Office of Inspector General

Audit Report

Use of Airport Revenue for the Bay Area Rapid Transit District Extension to San Francisco International Airport

Federal Aviation Administration

Report No.: AV-1999-056
Date Issued: February 18, 1999

Memorandum

U.S. Department of Transportation
Office of the Secretary
Of Transportation
Office of Inspector General

Subject: ACTION: Report on Audit of Use of Airport Revenue for the Bay Area Rapid Transit District Extension to San Francisco International Airport
AV-1999-056

Date: February 18, 1999

From: Alexis M. Stefani
Deputy Assistant Inspector General for Aviation

Reply to Attn of: JA-10:x60500

To: Susan L. Kurland
Associate Administrator for Airports, ARP-1

We are providing this report for your information and use. The audit results were discussed with the Federal Aviation Administration's (FAA) Director and Deputy Director, Office of Airport Safety and Standards on January 15, 1999. The results were also discussed with the Bay Area Rapid Transit District Group Managers for West Bay Extensions, the San Francisco International Airport Deputy Airport Director for Design and Construction, and the FAA San Francisco Airports District Office Manager. Comments by these officials were considered in preparing this report. A synopsis of the report follows this memorandum.

In accordance with Department of Transportation Order 8000.1C, please provide written comments to this report within 30 days. For concurrence, we would like to know the actions taken or planned for the recommendations, and estimated completion dates. For any nonconcurrence, we would appreciate an explanation of your position. Please feel free to propose alternative courses of action to resolve the findings in an effective manner.

We appreciate the cooperation received from your office. If you have any questions on the audit, please call me at (202) 366-0500 or Robin K. Hunt, Director for Aviation Security and Infrastructure, at (415) 744-0420.

Attachment

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Use of Airport Revenue for the Bay Area Rapid Transit District Extension to San Francisco International Airport

Federal Aviation Administration

AV-1999-056 ***February 18, 1999***

Objectives

The objectives of the audit were to determine if cost allocation agreements between the Bay Area Rapid Transit District (BART) and San Francisco International Airport (Airport) for the BART Extension to the Airport were reasonable, and if Airport revenue was being used only for Airport-related costs.

Background

BART Construction at San Francisco International Airport

BART is an independent public agency providing heavy rail mass transit passenger service in the San Francisco Bay Area. The 8.7-mile BART Extension to the Airport originates at the existing Colma station and will terminate beyond the Airport at a new Millbrae station. The Extension includes a 0.8-mile On-Airport Project (Project) linking the Airport's new international passenger terminal with the BART mainline. The Airport will provide a maximum of $200 million in Airport revenue for the Project, $113 million for BART

fixed facilities[1] and $87 million for BART operating systems.[2] The Airport will construct and own fixed facilities on Airport property, and BART will construct or acquire operating systems and bill the Airport for its share of the costs. The Airport will own the operating systems located on Airport property.

In an October 18, 1996 letter to the Airport Director, Federal Aviation Administration's (FAA) Associate Administrator for Airports approved the use of Airport revenue for the Project if expenditures were consistent with Title 49, United States Code, Section 47107. FAA specifically required that (1) BART fixed facilities and operating systems for the Project be owned by the Airport; (2) the facilities and operating systems be located on Airport property or on a right-of-way with guaranteed continued Airport access; and (3) costs benefiting both BART and the Airport be prorated on a reasonable basis.

Project construction began in June 1997 and is planned for completion in August 2000. As of December 1998, the estimated cost of the Project was $210 million ($122 million for fixed facilities and $88 million for operating systems) and Project expenditures were nearly $53 million ($52 million for fixed facilities and approximately $1 million for operating systems).

Results-in-Brief

FAA provided specific guidance to the Airport on the types of Project costs that could be funded with Airport revenue and the eligibility of BART fixed facilities and operating systems for Airport revenue use under Federal law. We found that the cost allocation plan for fixed facilities sufficiently considered FAA's guidance and reasonably allocated costs. Further, we found that selected Airport revenue expenditures we reviewed through September 1998 for fixed facilities were consistent with the plan.

However, the proposed cost allocation plan for operating systems was not reasonable because it was based on outdated engineering estimates rather than actual contract bid amounts. In addition, the proposed plan allocated some ineligible costs to the Airport.

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[1] Fixed facilities include: aerial structures (guideways) to support tracks from the BART mainline to the Airport; combined BART/Airport rail transit structures and station; structures connecting the Airport BART station to the Airport international terminal; and international terminal enhancements necessitated by the presence of BART at the Airport.

[2] BART operating systems include: automatic train control, traction power, and communication systems; track acquisition and electrification; cable network; and systems integration. The work also includes relocation of an Airport power source (12kV line).

Further, we found FAA needed to actively monitor Airport revenue use to ensure Airport revenue for the Project is used in accordance with applicable regulations and FAA guidance.

Proposed Cost Allocation for Operating Systems Is Not Reasonable

The August 1998 proposed cost allocation plan for Project operating systems did not reasonably prorate costs to the Airport. This occurred because the plan was based on outdated estimates formulated as early as 1993 instead of on actual contract line item bid amounts. The contracts, bid in 1997 and 1998, were 13.8 percent higher for procurement items and 17.7 percent lower for installation items than engineering estimates. As a result, the proposed cost allocation plan for operating systems cannot be relied on to accurately allocate costs to the Airport.

Proposed Cost Allocation for Operating Systems Includes Ineligible Airport Costs

The proposed cost allocation plan for operating systems included $2.6 million in ineligible operating systems costs. This occurred because BART did not follow FAA's Airport revenue use guidance which requires that Project operating systems be owned by the Airport and on Airport property. The proposed plan included costs for two bulk supply substations ($873,750), the power feed to those substations ($1,091,875), and various spare parts ($676,000) in its proposed operating systems allocation to the Airport. When constructed or acquired, these items will neither be on Airport property nor owned by the Airport. Therefore, the $2.6 million included in the proposed cost allocation plan for operating systems is not eligible for Airport revenue use.

FAA Needs to Actively Monitor Airport Revenue Use

FAA needs to actively monitor Airport revenue use for the Project. As of January 31, 1998, FAA has not reviewed the April 1997 approved cost allocation plan for fixed facilities or the August 1998 proposed cost allocation plan for operating systems. Further, FAA has not monitored the use of Airport revenue to ensure expenditures are in accordance with regulations and FAA guidance. We also found that FAA has not required the Airport sponsor to instruct its independent auditors to review and issue an opinion on Airport revenue use, as part of the annual audit under the Single Audit Act. The audit requirement is intended to detect any prohibited diversion of Airport revenue.

Recommendations

We recommend that FAA:

- Review the cost allocation for Project operating systems within 30 days of this report, and advise the Airport not to approve the plan unless the plan uses contract bid amounts, and not engineering estimates, to allocate costs.

- Advise BART and the Airport that costs to construct bulk supply substations off Airport property, provide power feeds to these substations, and procure spare parts not used during systems integration and testing are not eligible uses of Airport revenue.

- Establish a system to review Project expenditures on a periodic basis to ensure Airport revenue is used only for eligible items.

- Direct the Airport sponsor to require its independent auditor to review and provide an opinion on Airport revenue use in the annual audit commencing with the Airport Fiscal Year ended June 30, 1998.

Management Position

The audit results were discussed with FAA's Director and Deputy Director, Office of Airport Safety and Standards at a meeting on January 15, 1999. We provided a proposed final report to the officials on February 11, 1999. The officials agreed with the findings and recommendations. They indicated that action on the recommendations will be initiated when they receive our final report. Additionally, they have informed the Airport of the need to have revenue use reviewed as part of the annual audit.

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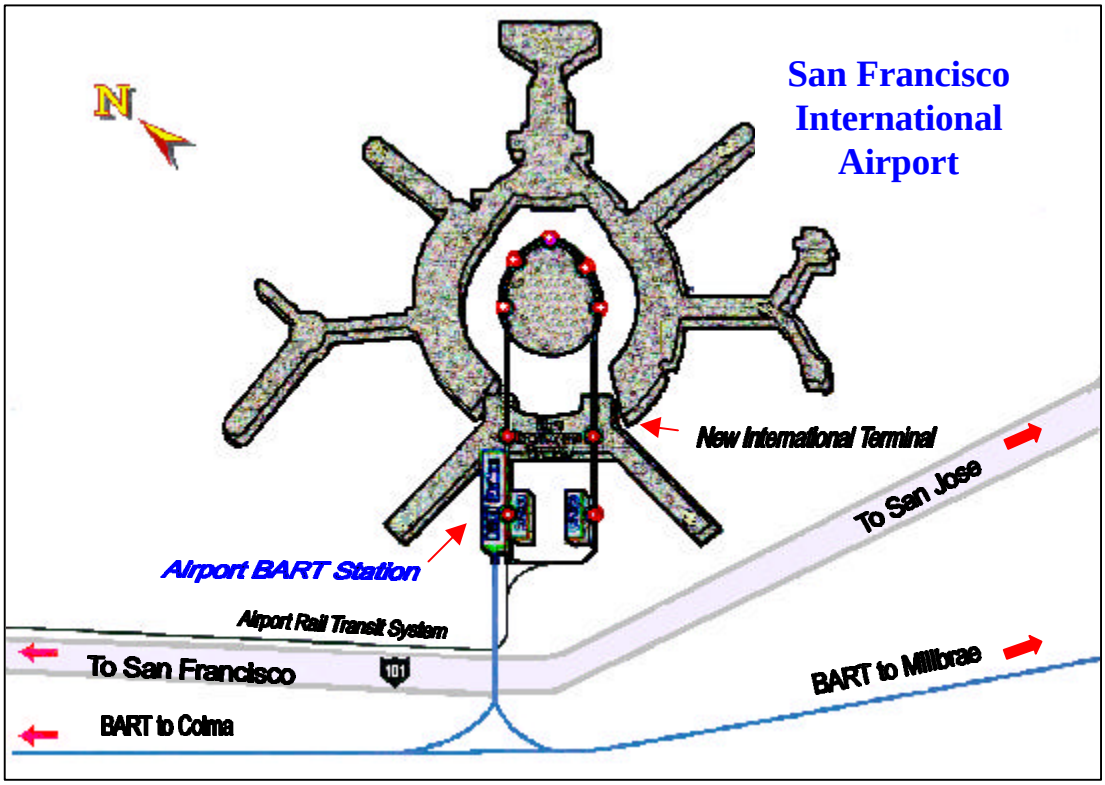
I. INTRODUCTION

Background

The San Francisco International Airport (Airport) provides domestic and international air passenger and cargo services. An appointed Airports Commission, a department of the City and County of San Francisco, oversees Airport operations. The City and County of San Francisco is the Airport sponsor.

The Bay Area Rapid Transit District (BART) is an independent public agency providing heavy rail mass transit passenger service in the San Francisco Bay Area. The elected BART Board of Directors oversees BART operations.

Project Description. The BART Extension to the Airport is 8.7 miles consisting of two segments: (1) a 7.9-mile mainline track from an existing BART station in Colma to a new BART station beyond the Airport in Millbrae; and (2) an 0.8-mile connection from the BART mainline to a new BART station at the Airport.



The 0.8-mile connection, referred to as the On-Airport Project (Project), is being constructed on property owned by the Airport. The Project, funded with up to $200 million in Airport revenue, consists of BART fixed facilities, and operating systems.

BART Fixed Facilities and Operating Systems

Fixed facilities include: aerial structures (guideways) to support tracks from the BART mainline to the Airport; combined BART/Airport rail transit structures and station; structures connecting the Airport BART station to the Airport international terminal; and international terminal enhancements necessitated by the presence of BART at the Airport.

BART operating systems include: automatic train control, traction power, and communication systems; track and electrification; cable network; and systems integration with BART operating systems. The work also includes relocation of an Airport power source (12kV line).

The Airport is constructing BART fixed facilities on the Airport concurrently with its ongoing $2.4 billion new international passenger terminal construction. BART will construct or acquire BART operating systems needed to operate the Airport station concurrently with its $1.2 billion mainline extension from Colma to Millbrae.

Project construction began in June 1997 and is scheduled for completion in August 2000. As of December 1998, the estimated cost for the Project was $210 million ($122 million for fixed facilities and $88 million for operating systems) and expenditures were nearly $53 million ($52 million for fixed facilities and approximately $1 million for operating systems).

San Francisco International Airport in the 21st Century

Federal Aviation Administration (FAA) Guidance to the Airport. On July 1, 1996, the Airport Director requested concurrence from FAA that expenditures for the Project were appropriate uses of Airport revenue. In an October 18, 1996 reply, FAA's Associate Administrator for Airports approved the use of Airport revenue for the Project if expenditures were consistent with Title 49, United States Code, Section 47107. This section of United States Code requires Airport revenue to be used for the capital or operating costs of the Airport, the local Airport system, or other local facilities that are owned or operated by the

Airport owner or operator and directly and substantially related to the air transportation of passengers or property. FAA also indicated expenditures of Airport revenue were subject to audit at completion of the Project to ensure they were consistent with applicable regulations and specific FAA's guidance to the Airport.

Agreements. Various formal agreements between BART and the Airport establish guidelines and standards for Project design, construction, and funding; and set forth arrangements for operating and maintaining Project facilities and equipment. Exhibit A summarizes pertinent Project agreements.

Objectives, Scope, and Methodology

The objectives of the audit were to determine if cost allocation agreements between BART and the Airport for the Project were reasonable, and if Airport revenue was being used only for Airport-related costs.

The audit was conducted in accordance with Government Auditing Standards prescribed by the Comptroller General of the United States and covered the Airport's planned use of up to $200 million in Airport revenue for the Project. We included such tests of records as were considered necessary to satisfy the audit objectives. The audit was conducted at FAA's Office of Airport Safety and Standards; FAA's San Francisco Airports District Office; the Airport; and BART's West Bay Extension Project Office.

We performed our audit from August 6, 1998, to November 30, 1998. We reviewed Project agreements, cost allocation plans, and sampled Project expenditure data. We reviewed laws, regulations, and policies on use of airport revenue; and FAA's guidance to the Airport regarding the eligibility of Project costs for Airport revenue funding. We discussed Airport funding of the Project with officials from the American Association of Airport Executives and the Air Transport Association of America. We reviewed FAA's Fiscal Year 1999 Performance Goal for use of airport revenue.

II. FINDINGS AND RECOMMENDATIONS

FAA provided specific guidance to the Airport on the types of Project costs that could be funded with Airport revenue and the eligibility of BART fixed facilities and operating systems for Airport revenue use under Federal law. We found that the cost allocation plan for fixed facilities sufficiently considered FAA's guidance and reasonably allocated costs. Further, we found selected Airport revenue expenditures we reviewed through September 1998 for fixed facilities were consistent with the plan.

However, the proposed cost allocation plan for operating systems was not reasonable because it was based on outdated engineering estimates rather than actual contract bid amounts. In addition, the proposed plan allocated some ineligible costs to the Airport. Further, we found FAA needed to actively monitor Airport revenue use to ensure Airport revenue for the Project is used in accordance with applicable regulations and FAA guidance.

Finding A. Proposed Cost Allocation for Operating Systems Is Not Reasonable

The August 1998 proposed cost allocation plan for Project operating systems did not reasonably prorate costs to the Airport. This occurred because the plan was based on outdated engineering cost estimates instead of on actual contract bid amounts. Also, formulas were used to distribute the engineering estimates to contractor bid items because the work descriptions were not similar. As a result, the proposed cost allocation plan for operating systems cannot be relied on to accurately allocate eligible costs to the Airport.

Cost Allocation Plan for Operating Systems Was Based on Outdated Estimates

The proposed allocation of operating systems costs was based on outdated engineering cost estimates instead of being based on actual contract bid amounts. The Project's engineering cost estimates for operating systems were prepared beginning in 1993 and operating systems contracts were bid in 1997 and 1998.

We found that contract bid amounts for operating systems procurements varied from the BART engineering estimates by an average of 13.8 percent, and operating systems installation costs varied by an average of 17.7 percent. The variance for operating systems components ranged from -92.2 percent for installation of the San Bruno bulk power supply substation to +248.7 percent for procurement of electrical systems. (See exhibit B for details on variances.)

Basing cost allocations on outdated engineering estimates rather than on actual contract bid amounts will result in inaccurate charges to the Airport.

The proposed cost allocation plan did not reflect construction changes that have occurred since the engineering estimates were prepared. For example, elevator mechanical work applicable to the Project was not anticipated when the engineering estimates were prepared. Also, because some line items in the engineering estimates were not similar to contract bid items, formulas were used to equate the work.

Therefore, there is not adequate assurance that the August 1998 proposed cost allocation represents costs eligible for Airport revenue funding. To develop a realistic cost allocation method, actual contractor bid amounts for operating systems components should be used.

Recommendation

We recommend that FAA advise the Airport not to approve the cost allocation plan for operating systems unless the plan uses contract bid amounts, and not engineering estimates, to allocate costs.

Finding B. Proposed Cost Allocation for Operating Systems Includes Ineligible Airport Costs

The proposed cost allocation plan for operating systems included $2.6 million in ineligible operating systems costs. This occurred because BART did not follow FAA's Airport revenue use guidance, which requires that Project operating systems be owned by the Airport and on Airport property. The proposed plan included costs for two bulk supply substations ($873,750), the power feed to those substations ($1,091,875), and various spare parts ($676,000) in its proposed operating systems allocation to the Airport. When constructed or acquired, these items will neither be on Airport property nor owned by the Airport. Therefore, the $2.6 million included in the proposed cost allocation plan is not eligible for Airport revenue use.

Project Guidance

In August 1996, BART's Acting General Counsel, in written comments to FAA stated: "It is BART's intention that . . . [the Airport] will have ownership of and hold legal title to all on-Airport facilities, equipment, and systems that are funded with Airport revenues."

In an October 18, 1996 letter to the Airport Director, FAA's Associate Administrator for Airports stated the operating systems portion of the Project is eligible for use of Airport revenue under Title 49, United States Code, Section 47107 if (1) the Airport owns the operating systems, (2) the operating systems are on Airport property (or on a right-of-way with an agreement for continued Airport access), and (3) costs benefiting both BART and the Airport are reasonably prorated.

Ineligible Costs Were Included In The Proposed Cost Allocation Plan for Operating Systems

The proposed plan for allocating operating systems costs to the Airport included costs for two bulk supply substations ($873,750), the power feed to those substations ($1,091,875), and various spare parts ($676,000). These costs do not conform to FAA guidance on eligible use of Airport revenue because the items are not on Airport property and are not owned by the Airport. Therefore, based on FAA's guidance, these costs should not be allocated to the Airport.

Bulk Supply Substations. BART is constructing and equipping two bulk supply substations at a cost of $3.1 million. The proposed plan allocates

$873,750 to the Airport for the substations. However, the Airport will not own the substations, and the substations will not be located on the Airport.

Substation Power Feed. The proposed plan allocates $1,091,875 (including $218,125 in construction contingency costs) to the Airport for Pacific Gas and Electric power feeds to the two bulk supply substations. Since the two bulk supply substations are not eligible for Airport revenue use, the cost associated with the power feeds to these substations is also not eligible for Airport revenue funding.

Spare Parts. By agreement, BART has sole responsibility for the operation and maintenance of operating systems once they become operational. BART has a budget of $2.0 million for operating systems spare parts. The proposed plan allocates $676,000 of the $2.0 million to the Airport. Spare parts are not eligible for Airport revenue funding because they can be used throughout the BART system as maintenance spares. However, during systems integration and testing of these operating systems on Airport property, some spare parts may be needed. The Airport should be billed only for those items actually installed on Airport-owned operating systems during systems integration and testing.

Recommendation

We recommend FAA advise BART and the Airport that costs to construct bulk supply substations off-Airport property, provide power feeds to these substations, and procure spare parts not used during systems integration and testing are not eligible uses of Airport revenue.

Finding C. FAA Needs to Actively Monitor Airport Revenue Use

FAA needs to actively monitor the use of up to $200 million in Airport revenue for the Project. As of January 31, 1999, FAA has not reviewed the approved cost allocation plan for fixed facilities or the proposed cost allocation plan for operating systems. Further, FAA has not monitored the use of Airport revenue to ensure expenditures are in accordance with regulations and FAA guidance. FAA has not required the Airport sponsor to ensure its independent auditors review and issue an opinion on Airport revenue use, as mandated by Section 805 of the 1996 Airport Revenue Protection Act. As a result, FAA does not have adequate assurance that Airport revenue is being used in accordance with applicable regulations and FAA guidance.

Project Cost Allocation Plans and Expenditures Have Not Been Reviewed

The Government Performance and Results Act of 1993 (GPRA) is intended to hold Federal agencies accountable for achieving program results. FAA's Fiscal Year 1999 Performance Plan, under GPRA, establishes a performance goal of ensuring that 100 percent of airport revenue is used for airport capital or operating costs. In addition, FAA Order 5190.6A, "Airport Compliance Requirements," states "To ensure that all revenue generated by a public airport is used as intended . . . the FAA should periodically review the financial transactions of the airport to the extent necessary to make this determination."

As of January 31, 1999, FAA's San Francisco Airports District Office has not reviewed the approved cost allocation plan for fixed facilities or the proposed cost allocation plan for operating systems. The fixed facilities cost allocation plan was accepted and approved by BART and the Airport in April 1997. The proposed cost allocation plan for operating systems was provided by BART to the Airport in August 1998 and was under review by the Airport as of December 31, 1998. We reviewed the cost allocation plan for operating systems and advised FAA's Director, Office of Airport Safety and Standards, and San Francisco Airports District Office Manager, that the plan did not reasonably allocate costs to the Airport. The FAA officials were not aware that the plan was based on outdated engineering estimates instead of current contractor bid amounts, and allocated ineligible costs to the Airport.

Also, the San Francisco Airports District Office has no plans to periodically review Project expenditures to ensure Airport revenue is being used in accordance with FAA policy. The San Francisco Airports District Office Manager stated that his office's oversight of Airport revenue use primarily involves responding to third-party complaints.

In our opinion, for FAA to meet its Performance Plan goal of preventing prohibited Airport revenue diversions and adhere to its Airport Compliance Requirements, FAA needs to monitor the cost allocation plan for Project operating systems to ensure costs are reasonably prorated to the Airport, and periodically sample Airport revenue expenditure documents to ensure proper use of Airport revenue. These actions would be in conformance with GPRA which requires that a Performance Plan: (1) be established and used to measure or assess the relative outputs, service levels and outcomes of each program activity; (2) provide a basis for comparing actual program results with established performance goals; and (3) describe the means to be used to verify and validate measured values.

Audit Review and Opinion On Use of Airport Revenue Was Not Performed

Section 805 of the 1996 Airport Revenue Protection Act directs FAA to issue regulations requiring airport sponsors to ensure that their independent auditors review and issue an opinion on use of airport revenue as part of an annual audit under the Single Audit Act. To meet Section 805 requirements, FAA modified Grant Assurance Number 25 in a Federal Register notice dated June 2, 1997. Modified Grant Assurance Number 25 required airport sponsors to ensure independent auditors annually review and provide an opinion in their audit reports on the use of airport revenue.

Modified Grant Assurance Number 25 became effective for the Airport for the Fiscal Year ended June 30, 1998. However, the Airport Commission's independent audit firm, in an October 1998 letter to the Commission, stated they had been told by a staff member in FAA's Headquarters Office of Airport Safety and Standards that a review and opinion on use of Airport revenue would not be necessary for the Fiscal Year ended June 30, 1998. This position is contradictory to FAA's Federal Register notice of June 2, 1997. We discussed the matter with senior officials in the Office of Airport Safety and Standards and were told that the audit review and opinion requirements were applicable to the Airport for Fiscal Year 1998.

Recommendations

We recommend that FAA:

1. Review the cost allocation plan for Project operating systems within 30 days of this report to ensure costs are reasonably prorated to the Airport.

2. Establish a system to review Project expenditures on a periodic basis to ensure Airport revenue is used only for eligible costs.

3. Direct the Airport sponsor to require its independent auditor to review and provide an opinion on Airport revenue use in the annual audit, commencing with the Airport Fiscal Year ended June 30, 1998.

EXHIBIT A

PERTINENT PROJECT AGREEMENTS

Basic Agreement dated October 30, 1996. This agreement states the Airport will contribute a maximum of $200 million to the Project and only use the funds for costs eligible for Airport revenue funding under Federal law. The agreement states that of the $200 million, the Airport's cost to construct BART fixed facilities will be $113 million, and the Airport's cost of operating systems constructed and acquired by BART for the Project will be $87 million.

"Five Party Agreement" dated March 3, 1997. This agreement was signed by the Airport sponsor, the Airport Commission, BART, United Airlines (primary airline tenant at the Airport), and the Air Transport Association of America. It requires that any financial obligation from Airport revenue sources are limited to the $200 million specified in the Basic Agreement and only includes costs eligible for Airport revenue funding under Federal law. The agreement further states the Airport Commission will not consider any requests for additional funding from Airport revenue for the Project.

On-Airport Project Development Agreement (Development Agreement) dated April 8, 1997. The Development Agreement reaffirms that no Airport or City and County of San Francisco funds will be expended above the $200 million limit. The Agreement also provides guidance for BART and Airport review of Project design, construction, and costs.

Lease, Use, and Operating Agreement for BART Station and Related Facilities and Grant of Easement at San Francisco International Airport dated April 8, 1997. This agreement gives BART access to Airport-owned fixed facilities and operating systems. The agreement established a lease and easement term of 50 years, with annual rental payments of $2.5 million by BART to the Airport commencing July 1, 2001, or the year in which Airport debt service on related general airport revenue bonds commences, whichever is later.[1] The agreement also established BART's maintenance, repair, alteration, warranty, and upgrade responsibilities; and BART's requirement to reimburse the Airport for services provided to BART.

[1] Debt service for general airport revenue bonds associated with the Project commenced July 1, 1998

EXHIBIT B

COMPARISON OF BART ENGINEER'S ESTIMATES AND BID AMOUNTS FOR OPERATING SYSTEMS

(in millions)

Description	Engineer's Estimate	Bid Amount	Bid/Estimate Variance	Percent Variance
Procurement				
Trackwork	$19.17	$25.80	$6.63	34.59%
Line Mechanical Systems and Utilities	4.52	6.80	2.28	50.44%
Line Electrical Systems	1.52	5.30	3.78	248.68%
Traction Power & Power Distribution Facilities	18.60	10.00	-8.60	-46.24%
Automatic Train Control Systems	8.92	14.50	5.58	62.56%
Systemwide Power, Control, Communications & Signal Cables	11.06	8.00	-3.06	-27.67%
Communications Systems	8.64	13.60	4.96	57.41%
Computer System Hardware and Software	1.00	1.20	.20	20.00%
San Bruno Bulk Supply Substation	1.79	1.40	-.39	-21.79%
Millbrae Bulk Supply Substation	1.79	1.30	-.49	-27.37%
Spare Parts	2.00	2.00	0.00	0.00%
Subtotal – Procurement	**$79.01**	**$89.90**	**$10.89**	**13.78%**
Installation				
Trackwork	$18.98	$15.20	$-3.78	-19.92%
Line Mechanical Systems and Utilities	1.97	2.40	.43	21.83%
Line Electrical Systems	5.73	12.20	6.47	112.91%
Traction Power & Power Distribution Facilities	1.75	2.30	.55	-31.43%
Automatic Train Control Systems	6.30	2.10	-4.20	-66.67%
Systemwide Power, Control, Communications & Signal Cables	3.88	5.00	1.12	28.87%
Communications Systems	6.11	1.30	-4.81	-78.72%
Computer System Hardware and Software	.88	.20	-.68	-77.27%
San Bruno Bulk Supply Substation	2.57	.20	-2.37	-92.22%
Millbrae Bulk Supply Substation	1.78	.20	-1.58	-88.76%
Subtotal – Installation	**$49.95**	**$41.10**	**$-8.85**	**-17.72%**
Total – Procurement & Installation	**$128.96**	**$131.00**	**$2.04**	**1.58%**

EXHIBIT C

MAJOR CONTRIBUTORS TO THIS AUDIT

The following is a listing of the audit team members who participated on the audit of Use of Airport Revenue for the Bay Area Rapid Transit District Extension to San Francisco International Airport.

Robin K. Hunt	Program Director
Larry Arata	Project Manager
Robert Lastrico	Lead Auditor
Gerald Blumenthal	Auditor
Robert Lee	Auditor
Valencia Martin	Evaluator