



Legislation Text

File #: 18-0317, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Anne McIntosh, Community Development Director
Nhung Madrid, Senior Management Analyst

SUBJECT:

Resolution No. 18-0081 Approving Fiscal Year 2018-2019 Cost Sharing Agreement for \$19,151 for Beach Cities Transit Line 109 with City of Redondo Beach and Approve Appropriation and Funds Transfer (Community Development Director McIntosh).

a) **ADOPT RESOLUTION NO. 18-0081**

b) **APPROVE APPROPRIATION AND FUNDS TRANSFER**

RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt Resolution No. 18-0081 approving a cost-sharing agreement for \$19,151 with the City of Redondo Beach for Beach Cities Transit Line 109 services; and
2. Approve appropriation of \$9,630 in Proposition A funds and transfer from the General Fund.

FISCAL IMPLICATIONS:

Historically, the Cities of Manhattan Beach, Hermosa Beach, and El Segundo have contributed towards the cost sharing agreement for the operation of Beach Cities Transit (BCT) Line 109. For FY 2018-19, the shortfall projections for the Line are estimated at \$119,318, of which Manhattan Beach's proportionate share is \$19,151. The City's share includes \$9,521 for operating expenses and \$9,630 for the estimated cost to purchase and install Real-Time Information (RTI) capital equipment and systems, and related operation expenses.

The FY 2018-19 Adopted Budget includes sufficient funding for operating costs only (\$9,521). Although the City's capital contribution toward the RTI was budgeted in FY 2017-18, the timing of the purchase was unknown during budget development and the funds were not carried forward. Staff recommends re-appropriating \$9,630 in the Proposition A Fund for the RTI capital equipment purchase to occur in FY 2018-19. Since this will cause the Proposition A Fund to fall back into a deficit, a transfer from the General Fund is also needed.

BACKGROUND:

Beach Cities Transit Line 109 provides bus service from Redondo Beach's Riviera Village to the LAX Bus Center with stops in Redondo Beach, Hermosa Beach, Manhattan Beach, El Segundo, and the Metro Green Line stations at Aviation and Douglas. Line 109 is funded through a combination of Redondo Beach's portion of regional transit funds, fare revenues from riders, dedicated Proposition A Local Return Transportation Funds, Measure M transit sales tax, Senate Bill 1 State Transit Assistance funds, and from the contributions from a cost sharing agreement with the three participating cities.

The three participating cities of Hermosa Beach, El Segundo and Manhattan Beach have executed agreements for funding BCT Line 109 with Redondo Beach since inception of the Line in 2006. Manhattan Beach's investment has significantly decreased since the first agreement in 2006. In 2006, the City contributed \$86,639; for FY 2018, the City's anticipated total contribution is \$8,655. This is a significant decrease in contract costs by nearly 90 percent. Based on actual ridership numbers as of March 31, 2018, staff estimates that Line 109 will service approximately 180,000 riders, resulting in a \$0.30 per passenger subsidy.

DISCUSSION:

BCT Line 109 has been modified over time to better service the needs of the four participating cities and has adapted service changes from other transit agencies. With continued operation of the line requiring funding contributions from each of the participating cities, Hermosa Beach, El Segundo and Redondo Beach signed two-year agreements, which will expire June 30, 2019. For the FY 2017-18 agreement, Manhattan Beach signed a one year agreement to align the contract with the adopted biennial budget. The City's contract for Line 109 services expired on June 30, 2018.

With the recent expiration of the contract, Redondo Beach is requesting a new cost sharing agreement for FY 2018-19. The proposed agreement for FY 2018-19 reflects a 10 percent increase, which is the same incremental percentage increase that the other participating cities have in their agreements. These increased costs are as a result of increased fuel expenses, the transit contractor's annual operating increases, and the real-time information system expenses. All expenses in excess of a 10 percent increase for FY 2018-19 will be covered by Redondo Beach.

Beach Cities Transit services are very beneficial to our community. It provides a low-cost alternative transportation option for our residents, employees within our City, and commuting options, which in turn relieves parking and traffic congestion throughout the City. Additionally, providing this transit option to our residents supports the goals and policies within the General Plan's updated Mobility Plan and other environmental sustainability initiatives. Redondo Beach has also made route adjustments to accommodate the City's requests for stops along Parkview Avenue and the Manhattan Village Mall.

Following the closeout of FY 2016-17, Beach Cities Transit performed a stop analysis for their transit services which included various metrics such as an evaluation of ridership by stop, identification of ridership by time periods, peak stop boardings and alightings (e.g. exiting the bus), and calculations of average daily boardings and alightings by stop.

In summary, Line 109 includes 77 stops along the route, with 30 stops in Manhattan Beach. There are 16 stops in the northbound direction and 14 stops southbound. Roughly half of the Line's ridership (55.5%) is from the average daily rider activity (boardings and alightings) at eight stops. The largest volume of both boardings and alightings were near the two Greenline Stations at Aviation

(14.9%) and Douglas (14.2%). The next largest volume of boardings was at the LAX Transit Center (9.1%) followed by Highland Avenue at 14th Street in Downtown Manhattan Beach (4.5%). For alightings, the next largest volume of stops was at Imperial Ave and McCarthy Street (6.5%) and Highland Avenue at 14th Street (5.5%).

Overall, BCT Line 109 services provide much needed transit services for our community, residents, visitors, and employees as evident through this stop analysis report. With 77 stops along the route, the Highland Avenue at 14th Street stop in Manhattan Beach ranks fourth in the top stops for average daily boardings and alightings on Line 109. Other active and frequented stops in the City include Manhattan Avenue and 9th Street, Highland Avenue and 33rd Street and Rosecrans Avenue just east of Sepulveda Boulevard. Based on a weighted average, there were approximately 30,000 boarding and alightings at the 30 bus stops in the City limits.

Please note that the Risk Manager recommends that the City of Redondo Beach indemnify Manhattan Beach for any acts or omissions caused by Redondo or the operator of the buses. Past agreements included a mutual indemnity agreement where each city indemnified the other city for the acts and omissions of the city at fault.

POLICY ALTERNATIVES:

ALTERNATIVE #1:

Do not approve the one-year cost sharing agreement. The City would not contribute its share based on route mileage in the City to fund the operational gap for BCT Line 109.

PROS:

Funds that are currently allocated in the FY 2019 and FY 2020 budgets for this agreement could be utilized to supplement an existing transportation program.

CONS:

A reduction in transit services would reduce mobility options for constituents, and impact traffic and parking within the City. It could create a barrier for employees and/or residents to get to/from their place of employment, home, services and recreation facilities and activities.

Additionally, the City's cooperative and collaborative relationship with Redondo Beach could be affected, which could result in a re-route of service to exclude Manhattan Avenue, Highland Avenue and Rosecrans Avenue. BCT could provide no services in Manhattan Beach, or reduce stops in the City. Further, BCT would be less likely to make route changes to accommodate the City.

PUBLIC OUTREACH/INTEREST:

Staff liaisons from the participating cities continue to meet quarterly to exchange transit line service information, discuss service issues, vehicle acquisition, and marketing and public outreach efforts.

ENVIRONMENTAL REVIEW

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that there is no possibility that the activity may have a significant effect on the environment; therefore, pursuant to Section 15061(b)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW

The City Attorney has approved as to form the agreement.

Attachments:

1. Resolution No. 18-0081
2. Agreement - Beach Cities Transit Line 109
3. Beach Cities Transit Line 109 Cost Sharing Proposal
4. Cost Sharing Contributions (2006-2018)
5. Background Information on Beach Cities Transit Line 109
6. Stop Analysis Report