

TRANSPORTATION COMMITTEE REPORT relative to a proposed Joint Exercise of Powers Agreement (JPA) for the management and operation of the California State University, Los Angeles (CSULA) Los Angeles Metrolink Station.

Recommendations for Council action:

1. AUTHORIZE the General Manager, Los Angeles Department of Transportation (LADOT), to execute a retroactive new JPA with the Cities of Alhambra and Monterey Park, the County of Los Angeles, and CSULA for a term of 20 years from October 1, 2015 to June 30, 2036, subject to the City Attorney as to form.
2. INSTRUCT the LADOT to work collaboratively with the Cal State LA Metrolink Station Authority to modify the JPA to specify the amount which will be subject to Consumer Price Index (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 of Los Angeles to contribute annual payments not to exceed \$125,000 in any fiscal year for the maintenance and property management work for the Cal State LA Metrolink Station Authority which assumes any future adjustments based on the increases to the CPI.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that 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 above recommendations comply with the City Financial Policies as ongoing revenue is available to support the ongoing expenditure.

Community Impact Statement: None submitted.

Summary:

On October 28, 2015, your Committee considered an October 13, 2015 CAO report relative to a proposed JPA for the management and operation of the CSULA Los Angeles Metrolink Station for a term of 20 years from October 1, 2015 to June 30, 2036. According to the CAO, the Cities of Los Angeles, Monterey Park, and Alhambra, the County of Los Angeles, and CSULA entered into an JPA 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 LADOT has requested authority to renew the agreement.

The JPA created the Cal State LA Metrolink Station Authority, 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 LADOT'S report, attached to the CAO report. However, the CAO 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 LADOT indicates that the estimated annual City payment will be 351,800.

However, the proposed language in the proposed JPA (Section 11. Financial Contribution) 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.

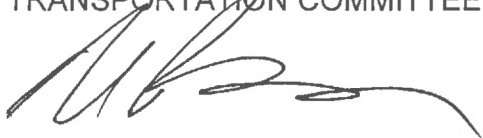
Additionally, the language in Section 11. Financial Contribution, advises that each Contracting Party shall not be obligated to pay more than \$125,000 under this agreement in any Fiscal Year (FY) provided that such amount be adjusted as of each July 1, to reflect the most recent published changes in the CPI during the prior 12 months for the Los Angeles-Long Beach SMSA, up to a maximum of five percent in any FY. This language is also ambiguous and it is unclear what amount is subject to the CPI adjustments.

The CAO then noted that it has communicated its concerns to the LADOT and the LADOT 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 the LADOT 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 FY 2015-16 Adopted Budget.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations as contained in the October 13, 2015 CAO report and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

TRANSPORTATION COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BONIN:	YES
KORETZ:	ABSENT
HUIZAR:	YES
MARTINEZ:	YES
RYU:	ABSENT

ARL
10/28/15

-NOT OFFICIAL UNTIL COUNCIL ACTS-