

Council Meeting of
December 19, 2006

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

**SUBJECT: Transit: Approve South Bay Galleria Transit Terminal Agreement
Expenditure: \$1.00 Annually.**

RECOMMENDATION

The Transit Director recommends that City Council approve a five-year agreement with the City of Redondo Beach for the use of the South Bay Galleria Transit Terminal by the Torrance Transit System.

FUNDING

The annual rent is One Dollar (\$1.00) which is included in the Transit Department's FY 2006-2007 operating budget.

BACKGROUND/ ANALYSIS

Torrance Transit has been serving the South Bay Galleria Transit Terminal since November, 1987 under an agreement with the City of Redondo Beach. In addition to the Torrance line #2 bus, Gardena Municipal Bus Lines, the Redondo Beach Cities Transit and the Los Angeles County Metropolitan Transportation Authority (MTA) buses interface at the terminal to provide for passenger transferring.

The new five year agreement (see Attachment A) shall commence on January 1, 2007 and expire on December 31, 2011. The new agreement includes the same terms and conditions as approved by the council on December 18, 2001. Section 11 "Minimum limits of Insurance" has been addressed in a letter from Mr. Randall Sellers, Risk Manager (see Attachment B).

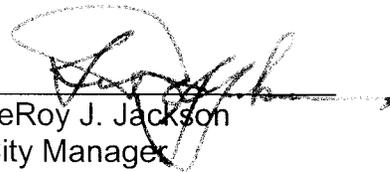
The Transit Director recommends that the city council approval the five-year agreement with the City of Redondo Beach for the use of the South Bay Galleria Transit Terminal by the Torrance Transit System.

Respectfully Submitted,



Kim Turner
Transit Director

CONCUR:



LeRoy J. Jackson
City Manager

Attachment: A) South Bay Galleria Transit Terminal Agreement
B) Randal Sellers Insurance Letter

**GALLERIA TRANSIT TERMINAL AGREEMENT BETWEEN THE CITY OF
REDONDO BEACH AND THE CITY OF TORRANCE**

THIS GALLERIA TRANSIT TERMINAL USE AGREEMENT (this "Agreement") is entered into between the City of Redondo Beach, a chartered municipal corporation ("City") and the City of Torrance ("Torrance Transit") with reference to the following:

RECITALS

WHEREAS, the City owns the Galleria Transit Terminal ("Terminal"), located at 1850 Kingsdale Avenue in the City of Redondo Beach, California;

WHEREAS, Torrance Transit desires to use the Terminal for vehicle passenger loading, unloading and layover;

NOW THEREFORE, the parties agree as follows:

1. Definitions.
 - a. "Galleria Transit Terminal" includes the Building, Common Area and Bus Concourse Area.
 - b. "Common Area" includes the waiting area and restroom facilities of the Galleria Transit Terminal.
 - c. "Bus Concourse Area" includes the bus driveways, bus boarding areas and bus bays.
2. Use Area. The City grants Torrance Transit the non-exclusive right to use bus bay number 9, in the Bus Concourse Area and the Common Area of the Terminal.
3. Term. The term of the Agreement shall commence on January 1, 2007, and shall expire on December 31, 2011.
4. Rent. For the entire term, the annual rent shall be the sum of One Dollar (\$1.00) payable to the City on the first day of each year, beginning January 1, 2007.
5. Use. During the term of the Agreement, Torrance Transit shall use the Use Area for passenger loading, unloading and layover facilities. Torrance Transit shall not perform vehicle repairs or maintenance in the Use Area except in an emergency.
6. Repairs, Maintenance and Utilities. City shall pay for utilities, janitorial service, supplies, security, maintenance and repairs to the Use Area during the term of this Agreement. Notwithstanding the foregoing, Torrance Transit shall repair or replace any

damage to the Terminal caused by the operation of its vehicles. The City shall not be liable for any injury or damage that may be suffered by Torrance Transit in the event of the failure of the City to perform this covenant, or in the event the Terminal is rendered unusable for any reason for any length of time.

7. Destruction, Partial Destruction or Necessity to Repair. The City shall have no obligation to reconstruct the Terminal or any portion thereof in the event of destruction or partial destruction of the Terminal. The City, in its sole discretion, may reconstruct or repair the Terminal, whereupon this Agreement shall remain in full force and effect. In the event the City, in its sole discretion, determines not to reconstruct or repair the Terminal, either party may terminate this Agreement without liability to the other party. Notwithstanding any other provisions of the Agreement, City shall not be responsible for repair and restoration of Torrance Transit's personal property located in or on the Terminal in the event of damage to or destruction of such property.
8. Indemnification. To the fullest extent permitted by law, Torrance Transit shall indemnify and hold harmless the City of Redondo Beach (City) and its officers, employees, elected and appointed officials, and volunteers from and against any and all claims, demands, causes of action, lawsuits (whether at law, equity or both), proceedings, liabilities, losses, damages, expenses, costs (including without limitation attorney's fees and costs and expert witness fees). Judgments, penalties, and liens of every nature arising. Or claimed to arise, directly or indirectly, out of Torrance Transit's use of the Use Area or by reason of injury, death or damage to person or property sustained in, on, or by the vehicles, equipment or employees of Torrance Transit, or in a manner arising out of the operations, acts or omissions of Torrance Transit, its agents, servants or employees, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
9. Insurance. Without limiting Torrance Transit's indemnification obligations under this Agreement, Torrance Transit shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Torrance Transit, its agents, representatives, employees or subcontractors.
10. Minimum Scope of Insurance. Coverage shall be at least as broad as:
 - a. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
 - b. Insurance Services Office form number CA 0001 (ED. 1/87) covering Automobile Liability, code 1 (any auto).

- c. Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance.
11. Minimum Limits of Insurance. Torrance Transit shall maintain limits no less than:
- a. Additional insured Endorsement, General Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work or operations performed by or on behalf of Torrance Transit including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the contractor's insurance, or as a separate owner's policy.
 - b. Additional Insured Endorsement, Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Torrance Transit.
 - c. For any claims related to this project, Torrance Transit's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City its officers, employees, or volunteers shall be excess of Torrance Transit's insurance and shall not contribute with it.
 - d. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
 - e. Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured and the coverage afforded shall apply as though separate policies had been issued to each insured.
 - f. Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on Torrance Transit's part.
14. Acceptability of insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.
15. Verification of Coverage. Torrance Transit shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause.

The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms, which shall be, subject to City Approval and amended to conform to the City's requirements, may be acceptable in lieu of City authorized forms. All certificates and endorsements are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required by these specifications at any time.

16. Subcontractors. Torrance Transit shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein.
17. Risk Management. Torrance Transit acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.
18. Vending. The City only shall have the right to place vending machines and lockers anywhere in the Terminal. City alone shall be entitled to all income derived therefrom.
19. Signs. The City only shall have the right to place signs in the Terminal. The City shall install such signs as are necessary for the convenience of the public and common carriers using the Terminal.
20. Advertising. The City shall allow, in conjunction with other common carriers using the Use Area, Torrance Transit to use available space in the Terminal display cases to display advertising and other informational material relating to its transit operations. All displays, advertising and informational materials must be approved by the City prior to placement.
21. Termination. City and Torrance Transit shall have the right to terminate this Agreement without cause, by giving 30 days' written notice. The termination shall be effective on the thirtieth day after the non-terminating party's receipt of such notice.
22. Compliance with Laws. During the term of this Agreement, the City and Torrance Transit shall promptly execute and comply with all orders and requirements imposed by the Board of Health and Police Department, and all Federal, State, County and City statutes, ordinances, regulations, laws or other requirements concerning environmental protection, or other matters applicable to the occupancy of or operation in the Terminal.
23. Condemnation. If any part of the Terminal is taken under the power of eminent domain or sold under the threat of the exercise of said power, this agreement shall terminate as of the date the condemning authority takes title or possession, whichever occurs first. All condemnation proceeds shall be the sole property of the City.

24. Severance. Should any provisions of this Agreement be found invalid or unenforceable, the decision shall affect only the provisions interpreted, and all remaining provisions shall remain enforceable.
25. Discrimination. No person shall, on the grounds of race, color, religion, national origin, ancestry, or sex be excluded from participation in, be denied of, or be subject to discrimination under this program.
26. Notices. Written notices to each party shall be given by registered or certified mail, prepaid and addressed to or personally served on:

Terisa Price
 Transit Manager
 City of Redondo Beach
 415 Diamond Street
 Redondo Beach, CA 90277

To Torrance Transit:

Kim Turner, Transit Director
 City of Torrance, Transit Department
 20500 Madrona Avenue
 Torrance, CA 90503

27. Integration. This contract supersedes any and all previous agreements between the City, its agents or representatives, and Torrance Transit, Torrance Transit's agents or representatives. This contract also constitutes the whole and final agreement between the parties regarding the subject matter of this contract. Any subsequent modifications to this Agreement must be in writing.

IN WITNESS WHEREOF, the parties hereto have entered into the agreement as of this

_____ day of _____, 20_____.

CITY OF REDONDO BEACH

CITY OF TORRANCE

Mike Gin Date
Mayor

Frank Scotto Date
Mayor

ATTEST:

Sandy Forrest Date
City Clerk

Sue Herbers Date
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

Date

By: _____
Date

EXHIBIT "A"

PROJECT DESCRIPTION/SCOPE OF SERVICES

A. Project description [must complete or attach scope of work unless Section B below is checked]: The Use Agreement allows the City of Torrance Transit Department to use the Galleria Transit Terminal for bus loading and unloading. The Galleria Transit Terminal is owned and operated by the City of Redondo Beach. (there will be three other identical agreements to follow for a later Council Agenda)

B. Scope of services to be provided by Consultant [check applicable boxes]:

- Preliminary studies and reports
- General project management
- Conferences with agency representatives
- Coordination with utilities and other agencies
- Develop project schedules
- Survey services [check one of the following]:
 - For design
 - For construction
 - For property acquisition
- Soils investigation and reports
- Preparation of plans, specifications, estimates, and contract documents
- Quantity and type of documents required
- Assistance required during bid and award process
- Assistance required during construction
- Preparation of "as-built" drawings
- Employment and payment of other consultants
- Participation in hearings, meetings and conferences
 - As required by City
 - Participation shall be limited to the following [attach additional sheets if

_____ necessary]:
_____ Other [attach additional sheets if necessary]:

C. Responsibilities of City

[Check applicable boxes, if any]:

- _____ Provide available record information and applicable data
- X Provide access to public and private lands
- _____ Provide title reports, appraisals, deeds and negotiate for land acquisition
- _____ Arrange for advertising and bid opening
- _____ Provide design standards or construction details to be followed
- _____ Soils investigations and reports
- _____ Assist in review of bids
- _____ Handle award of construction contract, prepare and execute the construction agreement
- _____ Supervise and provide construction inspection
- _____ Provide a project engineer
- _____ Assist with "as-built" plans
- _____ Obtain environmental clearances
- _____ Survey services [check one of the following]:
 - _____ For design
 - _____ For construction
 - _____ For property acquisition
- _____ Employment and payment of other consultants.
- _____ Provide for appropriate hearings
- _____ Other [attach additional sheets if necessary]: _____

EXHIBIT "B"

SCHEDULE FOR COMPLETION

[Check one of the following:]

Project shall be completed by the following date: _____ The Agreement is for continuous use of the site.

____ Project shall be completed in phases as follows [attach additional sheets if necessary]:

____ Other [attach additional sheets if necessary]:

EXHIBIT "C"

COMPENSATION

Provided Consultant is not in default under this Agreement, Consultant shall be compensated as provided below [check applicable boxes]. Invoices, if required, must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City; Consultant may be required to provide back-up material upon request.

A. Amount

Fixed Fee of \$. \$1.00/per year

Consultant's costs plus fixed fee.

Hourly rate of \$_____.

Hourly rate of \$_____ plus the cost of Consultant's materials.

Attached Fee Schedule

In no event shall the total cost exceed \$ _____ without prior written approval from the City Manager, City Engineer, Director of Planning or Harbor Director, as applicable.

Other [attach additional sheets if necessary]:

B. Schedule for Payment

Full payment by _____, provided that the work has been completed to the City's reasonable satisfaction.

30 days after completion of services to the City's reasonable satisfaction.

[Specify number:] _____ monthly installments of equal amounts, provided that work is proceeding to the City's reasonable satisfaction.

Monthly in arrears based upon the time spent during the previous month for which an invoice shall be submitted. City agrees to pay Consultant within thirty

(30) days of receipt of monthly invoices; provided, however, that payments by City shall not exceed the proportion of the phase or task completed, and payment for each phase or task shall not exceed the following amount: \$ _____ [none unless specified].

____ Monthly in arrears based upon task completed to City's satisfaction. City agrees to pay Consultant within thirty (30) days of receipt of monthly invoices; provided, however, that payment for each task shall not exceed the following amount: \$ [none unless specified].

____ Quarterly installments of equal amounts, provided that work is proceeding to the City's reasonable satisfaction

____ Quarterly in arrears based upon the time spent during the previous quarter for which an invoice shall be submitted. City agrees to pay Consultant within thirty (30) days of receipt of quarterly invoices; provided, however, that payments by City shall not exceed the proportion of the phase or task completed, and payment for each phase or task shall not exceed the following amount: \$ [none unless specified].

____ End of phases [attach additional sheets if necessary]: _____

____ Other [attach additional sheets if necessary]: _____

EXHIBIT "D"**INSURANCE REQUIREMENTS FOR CONSULTANTS**

Without limiting Consultant's indemnification obligations under this Agreement, Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Errors and Omissions liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project/location.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Errors and Omissions liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee

satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Errors and Omissions policy, if written on a claims made basis, shall be maintained by the Consultant for a period of one year after the completion of the project.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than

A: VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.



CITY OF
TORRANCE

LEYTA O. FUENTES
HR MANAGER, OPERATIONS

MELODY P. LAWRENCE
HR MANAGER, RECRUITMENT

RANDALL SELLERS
RISK MANAGER

PATRICIA D. UNANGST
WORKFORCE DEV. MANAGER

HUMAN RESOURCES DEPARTMENT
ELAINE M. WINER, DIRECTOR

December 6, 2006

Teresa Price
Transit Manager
City of Redondo Beach
415 Diamond St.
Redondo Beach, CA
90277

Subject: Galleria Transit Terminal Agreement

Please note that the City of Torrance is self-insured for automobile, general and professional liability for up to \$5,000,000 per occurrence. There is coverage in place for the excess of \$5,000,000. The City is self-insured for Workers' Compensation for up to \$2,000,000 per occurrence. There is coverage in place for the excess of \$2,000,000. The City has a formal self-insurance program and funds available to pay potential claims and judgments.

Feel free to call me at 310-618-2958 if you have any questions or need additional information.

Sincerely,

Randall Sellers
Risk Manager

C: Jim Mills, Transit Department