



AGENDA REPORT

Meeting Date: October 7, 2008
Item Number: F-6
To: Honorable Mayor & City Council
From: Aaron Kunz, Deputy Director of Transportation
Subject: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF BEVERLY HILLS AND THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY FOR PROPOSITION A INCENTIVE RESERVE FUND VEHICLE REPLACEMENT PROJECTS

Attachments: 1. Memorandum of Understanding

RECOMMENDATION

Staff recommends that the City Council move to approve the Memorandum of Understanding (MOU) between the Los Angeles County Metropolitan Transportation Authority (Metro) and the City of Beverly Hills for receipt of up to \$206,250 in Proposition A grant funds for the purchase of five new Dial-A-Ride shuttle vehicles.

INTRODUCTION

On June 28, 2007, the Metro Board of Directors approved the allocation of \$14 million in Proposition A Incentive funds to issue a "Mini Call-for-Projects" for replacement of local transit vehicles. The City of Beverly Hills was awarded a \$206,250 grant to replace its existing fleet of five Dial-a-Ride shuttles.

DISCUSSION

Proposition A Incentive funds offered through the Mini Call-for-Projects subsidize up to 75% of vehicle replacement costs with the local agency financing the remaining 25%. Grant guidelines specify replacement vehicles to be replaced must be at least five years old or have over 100,000 miles, and used for public transit.

The City of Beverly Hills has a small fleet of five shuttle buses for the operation of the City's senior/disabled Dial-a-Ride transit service and special charter events. Three of the five shuttles were purchased in 1998 and are due for immediate replacement. The remaining two shuttles were leased in 2003. In Fiscal Year 2008, all five shuttles became eligible for replacement using the Proposition A incentive grant funds. The cost to replace these five shuttles is estimated at \$275,000. With the approved grant, the

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City would pay approximately \$68,750 (25%) of the cost. Staff will start the process to shuttle procurement this fiscal year for vehicle delivery in late 2009.

FISCAL IMPACT

The City will receive an additional \$206,250 in grant funding for shuttle replacement purchases that would otherwise come annual allocation of Proposition A funds. The City's 25% contribution is estimated at approximately \$68,750, which will be paid from Proposition A funds.



David Gustavson

Approved By

MOU.PAIMCBEV

MEMORANDUM OF UNDERSTANDING FOR PROPOSITION A INCENTIVE RESERVE FUND VEHICLE REPLACEMENT PROJECTS

This Memorandum of Understanding (MOU) is entered into between the Los Angeles County Metropolitan Transportation Authority ("Metro") and the City of Beverly Hills (the "Grantee") on this date of September 10, 2007, for the FY 2008 City of Beverly Hills Vehicle Replacement Project.

WHEREAS, the METRO Board of Directors, at its June 28, 2007 meeting, approved the programming of \$14 million in Proposition A Incentive reserve funds from the Fiscal year 2008 Mini Call for Locally Funded Transit Operator Vehicle Replacement Projects; and,

WHEREAS, the FY 2008 City of Beverly Hills Vehicle Replacement Project provides that Grantee will purchase 5 Dial-A-Ride replacement vehicle(s) as more particularly described in Attachment A hereto (the "Project"); and,

WHEREAS, Metro Board approved \$206,250 in funding (the "Funds") to the Grantee as the maximum allowable grant from Metro for the Project; and,

WHEREAS, the total cost for the Project described in Attachment "B" hereto is \$275,000 ("Project Cost"); and,

WHEREAS, the Grantee has agreed to provide the required local match ("Match") and any additional funding required to complete the Project as described in Attachment B.

NOW THEREFORE, the parties hereby agree as follows:

1. CONDITIONS

1.1 The Grantee shall use the Funds, as described below, to complete the Project as described in the Scope of Work attached as Attachment A. Any underruns to the Project Cost shall be apportioned between Metro and Project Sponsor in the same percentage as indicated in the Project Budget in Attachment B. The Funds, as granted under this MOU, can only be used towards the completion of this Scope of Work. The Grantee shall not use the Funds to substitute for any other funds or projects not specified in this MOU.

1.2 The Grantee shall use the Funds in accordance with the Project Budget indicated in Attachment B. The Project Budget shows the total programmed Budget for the Project, including the Funds granted by Metro and the Grantee's Funding Commitment (Match).

1.3 The Grantee shall contribute \$68,750 as the amount of Match as specified in Attachment B.

1.4 The Grantee will prepare and submit to the METRO a Request for Reimbursement for actual allowable Project costs incurred and paid for by the Grantee consistent with the Scope of Work. Advance payments by the Metro are not allowed. Each Request for Reimbursement shall indicate the total Project costs, the Local match contribution and Metro's share of which Metro will only pay up to the amount specified in Attachment B as Metro's share.

1.5 Grantee's Request for Reimbursement shall include copies of invoices between Grantee and vendor(s), and shall indicate each vehicle's individual cost, plus specifications for each vehicle, to include at a minimum each vehicle's manufacturer, year, model #, VIN number, seating capacity, fuel type, gross vehicle weight, etc. Grantee shall also furnish Metro with a photo of each newly acquired vehicle.

1.6 This is a one time only grant subject to the terms and conditions agreed to herein. This grant does not imply nor obligate any future funding commitment on the part of Metro.

1.7 The term of this MOU shall commence upon the date first referenced above. If not terminated earlier, the last expenditure date under this MOU is June 30, 2010. Grantee must submit final invoice to Metro within sixty days of the last expenditure date.

1.8 The Grantee shall be subject to and shall comply with all applicable requirements of the Metro regarding Project reporting. The Grantee shall use the MOU number MOU.PAIMCBEV on all correspondence.

1.9 Unless written notification is otherwise provided by METRO, the effective date and start date of reimbursable activities is the June 28, 2007 Board approval date. Actual reimbursement of eligible costs cannot occur until the METRO and the Grantee execute this agreement.

2. TRANSFER OF FUNDS

2.1 Metro shall reimburse the Grantee up to a maximum amount of \$206,250 as specified in Attachment B (the "Funds") for the Project subject to the terms and conditions contained herein.

2.2 METRO shall transfer the Funds to the Grantee on reimbursement basis only. No advance of Funds shall be allowed.

2.3 The Grantee is responsible for all cost overruns incurred as a result of this Project. Under no circumstances will the total amount of money that the METRO reimburses the Grantee exceed the amount of the Funds committed by Metro, on a vehicle by vehicle basis.

2.4 METRO shall not be responsible to provide any funding in the event the Grant is withdrawn, recalled or not appropriated for any reason. In the event the Grant is closed, the Grantee will reimburse Metro any Funds paid by Metro.

2.5 All invoices and correspondence to Metro shall be addressed to:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attn: Armineh Saint, MS: 99-23-03

2.6 Payments and notices to the Grantee shall be addressed to:

City of Beverly Hills
455 North Rexford Drive
Beverly Hills, CA 90210-4817

Attention: Gabriel Szasz

3. PENALTIES

3.1 The METRO reserves the right to terminate this MOU and withhold all payments of Funds in the event of Grantee's breach or default of any term or condition contained in this MOU.

4. AUDIT REQUIREMENT

4.1 METRO shall have the right to conduct a financial and compliance audit(s) of the Project. Grantee agrees to establish and maintain proper accounting and procurement procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). The Grantee shall reimburse METRO for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this MOU.

4.2 Grantee's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files, invoices, and any other supporting evidence deemed necessary by the METRO to substantiate charges related to the project (all collectively referred to as "records") shall be open for inspection and subject to audit and reproduction by the METRO auditors or authorized representatives to the extent deemed necessary by the METRO to adequately permit evaluation of expended costs. Such records subject to audit shall include, without limitation, those records deemed necessary by the METRO to evaluate and verify direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project.

4.3 Grantee shall cause all contractors to comply with the requirements of Paragraph 4.1 above. Grantee shall cause all contractors to cooperate fully in furnishing or in making available to the METRO records which shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files, invoices and any other supporting evidence deemed necessary by the METRO auditors or authorized representatives related to the Project.

5. MISCELLANEOUS

5.1 California law shall govern this MOU. If any provision of this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way; unless any of the stated purposes of the MOU would be defeated.

5.2 The Grantee shall not assign this MOU, or any part thereof, without written consent and prior approval of the Metro Chief Executive Officer or designee, and any assignment without said consent shall be void and unenforceable.

5.3 This MOU, constitutes the entire understanding between parties, with respect subject matter herein. This MOU shall not be amended, nor any provision or breach hereof waived except in writing signed by the parties.

5.4 The covenants and agreements of this MOU shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.

5.5 Neither the Metro nor any officer or employee thereof shall be responsible for any damage or liability occurring with any work performed by and or service provided by Grantee, its officers, agents employees, contractors and subcontractors under this MOU. Grantee shall fully indemnify, defend and hold the Metro, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever arising of the Project, including, without limitations, (i) misuse of the Funds by Grantee, or its officers, agents, employees, contractors or subcontractors; (ii) breach of the Grantee's obligations under this MOU; or (iii) any act or omission of the Grantee, or its officers, agents, employees, contractors or subcontractors in the use of the vehicles, performance of the work or the provision of the services, included, without limitation, the Scope of Work, described in this MOU.

5.6 Grantee in the performance of the work required by this MOU is an independent contractor and not an agent or employee of the Metro. Grantee shall not represent itself as an agent or employee of the Metro and shall have no powers to bind the Metro in contract or otherwise.

5.7 The Grantee shall retain all original records and documents related to the work herein for a period of thirty six (36) months after the grant closeout.

5.8 The Grantee shall ensure that each new vehicle is placed on the same route/service as the vehicle it is replacing. Grantee may lend vehicle(s) to contractor or operator to perform the services for the Grantee as needed; however, Grantee must retain title and ownership of such vehicle(s) at all times.

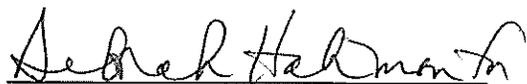
5.9 The Grantee shall maintain title to each vehicle until it meets the earlier of FTA useful life minimum years or miles requirements, as described in the Attachment A Scope of Work, Vehicle Specification Table.

City of Beverly Hills Signature Page
MOU/ Prop A Incentive Reserve Fund
Vehicle Replacement Projects

ATTEST:

BYRON POPE, City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD
City Manager



DAVID D. GUSTAVSON
Director of Public Works & Transportation

ATTACHMENT A - SCOPE OF WORK

FY2008 Mini Call - Vehicle Replacement Program

CITY OF BEVERLY HILLS

Existing Vehicle To Be Replaced					Last 6-Digit VIN	Approved Replacement Type**
Mode	Type	Year	Make and Model			
DR	123	1998	Ford El Dorado		A25041	123
DR	123	1998	Ford El Dorado		A25040	123
DR	123	1998	Ford El Dorado		A25042	123
DR	123	2003	Ford Senator		A26390	123
DR	123	2003	Ford Senator		A26391	123
Total Dial-A-Ride Vehicles: 5						

****Approved replacement vehicles shall meet the following minimum specifications:**

Type	Description	Gross Weight	Length	Seating Capacity	Useful Years	Useful Miles
"12"	EZ Rider	27,580	30	29	12	500,000
123	Cutaway	4,340	15	6	4	100,000
4	Minivan	2,280	10	4	4	100,000
5	Raised Roof	5,800	14	7	5	120,000
7	Aero Elite	11,566	22	18	7	200,000
8	MST II	27,000	30	28	10	350,000
8a	T-Mark	29,000	25	22	10	350,000

ATTACHMENT B - PROJECT BUDGET

FY2008 Mini Call - Vehicle Replacement Program

CITY OF BEVERLY HILLS

Last 6-Digit VIN of Vehicle to Be Replaced	<u>Approved Replacement Vehicle</u>		Estimated Project Cost	Grantee's Share	Metro's Share
	Type	Description			
A25041	123	Cutaway	\$55,000	\$13,750	\$41,250
A26390	123	Cutaway	\$55,000	\$13,750	\$41,250
A26391	123	Cutaway	\$55,000	\$13,750	\$41,250
A25042	123	Cutaway	\$55,000	\$13,750	\$41,250
A25040	123	Cutaway	\$55,000	\$13,750	\$41,250
		Total	\$275,000	\$68,750	\$206,250