



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

R-33

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September 23, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager or designee to execute a Three-Year Agreement between the City of Long Beach and the Long Beach Public Transportation Company for the disbursement of transportation funds for the Fiscal Years 2008-09 through 2010-11. (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, 2008, allocates to Long Beach Transit 70 percent of the Prop A funds received by the City.

During recent budget discussions, 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. Direct administration costs have not previously been included in the reimbursement provided by Long Beach Transit. However, beginning in fiscal year 2009, this cost will also be recovered through Prop A funds, providing for full cost recovery.

This matter was reviewed by Deputy City Attorney Linda Trang on August 28, 2008 and Budget Management Officer Victoria Bell on September 4, 2008.

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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 September 23, 2008 to authorize the execution of a new three-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 \$5.9 million for Fiscal Year 2008-09, and similar funding for Fiscal Years 2009-10 and 2010-11 for various services and programs, 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

MC:SG:mm
PICLIFY08-09 3yr LBT Funding Agreement.doc

APPROVED:



PATRICK H. WEST
CITY MANAGER