

# **CITY OF TORRANCE INTEROFFICE COMMUNICATION**

**DATE:** January 18, 2012

**TO:** Members of City Council Transportation Committee  
**VIA:** LeRoy J. Jackson, City Manager

**FROM:** Kim Turner, Transit Director

**SUBJECT:** City of Torrance Participation in the Municipal Area Express (MAX) Program

## Background

Launched in 1990, the MAX is a joint venture of the cities of El Segundo, Lawndale, Lomita, Los Angeles, Torrance, and Los Angeles County. Torrance Transit serves as the lead agency for MAX, currently contracting the operation of the service to MV Transportation. The service consists of two fixed routes and one express route operating Monday through Friday during peak morning and afternoon hours. It does not run on weekends and major holidays. Line 2 runs from Torrance to El Segundo from 6:34 am-8:08 am and 4:40 pm-6:24 pm. Line 3 runs from San Pedro to El Segundo from 5:20 am-7:52 am and 3:30 pm-6:29 pm. Line 3X is a Freeway Express route which runs from San Pedro to El Segundo from 6:00 am-7:59 am and 3:40 pm-6:10 pm. Ticket booklets and monthly passes for MAX are purchased from the patron company's Employee Transportation Coordinator or from the West Annex Transit Store located at Torrance City Hall. The service provides South Bay residents quick; convenient travel to and from the El Segundo employment center.

The Torrance City Council, at its March 29, 2011 meeting, approved Torrance's continued participation in the Municipal Area Express (MAX) Program for Fiscal Year (FY) 2011-2012, with future participation in the program to be evaluated on an annual basis. It was recommended that the City continue to support MAX system through the next year but that the City share with the MAX Board the City's intention to encourage MAX to support the phasing out of MAX while seeking a replacement. The present Interagency Agreement for the program requires that the Lead Agency (Torrance) provide notice if it wishes to withdraw a minimum of 120 days prior to June 30, 2012. Therefore, Torrance has until March 2, 2012 to notify the partnering cities if it should wish to terminate participation in the program.

## Analysis

The MAX Interagency agreement requires that in January of each year the technical staff members from each participating agency meet and review the previous calendar

year performance statistics. The purpose of the meeting is to determine the percentage share each agency will contribute for the next fiscal year based on boarding and miles within each jurisdiction. The technical group met on January 10, 2012 and reviewed the statistical data for calendar year 2011, including proposed participating agency shares for FY 2012-2013. Based on the data and subsequent analysis, staff is recommending that the City of Torrance withdraw from the MAX program effective June 30, 2012.

The recommendation is not made lightly. In October 2011 a survey of the MAX ridership was conducted some of the comments received can be seen below:

- 74% of riders have been riding for 1 year and up, indicating a dedicated ridership.
- 85% of riders ride 4+ days per week, which is consistent with 93% of respondents commuting on the service.
- 59% of riders receive some form of subsidy from their employer.
- 75% of riders indicate the quality of service for the MAX has either remained the same or improved in the past 6 months.
- 100% of riders would recommend the MAX to other people.
- 89% of riders have one or more vehicles in their household.

The staff recommendation to withdraw from the MAX program is based on the following:

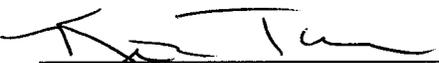
- Annual Torrance boardings have decreased from approximately 17,000 to 15,000, a 12% reduction in annual boardings.
- The agency's annual participant share will increase from \$91,021 in FY 2011-2012 to \$131,418 in FY 2012-2013, an increase of 44%.
- The subsidy per passenger boarding for calendar year 2011 was approximately \$6.09. The projected subsidy per passenger boarding for calendar year 2012 is \$8.80, assuming boardings remain constant. Torrance Transit fixed route subsidy per passenger is approximately \$3.33 system wide, on weekdays.
- The anticipated local match capital requirements to replace the MAX buses will cost approximately \$1.2 million. The Torrance share is estimated at approximately \$300,000.
- Current Torrance Transit service on Line #2 and Line #8 can adequately assist displaced MAX Line 2 Torrance residents. The Torrance Transit Line #2 serves the Anza Av. corridor between Torrance Bl. and Artesia Bl., overlapping the MAX Line #2. The Torrance Transit Line #8 serves along the Hawthorne Bl. corridor parallel to Anza Ave. where the MAX Line #2 serves, and provides service into the El Segundo area. Those patrons displaced to the Torrance Transit Line #2, could connect with the Torrance Transit Line #8 along Artesia Bl. for service to the El Segundo area.
- Current service on Torrance Transit Line #5 can adequately assist the majority of displaced riders from MAX Line #3. MAX Line #3 riders are typically found travelling significantly shorter average trip lengths when compared to the MAX Line #2 and Line #3X. MAX Line #2 and #3X average trip lengths are 27% and

142% longer than MAX Line #3, respectively. This indicates a more traditional local service, as seen with Torrance Transit fixed route service.

- The funding utilized for the MAX program can be reallocated to address rising fuel costs and offset increasing Torrance Community Transit Program expenses.

Should the City of Torrance withdraw from the MAX program effective June 30, 2012 there could be potential costs associated with this decision. These costs could include the removal of MAX signs, creating new headsigns for the buses, printing new schedules, and creating and applying stickers for remaining signage. These costs could vary widely given the various scenarios that could result from the withdrawal of the City of Torrance from the MAX program.

With your honorable body's approval Transit staff would seek Council approval for the withdrawal of the City of Torrance, tentatively planned for during the February 7, 2012 City Council meeting. In addition, Transit staff would provide an update at the February 6, 2012 MAX Policy Steering Committee meeting. This update would explain the outcome of this Transportation Committee meeting and the recommendation Transit staff will be presenting at the Council meeting the following day. In addition to the February MAX Policy Steering Committee meeting update, we would also likely call a Special Meeting for the MAX Policy Steering Committee to discuss the outcome of the February 7, 2012 City Council meeting and discuss future plans of the MAX program beyond June 30, 2012. If the Policy Steering Committee should decide to modify or eliminate service given the City of Torrance withdrawal from the MAX program, public hearings would likely be required. As those future MAX Policy Steering Committee meetings occur, Transit staff will provide subsequent updates accordingly.

  
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Kim Turner  
Transit Director