

Agenda Report

July 16, 2018

TO: Honorable Mayor and City Council

FROM: Department of Transportation

SUBJECT: AUTHORIZE CITY MANAGER TO EXECUTE RECURRING SERVICE AGREEMENT WITH COUNTY OF LOS ANGELES FOR DIAL-A-RIDE SERVICES TO RESIDENTS IN THE UNINCORPORATED AREAS OF ALTADENA, KINNELOA, CHAPMAN WOODS, AND EAST SAN GABRIEL IN FISCAL YEAR 2019 THROUGH FISCAL YEAR 2021

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the Agreement is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b) (3);
2. Authorize the City Manager to enter into an Agreement with the County of Los Angeles (County) for the City of Pasadena (City) to provide Dial-A-Ride services to residents in the unincorporated areas of Altadena, Kinneloa, Chapman Woods, and East San Gabriel, for the period July 1, 2018 to June 30, 2021. The County will provide service reimbursements in an amount not to exceed \$910,000. Neither Competitive Bidding or Competitive Selection are required pursuant to City Charter Section 1002(H) and Pasadena Municipal Code Section 4.08.049 (A)(3), contracts with other governmental agencies.

BACKGROUND:

In 1989 the City of Pasadena entered into an agreement with the County of Los Angeles for the provision of Dial-A-Ride service to unincorporated area residents. Per this agreement, the City is reimbursed the full direct cost to operate these services for the County. In addition, having this agreement with the County enabled Pasadena to qualify for the Los Angeles County Metropolitan Transportation Authority (Metro) Prop A Discretionary Incentive Grant Program for Sub-Regional Paratransit Services that provides additional revenue to support the Dial-A-Ride program. As part of its agreement with Metro for these Incentive funds, the City also has a separate agreement with the City of San Marino to provide Dial-A-Ride services to San Marino residents. With the three agencies working together under separate agreements, the City qualifies for this special grant

funding. Under this program, Metro provides funds to be used to offset operating and administrative costs for the Dial-A-Ride program; the City will be receiving \$400,592 in Incentive funds in Fiscal Year 2019.

The current service agreement with the County expired June 30, 2018. The proposed service agreement will enable the City to continue to provide Dial-A-Ride services through Fiscal Year 2021 to County residents who live in the unincorporated areas of Altadena, Kinneloa, Chapman Woods and East San Gabriel. The City will continue to retain responsibility for all program activities and be compensated by the County for the actual net cost of each ride after Metro's incentive program revenues and the cash fares collected are applied. The County's share of Dial-A-Ride ridership has been approximately 13 percent of the total ridership. It is anticipated that the net costs for the Dial-A-Ride services will be less than \$300,000 annually.

Execution of the Agreement will enable the City to invoice the County for all services rendered during the contract period. Under this three-year contract, the County will reimburse the City for the cost of service to County residents up to a maximum of \$300,000 annually in Fiscal Years 2019 and 2020, and \$310,000 for Fiscal Year 2021, for a total cost over three years of up to \$910,000. While annual reimbursement has been below \$300,000 each year per the last three-year contract, the County has retained the \$300,000 maximum annual amount in their budget to allow for potential increase in Dial-A-Ride ridership. In Fiscal Year 2017, total year-end revenues of \$162,313 was received from the County as reimbursement for Dial-A-Ride services.

Per the Fiscal Year 2019 Adopted Budget for the Dial-A-Ride Program, the direct costs to operate Dial-A-Ride is \$1,787,532; the Fiscal Year 2019 revenue from the Metro Incentive Program will be \$400,592 and revenue from fares is projected at \$47,000. Not including the County's reimbursement, the net program cost will be \$1,340,940. The net cost of the Dial-A-Ride Program is funded through Proposition A Local Return Sales Tax, Fund 208.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the following goals of the Strategic Plan: Maintain Fiscal Responsibility and Stability – the proposed Agreement will enable the City to receive funds for the Dial-A-Ride program from Metro under the Incentive Program.

ENVIRONMENTAL ANALYSIS:

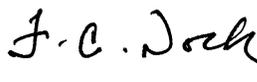
The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) and is exempt per Section 15061 (b) (3). The project is covered by the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. The proposed project is the continuation of an existing agreement for Dial-A-Ride services and will not result in a significant effect on the environment.

FISCAL IMPACT:

The approval of this Agreement is a financial benefit to the City due to the net revenue the City will receive. This action will allow the City to continue to receive Dial-A-Ride service reimbursements from the County for service to the unincorporated areas of Altadena, Kinneloa, Chapman Woods, and East San Gabriel as well as additional annual funding of approximately \$400,000 from the Metro Incentive Program for the next three fiscal years. The County will provide service reimbursements of up to \$300,000 annually in Fiscal Years 2019 and 2020, and \$310,000 in Fiscal Year 2021. The program's Fiscal Year 2019 Adopted Budget includes \$162,313 (based on Fiscal Year 2017 year-end actuals) in estimated service reimbursements revenue that this Agreement will generate in account 20824034-702100. No additional budget appropriation is required from this action.

If this action is not approved by Council, the City will be unable to participate in the Metro incentive Grant Program for Sub-Regional Paratransit Services and will be ineligible to receive the annual revenue of approximately \$400,000 from the Metro Incentive Grant Funding Program in support of Dial-A-Ride Services.

Respectfully submitted,

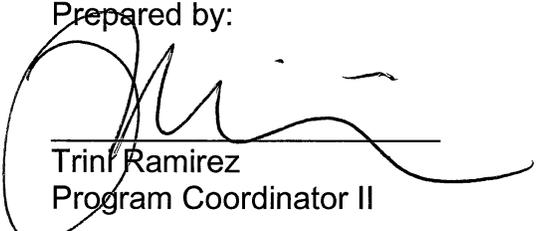


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Director

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Approved by:



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