

Council Meeting of
December 7, 2010

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 2010-2011 Federal Transit Administration Grant Application.

Expenditure: \$11,897,727

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 2010-2011 Federal Transit Administration (FTA) Urbanized Formula Capital Grant application for \$11,897,727.

FUNDING:

The total cost for the Transit Department's FY 2010-11 capital program is \$11,897,727. The FTA provides the Transit Department with capital funding from an annual urbanized area formula. Use of these funds requires a local match in the ratio of eighty percent (80%) and twenty percent (20%) local, or in the case of the Rapid Bus procurement utilizing Congestion Management Air Quality (CMAQ) funding, a ratio of eighty-eight percent (88%) and a twelve percent (12%) local match. The amount of federal assistance for FY 2010-2011 is \$10,100,000 with a local match of \$1,797,727.

BACKGROUND & ANALYSIS:

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

1. 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. Requires a 20% local match.

2. Automatic Vehicle Locator (AVL) System (\$500,000)

Funds will be added to the AVL project that is currently underway and scheduled for completion in Fall of 2011. Requires a 20% local match

3. Purchase of Eight (8) Expansion Rapid Buses (\$7,272,727)

Funds will be used to purchase eight (8) alternative fuel 40 foot expansion buses for the Torrance Transit Rapid Bus program. Requires a 12% local match only.

4. Two-Year Operating Expenses- Rapid Bus Program (\$1,875,000)

Funds will be used to off-set operating expenses for the initial two-years of the program. After the initial two-year period the program expenses will be rolled into the annual municipal operator's formula allocation (FAP) program. Requires a 20% local match.

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

PROJECTS	FTA AMOUNT	LOCAL MATCH	PROJECT TOTAL
Preventive Maintenance	\$1,800,000	\$ 450,000	\$2,250,000
AVL System	\$ 400,000	\$ 100,000	\$500,000
Rapid Bus Expansion (8) and 2 Year Operating Expenses	\$6,400,000 \$1,500,000	\$ 872,727 \$ 375,000	\$7,272,727 \$1,875,000
TOTAL	\$10,100,000	\$ 1,797,727	\$11,897,727

On July 22, 2010 the Metro Board- Item #34 authorized \$7.9 million in Congestion Mitigation Air Quality (CMAQ) funds for the purchase of eight buses and to provide operating funds to implement the Torrance Rapid Bus Corridor.

The local matching funds will come from the Municipal Operators Service Improvement Program (MOSIP) in the amount \$550,000 and from Proposition A Discretionary funding in the amount of \$ 1,247,727.

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 2010-2012 Short Range Transportation Plan.

Respectfully submitted,



Kim Turner
Transit Director

CONCUR:



LeRoy J. Jackson
City Manager