



# CITY OF LONG BEACH

DEPARTMENT OF HUMAN RESOURCES

**C-10**

333 West Ocean Boulevard 13<sup>th</sup> Floor • Long Beach, CA 90802

May 23, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute Amendment No. 5 to the MOU between the City of Long Beach, the County of Los Angeles, and the LACMTA to change the billing frequency for liability claims associated with the operation of the Metro Blue Line from quarterly to annually, abolish the Risk Management Review Committee, and remove any references to the City of Compton from the MOU.

## DISCUSSION

At its meeting of October 8, 1991, the City Council authorized the City Manager to execute a MOU between the City of Long Beach, the City of Compton, the County of Los Angeles, and the LACMTA providing for the sharing of liability arising from the operation, use, and maintenance of the Metro Blue Line. An Amendment extending the agreement with respect to the City of Long Beach, the County of Los Angeles, and the LACMTA through July 31, 2008 was approved on June 17, 2003.

The agencies involved in the operation of the Metro Blue Line agreed to coordinate the settlement of claims arising from Blue Line operations through a single claims settlement authority and to participate in a joint excess insurance program. The cost to the City of Long Beach is limited to two percent of losses. During the past three years, the City's share of losses has totaled approximately \$22,000. The current amendment will modify the billing frequency for claims settlement costs from quarterly to annually.

The program has been effective in achieving the resolution of claims and in avoiding disputes and litigation as to each agency's liabilities. Since the claims experience has been very low, the amendment will also abolish the Risk Management Review Committee. The Risk Management Review Committee's original intent was to review claims arising out of the operation of the Metro Blue Line. In lieu of the Committee, the agencies involved in the MOU will work directly with each agency's department (City Attorney's Office in Long Beach) that has the responsibility of overseeing liability claims.

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Claim costs are paid with Proposition A funds. Based on past claim experience, sufficient funds are budgeted in the Transportation Fund (SR 182) in the Department of Public Works.

This matter was reviewed by Donna F. Gwin, Senior Deputy City Attorney, on February 8, 2006.

TIMING CONSIDERATIONS

City Council action is requested on May 23, 2006 so that Amendment No. 5 to the MOU may be executed.

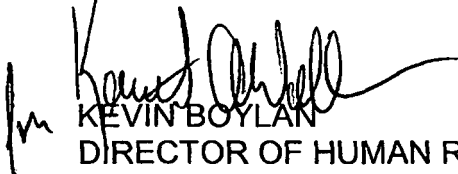
FISCAL IMPACT

Claim costs are paid with Proposition A funds. Based on past claim experience, sufficient funds are budgeted in the Transportation Fund (SR 182) in the Department of Public Works. The losses will be paid by Direct Payment out of Proposition A funds.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

  
KEVIN BOYLAN  
DIRECTOR OF HUMAN RESOURCES

KB:tb

APPROVED:

  
GERALD R. MILLER  
CITY MANAGER