

# Agenda Report

January 13, 2014

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** City Manager

**SUBJECT: APPROPRIATE \$50,000 FROM THE UNAPPROPRIATED FUND BALANCE OF THE GENERAL FUND FOR FUNDING A MEMORANUDM OF UNDERSTANDING BETWEEN CITY MANAGERS OF THE CITIES OF GLENDALE, LA CANADA-FLINTRIDGE, SIERRA MADRE, SOUTH PASADENA AND PASADENA TO SHARE RESOURCES AND INFORMATION REGARDING ISSUES RELATED TO THE SR-710 NORTH STUDY**

## **RECOMMENDATION:**

It is recommended that the City Council appropriate \$50,000 from Unappropriated Fund Balance of the General Fund to budget account 101-141000 (City Manager's Office) which represents the City's pro-rata share for participating with the Cities of Glendale, La Cañada-Flintridge, Sierra Madre, and South Pasadena, to provide resources and information regarding issues related to the SR-710 North Study.

## **BACKGROUND:**

On February 11, 2013, City Council directed staff to seek collaboration with the neighboring cities in the SR 710 corridor to monitor, comment, and possibly engage in independent studies to ensure the full and accurate assessment of impacts related to the proposed SR 710 project alternatives. Since that time staff from the five cities of Glendale, La Cañada-Flintridge, Sierra Madre, South Pasadena and Pasadena have been meeting to discuss opportunities to combine resources, information and knowledge regarding the current Environmental Impact Report/Environmental Impact Study (EIR/EIS) underway by Metro and Caltrans related to the proposed SR-710 Tunnel Project. The proposed Project would connect the southern terminus of the SR-710 in Alhambra to the northern terminus in Pasadena. Each of the five cities has expressed shared concerns regarding the potential impacts of the proposed Project upon their respective communities and each are willing to pool resources in order to

save costs in evaluating and assessing the tremendous amount of information that will be included in the Draft EIR/EIS.

The creation of the "5-Cities Alliance" is solely for the purpose of analyzing, evaluating and assessing the data, through hired technical experts once the Draft EIR/EIS is released in Spring 2014. At this point, the cities do not contemplate using the Alliance for purposes of advocating a particular position regarding the proposed Project, merely to analyze the data. However, it is foreseeable that the Alliance may, at some future point, be the catalyst for an advocacy group taking a particular position regarding the options currently under study through the EIR/EIS.

The City Managers met recently and finalized the attached MOU. In addition, a "Funding Plan" was created based on estimates of needed consultants and experts to review various elements of the Draft EIR/EIS. The estimated total cost to bring on the consultants will not exceed \$250,000. The MOU calls for an equal share of the costs among the five participating cities. Therefore, the City's estimated contribution would be \$50,000. Any unused funds would be returned to the City should the total amount incurred be less. The City of South Pasadena has agreed to act as the "Fiduciary Agent" of the Alliance and will administer the consultant agreements and manage the Alliance's expenditures.

At this time the Alliance has determined that we should begin identifying the following consultants for future review of the Draft EIR/EIS:

- Transportation Consultant
- Air Quality Consultant
- Legal/CEQA Consultant
- Soils Geology/Seismologist
- Safety/Security Consultant

**COUNCIL POLICY CONSIDERATION:**

The proposed "5-City Alliance" MOU supports the four major objectives of the Mobility Element:

- Promote a livable community
- Encourage non-auto travel
- Protect neighborhoods by discouraging traffic from intruding into neighborhoods
- Manage multimodal corridors to promote and improve citywide transportation services

**ENVIRONMENTAL ANALYSIS:**

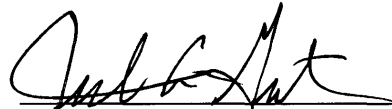
This action is exempt from CEQA per section 15061 (b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not

have a significant effect on the environment. The proposed action will not result in any new development or physical changes.


**FISCAL IMPACT:**

Each of the five cities has agreed to contribute \$50,000 towards the retention of consultants who will be available to review the Draft EIR/EIS on behalf of the Alliance. The City will allocate \$50,000 from the unappropriated fund balance of the General Fund to Account # 8114-101-141000 (Other Contract Services in City Manager's Office) to pay Pasadena's share. Staff anticipated as part of the FY 2014 adopted General Fund budget that there would be minimal fund balance available for small request such as this one. In the future if it is determined that additional funds are necessary, staff will return to City Council for appropriation.

Respectfully submitted,

  
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JULIE A. GUTIERREZ  
Assistant City Manager

Prepared by:

  
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Mark Yamarone  
Transportation Administrator

Approved by:

  
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MICHAEL J. BECK  
City Manager

Attachment: Memorandum of Understanding Between the Cities of Glendale, La Cañada-Flintridge, Pasadena, Sierra Madre and South Pasadena to Share Resources and Information Regarding Issues Related to the SR-710 Freeway North Study Through the Creation of a "5-Cities Alliance.

A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITIES OF  
GLENDALE, LA CAÑADA FLINTRIDGE, PASADENA, SIERRA MADRE AND SOUTH PASADENA  
TO SHARE RESOURCES AND INFORMATION REGARDING ISSUES RELATED TO THE  
SR-710 FREEWAY (NORTH STUDY) THROUGH THE CREATION OF A "5-CITIES ALLIANCE"

WHEREAS, the State of California Department of Transportation (Caltrans) and Los Angeles Metropolitan Transportation Authority (Metro), (collectively referred to herein as the "Regional Agencies") are working cooperatively to study the extension of the SR-710 freeway from its current terminus to a northern connection point, likely in the City of Pasadena; and,

WHEREAS, the cities of Glendale, La Cañada Flintridge, Pasadena, Sierra Madre and South Pasadena (collectively referred to as the "Cities" or the "5-Cities Alliance" and sometimes individually referred to respectively as "Member City") share mutual concerns regarding the potential future impacts to their respective communities arising out of the construction and implementation of any SR-710 Study (referred to herein as the "SR-710 Freeway (North Study)" or "Study") results; and,

WHEREAS, the Cities desire to work jointly and collaboratively to share monetary, staffing, and other resources in commissioning the collection of data and analyses in furtherance of their understanding of the impacts of any proposed project arising from the Study and, as such, desire to formalize their relationship through the creation of an "Alliance" or "5-Cities Alliance" to coordinate their activities; and,

WHEREAS, nothing in this MOU should be construed as creating a Joint Powers Agreement or Joint Powers Agency as would otherwise be authorized under California Government Code §§ 6500 as the Parties do not intend such a relationship;

NOW, THEREFORE, the Parties hereto agree as follows:

1. CREATION OF THE "5-CITIES ALLIANCE" – There is hereby created a "5-Cities Alliance" or "Alliance" established for the purpose of combining resources (financial, staffing and other in-kind) in order to develop and implement a strategy or approach for securing, obtaining and/or commissioning studies, data collection, information gathering, scientific analyses, peer review, etc. related to understanding the actual impacts on the Member Cities' respective communities that would result from implementation of the SR-710 (North Study) determinations, including, but not limited to, evaluating and critiquing information and data collected and presented by the Regional Agencies.
2. MANAGEMENT OF OPERATIONS – The City Managers (or their designees) from each Member City shall be authorized to consider and direct, by majority consensus, the use of resources that are available to the Alliance regarding matters consistent with the functions and purposes indicated in the recitals herein. In addition, the City Managers (or their designees) shall be authorized to establish policies and procedures with respect to the ongoing operations and management of the Alliance. The City Managers (or their designees) may jointly formulate or draw conclusions from the data and information collected, gathered and/or analyzed or formulate a response to the policies or actions adopted or undertaken by the Regional Agencies or other entities regarding the proposed SR-710 Freeway (North Study).

- a. VOTING – Each City Manager (or his/her designee) shall have one (1) vote on matters within the Alliance’s subject matter jurisdiction. A majority consensus shall be necessary to effectuate any policy, position or decision of the Alliance.
  - b. FIDUCIARY AGENT – The City of South Pasadena shall act as the “Fiduciary Agent” of the Alliance. The Fiduciary Agent will hold the financial contributions of the Member Cities and shall be responsible for their management and safekeeping. Said contributions shall be held in trust and shall be accounted for on an apportioned basis such that, at any time, it can be readily determined the balance of each Member Cities’ contribution. The Fiduciary Agent shall collect monies of the Alliance and shall pay expenses of the Alliance and shall report regularly as to the status of the Alliance’s financial position. The financial, investment and purchasing policies of the Fiduciary Agent shall be the financial, investment and purchasing policies of the Alliance.
3. CONTRIBUTIONS – Each Member City shall annually deposit with the Fiduciary Agent an amount to be determined by the Alliance. Such amount shall be based upon the Alliance’s adoption of a Funding Plan to be presented to each respective Member City with total estimated costs for the ensuing fiscal year and the allocation of such costs apportioned to each Member City on the following basis: an equal proportionate share of the total estimated costs to be incurred by the Alliance.
  4. CONSULTANT WORK - The Alliance may, from time-to-time, enlist the work of independent contractors, consultants, attorneys, engineers and other professionals to conduct studies, reviews, analyses and/or data collection in furtherance of the purposes as set forth in the recitals herein. Such consultant(s) shall not be employees of the Alliance nor of any Member City but shall be engaged by the Fiduciary Agent on behalf of the Alliance. The consultant(s) shall provide indemnification, hold harmless and additional insured coverage in the manner and amounts as set forth by the Alliance naming each respective Member City.
  5. INDEMNIFICATION – Each Party to this MOU agrees to indemnify and hold harmless each and all of the remaining Parties to this MOU, their officers, agents, and employees, from any and all claims, demands, actions, causes of action, damages or liability (including attorneys’ fees and court costs) for injury to or death of persons, or for damage to property resulting from or arising out of any act and/or omission by it, its officers, agents or employees in the performance of this MOU. Responsibility for the handling, processing and defense of general public liability claims, contract disputes, complaints or lawsuits shall inure to the Party or Parties named. Nothing herein shall preclude the Parties from entering into separate joint defense agreements or assumption of liability agreements.
  6. NEW MEMBER ENTRY – Any public agency whose governing body adopts a Resolution either opposing or expressing concerns regarding the potential impacts that could arise out of the determinations from the SR-710 Freeway (North Study) while calling upon and urging the Regional Agencies to conduct a complete analysis of SR-710 Freeway (North Study) alternatives, may petition for membership in the Alliance. Membership shall require unanimous approval of the existing Member Cities as well as a deposit of funds with the Fiduciary Agent of a proportionate amount based on a recalculation of the current fiscal year’s Funding Plan (using the formula provided herein) taking into consideration all ensuing, continuing or future projects. Costs for completed projects shall not be included.

7. **TERMINATION OF MOU / WITHDRAWAL FROM ALLIANCE** – Any Member City may terminate this MOU and withdraw from the Alliance upon the giving of thirty (30) days written notice in advance of the date of withdrawal to the Alliance’s Fiduciary Agent or, alternatively, all of the remaining Parties’ authorized representatives. Upon withdrawal, the Member City’s deposited funds shall be returned to the Member City to the extent that they are contractually uncommitted, unencumbered and available for refund as of the effective date of withdrawal.
8. **DISSOLUTION** – Upon completion of the purposes of this MOU, or as determined by all of the remaining Member Cities, at any time, this MOU may be terminated and the Alliance dissolved. Upon dissolution, any remaining uncommitted, unencumbered and available funds of the Alliance held by the Fiduciary Agent shall be returned to each Member City in proportion to the contributions made.
9. **NOTICE TO PARTIES (AUTHORIZED REPRESENTATIVES)** – Notices given pursuant to the requirements of this MOU shall be by personal service upon the Party to be notified by writing upon such notice being deposited into the custody of the United States Postal Service addressed as follows:

City of Glendale City Manager 613 E. Broadway Ave. Glendale, CA 91206	City of La Cañada Flintridge City Manager 1327 Foothill Blvd. La Cañada Flintridge, CA 91011	City of Pasadena City Manager 100 N. Garfield Ave. Pasadena, CA 91109
City of Sierra Madre City Manager 232 W. Sierra Madre Blvd. Sierra Madre, CA 91024	City of South Pasadena City Manager 1414 Mission St. South Pasadena, CA 91030	

10. **AMENDMENTS** – This MOU may be amended upon unanimous action by each respective Member City’s city manager.
11. **BY LAWS** - The Alliance may adopt Bylaws or Policies & Procedures governing its operations provided that they are not in conflict with any provision of this MOU.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by their duly authorized representatives:

CITY OF GLENDALE:	_____	_____
	Scott Ochoa, City Manager	Date
CITY OF LA CAÑADA FLINTRIDGE:	_____	_____
	Mark R. Alexander, City Manager	Date
CITY OF PASADENA:	_____	_____
	Michael Beck, City Manager	Date
CITY OF SIERRA MADRE:	_____	_____
	Elaine Aguilar, City Manager	Date
CITY OF SOUTH PASADENA:	_____	_____
	Sergio Gonzalez, City Manager	Date