Council Meeting of
November 1, 2011

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

Members of the Council:

SUBJECT: Transit - Authorize City Manager to submit Fiscal Year 2011-2012 Federal Transit Administration Grant Application.

Expenditure: $6,935,900

RECOMMENDATION:

Recommendation of the Transit Director that City Council authorize the City Manager to submit on behalf of the Torrance Transit System's Fiscal Year 2011-2012 Federal Transit Administration (FTA) Urbanized Formula Capital Grant application for $6,935,900.

FUNDING:

The total cost for the Transit Department's FY 2011-12 capital program is $6,935,000. The FTA provides the Transit Department with capital funding from an annual urbanized area formula. Use of these funds typically requires a local match in the ratio of eighty percent (80%) and twenty percent (20%) local.

Transit is required to identify and set aside funds as a local match to federal grant funds for capital expenses. Historically, STA or Municipal Operators Service Improvement Program (MOSIP)/ Proposition C Discretionary 40% funds have been used for the 20% local match. For FY 12 the California Department of Transportation (Caltrans) has been approved by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) for the use of "toll-credits" as the local matching requirement. The amount of credit a state can earn is determined by the amount of toll revenue used for capital expenditures to build or improve public highway facilities. Caltrans has received an approval from the FHWA for $5.7 billion in toll credits. Torrance Transit intends to use $1,733,975 of the toll credits for the listed projects below.

BACKGROUND & ANALYSIS:

The grant applications will be submitted online using FTA's Transportation Electronic Award and Management (TEAM) system and will include seven projects as follows:

1. Purchase of Six (6) Replacement Buses ($3,363,900)
Funds will be used to purchase six (6) alternative fuel Compressed Natural Gas (CNG) 40- foot replacement buses.

2. Preventive Maintenance ($2,250,000)
In compliance with federal guidelines, staff will use a portion of capital funds to defray the cost of maintaining the bus fleet.

3. Maintenance Facility Compressed Natural Gas Retro-fit ($937,000)
Funds will be used to retrofit the maintenance facility to allow for the maintenance of Compressed Natural Gas (CNG) buses.

4. Purchase and Installation Garage Hoist ($150,000)
Funds will be used for the purchase and installation of a garage hoist in the maintenance facility.

5. Bus Refurbishing ($100,000)
Funds will be used for the bus refurbishing (re-painting and body work) on our older buses, to update paint scheme (rebrand).

6. Purchase Fall Restraint System ($75,000)
Funds will be used to purchase the system required to provide a safe working environment to maintain our alternate fuel vehicles.

7. Purchase of Shop Maintenance Equipment ($60,000)
Funds will be used for the purchase of shop equipment (Brake Lathe, CNG tools and diagnostic equipment, etc.) for the maintenance of the bus fleet.

The following table illustrates the breakdown in funding for each project:

PROJECTS	FTA AMOUNT	LOCAL * MATCH	PROJECT TOTAL
Six (6) Replacement Buses	$3,363,900	$-0-	$3,363,900
Preventive Maintenance	$2,250,000	$-0-	$2,250,000
Maintenance Retro-fit	$937,000	$-0-	$937,000
Garage Hoist	$150,000	$-0-	$150,000
Bus Refurbishing	$100,000	$-0-	$100,000
Fall Restraint System	$75,000	$-0-	$75,000
Shop Equipment	$60,000	$-0-	$60,000
TOTAL	$6, 935,900	$-0-	$6,935,900

* - For FY2012, TTS will utilize One-Time FTA Toll Credits as Local Match for all Capital Projects.

The funding amounts in the FTA grant applications are consistent with the funding marks allocated by the Los Angeles County Metropolitan Transportation Authority. As also required by the FTA, all proposed projects are included in the Regional Transportation Improvement Plan and the FY 2011-2012 Short Range Transportation Plan.

Respectfully submitted,

Kim Turner
Transit Director

CONCUR:

LeRoy J. Jackson
City Manager