



CITY OF LONG BEACH

R-32

DEPARTMENT OF PUBLIC WORKS

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August 18, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute an agreement between the City of Long Beach (City) and the Long Beach Public Transportation Company (Long Beach Transit) for a one-year term, beginning July 1, 2015 through June 30, 2016, for disbursement of Proposition A (Prop A) local return funds, in an amount not to exceed \$5,190,603. (Citywide)

DISCUSSION

Prop A was approved by the Los Angeles County voters in November 1980, authorizing a sales tax increase of one-half cent for public transit purposes. Collection of this tax began in July 1982, and the funds are administered and disbursed by the Los Angeles County Metropolitan Transportation Authority (Metro) to cities on a per capita basis.

On August 10, 1982, the City Council approved a joint report by the Director of Public Works and the Executive Director and General Manager of the Long Beach Transit, relative to the disbursement of Prop A Local Return funds. Both the City and Long Beach Transit use these funds for various public transit-related capital and operating expenditures. In accordance with the report, the City and Long Beach Transit entered into an Agreement outlining fund allocation procedures. This Agreement has since been extended by the City Council numerous times.

Metro estimates the City will receive approximately \$8.5 million in Prop A funds in Fiscal Year 2016. This agreement is contingent on the City's continued receipt of Prop A funds from Metro. Staff recommends allocating a not-to-exceed amount of \$5,190,603 to Long Beach Transit, for actual annual costs. The actual disbursement from the City will depend on reporting and supporting documentation of costs from Long Beach Transit. This amount includes continuing the previous allocation of \$4,500,000 for Long Beach Transit's operational needs and \$690,603 for Law

Enforcement Services. Over the next year, the City and Long Beach Transit will discuss potential changes to future allocation formulas. Under a separate Agreement for Law Enforcement Services, Long Beach Transit reimburses the Police Department for these services.

Prop A funding is to be used exclusively for the construction, improvement and maintenance of mass transit services and facilities. Due to the eligibility restrictions on Prop A funds, the City's portion is used for bus stop improvements and maintenance, recreational transit services, transit facilities/transportation enhancements, park-and-ride lots, signal synchronization that prioritizes buses, transit demand management, right-of-way improvements, administration, and other costs related to public transit.

This matter was reviewed by Deputy City Attorney Amy Webber and by Budget Management Officer Victoria Bell on July 31, 2015.

SUSTAINABILITY

Investments in public transit infrastructure and operations provides for over 28 million annual Long Beach Transit customers to move around the City in a sustainable manner. The City will use Prop A funds to improve the public transit system in Long Beach, making it safer and more convenient for transit users to access public transit options, and making it safer for bus operators to navigate through their routes.

TIMING CONSIDERATIONS

City Council action is requested on August 18, 2015 to authorize the execution of a new One-Year Agreement with Long Beach Transit to continue various transit-related capital and operating expenditures.

FISCAL IMPACT

The City will allocate Long Beach Transit an amount not to exceed \$5,190,603 from the City's share of Prop A funding. The amount includes \$4,500,000 for operational needs and \$690,603 for Police Department services. The City's Prop A allocation to Long Beach Transit is budgeted in the Transportation Fund (SR 182) in the Citywide Activities Department (XC) and the Public Works Department (PW). Approval of this Agreement will result in a positive local job impact.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

A handwritten signature in dark ink, consisting of a large, stylized 'A' followed by a series of loops and a final flourish.

ARA MALOYAN, PE
DIRECTOR OF PUBLIC WORKS

AM:GA:bs
P:CL/PW-LBT Prop A.R1.doc

APPROVED:

A handwritten signature in dark ink, appearing to read 'P. H. West' with a stylized flourish at the end.

PATRICK H. WEST
CITY MANAGER