

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

January 9, 2008

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: *CF* Craig Fajnor, Chief Financial Officer  
*MS* Mark Stanley, Director of Planning

SUBJECT: Authorization to Request Fiscal Year 2008 (FY08) Unallocated State Transit Assistance (STA) and Initial Proposition 1B (Prop 1B) Funding to Purchase Twenty-Five (25) Forty Foot Buses for Express Service/Bus Rapid Transit (BRT) Implementation

Summary: On November 7, 2006, California voters approved a number of propositions on the ballot, including Prop 1B. Prop 1B is a transportation bond investment package designed to help reduce congestion and provide mobility and access choices for Californians. In mid-December 2007, the Riverside County Transportation Commission (RCTC) provided funding guidance for the initial allocation of Prop 1B funds available to Western Riverside County operators. In addition, RCTC provided a status of currently unallocated FY08 STA funds. As of this report, the maximum combined amount of these funding sources available to the Agency is \$11,615,938. The minimum amount available to the Agency is \$676,363.

Operators were asked to submit their requests for the use of these funds using three (3) criteria:

- Project(s) currently in the Transportation Improvement Plan (TIP)
- Projects in the current Short-Range Transit Plan (SRTP)
- Projects to be funded within the next 2 fiscal years

In December 2003, the Berkeley Study recommended that express or BRT type service be implemented on the Magnolia/6<sup>th</sup> street and Downtown Riverside/Moreno Valley corridors within a 2 – 7 year period. As a result of the Berkeley Study findings and recommendations, the Board directed staff to implement express/BRT services as funding and time constraints permitted.

Recent changes and growth in the service offering has reduced the Agency's vehicle spare ratio to 17 percent, below the target of 20 percent allowable by the Federal Transportation Administration (FTA). Further, the

recently completed Comprehensive Operational Analysis (COA) identified the need to implement express and/or BRT type services along many current corridors in order to alleviate growing demand and congestion while serving an emerging market segment. Staff has identified the need to procure 25 forty foot Compressed Natural Gas (CNG) buses to be used for Express/BRT services planned for implementation not later than spring 2009. These services will be contained in the FY09 SRTP to be brought to the Board for approval in spring 2008.

The lead time to procure these vehicles varies depending on manufacturer demand and potential current purchase options existing under ongoing procurements with other public transit operators. Staff believes the implementation risk of these new services is greatly reduced by ensuring that enough vehicles are available to effectively operate the service at inception.

The suggested process from RCTC staff to secure the available Prop 1B funds is as follows:

- Operator requests submitted for pre-approval and funding availability to RCTC (December 2007 - complete)
- Operator seeks/obtains Board approval of request for unallocated STA and/or initial Prop 1B funds (January 2008 – this item)
- RCTC seeks approval of operator requests for unallocated STA and/or initial Prop 1B funds (March 2008)
- RCTC submits requests for initial Prop 1B funds to State (March 2008)
- State review/approval/funding of RCTC (operator) requests for initial Prop 1B funds (April 2008)

A substantial percentage, but not all, of the funding request for the 25 vehicles can be accommodated by the unallocated STA and initial Prop 1B funding. At the time of this report, RCTC is receiving and reviewing funding requests from each transit provider in Western Riverside County. Therefore, the exact quantity of vehicles that can be procured with these funds is not known at this time. However, the residual amount to complete the procurement of the remaining vehicles will be included in the Agency's FY09 SRTP and Capital Budget, subject to Board approval.

The unit price of these forty foot buses is \$500,000. This price is inclusive of all upgrades and amenities required to support the Express/BRT service segment as well as applicable preparation fees and taxes. The total value for all 25 vehicles is \$12,500,000.

#### Fiscal Impact:

The current FY08 Capital Budget is \$10,829,249. RCTC's Board of Commissioners will be considering the allocation of initial Prop 1B and residual FY08 STA funds for Western Riverside County transit providers in

March 2008. At that time, Agency staff will inform the Board of the residual FY08 STA and initial Prop 1B funding levels to be allocated to the Agency and the corresponding quantity of forty foot buses that funding level can accommodate.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to submit an FY08 SRTP and Capital Budget amendment to RCTC representing the request for funding for forty foot buses to be used on Express/BRT services. Funding will be in the form of currently unallocated FY08 STA and initial Prop 1B funds.