

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2001
metro.net**CONSTRUCTION COMMITTEE
NOVEMBER 21, 2013****SUBJECT: CRENSHAW/LAX TRANSIT PROJECT****ACTION: APPROVE MEMORANDUM OF UNDERSTANDING WITH LOS ANGELES WORLD AIRPORTS****RECOMMENDATION**

- A. Approve the Memorandum of Understanding (MOU) with Los Angeles World Airports (LAWA) to undertake a parallel design and to subsequently fund the construction of modifications to, and in the immediate vicinity of, the Crenshaw/LAX Aviation/Century Station to accommodate elements of LAWA's Specific Plan Amendment Study (SPAS);
- B. Authorize the Chief Executive Officer (CEO) to negotiate and execute contract modification(s) to Contract C0988 with Walsh/Shea Corridor Constructors, for the parallel design of modifications to, and in the vicinity of, the Aviation/Century Station in an amount not-to-exceed \$1,034,678 increasing the total contract value from \$1,272,632,356 to \$1,273,667,034;
- C. Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract modification to Contract C0988 with Walsh/Shea Corridor Constructors, for the construction of agreed modifications to, and in the vicinity of, the Aviation/Century Station, subject to the terms of the MOU, in an amount not-to-exceed \$1,666,444, increasing the total contract value from \$1,273,667,034 to \$1,275,333,478; and
- D. Approve an increase in Contract Modification Authority (CMA) for Contract No. C0988 in the amount of \$436,757 increasing the total CMA from \$127,263,236 to \$127,699,993.

ISSUE

A Notice-to-Proceed was issued to Walsh/Shea Corridor Constructors on September 10, 2013 and the design-builder has commenced final design. LAWA and Metro have agreed to undertake a parallel design effort and, subject to the terms of the MOU, to subsequently construct agreed changes to, and in the vicinity of, the Aviation/Century Station to accommodate elements of the SPAS. LAWA has agreed to pay for the parallel design and construction costs for two of three scopes of work as outlined in the MOU (Attachment B).

DISCUSSION

Metro and LAWA are coordinating on the Planning of the Airport Metro Connector (AMC) Project to provide regional transit connectivity to LAX. Subject to the outcome of future Environmental Clearance processes, various alternatives are under consideration.

LAWA recently completed an update to its Master Plan, General Plan and Specific Plan known as (SPAS). While the SPAS has local approval on a programmatic basis, project-level review for California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) has not yet begun. The SPAS includes ground-access improvements including an Intermodal Transportation Facility (ITF) located at Airport Boulevard between 98th and 96th Street, as well as a Consolidated Rent-a-Car Facility (ConRac) at Manchester Square near Arbor Vitae and Aviation Boulevard, subject to final planning. The facilities are contemplated to be connected with the LAX Central Terminal Area (CTA) via an Automated People Mover (APM) system.

Metro and LAWA have agreed on three scopes of work or accommodations, that are proposed to be done by the design-builder in the vicinity of the Aviation/Century Station to accommodate elements of the SPAS. These accommodations are:

1. Design and potentially construct to protect and accommodate for a potential new vehicular access roadway between the potential LAX ITF and the potential ConRac Facility at Manchester Square across Aviation Boulevard in the vicinity of 98th Street;
2. Design and potentially construct to accommodate for a potential right hand turn lane from Century Boulevard (eastbound) onto Aviation Boulevard (southbound); and
3. Design and potentially construct to protect and to not preclude vertical passenger circulation at the northern end of Aviation/Century Station compatible with a potential future elevated connection, inclusive of an associated northward extension of the station platform.

Elements 1 and 2 are referred to collectively as “street accommodations” and element 3 is referred to as “vertical circulation accommodations”.

Modifying the C0988 design and construction requirements to accommodate the elements above will protect for this potential work, and reduce future significant construction impacts, to Metro operations passenger movements and traffic flow within the vicinity of the Aviation/Century Station. Time is of the essence in incorporating any agreed changes. To minimize impacts to the Crenshaw/LAX Transit Project, the parallel design and construction changes need to be issued by December 6, 2013, and January 31, 2014, respectively.

LAWA has agreed to provide funding for the parallel design and associated construction costs for the street accommodations, elements 1 and 2 above. Metro has agreed to entirely fund the parallel design and associated construction costs for the vertical circulation accommodations, element 3 above. Besides the funding of the design-builder for design and construction cost, LAWA has also agreed to fund up to 30% of the design and construction change order amounts to cover administrative and other Metro expenses. The other budgeted items include a 10% contingency fund for design and a 20% contingency fund for construction for any unknown changes that may be required after execution of the initial contract modification(s). The funding sources/allocation is shown in Attachment C.

Recommendation B is requesting authorization to proceed with the design effort outlined in the MOU.

Recommendation C is requesting pre-approval by the Board to proceed with construction of any of the street accommodations which Metro and LAWA have agreed to proceed with and/or the vertical circulation accommodations, all in accordance with the terms of the MOU.

Recommendations B and C are being made separately to afford the respective Metro and LAWA staff to coordinate, and provide maximum flexibility for future, timely decision making.

LAWA will submit the MOU to its December 2nd Board of Airport Commissioners meeting for approval in order to execute the MOU immediately after the Metro Board Meeting, subject to the respective Boards approval. After design has been completed, construction will proceed on the project changes LAWA and Metro deem necessary to provide for Airport connectivity and that are within the not-to-exceed contract modification limit set by Recommendation C.

Since the Crenshaw/LAX Transit Project's design-builder will be used to perform the design and construction, the CMA authorized by Board action in June 2013, will be drawn down for any design or construction costs applicable for this scope of work. Therefore, Recommendation D is required to replenish the amount of contract modification authority being used for these changes. The amount

includes CMA in the amount of 10% for design changes and 20% for construction changes.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards.

FINANCIAL IMPACT

The funding of accommodations 1 and 2 will be provided by LAWA. Prior to the start of any streetwork design, LAWA will advance funds in an escrow account. Metro will then draw down funds once a month to pay the design-builder for work completed in accordance with the MOU.

The funding for accommodation 3 will be provided by Metro. The funding of any contract modification(s) for accommodation 3 will be from Metro's Airport Metro Connector budget (Project 460303).

No Crenshaw/LAX Transit Project (Project 865512) funding will be used for the street accommodations or vertical circulation accommodations.

Impact to Budget

There is no impact to the FY14 budget.

ALTERNATIVES CONSIDERED

The Board may choose not to move forward with approving the MOU and executing the contract modification for design at this time. This is not recommended as the design-builder is already progressing the base design as required by its contract. As the design-builder completes the design work, it will proceed with construction. Once construction commences, any subsequent design or construction contract modification will significantly impact the design-builder's contract cost and completion schedule.

NEXT STEPS

Upon Board approval, staff will execute the MOU with LAWA. A contract modification will be issued to the C0988 design-builder to commence the parallel design effort for one or more of the accommodations and include construction work. Construction work will only be initiated upon LAWA and Metro agreement on the elements to be constructed and such work is authorized by the MOU.

After the parallel design effort has commenced for the accommodation(s) and the known cost and schedule impacts have been determined, LAWA and Metro will agree which streetwork elements will be constructed and contract modification(s) will be issued to the C0988 design-builder.

ATTACHMENTS

- A. Procurement Summary
- B. Memorandum of Understanding
- C. Funding Sources/Allocation
- D. Contract Modification / Change Order Log

Prepared by: Bryan Pennington, Executive Officer/ Project Management
(213) 922-7449
Frederick Origel, Director of Contract Administration
(213) 922-7331



Michelle Lopes Caldwell
Chief Administrative Services Officer



PP

Krishniah N. Murthy
Executive Director, Transit Project Delivery



Arthur T. Leahy
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY Crenshaw/LAX Light Rail Transit Project

1.	Contract Number: C0988 Crenshaw/LAX Transit Corridor Design-Build		
2.	Contractor: Walsh/Shea Corridor Constructors		
3.	Modification Work Description: Design and construction changes in the vicinity of the future Aviation/Century Station in accordance with the MOU between Los Angeles World Aripports (LAWA) and Metro.		
4.	The following data is current as of: November 6, 2013		
5.	Contract Completion Status:		
	Proposals Opened	6/12/12	% Completion \$'s 0
	Contract Awarded	6/27/13	% Completion Time 0
	Notice to Proceed (NTP)	9/10/13	Orig. Contract Days 1824
	Orig. Completion Date	8/08/18	Change Order Days 0
	Current Estimated Comp Date	8/08/18	Suspended Days 0
		Total Days	1824
6.	Financial Status:		
	Contract Award Amount		\$ 1,272,632,356
	Total Contract Modification Authority (CMA)		\$ 127,263,236
	Current CMA Used		\$ 0
	Total of Mods/Changes issued to Date		3
	Total of Mods/Changes Pending to Date (including this action)		3
	Current Contract Value		\$ 1,272,632,356
7.	Contract Administrator: Frederick Origel Director, Contract Administration	Telephone Number: (213) 922-7331	
8.	Project Director: Henry Fuks E.O. of Project Management	Telephone Number: (213) 922-7282	

A. Procurement Background

On June 27, 2013, Contract No. C0988 was awarded to Walsh/Shea Corridor Constructors, the lowest responsive and responsible proposer, in the amount of \$1,272,632,356; including \$1,168,307,356.00 for the base work, \$8,725,000.00 in Provisional Sum amounts to cover additional work items

specified in the contract that may be necessary during the contract performance, and \$95,600,000.00 to exercise Option 1 (Hindry Station), Option 2A (Vernon Station, box only), and Option 2B (Vernon Station, including station finishes).

Walsh/Shea Corridor Constructors was issued a Notice to Proceed on September 10, 2013 to start final design and construction of the Crenshaw/LAX project. The estimated project completion date is August 8, 2018.

Metro and LAWA have agreed on three potential changes to Contract C0988 to ensure the Crenshaw/LAX light rail project is designed and constructed to accommodate regional transit connectivity to LAX.

B. Cost Price Analysis

The price for these changes will be determined to be fair and reasonable in accordance with Metro Procurement Policies and Procedures. The negotiation process will include, but not be limited to, clarification, fact-finding, technical analysis, cost analysis and discussions. Metro staff will complete an Independent cost estimate prior to initiating negotiations with WSCC.

	Changes	Proposed Amount	MTA Estimate	Not-to-Exceed Amount
1.	Protect for new Vehicular access roadway	\$361,799	TBD	\$361,799
2.	Right hand turn lane on Century Blvd.	\$174,540	TBD	\$174,540
3	Vertical passenger circulation Aviation/Century Station.	\$2,164,783	TBD	\$2,164,783

C. (1) Small Business Participation - Design

WSCC committed to a 20% Disadvantage Business Enterprise (DBE) Anticipated Level of Participation (DALP) for design work. Current participation is 0%. To date, WSCC has identified 19.48% toward their 20% DALP commitment. The current participation is 0%. Work has started, but no payments have been reported by WSCC as of the September 30th reporting period.

	Design DBE Subcontractors	% Identified	Current¹ Participation
1.	V&A Inc.	10.53%	0%
2.	BA, Inc.	0.53%	0%
3.	Lynn Capouya	1.26%	0%
4.	NBA Engineering, Inc.	1.05%	0%
5.	Martin & Libby	0.53%	0%
6.	Parikh Consultants	1.68%	0%
7.	Mia Lehrer & Associates	0.53%	0%
8.	DC Consulting Engineering	1.37%	0%
9.	MGE Engineering	1.47%	0%
10	D'Leon Consulting	0.53%	0%
	Total Commitment	19.48%	0%

¹Current Participation = Total Actual Amount Paid-to-Date to Subs ÷ Total Actual Amount Paid-to-Date to Prime

C. (2) Small Business Participation - Construction

WSCC committed to a 20% DALP for Construction. Current participation is 0%. To date, WSCC has identified 0.69% toward their 20% DALP commitment. WSCC is required to submit monthly updates as construction work is bid out and subcontract awards are made.

	Construction DBE Subcontractors	% Identified	Current¹ Participation
1.	Padilla & Associates, Inc.	0.14%	0%
2.	Quality Engineering, Inc.	0.28%	0%
3.	VMA Communications, Inc.	0.03%	0%
4.	Sapphos Environmental, Inc.	0.03%	0%
5.	Griego and Associates	0.09%	0%
6.	V&A Inc.	0.06%	0%
7.	Coleman Construction	0.02%	0%
	Total Commitment	0.69%	0%

¹Current Participation = Total Actual Amount Paid-to-Date to Subs ÷ Total Actual Amount Paid-to-Date to Prime

D. All Subcontractors Included with Contractor's Proposal

	Subcontractor	Services Provided
1.	ARUP	Tunnel Engineering
2.	ATS Consulting	Noise / Vibration Monitoring
3.	BA Inc	Civil Engineering
4.	D'Leon Consulting Engineers	Civil Engineering
5.	Griego	System Safety / Security
6.	HNTB	Principal Engineer / Architect of Record
7.	IDC Consulting Engineers Inc	Structural Engineering
8.	Jenkins/Gales & Martinez	Civil Engineering
9.	Kimley-Horn and Assoc. Inc	Civil Engineering
10.	L.K. Comstock	Systems
11.	Los Angeles Urban League	Community Outreach
12.	Lynn Capouya, Inc	Landscape
13.	Martin & Libby	Structural Engineering
14.	MGE Engineering, Inc	Structural Engineering
15.	Mia Lehrer + Associates	Landscape
16.	NBA Engineering, Inc	Mechanical /Electrical / Plumbing
17.	Neal Electric	Electrical
18.	Padilla	Project Labor Agreement / Outreach
19.	Parikh Consultants, Inc	Geotechnical Engineering
20.	Psomas	Survey
21.	QEI	Quality Control
22.	SC Solutions	Structural Engineering
23.	Select Electric	Electrical
24.	Sapphos	Environmental
25.	V&A Inc	Civil Engineering
26.	VMA Communications	Public Relations

ATTACHMENT B

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into as of _____, 2013 by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and the Los Angeles World Airports ("LAWA"). LACMTA and LAWA are collectively referred to below as the "Parties".

RECITALS:

A. Planning for the Crenshaw/LAX light rail line began in 2007 and culminated with LACMTA Board certification of the Environmental Impact Report and approval of the project definition in September 2011 and receipt of a Record of Decision from the Federal Transit Administration (FTA) in December 2011. Throughout the environmental planning process, LACMTA established a Technical Working Group in which LAWA representatives were members and active participants.

B. LACMTA has designed and is about to construct an 8.5 mile light-rail line ("Crenshaw/LAX Project") that will run between the Expo Line on Exposition Boulevard and the Metro Green Line. LACMTA will operate the Crenshaw/LAX Project, which will serve the Crenshaw Corridor, Inglewood, Westchester and the LAX area with eight stations, including one at Aviation/Century Blvds. LACMTA awarded the design build contract for the project on June 27, 2013 with a Notice to Proceed on September 10, 2013. It is anticipated that rail operations for the project will commence in 2019.

C. LAWA recently completed an update to its Specific Plan known as the Specific Plan Amendment Study (SPAS) which identifies a number of airport improvement projects, including a future Consolidated Rent-a-Car facility ("ConRac") located in an area known as Manchester Square, which is located near the planned Metro Crenshaw/LAX Aviation Station to be built as a part of the Crenshaw/LAX Project.

D. In a parallel effort to LACMTA's design and construction of the Crenshaw/LAX Project, LAWA is collaborating with LACMTA to identify the optimum interface of its airport facilities with the regional transit system. LAWA is considering an Automated People Mover system (APM) to serve as a conveyance between the central terminal area ("CTA") of the airport and certain ground access improvement facilities located to the east of the CTA, including the Intermodal Transportation Facility ("ITF"), the ConRac facility and potentially LACMTA facilities.

E. Based on LAWA's updated planning efforts, LAWA has requested that LACMTA review the costs and feasibility of making certain new accommodations for potential street improvements in the immediate vicinity of the Aviation/Century Station and provisions for vertical circulation at the Aviation/Century Station to accommodate its potential APM.

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings set forth herein, the receipt and adequacy of which the Parties hereby acknowledge, LACMTA and LAWA agree as follows:

MOU:

1. Term. This MOU is effective upon final approval and signature by LACMTA and LAWA. The Parties recognize that time is of the essence and will use best efforts to achieve an Effective Date on or before December 6, 2013. This MOU will expire five (5) years after the Effective Date, unless extended by mutual agreement of the Parties.

2. Scope of LAWA-Requested Accommodations to the Crenshaw/LAX Project. On or about September 13, 2013, LACMTA and LAWA agreed on the scope of work for each of three accommodations and the scope of any related potential contract changes to the Crenshaw/LAX Project. These agreed scopes of work, which may be changed from time to time by mutual agreement of the parties, are attached hereto as Exhibits A, B and C. The scopes of each of the three accommodations included in this MOU are as outlined in Subsections a through c below:

a. protect and accommodate for a potential new vehicular access roadway having, at a minimum, the capacities and dimensions shown in Exhibit A, between the ITF and the ConRac facility in the vicinity of 98th Street;

b. accommodate for a potential new right-hand turn lane from Century Boulevard (eastbound) onto Aviation Boulevard (southbound)

c. protect and not preclude vertical passenger circulation at the northern end of the Aviation/Century Station compatible with a potential future elevated connection to the Manchester Square property, inclusive of an associated northward extension of the Station platform.

Sections 2.a and 2.b above shall be referred to herein collectively as "street accommodations" and Section 2.c shall be referred to as "vertical circulation accommodations."

3. Design of LAWA-Requested Accommodations to the Crenshaw/LAX Project. All the parallel planning and design work for the accommodations identified above are outside the current scope of the Crenshaw/LAX Project. LACMTA estimates (rough order of magnitude) the total cost of each of the design-build contract change orders required to design the accommodations identified in Section 2 to be approximately:

a. \$168,641 to design the accommodations described in Section 2.a.

b. \$66,948 to design the accommodations described in Section 2.b.

c. \$1,212,960 to design the accommodations described in Section 2.c.

The actual design costs cannot be precisely determined until LACMTA negotiates the contract change orders with its design-build contractor, Walsh/Shea Corridor Constructors (WSSC), and the design work is fully performed. The current life of project budget for the Crenshaw/LAX Project does not include the incremental costs of designing the accommodations identified in Sections 2.a through 2.c and an additional funding source, separate and distinct from the Crenshaw/LAX Project funding is needed. LACMTA shall periodically provide updated estimates of the costs to design the accommodations, whenever more accurate cost estimates become available. Upon receipt of the design change order prices and the associated LACMTA costs, for each of the street accommodations requested by LAWA, LAWA may ask LACMTA to initiate one or more of the design change orders on the condition that (1) LAWA has secured approval of the Board of Airport Commissioners (BOAC) for such expenditure and (2) LAWA has deposited the change order price plus an allowance for LACMTA's reasonable costs which shall not exceed 30%, to cover administrative and other LACMTA expenses, in an escrow account. The Parties have agreed that, following a request by LAWA, LACMTA may negotiate with the contractor to investigate means of price adjustment, for example through such means as a different approach to risk apportionment.

Once WSSC submits its monthly progress pay application which includes any request for payment for any LAWA work, LACMTA will request proceeds to be drawn down from the escrow fund and LACMTA will pay WSSC. Upon completion of the LAWA work, LACMTA will provide a notification to LAWA that the work has been completed and paid for.

Subject to LAWA's agreement to the terms of this MOU and upon timely discharge of LAWA's obligations and commitments under this MOU, LACMTA will be responsible for 100% of the costs of the design change order for the vertical circulation accommodations and all related LACMTA administrative and other such LACMTA costs related to the vertical circulation accommodations.

Subject to prior LACMTA Board approval, LACMTA shall require WSSC, to undertake a parallel design for any street accommodations agreed with LAWA and/or the vertical circulation accommodations. The parties recognize that time is of the essence and LAWA will use best efforts to determine whether or not LAWA would like LACMTA to proceed with the parallel design for any street accommodations within 14 calendar days of receipt of the design change order prices from LACMTA.

LACMTA shall be responsible for managing and reviewing the progress of WSSC's design work for the accommodations and for confirming with LAWA that the design work for the street accommodations is in conformance with the scope of the LAWA requested accommodations. As the designs for the accommodations progress, LAWA will participate in periodic design progress meetings for all of the accommodations. LACMTA will provide LAWA with the opportunity to review and sign off on such plans and designs at agreed points,

inclusive of Preliminary and Final Design, for consistency with the agreed scope of the street accommodations and the vertical circulation accommodations.

4. Construction of LAWA-Requested Accommodations to the Crenshaw/LAX Project. All the construction work for the accommodations identified above is outside the current scope of the Crenshaw/LAX Project. LACMTA estimates (rough order of magnitude) the total cost of each of the design-build contract change orders required to construct the accommodations identified in Section 2 to be approximately:

- a. \$362,012 to construct the accommodations described in Section 2.a.
- b. \$190,080 to construct the accommodations described in Section 2.b.
- c. \$1,947,575 to construct the accommodations described in Section 2.c.

The actual construction costs cannot be precisely determined until LACMTA negotiates the contract change orders with WSCC or issues unilateral change orders and the construction work is fully performed. The current life of project budget for the Crenshaw/LAX Project does not include the incremental costs of constructing the accommodations identified in Sections 2.a through 2.c and an additional funding source, separate and distinct from the Crenshaw/LAX Project is needed. LACMTA shall periodically provide updated estimates of the costs to construct the accommodations, whenever more accurate cost estimates become available.

Upon receipt of the construction change order prices from WSCC for each of the street accommodations requested by LAWA and the associated LACMTA costs, LAWA may ask LACMTA to initiate one or more of the construction change orders on the condition that (1) LAWA has secured BOAC approval for such expenditure, (2) LAWA has deposited the change order price plus an allowance for LACMTA's reasonable costs which shall not exceed 30%, to cover administrative and other LACMTA expenses, in an escrow fund, and (3) LAWA has agreed in writing to move forward with the accommodation(s). It is understood and agreed that LAWA reserves the right to pay for the design of accommodation(s) and then not proceed forward with construction of the accommodation(s).

Once WSCC submits its monthly progress pay application which includes any request for payment for any LAWA work, LACMTA will request proceeds to be drawn down from the escrow fund and LACMTA will pay WSCC. Upon completion of the LAWA work, LACMTA will provide a notification to LAWA that work has been completed and paid for.

Subject to LAWA's agreement to the terms of this MOU and upon timely discharge of LAWA's obligations and commitments under this MOU, LACMTA will be responsible for 100% of the costs of the construction change order for the vertical circulation accommodations and all of the related LACMTA

administrative and other such Metro costs related to the vertical circulation accommodations.

Subject to prior LACMTA Board approval, LACMTA shall require WSCC to undertake any street accommodations agreed with LAWA and/or the vertical circulation accommodations.

The parties recognize that time is of the essence and LAWA will use best efforts to determine whether or not LAWA would like LACMTA to proceed with the construction contract changes for any street accommodations within 21 calendar days of receipt of the change order prices from LACMTA. LACMTA shall be responsible for managing and reviewing the progress of the design-builder's construction work for the accommodations and to ascertain that all such work is in conformance with the scope of the LAWA requested accommodations for the street accommodations and the vertical circulation accommodations.

5. Maintenance of LAWA-Requested Accommodations to the Crenshaw/LAX Project. Subject to discussions between LACMTA and the City of Los Angeles, LAWA shall be responsible for maintaining the roadway infrastructure described in Section 2a and 2b.

6. Other Approvals.

It is understood and agreed by the parties that in addition to approval from the Parties' respective boards, Metro may need to obtain FTA and TIFIA approvals, together with any required environmental approvals for any supplemental modifications directly to the Crenshaw/LAX Project. LAWA needs to obtain any environmental approvals required for the roadway modifications and the APM, ITF and ConRac facility. Additionally, LAWA will need to obtain FAA, BOAC and City Council approval. Without each party first obtaining the required federal approvals from FTA, TIFIA, FAA and without LAWA securing additional funding, as required, LACMTA is not obligated to proceed with the design and potential construction of the infrastructure changes identified in Sections 2.a. through 2.c.

7. Meetings. LACMTA and LAWA's authorized representatives shall meet as necessary on a mutually agreed basis to implement the principles, covenants, promises, undertakings and agreements as set forth in this MOU.

8. Representations and Warranties. LACMTA and LAWA each hereby represent and warrant:

a. It is bound by this MOU and it has the full right, power and authority to enter into this MOU and perform all of its obligations hereunder and neither this MOU nor the performance of its obligations hereunder is in violation of any MOU or instruments to which it is a party or by which it is bound;

b. It has the right to duly perform all of its obligations hereunder free from obligation to any other party;

c. Each Party will proceed on a good faith basis, acknowledging that the accommodations may be subject to appropriate approvals by the Parties' respective governing bodies, the Federal Transit Administration and the Office of Innovative Program Delivery within the U.S. Department of Transportation;

d. The Parties understand and agree that no actions by either Party can contravene the respective environmental processes and clearances for the Airport Metro Connector Project or the Crenshaw/LAX Project.

9. Arbitration.

a. Any controversy or claim arising under or pursuant to this MOU, at the request of either Party, shall be determined by non-binding arbitration by a panel of three (3) arbitrators, each an expert in the field of construction engineering with no less than ten (10) years of experience in said field. Within thirty (30) days of said request, LACMTA and LAWA shall each select one of the three (3) panel members, and the remaining panel member shall be mutually agreed upon by LACMTA and LAWA. Any opening on the panel that has not been filled by the end of such thirty (30) day period, whether by the failure of either LACMTA or LAWA to select a panel member, or by the failure of LACMTA and LAWA to mutually agree upon a panel member, shall be filled by an expert as selected by the American Arbitration Association, such expert meeting the criteria as set forth above. The cost of the arbitration shall be shared equally by each Party with each Party being responsible for their own attorneys' fees. Such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Any controversy concerning whether an issue is arbitrable shall be determined by the arbitration panel. The arbitration panel shall apply California substantive law, including any applicable statutes of limitation. At the request of either Party, the arbitrators, attorneys, parties to the arbitration, witnesses, experts, court reporters, or other persons present at the arbitration shall agree in writing to maintain the strict confidentiality of the arbitration proceedings to the extent allowed by law.

b. Nothing in this MOU shall limit the right of either Party to seek an injunction or temporary restraining order in the case of a breach of the MOU that would cause irreparable harm or for which remedies at law would be inadequate. The exercise of such a remedy does not waive the right of either Party to resort to arbitration. Any such action must be brought in the Superior Court of the State of California for the County of Los Angeles, Central District.

c. Arbitration and every suit or action with respect to this MOU will be commenced, and shall take place, in the County of Los Angeles in the State of California.

d. LAWA understands that the Crenshaw/LAX Project will provide essential transit rail service to the public and Los Angeles County. Therefore, notwithstanding the foregoing, in no event shall any arbitrator be authorized to order or find that LACMTA must stop rail service as a remedy to any controversy or claim and LAWA agrees it shall not seek to stop LACMTA's operation of the

Crenshaw/LAX rail service as a remedy in arbitration, or as injunctive relief or as a temporary restraining order.

10. Time is of the Essence. Time is of the essence for the completion of the work described in this MOU. Any delay in the completion of the work described herein may increase the design and/or construction costs for the accommodations described in Section 2.a. and Section 2.c.

11. Governing Law. This MOU shall be construed and the obligations of the Parties hereunder shall be determined in accordance with the internal laws of the State of California (without regard to any conflict of law provisions thereof).

12. Termination. This MOU may be terminated (i) by LACMTA upon thirty (30) days prior written notice to LAWA if LAWA is unable to secure funding for the modifications to the Crenshaw/LAX Project identified in Sections 2.a. and 2.b above and/or LACMTA is unable to secure LACMTA Board approval, (ii) by LAWA upon thirty (30) days prior written notice to LACMTA. Once LACMTA executes a change order with its design-build contractor for a street accommodation identified in Sections 2.a. through 2.b., LAWA must cover the termination costs for that change order if LAWA is unable to secure funding and approval for the accommodation.

13. Survival. Sections 8, 9 and 11 shall survive any expiration or termination of this MOU.

14. Entire MOU; No Assignment. This MOU constitutes the entire MOU between the Parties regarding the subject matter hereof and may be modified only with a written instrument duly executed by both of the Parties. This MOU may not be assigned by any Party and any purported assignment by any Party of this MOU or such party's rights or obligations hereunder, without the written consent of the other Party, shall be null and void.

IN WITNESS THEREOF, the Parties have caused this MOU to be executed by their duly authorized representatives as of the date first written above.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____

Arthur T. Leahy
Chief Executive Officer

Approved as to Form:

JOHN F. KRATTLI
County Counsel

By: _____
Ronald W. Stamm
Principal Deputy County Counsel

LOS ANGELES WORLD AIRPORTS

By: _____
Name: Gina Marie Lindsey
Title: Executive Director

EXHIBIT D
FORM OF CERTIFICATE OF LACMTA

Re: Escrow Account # _____

The undersigned hereby certifies to the Los Angeles World Airports ("LAWA") and instructs _____ Escrow Company pursuant to Sections 3 or 5 of the Memorandum of Understanding ("MOU") dated as of _____ 2013 (all capitalized terms used in this Certificate without definition, shall have the meaning set forth in the MOU) between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and LAWA as follows:

1. LACMTA is entitled under the MOU to receive \$ _____ from the Escrow Account, as set forth in the invoices for design or construction work performed by LACMTA and its design-build contractor for the period from _____, 201_ through _____, 201_. Copies of such invoices, together with original unconditional lien waivers from all contractors for whom invoices have been submitted with any prior Certificate, are attached hereto. The release of such funds from the Escrow Account established by the MOU complies with all applicable requirements of the MOU and the invoice to be paid from the requested disbursement from the Escrow Account has not been the basis for any prior request for disbursement of funds from the Escrow Account.

2. After giving effect to the disbursement of funds from the Escrow Account as requested hereby, to the knowledge of LACMTA the Escrow Account shall continue to have sufficient funds to cover the reasonably estimated costs of the remaining design and construction work to be performed pursuant to the MOU.

3. _____ Escrow Company shall release the funds from the escrow Account to be paid to the undersigned at One Gateway Plaza, Los Angeles, CA 90012 or otherwise as may be set forth in separate instructions from the undersigned.

Dated: _____ LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By: _____
Name: _____
Title: _____

LAWA hereby agrees and instructs _____ Escrow Company to disburse the funds requested by this Certificate.

LOS ANGELES WORLD AIRPORTS

By: _____
Name: _____
Title: _____

ATTACHMENT C

FUNDING SOURCES/ ALLOCATION

Scope of Work	Funding Sources/Allocation		
	Metro		LAWA
	C/LAX Transit Project (No Funding)	Airport Metro Connector FIS # 460303	LAWA Reimburse Metro via "pass thru" FIS #
A. Design and potentially construct to protect and accommodate for a potential new vehicular access roadway between the potential LAX Intermodal Transportation Facility (ITF) and the potential Consolidated Rent-a-Car (ConRac) Facility at Manchester Square across Aviation Boulevard in the vicinity of 98th Street.			
Design:	N/A	N/A	\$ 120,458
Construction:	N/A	N/A	\$ 241,341
Metro Administrative (20% of Change):	N/A	N/A	\$ 72,360
Contingency (10% of Change)	N/A	N/A	\$ 36,180
Contract Modification Authority:	N/A	N/A	\$ 60,314
Element A Subtotal cost:	N/A	N/A	\$ 530,653
B. Design and potentially construct to accommodate for a potential right hand turn lane from Century Boulevard (eastbound) onto Aviation Boulevard (southbound).			
Design:	N/A	N/A	\$ 47,820
Construction:	N/A	N/A	\$ 126,720
Metro Administrative (20% of Change):	N/A	N/A	\$ 34,908
Contingency (10% of Change)	N/A	N/A	\$ 17,454
Contract Modification Authority:	N/A	N/A	\$ 30,126
Element B Subtotal cost:	N/A	N/A	\$ 257,028
C. Design and potentially construct to protect and to not preclude vertical passenger circulation at the northern end of Aviation/Century Station to be compatible with a potential future elevated connection, inclusive of an associated northward extension of the station platform.			
Design:	N/A	\$ 866,400	N/A
Construction:	N/A	\$ 1,298,383	N/A
Metro Administrative (20% of Change):	N/A	\$ 432,957	N/A
Contingency (10% of Change)	N/A	\$ 216,478	N/A
Contract Modification Authority:	N/A	\$ 346,317	N/A
Element C Subtotal cost:	N/A	\$ 3,160,535	N/A
Total per Funding Sources/Allocation:	N/A	\$ 3,160,535	\$ 787,681
Total:			\$ 3,948,216

ATTACHMENT D

CONTRACT MODIFICATION / CHANGE ORDER LOG

C0988 CRENSHAW/LAX TRANSIT CORRIDOR DESIGN-BUILD

Item No.	Modification No.	Description	Status (Approved or Pending)	Approved Cost (Issued to Walsh Shea)
1	MOD 1	Administrative Change, Update Special Provision (SP) -05 Notice and Service and SP-06, Insurance Requirements	Approved	No Cost
2	MOD 2	Administrative Change, Technical Reports Part 6.3 PSR/PR	Approved	No Cost
3	MOD 3	CPUC Application	Approved	No Cost
4	TBD	Protect for new Vehicular access roadway in vicinity of 98 th Street (LAWA)	Pending	TBD
5	TBD	Right hand turn lane on Century Blvd. (LAWA)	Pending	TBD
6	TBD	Aviation/Century Station -Vertical passenger circulation	Pending	TBD

