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## MTA AND CITY OF LOS ANGELES REACH AGREEMENT

The Los Angeles City Council voted today to approve an agreement with the MTA that frees \$200 million in city funding for rail construction and sets provisions for a strong bus improvement plan.

The agreement calls for a commitment to begin construction of a rail project in the San Fernando Valley by 2007. The plan also requires the MTA to order an additional 323 compressed natural gas buses by November, 1997.

"We are pleased that the Los Angeles City Council and the MTA were able to reach an accord," said MTA Chairman Larry Zarian. "It is necessary that we work together so that future federal support for mass transit in Los Angeles is not jeopardized."

The agreement on rail construction in the Valley calls for completion of an environmental study by fiscal 1998 and completion of design work by fiscal 2002, with start of construction to follow by 2007.

Both sides have now agreed on the terms and principles to conclude a final contribution agreement.

"This accord with the Los Angeles City Council allows us to work together toward the same goals, for the good of all of the people in this region," said MTA Interim CEO Linda Bohlinger.

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