

Agenda Report

TO: CITY COUNCIL

DATE: APRIL 18, 2005

FROM: MAYOR BILL BOGAARD

SUBJECT: GOLD LINE PHASE II GOVERNANCE: ADOPTION OF A RESOLUTION RELATING TO BOTH PROPOSED LEGISLATION INCREASING THE CONSTRUCTION AUTHORITY BOARD TO SEVEN, AND TO A NON-LEGISLATIVE CHANGE IN THE EXISTING COMPOSITION OF THE CONSTRUCTION AUTHORITY; AND CLARIFICATION OF TIMING OF TRANSITION IN PASADENA REPRESENTATION ON THE CONSTRUCTION AUTHORITY.

RECOMMENDATION

It is recommended that (i) the City Council adopt a resolution supporting proposed legislation to increase the membership on the Construction Authority Board from five to seven persons and approving a non-legislative modification of the existing composition of Construction Authority, which would take effect in the near future; and that (ii) the Council clarify, in consultation with Councilmember Paul Little, the timing of a transition in Pasadena representation on the Construction Authority.

BACKGROUND

Pasadena continues actively to support extension of the Gold Line light rail system from its current terminus at Sierra Madre Station to the City of Montclair, based on the belief that the full benefits of the Gold Line to Pasadena cannot be achieved without extending the system eastward into the San Gabriel Valley. Extension of the project through the San Gabriel Valley has been contemplated from the beginning.

For over two years, a question has been pending—and vigorously debated—how to accommodate the request of the ten cities involved in Phase II ("Phase II cities") to participate in the overall direction or governance of the Gold Line extension. It is in the best interests of both the project and Pasadena, as well as in the best interests of the Phase II cities, to resolve this question as soon as possible.

Among the elements of the project that require early and effective action to move it forward, the pursuit of funding from Congress is clearly the most critical. Representatives David Dreier and Adam Schiff—whose role in the funding process and in advocating for this project in Washington is critical—called upon Pasadena to make a proposal that will resolve the governance issue.

In sorting through various alternatives for a governance solution, I have found it extremely difficult to arrive at one that is acceptable to all parties, which include the Phase II cities, the Cities of Los Angeles, Pasadena and South Pasadena, and the Metropolitan Transportation Authority (“MTA”). These parties are all stakeholders, and it is important that the governance structure accord all of them some reasonable means of participation.

In this regard, it seems obvious that the governance structure must reflect the significant role of the MTA in getting the Phase II extension funded, built and operating. We need the Agency’s cooperation in advocating for federal funding authorization, in serving as fiscal agent for that funding along the lines that the Construction Authority Board has recommended, and in committing to operate the extension.

Current Status of the Project

Notwithstanding the debate over governance, it is reassuring to me that steady progress on Phase II is being made under the direction of the Construction Authority, with preliminary engineering and environmental studies underway, a project definition report approved, and a work plan and a time schedule in place. Further, Mr. Dreier’s staff recently confirmed that the project has the full attention of the Federal Transit Agency, which is accommodating its requirements for transit projects to the current status of Phase II. There are many challenges, but I believe the project is promising and moving forward.

As this work proceeds, in recent times a governance arrangement has been coming into focus that seems to provide for reasonable participation of all stakeholders. The Construction Authority is communicating regularly with the Phase II Joint Powers Authority and the Phase II Technical Advisory Committee. The staff of the Construction Authority is providing assistance to the other bodies, and the Chair and the Vice Chair of the JPA serve as ex-officio members of the Construction Authority (without the right to vote), attending Board meetings and participating in the discussions and deliberations.

At the same time, the San Gabriel Valley Council of Governments, which was the only vehicle for San Gabriel Valley participation during Phase I of the project, has stepped back from a direct role in regard to Phase II. This movement is an appropriate development, which allows the cities directly involved in the project to have exclusive responsibility in the San Gabriel Valley.

Legislative Approach

Everyone is aware, I believe, that a previous attempt to give the San Gabriel Valley this governance opportunity through legislation failed in the 2004 legislative session. But a legislative solution proposed by the Construction Authority a few months ago seems possible to succeed. This proposal would expand the Construction Authority Board membership from five to seven members and grant the Phase II cities the opportunity to choose three members. Under this approach, the Construction Authority Board position which the San Gabriel Valley COG currently has the right to appoint would become subject to appointment in the same manner as the two new positions.

Assemblymember Carol Liu, who carried legislation last year, has expressed a willingness to carry a bill again this year if a proposal gains substantial support among Phase II stakeholders.

Various procedures could be considered for making appointments to the modified Construction Authority, but the one I prefer would give to the Phase II JPA responsibility to designate three persons from its membership—presumably the Chair, the Vice Chair and another person—who would serve as members of the Construction Authority, at the pleasure of the JPA. Among other things, this would reinforce the JPA's critical role in Phase II.

In any event, it would be important to emphasize at the outset that Pasadena would oppose any legislation which includes provisions that disadvantage the Phase II project in any way, or create that likelihood.

Legislation along these lines would confirm the central role of the Construction Authority in completing the project to Montclair while providing for governance participation on the part of the Phase II cities and the other stakeholders.

Interim Non-Legislative Step

Since nearly two years have passed while efforts were made to resolve the governance question, there is an understandable desire—in fact, an insistence—on the part of the Phase II cities for the opportunity to engage in governance as soon as possible, certainly sooner than the time required to obtain legislation in Sacramento. This has led to the discussion of the so-called "cluster concept", and various modifications thereof, which could be put into effect in the near future.

After considerable thought and discussion, my preference for designating representatives to serve on the Construction Authority under a non-legislative approach would operate similar to the proposed legislation. The Phase II JPA would identify three of its members, who would then be appointed respectively by Pasadena, South Pasadena and the SGVCOG. The JPA is an existing structure and its central role in Phase II would be emphasized by placing this nominating responsibility with it. The SGVCOG would have no role in selecting Construction Authority members.

In making this proposal, I have two additional thoughts which seem important in the determination of how to proceed.

First, I believe it would be reasonable for each of Pasadena and South Pasadena to request that a member of their Council be named to serve on the Board of the Construction Authority ex officio (without the right to vote). The effect of this would be to maintain the continuity of participation by these two cities and resemble the Board composition that now exists as well as that which is proposed under the new legislation.

Second, the JPA's organization has not been finalized pending resolution of the governance issue. As part of this development of a satisfactory governance arrangement, it seems appropriate that the JPA be restructured to limit membership to the 10 cities that are part of the Phase II project.

In light of the effort to obtain a legislative resolution of the governance issue, the interim non-legislative arrangement would be made for a period of one year, at which time the legislation would be in effect or the interim arrangement would be reviewed.

Pasadena Representation on Construction Authority Board

Our colleague, Paul Little, having served on the Construction Authority since its inception six years ago, has indicated his intention to step down upon the completion of Phase I. A milestone was reached in regard to Phase I when the system was transferred to the MTA for operation of the system in July, 2003. Since then, the Construction Authority has been pursuing various end-of-project matters regarding Phase I. These matters appear to be nearing completion (see Monthly Project Progress Report for Phase I, attached as Attachment 1).

It should be stated that the Council, the community and the region owe Paul a huge debt of gratitude for his effective leadership and his successful work in moving Phase I to completion on time and under budget. I trust that the significance of his achievement is recognized by us all.

At the same time, I think all of us, including Paul, realize that an early transition in Pasadena representation on the Construction Authority might play a helpful role in the resolution of governance issues. Accordingly, it will be helpful when Paul conveys to us a specific date by which he intends to step down. This clarification seems likely to contribute to the acceptance by Phase II cities of actions that might be taken to offer them a direct role in Phase II governance.

CONCLUSION

In conclusion, I am recommending that the Council (i) adopt a resolution which proposes both a legislative and a non-legislative change in governance which gives the Phase II cities a direct role in the administration of the project; and (ii) clarify, in consultation with Paul Little, the timing of a transition in Pasadena representation on the Construction Authority.

FISCAL IMPACT

There is no cost to the City from the actions recommended herein, although incidental expenses might be incurred in connection with ongoing activities by Councilmembers and City staff to pursue the approaches set forth in the resolution.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bill Bogaard", written over a horizontal line.

BILL BOGAARD

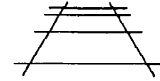
Mayor

**METRO GOLD LINE FOOTHILL EXTENSION
CONSTRUCTION AUTHORITY**

Monthly Project Progress Report

Period Ending – February 28, 2005

**METRO GOLD LINE FOOTHILL
EXTENSION CONSTRUCTION AUTHORITY
Monthly Foothill Extension Project Status Report
Period Ending – February 28, 2005**



PHASE I PROJECT STATUS

Construction Punch List

The Contractor has completed the punch list developed at Substantial Completion.

Of the open 20 Caltrans punch list items, eight are considered by the Authority as closed. The status of the remaining 12 are as follows:

- a. Five pertain to the I-210 Drainage Issue
- b. Three are pre-existing condition issues from the '96 Retrofit Work and are considered by the Authority to be the responsibility of MTA.
- c. Two are for the removal of the TPSS shoring
- d. One pertains to the submittal of the As-Builts
- e. One pertains to the repairs for the I-210 Standpipe

Contract Administration

The current contract value is \$302,386, 368.78. There are two outstanding change orders and no potential dispute items.

- a. Sound Wall Design \$25,000 - ROM
- b. Gate Bell Silencing \$22,500

Contract Document Submittals

As-Builts

The Contractor has completed a thorough re-work on each of the 52 As-Built packages (5,245 drawings). The Caltrans Pre-Final Package was submitted January 28, 2005 and is being reviewed. The City of South Pasadena & the City of Pasadena have received their Final Packages. MTA & the City of Los Angeles Final Packages are being checked by the Authority and will be distributed by March 11th.

Craig & Titley TPSS Shoring

The Contractor has developed a presentation for Caltrans. They anticipate meeting with Caltrans to resolve this issue in March 2005.

I-210 Standpipe

The Contractor submitted three repair procedures on January 25, 2005 for the outstanding work. These procedures are currently being reviewed by Caltrans. Work will be coordinated once approval is obtained. The permit will be submitted to Caltrans once the work is complete.



PHASE I PROJECT STATUS

Third Parties

Betterments

The Contractor has procured & tested the four traction power substations for the MTA. Delivery is scheduled for March 2005.

Warranty Work (2 Year Period)

Of the 26 ADA issues, only two remain outstanding and should be completed by the end of March 2005.

The Contractor is proceeding with the accepted French Avenue Artwork repair and scheduled for completion in March.

The Contractor is coordinating the adjustments for the OCS Counter Weight issue with MTA for completion by the end of March 2005.

General warranty work is on going and will continue through April 2006.

Property Transfers

Staff is continuing to work with Third Parties to complete the transfer of Phase I property. Of the 212 parcels, 98 have been finalized, 69 are under review by MTA, Caltrans, or the City of Los Angeles. LA should complete the review on the parcels currently with them by May 2005. Staff will transfer 12 parcels to the City of Pasadena and 9 parcels to the City of South Pasadena by March 2005.

Work Authorizations

Staff is working to finalize Work Authorization issues with Caltrans.

MCI to complete their remaining tie-in work and submit final bill.

The Work Authorization for the work at Avenue 61 by the City of LA has been executed and the work was completed in February.

Maintenance Agreements

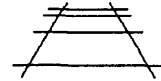
The maintenance agreement, for the interface along the I-210 between MTA and Caltrans, is with Caltrans for re-drafting. The maintenance agreement, for the interface at Chinatown and Avenue 57 Station between MTA and the City of LA, is in negotiations.

Project Wide

The Authority has procured replacement bells for all crossings along South Pasadena per the CPUC order. Once installed and tested, the Authority will procure bells of the same design for the entire Gold Line. MTA has agreed to perform the installation of the bells.

The Contractor has completed the Pre-Final Design for the Sound Walls in Los Angeles and South Pasadena. The Final Design/Construction work will be performed under a proposed Sole Source Contract with Kiewit beginning in the spring of 2005.

**METRO GOLD LINE FOOTHILL
EXTENSION CONSTRUCTION AUTHORITY
Monthly Foothill Extension Project Status Report
Period Ending – February 28, 2005**



PHASE I PROJECT STATUS

City of Los Angeles

The Board approved the Funding and the Report recommending window replacements along Marmion Way to address the issues raised in the Amendment to the Los Angeles & Pasadena Noise Study. Los Angeles has declined taking the lead with implementation. The Authority has developed an implementation plan and is considering a proposed Sole Source Contract with the previous Contractor for window replacement.

City of South Pasadena

CPUC has approved mitigation measures identified as part of the settlement agreement with South Pasadena. During the week of March 7th, the bells will be silenced once the gates are in the horizontal position at Pasadena/Monterey and at Mission St./Meridian Avenue. In April, all bells will be replaced to meet CPUC's noise mitigation requirements with shrouds installed. Authority Design modifications to the Gates at Mission & Meridian Avenue and Glendon Way are being reviewed by CPUC, MTA, and South Pasadena.

MTA

The Authority has completed the agreed upon initial scaling of the slope adjacent to the Gold Line Maintenance Facility. Kiewit/Washington completed this work in February 2005.

The Contractor submitted a design for the rain shield in the Colorado & Figueroa Boxes; currently, they are revising the design per MTA's comments. Once completed, the design will be approved and the Contractor shall supply the materials to MTA for the installation.

Del Mar Translt Parking Structure

Del Mar Station, LLC sold the development to Archstone-Smith Operating Trust. Work is progressing on the Joint Developer's commercial and residential facilities. Residential is expected to open in May 2005 and Commercial is expected to open in September 2005.

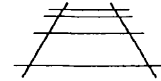
Contract Administration

The current contract value is \$11,016,078.50. Final Payment will be made with Substantial Completion of the joint development in 2005.

Fillmore

The Joint Developer has completed his office building redesign and parking structure plans and has obtained appropriate financing of the revised development. Construction should begin shortly with completion still estimated for the fall of 2005.

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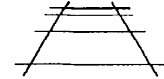
PHASE I PROJECT STATUS

Budget Status

On September 22, 2004 the Board adopted Project Financial Plan (Revision-10) with a budget of \$460.6 million, and a project reserve of \$35.4 million.

The Financial Status summary on the following page shows a distribution of the Project Financial Plan Revision-10 based on Project Tasks. In addition, Current Obligations and Current Expenditures are presented for comparison on the following page. The cumulative actual expenditures through February 28, 2005 was \$429.5 million.

**METRO GOLD LINE FOOTHILL
EXTENSION CONSTRUCTION AUTHORITY
Monthly Foothill Extension Project Status Report
Period Ending – February 28, 2005**



FINANCIAL STATUS

**Project Operating Budget Summary in Millions of Dollars
February 28, 2005**

	(a) Current Budget	(b) Current Obligation	(c) Current Expenditures	(d=a-b) Current Available Balance
EXPENSES				
Program Management and Administration	55.8	55.5	54.0	0.3
Master Cooperative Agreements	7.7	6.5	5.8	1.2
Real Estate	7.2	7.2	6.9	-
Utility Relocation	9.7	9.7	7.2	-
Hazardous and Environmental	3.8	3.8	3.5	-
Special Programs	5.3	5.3	4.9	-
Procurement	2.8	2.8	2.7	-
Construction	331.2	331.0	323.9	0.2
Testing and Start-up	1.7	1.7	1.1	-
Subtotal	425.2	423.5	410.0	1.7
Project Reserve	35.4	24.6	19.5	10.8
Total Project	460.6	448.1	429.5	12.5

	(a) Current Budget	(b) Funding Committed to Project	(c=a-b) Uncommitted Funds	(d) Revenues Received
FINANCIAL PLAN				
CTC-SHA	278.0	278.0	-	278.0
MTA	80.1	80.1	-	80.1
TCRP	40.0	40.0	-	40.0
Transit Improvement Grant	0.5	0.5	-	0.5
Pasadena Transportation Center	6.6	6.6	-	6.6
Other	55.4	55.4	-	53.3
Total Revenues	460.6	460.6	-	458.5