

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: May 10, 2011

To: The Honorable City Council
c/o City Clerk, Room 395, City Hall
Attention: Honorable Bill Rosendahl, Chair
Transportation Committee



From: Amir Sedadi, Interim General Manager
Department of Transportation

Subject: **EXPOSITION LIGHT RAIL TRANSIT FUNDING AGREEMENT**
(CF 10-0600-S49 and CF 09-1295-S2)

The Exposition Construction Authority and DOT have developed a cooperative agreement that facilitates City funding for several improvements to the Exposition Light Rail Transit Project, Phases I and II. These improvements include additional station entrances at the Flower/23rd Street Station and Flower/Pico Station, acquisition of property at the Western Avenue Station for replacement parking and pedestrian staging, and an aerial grade separation and aerial station at Sepulveda Boulevard.

RECOMMENDATIONS

That the City Council, subject to the concurrence of the Mayor:

1. AUTHORIZE DOT to negotiate and execute the attached cooperative agreement with the Exposition Light Rail Authority, subject to review and approval by the City Attorney as to form and legality, for several improvements to the Exposition Light Rail project; and
2. AUTHORIZE the Controller to process payments to the Exposition Authority for the following project elements:
 - a) An amount not to exceed \$400,000 from the Measure R Local Return Fund No. 51Q, Account No. G351- Expo Light Rail Station, (per CF 10-0600-S49), for the development of an additional entrance and related improvements at the Flower Street/23rd Street Station; and
 - b) An amount not to exceed \$250,000 from the Measure R Local Return Fund No. 51Q, Account No. G352- Expo Light Rail Station (Pico), (per CF 10-0600-S49), for the development of an additional entrance and related improvements at the Flower /Pico Station; and

c) An amount not to exceed \$700,000 from the Measure R Local Return Fund No. 51Q, Account No. G216 – Western Property Purchase, (per CF 10-0600-S49), for the City's share of the purchase of property and improvements at Western Avenue Station; and

d) An amount not to exceed \$5.3 million from the West Los Angeles Transportation Improvement and Mitigation Program (TIMP), Fund No.681, Account No. G205 – Exposition Light Rail Line at Sepulveda, (per CF 09-1295-S2), for the differential cost between the at-grade crossing and station and the aerial crossing and aerial station at Sepulveda (Sepulveda Grade Separation Design Option) for the Phase 2 project.

3. AUTHORIZE the City Administrative Officer to make any technical adjustments as necessary to implement the above recommendations and instruct the Controller to implement these instructions.

DISCUSSION

The City Council and Mayor recently approved \$1.35 million in Measure R Local Return funding for improvements to the Exposition Light Rail Transit Project Phase I (CF-10-0600-S49). These include one additional entrance each at the Flower/23rd Street Station and the Flower/Pico Station and the purchase of property at the Western Avenue Station for replacement parking and a pedestrian waiting area. The Council authorized the transfer and appropriation of Measure R Local Return funds for these Phase I improvements on February 25, 2011.

The City Council and Mayor also approved the use of \$5.3 million in West Los Angeles Transportation Improvement and Mitigation Program (TIMP) funds for an aerial grade separation and aerial station at Sepulveda Boulevard (CF-09-1295-S2). The Council authorized the transfer of funds from the West Los Angeles TIMP for this Phase II improvement on March 18, 2011. The \$5.3 million will be over and above the City's 3% local contribution for Measure R projects.

COORDINATION WITH OTHER AGENCIES

DOT has worked closely with the Exposition Metro Line Construction Authority in developing the subject funding agreement. Both parties concur on the terms and conditions of the agreement.

FISCAL IMPACT

\$1.35 million will be taken from the Measure R Local Return fund and \$5.3 million will be taken from the West Los Angeles TIMP fund as a result of this cooperative agreement. There will be no impact on the City's General Fund.

Attachment

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CITY CLERK'S OFFICE
MAY 12 AM 8:48
CITY CLERK
DEPUTY

COOPERATIVE AGREEMENT BETWEEN CITY OF LOS ANGELES AND EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

This Cooperative Agreement is made and entered into by and between the CITY OF LOS ANGELES ("City"), a municipal corporation and the EXPOSITION METRO LINE CONSTRUCTION AUTHORITY ("Authority") on this ___ day of _____ 2011.

WHEREAS, City is a municipal corporation incorporated under the laws of the State of California; and

WHEREAS, Authority, duly formed and existing under the statutes of the State of California, is the public agency created for the purpose of designing and constructing the Exposition Light Rail Transit Project ("Project") from downtown Los Angeles to the City of Santa Monica.

WHEREAS, the City took action at its February 25, 2011 City Council meeting (C.F. 10-0600-S49) to fund two additional entrances and improvements at the **Flower/23rd Station and the Flower/Pico station** and a portion of the purchase of property and improvements at **Western Avenue for Phase I of the Project** in a total amount not to exceed \$1.35M through its Measure R Local Return funds; and

WHEREAS, the City took action at its March 18, 2011 City Council meeting (C.F. 09-1295-S2) to fund the differential cost between the at-grade crossing and station and the aerial crossing and aerial station at Sepulveda (**Sepulveda Grade Separation Design Option**) in an amount not to exceed \$5.3 million for the Phase 2 project; and

WHEREAS, the City's commitment under this Cooperative Agreement is in addition to the City's funding commitment already executed for the Phase 1 project and in addition to the 3% local contribution for Measure R projects that the City is setting aside to fund the baseline Expo Phase 2 project;

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to set forth the mutual understandings between the parties of the terms and conditions relating to the schedule and extent of City's financial commitment relative to improvements to Phase I and the inclusion of an additional element for Phase 2.

2. SCOPE OF AGREEMENT.

In consideration for the City's funding commitments herein, Authority will incorporate the following improvements at the **Flower/Pico and Flower/23rd Station 2nd entrances and purchase the Western Property**, as described below. The Flower/Pico Station improvements (\$250K) are the installation of one ticket vending machine, a fare collection area foundation, fare collection area lighting, fare collection area rain protection canopy and a No. 8 flashers. The Flower/23rd Station improvements (\$400K) are the installation of two ticket vending machines, two stand alone validators, a fare collection area foundation, fare collection area lighting, fare collection area rain protection canopy, installation of a pedestrian crossing and No. 8 flashers.

The Authority agrees to purchase, subject to environmental clearance and to the extent it does not exceed the Authority's budget, a parcel at the Northeast corner of Western and Exposition Boulevards ("Western Property") to construct a pedestrian plaza and business and transit patron parking (\$700K to partially fund).

The Authority agrees to incorporate the **Sepulveda Grade Separation Design Option** (\$5.3M) into the design build contract for Phase 2. The Sepulveda Grade Separation Design Option will be designed and constructed consistent with the project's Final Environmental Impact Report and the preliminary engineering documents.

3. PAYMENT BY THE CITY.

City agrees to fund the **Flower/Pico Station work (\$250K), Flower/23rd Station work (\$400K) and a portion of the Western Property purchase (\$700K)** in the amount not to exceed \$1.35M from Measure R Local Return funds. The City agrees to deposit \$650,000 for the improvements at Flower/23rd Street Station and Flower/Pico Station with the Authority within 30 days of receipt of invoice from the Authority after the completion of the work by the contractor and acceptance of the work by the Authority in accordance with the terms of the design-build contract. Authority will provide verification to the City in its invoice that the work was completed in conformance with the required contract specifications. Authority will provide written instructions to City regarding the deposit prior to the execution of this Cooperative Agreement. Subject to environmental clearance, the City agrees to deposit the cost for the Western Property purchase in the amount of \$700,000 within 30 days after the Authority closes escrow on the Western Property and upon notice by the Authority.

Funding for the differential for the **Grade Separation Design Option** in the amount of \$5.3 million will be funded at three milestones. City agrees to fund the differential in three equal installments net 30 days after receipt of invoice from the Authority. The first installment will be funded at the completion of design, the second installment at 50% completion of construction and the third installment after the completion of construction. Authority will provide written verification to

the City in each of its invoices that the subject work was completed in conformance with the required contract specifications.

If the amount of funding necessary for the project elements outlined under this Agreement is reduced through scope changes and mutually agreed to in writing by both parties, the City's proportional share may also be reduced. Nothing in this Agreement shall be construed to obligate the City to provide more than the maximum allocations noted above. The City's contribution shall not be used for cost overruns without written authorization by the City; provided, however, that any such cost overruns attributable to City directed changes, delay or other City actions that caused or contributed to the overruns will be the responsibility of the City. Under no circumstances will the funding identified in this Agreement be used for other elements of either Phase I or Phase II of the project.

4. NOTICES

All notices, demands, requests, or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposited in the US mail, first class postage prepaid, addressed as hereinafter provided.

All notices, demands, requests or approvals from the Authority to the City shall be addressed to the City at:

Amir Sedadi, Interim General Manager
LADOT
100 S. Main Street, 10th Floor
Los Angeles, CA 90012

All notices, demands, requests or approvals from the City to the Authority shall be addressed to the Authority at:

Richard D. Thorpe, Chief Executive Officer
Exposition Construction Authority
707 Wilshire Blvd, 34th Floor
Los Angeles, CA 90017

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

CITY OF LOS ANGELES DEPARTMENT OF TRANSPORTATION
A municipal corporation

By: _____
Amir Sedadi, Interim General Manager

Approved as to Form:

City Attorney

EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

By: _____
Richard Thorpe, CEO

Approved as to Form:

Counsel