

0150-10491-0000

TRANSMITTAL

TO City Council	DATE OCT 15 2015	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT All	

**Department of Transportation
Proposed Twenty Year
Joint Exercise of Powers Agreement for the Management
and Operation of the Cal State University, Los Angeles Metrolink Station**

Transmitted for your consideration. See the
City Administrative Officer report attached.



MAYOR

MAS:IR:06160028

REPORT FROM

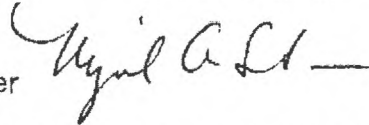
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: October 13, 2015

CAO File No. 0150-10491-0000
Council File No. -
Council District: All

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: City of Los Angeles Joint Powers Agreement (JPA) dated August 17, 2015; Mayor referral dated August 21, 2015

Subject: **DEPARTMENT OF TRANSPORTATION – JOINT POWERS AGREEMENT FOR THE MANAGEMENT AND OPERATION OF THE CALIFORNIA STATE UNIVERSITY, LOS ANGELES METROLINK STATION**

SUMMARY

The Department of Transportation (DOT) requests approval to execute a new Joint Exercise of Powers Agreement (JPA) on behalf of the City of Los Angeles, with the City of Alhambra, City of Monterey Park, County of Los Angeles, and the California State University Los Angeles (CSULA) for the continued management and operation of the CSULA Metrolink Station for a twenty year term from October 1, 2015 through June 30, 2036. The existing JPA expired on September 30, 2015. Funding for this purpose will be provided through the annual budget process by the Proposition A Local Transit Assistance Fund.

Background and Continued Scope of Work

The Cities of Los Angeles, Monterey Park, Alhambra, County of Los Angeles, and the CSULA entered into an JPA agreement in 1995 to support the management and operation of the Metrolink Station located at CSULA. The twenty year agreement has a sunset date of September 30, 2015 and the DOT has requested authority to renew the agreement. The JPA created a commission made up of representatives from the five member agencies to oversee the day-to-day management with the CSULA as the lead agency.

Overall the renewal JPA has remained the same from the original with minor modifications to the contribution amount, as indicated in DOT's report. However, this Office believes that the language must be more clearly defined relative to each agencies estimated annual expenditures so that all the parties are fully informed as to what the potential long term obligation could be over the twenty year term.

Specifically, based on previous JPA annual expenditures, the DOT's report indicates that the estimated annual City payment will be \$51,800. However, the proposed language in Section 11. Financial Contribution (Refer to Table 1) only provides a percentage amount and does not provide information relative to the annual operating budget and/or minimum base level expenditures which is standard language. The inclusion of this information relative to the anticipated fiscal impact in future years will be helpful in setting parameters over the term of the contract.

Financial Contribution (Table 1)

Agency	Original JPA	Renewal JPA
County of Los Angeles	25.0%	25.0%
Cal State LA	12.5%	17.5 %
City of Alhambra	25.0%	22.5%
City of Los Angeles	25.0%	22.5%
City of Monterey Park	12.5%	12.5%

In addition, the language in Section 11. Financial Contribution, advises that each Contracting Party shall not be obligated to pay more than \$125,000 under this agreement in any Fiscal Year provided that such amount be adjusted as of each July 1, to reflect the most recent published changes in the consumer price index during the prior 12 months for the Los Angeles-Long Beach SMSA, up to a maximum of five percent in any Fiscal Year. This language is also ambiguous and it is unclear what amount is subject to the CPI adjustments. This Office has communicated its concerns to DOT and DOT has been informed by CSULA's Counsel, that the amount subject to the CPI adjustment is the annual expenditure for each agency. It is recommended that DOT work with the Commission to replace the language in this section so that it is more definitive and less subject to interpretation.

The funds for this agreement will be provided on an annual basis by the Proposition A Local Transit Assistance Fund 385 under the Transit Facility Security and Maintenance Line Item. The current service provider for the maintenance and property management work for this facility is Shelter Clean Service, Inc. Sufficient funding is available within Account No 94M427 for this purpose and has already been authorized this fiscal year as part of the 2015-16 Adopted Budget.

RECOMMENDATIONS:

That the City Council, subject to Mayor approval:

1. Authorize the General Manager, Department of Transportation, to execute a retroactive new Joint Exercise of Powers Agreement with the cities of Alhambra, Monterey Park, the County of Los Angeles and Cal State University, Los Angeles for a twenty year term, from October 1, 2015 to June 30, 2036, subject to the City Attorney as to form;
2. Recommend that DOT work collaboratively with the Commission to modify the Joint Exercise of Powers Agreement to specify the amount which will be subject to the CPI adjustments and the minimum required base level funding which will be required each year by each of the contributing agencies;

3. Authorize the City to contribute annual payments not to exceed \$125,000 in any fiscal year for the maintenance and property management work for the Cal State Metrolink Station, which assumes any future adjustments based on the increases to the Consumer Price Index (CPI).

FISCAL IMPACT STATEMENT

The General Fund will not be impacted. The Proposition A Local Transit Assistance Fund will be used to support these services annually and will be provided as part of the budget process. The recommendations comply with City Financial Policies as on-going revenue is available to support this on-going expenditure.

MAS:IR:06160028

Attachments

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

2015 AUG 24 PM 4:36
CITY ADMINISTRATIVE OFFICE

Date: August 17, 2015

To: Honorable Eric Garcetti, Mayor
Attention: Mandy Morales, Legislative Coordinator

From: Seleta J. Reynolds, ^{sjr}General Manager
Department of Transportation

Subject: **JOINT EXERCISE OF POWERS AGREEMENT FOR THE CONTINUED
MANAGEMENT AND OPERATION OF THE CAL STATE UNIVERSITY, LOS
ANGELES METROLINK STATION**

OFFICE OF THE CLERK
2015 AUG 21 AM 11:07
CITY OF LOS ANGELES

SUMMARY

The Department of Transportation requests authority to execute a new Joint Exercise of Powers Agreement with the City of Alhambra, City of Monterey Park, County of Los Angeles, and Cal State University, Los Angeles (CSULA) for the continued management and operation of the CSULA Metrolink Station for a 20- year term through June 30, 2036.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

AUTHORIZE the General Manager, Department of Transportation, to execute a new Joint Exercise of Powers Agreement with the cities of Alhambra, Monterey Park, the County of Los Angeles and Cal State University, Los Angeles which obligates the City to provide financial support for the management and operation of the Cal State LA Metrolink Station, for a term of October 1, 2015 through June 30, 2036, with annual payments by the City of \$51,800, subject to adjustments based on the increases to the Consumer Price Index (CPI).

DISCUSSION

The existing 20-year Joint Exercise of Powers Agreement (JPA) between the cities of Alhambra, Monterey Park and Los Angeles, the County of Los Angeles and Cal State University, Los Angeles (CSULA), collectively known as the Cal State Los Angeles Metrolink Station Authority, for the ongoing management and operation of the Metrolink Station located on the campus of CSULA, expires on September 30, 2015 (See Attachment A).

Representatives of the member agencies met in the early part of 2015 to develop a new 20-year agreement (see Attachment B) which would continue to fund the management and operation of the CSULA Metrolink Station until June 30, 2036. In addition to forming a commission to oversee the daily service of the CSULA Metrolink Station, the JPA also receives financial contributions from each member agency. The City's share under the current agreement has been 25% of the total contributions, which equates to approximately \$56,000 per year.

Table 1 below illustrates the current and proposed percentages of financial contribution for each JPA-contracted agency. As shown, the new JPA stipulates that the City's share of financial contribution under the recommended new agreement will be reduced from 25% to 22.5%, which amounts to \$51,800 per annum, for the next 20 years.

Table 1. Percentage of Financial Contribution (1995-2015 and 2015-2036)

Contracting Agency	Share (1995-2015)	Share (2015-2036)
County of Los Angeles	25.0%	25.0%
Cal State LA	12.5%	17.5%
City of Alhambra	25.0%	22.5%
City of Los Angeles	25.0%	22.5%
City of Monterey Park	12.5%	12.5%

BACKGROUND

In September 1991, representatives from the Southern California Regional Rail Authority (SCRRA) and a consortium made up of the cities of Alhambra, Los Angeles, and Monterey Park, the County of Los Angeles and CSULA met to discuss the construction of a commuter rail station at CSULA to promote the use of public transportation by the university employees and students and alleviate regional traffic congestion. The proposed transit facility was to be built partly in the CSULA campus and partly in the California Department of Transportation (Caltrans) right-of-way of Interstate 10. A small portion of the land falls in the jurisdiction of the City's Council District 14.

In March 1992, a Memorandum of Understanding was executed between the three municipalities, Los Angeles County, CSULA, and the Los Angeles County Metropolitan Transportation Authority (now Metro) for the design and construction of the CSULA Metrolink Station on land owned in part by the Metro and in part by the University. On October 26, 1992, the CSULA Metrolink Station began operations on the San Bernardino Metrolink Line.

Immediately after the grand opening of the CSULA Metrolink Station in October 1992, Metro was responsible for the operation and management for the station. In February, 1995 Metro relinquished the day-to-day operation and management responsibility to CSULA and the original JPA was created to help CSULA manage and operate the Station.

On October 31, 1995, CSULA officially assumed the day-to-day operation and management of the Metrolink Station from Metro. To help fund the costs of managing and operating the Station, CSULA solicited financial support from adjacent municipalities: the cities of Alhambra, Los Angeles, Monterey Park, and the County of Los Angeles. These four municipalities, along with the CSULA, created a mutually acceptable 20-year Joint Exercise of Powers Agreement which has a sunset date of September 30, 2015.

The JPA created a commission made up of representatives from the five-member agencies to oversee the day-to-day management and operation of the Cal State LA Metrolink Station, with CSULA as the lead agency. The Commission meets quarterly to address issues relative

to management and operation of the Metrolink Station and approves costs incurred by the station. As the lead agency, CSULA has contracted the day-to-day service operations, through a competitive proposal process, to a private contractor with the consent by the commission. The current service provider selected to manage the CSULA Metrolink Station is Shelter Clean Service, inc., which is based in Sun Valley, California. Shelter Clean Services, Inc. is a professional transit facility management firm that provides maintenance and property management work for multiple transit agencies including LADOT for its bike path and transit facilities (e.g., Metrolink stations) in the City's San Fernando Valley region.

FINANCIAL IMPACT

Funding for the City's share of the costs for the management and operations of the CSULA Metrolink Station is part of LADOT's Annual Proposition A Local Transit Assistance (PALTA) Fund budget, under the name of Transit Facility Security and Maintenance line item. For the City's adopted Fiscal Year 2015-16 Budget, the Fund Number is 385 and the Account Number is 94M427. Therefore, there is no impact to the City's General Fund.

SJR:TC

Attachments

Attachment A: Joint Exercise of Powers Agreement for CSULA Metrolink Station (Existing 1995-2015)

Attachment B: Joint Exercise of Powers Agreement for CSULA Metrolink Station (New 2015-2036)