


AGENDA ITEM 2 A
Action Item

MEMORANDUM

DATE: February 4, 2010
TO: El Dorado County Transit Authority
FROM: Mindy Jackson, Executive Director 
SUBJECT: Advancing Prop 1B (PTMISEA) Projects

REQUESTED ACTION:

BY MOTION, Authorize the use of \$647,385 in capital reserve funds to advance two (2) Fiscal Year 2008/09 State Proposition 1B Projects

BACKGROUND

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved as state Proposition 1B on the November 7, 2006 ballot, included \$4 billion for the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). The amount of \$3.6 billion is for sponsors of public transportation projects to protect the environment and public health, conserve energy, reduce congestion, and increase mobility and access.

The El Dorado County Transit Authority (El Dorado Transit) allocations from the bond act are as follows:

Fiscal Year 2007/08	\$1,254,656
Fiscal Year 2008/09	\$ 703,173
Fiscal Year 2009/10	\$ 706,295

Eligible projects are transit capital projects for:

- Rehabilitation, safety, or modernization: including purchase of equipment (such as bus engines, computer systems, and signage) for rehabilitation, operation, modernization, or safety.
- Capital service enhancement or expansion, such as modernization of bus shelters, transit centers, and operation and maintenance facilities, for design and/or construction phases.
- New capital projects. New construction, expansion, or modernization of buildings, bus shelters, transit centers, and operation and maintenance facilities, for design, right-of-way, or construction phases.
- Bus rapid transit improvements.

- Rolling stock, to purchase, replaces or rehabilitates transit vehicles, such as Buses, vans, paratransit vehicles, and rail transit vehicles.

DISCUSSION

Allocation Requests for FY 2007/08 and FY 2008/09

El Dorado Transit utilized \$602,896 of the \$1,254,656 allocation of Fiscal Year (FY) 2007/08 funding to partially fund an initial project to replace five (5) commuter coaches. This project is complete. The balance of the allocation partially funds the second purchase of three (3) commuter buses. This amount of \$651,760 is being held in an interest bearing account.

The FY 2008/09 projects are noted in the table below:

**Summary of Fiscal Year 2008/09
PTMISEA Projects**

PROJECT	FY 2008/09 PTMISEA	American Recovery and Reinvestment Act (ARRA)	TOTAL PROJECT COST
Commuter Bus Replacement	\$521,000		\$521,000
Bus and Paratransit Van Replacement	\$126,385	\$643,000	\$769,385
Service Expansion Dial-A-Ride Van	\$55,788		\$55,788
TOTALS	\$703,173	\$643,000	\$1,346,173

The agency will use \$521,000 of FY 2008/09 PTMISEA bond funds for the acquisition of one (1) replacement commuter coach. The amount of \$126,385 of FY 2008/09 funds will be used as matching funds to purchase nine (9) transit vehicles – five (5) local fixed route buses and four (4) Dial-A-Ride minivans scheduled for replacement. The \$55,788 balance of FY 2008/09 funds will be allocated to purchase one (1) service expansion paratransit Dial-A-Ride van. All three (3) projects are included in the adopted Western El Dorado County 2008 Short Range Transit Plan, and comply with the PTMISEA bond program requirements.

The FY 2008/09 projects have been submitted to Caltrans however; formal approval cannot be provided until the bond program is funded. Staff is recommending board approval to advance two (2) of the FY 2008/09 PTMISEA projects.

The commuter bus replacement project would complete the approved nine (9) bus replacement plan, allowing the purchase of the ninth commuter coach. The Sacramento commuter service uses nine (9) buses to operate twelve (12) routes. The two (2) initial

commuter coach orders submitted to MCI specified the 2009 California Air Resources Board (CARB) certified diesel engines. At this time, there are no additional 2009 engines available and the 2010 engines are not certified. MCI has built the ninth commuter coach based on El Dorado Transit specifications even though we are not obligated to take delivery due to the delay of state bond funding. MCI will use the bus as a demo or re-paint and sell it to another agency in the event that El Dorado Transit is not in a position to accept the coach. If there is board approval to advance the project with capital reserves, the commuter bus replacement project would be complete. Taking delivery of the commuter coach with the 2009 engine would ensure timely vehicle replacement and the advantage of coming off the production line with the other three (3) El Dorado Transit commuter coaches.

The second PTMISEA project replaces nine (9) transit vehicles – five (5) local route buses and four (4) Dial-A-Ride minivans. The project cost of \$769,385 is funded with \$643,000 of American Recovery and Reinvestment Act (ARRA) and a match of \$126,385. The project currently uses State Transit Assistance (STA) for the matching funds however; the match is an eligible PTMISEA project component. The buses are on order and the minivan order is included under agenda item 2B for consideration.

Advancing two (2) FY 2008/09 projects – *Commuter Bus Replacement (\$521,000)* and *Replacement Bus and Minivans (\$126,385)* requires the use of capital reserves that would be reimbursed with PTMISEA funding when it is available.

FISCAL IMPACT

There is uncertainty as to when and if bond funds will be available to reimburse El Dorado County Transit Authority for the PTMISEA component of these projects however, agency staff recommends using capital reserves to advance the projects. The adopted fleet replacement program is critical to providing safe, reliable public transportation and the agency has successfully maintained the replacement schedule. This strategy will ensure appropriate use of the bond funds while preserving the limited capital reserves for other projects that do not qualify under the PTMISEA program.

PROJECT	<u>PTMISEA</u>	<u>ARRA</u>	<u>STA</u>
Commuter bus replacement	\$521,000		
Replacement Bus and Minivans	\$126,385	\$643,000	\$126,385