



CITY OF LONG BEACH **R-20**

DEPARTMENT OF PUBLIC WORKS

333 WEST OCEAN BOULEVARD LONG BEACH, CA 90802 562.570.6383 FAX 562.570.6012

October 11, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager or designee to execute a One-Year Agreement between the City of Long Beach and the Long Beach Public Transportation Company for the disbursement of transportation funds for Fiscal Year 2012. (Citywide)

DISCUSSION

Proposition A (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 (MTA) to cities based 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 Public Transportation Company (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 transportation-related capital and operating expenditures. In accordance with the report, the City of Long Beach and Long Beach Transit entered into an agreement outlining fund allocation procedures. This agreement has since been extended by the City Council every three years. The most recent three-year agreement, which expired on June 30, 2011, allocates to Long Beach Transit 70 percent of the Prop A funds received by the City.

City Council has directed staff to achieve full cost recovery for services the City provides. The Police Department provides security services for Long Beach Transit through the Agreement for Law Enforcement Services dated August 23, 2006. These costs will also be recovered through Prop A funds, providing for full cost recovery.

Additionally, staff intends to conduct an in-depth analysis of Long Beach Transit's operational needs to determine if the current level of support should be adjusted. Consequently, staff is requesting a one-year agreement at this time.

This matter was reviewed by Deputy City Attorney Linda Trang on September 21, 2011 and Director of Financial Management John Gross on September 22, 2011.

SUSTAINABILITY

Long Beach Transit provides a convenient alternative to driving for their nearly 27 million boarding customers per year. With 240 buses, shuttles and vans, they continue to implement strategies to reduce emissions and promote cleaner air. Long Beach Transit has an aggressive policy for retiring aging buses and integrating cleaner more efficient buses into the fleet. They were the first agency in California to install particulate traps on their diesel bus fleet, and have been using ultra low sulfur fuel since 2001. They have also recently added 62 hybrid gasoline electric buses. Most of their buses include racks for three bikes, and bicycle parking is available at many of their bus stops to make it easier for people to leave their cars at home.

TIMING CONSIDERATIONS

Council action is requested on October 11, 2011 to authorize the execution of a new one-year agreement with Long Beach Transit for various transportation-related capital and operating expenditures.

FISCAL IMPACT

The estimated annual allocation of the City's Prop A Local Return funds to Long Beach Transit would be approximately \$5 million for Fiscal Year 2012, including full cost recovery for the Agreement for Law Enforcement Services. These funds are budgeted in the Transportation Fund (SR 182) and the Citywide Activities Department (XC).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

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P\CL\FY12 LBT One-year Funding Agreement v3.doc

APPROVED:


PATRICK H. WEST
CITY MANAGER