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January 20, 2009

**TO:** BOARD OF DIRECTORS

**THROUGH:** ROGER SNOBLE  
CHIEF EXECUTIVE OFFICER

**FROM:** CAROL INGE  
CHIEF PLANNING OFFICER

**SUBJECT:** FEDERAL TRANSIT PASS-THROUGH GRANT SPONSOR  
PROGRAM UPDATE

### **ISSUE**

In October 2001, the Board of Directors approved a Pass-Through Grant Sponsor Program for specified federal transit funds awarded to local cities and agencies. When the Board approved the Program, the Board also directed staff to report annually on the status of the current \$43.5 million Program.

### **DISCUSSION**

Making federal funds available to cities and local agencies through direct Congressional earmarks has become commonplace over the past few years. These separate but similar actions have resulted in a growing number of local agencies within Los Angeles County attempting to secure transit funding directly from the Federal Transit Administration (FTA). Many of these cities and local agencies never had received FTA funds before and were not fully prepared to administer such funds. To rectify this situation, the FTA encouraged us to act as grantee on behalf of those cities and agencies that were unprepared to apply for and receive federal transit funds on their own. Subsequently, on October 25, 2001, the Board of Directors approved the Pass-Through Grant Sponsor Program (Program). The approved Program allows us to assume the role of pass-through grantee and obtain federal transit funds for pre-designated city and local agency recipients.

Since the Program's inception in 2001 and through the first quarter of FY 2009, we have provided assistance to 35 different organizations that had federal funds allocated to them. These include such local agency recipients as Playa Capital Company LLC, the Los Angeles Community College District, California State University at Northridge and Cedars Sinai Medical Center.

Attachment A provides detail on the different agencies that we have assisted, the frequency with which we have assisted each, the number of projects each had and the amount of grant funds awarded. Several of the participants have requested and received assistance for their multi-year projects. These projects included the transit centers for Baldwin Park, Monterey Park and Palmdale. Other cities, such as Pasadena and San Fernando, have requested assistance for several different projects. We have assisted 35 agencies a total of 63 times with 54 different projects.

Attachment B provides the number of new memoranda of understanding (MOUs) we entered into each year, how many were closed, the number of new FTA grants we executed, and the grant amounts expended. An individual grant may include several agencies and several different projects. Many projects and grants stay open for several years depending on their complexity.

Fiscal Year (FY) 2004 was the first year during which the FTA approved grant applications and that we executed. During that year, we provided assistance 26 times to 17 different agencies. The City of Glendale asked us to assist them with three different projects. Burbank, Compton and Sierra Madre requested assistance for two projects each. The total monetary value for the FY 2004 projects was \$21,023,948.

In FY 2005, we assisted one additional participant, Pasadena, with a project for \$396,012. In FY 2006, two cities that had used the Program in FY2004, Sierra Madre and South Pasadena, again requested assistance with \$442,692 in grant funds.

During FY 2007, we assisted seven agencies. Four of these assists were new projects or participants while the other three had participated previously. The City of Palmdale requested assistance in adding more funds to its multi-modal transit center project. These activities totaled \$8,512,118.

In FY 2008, we assisted seven organizations that had not participated in the Program before. Two agencies that had participated before requested additional assistance. Monterey Park requested assistance on a new project, as well as assistance in adding funds to an FY 2006 project. Burbank, a previous participant, also requested assistance for a new project. Los Angeles City College and Los Angeles Trade Technical College each required assistance twice to support their individual projects. The FY 2008 activities resulted in grants awards of \$5,062,281.

Through the first quarter of FY 2009, we have assisted seven new participants as well as eight organizations that had participated in the Program earlier. Valley College, Monterey Park and Baldwin Park requested additional assistance for projects they had begun in previous years. Bellflower, Burbank, Compton, Glendale and Monrovia, who had participated in the Program before, also asked for assistance on new projects. These actions have resulted in grant awards totaling \$8,015,810.

As shown on Attachment A, we are administering a \$43.5 million Pass-Through Program. Of that amount, \$19.7 million has been expended. Following a Board-approved provision of an up to five percent administrative fee, we have collected a total of \$1.3 million from these pass-through grants to reimburse our administrative costs for preparing, submitting and managing these grants. We now are billing for \$627,000 additional funds owed.

Additionally, as the grantee, we are responsible for monitoring and controlling these Program assets after the funds have been expended. Annually, we obtain certification of continuing control and maintenance of all assets purchased with federal funds until the assets are fully depreciated or sold. We must also monitor compliance with FTA drug and alcohol requirements.

Attachment C lists those assets by category that we are currently monitoring and controlling. We will continue controlling these assets as prescribed by federal guidelines. The useful life of the assets varies by category. Furthermore, in the bus asset category, the bus useful life varies by size. The useful life of assets in years is provided at the top of the attachment and the quantity of those assets is provided in the body of the attachment. Based on this chart, our responsibility to the FTA as a pass-through agency in administering these grant funds will continue for another 30 years.

### **NEXT STEPS**

We will continue to administer the Program as the Board has approved. The Program will continue to facilitate the delivery of pre-designated federal transit funds to their respective recipients, and to the region as a whole. We already have agreements in place with a number of agencies to provide further assistance in obtaining federal funds for FYs 2007 through 2008 that Congress has approved. We anticipate more requests for assistance for FY 2009 funds once the federal appropriations are approved.

We also will continue to report annually to the Board with updated information on Program activities.

Prepared by: Richard Christie, Transportation Planning Manager  
Regional Program Management

Attachments

LOS ANGELES METROPOLITAN TRANSPORTATION AUTHORITY PASS-THROUGH PROGRAM

AGENCIES AND PROJECTS SUPPORTED AS OF SEPTEMBER 2008

ATTACHMENT A

	<b>Name of Agency</b>	<b>Project</b>	<b>Times Assisted</b>	<b>FTA Award</b>	<b>Project Status</b>
1	City of Baldwin Park	Buses	1	\$561,000	Complete
	City of Baldwin Park	Transit Center	2	\$623,432	Open
2	City of Bell	Buses	1	\$196,219	Complete
3	City of Bellflower	Buses	1	\$116,614	Open
	City of Bellflower	Bus Shelters	1	\$247,500	Open
4	City of Burbank	Buses	2	\$701,012	Complete
	City of Burbank	Buses	1	\$273,761	Open
	City of Burbank	Transit Center	1	\$775,745	Open
5	California State University, Northridge	Pedestrian/passenger access	1	\$197,716	Open
6	Cedars Sinai Medical Center	Pedestrian/passenger access	1	\$912,536	Open
7	City of Carson	Buses	1	\$608,357	Open
8	City of Cerritos	Buses	1	\$1,117,273	Open
9	City of Compton	Buses	2	\$826,579	Complete
	City of Compton	Buses	1	\$405,584	Open
10	City of Cudahy	Bus Shelters	1	\$117,731	Complete
11	City of El Segundo	Transit Center	1	\$2,079,661	Complete
12	City of Glendale	Buses	3	\$3,044,009	Complete
	City of Glendale	CNG facility	1	\$2,541,000	Open
	City of Glendale	Buses	1	\$281,061	Open
13	City of Lakewood	Bus Shelters	1	\$396,000	Open
14	City of Maywood	Buses	1	\$117,731	Complete
15	City of Monrovia	Transit Village	1	\$2,056,072	Open
	City of Monrovia	Buses	1	\$574,383	Complete
16	City of Monterey Park	Bus stop improvements	1	\$125,120	Open
	City of Monterey Park	Transit Center	2	\$1,333,301	Open
	City of Monterey Park	Buses	1	\$862,000	Complete
17	City of Palmdale	Transit Center	4	\$4,408,448	Open
18	City of Paramount	Buses	1	\$198,000	Open
19	City of Pasadena	Buses	1	\$396,012	Complete
	City of Pasadena	Pedestrian/passenger access	1	\$1,554,303	Open
	City of Pasadena	ITS system improvements	1	\$608,357	Open
20	City of Redondo Beach	Buses	1	\$558,469	Complete

LOS ANGELES METROPOLITAN TRANSPORTATION AUTHORITY PASS-THROUGH PROGRAM

AGENCIES AND PROJECTS SUPPORTED AS OF SEPTEMBER 2008

ATTACHMENT A

	<b>Name of Agency</b>	<b>Project</b>	<b>Times Assisted</b>	<b>FTA Award</b>	<b>Project Status</b>
21	City of San Fernando	Buses	1	\$291,262	Open
	City of San Fernando	CNG buses,mtn. eqpt. and facility	1	\$587,686	Open
22	City of Sierra Madre	Buses	1	\$148,504	Open
	City of Sierra Madre	CNG facility	1	\$295,140	Open
	City of Sierra Madre	Buses	1	\$123,000	Complete
23	City of South Gate	Buses	1	\$242,945	Open
24	City of South Pasadena	Buses	1	\$297,009	Complete
	City of South Pasadena	Buses	1	\$147,552	Open
25	City of West Covina	Buses	1	\$550,000	Complete
26	Los Angeles City College	Pedestrian/passenger access	2	\$1,386,496	Open
27	Los Angeles Mission College	Pedestrian/passenger access	1	\$152,089	Open
28	Los Angeles Neighborhood Initiative	Pedestrian/passenger access	1	\$346,510	Complete
29	Los Angeles Trade Technical College	Pedestrian/passenger access	2	\$681,387	Open
30	Los Angeles Valley College	Pedestrian/passenger access	2	\$1,228,388	Open
31	Palos Verdes Penninsula Transit Author	Buses	1	\$291,000	Complete
32	Pasadena Metro Blue Line Construction	Engineering	1	\$4,432,715	Open
33	Pierce College	Pedestrian/passenger access	1	\$390,997	Open
34	Playa Capital Company, LLC	Buses, passenger/pedest improvements	1	\$2,970,945	Open
35	Rosemary Children's Services	Vans	1	\$74,250	Open
			<b>63</b>	<b>\$43,452,861</b>	

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
PASS-THROUGH PROGRAM

MEMORANDUM OF AGREEMENT ACTIVITY BY FISCAL YEAR  
AS OF SEPTEMBER 2008

ATTACHMENT B

<b>FISCAL YEAR</b>	<b>NEW MOU's</b>	<b>CLOSED MOU's</b>	<b>EXPENDED</b>	<b>BALANCE</b>
FY2004	26	19	\$4,600,594	\$16,423,354
FY2005	1		\$2,838,441	\$13,980,925
FY2006	2	1	\$5,796,924	\$8,626,693
FY2007	7		\$4,349,971	\$12,788,840
FY2008	12		\$1,804,455	\$16,046,666
FY2009	15		\$351,452	\$23,711,024
<b>TOTALS</b>	<b>63</b>	<b>20</b>	<b>\$19,741,837</b>	<b>\$23,711,024</b>

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
PASS-THROUGH PROGRAM

NUMBER OF YEARS REQUIRED OF CONTINUING ASSET MONITORING AND  
CONTROLLING BY CATEGORY

ATTACHMENT C

<u>Years to Depreciate</u> →	4	7	10	15	30	<u>Total</u>
<b>Asset Category</b>						
Buses	9	45	46			100
Transit Centers					8	8
IT Systems				1		1
Shelters			107			107
Transit Plazas					7	7
Vans		5				5
CNG Facilities					3	3
Transit Improvements				2		2
<b>Total Assets</b>	9	50	153	3	18	233

Some projects include more than one type of asset.