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Appendix A

JOINT SETTLEMENT AGREEMENT

This JOINT SETTLEMENT AGREEMENT ("Joint Settlement"), dated for purposes of reference as May 12, 2010, is entered into by and between the EXPOSITION METRO LINE CONSTRUCTION AUTHORITY ("Expo Authority") the LOS ANGELES UNIFIED SCHOOL DISTRICT ("LAUSD"), and the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY ("MTA") (together, the "Settling Parties"). This Joint Settlement resolves certain issues relating to the design of the Exposition Boulevard Corridor Light Rail Transit Line (the "Expo Line") and related facilities in the immediate vicinity of the intersection of Farmdale Avenue and Exposition Boulevard in the City of Los Angeles, and is intended to be effective as of the date of the last signature below.

INTRODUCTION

1.1 Plans for the Expo Line project, as described in the Los Angeles Mid-City Westside Transit Corridor/Mid-City Exposition Light Rail Project Final Environmental Impact Statement/Environmental Impact Report ("FEIS/FEIR") dated October 2005 and prepared under the direction of MTA and the Federal Transit Administration ("FTA") as joint lead agencies, included the construction of an at-grade rail/street crossing at Farmdale Avenue, in the vicinity of Dorsey High School.

1.2 In May 2007, Expo Authority filed an application, designated as A.07-05-013, with the California Public Utilities Commission ("CPUC"), seeking CPUC authorization of the planned at-grade rail/street crossing at Farmdale Avenue.

1.3 The CPUC considered A.07-05-013 along with other Expo Authority grade crossing applications in a consolidated proceeding generally referred to as A.06-12-005, *et al*, and

adopted a decision in that proceeding, D.07-12-029, in December 2007, by which the CPUC authorized 36 out of 38 proposed grade crossings but held open for further consideration Expo Authority's plans for the remaining two, including an at-grade crossing at Farmdale Avenue.

1.4 In January 2008, LAUSD was granted party status to participate in the CPUC's further proceedings in A.06-12-005, *et al.*, and LAUSD did participate actively in such further proceedings along with applicant Expo Authority and interested parties United Communities Association, LLC ("UCA") and Neighbors for Smart Rail ("NFSR").

1.5 After evidentiary hearings in August and September 2008 and briefing of the issues, the CPUC adopted a further decision, D.09-02-031, in February 2009, which denied Expo Authority's application for an at-grade crossing at Farmdale Avenue, but held the proceeding open to allow Expo Authority to amend its application regarding Farmdale Avenue.

1.6 In July 2009, Expo Authority filed an Amendment to Application No. 07-05-013 (the "Amendment"), proposing a set of four new options for a Farmdale Avenue crossing, including 1) a grade separated pedestrian over-crossing with Farmdale Avenue closed to vehicular traffic; 2) an at-grade crossing, as previously proposed, subject to a "Stop and Proceed" procedure for light rail vehicles approaching the crossing; 3) an at-grade crossing, as previously proposed, subject to construction of a station with "near-side" platforms east and west of Farmdale Avenue at which all light rail vehicles would stop; and 4) a combination of options 2) and 3), with the "Stop and Proceed" procedure to be in effect until completion of construction of a station with "near-side" platforms.

1.7 Following the receipt of protests of the Amendment by LAUSD, UCA, and NFSR, the CPUC set a prehearing conference in A.06-12-005, *et al.*, for September 30, 2009, at which Administrative Law Judge ("ALJ") Bushey encouraged the parties to pursue a substantive

discussion of the issues, which began that day and continued in several subsequent meetings of the parties.

1.8 As a result of that process, the Settling Parties have reached agreement on a set of terms to settle and resolve the issues, claims and disputes arising out of or relating to the proposed Farmdale Avenue crossing.

1.9 The Settling Parties have concluded that the terms of this agreement contribute to public safety and environmental improvement in and around the proposed Farmdale Avenue crossing. Based on their detailed consideration of alternatives in the course of the CPUC proceeding, Expo Authority and LAUSD have concluded that the agreed improvements will be safer than a pedestrian overpass at this crossing.

NOW, THEREFORE, in consideration of the foregoing, Expo Authority, LAUSD, and MTA hereby agree as follows:

TERMS AND CONDITIONS

2.1 Expo Authority will construct a station in the immediate vicinity of Farmdale Avenue, with construction to be completed and the station available for public use within a period not to exceed a total of eighteen (18) months from the date on which FTA adopts a Finding of No Significant Environmental Impact with respect to such construction. The station shall include split platforms east and west of the intersection of Farmdale Avenue and Exposition Boulevard. These will be "near-side" platforms, at which all light rail vehicles approaching Farmdale Avenue will stop prior to reaching the Farmdale Avenue intersection. Expo Authority shall construct the Farmdale Station in such a manner that allows the MTA rail vehicle operator clear line of sight from the platform to the entire intersection. Once passenger boarding and alighting

are completed and the light rail vehicle operator has determined that the crossing is clear, provided the Farmdale Station is constructed in such a manner that allows the rail vehicle operator clear line of sight from the platform to the entire intersection, the light rail vehicle will exit the station platform, accelerating to full operational speed, subject to the condition specified in paragraph 2.8(b), below. Except as specified herein, the general design of the Farmdale station will be consistent with the design of all other Expo Line stations.

2.2 The Farmdale station platforms will be designed and located in accordance with attached Diagrams A, B, and C. Diagram A provides a "bird's eye" view of the dimensions and location of the platform south of the rail line and west of the Farmdale intersection, at which eastbound light rail vehicles will stop before reaching the intersection. Diagram B provides a similar "bird's eye" view of the dimensions and location of the platform north of the rail line and east of the Farmdale intersection, at which westbound light rail vehicles will stop before reaching the intersection. Diagram C provides a "bird's eye" view of the intersection, showing the rail line, crossing, and station platforms as planned to be constructed. As illustrated by Diagrams A and C, the eastbound platform will be located directly adjacent to the pedestrian plaza area at the southwest corner of the Farmdale intersection, with an ADA-compliant ramp connecting the pedestrian plaza area to the station platform. Diagram B illustrates the similar facilities that will connect the westbound station platform with the pedestrian plaza area at the northeast corner of the Farmdale intersection.

2.3 Expo Authority will pursue its best efforts to acquire in Expo's name, either by contractual agreement or by exercise of the power of Eminent Domain, the real property known as 4523 Exposition Boulevard, which is located at the northeast corner of the intersection of Farmdale Avenue and Exposition Boulevard and is presently occupied by an operating motel.

Upon acquiring that property and as further shown in attached Diagram D, Expo Authority will demolish the existing structure or structures on the property and will construct a surface parking lot secured by a protective fence, electronic gates with card-key entry, a 10-foot by 36-foot modular building for the use of LAUSD School Police and other law enforcement agencies, and closed circuit television cameras, in accordance with plans to be developed in cooperation with LAUSD and subject to applicable zoning and building code requirements as well as a remote ticketing area for use by MTA. Once construction of the parking lot and protective fence has been completed, Expo Authority will convey, at no cost, all its rights, title, and interest in the real property so acquired and developed, as generally described in attached Diagram E, with the exception of the remote ticketing area, to LAUSD for use in accordance with the needs of LAUSD and its assignees. Upon and after such conveyance, all maintenance and surveillance of the property and operation of any facilities located on such property shall be the responsibility of LAUSD or its assignees and neither Expo Authority nor MTA shall have any responsibility for such maintenance, surveillance, or operation with respect to the property. Further, Expo Authority will convey, at no cost, all its rights, title, and interest in the real property comprising the remote ticketing area, as generally described in Diagram E, to MTA for use in accordance with the needs of MTA and its assignees. Upon and after such conveyance, all maintenance and surveillance of the property and operation of any facilities located on the remote ticketing area shall be the responsibility of MTA or its assignees and neither Expo Authority nor LAUSD shall have any responsibility for such maintenance, surveillance, or operation with respect to that property.

2.4 LAUSD will convey, at no cost, to MTA, no later than 180 days after the CPUC's decision approving the Farmdale crossing as herein proposed, all its rights, title, and interest in certain real property (the "Station Border") that is presently within the campus of Dorsey High

School (the "Campus"), as generally described in Diagram E. The Station Border consists of a narrow strip of approximately 5,693 square feet of land along the northern boundary of the Campus that will be required in order to provide sufficient space for construction, use, operation, and maintenance of the eastbound station platform on the south side of the Expo Line tracks as well as the pedestrian plaza area at the northeast corner of the Campus abutting the relocated school driveway. The square footage of the Station Border to be conveyed by LAUSD to MTA will be consistent with Diagram E, which has been determined in accordance with safety considerations relevant to the design of the station platform, the driveway, and the pedestrian plaza area at the Farmdale intersection. Expo Authority and LAUSD will cooperate in working to arrange for temporary parking space until the new parking facility has been constructed and made operational. No later than 30 days after the CPUC's decision approving the Farmdale crossing as herein proposed, LAUSD will provide Expo Authority and its agents at no cost, with a right of entry onto those portions of the Campus, that Expo Authority reasonably needs to enter for the purpose of site assessment, design, and construction of the Farmdale station, driveway reconfiguration, and other improvements described herein.

2.5 The Farmdale Avenue (northeast) entrance to the school site will be modified for the purposes specified in paragraph 2.4 above. The driveway will be reconfigured in such a manner as to accommodate all vehicles that would reasonably be anticipated to require access to the school site (school buses, materials delivery, rubbish services, etc.). As an alternate means of entry for vehicles unable to complete the "S-shaped" curve of the Farmdale entrance, Expo Authority will improve the Rodeo Road (southern) entrance to the school site in such a fashion as to allow vehicles of extended length to enter the school site without scraping their undercarriages. It is recognized that modifications to City of Los Angeles right of way (gutters, curbs, and sidewalks), as well as school property may be required to achieve this improvement.

2.6 The rail/street crossing at the intersection of Farmdale Avenue and Exposition Boulevard will be constructed and operated in accordance with Expo Authority's original plan for an at-grade crossing as modified by this Joint Settlement (the "Modified Crossing Design"). Illustrations of the Modified Crossing Design and its safety features, as presented and considered during the September 2008 evidentiary hearings, are provided in two attached excerpts from Exhibit Expo 15 (Supplemental Information), Items F-6 and F-11. The design of the pedestrian plaza areas at the southwest and northeast corners of the crossing will be further modified in certain respects, as illustrated by the attached Diagrams A and B, to accommodate access to the adjacent station platforms, to eliminate fencing at the south end of the southwest waiting area (away from the crossing), and to provide the protection of an 8-foot-high fence facing the track at the pedestrian crossing.

2.7 Test and Revenue Operation of light rail vehicles on the Expo Line by MTA, as defined below, may commence prior to completion of the construction of the Farmdale Avenue station so long as MTA complies with the "Stop and Proceed" Rule. The Stop and Proceed Rule requires that (i) light rail vehicles come to a full stop under automatic train protection at the locations designated as the Farmdale station; and (ii) light rail vehicles will proceed across the intersection in either an easterly or westerly direction only after the light rail vehicle operator has verified that it is safe to do so, provided the Farmdale Station is constructed in such a manner that allows the rail vehicle operator clear line of sight from the platform to the entire intersection, and at the Restricted Speed. Restricted Speed shall mean a speed not to exceed 15 miles per hour. MTA shall operate in compliance with the Stop and Proceed Rule prior to completion of station construction and implementation of the permanent operating rules stated in Section 2.8(a) and (b). No such Test and Revenue Operation may commence prior to the installation and full operation of gates, signals, fencing, and all other safety equipment specified in the Modified

Crossing Design. For purposes of this Agreement, "Test" as used herein shall mean testing of the alignment by light rail vehicles operating under power and at line speed, including pre-revenue operations, to verify vehicle and operational system parameters and "Revenue Operation" as used herein shall mean operation of light rail vehicles in revenue service with carriage of fare-paying passengers.

2.8 The following conditions shall govern light rail vehicle operations along the Expo Line after completion of the construction of the Farmdale Station:

(a) All light rail vehicles shall come to a full stop under automatic train protection at the Farmdale station and will not leave the station until the operator has verified the at-grade crossings are clear, provided the Farmdale Station is constructed in such a manner that allows the rail vehicle operator clear line of sight from the platform to the entire intersection. MTA shall maintain the Farmdale station in accordance with its customary maintenance standard for all other MTA light rail stations.

(b) Automatic train protection shall be set and maintained on all light rail vehicles on the Expo Line such that the speed of the light rail vehicle shall never exceed 15 miles per hour when the cab of the light rail vehicle is within either Farmdale Avenue crosswalk.

(c) MTA will operate its Ambassador program at the Farmdale Station site for a period of time commencing six (6) months before the planned revenue operation date ("ROD") and ending six (6) months after ROD. During the period MTA is operating its Ambassador program (or other, similar inaugural program for the Expo Project line, however denominated), MTA will station an ambassador at the Farmdale Station site in accordance with its Ambassador program. The MTA Ambassador program employs retired bus and train operators whose tasks include educating the public about safety around the light rail tracks, identifying unsafe behavior

of motorists and pedestrians, explaining to motorists and pedestrians the dangers of their unsafe actions, and reporting any unsafe conditions to the MTA's Ambassador program manager. Such personnel shall be stationed at the Farmdale Station site at all peak hours of pedestrian traffic, including but not limited to 7:30-9:30 a.m. and 2:30-4:00 p.m. on days when Dorsey High School is in session. In addition to the Ambassador program, once the Farmdale Station is complete and operational, MTA, Expo Authority and LAUSD shall coordinate and collaborate with each other regarding any safety concerns arising from the operation of the light rail vehicles and how to address such safety concerns as set forth below in paragraph 2.8(d).

(d) During the first year after Revenue Operation commences through the Farmdale crossing, MTA shall review any observations or reports of unsafe behavior and any accident trends over such 12 month period. MTA shall share this safety data with LAUSD and, based on such data, LAUSD and MTA will work cooperatively and collaboratively together to identify and implement appropriate changes at the crossing to further enhance the level of safety for pedestrians and motorists who use the crossing. MTA shall be responsible for implementing any measures (construction or staffing) that MTA deems necessary to ensure safe operation of the crossing.

(e) The conditions set forth in Section 2.8(a) and (b) shall remain in effect for as long as light rail vehicles are running on the Expo Line unless modified by mutual agreement of the Settling Parties.

2.9 LAUSD will not challenge the adequacy of the documentation and review of potential environmental impacts associated with the crossing proposal described in this Joint Settlement or the compliance of such documentation and review with relevant state and federal statutes and

regulations. Nor will LAUSD challenge or seek rehearing of a CPUC decision approving the Joint Settlement as proposed.

MISCELLANEOUS PROVISIONS

3.1 The signatories to this Joint Settlement personally and independently verify that all elements, including the attached tables, are correct, complete, and internally consistent, to the best of their knowledge and ability. Obligations of each party shall remain the obligation of that specified party and none of the other parties to this Agreement shall have the obligation to fulfill another party's obligation.

3.2 Entering into this Joint Settlement or approval of this Joint Settlement by the CPUC shall not be construed as an admission or concession by any Party regarding any fact or matter of law in dispute in this proceeding.

3.3 The CPUC shall have jurisdiction over this Joint Settlement.

3.4 The Settling Parties acknowledge that the positions expressed in this Joint Settlement were reached after consideration of all positions advanced in prior testimony and briefing as well as during discovery and settlement negotiations. This Joint Settlement embodies compromises of the Settling Parties' positions.

3.5 This Joint Settlement sets forth the entire understanding and agreement among the Settling Parties, and may not be modified or terminated except through written assent by all Settling Parties.

3.6 Each individual executing this Joint Settlement on behalf of an entity hereby warrants that he or she is authorized to execute this Joint Settlement on behalf of said entity. The Settling

Parties agree that no signatory to this Joint Settlement, nor any officer, employee, or member of Expo Authority or LAUSD, assumes any personal liability as a result of this Joint Settlement.

3.7 The Settling Parties agree to support the Joint Settlement and use their best efforts to secure CPUC approval of the Joint Settlement in its entirety and without any modification not agreed to by the Settling Parties.

3.8 The Settling Parties agree that if the CPUC adopts a decision addressing the Joint Settlement but fails to adopt the Joint Settlement in its entirety, or if the Commission or an appellate court subsequently adopts a decision that reverses or voids the Commission's previous adoption of the Joint Settlement in its entirety, the Settling Parties shall confer within 15 days after such decision to discuss whether they can resolve issues presented by the Commission's or the appellate court's actions. Likewise, if Expo Authority concludes that it cannot acquire the real property referenced in Paragraph 2.3 above, or cannot obtain any other regulatory approval necessary for construction of the Farmdale crossing and station as provided for in this Joint Settlement, or cannot obtain a Finding of No Significant Impact pursuant to the National Environmental Policy Act, Expo Authority shall so inform the other Settling Parties. If the Settling Parties cannot mutually agree to resolve the issues presented by such actions and have not entered into a written agreement to that effect within 90 days after adoption of the relevant CPUC or appellate court decision or after the relevant conclusion by Expo Authority, the Joint Settlement shall be rescinded and the Settling Parties shall be released from their obligation to support the Joint Settlement and any real property conveyed by Expo Authority pursuant to Section 2.3, above, or by LAUSD pursuant to Section 2.4, above, will be reconveyed to the previously conveying owner. Thereafter, the Settling Parties may pursue any action they deem appropriate, but agree to cooperate to establish a procedural schedule.

3.9 Notices and other correspondence and communications regarding this Joint Settlement and the actions to be taken pursuant to this Joint Settlement should be directed to the following persons:

To Expo Authority:

Eric Olson
Chief Project Officer
Exposition Metro Line Construction Authority
707 Wilshire Blvd., 34th Floor
Los Angeles, CA 90017
Tel.: (213) 243-5537
Fax: (213) 243-5551
E-mail: eolson@exporail.net

With a copy to:

Martin Mattes
Attorney at Law
Nossaman LLP
50 California St., 34th Floor
San Francisco, CA 94111
Tel.: (415) 438-7273
Fax: (415) 398-2438
E-mail: mmattes@nossaman.com

To LAUSD:

John Sterritt
Director
Office of Environmental Health and Safety
Los Angeles Unified School District
333 South Beaudry Street
Los Angeles, CA 90017
Tel.: (213) 241-3199
Fax: (213) 241-6816
E-mail: john.sterritt@lausd.net

With a copy to:

Jay F. Golida
Associate General Counsel
Office of the General Counsel
Los Angeles Unified School District
333 South Beaudry Street
Los Angeles, CA 90017
Tel.: (213) 241-5140
Fax: (213) 241-8386
E-mail: jay.golida@lausd.net

To MTA:

James Cohen
Deputy Executive Officer, Project Management
One Gateway Plaza, 99-16-5
Los Angeles, CA 90012
Tel.: 213-922-7911
Fax: 213-922-7384
E-mail: cohenja@metro.net

With a copy to:

Joyce Chang
Principal Deputy County Counsel
Transportation Division
Los Angeles, CA 90012
Tel.: 213.922.2502
Fax: 213.922.2531
E-mail: changj@metro.net

3.10 This Joint Settlement shall be governed by the laws of the State of California as to all matters, including, but not limited to matters of validity, construction, effect, performance and remedies

CONCLUSION

The Settling Parties mutually believe that based on the terms and conditions stated above, this Settlement is reasonable in light of the whole record, consistent with the law, and in the public interest.

Dated: 5/11, 2010

LOS ANGELES UNIFIED SCHOOL DISTRICT

By: _____
David R. Holmquist
General Counsel

Approved as to Form:

By: _____
Jay F. Golida
Associate General Counsel

EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

By: _____
for Richard D. Thorpe
Chief Executive Officer

Approved as to Form:

By: _____
Martin A. Mattes
Attorney for Exposition Metro Line Construction Authority

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____
Arthur T. Leahy
Chief Executive Officer

Approved as to Form:

ANDREA SHERIDAN ORDIN
County Counsel

By: _____
Joyce L. Chang
Principal Deputy County Counsel

(END OF ATTACHMENT A)