



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

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May 8, 2003

IN REPLY PLEASE  
REFER TO FILE: PD-5

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**BUS PASS SUBSIDY PROGRAM WITH THE  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
PROPOSITION A LOCAL RETURN TRANSIT PROGRAM  
ALL SUPERVISORIAL DISTRICTS  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the continuation of the subject program to provide subsidized monthly bus fares for eligible County of Los Angeles unincorporated area residents as part of the County's Proposition A Local Return Transit Program for Fiscal Year 2003-04 at an estimated cost of \$530,000.
2. Authorize the Director of Public Works, or his designee, to negotiate and sign the Fifth Amendment to Agreement No. 71877 with the Los Angeles County Metropolitan Transportation Authority to continue this program.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Since 1985, your Board has approved agreements with the Los Angeles County Metropolitan Transportation Authority (MTA), or its predecessor agencies, providing for them to sell monthly bus passes at a reduced rate to eligible senior citizens, persons with disabilities, and students residing in the unincorporated areas of the County.

This action will provide for the continuation of the subsidized MTA monthly bus passes for Fiscal Year (FY) 2003-04.

This program has annually provided approximately 50,000 subsidized passes to eligible unincorporated County residents. In doing so, it contributed to the use of public transit and in meeting the transit needs of eligible residents. By continuing the program in FY 2003-04, these transit needs will continue to be met.

In 1993, your Board approved the expansion of this program to include the MTA/Foothill Transit joint bus pass. In October 2002, the MTA/Foothill Transit joint bus pass was discontinued. Accordingly, this amendment also removes the MTA/Foothill joint bus pass from the Bus Pass Subsidy Program.

### **Implementation of Strategic Plan Goals**

This action meets the County's Strategic Plan Goal of Fiscal Responsibility by sharing the cost of this program with MTA to provide services to the public in a cost-efficient manner. This program will provide an opportunity for eligible seniors, persons with disabilities, and students to access public transportation.

### **FISCAL IMPACT/FINANCING**

This program permits the sale of monthly MTA bus passes as follows:

<u>Pass Category</u>	<u>Regular Cost</u>	<u>County Subsidy</u>	<u>Cost to Eligible County Residents</u>
Elderly and Disabled	\$12.00	\$ 6.00	\$ 6.00
Students (Grades K-12)	\$20.00	\$ 8.00	\$12.00
College	\$30.00	\$11.00	\$19.00

The program also calls for the MTA to review applicants' addresses to certify that they are eligible to participate in this program and to document in which Supervisorial District the applicant resides. Student patron certifications, which must be renewed annually, include a 12-month punch card to ensure that only one pass per month is purchased. The County will pay MTA \$0.65 for each student monthly pass sold to cover the MTA's processing cost. Disabled patron certifications must be renewed from every three

months to three years depending upon the disability, and senior patron certifications must be renewed every five years. The MTA charges the following for certification processing:

<u>Pass Category</u>	<u>Certification Fee</u>
Students	\$4.05
Elderly and Disabled	\$2.75

The anticipated cost of the FY 2003-04 program for each Supervisorial District is as follows:

<u>District</u>	<u>Subsidy/Certifications/ County Staff Support</u>	<u>Baldwin Hills Center</u>	<u>MTA Administration</u>	<u>Totals FY 2003-04</u>
1	\$273,300	\$ 0	\$39,000	\$312,300
2	\$ 25,100	\$50,000	\$ 3,600	\$ 78,700
3	\$ 5,600	\$ 0	\$ 800	\$ 6,400
4	\$ 25,400	\$ 0	\$ 3,600	\$ 29,000
5	<u>\$ 90,600</u>	<u>\$ 0</u>	<u>\$13,000</u>	<u>\$103,600</u>
Total	\$420,000	\$50,000	\$60,000	\$530,000

The total estimated cost of this service is \$530,000, which includes a maximum contribution of \$504,000 to the MTA and \$26,000 for County staff support.

This program will be financed from each Supervisorial District's allocation of Proposition A Local Return Transit funds available in the Transit Enterprise Fund administered by Public Works.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This contract, through this Amendment, will be in compliance with the mandatory jury service requirements as set forth in Los Angeles County Code, Chapter 2.203.010 through 2.203090, Jury Service Program.

The Honorable Board of Supervisors  
May 8, 2003  
Page 4

The Amendment, which will be similar to the form of the enclosed Amendment and approved as to form by County Counsel, permits MTA to provide subsidized monthly bus fares for eligible Los Angeles County unincorporated area residents and administer the program, as described herein, at a maximum cost of \$504,000. The County's payment to MTA will be based on the actual cost incurred by MTA.

### **ENVIRONMENTAL DOCUMENTATION**

On June 5, 2001, Synopsis 63, your Board found this service categorically exempt from the reporting requirements of the California Environmental Quality Act pursuant to Section 15273 of said Act.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This action provides for continuation of the current service.

### **CONCLUSION**

Upon approval, please return two approved copies of this letter to us.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

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Enc.

cc: Chief Administrative Office  
County Counsel

FIFTH AMENDMENT TO  
AGREEMENT NO. 71877

This FIFTH AMENDMENT to AGREEMENT NO. 71877 is made and entered into by and between the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, hereinafter referred to as "MTA," and the COUNTY OF LOS ANGELES, hereinafter referred to as "COUNTY":

W I T N E S S E T H

WHEREAS, on May 19, 1998, MTA and COUNTY entered into AGREEMENT NO. 71877, which enabled COUNTY to utilize a portion of its Proposition A Local Return Transit funds, allocated to COUNTY by the MTA, to subsidize monthly bus fares for COUNTY unincorporated area residents during Fiscal Year (FY) 1998-99; and

WHEREAS, the parties have entered into a FIRST AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 1999-2000; and

WHEREAS, the parties have entered into a SECOND AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2000-01; and

WHEREAS, the parties have entered into a THIRD AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2001-02; and

WHEREAS, the parties have entered into a FOURTH AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2002-03; and

WHEREAS, the parties now desire to enter into a FIFTH AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2003-04.

NOW, THEREFORE, in consideration of the mutual covenants contained in said FIFTH AMENDMENT, MTA and COUNTY agree as follows:

A. Amend Section 1.a. on page 1 to read:

1. SERVICES TO BE PROVIDED BY MTA

- a. MTA shall sell subsidized monthly passes to senior citizens, persons with disabilities, elementary school students, junior high school students, senior high school students, and college/vocational students who: (1) meet MTA discount fare eligibility requirements as defined in MTA Tariff (which is incorporated by reference herein, although not attached

hereto), and (2) are residents of unincorporated areas of COUNTY (hereinafter the term "eligible" refers to persons that meet these two criteria), at a price such that the actual cost of a pass to an eligible person is equal to MTA approved pass fare less COUNTY subsidy shown below.

<u>MTA Pass Category</u>	<u>COUNTY Subsidy</u>
Senior	\$ 6.00
Persons with Disabilities	\$ 6.00
Student (K-12)	\$ 8.00
College/Vocational	\$11.00

B. Amend Section 2 on page 3 to add:

2. TERM

The original term of this AGREEMENT was from July 1, 1998, through June 30, 1999; the FIRST AMENDMENT was from July 1, 1999, through June 30, 2000; the SECOND AMENDMENT was from July 1, 2000, through June 30, 2001; the THIRD AMENDMENT was from July 1, 2001, through June 30, 2002; the FOURTH AMENDMENT was from July 1, 2002, through June 30, 2003; and the FIFTH AMENDMENT will extend the term of the AGREEMENT to include the period July 1, 2003, through June 30, 2004.

C. Amend Section 3.d on page 4 to read:

COUNTY'S maximum obligation for FY 1998-1999, FY 1999-2000, FY 2000-2001, FY 2001-2002, and FY 2002-2003 was Five Hundred Four Thousand and 00/100 Dollars (\$504,000.00) per year. This FIFTH AMENDMENT keeps COUNTY'S maximum obligation for FY 2003-2004 at Five Hundred Four Thousand and 00/100 Dollars (\$504,000.00).

D. Amend Section 5.a. on page 8 to read:

5. ADMINISTRATON OF SALES

- a. A total of four (4) unique monthly pass stamps will be designed and produced, one for each of the following fare categories:

Monthly MTA Bus Pass Stamps

- Senior
- Elementary School Student, Junior High School Student, and Senior High School Student
- College/Vocational Student
- Persons with disabilities

1. Samples of the MTA stamp, pass, and identification formats will be mailed to DIRECTOR for his information when available.
2. The monthly stamps and passes will be priced and consecutively numbered for control purposes. Adequate documentation of the passes and stamps printed shall be maintained by MTA so that, if COUNTY elects to inspect or audit MTA's records, the disposition of each pass and stamp may be determined.

E. Amend Section 8 Item 3 on page 12 to read:

8. ESTIMATED ANNUAL OPERATIONS AND ADMINISTRATION COST SCHEDULE

Item 3. Other Costs

COUNTY will finance one hundred percent (100%) of the following MTA costs:

General and Administrative Cost (11.27 percent of Total Cost)	\$ 9,617
Sales tax on passes and stamps (8.25 percent)	<u>\$ 1,090</u>
Cost to COUNTY	\$ 10,707
Total Cost to COUNTY (Items 1, 2, and 3)	\$100,000

All costs associated with the design and production of the monthly MTA bus passes and stamps shall be the responsibility of MTA and in no way shall any of such design or production costs be passed through to COUNTY.

F. Amend Section 9 on page12 to read:

9. TERMINATION

Either party may terminate this FIFTH AMENDMENT or that portion pertaining to a given Supervisorial District by giving thirty (30) calendar days prior written notice thereof to the other party. Upon deletion of a Supervisorial District or termination of this FIFTH AMENDMENT prior to June 30, 2004, MTA shall calculate and report the actual Administration costs, as specified in Section 3.a and Section 8, above, and credit to COUNTY the unused portion of the Administration costs previously paid by COUNTY.

G. Add Section 12 on page 13 to read:

12. COMPLIANCE WITH JURY SERVICE PROGRAM

A. Jury Service Program

This AGREEMENT is subject to the provisions of the COUNTY'S ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy

1. Unless MTA has demonstrated to the COUNTY'S satisfaction either that MTA is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that MTA qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), MTA shall have and adhere to a written policy that provides that its Employees shall receive from the MTA, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the MTA or that the MTA deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "contractor" means a person, partnership, corporation, or other entity which has a contract with COUNTY or a subcontract with a COUNTY contractor

and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY Contracts or subcontracts. "Employee" means any California resident who is a full-time employee of contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard and is approved as such by COUNTY. If MTA uses any subcontractor to perform services for COUNTY under this AGREEMENT, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

2. If MTA is not required to comply with the Jury Service Program when this AGREEMENT commences, MTA shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and MTA shall immediately notify COUNTY if MTA at any time either comes within the Jury Service Program's definition of "contractor" or if MTA no longer qualifies for an exception to the Program. In either event, MTA shall immediately implement a written policy consistent with the Jury Service Program. COUNTY may also require, at any time during this AGREEMENT and at its sole discretion, that MTA demonstrate to COUNTY'S satisfaction that MTA either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that MTA continues to qualify for an exception to the Program.
  3. MTA'S violation of this Section of this AGREEMENT may constitute a material breach of this AGREEMENT. In the event of such material breach, COUNTY may, in its sole discretion, terminate this AGREEMENT and/or debar MTA from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.
- H. Except as herein amended, AGREEMENT NO. 71877, the FIRST AMENDMENT NO. 71877-S1, the SECOND AMENDMENT NO. 71877-S2, the THIRD AMENDMENT NO. 71877-S3, and the FOURTH AMENDMENT NO. 71877-S4 shall remain in full force and effect.

IN WITNESS WHEREOF, the Director of Public Works, pursuant to authority delegated by the Board of Supervisors of the COUNTY of Los Angeles on \_\_\_\_\_, 2003, Synopsis \_\_\_\_\_, and the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY have caused this FIFTH AMENDMENT to AGREEMENT NO. 71877 to be executed by and through their respective officers, duly authorized, on \_\_\_\_\_, 2003.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director of Public Works

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

By \_\_\_\_\_  
Deputy

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By \_\_\_\_\_  
Chief Executive Officer