

Your

TRANSPORTATION

Committee

reports as follows:

TRANSPORTATION COMMITTEE REPORT relative to the non-ambulatory passenger vehicle service rate adjustment in the city of Los Angeles.

Recommendations for Council action (Labonge, Huizar: "Yes," Parks "No"):

1. FIND that due to changes in industry costs, a rate adjustment for non-ambulatory passenger vehicle service in the city of Los Angeles is needed.
2. FIND that use of the approved rate study methodology for the 2011-12 non-ambulatory passenger vehicle service rate adjustment is appropriate.
3. FIND that the Department of Transportation's (DOT) proposed schedule of rates and charges shown in the Department's report to the Board of Transportation Commissioners dated June 14, 2012 (attached to the Council file) and in proposed Board Order No. 602 is just, reasonable, non-discriminatory, and non-preferential for all permitted non-ambulatory passenger vehicle service.
4. APPROVE the 2011-12 non-ambulatory passenger vehicle service rate adjustment, as approved by the Board of Transportation Commissioners at its meeting held June 14, 2012.
5. REQUEST that the City Attorney prepare and present an ordinance approving resolution of the Board of Transportation Commissioners, designated as Board Order No. 602, fixing rates and charges for non-ambulatory passenger vehicle service in the city of Los Angeles.

Fiscal Impact Statement: DOT reports that this action will not impact the General Fund. The rates and charges are those charged to customers. They do not affect the fees paid to the City for permitting non-ambulatory passenger vehicles.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Board of Transportation Commissioners dated June 14, 2012, DOT presents two new rate schedules for non-ambulatory passenger vehicle service in the city of Los Angeles. The first set of rates is a blend of methods used to determine service cost. The second is based on the Consumer Price Index for the transportation and medical care indices for the Los Angeles-Riverside-Orange Counties area. DOT believes the financial impact on city residents should be minimal because the vast majority of non-ambulatory passenger transportation users are those covered by MediCal, Medicare, County of Los Angeles contracts, and private insurance. The Board approved the CPI method for calculating the new rates.

At its meeting held July 25, 2012, the Transportation Committee discussed this matter with DOT staff. Councilmember Parks expressed concern regarding the proposed rate adjustments. The Councilmember felt that the use of the CPI was not consistent with Board policy of using CPI only in odd-numbered years. The rate increase does not fully take into account the economic hardships currently experienced by service recipients according to Mr. Parks. Councilmembers LaBonge and Huizar recommended that Council approve the proposed rate adjustment for non-ambulatory passenger vehicle service, based on the CPI, as recommended by the Board of Transportation Commissioners. Councilmember Parks voted "no."

Respectfully submitted,

TRANSPORTATION COMMITTEE

- NOT OFFICIAL UNTIL COUNCIL ACTS -

<u>MEMBER</u>	<u>VOTE</u>
ROSENDAHL:	ABSENT
KORETZ:	ABSENT
PARKS:	NO
LABONGE:	YES
HUIZAR:	YES

JAW
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