

Agenda Report

January 23, 2017

TO: Honorable Mayor and City Council
FROM: DEPARTMENT OF HUMAN RESOURCES
SUBJECT: **AUTHORIZE INCREASE TO PURCHASE ORDER CONTRACT WITH LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BY \$60,000 FOR A TOTAL AMOUNT NOT-TO-EXCEED \$160,000 FOR THE PURCHASE OF ANNUAL AND MONTHLY TRANSIT PASSES FOR CITY EMPLOYEES PARTICIPATING IN THE CITY'S EMPLOYEE TRIP REDUCTION PROGRAM**

RECOMMENDATION:

It is recommended that the City Council

- 1 Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3),
- 2 Authorize an increase to purchase order contract 1170151, with Los Angeles County Metropolitan Transportation Authority (LACMTA) by \$60,000, for a new amount not to exceed \$160,000 for the purchase of annual and monthly transit passes
Competitive bidding is not required pursuant to City Charter Section 1002 (C) contracts for labor, materials, supplies or services available from only one vendor

BACKGROUND:

On September 12, 2011, City Council authorized the issuance of a purchase order to LACMTA in an amount not to exceed \$100,000 annually for the purchase of annual transit passes for City employees participating in the City's Employee Trip Reduction Program. Approval was based on an exemption from the competitive bidding process for contracts for labor, materials, supplies or services available from only one vendor.

Participation in the City's Trip Reduction Program has increased dramatically with the introduction of the Gold Line Extension in March 2016. Since then, transit ridership has increased by 88%, with 302 employees currently receiving a \$50 monthly subsidy to commute on public transit. The average monthly cost of providing transit passes in FY15 and FY16 was \$6,425 and \$7,791 respectively. During the first six months of

FY17 the average monthly cost to provide transit passes to employees was \$12,699. As a result of increased employee participation, seventy-five percent of the \$100,000 purchase order has been depleted in the first six months of this fiscal year. Human Resources is requesting authorization to increase the purchase order contract with LACMTA by \$60,000 for a total not-to-exceed amount of \$160,000.


ENVIRONMENTAL ANALYSIS:

The purchase of annual and monthly transit passes 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 as they are required annual filings of information and reporting only.

FISCAL IMPACT:

The fiscal impact to the City as a result of this action is \$60,000, paid from the AQMD fund (2016). The resources to increase the purchase order already exist within the adopted Fiscal Year 2017 operating budget.

Respectfully submitted,


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Approved by


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