchase of transit vehicles.	Sponsor	Held in Senate Revenue and Taxation Committee 4/21 2-year bill
SB 681 (Speier) LA 7/8/99	Relates to responsibilities of individuals in minor car accidents and liability issues for freeway service patrols throughout the state.	Support	Hearing in Assembly Appropriations Committee, 8/18

STATE SENATE

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
SB 851 (Hayden)	Similar to SB 1886, this bill would establish seven transportation planning boards throughout the county to be the "sole and exclusive" planning entities for transportation and capital projects within given geographical areas.	Oppose	Held in Senate Transportation Committee on 4/20 2-year bill
SB 864 (Karnette)	A "spot" bill which currently makes non-substantive changes to MTA law.	Neutral	Senate Rules Committee
SB 928 (Burton) LA 7/14/99	Allows for the issuance of GARVEE bonds for infrastructure projects.	Support with amendments	Hearing in Assembly Appropriations Committee, 8/18
SB 1101 (Murray) LA 7/13/99	Designates transportation zones as organizational units of the MTA with its employees to be part of the same collective bargaining agreements as represented by the MTA.	Oppose	Hearing in Assembly Transportation Committee, 8/16
SB 1202 (Karnette)	Requires that in resolving issues relating to labor organization representation for the MTA, the State Director of Industrial Relations must define the term "employee" as including individuals employed as supervisors and managers. MTA will work with Karnette's staff to clarify and amend bill to reflect recent MTA actions in this regard.	Oppose unless amended	Senate Industrial Relations Committee
SB 1243 (Murray) LA 5/28/99	Bill creates a construction authority for an undefined project along the Exposition Right-of-Way.	No position	In Senate Transportation 2-year bill
SB 1276 (Hayden) LA 6/9/99	Original bill provided that the MTA Board of Directors may not pass any agenda item "with less than seven affirmative" votes. Amended to prohibit MTA from expending any funds until the conditions of a consent decree and subsequent rulings are deemed met by the Special Master. Urgency clause adopted.	Oppose	Hearing on 8/17, in Senate Transportation Committee

STATE SENATE

BILL/AUTHOR	DESCRIPTION	MTA POSITION	STATUS
SCA 3 (Burton) LA 7/8/99	Original measure provided that local transportation sales taxes can be approved by a majority vote, rather than the 2/3rds vote required by state Constitution for tax measures. Amended measure provides for a statewide sales tax with a requirement that "non-transportation sales tax counties" must submit an expenditure plan to voters on a countywide ballot. Current transportation sales tax counties could extend their measures with a vote of the County Transportation Authority Board. This measure as currently written, has no impact on Los Angeles County transportation sales tax measures. Part of a packet of measures, SR 8 and SB 315, relating to funding for California's transportation capital needs.	Support	Adopted by Senate, 7/12 Hearing in Assembly Transportation Committee, 8/16
SR 8 (Burton) LA 2/18/99	Calls for an inventory of the state's transportation needs, provides a mechanism for identifying the high-priority projects for funding by the bond proceeds and for recommendations on how to enhance Caltrans project delivery. Part of a packet of measures, SB 315 and SCA 3, relating to funding for California's transportation capital needs.	Support	Adopted by the Senate on 2/19/99

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FEDERAL

BILLS	DESCRIPTION	STATUS
FY 2000 TRANSPORTATION APPROPRIATIONS		
<p>FY 2000 Transportation Appropriations request</p>	<p>MTA's request for FY 2000 Transportation Appropriations is as follows:</p> <ul style="list-style-type: none"> • \$50 million of Section 5309 Fixed Guideway-Discretionary Funding for the construction of Metro Rail Red Line, Segment 3, North Hollywood Extension; • \$9 million of Section 5309 Fixed Guideway-Discretionary funding for preliminary engineering, design and environmental work for future fixed guideway projects in the East Side and Mid-City corridors; • \$15 million in Section 5309 Bus and Bus Related Facilities Program Discretionary funding to assist the MTA in complying with the Bus Consent Decree and implementing the MTA's Accelerated Bus Procurement Plan; and, • \$10 million in Section 5308 Clean Fuels Bus Program funding to assist in funding the construction of additional CNG facilities and bus technology improvements. 	<ul style="list-style-type: none"> • March 26, 1999-Testimony submitted to the House Subcommittee on Transportation Appropriations • March 31, 1999-Testimony submitted to the Senate Subcommittee on Transportation Appropriations • Mark up in the Senate Transportation Appropriations Subcommittee on May 25 and full committee action on May 27.
<p>H.R. 2084 -Wolf FY 2000 Transportation Appropriations bill</p>	<p>HR 2084-The FY 2000 Transportation Appropriations bill, includes the following earmarks for MTA programs:</p> <ul style="list-style-type: none"> • \$50 million of Section 5309 Fixed Guideway-Discretionary Funding for construction of the Metro Rail Red Line, Segment 3 North Hollywood; • \$5 million of Section 5309 Fixed Guideway-Discretionary Funding for preliminary engineering, design and environmental work for future fixed guideway projects in the East Side and Mid-City corridors; • \$7 million in Section 5309 Bus and Bus Related Facilities Program Discretionary funding; • \$0 in Section 5308 Clean Fuels Bus Program; • \$1.8 million in Section 5209 (c) Intelligent Transportation Systems (ITS) deployment projects; and, • \$1 million of Section 3037 for Job Access and Reverse Commute Grants. 	<ul style="list-style-type: none"> • May 19, 1999-House Appropriations Committee acted on 302 (b) spending allocations for 13 subcommittees. The spending allocation figures for FY 2000 Transportation Appropriations are: \$12.7 billion in discretionary budget authority; \$43.5 billion in discretionary outlays; and \$12.3 billion in FY 99 current year spending level. • May 27, 1999- The House Subcommittee on Transportation and Related Agencies reported the FY 2000 Transportation Appropriations bill to the full House Appropriations Committee.

FEDERAL

BILLS	DESCRIPTION	STATUS
		<ul style="list-style-type: none"> • June 8, 1999-The House Appropriations Committee unanimously approved the House Subcommittee on Transportation and Related Agencies FY 2000 Transportation Appropriations bill. • June 23, 1999- On a 429-3 vote, the House voted to approve HR 2084. The bill provides \$50.7 billion in transportation spending for FY 2000, and \$5.8 billion to the FTA and \$28.9 billion to the FHWA.
<p>S 1143 - Shelby FY 2000 Transportation Appropriations bill</p>	<p>May 25, 1999-Senate Subcommittee Transportation Appropriations reported the total funding level for FY 2000 of \$3.098 billion. California would receive \$456.681 in formula funds. The Senate Subcommittee <u>did not</u> earmark funds for specific New Starts transit or bus projects. The report language includes a "Transit Equity Provision" which "prevents any state from receiving more than 12.5% of the aggregate formula and capital investment grants programs' funds." CA could lose around \$118 million.</p>	<ul style="list-style-type: none"> • May 27, 1999 - The Senate Appropriations Committee approved an reported out on a 21-7 vote, (Feinstein-no) the FY 2000 Transportation bill to the Senate Floor. • On June 28, Senate Majority Leader Trent Lott scheduled a cloture motion for S. 1143. The cloture vote failed by a vote of 49 Ayes-40 Nays. The cloture motion requires 60 votes for passage.

**WORKERS COMPENSATION
QUARTERLY REPORT**



July 12, 1999

Mr. Leslie Rogers
Regional Administrator
Federal Transit Administration
Region IX
201 Mission Street, Suite 2210
San Francisco, CA 94105

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

RE: WORKERS COMPENSATION QUARTERLY REPORT

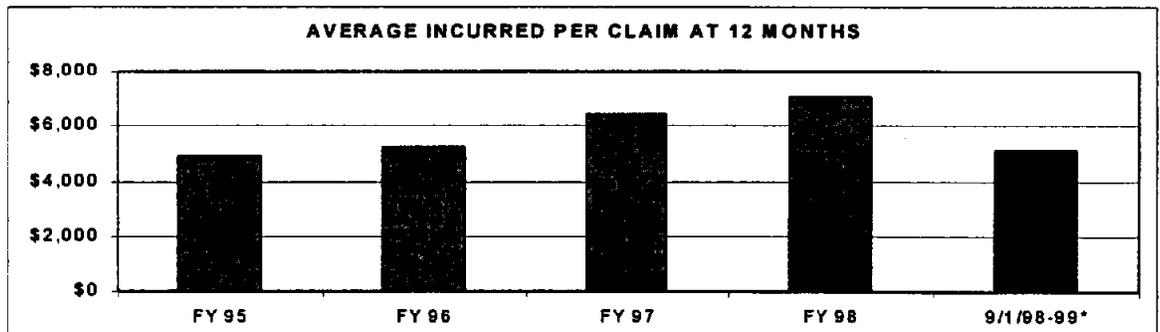
Dear Mr. Rogers:

In an effort to manage and control Operations' workers' compensation costs, the following has been accomplished during the third quarter:

New Claims

An average of 233 new claims per month have been reported through the Travelers system. This figure has been reduced from the 277 monthly average reported last quarter. This encouraging development will be closely monitored to determine whether it constitutes a consistent downward trend.

Our insurer, Travelers, has projected the average insured claim cost after one year and compared that to MTA's past experience with claims after one year. As indicated below, since the inception of the Travelers policy, the average claim cost is \$1,600 after one year. The graph also indicates historic growth in MTA's self-insured claims prior to Travelers involvement. In FY98, the average cost of claims at one year was \$2,400, a steadily growing number from prior years. This year's decrease in claim value can be attributed to improvement in both claim management instituted by Travelers and in MTA's internal procedures.



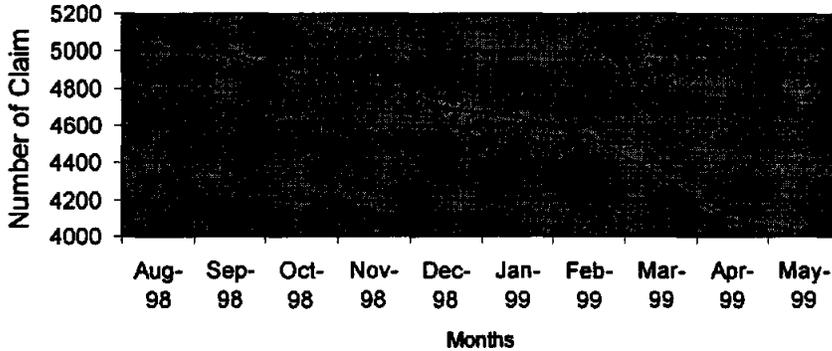
* Projected to 12 months

Self-Insured Claims

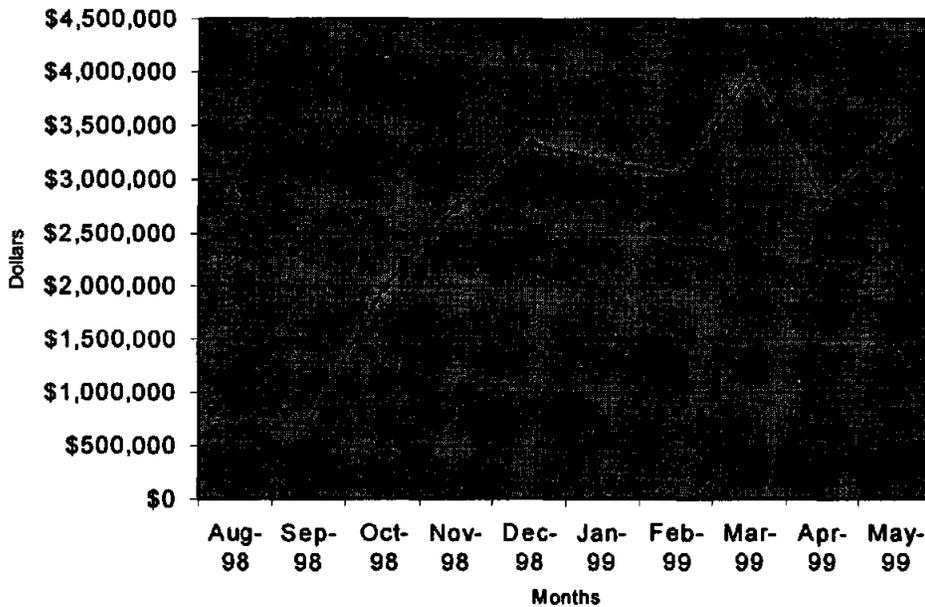
On September 1, 1998, Travelers received 5013 open self-insured claims for administration. There are currently 4026 remaining claims in that category. This constitutes a 20% reduction in the number of claims in our open inventory.

The following charts depict the decline in the self-insured open claims inventory and payments on those claims since 9/1/98.

Open Self-Insured Claims Inventory by Month



Self-Insured Claims Payments by Month



*Note: May numbers include settlements of two large claims, totaling \$931,000.

Reimbursements to Travelers on self-insured claims rose in March to levels experienced prior to Travelers' policy inception, primarily due to the "catch up" effort to bring statutorily required payments current after the transition from the prior Third Party Administrator. These payments are stabilizing as administrative issues are resolved.

Less opportunity for cost containment exists with older, more developed claims than in the newly incurred claims. However, internal controls focus on managing this exposure with whatever proactive means are available. Travelers has also demonstrated efforts to control costs from these older claims. Since this inventory was transferred to Travelers on September 1, 1998, \$4.3 million in bill reductions from submitted medical invoices have been documented. It is difficult to compare these reductions to the prior program, wherein some medical invoice management was instituted by the prior administrator. Savings of this nature were not tracked in the past. It is, however, a significant indicator of a concerted effort to control costs on our self-insured claims.

Last month, the Board approved a settlement process, establishing authority levels and creating a Claims Committee to review settlement requests and make recommendations to the Board for claim settlements in excess of \$100,000. This process improvement will expedite the resolution of inventory claims.

Monthly reimbursements to Travelers for self-insured claim payments are closely managed and monitored by Risk Management. Travelers must receive authorization from Risk Management to settle claims valued in excess of \$10,000.

Self-Insured Reserves

An independent actuary reviewed the reserves established to address MTA's self-insured workers' compensation claims. Actuaries assessed MTA's liability for these claims as of February 28, 1999, at values ranging from a low of \$127 million to a high of \$162 million. Their expected value for the 4500 claims that were open on the date of this assessment was \$142.8 million. (Please note that subsequent to this report, 510 claims have been closed, reducing the liability by approximately \$1.7 million.) MTA will be responsible for payment of this outstanding liability. Pay-out of these claims is expected to take twenty-three years. Current internal reserves are insufficient. Risk Management is examining various financing alternatives to address this liability.

Recurrence Claims

In FY98, the MTA received an average of 145 recurrence claims (claims that have been deemed an exacerbation of an existing claim) every month. Since September of 1998, there have been a total of 150 claims deemed recurrences, an average of 17 recurrences per month.

These claims are closely monitored by the Risk Management Department to ensure that no claims that belong in the fully insured program are charged as self-insured to the MTA. Travelers provides weekly updates on claims that impact the self-insured program. Risk Management continues its rigorous audit schedule of Travelers' claims to protect the MTA from adverse effects of recurrence claims.

Transitional Duty Program

An analysis of the components of MTA's historic workers' compensation claims reflects that our claim frequency has remained relatively static, as have payments for medical bills and legal fees. The portion of our claims that has escalated over the past several years is the indemnity paid to employees. Employees are staying away from work longer for injuries than in the past. To address this issue, we created a mechanism whereby an employee can return after a work-related injury. The MTA now brings employees back to work, accommodating the individual's temporary medical restrictions for a period of 60 days until the employee can return to normal duties.

The Transitional Duty Program (TDP), which is designed to reduce claim severity, began operation on January 18, 1999. As of May 31, 1999, 87 employees had participated in the TDP. 46 of those employees have returned to their normal duties. TDP participants are returning to normal duties 40% faster than anticipated by treating physicians. The Transitional Duty Program has saved the MTA \$186,000 (net of salaries paid to employees enrolled in the program) since its inception.

In July of 1998, 444 MTA employees were out on temporary disability. Through diligent use of the Transitional Duty Program, we have reduced that number to 325. We expect that the program will expand to accommodate the majority of our injured workers, decreasing indemnity payments associated with workers' compensation claims dramatically. As of May 31, 1999, temporary disability payments not made as a result of this program totaled \$226,099.

The Transitional Duty Program is expected to pay for itself in reduction of future claims. Indemnity payments are fully insured through Travelers until September 1, 1999. In two months, a cost sharing arrangement will be in place between the MTA and Travelers. Reducing temporary disability and increasing productivity by returning employees to work sooner will then become even more important to the MTA. The Transitional Duty Program is one of the most significant measures that the MTA can implement to drive workers' compensation costs down. We are very encouraged by its success to date.

Ergonomics

Ergonomic and repetitive type injuries account for 11.9% of our workers' compensation claims valued over \$5,000. The Safety Department, in conjunction with Travelers and Risk Management, are arranging for supervisory training in the Gateway Building on proper work-station adjustments to avoid repetitive motion injuries. That same training will be repeated at the Divisions in the near future.

Injuries due to operator seat movement account for 9.7% of MTA's claims. Travelers and MTA's Operations Safety Department have been involved in addressing equipment related ergonomic issues in new bus purchases. We anticipate a reduction in these expensive claims as newer equipment is received which more effectively accommodates an individual's ergonomic needs.

Cooperation with the OIG—Fraud Control

The OIG, Travelers and Risk Management have formed an alliance to address the issue of fraudulent workers' compensation claims. Regular joint meetings are held to form strategies on prevention and prosecution.

A fraud hotline (800-297-4690) has been created to report workers' compensation fraud. Posters will be hung at each Division, heightening visibility to the fact that workers' compensation fraud is a crime and will be prosecuted.

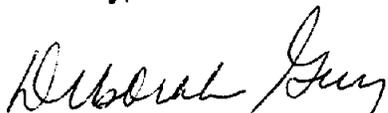
Travelers has dedicated six individuals to pursuit of fraudulent MTA workers' compensation claims. That group is currently preparing 5 cases for referral to the District Attorney's office for criminal prosecution. 22 cases have been referred to the California Department of Insurance. All of the District Attorney referrals involve MTA's self-insured claims.

MTA's Claims Manager recently returned from Philadelphia, where she met with SEPTA personnel and attorneys responsible for turning around that city's fraudulent claim activity. We will implement their successful programs and continue to benchmark ourselves against other transit agencies to control and prosecute fraud.

Agency-wide Focus

Inherent in reducing the cost of workers' compensation is keeping the agency focused on the problem and making it an agency-wide issue, not just one department's problem. Great strides are being made toward that end. A partnership has been developed between Operations, Safety, Risk Management and our insurer to address the workers' compensation problems that have plagued the agency. MTA's Claims Manager meets with Division Managers monthly to discuss their claims and strategize as to how to reduce them. The Professional Pride Program, a joint effort between Safety, Operations and Risk Management, will reward top performers in loss prevention in an effort to reduce claims and ensure that all employees take ownership to the problem. The interdisciplinary steering committee continues to meet to address aspects of workers' compensation and share experiences that assist in loss reduction.

Sincerely,



Deborah Guy, ARM, CPCU
Managing Director, Risk Management

**ADVANCED LAND ACQUISITION PROGRAM (ALAP) PARCELS
METRO RAIL PROJECT - MOS-2
CA-90-0022**

STATUS REPORT AS OF 6/30/99

**1. Parcel A1-250/Wilshire Vermont Station
Wilshire/Western Station**

The MTA Board approved five firms to make up the Joint Development consultant bench. Contracts have been executed with the firms and Work Orders are being developed for one of the consultants to provide the following analysis regarding the Wilshire Vermont Station and the Wilshire Western Station:

- Prepare a technical memorandum outlining the Highest and Best Use/Market Analysis and a recommendation as to the most appropriate use for the site under current market conditions.
- Develop a conceptual pro-forma based on the market analysis, with an estimate of potential annual revenue to the MTA.
- Recommend the most appropriate joint development strategy for the site.

Once the consultant's reports are submitted, staff will evaluate and determine the next course of action to pursue toward development of the station areas. No specific joint development project is being considered for the Wilshire/Western or Wilshire/Vermont Stations at this time.

2. B-102 and B-103 - Temple Beaudry

Staff is continuing to perform due diligence to determine the environmental and geotechnical condition of the parcels for construction of a new Cash Counting Facility. The Phase I report indicated no significant environmental issues; however, since the site is located across the street from the Belmont High School site, a Phase 2 Study is being obtained. Significant environmental conditions were discovered on the Belmont Site by the Los Angeles Unified School District after construction commenced.

3. A1-300 and A2-301 - Wilshire/Crenshaw

Since the last report, Real Estate has been requested to hold off on the sale of these two parcels. The MTA is retaining a consultant team to conduct a Westside/Mid-City Corridor Study. The study is scheduled to start July 1, 1999 and Phase 1 of the study is expected to be completed by December 1999. The study will evaluate the alternatives recommended in the Regional Transit Alternatives Analysis (RTAA Study), as well as others that may be identified

by the Consultant team or in community scoping meetings. The alternatives to be considered will, at a minimum, include heavy rail extension, exclusive lane busways, aerial guideways and potentially other transit projects along Wilshire Boulevard between the Wilshire/Western Metro Red Line Station and Wilshire/Fairfax. A number of these alternatives could propose transit stations at Wilshire/Crenshaw. In the interim, discussions are underway with the Los Angeles Unified School District to lease the site on a month to month interim basis.

4. A2-362 - Wilshire/La Brea

Since the last report, Real Estate has been requested to hold off on the joint development of this parcel. The corridor study discussed above will also include the Wilshire/Labrea site as a potential station for many of the transit alternatives. FTA previously concurred with MTA's decision to issue a Request for Proposal (RFP) for joint development of this parcel. An appraisal of the site has been obtained; however we will not proceed to assign a consultant to study this site until the Study discussed above has been completed.

**5. Parcels A4-755, A4-765, A4-767, A4-772, A4-774, A4-761 - Universal City Station
C4-815 - North Hollywood Station**

The MTA Board approved five firms to make up the Joint Development consultant bench. Contracts have been executed with the firms and Work Orders are being developed for one of the consultants to provide the following analysis regarding the Universal City Station and North Hollywood Station.

- Prepare a technical memorandum outlining the Highest and Best Use/Market Analysis and a recommendation as to the most appropriate use for the site under current market conditions.
- Develop a conceptual pro-forma based on the market analysis, with an estimate of potential annual revenue to the MTA.
- Recommend the most appropriate joint development strategy for the site.

Once the consultant's reports are submitted, staff will evaluate and determine the next course of action to pursue toward development of the station areas. No specific joint development project is being considered for the Universal City Station and North Hollywood Station at this time.

**LACMTA EXCESS REAL PROPERTY
METRO RAIL PROJECT - MOS-1
CA-03-0130**

1. Parcels A1-015, A1-016, and A1-021

Parcels A1-015 and A1-016 are still being used in support of Segment 2 and Segment 3 construction and are expected to continue to be used in support of MTA operations. Parcel A1-021 has been leased to an adjacent property owner until a determination is made for its long term requirements. If it is determined that the parcel is not needed for MTA construction or operational requirements, the parcel will be recommended for disposition.

2. Parcel A1-209, A1-211, A1-220, A1-221/225, A1-222 and A1-224 - Alvarado Station

The MTA had been working with the non-profit corporation, Transit Community Development Corporation, TCDC, on the development of the properties located at the Wilshire/Alvarado site. The non-profit corporation, Transit Community Development Corporation (TCDC) took the lead on attempting to purchase adjacent properties utilizing the EDA grant of 3.4 million awarded to the City of Los Angeles. The TCDC was not successful in their purchase as property owners wanted almost double the appraised values.

Without these properties, the MTA project site becomes very limited. The MTA had planned to construct the intermodal intercept facility with 600 spaces on its existing property in conjunction with a grocery store, which would have been built partially on the adjacent private parcels. Due to the already limited space on the MTA owned property, this development may not be possible. MTA has decided to evaluate an alternative development strategy that would allow the private development sector to help determine the most appropriate use for the site including how much parking might be needed and in what configuration.

The MTA has recently obtained a consultant to provide a market analysis of the area and to develop a Request for Proposals(RFP) for a developer. The MTA feels confident that the market will provide a better overall development of the site sensitive to the community and possibly generate a revenue stream. The market analysis and RFP should be completed within 90 days.





Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2932

(213) 922-2000

June 14, 1999

Mr. Leslie T. Rogers
Regional Administrator
FTA Region IX
Federal Transit Administration
201 Mission Street, Suite 2210
San Francisco, CA 94105-1839

**GRANT CLOSEOUTS OF FTA GRANT NO. CA-03-0341 & CA-90-X642
FOR METRO RAIL RED LINE - SEGMENT 2**

Dear Mr. Rogers:

The Los Angeles County Metropolitan Transportation Authority (MTA) hereby informs the Federal Transit Administration (FTA) that it has started the closeout process for its federal grants, FTA Grant No. CA-03-0341 and CA-90-X642. These grants have funded Segment 2 of the Metro Rail Red Line Project. FTA Circular 5010.1C states that the closeout process should begin immediately after all work activities under the grant are completed. The revenue operations date for Segment 2 was June 12, 1999. However, some activities will continue such as the closeout of all contracts and final construction activities.

The MTA will submit a final budget revision and the final Financial Status Report via TEAM by the end of December 1999. This schedule will allow us to close out the contracts encumbered against the federal grants. The MTA also will be reporting the closeout progress to the FTA through the quarterly progress report via TEAM.

If you or your staff have any questions or concerns regarding this notification, please contact me at (213) 922-2456 or Gladys Lowe at (213) 922-2459.
Thank you.

Sincerely,

FRANK FLORES
Deputy Executive Officer
Capital Development and Programming

cc: James F. Kenna, FTA - Region IX
John Hunt, FTA - Region IX
Erv Poka, FHWA, FTA - L. A. Metro Office



August 13, 1999

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2932

Phone: 213.922.6000

Mr. Leslie T. Rogers
Regional Administrator
Federal Transit Administration
Region IX
201 Mission Street, Suite 2210
San Francisco, CA 94105

Dear Mr. Rogers:

MTA Metro Rail Operations continues to work closely with its colleagues in the MTA's Construction/Engineering, Safety and other departments to assure safe and reliable rail operations. Having experienced a very successful opening of the Metro Red Line extension to Hollywood this past June 12th, work continues to complete the various open items to achieve a permanent Certificate of Occupancy. At the same time we are cooperating to support the various stages of testing for the Metro Red Line Segment 3 North Hollywood extension which is expected to open mid next year.

With regard to specific Segment 2B issues, MTA expects to cease staffing the emergency management panels at individual Segment 2B stations by the end of the week of August 9th. While the requisite number of heavy rail cars to meet both revenue schedule requirements and maintenance needs have been provided, we are continuing to resolve the signal problems affecting the Automatic Train Protection System. As previously reported, while a temporary work-around involving the uninterruptible power supply system had been devised, work continues to improve the reliability of this critical system component. Parenthetically the same components are being used in the Segment 3 extension which gives further impetus to resolve their system reliability. All deficiencies within TRACS related to fire/life/safety issues are expected to be resolved the week of August 9th.

In conclusion, we are working with our Construction colleagues to quickly close outstanding Segment 2B issues so that the MTA can move on to a successful Segment 3 ROD.

Sincerely,

A handwritten signature in cursive script that reads "Thomas Conner".

Thomas K. Conner
Executive Officer
Transit Operations

**TRANSIT OPERATIONS
PERFORMANCE REPORT**



Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

Mailing Address:
P.O. Box 194
Los Angeles, CA 90053

August 17, 1999

TO: BOARD OF DIRECTORS

FROM: THOMAS K. CONNER, EXECUTIVE OFFICER - TRANSIT
OPERATIONS

Thomas Conner

SUBJECT: TRANSIT OPERATIONS PERFORMANCE REPORT FOR
JUNE 1999

June was highlighted by a successful opening of the Red Line to Hollywood, an increase in bus service on 19 lines (66 more peak buses) and an increase in the maintenance standard for coaches pulling out of the yard for revenue service. At the same time, June saw some minor setbacks in measured performance for Transit Operations. The percentage of On-Time Pull-outs declined slightly and In-Service On-Time Performance dropped, following four straight months of increase. In spite of the decreases, we maintained ISOTP above 60% and On-Time Pull-outs remained above 99.0%. A seven-month downward trend in Lost Revenue Service Hours was reversed as a result of increased service levels, weather-related maintenance problems and a shortage of trained Operators. Load Factor compliance continued to trend upwards and Mean Miles Between Mechanical Failures, though down from May, continue to show general improvement. Customer complaints rose in June, although the fourth quarter continued to show a strong downward overall trend.

On-Time Performance improved for both the Green and Blue Lines in June. However, Metro Red Line On-Time Performance decreased. This was related to expansion of the Red Line to Hollywood.

The Bus Accident Rate continues to fluctuate and present the most perplexing challenge. An influx of new Operators, combined with a supervisory staff stretched beyond its capacity has made it difficult to quickly deal with the issue. The annual and fourth quarter trend both indicate increases in this performance indicator.

The report itself has been changed this month. Performance indicator goals, based on Professional Pride goals, industry standards and experience, have been added to as many charts as practical and meaningful. Some goals will be updated as benchmark data are received from the on-going cost analysis study.

Transit Operations is continuing to develop new performance measures to improve the value and usefulness of the Monthly Performance Report. Transit Operations For July's report, we will begin to alter the way we present Rail data, separating the current performance indicator into its On-Time Pullout and In-Service On-Time components. Your feedback on the content and format of this report is appreciated. Please contact Josee Larochelle at (213) 922-2231, if you have any questions regarding the information in this report.

June 1999 Highlights:

Bus Service Performance

- In June, Bus On-time Pullout Performance decreased slightly for the first time in nine months to 99.0% from 99.2% in May. Seven of the eleven bus divisions posted OTP at or above 99.0% and six of those divisions equaled or exceeded 99.2% OTP during June.
- In-Service On-Time Performance dropped slightly in June. On-Time Performance, measured with a 15-second tolerance, decreased from 61.8% in May to 60.3% in June.
- Scheduled Revenue Service Hours Lost increased from 1.3% in May to 1.4% in June.
- June Boardings per Revenue Service Hour, at 58.8, were higher than the 53.7 reported for June 1998. This is the result of a 14.8% increase in ridership and a much smaller increase (3.6%) in service levels.

Rail Service Performance

- Red Line On-Time Performance dropped from 98.5% in May to 98.4% in June. Green Line On-Time Performance solidified at 98.8% in June. Blue Line On-Time Performance rose sharply from 94.8% in May to 96.1% in June.

Maintenance Performance

- Mean Miles Between Mechanical Failures resulting in service disruptions of more than ten minutes dropped from 6,192 in May to 5,567 in June.
- Past Due Critical PMP Jobs increased from 0.69 per assigned vehicle in May to 0.92 in June. Major efforts remain underway to keep this indicator at the lowest possible level despite the historical tendency for this indicator to rise during warm weather, when problems associated with cooling systems divert resources away from planned maintenance.

Financial Performance

- June financial data were unavailable for this report due to year-end closing procedures.

Transit Operations Performance Report - June 1999
Page Three

Safety

- Traffic Accidents Per 100,000 Hub Miles, based on year-to-date data, increased from 3.3 in May to 4.0 in June.
- Year-to-date Reported crimes per 100,000 Green Line boardings decreased from 4.92 in May to 4.77 in June. Red Line reported crimes per 100,000 boardings rose from 0.77 in May to 0.93 in June. Reported crimes per 100,000 boardings for the Blue Line decreased from 2.92 reported crimes per 100,000 boardings in May to 2.83 in June, while reported crimes per 100,000 boardings for the Bus mode rose from 0.39 in May to 0.41 in June.

Customer Satisfaction

- Customer Complaints increased from 4.1 Complaints per 100,000 Boardings in May to 4.4 in June. The Contract Service customer complaint rate remains significantly above that of MTA-operated service.



**Transit Operations Performance Report
for
June 1999**

Prepared by:

Los Angeles County
Metropolitan Transportation Authority
Transit Operations Division



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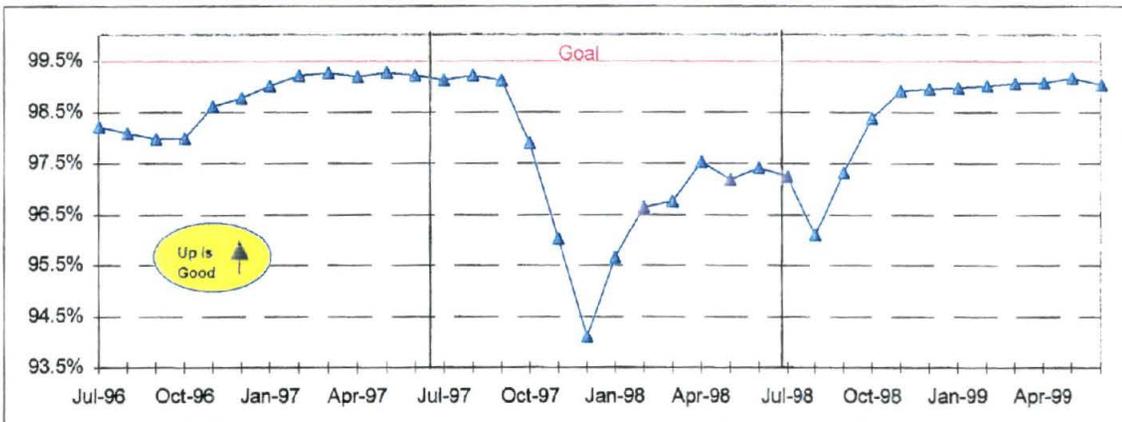
BUS SERVICE PERFORMANCE

ON-TIME PULLOUT PERCENTAGE

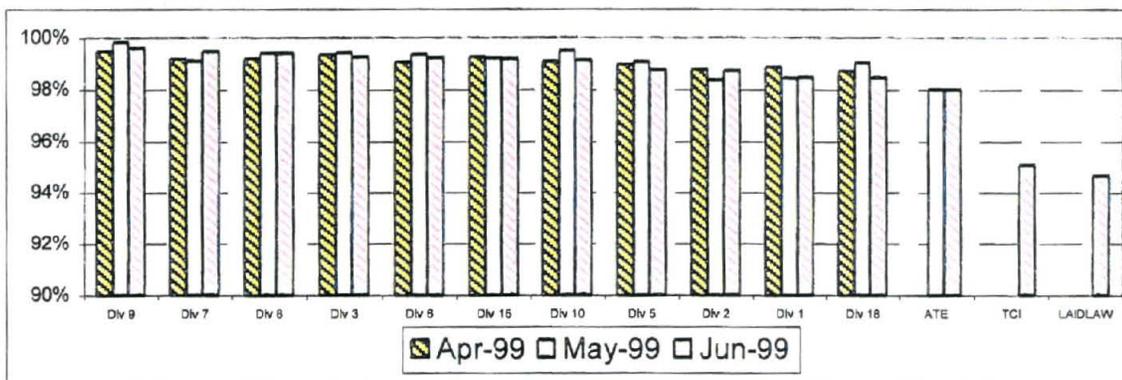
Definition: On-time Pullout Performance measures the percentage of buses leaving the operating division within one minute of the scheduled pullout time. The higher the number, the more reliable the service.

Calculation: $OTP\% = [(100\% \text{ minus } [(Total \text{ late and cancelled runs divided by Total scheduled pullouts}) \text{ multiplied by } 100])]$

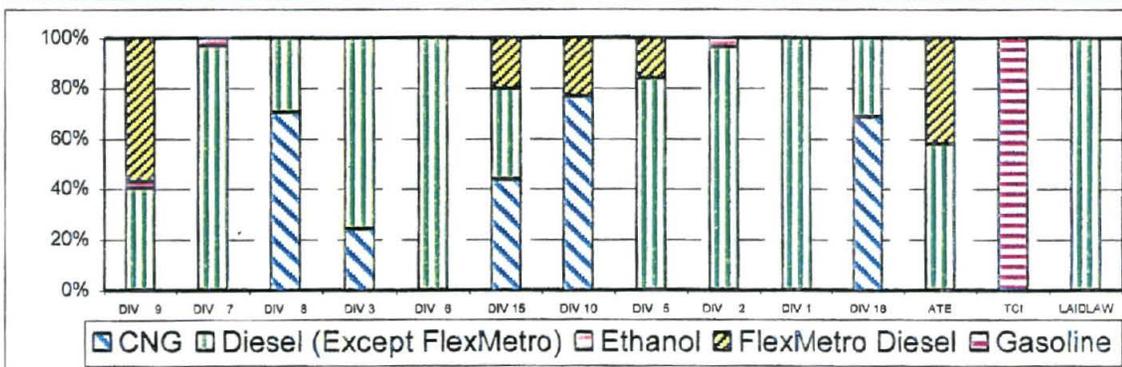
Systemwide Trend



Bus Operating Divisions April 1999 - June 1999



Fleet Mix by Division - June 1999



BUS SERVICE PERFORMANCE - Continued

Outlates & Cancellations by Division - June 1999

Division	OUTLATES		CANCELLATIONS		ON-TIME PULL-OUT RATE	REASONS FOR OUTLATES and CANCELLATIONS		
	Number	% of Pull- outs	Number	% of Pull- outs		No Operator Available	Bus Mechanical Failure	Other
1	89	1.5%	0	0.0%	98.5%	7	81	1
2	53	1.2%	1	0.0%	98.7%	3	50	1
3	43	0.7%	1	0.0%	99.3%	2	38	4
5	79	1.2%	2	0.0%	98.8%	17	61	3
6	12	0.6%	3	0.2%	99.2%	2	13	0
7	38	0.5%	0	0.0%	99.5%	1	34	3
8	23	0.6%	0	0.0%	99.4%	0	19	4
9	24	0.4%	1	0.0%	99.6%	7	17	1
10	68	0.8%	4	0.0%	99.1%	17	45	10
15	49	0.8%	0	0.0%	99.2%	9	36	4
18	113	1.4%	10	0.1%	98.5%	23	82	18
TOTAL	591	0.9%	22	0.1%	99.0%	88	476	49

Analysis: In June, two significant bus service changes were made: 1) On June 6th, 66 peak buses were added to 19 of the top 20 consent decree lines for load factor reduction ; and 2) Bus service for the Segment 2B Rail-Bus Interface was reduced on June 13th. Transit Operations made every attempt to ensure adequate operator staffing and bus availability. However, due to inconsistency in the delivery of new buses and and difficulties in hiring an adequate number of Operators, there was an increase in the number of outlates and cancellations (22) for June from a low of 13 cancellations in May. This performance indicator was also affected by an increase in the maintenance standard for in-service coaches related to radios, wheelchair lifts and doors.

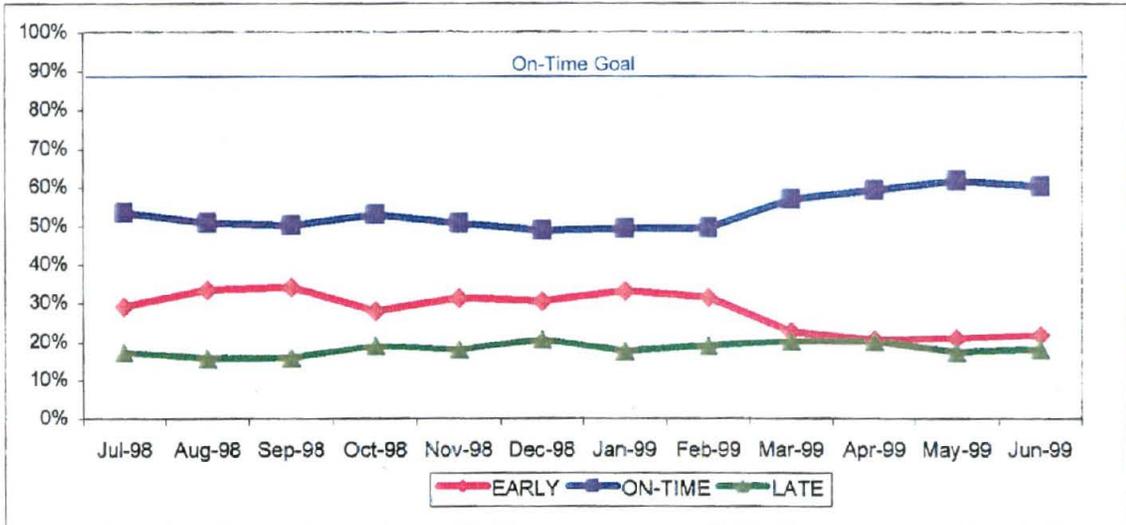
Corrective Action: Operations is working very closely with Procurement and coach manufacturers to ensure a steady and reliable flow of new coaches. In addition, Transportation is working diligently with HR and Training staff to create a steady flow of well-screened and trained operators. Maintenance is working to improve the overall mechanical condition of the coaches and the delivery of new buses is raising the overall reliability of the fleet.

IN-SERVICE ON-TIME PERFORMANCE

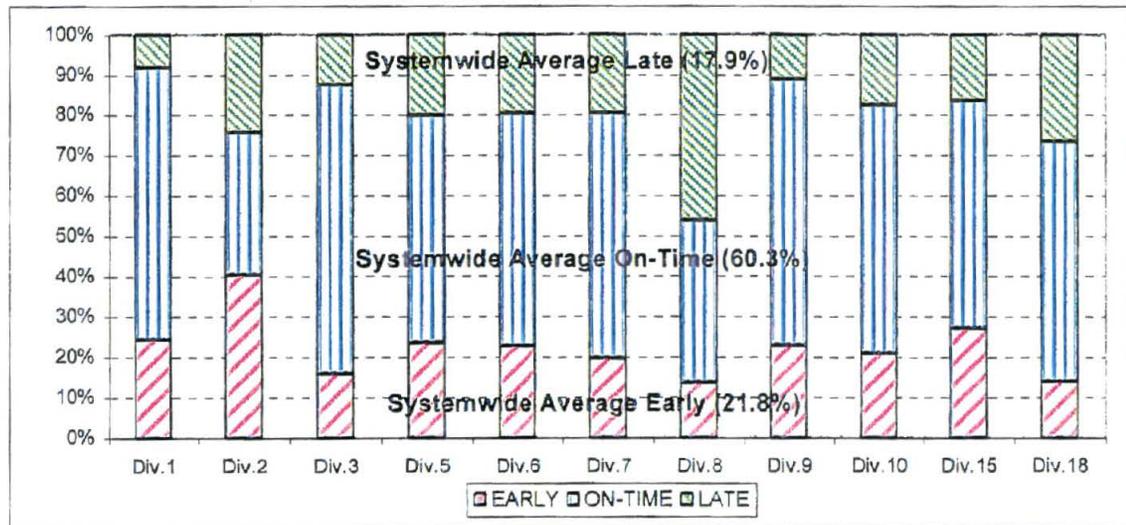
Definition: This performance indicator measures the percentage of scheduled buses that depart selected time points no more than 15 seconds early and no more than five minutes later than scheduled.

Calculation: $ISOTP\% = 1 - ((\text{Number of buses departing early} + \text{Number of buses departing more than five minutes late}) / (\text{Total buses sampled}))$

Systemwide Trend
June 1999



Bus Operating Divisions
June (15 Second Tolerance)



BUS SERVICE PERFORMANCE - Continued

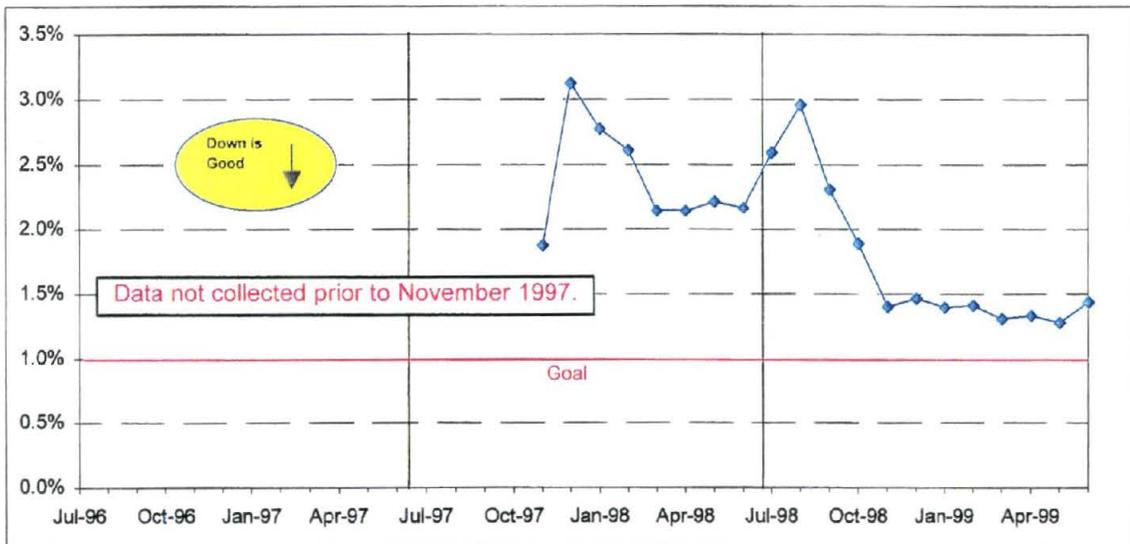
Analysis: In-Service On-Time Performance for the fourth quarter improved by nearly 10% over the previous quarter, although this indicator declined slightly in June as compared to May. Late departures have remained steady throughout the year at 18%. Many factors impact late schedule adherence, including road calls, accidents and traffic congestion. Decreases in early departures have contributed greatly to improvements in on-time performance.

Corrective Action: Transportation supervision will continue to maintain a high on-street profile in an effort to improve schedule adherence and Operator conduct.

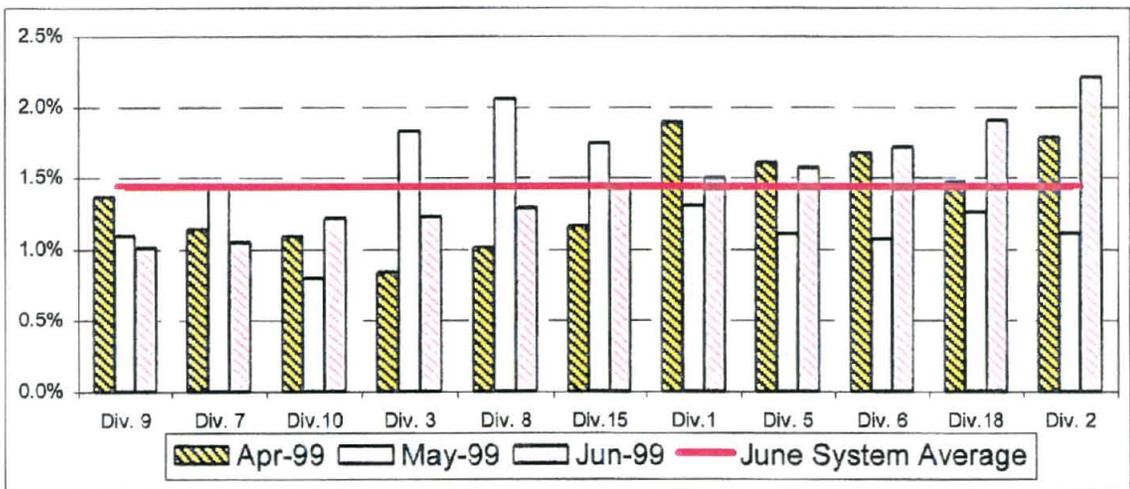
SCHEDULED REVENUE SERVICE HOURS LOST

Definition: This performance indicator measures the percentage of scheduled service hours not delivered as a result of cancellations, outlates and in-service equipment failures.
Calculation: SHL% = (Total Service Hours Lost divided by Total Scheduled Service Hours)

Systemwide Trend



Bus Operating Divisions
April 1999 - June 1999



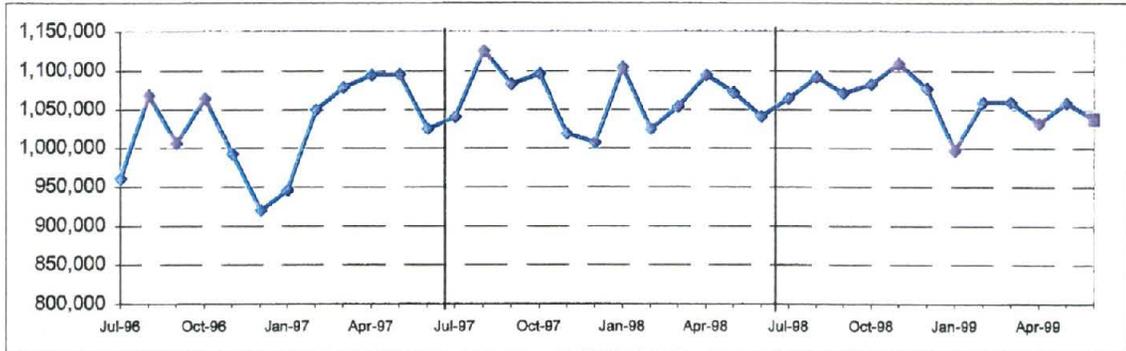
BUS SERVICE PERFORMANCE - Continued

Analysis: Scheduled Revenue Service Hours Lost improved by 0.1% in the fourth quarter as compared to the third. As with other indicators, Operations experienced a minor setback in June. This performance indicator is affected by the increased ambient temperatures that occur during the hot summer months. Cooling systems, air conditioning systems, and other support systems fail at a greater rate as a result of the increase in heat loads. The failure of these systems often results in a road call and/or service disruption.

Corrective Action: The Maintenance Department had and will continue to focus on maintaining cooling systems, air conditioning systems, and other heat sensitive systems. The department will also continue focusing on other preventive maintenance to ensure that the overall condition of the fleet continues the advances made over the past several months.

BOARDINGS

AVERAGE WEEKDAY BOARDINGS - MTA ONLY

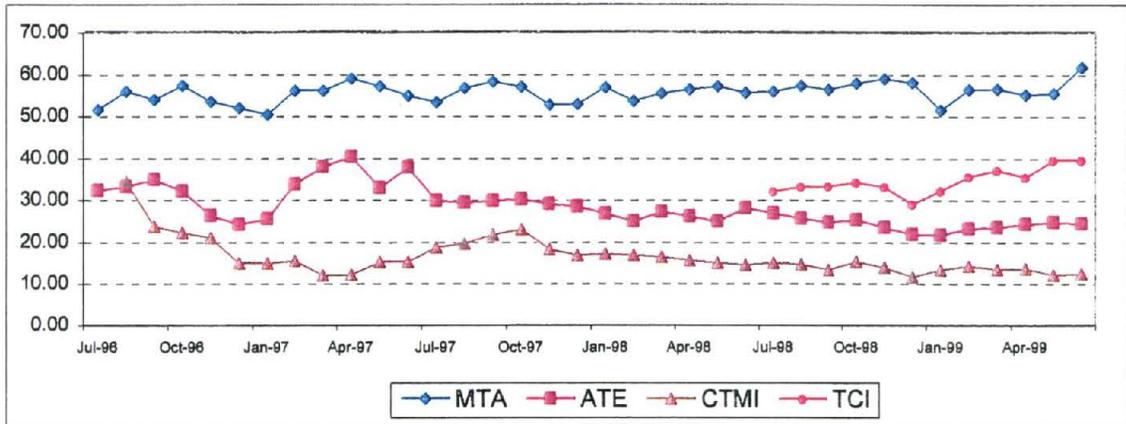


BOARDINGS PER REVENUE SERVICE HOUR

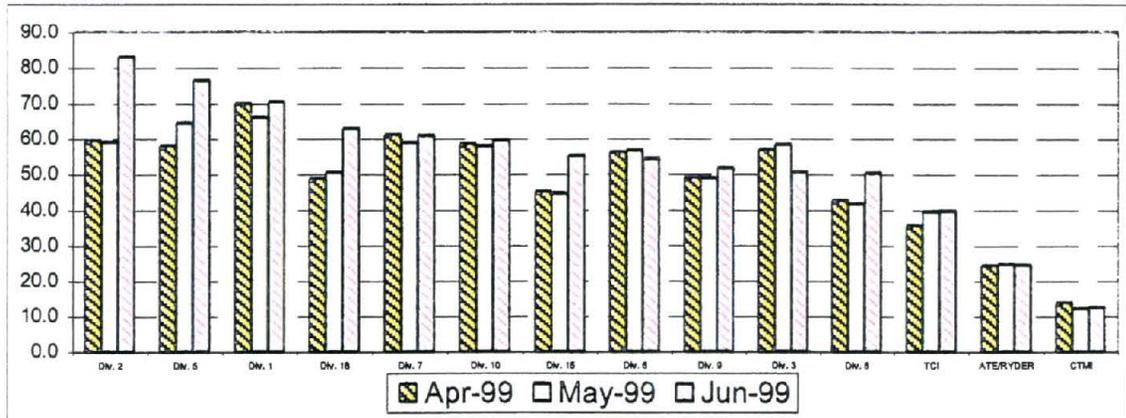
Definition: Boardings per hour is the number of passengers estimated to board during one hour of revenue service.

Calculation: Boardings/Hour = (Total Passenger Boardings divided by Total Revenue Service Hours)

Systemwide Trend



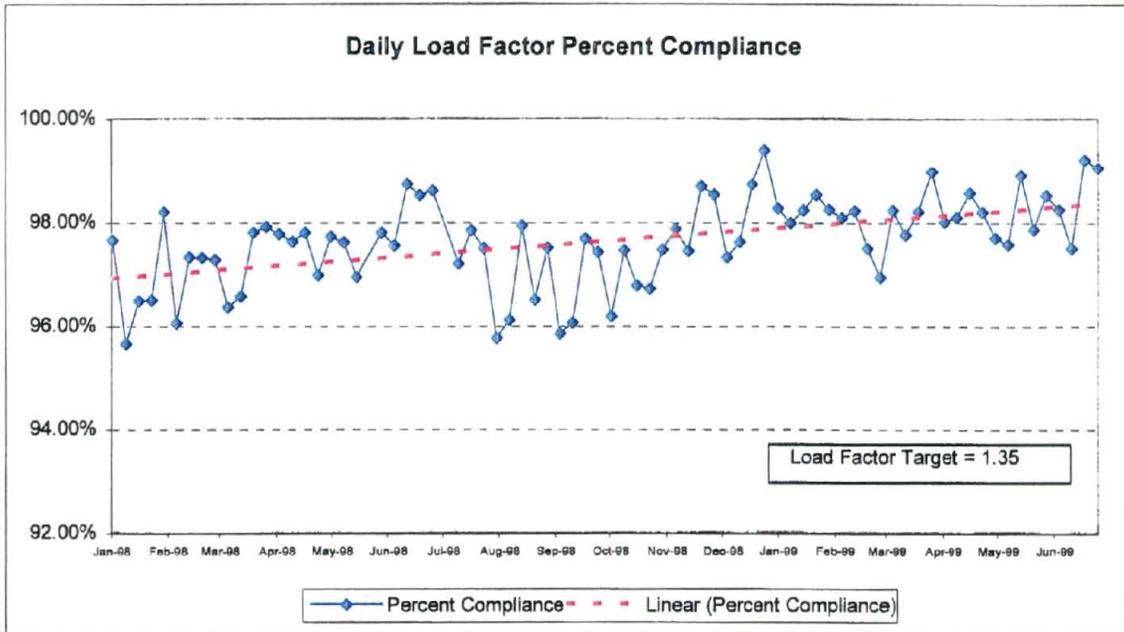
Bus Operating Divisions
April 1999 - June 1999



LOAD FACTOR COMPLIANCE

Definition: As part of the Consent Decree, the MTA set a Load Factor target of 1.35. A 1.35 Load Factor means that the passenger load over any given twenty-minute period, does not exceed more than 135% of the available seats. Daily Load Factor Compliance is the percentage of twenty-minute observations made during Daily operation (excludes Saturdays, Sundays and Holidays) in which the Load Factor does not exceed 1.35.

Calculation: Daily Load Factor Percent Compliance = Daily twenty-minute observations in compliance divided by the total number of Daily twenty-minute observations.



Analysis: Daily Load Factor Compliance improved from 98.0% during the third quarter of FY99 to 98.3% during the fourth quarter of FY99. During June, 66 peak buses were added to 19 of the 20 CD lines to reduce overcrowding. In addition, RTP&D will continue to review the need to add buses. It is anticipated that 64 peak buses will be added in December to reduce overcrowding on 40 lines. The indicator continues to demonstrate a strong upward trend.

Corrective Action: Transportation will continue to emphasise the importance of schedule adherence. It is also expected that, as the condition of the fleet improves and mechanical failures decline, a more consistent and reliable flow of vehicles will result in improved Load Factor Compliance.

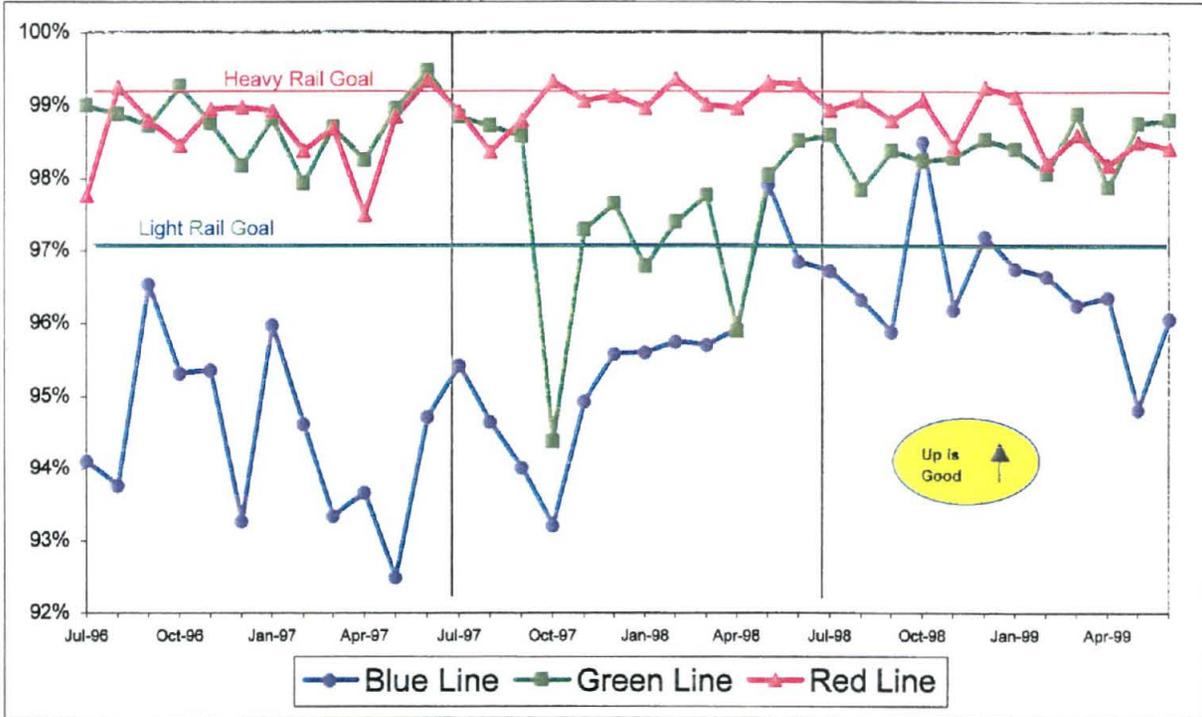
RAIL SERVICE PERFORMANCE

ON-TIME SERVICE

Definition: On-time Service measures the percentage of rail train trips completed and within two minutes of schedule. The higher the number, the more reliable the service.

Calculation: $OTP\% = [(100\% \text{ minus } [(Total \text{ cancelled trips plus late trips) divided by Total scheduled trips]) \text{ multiplied by } 100]$

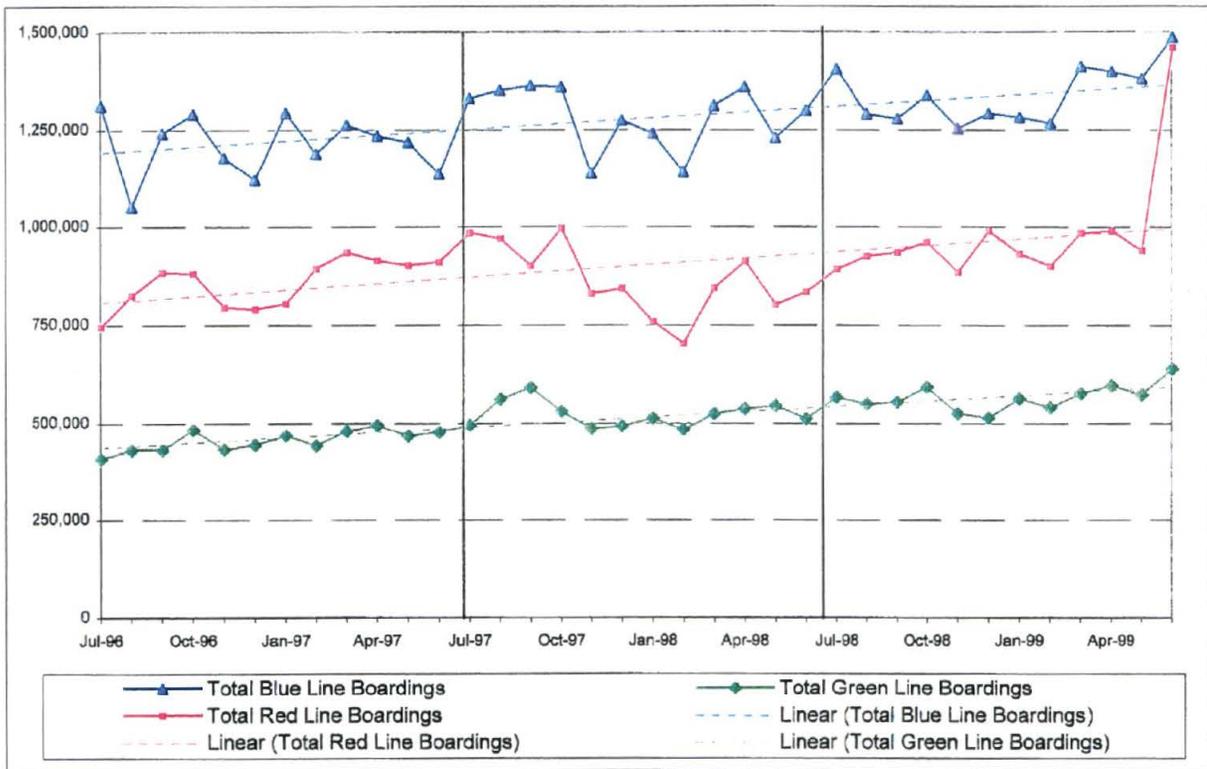
On-Time Performance



Analysis: Green Line On-Time Performance continues to exceed the goal for Light Rail. Green Line Performance showed a slight improvement in the fourth quarter as compared to the third – up from 98.46% to 98.48%. Red Line Performance has declined steadily throughout the year as has Blue Line performance. The Blue Line has operated well below the goal throughout the last two quarters. Red Line performance has been strongly impacted by activities associated with construction and testing for new service, as well as maintenance problems associated with newly acquired vehicles. Blue Line problems continue to revolve around the difficulties of at-grade operation, grade crossing repairs and preliminary work on platform extensions.

Corrective Action: Rail Operations will continue to monitor and work with the LAPD and Sheriff's Department on the Blue Line accident situation. As difficulties with new Red Line vehicles are corrected and all systems are working properly, it is anticipated that performance will improve.

Total Rail Boardings by Rail Line



Analysis: Since the inception of service, there has been a strong upward trend in Rail boarding on all three lines. Of particular note is the strong increase in Red Line boardings (approximately 500,000) in June, following the opening of MOS2B. Boardings are expected to increase on all lines as the Red Line becomes more popular and patrons begin to take advantage of the increased interconnectivity opportunities..

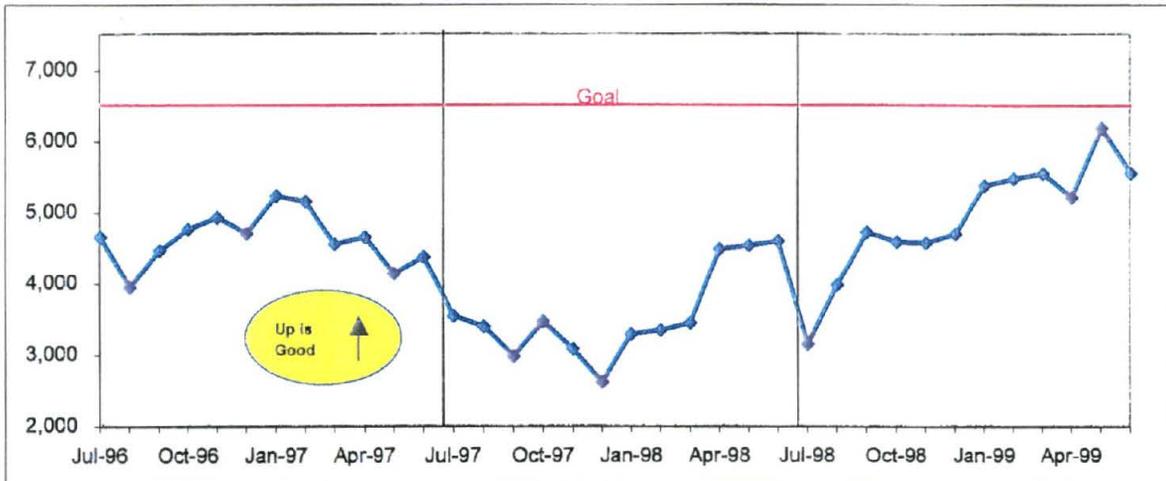
MAINTENANCE PERFORMANCE

MEAN MILES BETWEEN MECHANICAL FAILURES

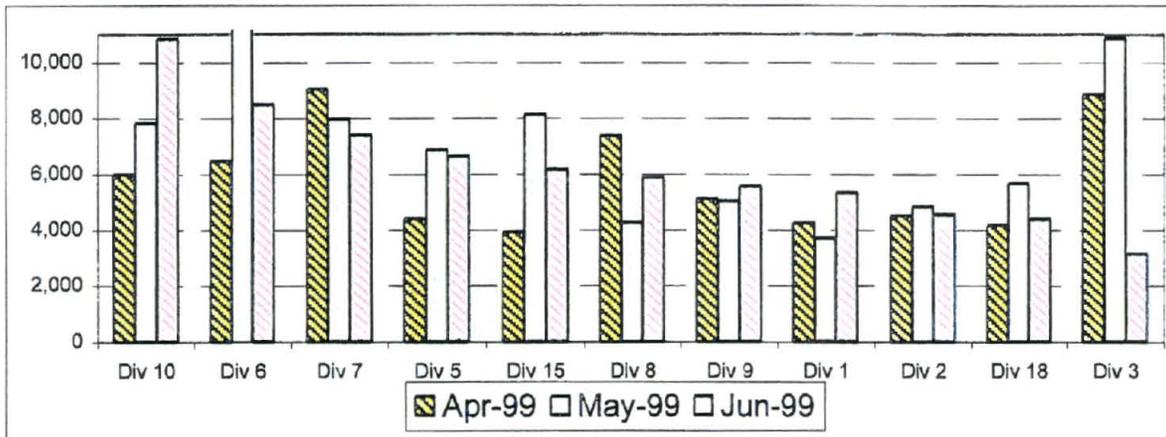
Definition: Average Hub Miles traveled between mechanical problems that result in a service disruption of greater than ten minutes.

Calculation: MMBRC = (Total Hub Miles divided by Chargeable Mechanical Related Roadcalls)

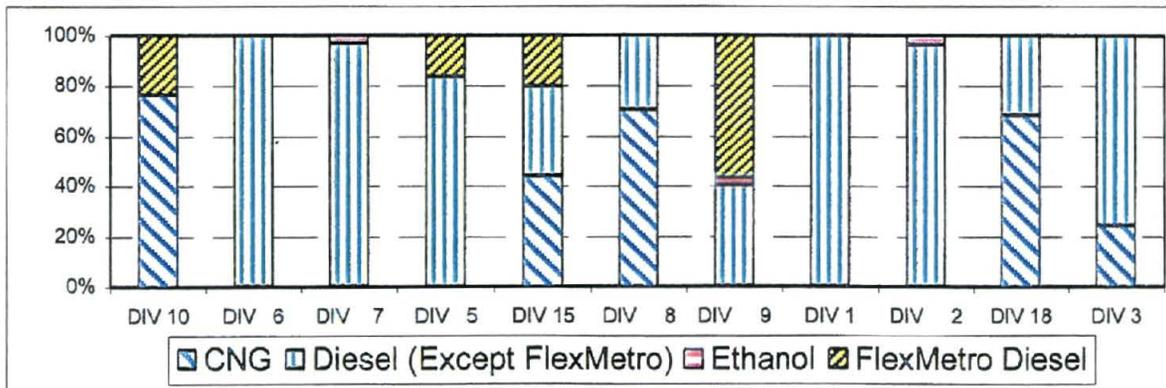
Systemwide Trend



Bus Operating Divisions April 1999 - June 1999



Fleet Mix by Fuel Type - June 1999



MAINTENANCE PERFORMANCE - Continued

Analysis: Mean Miles Between Mechanical Failures has shown steady improvement throughout FY99. Performance declined however in June, due the increase in temperature-related road calls and the impact of their emergent need on preventive maintenance. The standard for in-service coach performance related to radios, wheelchair lifts and doors.

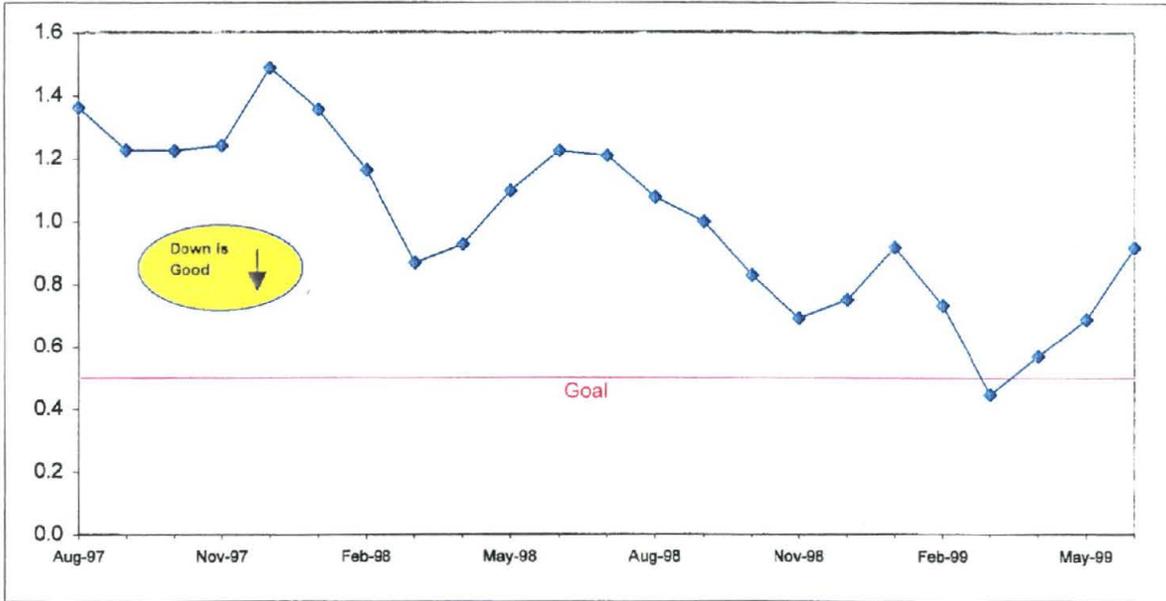
Corrective Action: The Maintenance Department will continue to focus on maintaining cooling systems, air conditioning systems, and other heat sensitive systems. The department will also continue focusing on other preventive maintenance to ensure that the overall condition of the fleet continues the advances made over the past several months. The receipt of new buses, especially low floor coaches, will increase overall reliability.

PAST DUE CRITICAL PREVENTIVE MAINTENANCE PROGRAM JOBS (PMP's)

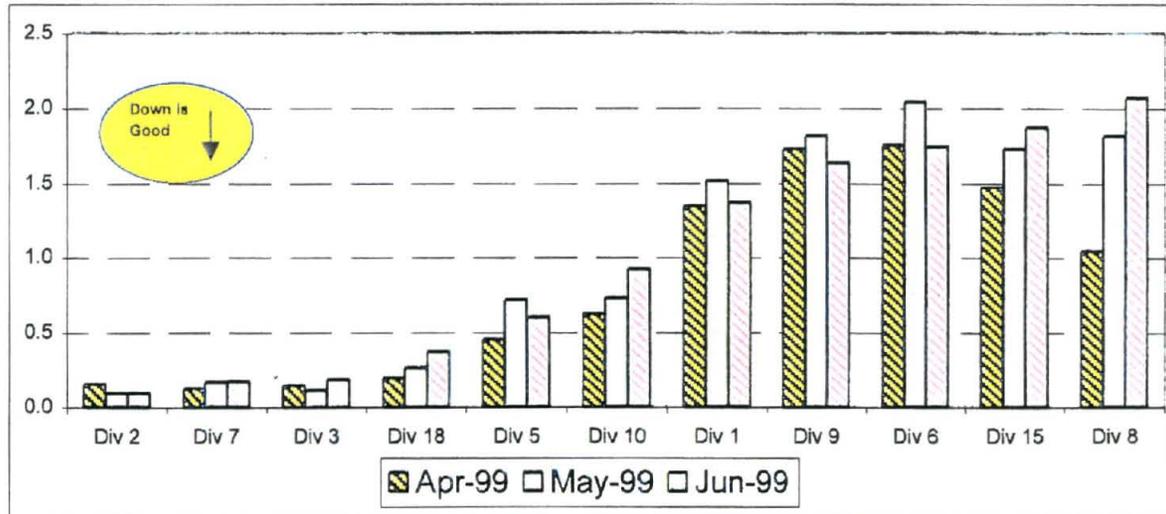
Definition: Average past due critical scheduled preventive maintenance jobs per bus. This indicator measures maintenance management's ability to prioritize and perform critical repairs and indicates the general maintenance condition of the fleet.

Calculation: Past Due Critical PMP's = (Total Past Due Critical PMP's divided by Buses)

Systemwide Trend



Bus Operating Divisions
April 1999 - June 1999



MAINTENANCE PERFORMANCE - Continued

Analysis: Past due critical preventive maintenance program jobs (PMP's) increased during the month of June. The increase in past due critical PMP's was primarily due to the increase in heat related system failures and increased maintenance standards for radios, wheelchair lifts and doors. Cooling systems, air conditioning systems, and other support systems fail at a greater rate as a result of the increase in heat loads. Division staff were often redirected to focus on repairing failures on these critical systems, which resulted in the increase in past due critical PMP's.

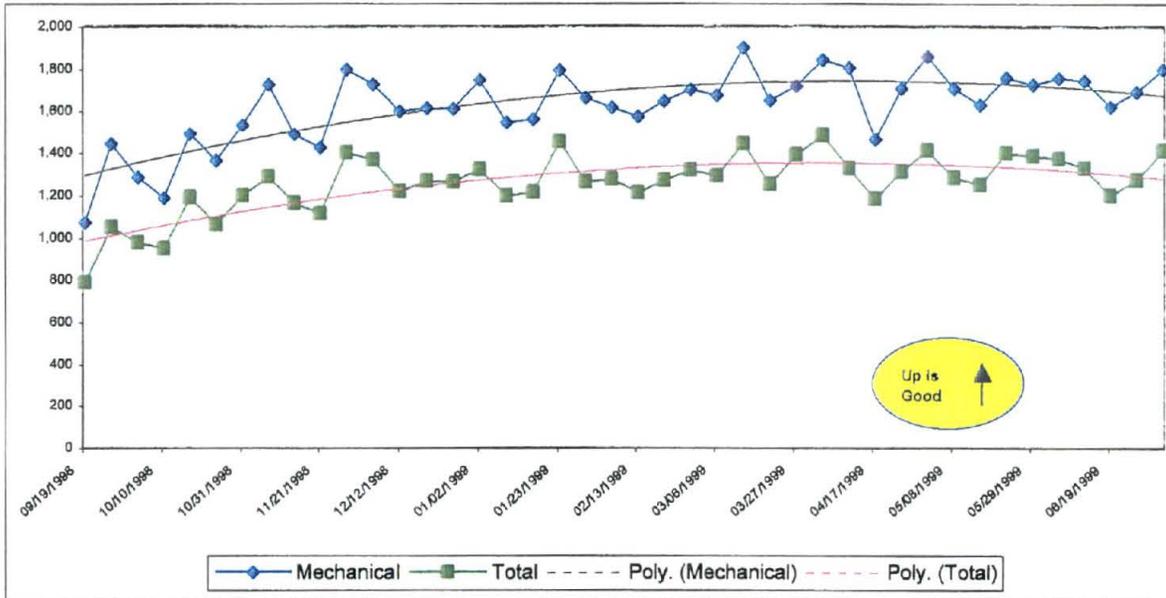
Corrective Action: The Maintenance Department will need to maintain the focus on cooling systems, air conditioning systems, and other heat sensitive systems during the hot summer months; however, the department will also continue focusing on other preventive maintenance to minimize the number of past due critical PMP jobs.

MEAN MILES BETWEEN SERVICE DELAYS

Definition: Total Mean Miles Between Service Delays is the hub miles traveled between service delays of any length for any reason. Mean Miles Between Mechanical Service Delays is the hub miles traveled between service delays caused by mechanical failures, regardless of the length of the delay.

Calculation: $MMBSD = (\text{Total Hub Miles} \div \text{Total Number of Service Delays})$; $MMBMSD = (\text{Total Hub Miles} \div \text{Total Number of Maintenance-related Service Delays})$

Systemwide Trend



Analysis: Mean Miles Between Service Delays has shown steady improvement throughout FY99. Performance has plateaued and declined in June, due to the increase in temperature-related road calls and the impact of their emergent need on preventive maintenance as well as higher maintenance standards.

Corrective Action: The Maintenance Department will continue to focus on maintaining cooling systems, air conditioning systems, and other heat sensitive systems. The department will also continue focusing on other preventive maintenance to ensure that the overall condition of the fleet continues the advances made over the past several months.

FINANCIAL PERFORMANCE

YEAR-TO-DATE BUS AND RAIL OPERATING EXPENSES

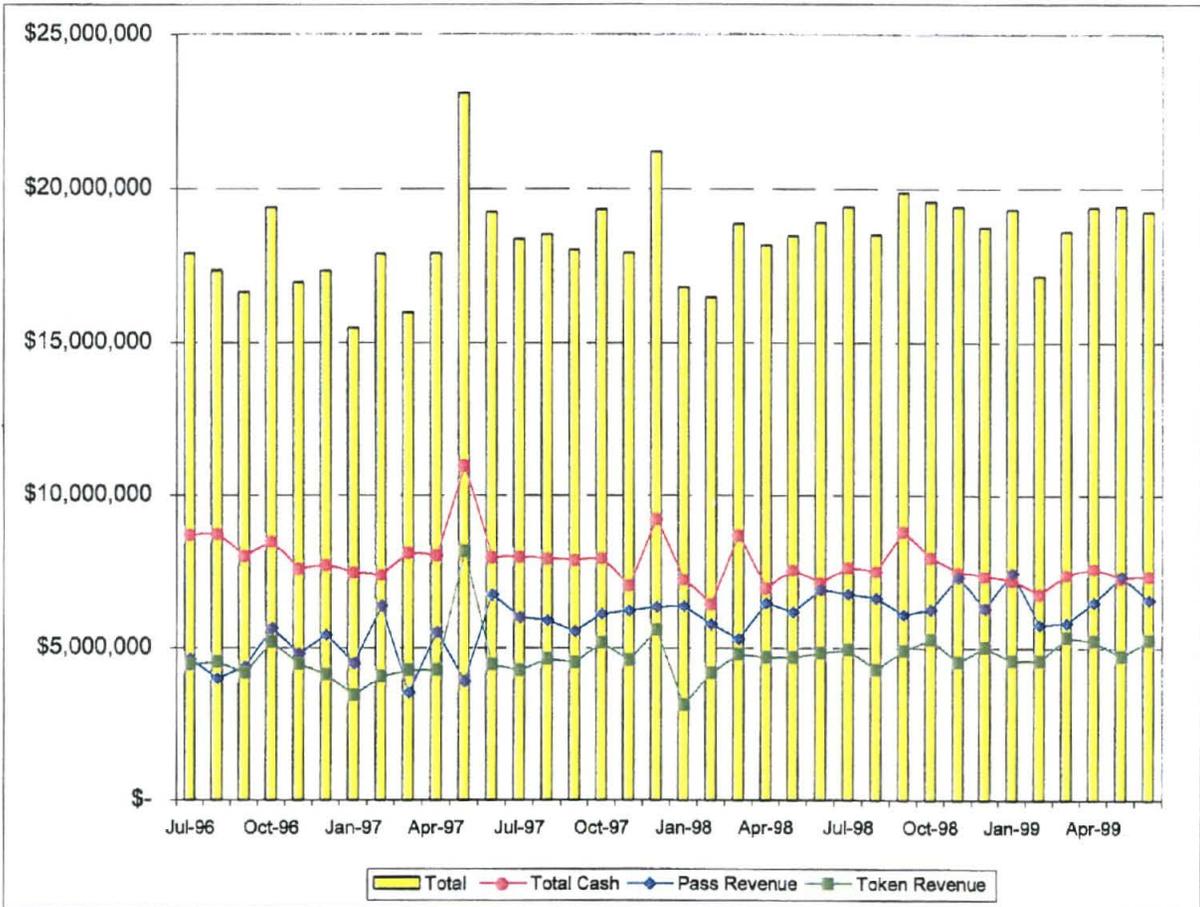
Definition: Year-to-date Bus and Rail operating expenses include all costs attributed to providing bus and rail service. A variance in Expenditures is defined as positive if actual expenditures are more than the projected expenditures.

Calculation: Est. YTD Expenditure Variance = (YTD Actual minus Estimated YTD Budget)

<i>June</i>	<i>Estimated Year-to-Date</i>			
	<i>Estimated Year-to-Date Budget</i>	<i>Year-to-Date Actuals</i>	<i>Variance</i>	<i>% Variance</i>
	<i>\$Millions</i>			
<i>Expenditures:</i>				
Salaries & Wages				
Fringe				
Services				
Fuels & Utilities				
Supplies				
Purchased Transportation				
Non-Operating Expenses				
General Overhead				
<i>Total</i>				

Due to year-end closing schedule, no financial information was available at the time of publication.

FARE REVENUE
TREND BY MODE



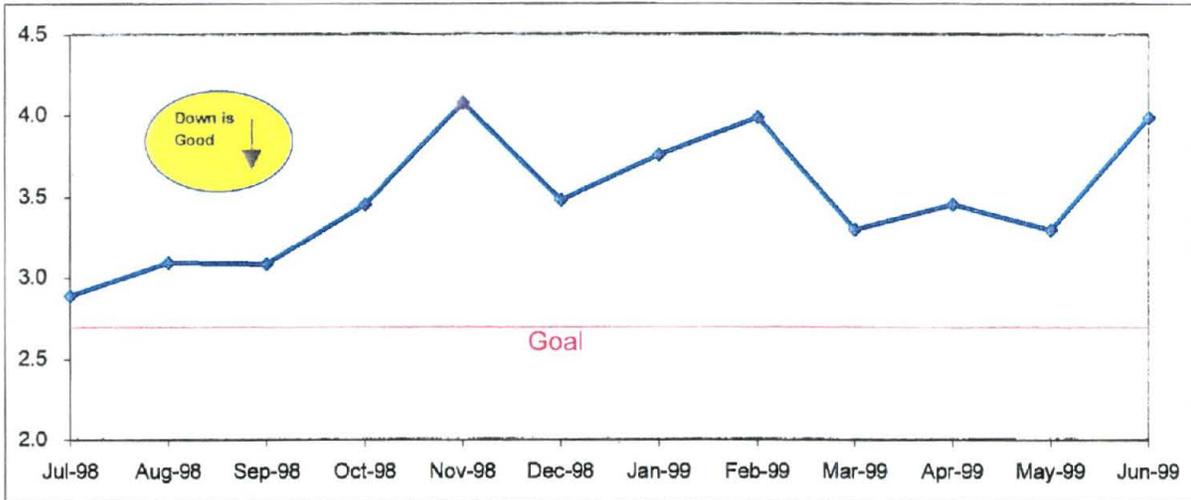
SAFETY PERFORMANCE

TRAFFIC ACCIDENTS PER 100,000 HUB MILES

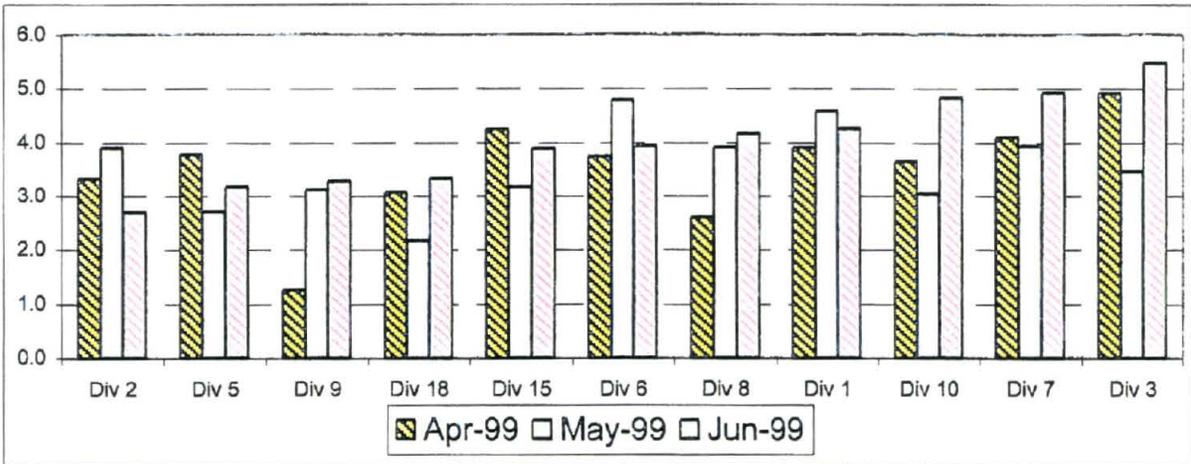
Definition: Average number of Traffic Accidents for every 100,000 Hub Miles traveled . This indicator measures system safety.

Calculation: Traffic Accidents Per 100,000 Hub Miles = (The number of Traffic Accidents divided by (Hub Miles divided by 100,000))

Systemwide Trend



Bus Operating Division April 1999 - June 1999



Analysis: Traffic accidents increased 3.4% in the 4th quarter from an average of 3.55 accidents per 100,000 hub miles in the 3rd quarter to an average of 3.67 in the 4th quarter. During the 4th quarter, Transit Operations continued to implement the Load Factor Remediation Plan. The plan places an emphasis on Consent Decree compliance and On-Time Performance. Due to continuing Supervisor vacancies in the Divisions, TOS resources were drawn from the remedial instruction function and reallocated to support on-street supervision. This reallocation of TOS resources impacts the Division Supervisors' ability to provide sufficient one-on-one follow-up training to the Operators, in addition to performing their other duties.

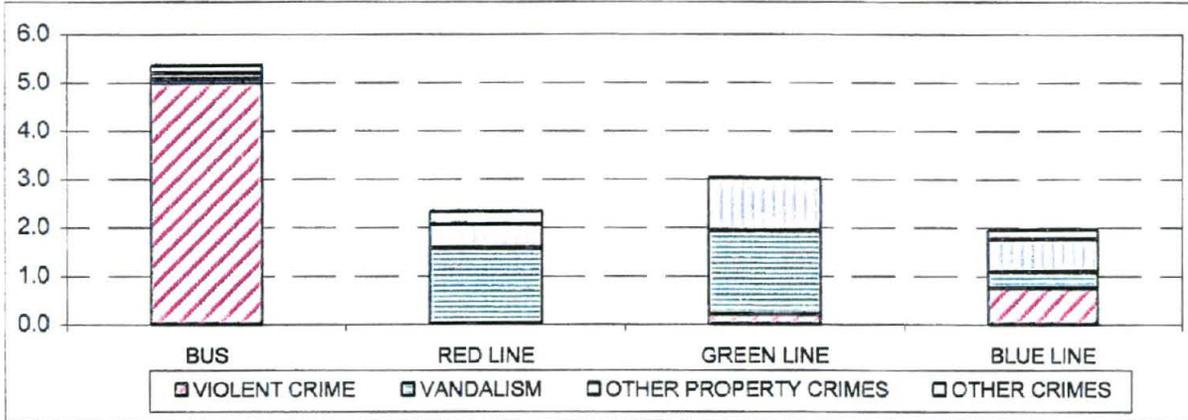
Corrective Action: As the TDD positions are filled, the TDD's will assume additional responsibilities at the divisions to allow TOS Instructors to return to their normal mentoring duties. Also, Transit Operations is working with Risk Management to define and develop new reports for use in identifying and profiling traffic and passenger accidents for analysis. These reports are scheduled to be completed in the 1st quarter of FY00. Based on the findings of these new reports, Risk Management and Transportation will jointly develop new Operator safety programs to reduce the Bus Accident rate. Also, it is anticipated that the Hogan Personality Inventory of Ideal Operator Traits will be implemented by the Human Resources Department in the 1st quarter of FY00.

REPORTED CRIME PER 100,000 BOARDINGS

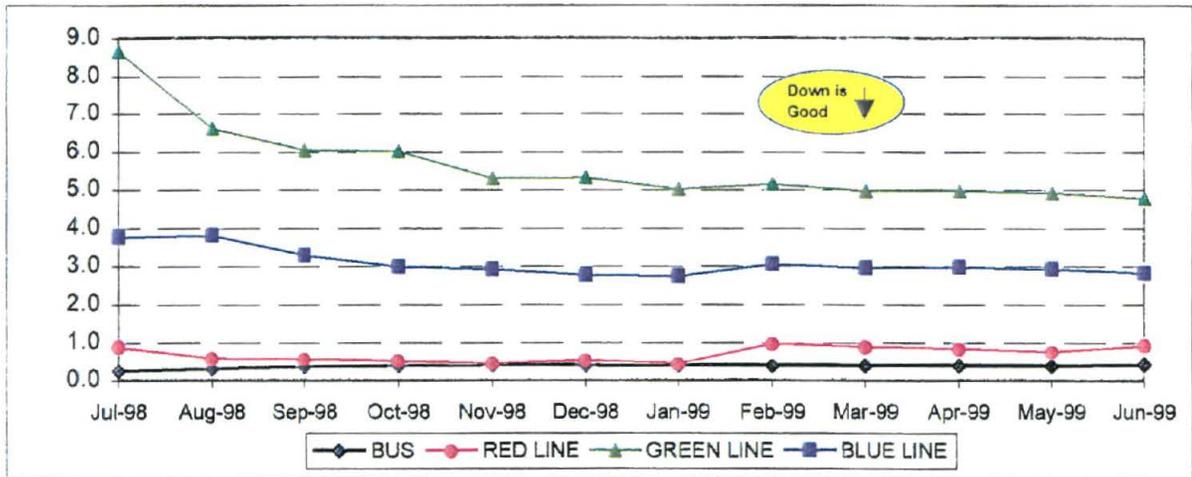
Definition: This indicator presents all crimes reported to either the LAPD or LASD. It is separated by mode and divided into major categories: *Vandalism*; *Other Property Crimes* (burglary, larceny, theft and motor vehicle theft); *Violent Crimes* (homicide, rape, robbery, assault/battery); *Other Crimes* (Sex offenses, weapons violations and miscellaneous)

Calculation: Reported Crimes/100,000 Boardings = Reported Crimes divided by (Boardings divided by 100,000).

May Reported Crime by Class and Mode



**Total Crime/100,000 Boardings YTD
Trend by Mode**



Analysis: Reported crimes per 100,000 boardings decreased steadily from February to May for all three lines. However, reported Red Line crimes increased in June, while reported crimes for the Blue and Green Lines continued to decline. The slight upturn in Red Line reported crimes corresponds to the opening of MOS2B. Reported Bus crimes have held steadily at around 0.4 crimes per 100,000 boardings.

Corrective Action: LAPD and LA County Sheriffs have increased their presence on all Rail and Bus lines in hopes of reducing fare evasions and other criminal activity.

CUSTOMER SATISFACTION

COMPLAINTS PER 100,000 BOARDINGS

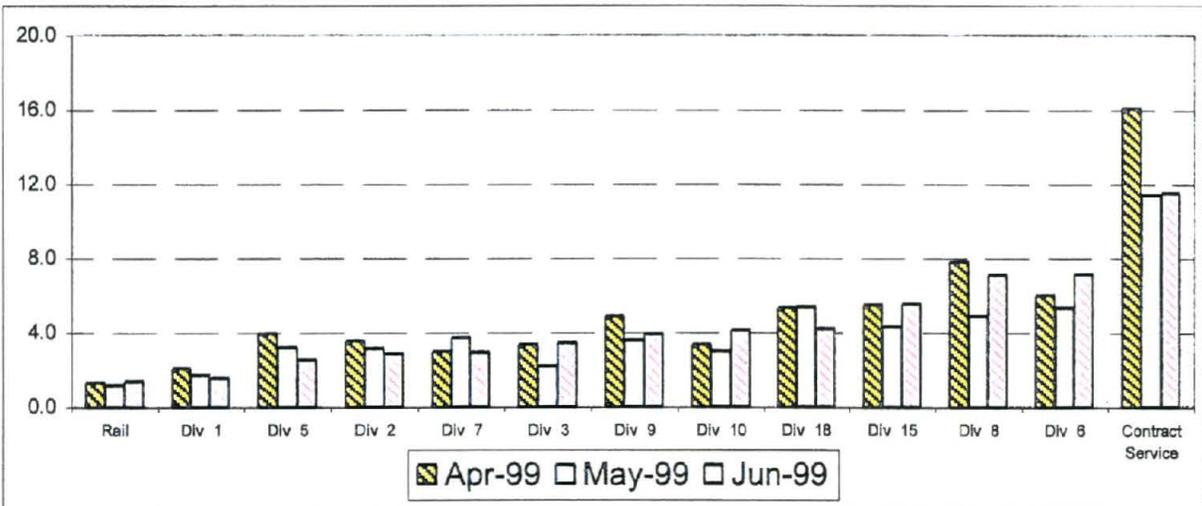
Definition: Average number of customer complaints per 100,000 boardings. This indicator measures service quality and customer satisfaction.

Calculation: Customer complaints per 100,000 Boardings = Complaints/(Boardings/100,000)

Systemwide Trend



Bus Operating Divisions April 1999 - June 1999



Analysis: Customer complaints/100,000 boardings trended steadily downward during FY99. Complaints per 100,000 boardings dropped from 5.13 in the third quarter to 4.42 for the fourth quarter. The indicator rose to 4.39 in June as compared to 4.10 in May. The June increase came primarily from Operator conduct and Schedule-related complaints.

Corrective Action: Transportation continues to address training-related issues, especially those involving Operator conduct, and concentrate on improving on-street supervision in an effort to control schedule adherence.

SUBCONTRACTOR /
CONTRACTOR PAYMENTS

At the last Quarterly Meeting issues relating to Segment 2B Contract Close-Out, the Alternative Disputes Resolution Program and contractor payments, and the causes of construction claims were discussed. The following overview outlines the MTA's response to the issues, with detail provided in the exhibits.

1. **The Close-Out Plan summary covering Segment 2B contracts.** (Exhibit 1). The plan uses staff from Procurement, Construction Division, Audit, Estimating and County Counsel (many co-located at the Construction Manager's project office). A total of seven procurement staff are assigned to the close-out of Segment 2B contracts; almost twice the number dedicated to close-out of Segment 1 and Metro Green Line.

2. **MTA's Alternative Disputes Resolution (ADR) Program.** This program was implemented last November to assist contractors and subcontractors in resolving outstanding contractual disputes. The ADR program allows subcontractors, with consent of their prime contractors, to pursue mediation or binding arbitration, of outstanding disputes. Quick resolution of these disputes will avoid costly litigation, settle claims and expedite contract close-out.

The MTA has developed the ADR process to resolve denied change orders and/or claims. The ADR program does not, nor was it designed to, replace or modify the change order process contained in the contract. The sole purpose of the ADR was to provide the prime contractor (and therefore the subcontractor) with a binding alternative to costly litigation. It should be noted that often subcontractors and prime contractors confuse the ADR program and their dissatisfaction with the change order process.

The MTA has a complicated change order process which has created a bottleneck for the timely processing of some change orders at the MTA. (Adoption of Board-directed changes over the past 10 years, the enactment of PUC 130243 in 1996 and additional management controls have all burdened this procedure). A management action plan has been designed to address and improve this process. The ADR program was designed exclusively for change orders that were denied and then evolved into a claim. As stated above, the ADR process was never meant to supplant the contractually agreed upon change order procedure. Moreover, all parties should understand the important difference between a change order that is: a) under review, b) in negotiation or c) in process, in contrast with a denied change order. The ADR process only addresses those *denied* change orders or claims and provides an efficient binding alternative to litigation. As stated below, the DRB process provided in MTA Construction Contracts is not binding.

The ADR program could resolve subcontractor claims denied by the MTA promptly and economically if prime contractors would sponsor the claims into the program. If the prime contractor will neither negotiate claims to resolution, as they are required to do under their contract with the MTA, or sponsor the claims into our ADR program, remedies lie with the ample protections provided by the California Constitution and the Stop Notice (California Civil Code Section 3098).

3. Subcontractor Payment Issues. Complaints have been lodged by some subcontractors that they have not been paid, suggesting that MTA has not paid its prime contractors.

Staff has carefully examined complaints of non-payment filed by three of these subcontractors: Sanders Engineering, Amelco Mechanical and L.K. Comstock, which were briefly noted at the 3rd quarter review and have conducted an analysis of payments made to their prime contractors. Our findings (Exhibit 2) clearly show that MTA paid the prime contractors \$1,629,682.77 for work which subcontractors Amelco Mechanical and L.K. Comstock claimed to have billed, \$570,298.54. Of that amount, these subcontractors have been paid less than 10% of the claimed amount. Sanders, on the other hand, has been paid approximately 87% of their claimed costs outstanding on Contract B290.

If the numbers claimed by the subcontractors are correct, it would appear that the prime contractors have not paid the subcontractors for their claimed costs. This may be due to factors such as backcharges, mistakes and unaccepted work. Staff will follow up with the prime contractors on this matter to determine a course of corrective action.

It should also be noted that Metro Red Line contracts contain a flow-down provision governing payment to subcontractors pursuant to California statutes that require payment of subcontractors not later than ten days after the prime contractor has received a progress payment. MTA staff was unaware of payment problems previously because virtually none of the subcontractors, now complaining, had pursued contractual remedies set forth in their contracts and by California statute (Exhibit 3).

4. A question was raised concerning the cause of rail construction claims. For Segment 2, a review of the attachments reveals the largest category of claims by volume is disputed work scope (45.1%) followed by disputes over differing conditions (22.9%). The largest categories by dollar value are differing conditions (25.8%), terms and conditions (24.6%) and management issues (26.6%).

On Segment 3, the largest categories by volume are disputes over work scope (38.6%) and differing conditions (29.5%). By dollar value, the categories are the same: work scope (35.8%) and differing conditions (50.9%). In an effort to reduce the number of claims being asserted, Procurement conducted two claims prevention workshops during FY '99. Two members of the construction claims group have attended outside training in this area, also during FY '99. (Exhibit 4).

EXHIBIT 1

Segment 2 Close-Out Plan

- 1. Weekly Close-Out Status Activity Summary**
- 2. Work Drawdown and Progress Charts**

**METRO RED LINE, WILSHIRE AND VERMONT/HOLLYWOOD CORRIDORS
CONTRACT CLOSE-OUT PLAN
SUMMARY
July 7, 1999**

ORGANIZATION

Close-out of the 34 construction, systems, and procurement contracts on the Wilshire and Vermont/Hollywood Corridors (Segment 2) will be administered primarily by the following staff.

- **Steering Committee and Close-Out Review Board (CORB);
Rick Carron, Henry Fuks, Tom Wilson (PD)
[as needed, Charles Safer, Clem Belafior and David Champion]**

- **Manager of Contract Close-out Larry Kelsey**
- **Manager of Contract Claims Suzanne Schmutzler**
- **Manager of Construction Roger Dames**

- **Dedicated Lead Staff Dennis Antenucci, Dave Compton,
John Boyd (PD), Bharpur Takhar,
Tim Davis, Beni Warshawsky**

- **Dedicated CAs Bob Sechler, Ella Brown,
Don Dwyer, Valerie Dean,
Glenda Johnson, Ben Mendoza**

ASSUMPTIONS

1. There are three major categories of contract close-out: Physical Close-out, Documentation Close-out, and Fiscal Close-out.

2. The above staff should be able to complete close-out or partial close-out on the 34 Segment 2 contracts with a present count of approximately 190 outstanding Requests For Information/Change (RFI/C), approximately 600 outstanding change notices (CN) for facilities and systems and approximately 300 outstanding claims within the estimated Segment 2 close-out period of from 12 to 14 months. Should either the number of actions increase or should the period of performance be shortened, additional staff will be required.

3. The present delegated authority for staff will be increased as noted.

Rick Carron	from \$100,000 to \$200,000
Jeanne Kinsel	from \$ 50,000 to \$ 75,000
Larry Kelsey	from \$ 25,000 to \$ 75,000

SUMMARY CLOSE-OUT PLAN

Page two

Suzanne Schmutzler	from \$ 25,000 to \$ 75,000
Sr. Contract Administrators	from \$ 25,000 to \$ 50,000
PD Resident Engineers	from \$ 5,000 to \$ 0

4. The Steering Committee and Close-Out Review Board (CORB) will be delegated, by executive management, the authority to meet as necessary to render business decisions on all close-out actions that have reached an impasse in the close-out processes summarized herein and described in MTA Policies and Procedures.
5. The Segment 2 systems contracts that still have work to perform on the Segment 3 North Hollywood Project will only have the Segment 2 portion of the contract closed.
6. Notwithstanding the dedicated expedited attention to close-out activities noted herein, staff will adhere to all presently applicable and required MTA policies and Procedures and the contract terms and conditions. However, staff will make every effort to streamline the process to the greatest extent possible.

PLAN

1. The Steering Committee will meet monthly to review the progress of the Close-out Schedule with the Managers. Measurement will be actuals against the Close-Out Schedule developed by the dedicated staff and approved by management and the Steering Committee.
2. The dedicated leads will review the outstanding RFI/Cs, CNs and claims and group them based upon the following criteria:

1 st Priority;	All RFI/Cs, merited CNs, claims under \$100K in value
2 nd Priority;	Claims over \$100K in value
3. The Close-out Schedule will be linked to productivity goals established by Procurement management and constrained by the limits of available staff. Productivity goals for the time allotted to accomplish the individual contract close-out actions will be based upon an analysis of the value of the action, the complexity of the action and the amount of the procedural activities that are outside of the direct day to day control of the MTA and PD staff (primarily that of the Contractor, subcontractors and third parties).

SUMMARY CLOSE-OUT PLAN

Page three

4. The Close-out Schedule will address all three major areas of contract close-out and consider all the necessary sub-areas such as Safety and Quality, EO, and Risk Management.
5. The MTA dedicated staff will spend an appropriate portion of their time co-located with the dedicated staff of the Construction Management Consultant (PD). PD will provide the appropriate space in their offices for MTA dedicated close-out staff, complete and ready for conducting the close-out activities, including desks, chairs, telephones, computers, printers and access to fax and copy machines.
6. The dedicated leads will confer daily, if necessary, with County Counsel to determine issues of merit on new proposed CNs.
7. Claims that are merited after detailed analysis by PD and MTA claims staff will be processed to completion of settlement by the MTA claims staff supported by PD. Upon completion and approval of any claim settlement, the completion of the resultant CN will be accomplished by the closeout staff.
8. Assembly of the final close-out books with all requisite information and obtaining the necessary sign-offs and approvals will be initiated by PD staff. The MTA dedicated staff also have coordination responsibilities. Final buy-off and approval of the close-out book is the responsibility of the managers and the CORB.
9. All Facility Contract close-outs will be registered with the Los Angeles County Hall of Records and advertised as a last call for any involved party claims prior to internally recording a contract as closed.

By: _____

Rick Carron, DEO, Procurement

DATE: August 25, 1999

FROM: Larry Kelsey, MTA Closeout Manager/Procurement

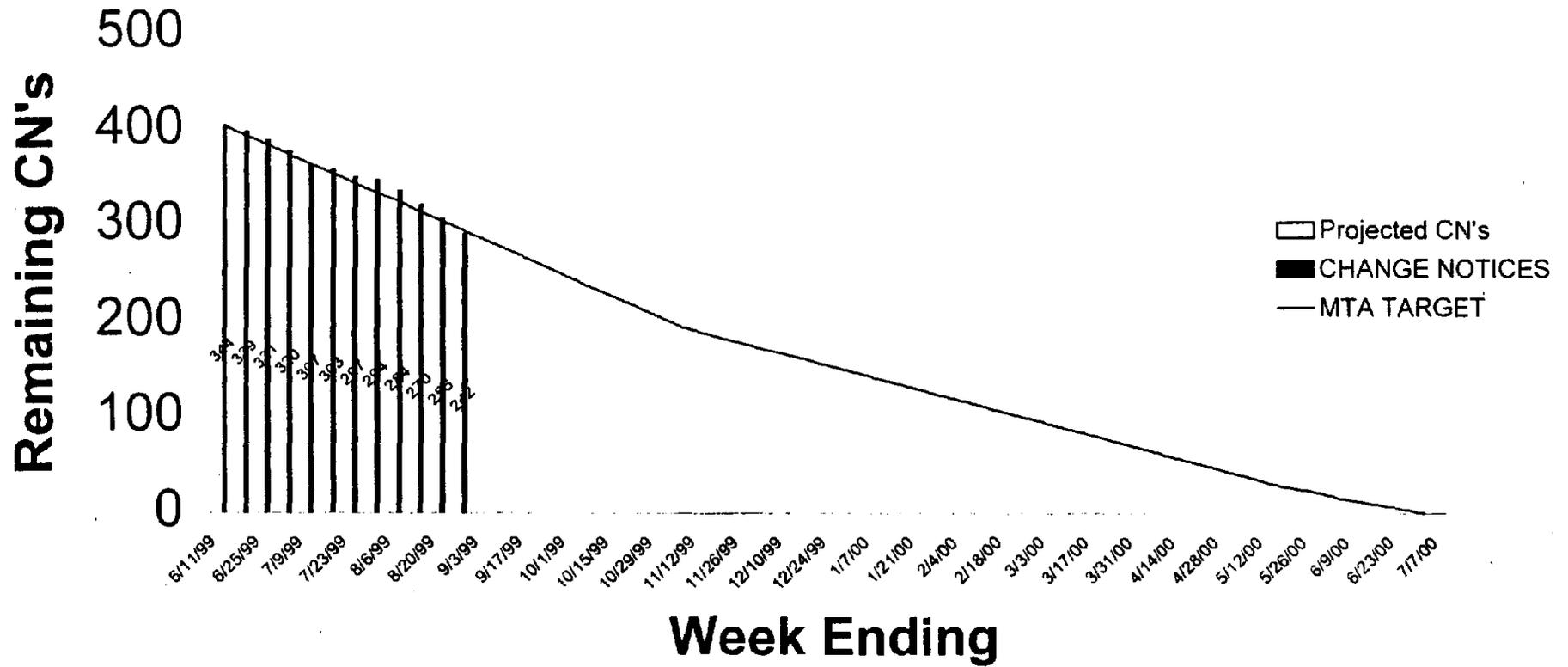
TO: Close-Out Steering Committee

SUBJECT: WEEKLY CLOSE-OUT STATUS
Activity Summary

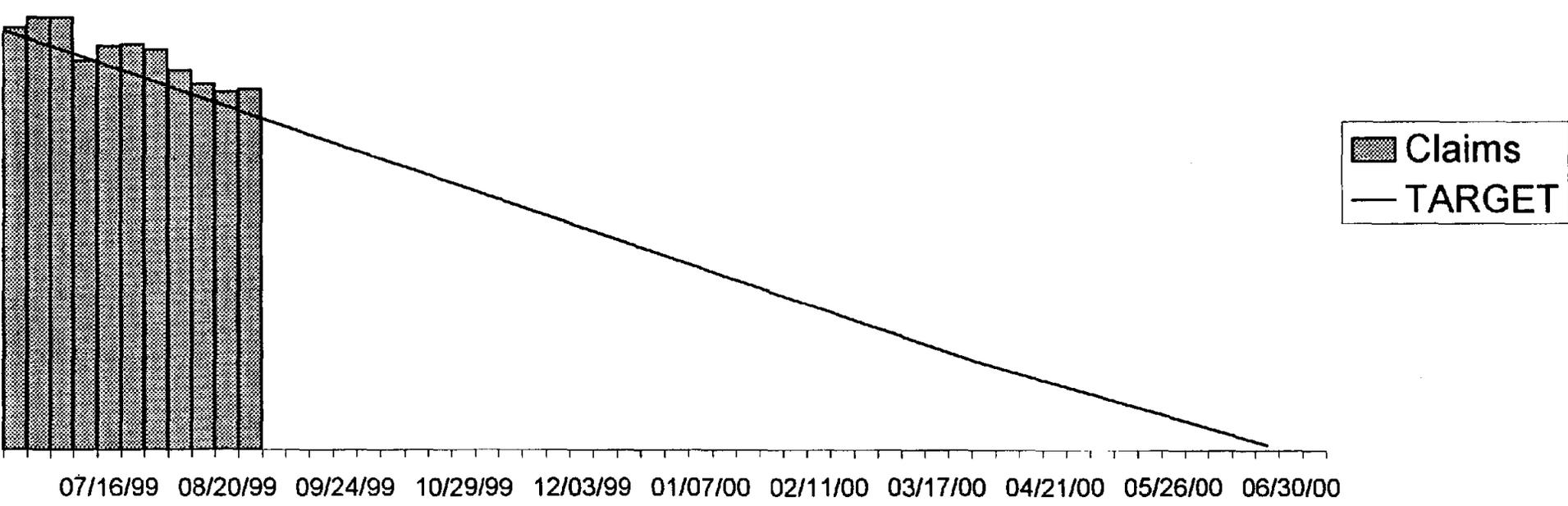
Metro Red Line, Segment 2
August 16 – 20, 1999

ACCOMPLISHED		GOALS	DEVIATION
Change Orders	14	11	+3
Claims <\$100K	0	To Be Established	0
Claims >\$100K	0	To Be Established	0
1. Planned for week of August 23 - 27:			
• Negotiations for B271, CNs 126, 78, 152, 171			
• Pre-negotiations for B241, CNs 220, 261, 268			
• Internal Review of B241, CNs 44 & B281; 118, 210, 214			
2. Problem Areas:			
• Merit Questions from Estimating; B261, CN 98			

Change Notices (Actual + Projected)

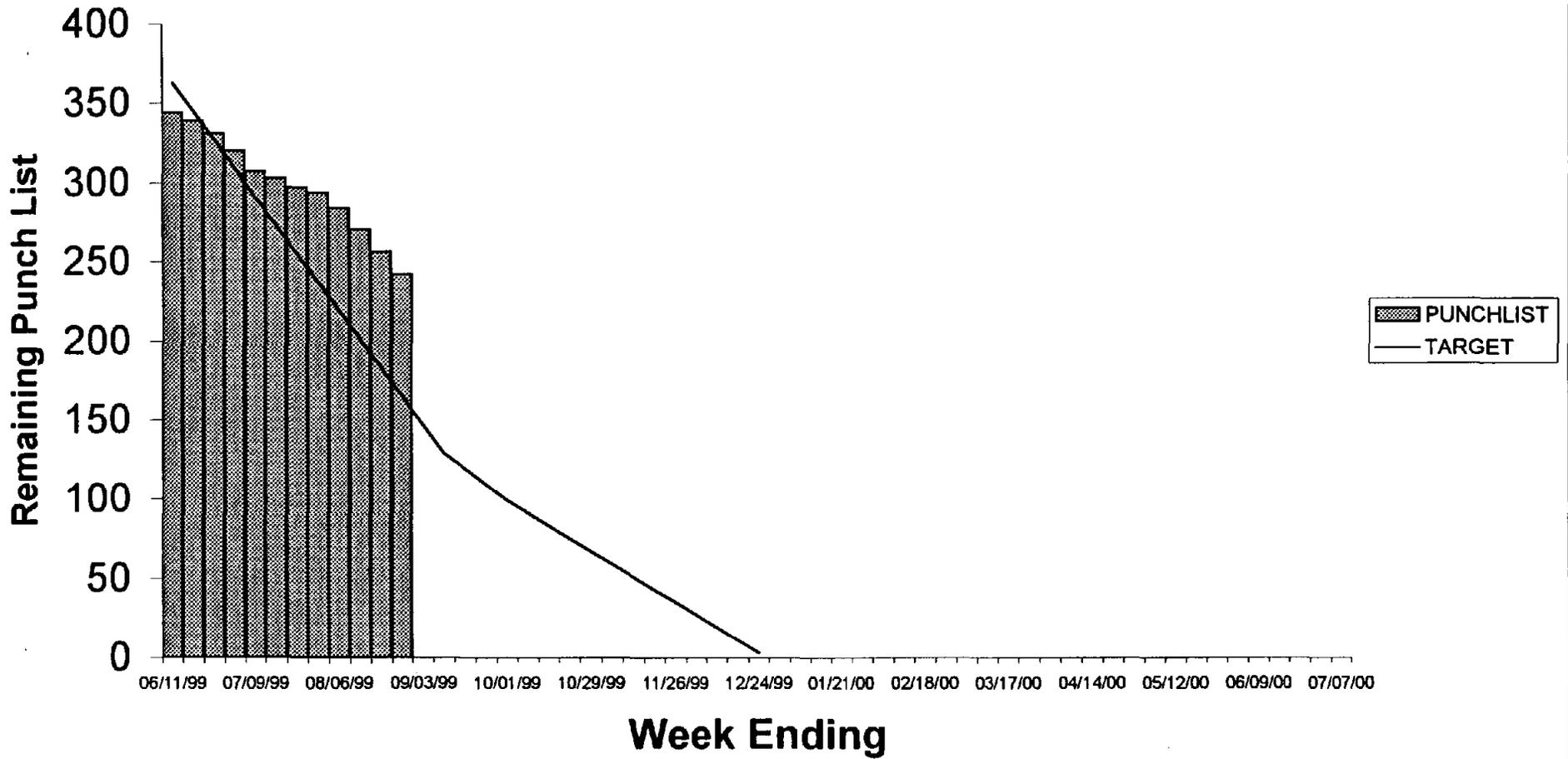


Claims

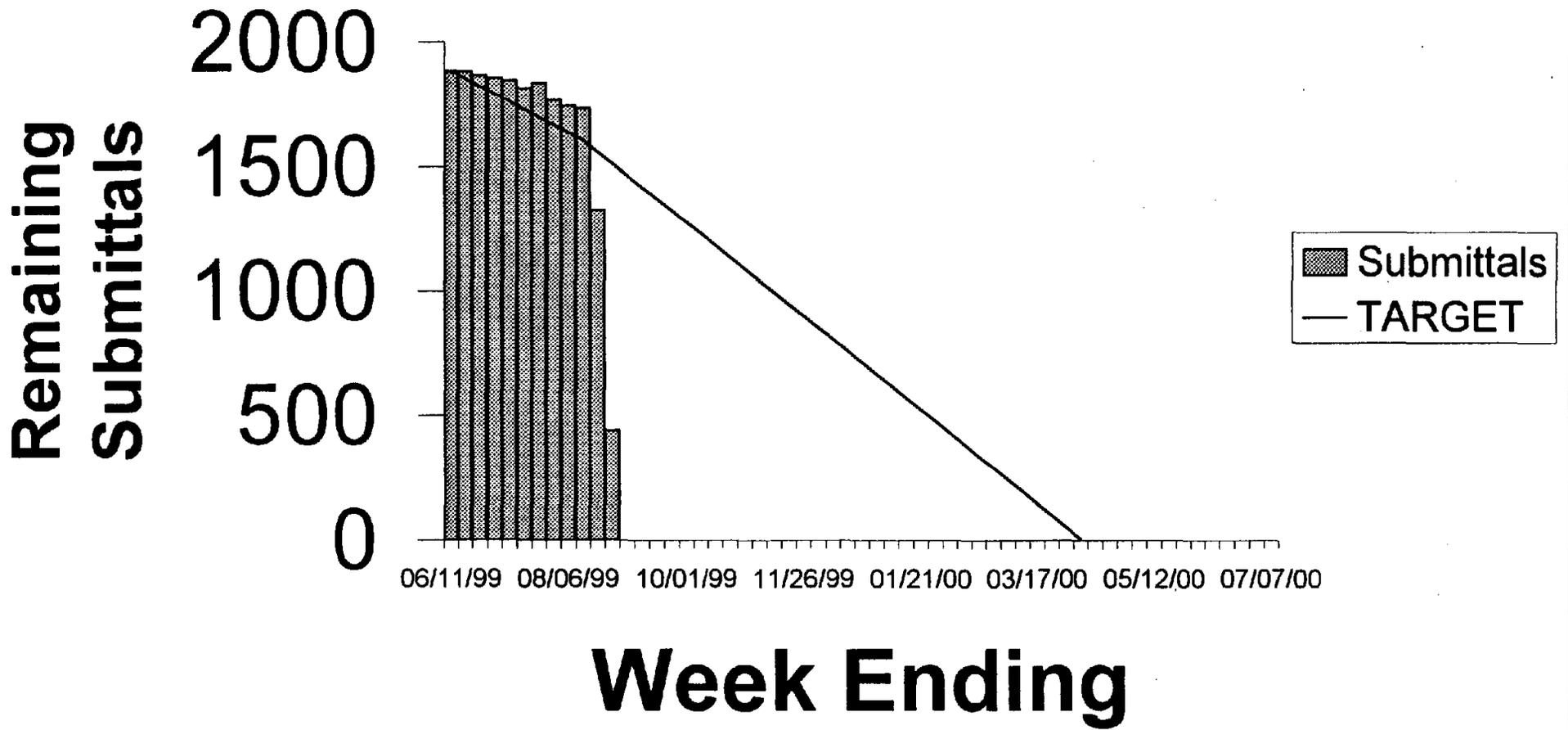


Week Ending

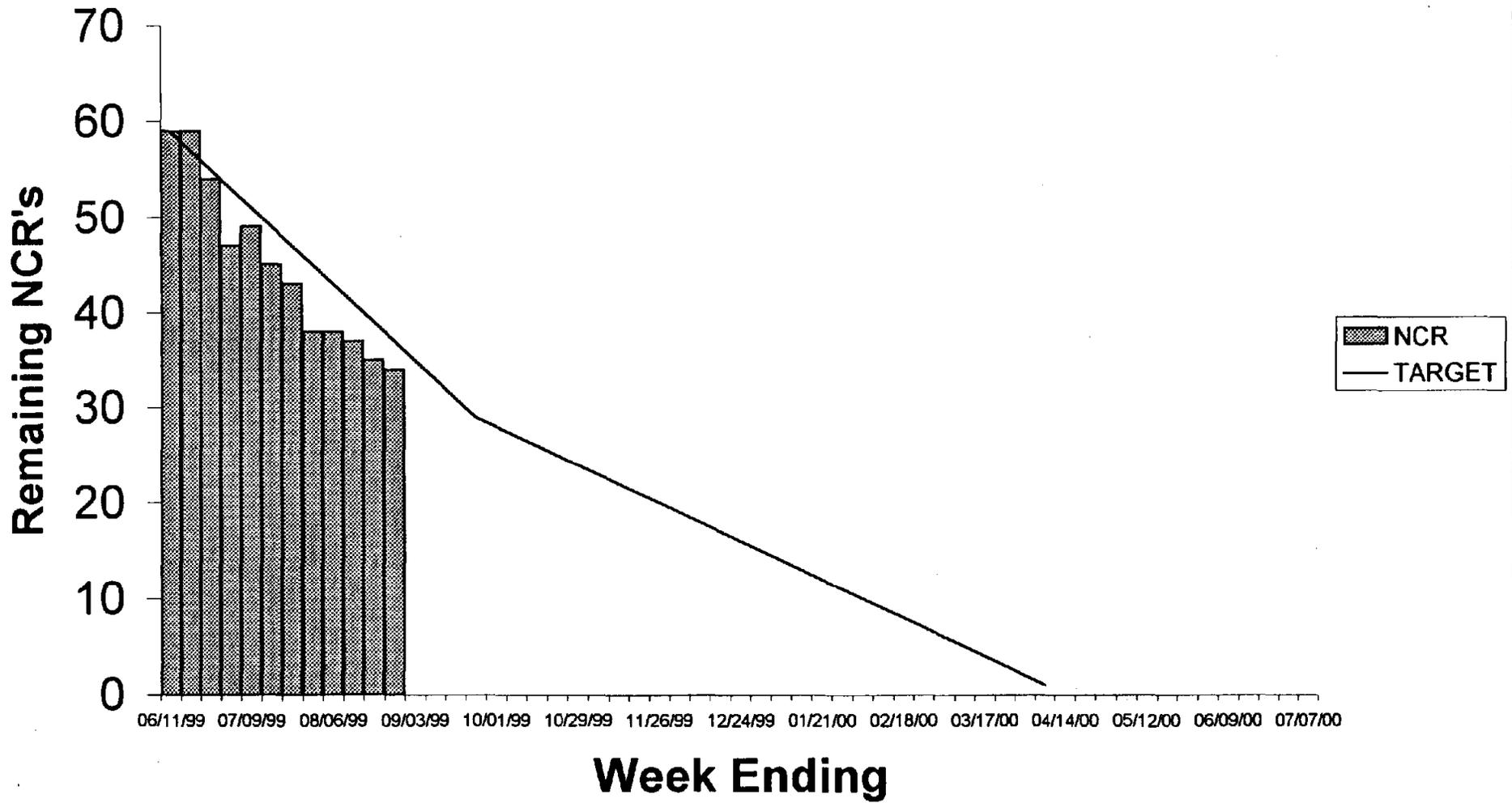
Punch List



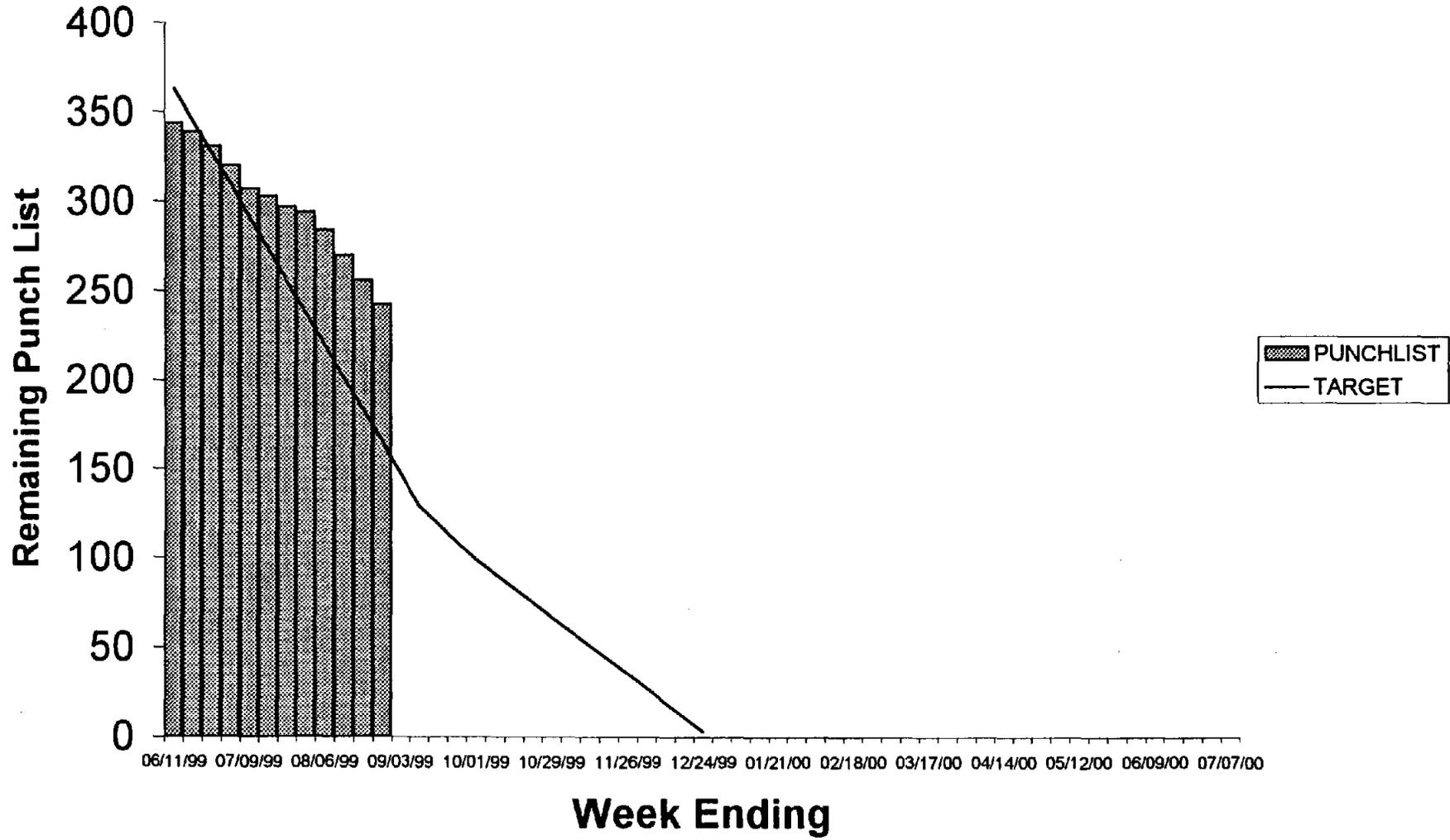
Submittals



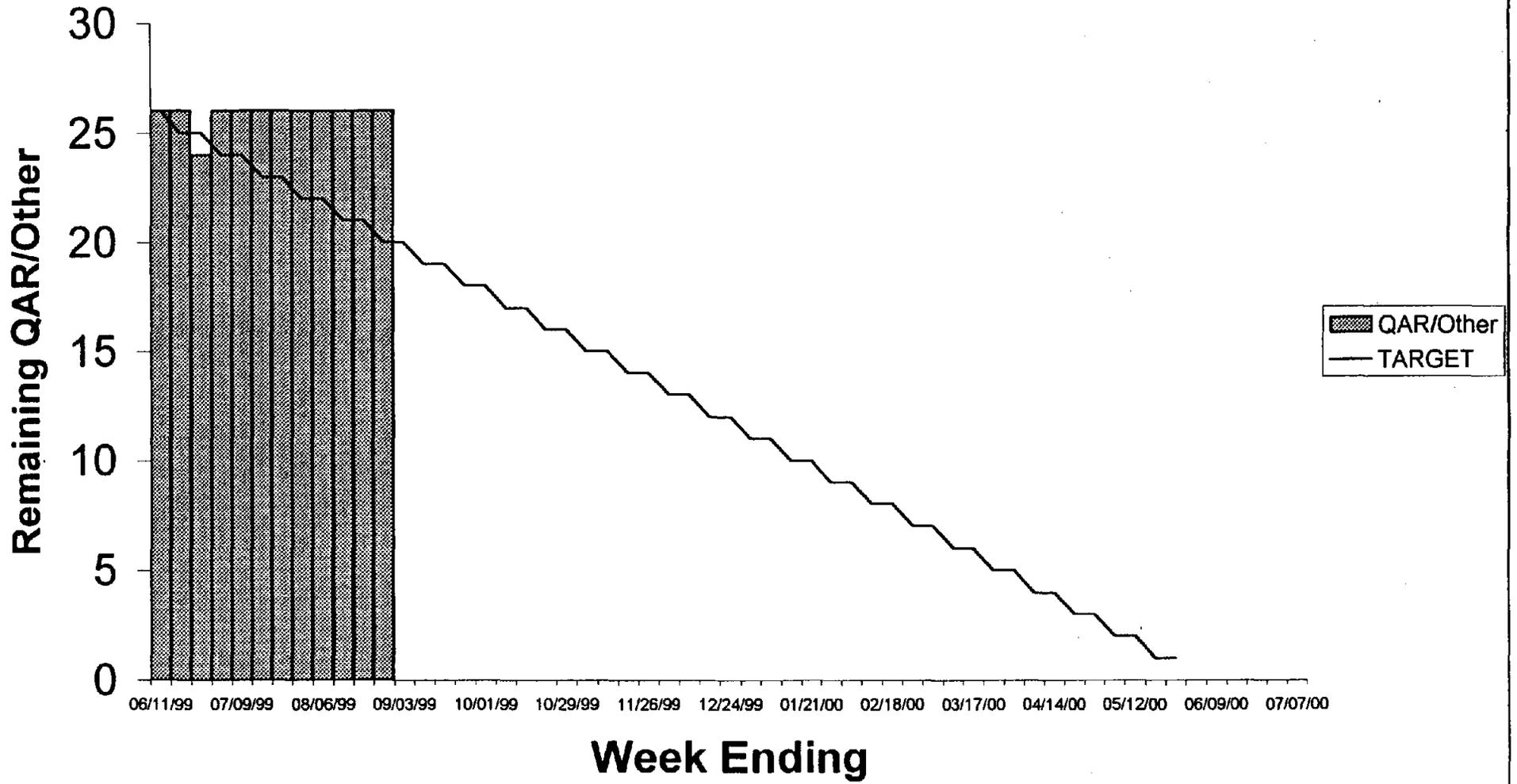
NCR's



Punch List



QAR/Other



CLOSEOUT - WEEKLY PROGRESS REPORT

B241, B241T, B252, B261, B271, B281, B281T

Week Ending (**)	CHANGE NOTICES					PUNCHLIST	NCR	Submittals	QAR/Other	Claims
	Contractor	At Par-Dil	MTA	Net Diff This Week	Remaining	Remaining	Remaining	Remaining	Remaining	Remaining
06/11/99	0	0	76	0	344	363	59	1883	26	315
06/18/99	147	114	78	5	339	361	59	1880	26	314
06/25/99	155	99	77	8	331	308	54	1867	24	321
07/02/99	157	93	70	11	320	299	47	1856	26	321
07/09/99	157	87	63	13	307	283	49	1845	26	289
07/16/99	151	88	64	4	303	268	45	1814	26	300
07/23/99	147	85	64	6	297	233	43	1835	26	301
07/30/99	129	92	73	3	294	209	38	1765	26	297
08/06/99	124	75	85	10	284	204	38	1742	26	282
08/13/99	120	72	78	14	270	198	37	1733	26	272
08/20/99	130	47	79	14	256	194	35	1325	26	266
08/27/99										
09/03/99										
09/10/99										
09/17/99										
09/24/99										
10/01/99										
10/08/99										
10/15/99										
10/22/99										
10/29/99										
11/05/99										
11/12/99										
11/19/99										
11/26/99										
12/03/99										
12/10/99										

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62

NOTES

B241
B241T
B252
B261
B271
B281
B281T

Warranties
O&M Manuals
Spare Parts
As Built Drawings
Training

Labor Sign Off
Insurance Sign Off
3rd Party Sign Off
QAR's

Summ-B241

CLOSEOUT - WEEKLY PROGRESS REPORT

B241

Week Ending ("**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims	
	At			Net Diff	Remaining	Completed This Week	Remaining								
	Contractor	Par-Dil	MTA	This Week											
06/11/99			6		110		152		24		281		7		71
06/18/99	64	35	10	1	109		152		24		281		7		71
06/25/99	64	32	12	1	108		125		21		280		7		71
07/02/99	62	33	10	3	105		108		20		280		7		71
07/09/99	63	33	8	1	104		104		20		279		7		64
07/16/99	61	32	9	2	102		101		18		280		7		64
07/23/99	59	30	10	2	100		89		18		282		7		64
07/30/99	54	30	18	-2	102		85		16		281		7		61
08/06/99	54	18	28	2	100		85		16		271		7		47
08/13/99	51	17	29	3	97		85		17		273		7		48
08/20/99	53	14	19	11	86		84		16		207		7		47
08/27/99															
09/03/99															
09/10/99															
09/17/99															
09/24/99															
10/01/99															
10/08/99															
10/15/99															
10/22/99															
10/29/99															
11/05/99															
11/12/99															
11/19/99															
11/26/99															
12/03/99															
12/10/99															

NOTES

85-2-15-02 Response 8/25/98 **CLOSED 3/9/99**
 S96-148P-01 Response 8/25/98 Uacceptable SR sent 10/14/98
 A97-004-05 Response 8/25/98 Acceptable Verification 11/27/98
 A97-004-10 Response 8/25/98 Uacceptable SR sent 10/14/98
 A97-004-19 Response 8/25/98 Acceptable Verification 11/27/98
 ** 28 Safety Certs accepted by T. Eng

Warranties
 O&M Manuals
 Spare Parts
 As Built Drawings
 Training
 Labor Sign Off
 Insurance Sign Off
 3rd Party Sign Off
 QAR's

CN's	ACTIVE	Closed this Week
Agnes Oh	36 70.02	143
Bob Powers		
Nate Wood		
Bob Brackett		
Bill Meyers	92 93.01	269
Jonathan Wallace		
Chuck Kenney	8 27	31

Summ-B241T

CLOSEOUT - WEEKLY PROGRESS REPORT
B241T

Week Ending (**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims	
	Contractor	AI	MTA	Net Diff	Remaining	Completed This Week	Remaining								
		Par-Dil		This Week											
06/11/99			3		5		0		0		4		1		2
06/18/99	1	1	3	0	5						4		1		2
06/25/99	1	1	3	0	5						4		1		2
07/02/99	2		3	0	5		0		0		4		1		2
07/09/99	2		3	0	5		0		0		4		1		2
07/16/99	2		3	0	5		0		0		4		1		2
07/23/99	2		3	0	5		0		0		4		1		2
07/30/99	2		3	0	5		0		0		4		1		2
08/06/99	1		4	0	5		0		0		4		1		2
08/13/99	1		4	0	5		0		0		4		1		2
08/20/99	1		3	1	4		0		0		4		1		2
08/27/99															
09/03/99															
09/10/99															
09/17/99															
09/24/99															
10/01/99															
10/08/99															
10/15/99															
10/22/99															
10/29/99															
11/05/99															
11/12/99															
11/19/99															
11/26/99															
12/03/99															
12/10/99															

Warranties
O&M Manuals
Spare Parts
As Built Drawings
Training

Labor Sign Off
Insurance Sign Off
3rd Party Sign Off
QAR's

CN's
Agnes Oh
Bob Powers 59
Nate Wood 26
Bob Brackett 60.01
Bill Meyers
Jonathan Wallace
8/25/99

Closed this Week

Summ-B252

CLOSEOUT - WEEKLY PROGRESS REPORT

B252

Week Ending (**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims	
	At			Net Diff This Week	Remaining	Completed This Week	Remaining	Completed This Week	Remaining						
	Contractor	Par-Dil	MTA												
06/11/99			10		21		20		2		161		5		16
06/18/99	3	6	9	4	17		20		2		162		5		17
06/25/99	3	5	9	0	17		18		2		166		5		24
07/02/99	2	5	9	1	16		16		0		170		5		24
07/09/99	3	4	9	0	16		17		0		170		5		19
07/16/99	3	4	9	0	16		16		0		166		5		21
07/23/99	3	4	9	0	16		17		0		166		5		21
07/30/99	4	2	9	1	15		16		0		167		5		21
08/06/99	3	3	8	1	14		15		0		167		5		21
08/13/99	4	1	7	2	12		15		0		166		5		18
08/20/99	4	1	7	0	12		15		0		115		5		12
08/27/99															
09/03/99															
09/10/99															
09/17/99															
09/24/99															
10/01/99															
10/08/99															
10/15/99															
10/22/99															
10/29/99															
11/05/99															
11/12/99															
11/19/99															
11/26/99															
12/03/99															
12/10/99															
NOTES	S98-191P-01 Draft Response 10/23/98 S98-191P-02 Draft Response 10/23/98 ** Safety Certs being reviewed by T Eng											Warranties O&M Manuals Spare Parts As Built Drawings Training		Labor Sign Off Insurance Sign Off 3rd Party Sign Off QAR's	

CN's
 Agnes Oh
 Bob Powers
 Nate Wood
 Bob Brackett
 Bill Meyers
 Jonathan Wallace
 8/25/99

ACTIVE

Closed this Week

Summ-B261

CLOSEOUT - WEEKLY PROGRESS REPORT

B261

Week Ending (**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims	
	At			Net Diff This Week	Remaining	Completed This Week	Remaining								
	Contractor	Par-Dil	MTA												
06/11/99				25	100		123		30		298		4		99
06/18/99	49	28	23	0	100		123		30		296		4		99
06/25/99	54	21	20	5	95		112		28		294		4		99
07/02/99	56	18	21	0	95		121		24		287		4		99
07/09/99	58	15	13	9	86		108		26		284		4		93
07/16/99	57	12	17	0	86		100		24		263		4		93
07/23/99	56	11	15	4	82		80		22		280		4		94
07/30/99	37	28	15	2	80		68		20		243		4		94
08/06/99	36	28	12	4	76		66		20		242		4		94
08/13/99	36	29	11	0	76		60		18		242		4		86
08/20/99	42	13	20	1	75		58		17		219		4		87
08/27/99															
09/03/99															
09/10/99															
09/17/99															
09/24/99															
10/01/99															
10/08/99															
10/15/99															
10/22/99															
10/29/99															
11/05/99															
11/12/99															
11/19/99															
11/26/99															
12/03/99															
12/10/99															

NOTES
S98-273P-01, Due-11/20/98

Warranties
O&M Manuals
Spare Parts
As Built Drawings
Training
Labor Sign Off
Insurance Sign Off
3rd Party Sign Off
QAR's

CN's
Agnes Oh
Bob Powers
Nate Wood
Bob Brackett
Bill Meyers
Jonathan Wallace
8/25/99

ACTIVE

Closed this Week

Summ-B271

CLOSEOUT - WEEKLY PROGRESS REPORT

B271

Week Ending (**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims	
	AI			Net Diff This Week	Remaining	Completed This Week									
	Contractor	Par-Dil	MTA												
06/11/99			14		44		43		3		243		4		40
06/18/99	8	20	15	1	43		43		3		243		4		40
06/25/99	9	18	14	2	41		27		3		231		4		40
07/02/99	9	18	11	3	38		28		3		233		4		40
07/09/99	6	15	14	3	35		28		3		230		4		37
07/16/99	7	17	9	2	33		28		3		228		4		46
07/23/99	8	15	10	0	33		28		3		229		4		46
07/30/99	8	14	9	2	31		21		2		228		4		45
08/06/99	10	8	10	3	28		20		2		229		4		45
08/13/99	9	8	11	0	28		20		2		228		4		45
08/20/99	9	8	10	1	27		20		2		211		4		45
08/27/99															
09/03/99															
09/10/99															
09/17/99															
09/24/99															
10/01/99															
10/08/99															
10/15/99															
10/22/99															
10/29/99															
11/05/99															
11/12/99															
11/19/99															
11/26/99															
12/03/99															
12/10/99															

NOTES

S97-159P-01 Response 3/26/98 Unacceptable Req 4/16/98
 S96-256P-01 Due 11/5/98 closed 1/13/99
 ** Safety Carts being reviewed by T. Eng

Warranties
 O&M Manuals
 Spare Parts
 As Built Drawings
 Training
 Labor Sign Off
 Insurance Sign Off
 3rd Party Sign Off
 QAR's

CN's ACTIVE Closed this Week
 Agnes Oh
 Bob Powers
 Nate Wood
 Bob Brackett
 Bill Meyers
 Jonathan Wallace
 8/25/99

Summ-B281

CLOSEOUT - WEEKLY PROGRESS REPORT

B281

Week Ending (**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims		
	AI			Net Diff	Remaining	Completed This Week	Remaining	Completed This Week	Remaining	Completed This Week						
	Contractor	Par-Dil	MTA	This Week												
06/11/99			11		57		25		0		889		3		80	
06/18/99	22	25	11	-1	58		23		0		886		3		78	
06/25/99	24	22	12	0	58		26		0		884		3		78	
07/02/99	26	19	10	3	55		26		0		874		3		78	
07/09/99	25	20	10	0	55		26		0		870		3		68	
07/16/99	20	23	12	0	55		23		0		866		3		68	
07/23/99	18	25	12	0	55		19		0		867		3		68	
07/30/99	23	18	14	0	55		19		0		835		3		68	
08/06/99	19	18	18	0	55		18		0		824		3		67	
08/13/99	19	17	11	8	47		18		0		815		3		67	
08/20/99	21	11	15	0	47		17		0		564		3		67	
08/27/99																
09/03/99																
09/10/99																
09/17/99																
09/24/99																
10/01/99																
10/08/99																
10/15/99																
10/22/99																
10/29/99																
11/05/99																
11/12/99																
11/19/99																
11/26/99																
12/03/99																
12/10/99																
NOTES	S98-190-01	Response 2/5/99 CRE-8597 Sent to MTA 2/8/99 IAC 341														
	S98-314-01	Closed 3/8/99														
												Warranties	Labor Sign Off			
												O&M Manuals	Insurance Sign Off			
												Spare Parts	3rd Party Sign Off			
												As Built Drawings	QAR's			
												Training				

CN's	ACTIVE	Closed this Week
Agnes Oh		
Bob Powers	144.01	179
Nate Wood		197
Bob Brackett	189.02	193
Bill Meyers		214
onathan Wallace		

Summ-B281T

CLOSEOUT - WEEKLY PROGRESS REPORT

B281T

Week Ending (**)	CHANGE NOTICES					PUNCHLIST		NCR		Submittals		QAR/Other		Claims	
	At			Net Diff This Week	Remaining	Completed This Week	Remaining								
	Contractor	Par-Dil	MTA												
06/11/99				7	7		0		0		7		2		7
06/18/99				7	0	7					8		2		7
06/25/99				7	0	7					8				7
07/02/99				6	1	6		0	0		8		2		7
07/09/99				6	0	6		0	0		8		2		6
07/16/99	1			5	0	6		0	0		7		2		6
07/23/99	1			5	0	6		0	0		7		2		6
07/30/99	1			5	0	6		0	0		7		2		6
08/06/99	1			5	0	6		0	0		5		2		6
08/13/99				5	1	5		0	0		5		2		6
08/20/99				5	0	5		0	0		5		2		6
08/27/99															
09/03/99															
09/10/99															
09/17/99															
09/24/99															
10/01/99															
10/08/99															
10/15/99															
10/22/99															
10/29/99															
11/05/99															
11/12/99															
11/19/99															
11/26/99															
12/03/99															
12/10/99															

NOTES

Warranties
O&M Manuals
Spare Parts
As Built Drawings
Training
Labor Sign Off
Insurance Sign Off
3rd Party Sign Off
QAR's

CN's
Agnes Oh
Bob Powers
Nate Wood
Bob Brackett
Bill Meyers
Jonathan Wallace
8/25/99

ACTIVE

Closed this Week

EXHIBIT 2

**Analysis of Payments Made to Prime Contractors for
Sanders Engineering, Amelco Mechanical and L.K. Comstock**

Date: Aug 19, 1999 (revised on 8/31/99)

To : Suzanne Schmutzler

From: Bharpur Takhar

Subject : Ancillary Construction & Maintenance Contract B290
Analysis of Payments to Prime Contractor- Tutor -Saliba
For Task Orders related to Sanders Engineering Co.

- A. Detailed history of payments made to Tutor- Saliba for Progress Payment Estimates from # 41 to # 50 covering the work periods from July,1998 to April,1999 for Task Orders related to Sanders Engineering is attached herewith. (see documents exhibit 1)
- B. Sanders Engineering Co (Subcontractor) submitted Applications For Payment and received payments from Tutor - Saliba as follows: (see documents- exhibit 2)

Date (Billed)	Period From - To	Amount (Billed)	Amount (Date) (Recd)
4/08/99	2/01/99 - 2/28/99	10,964.00	10,964.00 (5/20/99)
4/08/99	3/01/99 - 3/31/99	111,107.00	24,036.00 (7/21/99)
4/26/99	4/01/99 - 4/15/99	133,449.00	65,419.00 (7/25/99)
5/06/99	4/16/99 - 4/30/99	202,612.00	253,146.00 (8/12/99)
6/03/99	5/01/99 - 5/30/99	135,503.00	233,085.00 (8/26/99) *
7/02/99	6/01/99 - 6/30/99	12,183.00	
Total :		\$ 605,818.00	\$ 586,650.00

C. Comments:

1. It is noted that Sanders Engineering submitted their first two Applications for Payment for the work periods from Feb to March 1999 on April 8,1999. Then Two Applications for Payment for the month of April,1999 were submitted, one on 4/26/99 and an other on 5/06/99. For the corresponding work periods, Tutor's Pay Estimates #s 48,49& 50 indicate Period Ending Dates of 2/26/99, 3/26/99 and 4/30/99 respectively. Tutor- Saliba was paid by MTA for Pay Estimates # 48, 49 & 50 on 5/20/99, 6/22/99 and 8/06/99 respectively.

The \$ amounts billed by Tutor- Saliba for the corresponding Task #s for work periods from Feb to April Pay Estimates #s 48, 49& 50 are \$ 106,086, \$ 207,504 & \$ 465,569 respectively. The total value billed by Tutor is \$ 779,159 vs. \$ 458,132 billed by Sanders for the first three (3) periods. (includes two pay applications in April, 99) However, it must be noted that the Task Orders may also include work performed by other contractors.. Also Sanders did not submit their first two Applications for Payment until April 8,1999 which was later than the cut off dates indicated on Tutors Pay Estimates. It is therefore possible that Tutor may or may not have included Sanders billed amounts completely.

2. Based on the above information, it can be concluded as follows:
 - a. The first payment of \$10,964 on 5/20/99 to Sanders Engineering by Tutor was on or ahead of time based on the billing date.
 - b. The second payment of \$24,036 on 7/21/99 to Sanders was not adequate and could be considered late.
 - c. The third payment of \$ 65,419 on 7/25/99 for period ending April 30,1999 appears to be ahead of time (Tutor paid on 8/6/99, Est. # 50 for the same period.) but was not adequate. This could also be a catch up payment for the previous shortfall.
 - d. The fourth payment on 8/12/99 is ahead of time but appears to be an effort to make up the previous shortfalls, because the amount (\$ 253,146) paid exceeds any of the billed amounts by Sanders.
 - e. In general the payments received by Sanders Engineering from Tutor-Saliba over a period of four months has lagged by approximately 23% (\$ 353,565 received vs. \$458,132 billed) on a cumulative basis. The exact cause of this situation can not be accurately established by MTA due to unknown issues and circumstances between Tutor- Saliba and Sanders Engineering.

*Note: Sanders have received a payment of \$ 233,085 (check dated 8/26/99) on 8/30/99 which brings the total to-date paid by Tutor-Saliba to 96.8%

Attachments

CONTRACT B261
TUTOR- SALIBA
AMELCO MECHANICAL
PAYMENT STATUS

	Apr-96	Mar-96	Jun-96	Sep-96	Oct-96	Nov-96	Sep-98	Apr-97	Sep-97	Jan-98	Total Paid to Contractor	Subcontractor Claimed Amount
Date paid												
Check No.												
Check Amount												
Invoice No.	25	24	27	30	31	32	31	38	42	46		
CO/CN Number												
CONTRACT B261												
CO- 31.00			\$2,370.61				\$9,188.00	\$532.35				\$12,090.96
CO- 32.00		\$1,780.80		\$1,000.00	\$24,000.00	\$25,000.00						\$51,780.80
CO - 95									\$15,000.00	\$28,572.00		\$43,572.00
CO - 98	\$2,500.00			\$1,500.00	\$16,000.00	\$2,500.00						\$22,500.00
											\$129,943.76	\$342,269.35
CONTRACT B252												
KIEWIT- SHEA												
AMELCO MECHANICAL												
Date paid	Apr-97	May-97	Jun-97									
Check No.												
Check Amount												
Invoice No.	39	41	56									
CO/CN Number												
CONTRACT B253												
CO - 110												
CO - 150	\$5,000.00	\$5,000.00										\$10,000.00
CO - 166			\$1,887.00									\$1,887.00
											\$11,887.00	\$342,856.00

L.K. Constock Pay Summary

Contract B261

CO #	CN #	LKC COST	\$ PAID TO LKC	EXPECTED PAY MONTH
111	138	\$54,814	\$4,200	Aug-99
147	211.01	\$1,897	\$0	Aug-99
100	219	\$13,419	\$0	Oct-99
129	222	\$10,973	\$10,450	PAID
159	281	\$8,225	\$0	Oct-99
172	271	\$3,075	\$0	Oct-99
51	31		\$0	
83	130	\$1,221	\$1,221	PAID
125	235.01	\$2,405	\$0	Oct-99
110	180	\$2,177	\$0	Aug-99
132	220	\$3,025	\$0	Aug-99
98	105	\$647	\$0	Oct-99
93	130	\$1,222	\$0	Aug-99
106	193	\$2,128	\$0	Aug-99
167	238.01	\$1,014	\$1,064	PAID
	32.01	\$70,764	\$0	Oct-99
	178	\$100,000	\$0	Oct-99
176	277	\$2,005	\$0	Oct-99
	284	\$3,580	\$0	Oct-99
	292	\$4,000	\$0	Aug-99
	296	\$10,000	\$0	Aug-99
	297	\$29,320	\$0	Oct-99
TOTAL PAID 12K	300	\$22,225	\$0	Oct-99
	304	\$21,805	\$0	Oct-99
TOTAL PAID 20K	305	\$31,675	\$0	Oct-99

TOTAL PAID
TOTAL PAID

CONTRACT NO. #B241
TUTOR -SALIBA CORP.
L. K. COMSTOCK

Date paid	PAYMENT STATUS																		Total Paid To Contractor	Subcontractor Claimed Amt
	Jan-97	Feb-97	Apr-97	May-97	Nov-97	Dec-97	Jan-98	Feb-98	Apr-98	May-98	Oct-98	Dec-98	Jan-99	Feb-99	Mar-99	Mar-99	May-99	Jul-99		
Check No.	41577	46306	53452	58291	80650	83639	87768	21573	21673	21673	26102	32648	34293	37999	39647	42473	46367	55560		
Check Amount	\$1,510,337.56	\$830,616.39	\$408,136.26	\$886,994.63	\$384,285.85	\$444,588.08	\$248,943.79	\$972,960.39	\$972,960.39	\$927,960.39	\$547,287.17	\$59,046.17	\$109,688.37	\$26,922.66	\$328,099.08	\$888,055.34	\$90,625.88	\$285,894.90		
Invoice No.	39	40	42	43	49	50	51	52	54	55	63	64	65	66	67	68	69	71		
COICN Number																				
CO- 144.00													\$ 343.11	\$ 517.48					\$ 860.57	
CO/144.00-CN 97													\$0.00	\$0.00					\$0.00	
CO- 83.00																		\$18,653.00	\$18,653.00	
CO/83.00-CN195																			\$1,280.00	
CO- 116.00												\$15.00							\$15.00	
CO/166-CN213																			\$2,586.00	
CO- 51.00																			\$0.00	
CO/51- CN 28.01																			\$0.00	
CO- 74.00			\$22,450.53			\$10,275.73													\$32,726.26	
CO/74- CN 10																			\$1,425.90	
CO/74- CN 53																			\$0.00	
CO/74- CN 53.01																			\$0.00	
CO/74- CN 89.01																			\$0.00	
CO/74- CN 106																			\$0.00	
CO- 117.00																			\$0.00	
CO/117-CN182.01																\$15,519.24			\$15,519.24	
CO- 124.00																		\$8,459.82	\$8,459.82	
CO/124- CN 116																			\$12,742.83	
WACN- 130.00	\$75,000.00																		\$75,000.00	
WACN- 143.00	\$6,400.00	\$1,600.00																	\$3,000.00	
WACN- 165.00		\$2,500.00		\$7,500.00															\$3,000.00	
WACN- 168.01									\$47,000.00	\$43,000.00									\$15,304.00	
WACN- 169.02						\$8,000.00	\$12,000.00												\$1,500.00	
WACN- 169.03															\$105,000.00				\$175,698.00	
WACN- 174.00				\$150,000.00					\$35,000.00										\$50,326.00	
WACN- 196.00							\$1,500.00					\$6,500.00							\$4,648.00	
WACN- 206.00										\$5,000.00					\$3,000.00				\$2,280.00	
WACN- 209.00															\$4,000.00				\$1,225.00	
WACN- 211.01																\$200.00	\$500.00		\$1,603.00	
WACN- 219.00																		\$500.00	\$2,315.00	
WACN- 231.00								\$2,500.00							\$2,500.00	\$1,500.00			\$3,000.00	
WACN- 232.00															\$1,500.00	\$1,500.00			\$1,872.00	
WACN- 236.00															\$4,000.00				\$4,228.00	
WACN- 279.01																\$9,600.00	\$2,240.00		\$11,840.00	
Total																			\$594,620.89	
																			\$336,796.73	

CONTRACT NO. # B261
 TUTOR - SALIBA CORP.
 L.K. COMSTOCK

PAYMENT STATUS

Date paid	Jun-85	Apr-86	May-86	Aug-86	Sep-86	Nov-86	May-87	Aug-87	Dec-87	May-88	Jun-88	Aug-88	Aug-88	Sep-88	Dec-88	Feb-89	Mar-89	May-89	Apr-89	Jul-89	Total Paid To	Subcontractor			
Check No.	Net in Pts	7231	10033	21031	26100	34183	57019	68989	21572	37147	8689	37147	18397	21686	30271	37539	40479	48386	43727	68558	Contractor	Claimed Amt			
Check Amount		\$1,161,263.82	\$816,478.17	\$1,179,124.25	\$1,348,774.24	\$1,330,787.10	\$736,122.80	\$615,423.94	\$836,500.00	\$892,476.89	\$53,325.23	\$482,476.89	\$78,494.80	\$336,895.25	\$388,912.77	\$1,018,302.48	\$812,807.86	\$522,090.96	\$328,690.86	\$478,516.53					
Invoice No.		15	25	28	29	30	32	38	41	45	54	58	64	64	66	70	73	76	77	76	79				
CO/CN Number																									
CO - 2																						\$0.00	\$1,314.75		
CO - 2/ CN 6																							\$0.00		
CO - 2/ CN 9		\$149.51																					\$149.51		
CO - 2/ CN 36																							\$0.00		
CO - 2/ CN 37																							\$0.00		
CO - 2/ CN 42																							\$0.00		
CO - 51																							\$0.00		
CO - 51/ CN 31																							\$3,043.00		
CO - 83									\$1,420.20			\$3,420.20											\$4,840.40	\$2,986.00	
CO - 93/ CN 131																							\$0.00		
CO - 93/ CN 211																	\$0.00						\$0.00		
CO - 93/ CN 130									\$2,000.00														\$2,000.00		
CO - 98		\$2,500.00								\$125.19								\$41,498.07					\$44,123.26	\$547.00	
CO - 98/ CN 105																							\$0.00		
CO - 100																	\$11,976.50	\$2,113.50					\$14,090.00	\$13,419.00	
CO - 100/ CN 219																							\$0.00		
CO - 106																	\$3,735.20						\$3,735.20	\$2,128.00	
CO - 106/ CN 193																							\$0.00		
CO - 109							\$15,000.00					\$8,000.00	-\$1,550.00										\$21,450.00	\$0.00	
CO - 109/ CN 94.01													\$8,000.00										\$8,000.00		
CO - 110												-\$910.00	-\$2,714.00	-\$2,714.00									-\$6,338.00	\$2,177.00	
CO - 110/ CN 180					\$532,542.00								\$5,000.00	\$5,000.00									\$542,542.00		
CO - 110/ CN 236										\$900.00													\$900.00		
CO - 111																							\$37,274.25		
CO - 111/ CN 136.01																	\$190,074.13	\$1,066.62					\$228,415.00	\$54,614.00	
CO - 114																							\$0.00		
CO - 114/ CN 252.01																							\$0.00	\$26,210.00	
CO - 123																							\$876.06	\$568.00	
CO - 123/ CN 87																							\$0.00		
CO - 125																							\$0.00	\$2,405.00	
CO - 125/ CN 235																							\$0.00		
CO - 125/ CN 215																							\$0.00		
CO - 129															\$12,595.00		\$553.00						\$13,148.00	\$10,673.00	
CO - 129/ CN 222																							\$0.00		
CO - 129/ CN 237																							\$0.00		
CO - 132																	\$5,736.00						\$5,736.00	\$2,148.00	
CO - 132/ CN 220																							\$0.00		
CO - 147																	\$1,593.48		\$396.37				\$1,991.85	\$1,897.00	
CO - 147/ CN 211.01																							\$0.00		
CO - 159																							\$3,636.54	\$3,636.54	\$8,225.27
CO - 159/ CN 261																							\$0.00		
CO - 167																							\$1,435.30	\$1,435.30	\$1,014.00
CO - 167/ CN 236.01																							\$2,500.00	\$2,500.00	
CO - 172																							\$0.00	\$3,075.44	
CO - 172/ CN 230																							\$0.00		
CO - 172/ CN 271																							\$0.00		
Total																							\$893,231.12	\$136,747.46	

EXHIBIT 3

Provisions Governing Payment of Subcontractors by Prime Contractors

- 1. General Conditions 23 - Payment to Subcontractors
(Star Indicates that GC-23 is a Flowdown Provision)**
- 2. California Business and Professions Code, Section 7108.5**
- 3. California Civil Code, Section 3262**

be accepted until the Escrow Agreement, securities, and any other documents related to said substitution are reviewed and accepted in writing by the AUTHORITY.

GC-22-C In lieu of substitution of securities as provided above, the Contractor may request and the AUTHORITY shall make payment of retention earned directly to the escrow agent described in the previous Subarticle at the expense of the Contractor. At the expense of the Contractor, the Contractor may direct the investment of the payments into securities consistent with Government Code §16430 and the Contractor shall receive the interest earned on the investments upon the same terms provided for in this Article for securities deposited by the Contractor. Upon satisfactory completion of the Contract, the Contractor shall receive from the escrow agent all securities, interest and payments received by the escrow agent from the AUTHORITY, pursuant to the terms of this Article. The Contractor shall pay to each Subcontractor, not later than twenty (20) days after receipt of the payment, the respective amount of interest earned, net of costs attributed to retention withheld from each Subcontractor, on the amount of retention withheld to ensure the performance of the Subcontractor. The escrow agreement used by the escrow agent pursuant to this Article shall be substantially similar to the form set forth in §22300 of the California Public Contract Code.

GC-22-D Upon Final Acceptance of the Contract, the Contractor shall submit an invoice for release of retention in accordance with the terms of the Contract.

✓ **GC-23 PAYMENT TO SUBCONTRACTORS★**

GC-23-A The Contractor shall pay all Subcontractors for and on account of Work performed by such Subcontractors, not later than ten (10) days after receipt of each progress payment as required by the California Business and Professions Code §7108.5. Such payments to Subcontractors shall be based on the measurements and estimates made pursuant to the Article entitled PROGRESS PAYMENTS herein.

Furthermore, pursuant to 49 Code of Federal Regulations (CFR) Part 26, the Contractor agrees to pay each Subcontractor under this Contract for satisfactory performance of its Contract no later than ten (10) days after receipt of each progress payment received from the Authority. The Contractor further agrees to return retainage payments to each Subcontractor within ten (10) days after the Subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Authority. This clause applies to both DBE and non-DBE Subcontractors.

GC-23-B Before the Contractor may receive a progress payment, it must furnish the AUTHORITY with:

1. a duly executed Conditional Waiver and Release Form from each Subcontractor listed in the current Application for Progress Payment; and
2. a duly executed Unconditional Waiver and Release Form from each Subcontractor listed in the preceding Application for Progress Payment.

GC-23-C The unconditional waiver(s) must state the amount that the Subcontractor has been paid with respect to the Progress Payment most recently made to the Contractor. The required waiver and release forms shall be those set forth in California Civil Code §3262, clarified to confirm that they are not intended to release claims beyond the amount of the progress payment made and do not cover unprocessed or unresolved claims. In the event the Contractor fails to supply any of the foregoing waiver and release forms, the

AUTHORITY may retain the amount attributable to any such Subcontractor until the appropriate form is received.

GC-23-D If the AUTHORITY determines that the Contractor has failed to comply with this Article, the AUTHORITY may give written notice to the Contractor and the Contractor's Surety that, if the default is not remedied within a specified period of time (at least five (5) days) the Contract may be terminated. The Contract may be terminated for cause in accordance with the Article entitled TERMINATION FOR DEFAULT herein.

GC-24 PAYMENT OF TAXES

The Contractor shall pay all federal, state, and local taxes, and duties applicable to and assessable against any work, Goods, services, processes, and operations incidental to or involved in the Contract, including but not limited to retail sales and use, transportation, export, import, business, and special taxes. The Contractor is responsible for ascertaining and paying the taxes when due. The prices established in the Contract shall include compensation for all taxes the Contractor is required to pay by Laws in effect on the date the Contractor's bid was opened. The Contractor will maintain auditable records, subject to AUTHORITY reviews, confirming that tax payments are current at all times.

GC-25 FINAL PAYMENT

GC-25-A After Final Acceptance of the Work, subject to the provisions of the Articles entitled WARRANTY OF WORK and FINAL INSPECTION AND ACCEPTANCE OF THE WORK herein, a final payment will be made as follows:

1. Prior to Final Acceptance, the Contractor shall prepare and submit a proposed Application for Final Payment to the AUTHORITY including:
 - a. the proposed total amount due the Contractor, segregated as to Contract item quantities, CO Work, and other basis for payment;
 - b. deductions made or to be made for prior payment;
 - c. amounts to be retained;
 - d. an Unconditional Waiver and Release for each Subcontractor;
 - e. any claims the Contractor intends to file at that time or a statement that no claims will be filed; and
 - f. any unsettled claims, stating amounts.
2. The Application for Final Payment shall include complete and legally effective releases or waivers of liens and stop notices satisfactory to the AUTHORITY, arising out of or filed in connection with the Work. Prior applications and payments shall be subject to correction in the proposed Application for Final Payment. Claims filed with the Application for Final Payment must be otherwise timely under these General Conditions. Payments to the Contractor will be made only for the actual quantities of the Contract items constructed in accordance with the Contract Documents.

7106. The suspension or revocation of license as in this chapter provided may also be embraced in any action otherwise proper in any court involving the licensee's performance of his legal obligation as a contractor.

7106.5. The expiration or suspension of a license by operation of law or by order or decision of the registrar or a court of law, or the voluntary surrender of a license by a licensee shall not deprive the registrar of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against such license, or to render a decision suspending or revoking such license.

7107. Abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor constitutes a cause for disciplinary action.

7108. Diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of any construction project or operation, or failure substantially to account for the application or use of such funds or property on the construction project or operation for which such funds or property were received constitutes a cause for disciplinary action.

7108.5. A prime contractor or subcontractor shall pay to any subcontractor, not later than 10 days of receipt of each progress payment, unless otherwise agreed to in writing, the respective amounts allowed the contractor on account of the work performed by the subcontractors, to the extent of each subcontractor's interest therein. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from the prime contractor or subcontractor to a subcontractor, then the prime contractor or subcontractor may withhold no more than 150 percent of the disputed amount.

Any violation of this section shall constitute a cause for disciplinary action and shall subject the licensee to a penalty, payable to the subcontractor, of 2 percent of the amount due per month for every month that payment is not made. In any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to his or her attorney's fees and costs.

The sanctions authorized under this section shall be separate from, and in addition to, all other remedies either civil, administrative, or criminal.

This section applies to all private works of improvement and to all public works of improvement, except where Section 10262 of the Public Contract Code applies.

7108.6. A licensed contractor is required to pay all transportation charges submitted by a duly authorized motor carrier of property in dump truck equipment by the 20th day following the last day of the calendar month in which the transportation was performed, if the charges, including all necessary documentation, are submitted by the fifth day following the last day of the calendar month in which the transportation was performed. The payment shall be made unless

effective upon receipt. Service by registered mail is effective five days after mailing.

3261. No mistake or errors in the statement of the demand, or of the amount of credits and offsets allowed, or of the balance asserted to be due the claimant, or in the description of the property against which the lien is recorded, shall invalidate the lien, unless the court finds that such mistake or error in the statement of the demand, credits and offsets, or of the balance due, was made with the intent to defraud, or that an innocent third party, without notice, direct or constructive, has since the claim was recorded become the bona fide owner of the property, and that the notice of claim was so deficient that it did not put the party on further inquiry in any manner.

✓ 3262. (a) Neither the owner nor original contractor by any term of their contract, or otherwise, shall waive, affect, or impair the claims and liens of other persons whether with or without notice except by their written consent, and any term of the contract to that effect shall be null and void. Any written consent given by any claimant pursuant to this subdivision shall be null, void, and unenforceable unless and until the claimant executes and delivers a waiver and release. Such a waiver and release shall be binding and effective to release the owner, construction lender, and surety on a payment bond from claims and liens only if the waiver and release follows substantially one of the forms set forth in this section and is signed by the claimant or his or her authorized agent, and, in the case of a conditional release, there is evidence of payment to the claimant. Evidence of payment may be by the claimant's endorsement on a single or joint payee check which has been paid by the bank upon which it was drawn or by written acknowledgment of payment given by the claimant.

(b) No oral or written statement purporting to waive, release, impair or otherwise adversely affect a claim is enforceable or creates any estoppel or impairment of a claim unless (1) it is pursuant to a waiver and release prescribed herein, or (2) the claimant had actually received payment in full for the claim.

(c) This section does not affect the enforceability of either an accord and satisfaction regarding a bona fide dispute or any agreement made in settlement of an action pending in any court provided the accord and satisfaction or agreement and settlement make specific reference to the mechanic's lien, stop notice, or bond claims.

(d) The waiver and release given by any claimant hereunder shall be null, void, and unenforceable unless it follows substantially the following forms in the following circumstances:

(1) Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a progress payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially the following form:

CONDITIONAL WAIVER AND RELEASE UPON
PROGRESS PAYMENT

Upon receipt by the undersigned of a check from
_____ in the sum of \$ _____
(Maker of Check) (Amount of Check)
payable to _____
(Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of

_____ located at _____ to the
 (Owner) (Job Description)
 following extent. This release covers a progress payment for labor, services, equipment, or material furnished to _____ through _____
 (Your Customer) (Date)

only and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: _____

 Company Name
 By _____
 Title

(2) Where the claimant is required to execute a waiver and release in exchange for, or in order to induce payment of, a progress payment and the claimant asserts in the waiver it has, in fact, been paid the progress payment, the waiver and release shall follow substantially the following form:

UNCONDITIONAL WAIVER AND RELEASE
 UPON PROGRESS PAYMENT

The undersigned has been paid and has received a progress payment in the sum of \$ _____ for labor, services, equipment, or material furnished to _____
 (Your Customer)

on the job of _____ located at _____
 (Owner) (Job Description)

and does hereby release any mechanic's lien, stop notice, or bond right that the undersigned has on the above referenced job to the following extent. This release covers a progress payment for labor, services, equipment, or materials furnished to _____

through _____
 (Your Customer) Date

only and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this

The undersigned has been paid in full for all labor, services, equipment or material furnished to _____

_____ (Your
Customer) on the job of _____ (Owner) located at _____

_____ and does hereby waive and release
(Job Description)
any right to a mechanic's lien, stop notice, or any right against a labor and material bond on the job, except for disputed claims for extra work in the amount of \$ _____.

Dated: _____
_____ (Company Name)
By _____
_____ (Title)

Each unconditional waiver in this provision shall contain the following language, in at least as large a type as the largest type otherwise on the document:

"NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM."

3262.5. (a) Any person or corporation which has contracted to do business with a public utility, hereafter referred to in this section as a contractor, shall pay any subcontractors within 15 working days of receipt of each progress payment from the public utility, unless otherwise agreed in writing by the parties, the respective amounts allowed the contractor on account of the work performed by the subcontractors, to the extent of each of the subcontractors' interest in that work. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from a contractor to a subcontractor, then the contractor may withhold no more than 150 percent of the disputed amount.

(b) Any contractor who violates this section shall pay to the subcontractor a penalty of 2 percent of the disputed amount due per month for every month that payment is not made. In any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to his or her attorney's fees and costs.

(c) This section shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to a contractor or a subcontractor in the event of a dispute involving late payment or nonpayment by a contractor, or deficient performance or nonperformance by a subcontractor.

3263. No act done by an owner in good faith and in compliance with any of the provisions of this title shall be held to be a prevention of the performance of any contract between the owner and an original contractor by an original contractor, or to exonerate the sureties on any bond given for faithful performance or for the payment of claimants.

3264. The rights of all persons furnishing labor, services, equipment, or materials for any work of improvement, with respect to any fund for payment of construction costs, are governed exclusively

EXHIBIT 4

- 1. Contractor Claim Basis Breakdown**
- 2. Contract Change/Claim Basis Coding System**

R81 - Metro Red Line - Segment 2

CONSTRUCTION/PROCUREMENT CONTRACT CHANGES
 CONTRACTOR CLAIM BASIS BREAKDOWN
 RESOLVED CLAIMS AS OF 07/26/99

FILED CLAIMS ONLY
 R81 - R81

		# NOI	% Total Volume	Change Cost	% Total Change Cost
WORK SCOPE					
110	EXTRA WORK	56	36.60%	\$696,887.73	10.46%
115	ADDITIONAL/NEW WORK	11	7.19%	\$224,468.65	3.37%
120	DELETION OF WORK	2	1.31%	\$950.00	0.01%
		69	45.10%	\$922,306.38	13.85%
SCHEDULE CHANGES					
210	DELAY OF WORK (COMPENSABLE)	7	4.58%	\$144,256.00	2.17%
230	MILESTONE REVISIONS (NON-COMPENSABLE)	2	1.31%	\$0.00	0.00%
		9	5.88%	\$144,256.00	2.17%
DIFFERING CONDITIONS					
310	DIFFERING SITE CONDITIONS	32	20.92%	\$1,128,934.68	16.95%
320	HAZARDOUS MATERIALS	2	1.31%	\$542,494.00	8.14%
330	SAFETY CONDITIONS	1	0.65%	\$49,000.00	0.74%
		35	22.88%	\$1,720,428.68	25.83%
TERMS AND CONDITIONS					
410	TERMS AND CONDITIONS (OWNER ORIGINATED)	1	0.65%	\$4,987.00	0.07%
440	QUANTITY ADJUSTMENT	7	4.58%	\$1,631,892.35	24.50%
		8	5.23%	\$1,636,879.35	24.58%
DESIGN CHANGES					
510	DESIGN CHANGES/ENHANCEMENTS (OWNER ORIGINATED)	1	0.65%	\$47,439.90	0.71%
515	DESIGN CHANGES/ENHANCEMENTS (EMC ORIGINATED)	5	3.27%	\$28,603.01	0.43%
530	CORRECTIONS TO PLANS AND SPECIFICATIONS	11	7.19%	\$306,801.34	4.61%
		17	11.11%	\$382,844.25	5.75%
MANAGEMENT ISSUES					
610	DISRUPTION/INEFFICIENCY (CLAIMS ONLY)	8	5.23%	\$1,768,096.24	26.55%
620	COMPREHENSIVE CLAIMS	1	0.65%	\$2,748.39	0.04%
		9	5.88%	\$1,770,842.63	26.59%
OUTSIDE AGENCY REQUESTS					
710	WORK SCOPE CHANGES (OUTSIDE AGENCY ORIGINATED)	1	0.65%	\$3,642.96	0.05%
720	DESIGN CHANGES (OUTSIDE AGENCY ORIGINATED)	1	0.65%	\$2,700.00	0.04%
		2	1.31%	\$6,342.96	0.10%
OTHER					
900	OTHER	4	2.61%	\$76,615.15	1.15%
		4	2.61%	\$76,615.15	1.15%
PROJECT TOTALS:		153	100.00%	\$6,660,515.40	100.00%

include all records where CHGNOTCE->E<ECTNDATE is not equal to 0 and CLAIMS->CANCEL_DT is equal to 0

R82 - Metro Red Line - Segment 3 - NH

CONSTRUCTION/PROCUREMENT CONTRACT CHANGES
 CONTRACTOR CLAIM BASIS BREAKDOWN
 RESOLVED CLAIMS AS OF 07/26/99

FILED CLAIMS ONLY
 R82 - R82

	# NOI	% Total Volume	Change Cost	% Total Change Cost
WORK SCOPE				
110 EXTRA WORK	16	36.36%	\$3,024,071.62	35.68%
115 ADDITIONAL/NEW WORK	1	2.27%	\$14,000.00	0.17%
	17	38.64%	\$3,038,071.62	35.85%
SCHEDULE CHANGES				
230 MILESTONE REVISIONS (NON-COMPENSABLE)	2	4.55%	\$0.00	0.00%
	2	4.55%	\$0.00	0.00%
DIFFERING CONDITIONS				
310 DIFFERING SITE CONDITIONS	13	29.55%	\$4,319,293.96	50.97%
	13	29.55%	\$4,319,293.96	50.97%
TERMS AND CONDITIONS				
410 TERMS AND CONDITIONS (OWNER ORIGINATED)	2	4.55%	\$71,300.00	0.84%
440 QUANTITY ADJUSTMENT	1	2.27%	\$605,197.00	7.14%
	3	6.82%	\$676,497.00	7.98%
DESIGN CHANGES				
510 DESIGN CHANGES/ENHANCEMENTS (OWNER ORIGINATED)	1	2.27%	\$24,748.23	0.29%
515 DESIGN CHANGES/ENHANCEMENTS (EMC ORIGINATED)	1	2.27%	\$245,973.00	2.90%
	2	4.55%	\$270,721.23	3.19%
MANAGEMENT ISSUES				
510 DISRUPTION/INEFFICIENCY (CLAIMS ONLY)	1	2.27%	\$30,222.15	0.36%
520 COMPREHENSIVE CLAIMS	1	2.27%	\$0.00	0.00%
	2	4.55%	\$30,222.15	0.36%
OUTSIDE AGENCY REQUESTS				
710 WORK SCOPE CHANGES (OUTSIDE AGENCY ORIGINATED)	1	2.27%	\$25,347.00	0.30%
	1	2.27%	\$25,347.00	0.30%
OTHER				
900 OTHER	4	9.09%	\$114,432.60	1.35%
	4	9.09%	\$114,432.60	1.35%
PROJECT TOTALS:	44	100.00%	\$8,474,585.56	100.00%

include all records where CHGNOTCE->EXECTNDATE is not equal to 0 and CLAIMS->CANCEL_DT is equal to 0

CONTRACT CHANGE/CLAIM BASIS CODING SYSTEM

DEFINITIONS AND USAGE GUIDELINES

BASIS CODE STRUCTURE: (AS OF 04/19/94)

100	WORK SCOPE CHANGES	
110	Extra Work	
115	Additional/New Work	Added 8/93
120	Deletion of Work	
130	Not Used	Removed 4/94
140	Not Used	Changed to "710" 4/94
200	SCHEDULE CHANGES	
210	Delay of Work (Compensable)	
220	Acceleration of Work	
230	Milestone Revisions (Non-compensable)	
300	DIFFERING/UNFORESEEN CONDITIONS	
310	Differing Site Conditions	
320	Hazardous Materials	
330	Safety Conditions	Added 8/93
400	ADMINISTRATIVE CHANGES	
410	Terms and Conditions - Owner Originated	
420	Not Used	Changed to "730" 4/94
430	Editorial Clarifications/Document Maintenance	
440	Not Used	Changed to "800" 4/94
500	DESIGN CHANGES	
510	OWNER ORIGINATED	
515	EMC ORIGINATED	Added 8/93
520	MTA OPERATIONS REQUEST	Changed 4/94 (see also 720)
530	CORRECTIONS TO PLANS/SPECS	
540	VALUE ENGINEERING	
600	MANAGEMENT ISSUES/CLAIMS	
610	Disruption/Inefficiency Claim	
620	Comprehensive Claim	
700	OUTSIDE AGENCY REQUESTS (Added 04/94)	
710	WORK SCOPE CHANGES	Added 4/94, formerly 140
720	DESIGN CHANGES	Added 4/94, formerly 520
730	TERMS AND CONDITIONS	Added 4/94, formerly 440
800	CONTRACT OPTIONS, EXERCISE OF (Added 04/94)	
900	OTHER	

COST RECOVERY CODES: In conjunction with the basis codes provided above, changes may be identified as having cost recovery potential:

- BK = Backcharge to another construction/procurement contract
- BT = Betterment for an outside agency or third party
- EO = Consultant Error or Omission (use the FROM field to identify the responsible consultant)
- LL = Lessons Learned (Future savings from improved design)

BASIS CODE USAGE GUIDELINES

100 WORK SCOPE CHANGES

110 EXTRA WORK (within general contract scope)

Use to identify work not specifically identified in the "as-awarded" contract documents but required to complete the original intent of the original contract scope. Extra work not covered by existing bid price items or combination of existing bid price items.¹

EXAMPLES: Provide Security Gate and Fence at Wilshire/Alvarado Site
Add Insulation to Hot Water Lines at the Northeast Entrance, A141

!!NOTE: For changes in design approach, alteration, or correction of existing design elements (including dimension and quantity changes) see 500 series codes, "Design Changes".)

!!NOTE: For additional work arising from a differing site condition or interference (including work related to hazardous materials) use 310, "Differing Site Conditions".

115 ADDITIONAL/NEW WORK (Outside contract scope)

Use to identify work not included in the general scope of the original "as-awarded" contract. Includes work transferred between contracts, additional items not included in the award documents, etc.

!!NOTE: Additional work changes require a sole-source procurement justification or multiple proposals

120 DELETION OF WORK

Use to identify work and/or technical requirements that are deleted from the contract entirely, rather than revised. Includes reduction of quantities. Almost always credit or no-cost changes.

130 BREACH OF CONTRACT (USED TO IDENTIFY CONTRACTOR CLAIM BASIS ONLY: DO NOT USE AS A PRIMARY CHANGE BASIS CODE (Enter only as secondary code in the claims module)

~~140 NOT USED - CHANGED TO CODE 710: OUTSIDE AGENCY REQUEST/REQUIREMENT (added as Code 140 8/93, changed to 710, 4/94)~~

200 SCHEDULE CHANGES

210 DELAY OF WORK (COMPENSABLE)

¹ Extra work as defined by CALTRANS standard specifications.

CONTRACT CHANGE/CLAIM BASIS CODING SYSTEM
DEFINITIONS AND USAGE GUIDELINES

Use for changes which grant compensable extension of the milestones or completion date due to acknowledged delays in the work.

220 ACCELERATION OF WORK

Use for changes specifically allowing acceleration of work, overtime, increased shifts, etc.

230 MILESTONE REVISIONS (NON-COMPENSABLE)

Use for non-compensable milestone, delivery date, or completion date changes not caused by either owner or contractor delays. Generally "force majeure" changes, or changes to improve coordination.

Example: One Day Extension Due to Pope's Visit.

300 CHANGED/UNFORESEEN CONDITIONS

310 DIFFERING SITE CONDITIONS

Use for all* changes arising from acknowledged differing site conditions. Generally subsurface or latent physical conditions *pre-existing contract award* which were not identified in the contract documents. E.G., Obstructions, utility interferences, etc.).

*Use code "320" if hazardous materials are involved.

320 HAZARDOUS MATERIAL

Use for all changes arising from acknowledged differing site conditions involving hazardous or toxic materials. E.G., Gaseous conditions, contaminated soils, asbestos, etc.)

330 SAFETY CONDITIONS (added 8/93)

Use to identify changes which primarily correct safety conditions associated with unforeseen site conditions.

400 ADMINISTRATIVE CHANGES (NON-TECHNICAL)

410 TERMS AND CONDITIONS (OWNER ORIGINATED)

Use to identify owner originated changes affecting the terms and conditions of the contract identified in the non-technical sections of the contract. Generally changes to the General or Special Conditions (other than schedule changes which should be coded under the 200 series, and exercise of contract options which should be coded as 800).

Examples: Transfer of Contractual Authority from the SCRTD to the LACTC.
Revisions to Insurance Requirements
Revisions to Safety Requirements

CONTRACT CHANGE/CLAIM BASIS CODING SYSTEM
DEFINITIONS AND USAGE GUIDELINES

420 NOT USED: CHANGED TO CODE 730 (TERMS AND CONDITIONS CHANGES - OUTSIDE AGENCY ORIGINATED)

430 EDITORIAL CLARIFICATIONS/DOCUMENT MAINTENANCE

Use for no-cost editorial and non-substantive corrections to contract language, including no-cost corrective amendments to change orders. (E.G., Amended Change Order correcting listing of revised drawings). Use also for routine updating of other baseline documents like the Project Management Plan, Contract Unit Descriptions, etc.

440 NOT USED - MOVED TO CODE 800: EXERCISE OF CONTRACT OPTIONS

500 DESIGN CHANGES: Covers design changes, enhancements, and corrections to existing work covered by existing contract bid items only. All design provided for work not covered under existing bid items should be coded under the 100 series - work scope changes. *Use of a design change code is not synonymous with a potential errors or omissions identification. Errors or omissions by a consultant should be identified by a cost recovery code.*

510 DESIGN CHANGES/ENHANCEMENTS: OWNER ORIGINATED

Use for MTA/RCC initiated changes involving major re-design or change in design approach for work identified in "as-awarded" design approach originated by the owner or owner's agent (i.e., owner's consultant). Revised (rather than new) drawings and/or specifications are generally required. Change titles/descriptions generally contain the terms "revise", "modify", "relocate", "extend", etc.

Includes:

Owner directed Lessons Learned design changes*
Owner originated enhancements and technological upgrades
Owner directed realignments, etc.

***NOTE: Lessons Learned changes should also be identified by the COST RECOVERY code "LL"**

515 DESIGN CHANGES/ENHANCEMENT: EMC ORIGINATED (added 8/93)

Use for EMC initiated changes in design approach, design enhancements, lessons learned, and upgrades to incorporate technological improvements.

Includes:

Designer originated Lessons Learned design changes*
Designer originated enhancements and technological upgrades

***NOTE: Lessons Learned changes should also be identified by the COST RECOVERY code "LL"**

!!NOTE: Applies to in scope work only. Contract changes which include new design in order to incorporate extra or additional/new work into a contract should be coded

CONTRACT CHANGE/CLAIM BASIS CODING SYSTEM

DEFINITIONS AND USAGE GUIDELINES

as either 110 or 115 as appropriate..

520 DESIGN CHANGES/ENHANCEMENTS: MTA OPERATIONS REQUESTS (changed from "Outside Agency Requests 4/94)

Use for MTA OPERATIONS GROUP initiated changes in design approach, design enhancements, lessons learned, and upgrades to incorporate technological improvements.

530 CORRECTIONS TO PLANS AND SPECIFICATIONS

Use for changes issued to clarify and/or correct defective, unclear, or insufficient design definition in the contract drawings and specifications (including discrepancies between documents, minor dimensional changes, etc.). Often originate with a "Request for Information". If minor, changes may be made "as-built".

540 VALUE ENGINEERING CHANGES (CONTRACTOR PROPOSED DESIGN CHANGES)

Use for changes implemented as a result of a contractor's formal Value Engineering proposal. Always a credit change.

600 MANAGEMENT ISSUES (Generally arising from "comprehensive" contractor claims): Use the codes below to identify individual changes allowing for costs related to numerous events which may arise from numerous "technical" causes. Do not use for changes or claims which can be attributed to any other basis code.

610 DISRUPTION/INEFFICIENCY

Use for changes resulting from claims based on general disruption and inefficiencies caused by acknowledged owner's actions or inactions. (E.G., late response to Requests for Information or design clarification, owner interference, late or deficient owner supplied equipment, etc.)

620 COMPREHENSIVE CLAIMS

Use to identify individual changes which grant costs for comprehensive "end-of-contract" claims for which a single major cause cannot otherwise be identified.

700 OUTSIDE AGENCY OR THIRD PARTY REQUESTS

710 WORK SCOPE CHANGE - OUTSIDE AGENCY REQUEST/REQUIREMENT (added as Code 140 8/93, changed to 710,4/94)

Use to identify additional or extra work requested or required by an outside agency or third party to the project. (Use 720 for design changes required by a outside agency/third party to work covered by existing bid items and within the original intent of the contract scope).

- EXAMPLES:
- Construct Ticketing, Baggage Handling, and Crew Base Facility for Union Station
 - Street preparation for L.A. Marathon

CONTRACT CHANGE/CLAIM BASIS CODING SYSTEM
DEFINITIONS AND USAGE GUIDELINES

- Noise Control Investigation
- Sound Wall Installation

!!Note: Generally used in conjunction with the "BT" or betterment cost recovery code.

720: DESIGN CHANGES - OUTSIDE AGENCY/THIRD PARTY (FORMALLY CODE 520)

Alteration to the "as-awarded" design of the contract; however the alteration was initiated or requested by an outside agency (Federal, State, or Local). Use also for design changes due to changes in legislation, or local, state or federal codes or standards.

EXAMPLE: Americans with Disability Action related Changes

730: TERMS AND CONDITIONS CHANGES - OUTSIDE AGENCY ORIGINATED (Previously coded as 420)

Changes in the administrative terms and conditions of the contract originated or required by an outside agency (Federal, State, or Local).

Example: Revisions to EEO Reporting Requirements
Revisions to Insurance Coverage requirements

800 EXERCISE OF CONTRACT OPTIONS

Use to identify changes which specifically exercise options identified in the original contract documents.

900 OTHER: Used for unusual changes/claims which do not fit any of the above categories. Use of the "OTHER" category is to be avoided whenever possible.

WIDENING LANKERSHIM BOULEVARD AND PROTECTION OF PARKLANDS RELATED TO THE CAMPO DE CAHUENGA

BACKGROUND

In the Fall of 1993, Music Corporation of America, now Universal Studios, requested MTA to reconsider the location of the Universal City Station on the Metro Red Line. They asked MTA to move the station from the location between Lankershim Boulevard and Willowcrest Avenue just north of the 101 Freeway, to a site closer to Universal Studio's City Walk and other attractions. Several locations were analyzed and MTA staff determined that the relocation would cost \$41.6 million and delay the projected opening of Segment 3 of the Metro Red Line by 21 months. MTA Staff recommended that MCA bear the cost of the relocation. The Mayor of Los Angeles requested city staff to investigate other alternatives.

The Los Angeles City Department of Transportation proposed an alternate plan which was to establish a Memorandum of Understanding (MOU) between MCA and MTA. The MOU provided for a Revised Adopted Station access road, conditions for MTA to purchase MCA property needed for the station construction, connections to a MCA people mover, excusing MCA from benefit assessments, and for MTA to construct a package of transportation mitigation measures. Of the 10 transportation mitigation measures that LADOT included in the MOU, eight have been incorporated into the design of the station and surrounding area and are completed or in the process of being contracted for and built. The remaining two include dual left turn lanes from southbound Lankershim Boulevard into Universal Terrace Parkway, and widening Lankershim Boulevard from the LA River to the 101 Freeway by 22 feet to provide an additional southbound and northbound lane. The MOU acknowledges that the widening of the street into the Campo de Cahuenga City Park depends on approval of federal, state, and local agencies, but erroneously identifies the Department of the Interior as the federal approving authority. The Federal Transit Administration, acting for the Department of Transportation, is responsible for the approval contemplated by the MOU.

Proposed widening can be accomplished and is included in plans for the construction of the station, except in front of the Campo de Cahuenga. This property is a city park and contains archaeological resources which have been determined eligible for the National Register of Historic Places (NRHP). The archaeological resources include foundations and flooring of the original adobe dwelling, which dates from the early 1800's, that have been found intact in the space between the Lankershim curb and the front wall of the Campo courtyard. The overall property may also be eligible for the NRHP due to its associations with the signing of Articles of Capitulation ending hostilities in the Mexican American War, and an earlier status as property of the San Fernando Mission.

Parkland subject to use by a federally funded transportation project is covered by Section 4(f) of the Department of Transportation Act (49 U.S.C. 303), which provides that the Secretary of Transportation may not approve such a project unless there is no feasible or prudent alternative to use of significant parkland or historic property, and that the action includes all possible planning to minimize harm to the property.

Federally funded projects are also subject to Section 106 of the National Historic Preservation Act (NHPA) which requires that federal agencies consider the effects of their undertakings on historic properties and provide the Advisory Council on Historic Preservation an opportunity to comment on the undertakings.

In 1996, before the exact location of the adobe remains were known and before its remains were determined to be eligible for the NRHP, MTA prepared and forwarded to FTA a Section 4(f) evaluation of the project and its effects on the Campo de Cahuenga City Park.

The evaluation recommended an alternative that, during an Interim Phase, would remove shrubbery from the area between the Campo's front wall and Lankershim Boulevard, place a temporary haul road over the adobe's foundation resources, and preserve the foundation and flooring *in situ* under the temporary haul road. During the subsequent Construction Phase the front wall of the Campo would be relocated rearward 10 feet. A curb and narrower sidewalk would be installed, leaving Lankershim Boulevard 22 feet wider.

In August 1996, FTA approved the temporary use of the front section of the Campo property as a construction haul road and instructed MTA to continue evaluating the Campo property under Section 106 of the NHPA. They reserved a final determination on the acceptability of the project until after MTA completes the requirements of Section 106.

In the meantime, in preparation for the Interim Phase, MTA's Project Archaeologist made a thorough investigation of the surface of the resource by removing vegetation and overlying soil, then measuring, photographing, and mapping the existing foundations and floor tiles. They recovered artifacts and related data, and prepared a report on their findings. This report became the basis for MTA to make a request for Determination of Eligibility from the State Historic Preservation Officer (SHPO) under Section 106 of the National Historic Preservation Act. In that request MTA recommended that the property be found eligible for the National Register of Historic Places (NRHP) under the criterion of the information it is likely to yield to the field of archaeology. In October 1996, SHPO determined that the property was eligible for the NRHP for information about archaeological content and asked FTA and MTA to continue to evaluate the eligibility of the entire Campo property for the NRHP.

This determination and the increased importance it conferred on the Campo property led MTA to update the Section 4(f) evaluation. After further analysis, in May 1998 MTA

forwarded to FTA a Section 4(f) evaluation that considered the alternatives for the Construction Phase. It recommended Alternative 2, a plan that would have widened Lankershim Boulevard both north and south of the Campo, while taking 170 square feet in the southeast corner of the park property. This small use of park property would not have intruded into the area of the actual remains. . A major factor in that recommendation was the result of a traffic analysis produced by MTA consultants which showed that the overall intersection of Lankershim Boulevard and Universal Terrace Parkway would be at an acceptable level of service. Another was that the additional traffic making southbound turning movements on Lankershim Boulevard at Universal Terrace Parkway was almost certainly guests and employees of Universal Studios, not Metro Red Line passengers.

FTA gave conditional approval to the 4(f) evaluation and Alternative 2 in October 1998, finding that the full 22 foot widening of Lankershim Boulevard into the Campo would have a devastating impact to the park and its archaeological site. FTA's approval letter indicated that FTA did consider an alternative that would preserve the archaeological resource *in situ* under the widened roadway, and acknowledged that traffic levels on Lankershim Boulevard arising from the Red Line operations would be acceptable.

ISSUE

The question at hand is:

Will FTA allow MTA to widen Lankershim Boulevard in front of the Campo by taking park property southeast of the front wall to make a traffic lane and sidewalk?

STATUS

The City of Los Angeles' (LADOT) position is that Lankershim Boulevard should be widened on the west to add one northbound and one southbound lane to the street. This would provide two left turn, two through, and one right turn lanes in the southbound direction. They have criticized MTA's traffic study as being outdated or incomplete, and show that a LADOT analysis finds unacceptable levels of service in southbound turning movements.

Universal Studios shares that position and has stated that MTA's failure to accomplish the widening is a breach of the MOU. Under the MOU, MTA is required to use its best efforts as expeditiously as possible to obtain approval of the Campo de Cahuenga Historical Park (Federal, State and/or City) to achieve the widening of Lankershim provided for in the MOU. According to Universal Studios, MTA must recommend in a 4(f) evaluation, an alternative that widens Lankershim Boulevard.

MTA may not waive or contract away its responsibilities as a grantee of federal funds under Section 4(f), to evaluate its projects fairly and according to federal guidelines. Rather, it must take an evenhanded, neutral position and look at the impacts that a use of significant parkland or historic property would have, and at the cost, social, economic, and environmental impacts or community disruption resulting from alternatives that avoid using these properties.

LADOT has proposed to develop a unified position on the issue among the involved Departments of the City. They have asked MTA to forward this position along with additional information to FTA for consideration. MTA has not received the anticipated position nor additional information. Upon receipt of the unified position and additional information, MTA will send it to FTA for consideration. LADOT has also asked MTA to estimate the cost of building an interpretive display of the original adobe's foundations and flooring, thought to be in the parking lot adjacent to the park on the north. MTA is cooperating with this request.

Prepared by: James L. Sowell
Manager, Environmental Compliance
for Dennis Mori,
Deputy Executive Office, Project Manager
Metro Red Line, North Hollywood Extension

September 2, 1999





Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2932

(213) 922-2000

SUBJECT: PICO RIMPAU BUS TERMINAL (TERMINAL 40)

ACTION: AUTHORIZE REAL ESTATE TRANSACTION WITH ETOILE HOLDINGS, INC.

RECOMMENDATION

Authorize the CEO and/or his designee to negotiate and execute the following agreements, subject to approval of County Counsel and final design of the new terminal in accordance with MTA operating needs, regarding MTA owned property located at 4646 West Pico Boulevard, Los Angeles ("Terminal 40"):

- a. A Development Agreement with Etoile Holdings, Inc. ("Developer") to cover the property transfers, construction of a new terminal and escrow instructions related to the development of a new Pico Rimpau Terminal and adjacent development of a commercial retail center, with major provisions as set forth in Attachment "A";
- b. A Grant Deed from MTA to Developer to grant fee title to the parcel identified as Parcel "1" (Terminal 40); on Attachment "B".
- c. Easement Deed from Etoile Holdings, Inc. to MTA granting an exclusive easement to a parcel generally identified as Parcel "2" and a non-exclusive easement to the parcel identified as Parcel "3" on Attachment "C".

RATIONALE

The Developer is a private real estate developer and owner of property adjacent to MTA's Terminal 40. They are proposing to build a commercial/retail development on property that is bounded by Pico Boulevard on the north, San Vicente Boulevard on the west, Venice Boulevard on the south and West Boulevard on the east. A portion of the development is proposed to be built on the MTA owned property that is currently occupied by Terminal 40. The Developer proposes to purchase Terminal 40 in fee simple and grant MTA a permanent easement to adjacent land that it owns for the construction and operation of a new transit terminal ("New Terminal"). The new terminal, which has yet to be designed, will be built to MTA specifications and operational needs. In addition, Developer will grant MTA a non-exclusive access easement across its property to access the New Terminal.

Fee Value of Terminal 40 (Land Only) (47,340 x \$20.96/Sq. Ft.)	\$992,456
Easement Value of new terminal area (23,200 x \$20.96 x 30%)	340,390
Difference in Value	\$652,066
TOTAL PAYMENT	\$650,000 RD

Impact to Future Rail Projects

The site of the proposed development is the site that was identified in the draft EIR/EIS for the Pico/San Vicente station of the Mid-City segment of the Metro Rail Line. The site was identified as a staging area for tunnel construction. The proposed development would preclude construction of the station structure within the site without the complete acquisition of the property and demolition of the new development structures. To avoid future impacts to the development site, the Metro Rail facilities would have to be relocated within the street right of way. MTA construction engineers prepared a study of the cost impact to relocate the proposed station. Two options were studied and both options would result in significant added impacts and costs to the proposed Mid-City project. The increased costs would range from \$70 million to \$95 million dollars to relocate the station into either Pico Boulevard or Venice Boulevard.

If the development project is constructed as contemplated and the site is eventually purchased by MTA in the future for the rail project, the increased financial impact would be substantially less than relocating the station. The measure of increased costs to the project would be the increased value of the property (land and structures), the increase relocation costs because of the additional businesses occupying the site and the increased payment for loss of business good will. Estimating the amount of the increase would be speculative since the actual timing of the Metro Rail project and the number and type of business losses are unknown.

BACKGROUND

Terminal 40 is located at 4646 West Pico Boulevard. MTA acquired the site by an Order of Condemnation in January 1964. It is jointly used by MTA and Santa Monica Municipal Bus Lines and on-street by LADOT Dash service. The adjoining properties, which are owned or controlled by Etoile Holdings, Inc., include a Builders Discount home improvement store, a garden center, and a vacant commercial building formerly occupied by a Builders Emporium Store.

The Developer proposes to relocate and reconstruct the terminal in conjunction with the development of a new commercial center on its property. The proposed commercial center will include a new two-story building on the eastern portion of the site that will be occupied by two anchor tenants. The upper floor will be occupied by Home Depot, and the ground floor will be occupied by another major retail tenant. The project will also include several smaller commercial

transit facility that is operationally superior to the existing facility and will include additional amenities for the transit patrons.

Staff recommends approval to continue negotiations with the Developer and to execute the completed documents subject to approval of County Council.

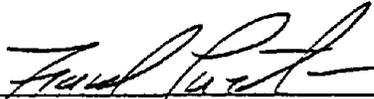
Prepared by: **Velma C. Marshall**
Director of Real Estate

ATTACHMENTS

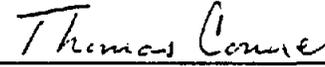
Attachment "A" - Summary of Development Agreement Terms

Attachment "B" - Parcel Plat of Terminal 40

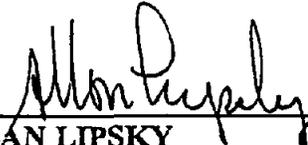
Attachment "C" - Parcel Plat of Easement Parcels



FRANK CARDENAS
Executive Officer, Administration



THOMAS CONNER
Executive Officer, Operations



ALLAN LIPSKY
Officer of the Chief Executive Officer

06/10/99 1:41 PM

Grant of Non-Exclusive Easement:

Developer shall convey and MTA shall receive a non-exclusive easement for the purposes of ingress and egress of its transit and service vehicles through and across the real property, more particularly described as Parcel "3" ("Non-Exclusive Easement").

Cost of Construction Pertaining to the improvements of the new MTA terminal:

Developer shall pay for the cost of construction of the improvements within the Exclusive Easement area, which shall include the paving of the parking lot, and the construction of the public shelters, bus driveways, bus berth/stop locations, lighting fixtures, restroom facilities, and landscaping in accordance with the plans and specifications approved by MTA and Developer ("MTA Terminal") to meet the service and operational requirements of the MTA. Certain specifications to be integrated in to the design will be provided by MTA. To the extent there are any deviations or changes from the approved construction plans and specifications which are made as a result of MTA's request, MTA shall be responsible for paying the differential between the amount that would otherwise have been expended in accordance with the approved plans and specifications and the amount necessary to comply with the MTA's requested revisions to the plans and specifications.

The MTA Terminal improvements shall be owned by Developer, however, the MTA shall have the right to use the MTA Terminal improvements as if they were owned by MTA. In the design and construction of the MTA Terminal improvements, Developer will be responsible for meeting all requirements of governmental agencies having jurisdiction.

Maintenance:

Developer shall maintain the landscaping and lighting fixtures located on the Exclusive Easement area consistent with those standards used on the adjacent shopping center property. Developer shall also provide for ordinary street sweeping services within the Exclusive Easement area consistent with the times and standards used in connection with the adjacent shopping center area and bus operating schedules. MTA may either separately pay for all janitorial for the operator's restrooms and security costs associated with the easement area, or, agree to reimburse Developer for the provision of such services on a monthly basis.

Insurance:

MTA and Developer shall name each other as additional insureds on the respective liability insurance policies, for an amount and deductible to be agreed upon.

PLAZA PICO



PARCEL 2 —
EXCLUSIVE
EASEMENT AREA

San Vicente Bl

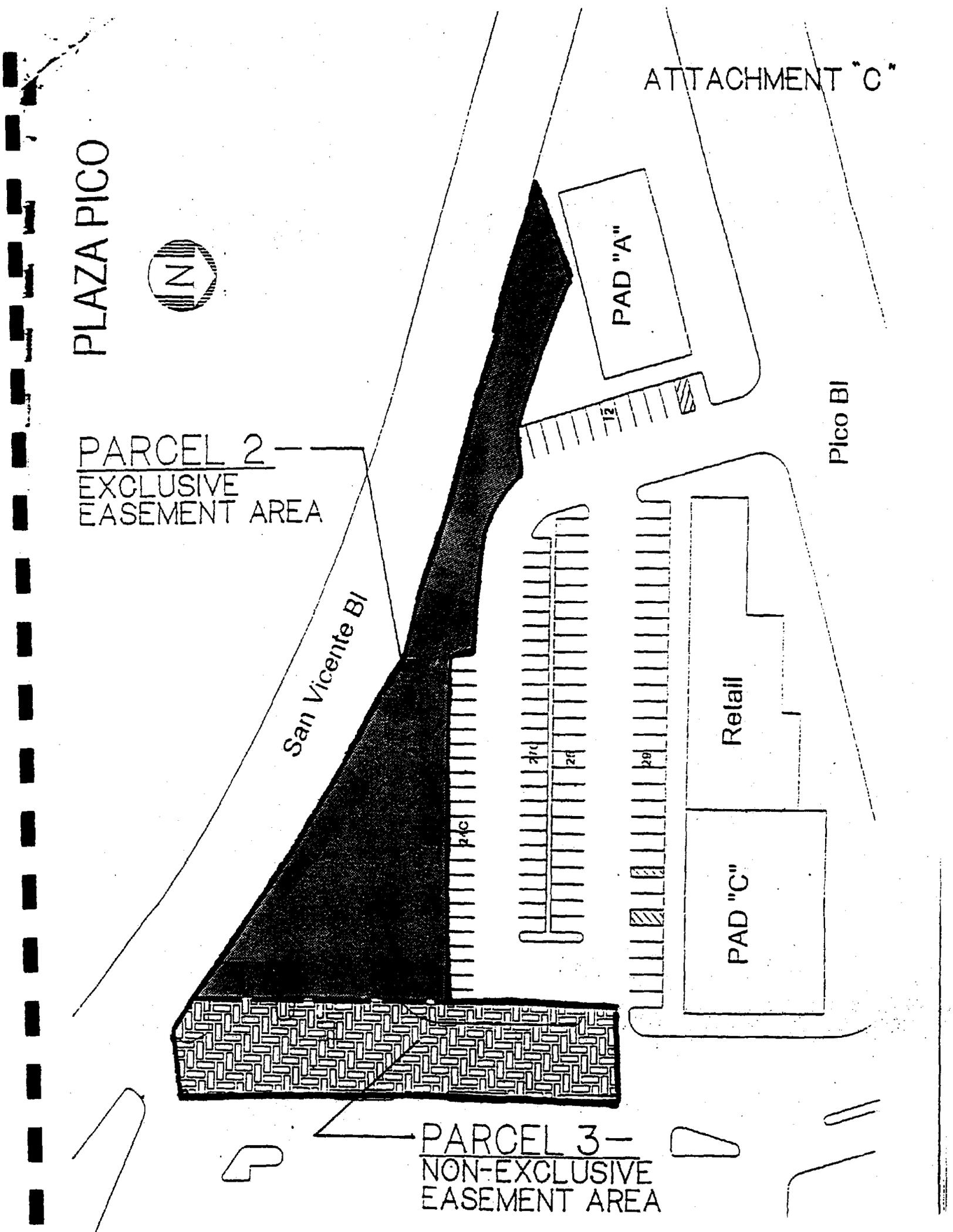
Pico Bl

PAD "A"

Retail

PAD "C"

PARCEL 3 —
NON-EXCLUSIVE
EASEMENT AREA



METRO RED LINE EAST SIDE EXTENSION

DEMOLITION PLAN

The demolition of properties along the Metro Red Line East Side Extension continues, though delayed. The MTA Board recently approved an increase in the Authorization for Expenditure (AFE) in order to allow approval of a pending Change Order. The AFE increase should accommodate any future changes.

A pending Change Order is being processed for the removal and backfill of two basement areas discovered at the Famous Apartments and the Brooklyn Theater. This change is necessary, as the basements constitute a "differing site condition" and were not included in the contract drawings nor the specifications. The Change Order will be issued to the contractor in September, as soon as the contract duration is officially extended. The demolition contractor is agreeable to this extension.

Currently, three additional structures are scheduled for demolition. However, demolition is delayed pending completion of asbestos and lead-based paint removal. Negotiations with the environmental contractor are scheduled for completion within the next few weeks. An approval by the MTA Board may be required, as the work is proposed to be more than \$200,000. Contract negotiations are intended to find efficiencies to lower the contractor's estimate.

The recommended approach is for all three structures to be abated simultaneously, achieving some economy of scale for labor, materials, supervision, and administrative oversight expenses. However, the most cost effective approach is not time efficient. Environmental work will take four weeks to complete. After the completion of environmental work, these properties will be turned over to the demolition contractor. Actual demolition work will take approximately four weeks and is scheduled for completion in November, 1999.

Prepared by: Kathleen Letcher
Resident Engineer

METRO RED LINE EAST SIDE EXTENSION

REAL ESTATE PLAN

MTA is conducting an analysis of all its subway station sites for future joint development opportunities. This analysis includes the MTA owned vacant lots at Metro Red Line East Side Extension station sites. The objective of the East Side Task Order at these station sites is to recommend interim uses to improve the properties in such a manner that allows for flexible land use development and preserves assets for futures transportation infrastructure. MTA is coordinating this Task Order with the East Side Corridor Study. Final recommendations are expected in approximately three months.

Prepared By: James Rojas
Transportation Project Manager III



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August 16, 1999

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Renee Marler, Esq.
Regional Counsel, Region IX
FEDERAL TRANSIT ADMINISTRATION
201 Mission Street
Suite 2210
San Francisco, California 94105

Re: Quarterly Update on Status of Key Legal Actions_(Revised)

Dear Renee:

Attached please find a revised quarterly update as of June 30, 1999, of the Status of Key Legal Actions Related to Federally Funded Projects. The revised version provides information on a cross complaint filed by MTA in the Engineering Management Consultant litigation.

Please call if you have any questions (213) 922-2528.

Very truly yours,

LLOYD W. PELLMAN
County Counsel

By:


NINA J. WEBSTER
Principal Deputy County Counsel

NJW:db
Attachment:

c: Leslie Rogers
Steven Camevale

Los Angeles County Metropolitan Transportation Authority
 Status of Key Legal Actions Related to Federally Funded MTA Projects
 Date as of June 30, 1999

CASE NAME	CASE NUMBER	GRANT NUMBER	NARRATIVE	CASE STATUS
Beauchamp, Larry, et al. v. LACMTA, et al.	CV 8 0402 CNB (BQRx)	ALL	Plaintiffs, disabled bus patrons, allege MTA and its contractor, Ryder/ATE, violated the ADA and section 504 of the Rehabilitation Act by failing to maintain bus wheelchair lifts and related equipment. Plaintiffs seek damages and an injunction requiring full and equal access.	Preliminary injunction issued; and on appeal; discovery continuing
Engineering Management Consultant ("EMC") v. MTA	BC207617	CA-03-0341, CA-90-X642 and CA-90-X575, CA-03-0392	Breach of contract case. EMC, the designer for the subway system, is suing MTA alleging breach of contract, breach of implied covenant of good faith and fair dealing and requesting declaratory relief on certain contract issues. MTA cross-complained for, among other things, breach of contract by EMC.	Complaint served 03/25/99. Currently in Discovery. Cross-complaint filed 5/99.
Fonseca, Jose, et al. v. MTA	BC195151	MRL-CA-90-X575, CA-03-0392 Eastside Extension	Petition for Writ of Mandate by East L.A. residents and community groups to halt further demolition of structures acquired for subway construction and to compel implementation of mitigation measures. Case settled by MTA agreeing to implement mitigation measures outlined in the EIR/EIS.	CASE SETTLED
Gerlinger (MTA) v. Parsons Dillingham	BC150298, etc.	MOS-1 and CA-03-0341, CA-90-X642	Qui Tam action. Concerns allegations of overbilling by MTA's construction Manager, Parsons-Dillingham ("PD"). County Counsel joined as prosecuting Authority for MTA. MTA has also filed its own lawsuit (BC 179027) against PD for breach of contract, fraud and accounting. October 1999 Trial date.	Discovery Stage.

Gonzalez, et al. V. MTA, et al.	CV96-2785JMI	ALL	Plaintiffs, husband and wife MTA employees, allege that the MTA Drug Policy's inclusion of their positions, (transportation operations supervisor-instructor and bus dispatcher respectively, as safety sensitive, and, thus subject to random testing), violates the US and CA Constitutions. MTA filed a motion to dismiss, asserting that Pltfs' positions were properly classified pursuant to the FTA regulations. In Pltfs' opposition, Plaintiffs then attacked the FTA regulations as unconstitutional and the District Court ruled on this issue. The Court concluded that the regulations were constitutional and dismissed the case. Plaintiffs appealed.	Ninth Circuit Court of Appeals reversed and remanded on 4/14/99. (8/11/99 MTA filed motion to compel. Plaintiffs to join DOT & FTA)
Gonzalez, et al. V. MTA, et al.	CV97-5833JMI	ALL	In a second action, the wife, in <u>Gonzalez, et al. V. MTA, et al.</u> , alleges she was discriminated and retaliated against and constructively discharged in violation of Title VII and the ADA because the MTA did not accommodate her request, based on her request, based on her religious beliefs and her disability, that she not be subjected to random drug testing. The MTA filed a motion to dismiss asserting, among other defenses, that the doctrine of res judicata barred the action. The District Court agreed and dismissed the action. Plaintiff appealed.	Written briefing was concluded on 7/22/98 (motion to remand filed 7/16/99)
Hanneken v. MTA; Universal Hyundai v. MTA; Nhut Dang v. MTA; Hollywood Edgemont v. MTA; Weber v. MTA	BC116625 BC142385 BC153683 BC148113 BC163711	CA-03-0341, CA-90-X642; CA-90-X575, CA-03-0392; CA-03-0341, CA-90-X642; CA-03-0341, CA-90-X642; CA-90-X575, CA-03-0392	These cases involve owners, merchants and tenants who claimed damages caused by MTA construction activities on Hollywood, Vermont and Lankershim Blvds and Runyon Canyon. All of the property owner cases in the Hollywood area where the most significant subsidence occurred (6500 Block) have been settled by the MTA's insurance carrier. The remaining cases are being negotiated by the MTA's insurance carrier. Runyon Canyon property owners (<u>Weber</u>) claim a diminution in property values because of the presence of the Red Line Tunnels beneath their properties. The Hollywood Edgemont cases are awaiting trial and should be resolved in 1999.	Partially Settled.

Labor/Community Strategy Center v. MTA	CV94-5936TJH	ALL	On October 28, 1996, Federal Judge Terry Hatter approved a Consent Decree reached between the Authority and the class action plaintiffs. The Consent Decree provides for the Authority to: (i) reduce its load factor (i.e. the number of people who stand on the bus) to certain targets, (ii) expand bus service improvements by making available a net of 102 additional buses, (iii) implement a pilot project, followed by a Five Year Plan, to facilitate access to County-wide jobs, education and health centers, (iv) not increase cash fares for two years and pass fares for three years beginning December 1, 1996, after which the Authority may raise fares subject to certain conditions of the Consent Decree and (v) introduce a weekly pass and an off-peak discount fare on selected lines.	SETTLED. Parties are currently in a district court proceeding to determine load factor compliance.
Metro East Consultants v. MTA	BC158879	CA-90-X575, CA-03-0392	MTA appealed Order granting petition for writ of mandate to invalidate award of Eastside Construction Management contract.	CA Court of Appeal reversed and remanded case to trial court to dismiss for mootness.
Mid-Wilshire Associates v. MTA; Wiltern Associates v. MTA; Total Properties v., MTA	BC106135 BC113523	CA-03-0341 CA-90X642	All of these cases claim construction impacts on businesses and properties along Wilshire Blvd. These cases have been settled by the MTA insurance carrier or tried to judgment and the judgment paid by the MTA insurance carrier. Three cases are on appeal.	Settled/Tried/Appealed
MTA v. Argonaut; Argonaut v. MTA	BC171636 BC156601	MOS-1, CA-03-0341, CA-90-X642, CA-90-X575, CA-03-0392	MTA is in litigation with its carrier to determine the number of deductibles owed for Argonaut's insurance coverage on the Red Line Project. MTA alleges bad faith by Argonaut in administering MTA's insurance coverage on the Red Line.	Discovery Stage.
MTA v. Parson Dillingham	BC179027	MOS-1 and CA-03-0341, CA-90-X642	MTA filed suit against Parsons Dillingham for fraud and Breach of Contract in the performance of construction management services. October 1999 Trial date.	Discovery Stage.

MTA v. SKK; SKK v. MTA	BC136559, etc.	CA-03-0341, CA-90-X642 and CA-90-X575, CA-03-0392	These cases revolve around MTA's default of Shea-Kiewit-Kenny ("SKK") on contract B251. Claims include breach of contract, extra work claims, conversion of contractor equipment and MTA's removal of biased disputes review board member. MTA cross-complained for breach of contract and fraud. Case has been settled. This case has been settled.	SETTLED.
Obayashi v. MTA	EC024692	CA-90-X575, CA-03-0392	Obayashi, tunnel contractor for the tunnel beneath Lankershim Blvd., claims breach of contract for work performed on contract C331. MTA cross complained for damages.	Discovery Stage.
Rescue Our Canyons, et al. v. MTA, et al.	CV962078 JGD (RMCx)	CA-90-X575, CA-03-0392	On June 26, 1996, the parties entered into a Consent Decree to protect Runyon Canyon Park and private property during the Hollywood Hills subway tunneling. The Consent Decree makes a finding that compliance with the Decree along with the prior MTA environmental documentation constitutes sufficient info. to satisfy state and federal environmental requirements. The MTA is in compliance with the Consent Decree.	SETTLED.
Steiny v. MTA	BC145950 BC178939	CA-03-0341, CA-90-X642	These case have been brought by Steiny, an electrical subcontractor, for breach of contract arising out of the installation of the electrical work on the Vermont Red Line Station. MTA has cross-complained against Steiny as well as the prime contractor Tutor-Saliba alleging <u>inter alia</u> violations of the false claims statutes.	Discovery Stage.
Tutor-Saliba-Perini v. MTA	BC123559 BC132998	CA-03-0341, CA-90-X642	These cases have been brought by Tutor-Saliba-Perini, the prime contractor for construction of the Normandie and Western stations, against the MTA for breach of contract. MTA has cross-complained against Tutor-Saliba for several causes of action including false claims. Trial set for January 3, 2000.	Trial pending.
Tutor-Saliba-Perini v. MTA	BC193559	CA-03-0341, CA-90-X642	Tutor-Saliba-Perini claims breach of contract relating to the disposal of contaminated soils under to contracts B241 and B261.	Discovery Stage.

**Year 2000 Project
Monthly Progress Report**

Status Date: June 25, 1999

(Report issued under separate cover)

Voluntary Compliance Agreement Matrix -- Progress Update

ITEM	Issues	Original Dates	On track /Progress
Parking	Signs designating van-accessible parking	Oct-Dec 1998	Some signs in place. Projected completion December 1999.
Drop-Off	Detectable curb-ramp warning	March 2000	On track
Accessible Route	Track-gaps (where track crosses street)	June 1999	Completed
Curb Ramps	Notification of cities re: steepness and excessive lip at street	Nov 1998	Delayed. Projected completion August 1999
Entrance (Signage)	Accessible entrance location and directional signs; Braille/raised letter signs	Dec 1998-June 1999	Partially completed. Braille signs in place; elevator/directional signs in process. Projected completion October 1999
Ramps	Level mid-point landings; handrail	Aug 2001	Status unchanged
Ticket Vending Machines	Braille and raised letter instructions	Dec 1999	Partially completed, with camera-ready artwork from marketing consultant.
Platforms	Platform-vehicle gaps	Dec 2001	On track
Elevators	Location of star symbol; visual and audible signals; Braille on door jambs (both sides; transparent panels	Aug 1999-Dec 2000	On track
Elevators: Emergency Communications	Raised letter instructions; two-way non-verbal communication	Aug 1999-Dec 2000	On track
Telephones	Sign indicating TDD location	Dec 1998	Completed
Signage: Station Name	Station identification signs opposite platforms; platform station identification signs	June 1999	Completed