



Orange County Transportation Authority

Technical Advisory Committee Agenda

Wednesday, July 22, 2026 at 1:30 p.m.

550 South Main Street, Orange, California, Room 07

Call to Order

Roll Call

Action Items

1. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the April 22, 2026, Technical Advisory Committee meeting.

Attachments:

[Minutes](#)

2. Measure M2 Comprehensive Transportation Funding Programs - 2027 Call for Projects Issuance and Proposed Guidelines Revisions

Cynthia Morales

Overview

Measure M2 allocates net revenues for the development of various competitive programs which provide funding for transit, environmental cleanup, and local streets and roads projects. Funding for local streets and roads projects is anticipated to be made available, subject to the Orange County Transportation Authority Board of Directors approval, through a 2027 call for projects for the Regional Capacity Program and Regional Traffic Signal Synchronization Program. Staff has updated the Comprehensive Transportation Funding Programs Guidelines and is seeking approval to advance these proposed revisions to the Board of Directors. The proposed revisions incorporate 2027 call for projects cycle changes, as well as payment process streamlining recommendations to expedite the review and authorization of grant payments, consistent with Board direction from the 2025 Measure M2 Performance Assessment.

Recommendation(s)

Recommend approval and advancement of the revised Comprehensive Transportation Funding Programs Guidelines for formal recommendation to the Board of Directors.

Attachments:

TECHNICAL ADVISORY COMMITTEE MEETING AGENDA

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Presentation](#)

[Supplemental Information](#)

Informational Items

3. Caltrans Local Assistance Update

Attachments:

[Presentation](#)

4. Correspondence Items of Interest

Overview

Staff included items of interest presented at Orange County Transportation Authority Board Meetings or distributed to the Committee via email

Attachments:

[Attachment](#)

Discussion Items

5. Staff Comments

- A. 2027 Surface Transportation Block Grant / Congestion Mitigation and Air Quality Improvement Program Call for Projects - Ben Ku
- B. MPAH Facilities Build-Out Lookahead - Charvalen Alacar

6. Committee Comments

7. Items for Future Agendas

8. Public Comments

9. Adjournment

The next regularly scheduled meeting of this Committee will be held:

1:30 p.m. on Wednesday, August 26, 2026

OCTA Headquarters
550 South Main Street
Orange, California

Accommodations

Any person with a disability requiring accommodation to participate in this meeting should contact the Clerk of the Board's office at (714) 560-5676, no less than two business days prior to the

TECHNICAL ADVISORY COMMITTEE MEETING AGENDA

meeting to make arrangements.

Agenda Descriptions

Agenda descriptions are intended to provide a summary of items of business to be transacted or discussed. The Board/Committee may take any action that it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Availability of Agenda Materials

All documents relative to this agenda are available for viewing at www.octa.net or at OCTA Headquarters, 600 S. Main Street, Orange, CA during normal business hours.

Meeting Access and Public Comments on Agenda Items

Public comments can be made in-person at the meeting by completing speaker's card and submitting it to the Clerk of the Board prior to the item being called by the Chair. Public speakers will be recognized by the Chair and comments shall be limited to three minutes (unless otherwise directed by the Chair). Language translation can be provided upon request, if available.

Written Comment

Written comments may be emailed to Committees@octa.net no later than 5:00 p.m. the day prior to the meeting. Timely received written comments will be part of the public record and distributed to the Board/Committee.



Call to Order

The April 22, 2026, meeting of the Technical Advisory Committee was called to order by Chair Lee at 1:32 p.m. at the OCTA Headquarters, 550 South Main Street, Orange.

Roll Call

The Clerk of the Board conducted an attendance roll call and announced a quorum present as follows:

Members Present:

- Iris Lee, Seal Beach, Chair
- Jacki Scott, Laguna Niguel, Vice Chair
- Quang Le, Aliso Viejo, Alternate
- Rudy Emami, Anaheim
- Ryan Chapman, Brea, Alternate
- Deepthi Arabolu, Buena Park, Alternate
- Justin Golliher, County of Orange
- Nick Mangkalakiri, Cypress
- Temo Galvez, Fountain Valley
- Stephen Bise, Fullerton
- Chau Vu, Huntington Beach
- Kerwin Lau, Irvine, Alternate
- Thomas Perez, Laguna Beach
- Doug Erdman, Lake Forest
- Chris Kelley, Los Alamitos
- Jim Houlihan, Newport Beach
- Christopher Cash, Orange
- Christopher Tanio, Placentia
- Wilson Leung, Rancho Santa Margarita, Alternate
- Zak Ponsen, San Clemente, Alternate
- Shawn Mousavi, San Juan Capistrano, Alternate
- Rodolfo Rosas, Santa Ana
- Cesar Rangel, Stanton
- Kenny Nguyen, Tustin
- Jake Ngo, Westminster
- Jamie Lai, Yorba Linda
- Jonathan Lawhead, Caltrans, Ex-Officio

Via Teleconference: Matthew Kunk, Dana Point, Alternate

Members Absent:

- Shaun Pelletier, Aliso Viejo
- Michael Ho, Brea
- Mina Mikhael, Buena Park
- Raja Sethuraman, Costa Mesa
- Matthew Sinacori, Dana Point
- Dan Candelaria, Garden Grove
- Luis Estevez, Irvine
- Andrew Luna, La Habra

Jake Chavira, La Palma
Joe Ames, Laguna Hills
Gerald Tom, Laguna Woods
Richard Schlesinger, Mission Viejo
Joe Parco, Rancho Santa Margarita
David Rebensdorf, San Clemente
Jeremy Hohnbaum, San Juan Capistrano
Mahrooz Ilkhanipour, Villa Park

Staff Present: Rose Casey, Planning
Adriann Cardoso, Planning
Charvalen Alacar, Planning
Cynthia Morales, Staff Liaison
Mason Doshier, Staff Liaison
Andrea West, Clerk of the Board
Elia Verduzco, Employee Rotation Program
OCTA Staff

Action Items

1. Approval of Minutes

A motion was made by Vice Chair Scott, seconded by Member Houlihan, and following a roll call vote, declared passed 23-0, to approve the minutes of the February 25, 2026 Technical Advisory Committee meeting.

The following Members abstained from voting on this item:

- Rudy Emami
- Nick Mangkalakiri
- Kerwin Lau, Alternate

Member Erdman was not present to vote on this item.

2. Comprehensive Transportation Funding Programs Semi-Annual Review – March 2026

Chance Groom, Planning, provided a report on this item.

A motion was made by Member Houlihan, seconded by Member Emami, and following a roll call vote, declared passed 26-0, to recommend Board of Directors approval of requested adjustments to proposed Comprehensive Transportation Funding Programs projects, Local Fair Share funds, and Senior Mobility Program funds.

Member Erdman was not present to vote on this item.

3. Comprehensive Transportation Funding Programs – 2026 Call for Projects Programming Recommendations

Cynthia Morales, Planning, provided a report on this item.

A motion was made by Member Chau Vu, seconded by Member Nguyen, and following a roll call vote, declared passed 27-0, to:

- A. Recommend Board of Directors approval of \$55.67 million in 2026 Regional Capacity Program (Project O) funds to eight local jurisdiction projects.
- B. Recommend Board of Directors approval of \$12.29 million in 2026 Regional Traffic Signal Synchronization Program (Project P) funds to six local jurisdiction projects.

Informational Items

4. Orange County Road Maintenance Assistance Program (OC RoadMAP)

Member Golliher, provided a presentation on this item.

No action was taken on this item.

5. Comprehensive Transportation Funding Programs Guidelines – Payment Process Streamlining Update

Charvalen Alacar, Planning, provided a verbal update on this item.

No action was taken on this item.

6. Caltrans Local Assistance Update

Member Lawhead, Caltrans, provided a presentation on this item.

7. Correspondence

Chair Lee directed Members to the agenda for information related to this item.

8. Staff Comments

Rose Casey, Planning, noted the OCTA Board will be considering the Measure M2 10-Year Review at the April 27, 2026 Board meeting.

Vic Mireles, Planning, reported on the Enhanced Mobility for Seniors and Individuals with Disabilities (EMSD) program and the Mobile Source Reduction Committee (MSRC) funding programs.



9. Committee Comments

There were no Committee Member's comments.

10. Items for Future Agendas

No items were recommended.

11. Public Comments

No public comments were received for this meeting.

12. Adjournment

The meeting adjourned at 3:03 p.m.

The next scheduled meeting of this Committee will be held:

1:30 p.m. on Wednesday, June 24, 2026
OCTA Headquarters
550 South Main Street
Orange, California



July 22, 2026

To: Technical Advisory Committee

From: Orange County Transportation Authority Staff

Subject: Measure M2 Comprehensive Transportation Funding Programs –
2027 Call for Projects Issuance and Proposed Guidelines
Revisions

Overview

Measure M2 allocates net revenues for the development of various competitive programs which provide funding for transit, environmental cleanup, and local streets and roads projects. Funding for local streets and roads projects is anticipated to be made available, subject to the Orange County Transportation Authority Board of Directors approval, through a 2027 call for projects for the Regional Capacity Program and Regional Traffic Signal Synchronization Program. Staff has updated the Comprehensive Transportation Funding Programs Guidelines and is seeking approval to advance these proposed revisions to the Board of Directors. The proposed revisions incorporate 2027 call for projects cycle changes, as well as payment process streamlining recommendations to expedite the review and authorization of grant payments, consistent with Board direction from the 2025 Measure M2 Performance Assessment.

Recommendation

Recommend approval and advancement of the revised Comprehensive Transportation Funding Programs Guidelines for formal recommendation to the Board of Directors.

Background

The Comprehensive Transportation Funding Programs (CTFP) serves as the mechanism through which the Orange County Transportation Authority (OCTA) staff administer competitive funding programs such as Project O, the Regional Capacity Program (RCP), and Project P, the Regional Traffic Signal Synchronization Program (RTSSP), within the Measure M2 (M2) program, as well as other competitive transit (Projects S, T, and V) and environmental cleanup (Project X) programs. This item focuses on revisions to the CTFP 2027

Call for Projects (call) for the RCP and the RTSSP but also includes broader changes meant to streamline the payment process and clarify requirements.

The RCP provides M2 Project O funding for improvements to the Orange County Master Plan of Arterial Highways (MPAH). The program also provides funding for intersection improvements and other projects to help improve street operations and reduce congestion. The RTSSP provides M2 Project P funding for multi-jurisdictional, corridor-based signal synchronization throughout Orange County to support efficient operation of existing arterials. These programs allocate funds through a competitive process and target projects that improve traffic flow by considering factors such as degree of congestion relief, cost effectiveness, and project readiness.

The CTFP Guidelines (Guidelines), which are typically updated annually for these programs, identify procedures and requirements that local agencies must satisfy in order to apply for M2 funding, how project applications are evaluated, and what project elements are eligible for reimbursement and under what circumstances. The Guidelines also define how local jurisdictions can seek reimbursement once funds are awarded. The Guidelines were first approved by the OCTA Board of Directors (Board) on March 22, 2010, and were most recently updated for the Environmental Cleanup Program call for projects on March 9, 2026.

As OCTA has continued to administer the CTFP, staff previously identified issues related to challenges and timeliness of CTFP grant payments. To further evaluate these issues and develop potential solutions, OCTA initiated a streamlining effort with an independent consultant in spring 2024. These payment-related issues highlighted by staff were also acknowledged through the 2025 M2 Performance Assessment, which reviews the performance of OCTA on the delivery of M2 programs and identifies opportunities for process improvements. In response, the Board directed staff on March 10, 2025, to implement the appropriate recommendations resulting from the streamlining effort.

The proposed revisions were developed based on the consultant's recommendations and in close collaboration with the Technical Steering Committee (TSC). Since March 2026, OCTA has met with the TSC on multiple occasions, including five workshops, to review the recommendations and refine the proposed Guidelines.

Discussion

The proposed revisions to the Guidelines noted below and further detailed in Attachments A and B, address typical annual changes or programmatic updates, the addition of a roles and responsibilities section, provision of direct references from the M2 ordinance, payment process streamlining, and revisions to clarify eligible project features, definitions, precepts and administrative language to further assist with streamlining and user understanding. Programmatic updates support the 2027 call by updating dates, application instructions, project eligibility language, and selection criteria for the RCP and RTSSP programs. Administrative updates are intended to clarify the payment process, standardize documentation requirements, and provide local jurisdictions with more predictable procedures for initial, progress, and final payments.

The 2027 CTFP Call Updates include the following:

RCP:

- Clarification that environmental mitigation and sound walls are potentially eligible as defined in an approved CEQA documentation.
- Expand the potential eligibility for aesthetic improvements and enhanced landscaping within the current 10% landscaping threshold.
- Remove the limitations to roadway grading within the project roadway.
- Clarify that statues, ornaments, fountains or similar remain ineligible.
- Clarify that general street maintenance activities are ineligible. This is intended to provide more specific guidance on ineligible items.
- Under the Arterial Capacity Enhancement program, specified that unless the project is a new facility or extension, projects with a level of service (LOS) better than “C”, or .70 volume/capacity, will not be considered. This is intended to allow new facilities or extensions an opportunity to compete when they do not have an existing LOS level to accurately measure.
- Remove the percentage threshold for storm drains and proposed to allow storm drains to be eligible as required for the MPAH road improvement. Eligibility will be limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement.
- Clarify that travel lane widths should be no less than 11 feet unless reviewed and approved by Transit Planning (12 feet if adjacent to a raised median or other obstruction) for all arterial highways.

RTSSP:

- Update the funding estimates from \$75,000 per signal and \$250,000 per project corridor mile to \$84,000 per signal and \$280,000 per project corridor mile.
- The grant period of the primary implementation phase was revised to three years to allow adequate time to complete the scope and will be followed by subsequent operations and maintenance phase.
- References for the Countywide Baseline project were removed including the application points and additional incentives for participation.

Roles, responsibilities, and inclusion of M2 Ordinance references:

- Add new sections describing OCTA responsibilities, local jurisdiction responsibilities, and TAC/TSC responsibilities to better define the roles of each party in the administration of M2 CTFP funds.
- Add references and excerpts from the M2 Ordinance to improve transparency regarding the legal and policy basis for program requirements.
- Clarify that OCTA provides guidance and oversight for M2 CTFP funds, reviews payment requests for consistency with program guidelines generally within 180-days from submittal, verifies local match and eligible phase activities, and coordinates with Finance and Administration to process payments.
- Clarify that local jurisdictions remain responsible for project delivery, approved scope and schedule, supporting documentation, compliance with eligibility requirements, and any costs exceeding the approved grant amount.

Payment process streamlining improvements:

- Revise the reimbursement structure to support a progress payment process and standardize requirements across applicable CTFP programs to help local jurisdictions acquire and submit documentation in a format that is acceptable to OCTA.
- To ensure that documentation is checked throughout the life of the project, adjust the up-front initial payment request from 75 percent to 30 percent of the CTFP grant, to encourage the local jurisdictions to submit progress payments in order to ensure that the required documentation is retained and provided.
- Require semi-annual progress payment requests for incurred and paid costs, with continued documentation even after reimbursement reaches 90 percent of the grant amount, to support timely monitoring and closeout.

- Clarify retention requirements, including that ten percent of the grant will not be released until the final payment process is complete to encourage timely submittals of the final report and reimbursement request.
- Revise documentation requirements that are more appropriately reviewed at the initial payment or first progress payment stage, such as certain contract award, PS&E certification, local agency force, utility relocation, and related support documents. This will help reduce repetitive documentation that is submitted in both the initial and final payment stages.
- Establish a project approval process for construction and primary implementation phases. This will help local jurisdictions know from the outset and before they initiate procurement if there are any items in the project scope that are ineligible or are limited. This makes the process more transparent for the local jurisdictions from the outset.
- Clarifies the final CTFP payment process, including the Final CTFP Expenditure Report which is differentiated from the “M2 Project Final Report” that is required through the M2 Ordinance for continued eligibility.
- Standardized sections for project cost changes, including how OCTA will review eligible change orders or added items when the contract price is lower than the programmed amount and the changes remain consistent with the approved scope. This is to improve transparency for the local jurisdiction.

Definitions, precepts, and administrative clarifications

- To improve transparency, clarify eligible and ineligible items under the RCP, including clarification for gap closures, environmental mitigation, sound walls, aesthetic improvements, pavement restoration needed to return a funded project area to pre-construction conditions, and general street maintenance activities that are not eligible for reimbursement.
- Clarify local match requirements, including that local match must be provided as a monetary contribution unless otherwise expressly permitted through the M2 Ordinance. This is consistent with M2 requirements to leverage external and local funds, whenever possible.
- Describes the information that is required for an “approved invoice” or acceptable invoice, such as including an invoice number, project reference, date or date range, description of services or items, and authorization by the local jurisdiction.
- Add a definition for “betterment” to reinforce that M2 will only support very limited enhancements that are not directly tied to the goal of the program.

- Update the term “construction support” to “construction engineering” to align with Caltrans terminology and industry standards, while preserving appropriate references to design carried out during construction.
- Clarify micro-purchase documentation and allow local jurisdictions to provide supporting documentation when their established threshold differs from the CTFP default threshold of \$5,000.
- Add a definition for “M2 Project Final Report” and emphasize the 180-day reporting requirement associated with M2 eligibility.
- Add a precept stating that local jurisdictions shall not use M2 net revenues to supplant developer funding that has been or will be committed for transportation projects.
- Clarify that OCTA will not increase approved grant amounts to cover cost overruns and that ineligible expenditures cannot be counted toward local match.
- Specify that OCTA will need to provide written approval for the construction phase and primary implementation phase before the local jurisdiction can award a construction contract. The local jurisdiction will not need to have an executed letter agreement to proceed with contract award, however an executed letter agreement will be necessary to begin the reimbursement process.
- Add an M2 acknowledgement precept to promote consistent public recognition of voter-approved M2 funding in communications, signage, presentations, and other public-facing materials, where applicable.
- Create a formal appeal process to provide local jurisdictions with a defined procedure to request reconsideration of OCTA determinations related to CTFP payments.

For a more detailed summary, see Attachment A, which provides a table of the 216 proposed changes, as well as Attachment B, which provides a red-lined version of all proposed Guidelines changes. It should also be noted that for simplicity, proposed changes that were deemed to be non-substantive (i.e., wording/grammatical, clarifications) are generally not identified in Attachment A.

The proposed revisions respond to recommendations from the independent consultant review of the CTFP payment. The consultant recommendations generally focused on improving consistency, reducing ambiguity, and ensuring that local jurisdictions understand the required documentation before incurring costs or submitting reimbursement requests.

In response, staff added clearer definitions, examples, resource references, and payment process requirements; moved certain documentation checks earlier in the process; clarified roles and responsibilities; and strengthened closeout and

final reporting procedures. The revisions are intended to improve accountability while reducing avoidable delays in payment processing. Staff also went beyond the consultant recommendations and worked directly with the TSC on a comprehensive joint review of the Guidelines to make improvements where possible. Attachment C provides a question-and-answer document summarizing key discussion topics raised by the TSC and responses from OCTA.

In order to ensure coordination and input from the TSC and from the TAC staff developed and has adhered to the following schedule:

Committee	Topic/Guidelines Section	Date
TAC – Regular Meeting	Guidelines revisions approach and schedule	February 25
TSC – Review Session #1	Definitions, Precepts, Chapters 3, 4, and 6	March 11
TSC – Review Session #2	Chapter 2	March 25
TSC – Review Session #3	Chapter 7	April 8
TAC – Regular Meeting	Guidelines Revisions Update	April 22
TSC – Review Session #4	Chapter 8	May 13
TSC – Review Session #5	Chapters 9, 10	May 27
TSC – Special Meeting	Draft 2027 Guidelines	June 24
TAC – Regular Meeting	Draft 2027 Guidelines	July 22

On June 24, 2026, the proposed changes were presented to the TSC and approved. During TSC discussion, members raised concerns that the originally proposed 20 percent initial payment may not provide sufficient upfront funding for local jurisdictions. In response, staff reviewed prior project expenditure data and revised the proposal to a 30 percent initial payment. This adjustment provides additional upfront support while preserving the semi-annual progress payment process, which would allow agencies to receive reimbursement of up to 90 percent before project closeout.

The TSC also requested additional clarity regarding OCTA's review timeframe for payment requests. In response, the Guidelines were updated to include a 180-day timeframe for OCTA's review of final payments. This revision is intended to provide greater predictability for local agencies and hold OCTA accountable for completing final payment reviews in a timely manner. Staff will evaluate the timeframe after implementation once actual turnaround data is available.

While not discussed at the June 24, 2026 TSC meeting, staff is recommending two additional revisions following further internal review. First, the storm drain language was revised to clarify that eligible storm drain improvements must be directly tied to the MPAH roadway improvement and may not be part of a separate regional storm drain project or broader drainage system improvement. OCTA may request supporting documentation from the local jurisdiction to confirm this connection.

Second, staff is recommending retaining the existing 11-foot minimum travel lane width before additional justification is required. OCTA considered the TSC's recommendation to reduce the threshold to 10.5 feet. However, after further review by OCTA Transit Planning and Transit Operations, staff determined that 11 feet remains the appropriate standard for arterial highways. Travel lane widths below 11 feet may still be considered for funding with additional justification and approval by OCTA Transit Planning.

Next Steps

If the recommended changes in this report are approved by the TAC, they will be presented to the Regional Transportation Planning (RTP) Committee and Board for approval as part of staff's request to initiate the 2027 RCP and RTSSP call. The call timeline is anticipated to proceed as follows:

- Board authorization to issue call: September 14, 2026
- Call workshop: September 16, 2026
- Application submittal deadline: November 19, 2026
- TSC/TAC Review: March/April 2027
- Committee/Board approval: May/June 2027

Next steps, which are separate from the adoption of the guidelines but are currently being planned, is to review the CTFP Guidelines associated forms with the TSC to continue to make improvements to this process.

Summary

The CTFP Guidelines serve as the mechanism OCTA uses to administer various M2 competitive funding programs. In anticipation of the 2027 RCP and RTSSP call for projects, staff has prepared proposed modifications that combine call-cycle updates with broader administrative revisions resulting from the independent consultant review of the CTFP payment process and also consistent with Board direction from the M2 triennial performance assessment. The proposed revisions clarify program requirements, improve payment and

closeout procedures, define responsibilities, and provide local jurisdictions with more consistent and accessible guidance. The proposed revisions were presented to the TSC and approved for advancement to the TAC. If approved by the TAC, the proposed revisions will be presented to the RTP Committee and the Board for review and final approval.

Attachments

- A. 2027 CTFP Guidelines (Projects O and P) – Proposed Changes List
- B. Comprehensive Transportation Funding Programs, Guidelines Excerpt, Proposed Revisions
- C. Technical Steering Committee Review: Questions and Answers

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
I. Overview						
1	vi	I	Guidelines Overview	This document provides guidelines and procedures necessary for Orange County agencies to apply for funding of transportation projects contained within the CTFP through a simplified and consistent process. Each program has a specific objective, funding source and set of selection criteria detailed in separate chapters contained within these guidelines. Guidelines are updated on a periodic basis in coordination with local agencies working through the Technical Steering Committee (TSC) and Technical Advisory Committee (TAC). Modifications to the guidelines are discussed in detail with the local agency representatives during the TSC and TAC meetings held to review and approve the updated guidelines.	This document provides guidelines and procedures necessary for Orange County local jurisdictions to apply for funding for transportation projects contained within the CTFP through a simplified and consistent process. Each program has a specific objective, established by the Ordinance (see Appendix for Ordinance excerpts), funding source and set of selection criteria, which are detailed in separate chapters contained within these guidelines. Guidelines are updated on a periodic basis in coordination with local agencies working through the OCTA Technical Steering Committee (TSC) and OCTA Technical Advisory Committee (TAC). Modifications to the guidelines are discussed in detail with the local jurisdiction representatives during the TSC and TAC meetings held to review and recommend Board approval of the updated guidelines.	Add reference to a new appendix that contains excerpts from the Measure M2 (M2) Ordinance No. 3 (Ordinance) to show the legal and policy foundation behind the guidelines and help provide clarity for why certain program requirements, processes, and limitations are structured the way they are.
2	New	New	New Section: OCTA's Responsibility	None	OCTA budgets and allocates M2 Net Revenues in accordance with Ordinance No. 3 and distributes the funds to local jurisdictions consistent with the Ordinance and the purposes, policies and procedures described in these guidelines. OCTA awards grants through the CTFP to local jurisdictions based on best qualifying grant applications which are received, reviewed, and ranked by staff and recommended to and approved for individual projects and phases through Board action. The OCTA Local Programs Section (Local Programs) within the Planning Division provides guidance and oversight of the M2 CTFP funds to support compliance with applicable M2 eligibility requirements and CTFP Guidelines, including timely use of funds and reporting obligations. Local Programs reviews payment requests for CTFP-funded projects to confirm consistency with program guidelines, verify required matching funds, and validate eligible phase activities. Local Programs will generally complete its review of payment requests within 180 days of submittal through OCFundtracker, provided the request is accurate, complete, and all required supporting documentation has been submitted. Final payment requests will be released within sixty (60) days after OCTA receives a complete and accurate Final CTFP Expenditure Report. Once verified, Local Programs processes the payment request through the Finance and Administration Division which generates the payment to the local jurisdiction. Local Programs functions as an oversight and grantor role, not as a project manager for CTFP projects. Local Programs is also responsible for verifying the ongoing M2 eligibility for each local jurisdiction, which is required in order to receive M2 funds. M2 eligibility requirements are outlined in the Measure M2 Eligibility Guidelines. These guidelines are available at the following link: https://www.octa.net/M2Eligibility. If a jurisdiction is not found eligible for some reason, a penalty may be applied that could withhold M2 funding for up to five years and require the return of funds depending on the severity and Board directives. OCTA or its authorized agents may perform an audit, agreed upon procedures review, and/or technical review of each project to ensure compliance with CTFP policies and procedures. If the audit or review determines that any activities are ineligible for CTFP funding, the local jurisdiction shall reimburse OCTA for the amount of CTFP funds expended on ineligible activities. See Chapter 11 – Audits for additional information. Please also see the master agreement for each local jurisdiction for additional requirements and responsibilities.	Add new section to clearly define the roles and responsibilities of the Orange County Transportation Authority (OCTA) in administering the M2 CTFP, consistent with the Ordinance and M2 master agreements with local jurisdictions. Add link to M2 Eligibility, reference Chapter 11 - Audit, and clarify that Local Programs is reponsible for verifying the M2 Eligibility for each local jursidiction based on TSC recommendation.
3	New	New	New Section: Local Jurisdiction's Responsibility	None	See redline version of the CTFP Guidelines for revisions	Add new section to clearly define the roles and responsibilities of local jurisdictions as participants in the M2 CTFP, consistent with the Ordinance and M2 master agreements with local jurisdictions.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
4	New	New	New Section: Technical Advisory Committee Responsibility	None	The OCTA Technical Advisory Committee (TAC), which is comprised of representatives from all Orange County cities and the County of Orange (County), shall provide OCTA staff with technical support on items related to M2 CTFP grant programs that serve to improve capacity on local streets and roads. In order to provide the best recommendations, as part of the discussion process, the TAC designates the Technical Steering Committee (TSC) to review programming recommendations and provide policy direction on more complex or major technical issues prior to submittal to the full TAC. The TAC member is responsible for ensuring that information discussed and materials provided at meetings are communicated to the appropriate parties within their local jurisdiction.	Add new section to clearly define the roles and responsibilities of Technical Advisory Committee
II. Funding Sources						
5	viii	II	Renewed Measure M	See Renewed Measure M under Funding Sources chapter.	See redline version of the CTFP Guidelines for revisions	Minor revisions were made to clarify Funding Sources chapter and the distribution percentage of M2 net revenues, and references to the Local Fair Share Guidelines (pending Board approval anticipated April 2026). No substantive changes that would impact the payment process.
III. Definitions						
6	New	New	New Definition	None	1. The term "approved invoice" refers to a third-party invoice submitted by a vendor, consultant, and/or contractor, in which the payment was authorized by an appropriate delegated authority from the local jurisdiction and includes the project name or a clear project reference linking the invoice to the corresponding CTFP grant, and provides the date or date range, a detailed description of services rendered and/or items purchased.	<i>Consultant: Need clarification on approved invoice.</i> OCTA: Define "approved invoice" to clarify documentation requirements for reimbursement requests.
7	New	New	New Definition	None	3.The "betterment" (e.g., gates, minor parking lot restriping, underground utility, etc) generally refers to any upgrade or improvement to a facility that goes beyond simply restoring it to its original condition or existing standard. It is an enhancement that results in a condition superior to or more extensive than its prior state	Define "betterment" to reinforce that M2 does not fund betterments on private property, an issue frequently encountered during reimbursement requests under the Regional Capacity Program (RCP - Project O). Clarify betterment by adding examples based on TSC feedback.
8	x	III	Definitions	2. The term "construction support" includes construction engineering which is design carried out during construction, construction management, project management, materials testing, design support, and/or other specific activities that are carried out during construction and are related to but are not directly construction activities.	4. The term "construction engineering" is the supervision and inspection of construction activities (construction management and project management) which includes design carried out during construction, additional staking functions considered necessary for effective control of construction operations, testing materials incorporated into construction, checking shop drawings, and measurements needed for the preparation of pay estimates.	Update the term "construction support" to "construction engineering" to align with Caltrans terminology and industry standards. Add back design, which was inadvertently removed and brought up by the TSC.
9	x	III	Definitions	5. The term "complete project" as in the entire project, is inclusive of environmental documents, preliminary engineering, final design/engineering, right-of-way (ROW) acquisition, construction, and construction support for infrastructure projects and may also mean the timeframe outlined in the grant for transit operations, or the acquisition and acceptance of equipment or vehicles which is then used for the intended transportation need.	7. The term "complete project" refers to all phases of the project. For infrastructure projects, "complete project" refers to the entire scope of work, including environmental documentation, preliminary engineering, final design or engineering, right-of-way (ROW) acquisition, construction, and construction engineering. For transit projects, "complete project" refers to the full duration specified in the grant for transit operations and/or the acquisition and acceptance of equipment or vehicles intended for the approved transportation purpose.	<i>Consultant: Three different definitions are included here; suggest breaking to a, b, c, and showing examples of each.</i> OCTA: No substantive changes proposed; formatting revisions were implemented for clarity.
10	x	III	Definitions	6. The term "cost overrun" in reference to projects awarded through the CTFP shall refer to any and all costs beyond the original estimate that are necessary to complete the approved project scope.	n/a	<i>Consultant: Definition is unclear</i> New section, "Cost Overruns," added in Chapter 2 - Project Programming based on TSC feedback.
11	x	III	Definitions	8. The term "escalation" or "escalate" is the inflationary adjustment, as determined by the Engineering News Record (ENR) Construction Cost Index (CCI) 20-city average, added to the application funding request (current year basis) for ROW and construction phases (see Precept 12).	10.The term "escalation" or "escalate" is the inflationary adjustment, as determined by the Engineering News Record (ENR) Construction Cost Index (CCI) 20-city average, added to the application funding request (current year basis) for ROW and construction phases (see Precept 12), see Chapter 2 for an example calculation.	<i>Consultant: Add link to precept 12 and add an example calculation.</i> Link to Precept 12 will be added to the final PDF version of the guidelines. Add reference to Chapter 2 - Project Programming as escalation example was added there based on TSC feedback.
12	xi	III	Definitions	10. For the purpose of these guidelines, the terms "excess right-of-way" and "surplus right-of-way" shall interchangeably refer to ROW acquired for a specific transportation purpose that is not needed for that purpose. ROW designation shall be acknowledged by applicant to OCTA within sixty (60) calendar days of designation. Furthermore, surplus property plan must also be provided to OCTA at time of designation.	12. For the purpose of these guidelines, the terms "excess right-of-way" and "surplus right-of-way" shall interchangeably refer to ROW acquired for a specific transportation purpose that is not needed for that purpose. ROW designation shall be acknowledged by applicant to OCTA within sixty (60) calendar days of designation. Furthermore, an excess ROW disposal plan must also be provided to OCTA at time of designation.	<i>Consultant: Observed a few conflicts on right of way definitions. Examples here would be helpful, as well as what is an acceptable surplus property plan.</i> OCTA: Replace "surplus property plan" with "excess ROW disposal plan" for consistency and clarity.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
13	New	New	New Definition	None	14. The term "Final CTFP Expenditure Report" refers to the OCTA forms and documentation listed in Chapter 10.	Add new term "Final CTFP Expenditure Report" to address recurring issues in which jurisdictions submit incomplete OCTA payment and reimbursement documentation or are unaware of the full submittal requirements.
14	xi	III	Definitions	19. A “micro-purchase” is any purchase that does not exceed \$5,000. For the purposes of proof of payment, only an approved invoice is required.	22. A “micro-purchase” is any purchase that does not exceed \$5,000. For the purposes of proof of payment, only an invoice or general ledger report is required. If a local jurisdiction has an established micro-purchase threshold that differs from this amount, supporting documentation may be provided, and OCTA will accept the applicable local threshold.	<i>Consultant: Need clarification on approved invoice and provide example showing fields that must be on the invoice.</i> OCTA: Procedural change due to OCTA recognizing that jurisdictions may have different micro-purchase thresholds. The revisions allow agencies to provide documentation if they have a higher threshold. Definition for “approved invoice” added in Item #6.
15	New	New	New Definition	None	25.The term "payment" and "reimbursement" shall refer to the disbursement of approved CTFP grant funds by OCTA to the implementing agency. Procedures for requesting and receiving funds are described more fully in Chapter 10.	Add new term to clarify "payment" and "reimbursement" are used interchangeably when referring to disbursing M2 grant funds programmed through the CTFP, based on TSC feedback.
16	New	New	New Definition	None	29. The term "M2 Project Final Report" is the certification of completion of a project funded with M2 Net Revenues, description of work performed, and accounting of Net Revenues expended and interest earned on Net Revenues allocated for the project.	Define "M2 Project Final Rreport" to clarify the document local jurisdictions must submit to meet the 180-day deadline, which is an M2 eligibility requirement. OCTA will develop a new standardized form across all CTFP programs for this purpose.
V. Precepts						
17	New	New	New Precept	None	5. The local jurisdiction shall not use M2 Net Revenues to supplant developer funding which has been or will be committed for any transportation project.	In accordance with the Ordinance, a new precept has been added to explicitly state that M2 funds may not be used to supplant developer funding.
18	xix	V	Precepts	5. An agency must have a fully executed letter agreement prior to the obligation of funds. Local agencies may be granted pre-award authority for M2 funded projects. Local agencies, at their own risk, may use this pre-award authority to obligate funds for an M2 funded project prior to the programmed year. Expenditures actualized prior to the Board approved programmed year will not be eligible for reimbursement (see Chapter 9).	6. The local jurisdiction must have a fully executed letter agreement prior to the reimbursement of funds . Local jurisdictions, at their own risk, may obligate funds for an M2 funded project prior to the programmed year. Expenditures actualized prior to the Board approval of the grant , will not be eligible for reimbursement (see Chapter 10). Unless an advancement is approved, reimbursements will be released in the programmed year. Board approval of a project does not guarantee the eligibility of all items. For construction phases, the local jurisdiction must have OCTA's written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract.	Revise the letter agreement process to provide jurisdictions additional time to award contracts due to lengthy or unpredictable timelines to execute letter agreements. Pre-award authority to award a contract/start a project after Board approval, but before a letter agreement is executed, will no longer need to be requested or approved by OCTA. Clarify that Board approval to fund a project does not automatically mean that all components of the project are eligible for reimbursement. For Construction and PI phases, determining expense eligibility at project phase closeout has contributed to extended review periods that delay reimbursement. Add a formal cost eligibility confirmation process where OCTA performs an in-depth eligibility review and provides written confirmation to help mitigate delays, enhance clarity, and support fiscal accountability. This would be required prior to construction contracts being awarded by jurisdictions.
19	xix	V	Precepts	6. For transit programs (e.g., Projects S, V, and W), pre-award authority is granted upon Board approval of the funding grant. See Precept 5 above for pre-award authority provisions.	Remove precept	Precept is being removed as pre-award authority would be extended to all programs under Item #18 (new Precept 6).
20	xx	V	Precepts	11. OCTA will base funding grants on project cost estimates including up to 10 percent (10%) contingency for right-of-way and construction. During the programming process, OCTA adds an inflationary adjustment, as appropriate.	11. OCTA will base funding grants on project cost estimates including up to 10 percent (10%) contingency for right of way, construction, and PI. A local jurisdiction may request a higher contingency with supporting documentation identifying the specific risks that justify the increase. During the programming process, OCTA adds an inflationary adjustment, as appropriate.	<i>Consultant: Related back to definition of ROW, show examples (or link to examples).</i> OCTA: Add option to submit a higher justified contingency threshold, if needed. Consultant recommendation considered; no action recommended.
21	xx	V	Precepts	13. Match rate commitments identified by implementing agencies in the project grant application shall remain constant throughout the funded project phase. This includes projects where the programming has been escalated for future years. OCTA and implementing agencies shall not reduce match rate commitments or split the match rate by phase. Actual project contributions by the local agency or OCTA are dependent on final project costs and may not be equal to the match rate if a local agency overmatch exists. Local agency contributions may exceed the committed local match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures cannot be considered when calculating the local match rate.	13. Match rate commitments identified by implementing agencies in the project grant application shall remain constant throughout the funded project phase. This includes projects where the programming has been escalated for future years. OCTA and implementing agencies shall not reduce match rate commitments or split the match rate by phase. Actual project contributions by the local agency or OCTA are dependent on final project costs and may not be equal to the match rate if a local agency overmatch exists. Local agency contributions may exceed the committed local match rate in the event of cost overruns.	<i>Consultant: No increase even if scope change/eligible or reasonable expense?</i> OCTA: Move the last sentence and create a separate standalone precept under Item #22 (new precept 14) explicitly stating that M2 grants will not be increased.
22	New	New	New Precept	None	14. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures cannot be considered when calculating the local match rate.	Add a new precept to clarify that OCTA will not increase funding.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
23	xxi	V	Precepts	19. Funds that have been encumbered shall be used in a timely fashion. There shall be one encumbrance date determined for each project phase. For project phases (excluding Projects O and P), funds must be expensed within 36 months from encumbrance. Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline. See Precept 20 for Project O and Project P.	20. Funds that have been encumbered shall be used in a timely fashion. There shall be one encumbrance date determined for each project phase. For project phases (excluding Projects O and P), work must be carried out within 36 months from encumbrance. Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline. See Precept 21 for Project O and Project P.	Clarify that work must be carried out within 36 months of encumbrance, based on TSC feedback. Previous language often caused confusion regarding eligible expenses.
24	xxi	V	Precepts	20. For Project O and Project P, funds that have been encumbered shall be used in a timely fashion. There shall be one encumbrance date determined for each project phase. For project phases, local agencies have at least 36 months from encumbrance to complete a project phase and expend the funds. For project phases expected to be longer than 36 months, funds must be expensed within 6 months from the scheduled completion date for that project phase. This schedule information is provided within the application. As an example, if an agency indicates construction will be completed within 40 months from encumbrance, the agency would have 46 months to complete the phase or request an extension. Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline. For Project O construction phase funds, participating environmental mitigation activities (see Precept 28) may be reimbursed up to 48 months after adopted Notice of Completion (NOC), contingent upon verification of environmental mitigation requirements.	21. For Project O and Project P, funds that have been encumbered shall be used in a timely fashion. There shall be one encumbrance date determined for each project phase. For project phases, local jurisdictions have at least 36 months from encumbrance to complete a project phase and expend the funds. For project phases expected to be longer than 36 months, work must be carried out within 6 months from the scheduled completion date for that project phase. This schedule information is provided within the application. As an example, if a local jurisdiction indicates construction will be completed within 40 months from encumbrance, the local jurisdiction would have 46 months to complete the phase or request an extension. Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline. For Project O construction phase funds, participating environmental mitigation activities (see Precept 28) may be reimbursed up to 48 months after adopted Notice of Completion (NOC), contingent upon verification of environmental mitigation requirements.	Clarify that work must be carried out within 36 months of encumbrance, based on TSC feedback. Previous language often caused confusion regarding eligible expenses.
25	New	New	New Precept	None	23. Local jurisdictions shall acknowledge Measure M as a funding source in communications and at public-facing events, as applicable. Such acknowledgment shall include appropriate visual recognition in materials including, but not limited to, signage, digital and printed collateral, presentations, and on-site displays. Refer to Chapter 2 for further information.	Add a new precept regarding M2 acknowledgement to ensure consistent recognition of Measure M as a funding source for improvements funded through the CTFP. Consistent acknowledgment promotes transparency and reinforces public confidence by visibly linking CTFP-funded projects to voter-approved funding. Add a reference to Chapter 2, Project Programming, since examples were added to that chapter based on the TSC feedback.
26	xxii	V	Precepts	23. OCTA shall reprogram funds derived from savings or project cancellation based upon final project status. An implementing agency may request to transfer 100 percent (100%) of savings of M2 funds between the phases within a project with approval from the TAC and Board. Funds can only be transferred to a phase that has already been awarded competitive funds. Such requests must be made prior to the acceptance of a final report and submitted as part of a SAR. Agencies may only use savings as an aid for unanticipated cost overruns within the approved scope of work.	25. OCTA shall reprogram funds derived from savings or project cancellation based upon final project status. An implementing agency may request to transfer 100 percent (100%) of savings of M2 funds between the phases within a project with approval from the TAC and Board. Such requests must be made prior to the acceptance of a final CTFP expenditure report and submitted as part of a SAR. Construction phase savings may be applied to eligible construction engineering costs within the same project. Request must be made before issuance of the final payment. Agencies may only use savings as an aid for unanticipated cost overruns within the approved scope of work.	Revisions were made to align with the updates under Precept 31 (Item #29).

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
27	xxii	V	Precepts	25. For the purpose of calculated Level of Service (LOS), the capacity used in the volume over capacity calculation shall be 100 percent (100%) capacity, or LOS level “E”. Intersection Capacity Utilization (ICU) calculations shall use 1,700 vehicles per hour per lane with a .05 clearance interval.	n/a	<i>Consultant: Show example calculation or have appendix of sample calculations for various requirements/definitions</i> OCTA: Consultant recommendation considered; no action needed as this is a fundamental calculation.
28		V	Precepts	27. An approved CTFP project may be determined ineligible for funding at any time if it is found that M2 funding has replaced all or a portion of funds or commitments that were to be provided by other sources such as: development conditions of approval, development deposits, fee programs, redevelopment programs or other dedicated local funding sources (i.e., assessment districts, community facilities districts, bonds, certificates of participation, etc.). Appeals may be made in accordance with Precept 40.	29. An approved CTFP project may be determined ineligible for funding at any time if it is found that M2 funding has replaced all or a portion of funds or commitments that were to be provided by other sources such as: development conditions of approval, development deposits, fee programs, redevelopment programs or other dedicated local funding sources (i.e., assessment districts, community facilities districts, bonds, certificates of participation, etc.).	Remove appeals language as appeals process would not apply in situations where M2 funds were found to supplant or replace other committed funds, which is strictly prohibited by the Ordinance.
29	xxii	V	Precepts	28. OCTA may fund environmental mitigation, up to 25 percent (25%) of the total eligible project cost by phase, as required for the proposed project contained in the environmental document. Participating environmental mitigation expenditures are eligible for funding under certain programs, but not all.	30. OCTA may fund environmental mitigation, up to 25 percent (25%) of the total grant , as required for the proposed project contained in the environmental document. Participating environmental mitigation expenditures are eligible for funding under Project O or on a case-by-case basis.	<i>Consultant: Clarify which programs</i> OCTA: Revise the language to calculate the 25% threshold based on the grant amount for consistency with other thresholds. Clarify the funding program that allows environmental mitigation.
30	xxii	V	Precepts	29. Construction support may be reimbursed up to 20 percent (20%) of the total M2 grant, with costs subject to the match requirements. Construction activities carried out by local agency workforces are not considered construction support.	31. Local jurisdictions may allocate up to 20 percent (20%) of the total grant for construction engineering activities. In the event that construction phase expenditures result in project cost savings at the time of final reimbursement, jurisdictions may request to apply savings toward eligible construction engineering costs. Costs are subject to match requirements.	<i>Consultant: What is included under "construction activities" provide examples</i> OCTA: Revision made give the agencies to option to use project savings towards eligible construction engineering activities. Consultant recommendation considered; no action needed as this is covered under defintion of "construction activities."
31	xxii	V	Precepts	30. Contract change orders are only eligible for reimbursement of work within the original scope of work and not exceeding 10 percent (10%) of eligible construction costs or contingency provided in the application cost estimate, whichever amount is higher.	32. Contract change orders are eligible for reimbursement only when the change order is required to deliver the Board approved scope of work and only for eligible project components.	<i>Consultant: Provide sample calculation</i> OCTA: Procedural change to simplify contract change order calculations, reduce administrative back-and-forth verifying calculated totals, and free up resources to focus on project delivery rather than cost interpretation.
32	xxiii	V	Precepts	31. OCTA shall evaluate “whole” projects during the initial review process. Subsequent phase application reviews shall not include prior phases in the evaluation unless locally funded and pledged as a match and are subject to OCTA verification. The criteria for ranking project applications is included in these guidelines as part of each program component chapter.	31. Local jurisdictions need to provide information so OCTA can evaluate complete projects during the initial review process. Subsequent phase application reviews shall not include prior phases in the evaluation unless locally funded and pledged as a match and are subject to OCTA verification. The criteria for ranking project applications is included in these guidelines as part of each program component chapter.	<i>Consultant: Why is "whole" in quotes? What does "whole" mean - provide example.</i> OCTA: Clarify the language to ensure agencies submit all required information at the time of application submittal.
33	xxiii	V	Precepts	35. Agencies shall submit payment requests to OCTA in a timely fashion. Agencies may request an initial payment for M2 (generally up to 75 percent (75%) of programmed amount or eligible expenditures, see Chapter 9) once the funds have been encumbered. The final 25 percent (25%) of the available programmed balance will be released upon the submission of an approved final report.	37. Local jurisdictions must submit progress payment requests to OCTA semi-annually. Request must be consistent with funding match requirements and must only include costs for completed work that has been paid. OCTA shall reimburse ninety percent (90%) of the grant amount until receipt and approval of a complete and accurate Final CTFP Expenditure Report. Jurisdictions may request an initial payment for M2 (generally up to 30 percent (30 %) of the grant, see Chapter 10) once the funds have been encumbered and a fully executed letter agreement has been issued. The final reimbursement will be released within sixty (60) days after OCTA receives a complete and accurate Final CTFP Expenditure Report.	<i>Consultant: Flagged for future. Changing if % of initial payment change and approval report - is this the final payment request?</i> OCTA: Procedural change to the reimbursement structure. A progress payment structure is proposed to help mitigate lengthy review times at project closeout, to allow earlier indentification of eligibility issues, cost overruns, and scope changes, and to maintain continuity of funding-related project history during staff transitions.
34	xxiii	V	Precepts	36. For situations where a grant amount exceeds \$2,000,000, the amount withheld pending the submittal of an approved final report shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant or the contract amount, whichever is less. Should the 75 percent/25 percent (75%/25%) payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached. At no time will the final payment retention be less than 10 percent (10%).	38. Retention will be ten percent (10%) of the grant and will not be released until acceptance of Final CTFP Expenditure Report, unless otherwise determined by a separate cooperative agreement.	<i>Consultant: Provide sample calculations</i> OCTA: Revise the language to calculate the 10% threshold based on the grant amount for consistency with other thresholds and to align with the proposed progress payment structure.
35	xxiv	V	Precepts	40. Agencies may appeal to the TAC on issues that the agency and OCTA staff cannot resolve. An agency may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff. The appellant local agency must submit a written statement which proposes an action for TAC consideration. The TSC shall recommend specific action for an appeal to the TAC. The Board shall have final approval on appeals.	42. Local jurisdictions may appeal a payment decision where the payment would result in the project receiving at least one hundred thousand dollars (\$100,000) less or ten percent (10%) less of the grant amount, whichever is less. See Chapter 10 for the appeal process.	<i>Consultant: Has this appeal process ever used for items in dispute that have been in review for years? May want to include example here.</i> OCTA: Clarify appeal process with a specified course of action to help resolve protracted disputes faster. Add in a percentage threshold to account for smaller dollar amount grants that would not meet the \$100,000 minimum, based on TSC feedback.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
36	xxiv	V	Precepts	41. Projects within the Coastal Zone Boundary, as a requirement of a Coast Development Permit, may be required to replace existing on-street parking on a one-for-one basis for spaces removed as a result of a roadway widening project. ROW costs to replace the existing on-street parking can be considered mitigation for coastal zone cities only (see exhibit IV-1). The mitigation activities can be covered up to 25 percent (25%) of the total eligible cost consistent with Precept 28. Jurisdictional boundaries are more fully described in the Public Resource Code, Division 20, California Coastal Act (2016) Sections 30168 & 30169. OCTA staff will work with the local agency staff during the project application process to determine eligibility of these costs and to identify any excess ROW that will require a disposal plan. OCTA and the local agency will also establish any savings that will revert back to the Measure M Program after project completion. The cost of ROW required to replace parking should be fair and reasonable in comparison to the total cost of the project.	43. Projects within the Coastal Zone Boundary, as a requirement of a Coast Development Permit, may be required to replace existing on-street parking on a one-for-one basis for spaces removed as a result of a roadway widening project. ROW costs to replace the existing on-street parking can be considered mitigation for coastal zone cities only (see exhibit IV-1). The mitigation activities can be covered up to 25 percent (25%) of the total grant consistent with Precept 30. Jurisdictional boundaries are more fully described in the Public Resource Code, Division 20, California Coastal Act (2016) Sections 30168 & 30169. OCTA staff will work with the local jurisdiction staff during the project application process to determine eligibility of these costs and to identify any excess ROW that will require a disposal plan. OCTA and the local jurisdiction will also establish any savings that will revert back to the Measure M Program after project completion. The cost of ROW required to replace parking should be fair and reasonable in comparison to the total cost of the project.	<i>Consultant: Provide sample calculations. Eligibility review typically doesn't happen until after the application phase. Opportunity for review sequencing recommendations here.</i> OCTA: Revise the language to calculate the 25% threshold based on the total grant amount to ensure alignment and consistency with the methodology used for other thresholds.
Chapter 2 - Project Programming						
37	2-3	2	Sequential Programming Process – RCP	An agency may request a Fast Track approach, seeking funds for planning and implementation phase at the same time. The agency must demonstrate that the policy variance is necessary due to the project schedule and waiting until the next annual call for projects to apply for implementation phase funding presents undue hardship or could jeopardize the overall project delivery and milestones. The agency will waive the opportunity to request a project delay under this approach. The Fast Track approach is permitted only for projects that do not have ROW acquisition needs. If seeking engineering funds, the local agency must have received environmental clearance and demonstrate that all necessary easements and titles are in place for local agency use. Under no circumstances will the Fast Track option be considered for local agency convenience as this could delay implementation of other projects that are shelf ready.	A local jurisdiction may request a Fast Track approach, seeking funds for planning and implementation phase at the same time. The jurisdiction may be asked to provide justification for the request, including an explanation of why adherence to standard sequential programming is not feasible. The justification should address how deferring the application to the next annual call for projects for implementation phase funding would impose undue hardship or potentially jeopardize overall project delivery and the achievement of key milestones. The jurisdiction will waive the opportunity to request a project delay under this approach. The Fast Track approach is permitted only for projects that do not have ROW acquisition needs. If seeking engineering funds, the local jurisdiction must have received environmental clearance and demonstrate that all necessary easements and titles are in place for local jurisdiction use. Under no circumstances will the Fast Track option be considered for local jurisdiction convenience as this could delay implementation of other projects that are shelf ready.	<i>Consultant: May be helpful to have an example of this scenario and what would constitute necessary in an appendix/reference.</i> OCTA: Clarify what is needed from the local jurisdiction when seeking a Fast Track approach.
38	2-4	2	Project Cost Escalation	OCTA will escalate approved ROW and construction projects in years two and three. The match rate percentage identified by implementing agencies in the project grant application shall remain constant throughout the project. This includes projects where the programming has been escalated for future years. OCTA will base escalation rates for future years on ENR CCI 20-City Average escalation rates.	OCTA bases funding grants on cost estimates that the local jurisdictions provide and that OCTA validates against industry norms during the evaluation process. When jurisdictions are preparing applications, all cost estimates must be in current year dollars with Month and Year cited. OCTA will review each cost estimate thoroughly and will escalate approved ROW and construction projects in years two and three of the funding cycle. The match rate percentage identified by implementing jurisdictions in the project grant application shall remain constant throughout the project. This includes projects where the programming has been escalated for future years. OCTA will base escalation rates for future years on ENR CCI 20-City Average escalation rates. These increases are applied annually and are compounded, meaning each year's increase build on the previous year's total. For example: The three-year funding period for the 2026 call for projects corresponds to the following fiscal years: • Year 1: FY 2026-27 • Year 2: FY 2027-28 • Year 3: FY 2028-29 If a jurisdiction submits a project funding request with right-of-way programmed (or anticipated to start) in Year 1 (FY2026-27) and construction programmed in in Year 3 (FY 2028-29), the escalation will only apply to the construction phase. OCTA will escalate the construction costs by the CCI -based adjustment factor beginning in Year 2 (FY 2027-28) of the funding cycle and continue compounding through Year 3. Refer to the table below for an example.	Add an example to clarify how grants programmed in year two and three are escalated.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change																																																				
39	New	New	Project Cost Escalation	None	<table><tr><th colspan="4">Escalation Adjustment Factor, CCI = 2.8%*</th></tr><tr><th>2026 Call Year</th><th>Fiscal Year (FY)</th><th>Adjustment</th><th>Escalation %</th></tr><tr><td>1</td><td>FY26/27</td><td>(1.028)^0 = 1.00</td><td>100.0%</td></tr><tr><td>2</td><td>FY27/28</td><td>(1.028)^1 = 1.028</td><td>102.8%</td></tr><tr><td>3</td><td>FY28/29</td><td>(1.028)^2 = 1.0568</td><td>105.7%</td></tr></table> *Example based on January 2026 ENR CCI 20-City Average. <table><tr><th colspan="8">2026 Call - Project Cost Escalation</th></tr><tr><th>Phase</th><th>M2 Request (A)</th><th>Programming Year (B)</th><th>Programmed FY</th><th>Escalation %</th><th>FY 26/27 (= A x B)</th><th>FY 27/28 (= A x B)</th><th>FY 28/29 (= A x B)</th></tr><tr><td>ROW</td><td>\$ 2,500,000</td><td>1</td><td>FY 26/27</td><td>100.0%</td><td>\$ 2,500,000</td><td></td><td></td></tr><tr><td>Construction</td><td>\$ 800,000</td><td>3</td><td>FY 28/29</td><td>105.7%</td><td></td><td></td><td>\$ 845,427</td></tr></table>	Escalation Adjustment Factor, CCI = 2.8%*				2026 Call Year	Fiscal Year (FY)	Adjustment	Escalation %	1	FY26/27	(1.028)^0 = 1.00	100.0%	2	FY27/28	(1.028)^1 = 1.028	102.8%	3	FY28/29	(1.028)^2 = 1.0568	105.7%	2026 Call - Project Cost Escalation								Phase	M2 Request (A)	Programming Year (B)	Programmed FY	Escalation %	FY 26/27 (= A x B)	FY 27/28 (= A x B)	FY 28/29 (= A x B)	ROW	\$ 2,500,000	1	FY 26/27	100.0%	\$ 2,500,000			Construction	\$ 800,000	3	FY 28/29	105.7%			\$ 845,427	<i>Consultant: Provide example of calculation</i> Add a visual example to clarify how grants programmed in year two and three are escalated through a compounded approach.
Escalation Adjustment Factor, CCI = 2.8%*																																																										
2026 Call Year	Fiscal Year (FY)	Adjustment	Escalation %																																																							
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Construction	\$ 800,000	3	FY 28/29	105.7%			\$ 845,427																																																			
40	New	New	Project Cost Escalation	None	If a local jurisdiction requests a delay to the project schedule after funding has been awarded by the Board, the project will not be escalated beyond the escalation amount associated with the original approved schedule.	Clarify, based on TSC feedback, that if a delay to the start of the project is requested, the project will not receive escalation beyond the amount associated with the original approved schedule.																																																				
41	2-4	2	~~Programming Adjustments~~ Revisions to Grant Funding Following Board Approval	Programming Adjustments OCTA bases funding grants on cost estimates that agencies provide and that OCTA validates against industry norms during the evaluation process. Agencies must provide estimates in current year dollars.	Revisions to Grant Funding Following Board Approval If an application is ultimately approved by the Board for a CTFP grant, requests to increase the M2 funding levels will not be considered.	Clarify that OCTA will not consider requests to increase CTFP grant amounts after call applications are approved by the Board for funding.																																																				
42	2-4	2	~~Programming Adjustments~~ Revisions to Grant Funding Following Board Approval	Projects programmed in Year Two or Year Three of each funding cycle include an ENR CCI-based adjustment factor for the ROW and construction phases only. Lead agencies shall not receive grant increases. Cost overruns are the responsibility of local agencies and may count against agencies' match rate commitment for eligible activities. Local agencies may request scope adjustments to meet budget shortfalls when the agency can demonstrate substantial consistency and attainment of proposed transportation benefits compared to the original project scope.	Under no circumstances shall lead jurisdictions receive increases to their awarded grant amount. Any cost overruns beyond the awarded grant are the responsibility of local jurisdictions. Jurisdictions may request scope adjustments to meet budget shortfalls when the jurisdiction can demonstrate substantial consistency and attainment of proposed transportation benefits compared to the original Board-approved project scope.	<i>Consultant: Are grant increases ever awarded? In this scenario, what happens when the cost overrun is an eligible expense? Explain a bit further and/or provide example</i> OCTA: Reinforce existing policy that Board-approved grant amounts are fixed and not subject to later increases. Reiterate that cost overruns are the responsibility of the local jurisdiction once funding recommendations for a call cycle are approved. Clarifying this is intended to eliminate any ambiguity regarding the possibility of additional funding when actual project costs exceed the original estimates provided in the application.																																																				
43	2-4	2	~~Programming Adjustments~~ Revisions to Grant Funding Following Board Approval	When agencies are preparing applications, all cost estimates must be in current year dollars with Month and Year cited. OCTA will review each cost estimate thoroughly and will escalate ROW and construction costs based on the year OCTA programs the project grant. For example, if an agency's cost estimate lists construction costs for a project and OCTA programs the project for Year Three of the funding cycle, then OCTA will escalate the costs by the CCI-based adjustment factor, compounded annually, beginning in Year One of the funding cycle.	n/a	<i>Consultant: Provide example of calculation</i> OCTA: Paragraph was removed from this section and inserted under the Project Cost Escalation section, see Item #39.																																																				

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
44	New	New	Cost Overruns	None	Cost Overruns <u>Non-Allowable</u> Grant increases will not be provided to cover cost overruns, including but not limited to: • Increases in construction, material, or equipment costs above original estimates • Labor cost increases, including wage escalation or contractor rate changes • Budget shortfalls due to underestimated costs at the time of application • Expenses resulting from project delays or extended schedules • Change orders or scope expansions that increase total project cost • Unforeseen site conditions (e.g., subsurface issues, utility conflicts) • General market-driven cost escalation following award <u>Non-Overrun Adjustments</u> Adjustments may be considered only under limited circumstances and do not include cost overruns. Examples may include: • Administrative corrections (e.g., rounding, clerical errors in the approved amount) • Reallocation of funds within the approved budget that does not increase the total award • Formal reductions in scope accompanied by a corresponding decrease in funding	Add examples of cost overruns to further illustrate common types of project cost increases and to distinguish these from non-overrun adjustments based on TSC feedback.
45	2-5	2	Programming Policies	OCTA will not increase grants after the initial programming for each phase except through project savings transfers, where applicable. Project savings are defined as the grant value remaining after one project phase (such as engineering) has been completed. Transfers should be identified during the SAR phase. Formal request of savings transfers must be accompanied by updated information and justification for the intended phase. Scope reductions are not considered project savings. Adjustments in grant funding between PI and O&M can occur after programming approval for sixty (60) calendar days after contract award, in order to reflect actual contract award amounts. Overall projects savings at the conclusion of a project are returned to the original program for reprogramming in a subsequent call for projects. This section is intended to clarify rather than replace the transfer policy identified in Precept 23.	OCTA will not increase grant amounts after the initial programming for each phase, except through eligible project savings transfers. Project savings are defined as any remaining anticipated grant balance after a project phase (e.g., engineering) has been completed. Potential transfers should be identified during the SAR process. Formal requests for savings transfers must include updated project information and justification for applying the savings to the intended phase. Construction phase savings may be applied to eligible construction engineering costs within the same project. Request must be made before issuance of the final reimbursement. Scope reductions do not constitute project savings. Any remaining project savings at the conclusion of a project will be returned to the original program for reprogramming in a subsequent call for projects. This section is intended to clarify, not replace, the transfer policy described in Precept 25.	<i>Consultant: Provide example of what is and isn't project savings.</i> OCTA: Update section to align with revision made under Precept 25.
46	2-6	2	Programming Policies	Agencies are responsible for costs that exceed the project grant, maintaining the project schedule, and maintaining the project scope.	Local jurisdictions are responsible for all costs exceeding the project grant amount and for ensuring adherence to the approved project schedule and scope.	<i>Consultant: Vague - is this intended to cover mitigation measures for potential overruns?</i> OCTA: Clarify that local jurisdictions are responsible for cost overruns, and ensuring adherence to the approved project schedule and scope.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
47	2-6	2	Programming Policies	An agency must have a fully executed Letter Agreement prior to the obligation of funds unless they have been approved for pre-award authority.	A local jurisdiction must have a fully executed letter agreement prior to the reimbursement of funds. Local jurisdictions, at their own risk, may obligate funds for an M2 funded project prior to the programmed year. For construction phases, the local jurisdiction must have OCTA's written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract	Update section to align with revision made under Precept 6.
48	2-5	2	Programming Policies	As stated above, an agency's grant is based on the project's cost as requested and programmed with established escalation rates. If project costs escalate beyond original estimates and the agency is unable to cover additional costs, a request to reduce the project scope or limits will be considered where feasible. For the RTSSP (Project P), changes to the project costs with respect to the phase allocations will be considered based upon the issuance of the CTO, provided that the readjusted phase allocations do not increase the overall grant. All requests for changes in scope and limits should be submitted to OCTA in advance of the change. This request will be evaluated on a case- by-case basis and must be approved by the Board prior to initiation of the change by the lead agency. The lead agency must submit a letter to OCTA no later than June 30th of the year in which funds are programmed stating the reasons for cost increases, a proposal for project scope or limit reduction, and an explanation of why approval of the request is warranted. The review process is similar to the appeals process mentioned above.	As stated above, a jurisdiction's grant is based on the project's cost as requested and programmed with established escalation rates. If project costs escalate beyond original estimates and the jurisdiction is unable to cover additional costs, a request to reduce the project scope or limits will be considered where feasible. For example, shortening the roadway transition or reducing the median width (landscaping) to reduce costs. For the RTSSP (Project P), changes to the project costs with respect to the phase allocations will be considered based upon the issuance of the CTO, provided that the readjusted phase allocations do not increase the overall grant. All requests for changes in scope and limits should be submitted to OCTA in advance of the change. This request will be evaluated on a case-by-case basis and may need to be approved by the Board prior to initiation of the change by the lead jurisdiction agency. The lead jurisdiction must submit a letter to OCTA no later than June 30th of the year in which funds are programmed stating the reasons for cost increases, a proposal for project scope or limit reduction, and an explanation of why approval of the request is warranted. Grants approved as part of the CTFP process are subject to timely delivery requirements and ongoing grant monitoring for project delivery. Agencies with project funded through the CTFP must participate in the semiannual review, through a process established by OCTA.	Consultant: Provided example of a feasible and not feasible scenario. OCTA: Add example of feasible scenario. Add language to improve flow of chapter to introduce the semi-annual review process.
49	2-6	2	Schedule Change Request	Grants approved as part of the CTFP process are subject to timely delivery requirements. Implementation schedules are determined by the lead jurisdiction (applicant). Contract work must be awarded prior to the end of the programmed fiscal year to encumber the funds. If work cannot be initiated within this time frame, a request to defer funding may be submitted to OCTA for consideration. Project status is reviewed every six months during the SAR process. Expired project funding is subject to withdrawal from project and reprogramming in a subsequent call for projects. Funding delays must be submitted to OCTA in conjunction with the SAR process. These reviews are typically held in Fall and Spring. Emergency delays after the Spring SAR may be considered on a case-by-case basis, but no less than ninety (90) calendar days prior to the encumbrance deadline. The M2 Ordinance permits a delay for up to 24 months. Implementing jurisdictions may request a delay of up to 24 months per project grant. Jurisdictions shall justify this request, receive City Council/Board of Supervisor concurrence, and provide documentation justifying delay to OCTA staff, the TAC and Board as part of the SAR process. Projects that are expected to incur extensive delays beyond the parameters of the program should consider cancellation and reapplication at a future date. Advancement requests may be considered during the review process and may be approved subject to funding availability.	Removed in its entirety.	Remove Schedule Change Request section since information is included in later sections that detail delays, advancements, and cancellations.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
50	2-7	2	Semi-Annual Review	Semi-Annual Review OCTA staff will conduct a comprehensive review of CTFP projects on a semi-annual basis to determine the status of projects. Project updates will be provided by the local jurisdictions and uploaded to OCFundtracker. Follow-up meetings to these updates will be held as needed. Semi-annual project reviews are usually scheduled to occur in March and September of each year. Projects are reviewed to: 1. Update project cost estimates. For any project experiencing cost increases exceeding ten percent (10%) of the originally contracted amount, a revised cost estimate must be submitted to OCTA. This is applicable even if the increase is within the overall grant amount. 2. Review the project delivery schedule 3. Determine the project's continued viability 4. Verify project O&M expenditures (e.g. ECP (Project X)) 5. Discuss any potential issues with external fund sources committed as match against the competitive funds Prior to each review meeting, OCTA staff will distribute a list of active projects to each local jurisdiction. Each jurisdiction will be contacted as needed and asked to participate in the upcoming review where each jurisdiction's project schedules, cost estimates, and scope will be reviewed. Jurisdictions will be given the opportunity to request program changes (e.g. delaying and advancing funds from one fiscal year to another) and each adjustment will be considered on a case-by-case basis. The jurisdiction should be prepared to explain any changes and provide all necessary supporting documentation. Generally, the local jurisdiction is responsible for the implementation of the projects as approved by OCTA, however consideration will be given for circumstances beyond the lead jurisdiction's control that affect scope, cost, or schedule. Based on the semi-annual review meetings, OCTA staff will develop and present recommendations for project adjustments to the TAC. Requests for project changes (delays, advancements, scope modifications, etc.) will be considered on an individual basis. The following action plan has been developed for the semi-annual review process: •Require local jurisdictions to submit status reports, project worksheets, and supporting documentation to OCTA for all project adjustments. •Require local jurisdictions to abide by the Time Extension Policy: - oJurisdictions may request a delay of up to 24 months per grant. Local jurisdictions will be required to justify this request and seek approval of OCTA staff, the TAC, and the Board as part of the semi-annual review process. - oApproved schedule changes will require an update of the local jurisdiction's seven-year CIP and the OCTA cooperative funding agreement. - oEvidence of Council approval (resolution, minute order, or notification) must be provided prior to Board approval of delays. - oAn administrative extension may be granted for expiring M2 funds for a project phase that is clearly engaged in the procurement process (advertised but not yet awarded). The local jurisdiction must notify OCTA through a written request on agency letterhead extension, and provide evidence of advertisement. - oAgencies that have requested Fast Track funding cannot request time extensions.	Semi-Annual Review OCTA staff will conduct a comprehensive review of CTFP projects on a semi-annual basis to determine the status of projects. Project updates will be provided by the local jurisdictions and uploaded to OCFundtracker. Follow-up meetings to these updates will be held as needed. Semi-annual project reviews are usually scheduled to occur in March and September of each year. Projects are reviewed to: 1. Update project cost estimates. For any project experiencing cost increases exceeding ten percent (10%) of the originally contracted amount, a revised cost estimate must be submitted to OCTA. This is applicable even if the increase is within the overall grant amount. 2. Review the project delivery schedule 3. Verify the Board approved scope is being delivered 4. Determine the project's continued viability 5. Verify project O&M expenditures (e.g. ECP (Project X)) 6. Discuss any potential issues with external fund sources committed as match against the competitive funds Prior to each review meeting, OCTA staff will distribute a list of active projects to each local jurisdiction. Each jurisdiction will be contacted as needed and asked to participate in the upcoming review where each jurisdiction's project schedules, cost estimates, and scope will be reviewed. Jurisdictions will be given the opportunity to request program changes (e.g. delaying and advancing funds from one fiscal year to another) and each adjustment will be considered on a case-by-case basis. The jurisdiction should be prepared to explain any changes and provide all necessary supporting documentation. Generally, the local jurisdiction is responsible for the implementation of the projects as approved by OCTA, however consideration will be given for circumstances beyond the lead jurisdiction's control that affect scope, cost, or schedule. Based on the semi-annual review meetings, OCTA staff will develop and present recommendations for project adjustments to the TAC. Requests for project changes (delays, advancements, scope modifications, etc.) will be considered on an individual basis. The following action plan has been developed for the semi-annual review process: •Require local jurisdictions to submit status reports, project worksheets, and supporting documentation to OCTA for all project adjustments. •Require local jurisdictions to abide by the Time Extension Policy: - oJurisdictions may request a delay of up to 24 months per grant. Local jurisdictions will be required to justify this request and seek approval of OCTA staff, the TAC, and the Board as part of the semi-annual review process. - oApproved schedule changes will require an update of the local jurisdiction's seven-year CIP and the OCTA cooperative funding agreement. - oEvidence of Council approval (resolution, minute order, or notification) must be provided prior to Board approval of delays. - oAn administrative delay may be granted for expiring M2 funds for a project phase that is clearly engaged in the procurement process (advertised but not yet awarded). The local jurisdiction must notify OCTA through a written request on agency letterhead and provide evidence of advertisement. The letter request and proof of advertisement must be received by OCTA no less than thirty (30) calendar days prior to the award deadline to ensure sufficient time for OCTA to review and respond. - oAgencies that have requested Fast Track funding cannot request time extensions. To ensure delivery of Board approved projects local jurisdictions can make any of the six project adjustments shown in the sections below, as appropriate.	This section was moved to earlier in the chapter to improve guidelines flow. Update administrative delay process to ensure OCTA has sufficient time to review requests and provide time sensitive responses. Clarify no less than 30 days refers to calendar days, based on TSC feedback.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
51	New	New	Delays	None	Delays Funds programmed for a project must be obligated within the fiscal year (FY) in which they are allocated. For example, projects programmed in FY 2027–28 must be obligated by June 30, 2028. An exception applies to Project X grants, which must be obligated by December 30, 2028. If an implementing jurisdiction anticipates that the applicable obligation deadline cannot be met, it must request a funding delay to avoid the potential forfeiture of funds. The M2 Ordinance permits a delay of up to twenty-four (24) months. Implementing jurisdictions may request a funding delay of either twelve (12) or twenty-four (24) months per project grant. Funding delay requests must be submitted to OCTA through OCFundtracker as part of the applicable SAR cycle. Emergency delays requested after the Spring SAR may be considered on a case-by-case basis; however, OCTA will not consider funding delay requests submitted fewer than ninety (90) calendar days prior to the applicable obligation or encumbrance deadline. Each funding delay request must include a formal letter seeking the delay, detailed justification for the delay, and documentation of approval from the applicable City Council or Board of Supervisors. Documentation of the approved action must be submitted to OCTA by the applicable SAR deadline. Delay requests shall be reviewed by OCTA staff, the Technical Advisory Committee (TAC), and the Board as part of the SAR process. Projects that are expected to incur extensive delays beyond the parameters of the program should consider cancellation and reapplication during a future call for projects. Projects awarded Fast Track grants and Project X Tier 1 grants are not eligible for funding delays.	Add a new section for delay request to further clarify the current process.
52	2-7	2	Timely Use of Funds	For project phases (RCP and RTSSP projects see paragraph below), work must be expensed within 36 months from encumbrance to be considered eligible for reimbursement. Funds extensions up to 24 months may be granted through the SAR. Extension requests must be received prior to the expenditure deadline. For RCP and RTSSP project phases, work funds must be carried out expensed based on within the project phase schedule that is provided at the time of application plus 6 months (see Precept 210). Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline.	Timely Use of Funds For project phases (RCP and RTSSP projects see paragraph below), work must be carried out within 36 months from encumbrance to be considered eligible for reimbursement. Funds extensions up to 24 months may be granted through the SAR. Extension requests must be received prior to the expenditure deadline. For RCP and RTSSP project phases, work must be carried out within the project phase schedule that is provided at the time of application plus 6 months (see Precept 21). Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline.	Updated section to align with revision made under Precepts 20 and 21. This section was moved within the chapter to improve guidelines flow.
53	2-7	2	Project Advancements	Agencies wishing to advance a project by one fiscal year, or more may request project advancement. Advancement requests will be considered only if program funds are available. The grant will be de-escalated according to the original escalation rate. Requests must be submitted as part of the SAR. All advancements will be reviewed by the TAC and approved by the Board. If approved, the agency and project will be required to meet the new fiscal year award or encumbrance deadline. Should OCTA be unable to accommodate an advancement request due to cash flow constraints, the agency may still move forward with the project using local funding (see Precept 6). The lead agency must have a fully executed letter agreement prior to beginning work. The lead agency may subsequently seek reimbursement of CTFP funds in the fiscal year in which funds are programmed. Reimbursement shall follow the standard CTFP process (see Chapter 9). Prior approval is not necessary if the project is being advanced through local funds. However, if the local agency intends to receive match credit for local funds spent, prior approval is required.	Project Advancements Agencies wishing to advance a project by one fiscal year, or more may request project advancement. Advancement requests will be considered only if program funds are available. The grant will be de-escalated according to the original escalation rate. Requests must be submitted as part of the SAR. All advancements will be reviewed by the TAC and approved by the Board. If approved, the agency and project will be required to meet the new fiscal year award or encumbrance deadline. Should OCTA be unable to accommodate an advancement request due to cash flow constraints, the jurisdiction may still move forward with the project using local funding (see Precept 6). The lead jurisdiction must have a fully executed letter agreement in order to receive an initial payment or reimbursement for costs. For construction phases, the local jurisdiction must have OCTA's written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract. The lead jurisdiction may subsequently seek reimbursement of CTFP funds in the fiscal year in which funds are programmed. Reimbursement shall follow the standard CTFP process (see Chapter 10). Prior approval is not necessary if the project is being advanced through local funds. However, if the local agency intends to receive match credit for local funds spent, prior approval is required.	Updated section to align with revision made under Precept 6. This section was moved within the chapter to improve guidelines flow.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
54	New	New	Project Scope Changes	None	Project Scope Changes Local jurisdictions may request a scope change so long as the overall project benefits committed to in the Board-approved application can still be delivered. Any request for scope modifications of an approved project must be submitted to OCTA staff in advance of the change to ensure consistency with the project requirements. Request must include the status of the project, detailed description of the modification, rationale for the proposed modification, and potential impacts to the community and funding. For scope changes that do not have significant impacts to the project, which varies by program, OCTA staff will review and provide notification to the local jurisdiction of either approval or rejection of the scope change or if the modification warrants Board approval. For all other scope changes, OCTA staff will review the modification against the original project scoring criteria, ensure that the proposed change delivers comparable or better benefits to the public, and confirm consistency with the project program requirements. Contingent on staff's evaluation, the scope modification will be presented to the Board for review and approval. For Project V, additional details on scope changes are provided in Chapter 6. Local jurisdictions should have prior approval for the scope modification before issuance of a reimbursement. Failure to obtain prior approval may result in a prorated reimbursement amount or a delay in reimbursement, as the scope modification may need to be submitted as part of the SAR for Board approval, which is typically received in June/July for a March SAR cycle and in December for a September SAR cycle.	Add a new section for scope changes; however, no substantive changes were made, as this language is consistent with the current language under Chapter 6.
55	New	New	Transfer of Savings	None	Transfer of Savings An implementing jurisdiction may request to transfer one-hundred percent (100%) of savings of M2 funds between the phases within a project. M2 funds can only be transferred to the phase of the same project that has already been awarded CTFP funds. Such requests must be made prior to the acceptance of a Final CTFP Expenditure Report in order to be considered. For Regional Traffic Signal Synchronization Program (RTSSP) projects that experience cost savings in the Primary Implementation (PI) phase, a request to transfer the savings into the subsequent operations and maintenance (O&M) phase must be submitted before final reimbursement is issued by OCTA for the PI phase.	Add a new section for transfer of savings request to further clarify the current process.
56	New	New	Cancellations	None	Cancellations If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a Final CTFP Expenditure Report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. All ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation even if property has been acquired. All construction funding received prior to cancellation shall be repaid upon cancellation. Cancelled projects will be eligible to reapply upon resolution of issues that led to original project termination. Jurisdictions can resubmit an application for funding consideration once either the cancellation of the existing funding grant has been approved by the Board or is in the process of approval through the SAR. In the event the Board does not approve the cancellation, the lead jurisdiction will be required to withdraw the application. For Project V, cancellation details are provided in Chapter 6.	Add a new section for cancellations request to further clarify the current process.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
57	New	New	OCTA Branding	None	OCTA Branding Public recognition of Measure M2-funded projects promotes transparency and accountability by informing residents about the transportation improvements made possible through voter-approved funding. Accordingly, local jurisdictions receiving funding through the Comprehensive Transportation Funding Programs (CTFP) shall acknowledge Measure M2 as a funding source in project-related communications and public-facing activities, as applicable. Such acknowledgement shall include appropriate visual recognition of Measure M2 in materials including, but not limited to, project signage, digital and printed materials, presentations, press releases, websites, and on-site displays. Local jurisdictions shall comply with OCTA branding and recognition requirements and any related guidance issued by OCTA. For examples of boilerplate language, media releases and public events, please refer to https://octa.net/about/about-octa/measure-m-branding-and-media-guidelines	New section added for OCTA Branding to further clarify Precept 23.
Chapter 3 - Safe Transit Stops (Project W)						
58	3-1	3	Safe Transit Stops (Project W)	Revisions to this chapter will be made as part of the next Project W call for projects. The consultants' comments have been documented and will be taken into consideration during those revisions.		
Chapter 4 - Transit Extensions to Metrolink (Project S)						
59	4-1	4	Transit Extensions to Metrolink (Project S)	A minor clarification has been made to this chapter. There are no additional proposed revisions to the Transit Extension to Metrolink (Project S) Program, as there are no active Project S grants at this time.		
60	4-2	4	Matching Funding Requirements	Local funding must meet a minimum 10 percent (10%) match rate requirement for the whole project comprised of any combination private contributions, advertising revenues, and local discretionary funds. Match funding commitments in excess of 10 percent (10%) for one project phase (capital or operations/maintenance) may result in a reduced minimum match rate requirement for another phase subject to Board of Directors (Board) approval. Minimum match rate commitments will be incorporated into a cooperative funding agreement and will apply on an annual basis to the entire service life of the project (typically 5, 7, or 25 years). The match must be a monetary contribution and may not be made up of in-kind services	Local funding must meet a minimum 10 percent (10%) match rate requirement for the whole project comprised of any combination private contributions, advertising revenues, and local discretionary funds. Match funding commitments in excess of 10 percent (10%) for one project phase (capital or operations/maintenance) may result in a reduced minimum match rate requirement for another phase subject to Board of Directors (Board) approval. Minimum match rate commitments will be incorporated into a cooperative funding agreement and will apply on an annual basis to the entire service life of the project (typically 5, 7, or 25 years). The match must be a monetary contribution and may not be made up of in-kind services.	Clarify that the match cannot consist of in-kind services and must be provided as a monetary contribution, consistent with the definition for local match.
Chapter 5 - Metrolink Gateways (Project T)						
61	5-1	5	Metrolink Gateways (Project T)	This chapter will be removed from the guidelines as the Metrolink Gateways Program has been completed and closed. The below was added: Project T has been removed from the 2027 CTFP Guidelines and will not be included in future CTFP Guidelines. For prior requirements and procedures, please refer to https://www.octa.net/programs-projects/programs/funding-programs/call-for-projects/metrolink-gateways.		
Chapter 6 - Community-Based Transit/Circulators (Project V)						
62	6-1	6	Community-Based Transit/Circulators (Project V)	Minor clarifications have been made to this chapter. Revisions to this chapter will be made as part of the next Project V call for projects. The consultants' comments have been documented and will be taken into consideration during that review.		
63	6-1	6	Eligible Service Categories	The services currently eligible for this program generally fall into two service categories defined as Traditional Project V transit services and On-Demand mobility services. These categories allow for special operating characteristics to be considered in the evaluation and administration of distinctive transit delivery models. The eligible service types under each category are as follows:	The services currently eligible for this program generally fall into two service categories defined as Traditional Project V transit services and On-Demand mobility services. These categories allow for special operating characteristics to be considered in the evaluation and administration of distinctive transit delivery models. Given the unique nature of this program and services provided through Project V, clarification on what types of services fall into these categories would be provided through workshops or direct communication. The eligible service types under each category are as follows:	<i>Consultant: Include examples of what is eligible. Also have sample of what may be close, but ineligible for clarity.</i> OCTA: Clarify that examples will be provided during call workshops or through direct communication.
64	6-9	6	Project Participating Categories	• Major revenue service vehicle maintenance and repairs (e.g., replacement of transmission, engine, etc.).	• Major revenue service vehicle maintenance and repairs (e.g., replacement of transmission, engine, etc.). • Minor vehicle services (routine maintenance: brake pads/rotors, fluids, filters, spark plugs, belts, hoses, ignition coils, cosmetic bodywork or paint without structural involvement, etc.)	<i>Consultant: What is major vs. minor?</i> OCTA: Add language describing minor vehicle services to help clarify what would not be considered major vehicle maintance/major repairs.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
65	6-11	6	Project Requirements	<u>Capital – Project Requirements</u> Project V funding is available to offset the costs of purchasing or leasing vehicles, equipment and other appropriate and reasonable capital amenities as described in Chapter 3, under eligible costs. Progress on capital projects must be reported to OCTA through the CTFP semi-annual review process. Agencies must inspect vehicle(s) to ensure they meet specifications prior to final acceptance and withhold retention until warranty issues and/or final acceptance is met and approved by the local agency.	n/a	<i>Per consultant can be open to interpretation - examples</i> OCTA: Clarifying language proposed through Item #66.
66	6-11	6	Project Requirements	If capital purchases (bus/vehicles, equipment, facilities, bus stop amenities, etc.) are provided with Project V funds, there is an expectation that these capital items will be used for their entire useful life and/or through the termination of the service. If termination occurs prior to the completion of the capital item's useful life and/or grant term, the local agency shall repay OCTA the same percentage of the sale price (or estimated value of the asset(s) based on straight line depreciation of the asset(s)), consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service life, where applicable.	If capital purchases (bus/vehicles, equipment, facilities, bus stop amenities, etc.) are provided with Project V funds, there is an expectation that these capital items ¹ will be used for their entire useful life and/or through the termination of the service. If termination occurs prior to the completion of the capital item's useful life and/or grant term, the local agency shall repay OCTA the same percentage of the sale price (or estimated value of the asset(s) based on straight line depreciation of the asset(s)), consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service life, where applicable. ¹ Specific capital items eligible for Project V funds will be identified in the terms and conditions of the cooperative agreement.	Add footnote to clarify that the eligible capital items will be defined in each jurisdiction's cooperative agreement given the unique nature of the program.
67	6-17	6	Project V Branding	Projects awarded Project V funding are required to place M2 (OC Go) decals on the vehicles used for fixed-route, community shuttles, seasonal services and regular microtransit. Local agencies will coordinate with OCTA in regard to the sizing, placement, and furnishing of decals. The implementing agency will be required to certify actual placement and visibility on a reasonable basis. For all awarded services, local agencies are required to place M2 logos on marketing and related service publication materials, including software applications. Promotion of the OC Go logo is not intended to overpower or take away from the service operated by the local agency but is intended to ensure transparency regarding the local sales tax measure expenditures.	Projects awarded Project V funding are required to place OCTA logo decals on the vehicles used for fixed-route, community shuttles, seasonal services and regular microtransit. Local jurisdictions will coordinate with OCTA in regard to the sizing, placement, and furnishing of decals. The implementing jurisdiction will be required to certify actual placement and visibility during the Project V Quarterly Report updates. For all awarded services, local jurisdictions are required to place OCTA logos on marketing and related service publication materials, including software applications. Promotion of the OCTA logo is not intended to overpower or take away from the service operated by the local jurisdiction but is intended to ensure transparency regarding the local sales tax measure expenditures. An example of the OCTA logo with the "Funded By" tagline is shown as follows:	<i>Consultant: What counts as certification? Is there a procedure for that?</i> OCTA: Add language for consistency with current process as agencies already complete this step in the quarterly ridership reports submitted to OCTA.
68	6-18	6	Project V Branding			Change logo used for projects funded by M2 to align with current OCTA branding guidance. The "OC Go" logo and term are no longer used.
Chapter 7 - Regional Capacity Program (Project O)						
69	7-1	7	Overview	The RCP (Project O) is a competitive program that will provide more than \$1 billion over a thirty-year period. The RCP replaces the Measure M local and regional streets and roads competitive programs (1991-2011). Although each improvement category described in this chapter has specific eligible activities, the use of RCP funding is restricted to and must be consistent with the provisions outlined in Article XIX and the California State Controller's Guidelines Relating to Gas Tax Expenditures (March 2019). These Guidelines are available at the following link: https://www.sco.ca.gov/Files-AUD/Gas_Tax_Fund_Guidelines.pdf .	The RCP (Project O) is a competitive program that will provide more than \$1 billion over a thirty-year period. The RCP replaces the Measure M local and regional streets and roads competitive programs (1991-2011). Although each improvement category described in this chapter has specific eligible activities, the use of RCP funding is restricted to and must be consistent with the provisions outlined in Article XIX and the California State Controller's Guidelines Relating to Gas Tax Expenditures for Cities and Counties (Gas Tax Fund Guidelines) . These Guidelines are available at the following link: https://sco.ca.gov/pubs_guides.html	Update link for resource accessibility.

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70	7-2	7	Funding Estimates	Funding will be provided on a pay-as-you-go basis. The RCP will make an estimated \$1.5 billion (in 2022 dollars) available during the 30-year M2 program. Programming estimates are developed in conjunction with periodic calls for projects. Funding is shared with intersection, interchange and grade separation improvement categories. No predetermined funding has been set aside or established for street widening.	Consistent with the M2 Ordinance , funding for transportation improvements and operations will be provided on a pay-as-you-go basis. Under this approach , the RCP is anticipated to make approximately \$1.5 billion (in 2022 dollars) available over the 30-year life of the M2 program. Programming estimates are developed in conjunction with periodic calls for projects. Funding is shared with intersection, interchange and grade separation improvement categories. No predetermined funding has been set aside or established for street widening	<i>Consultant: Inconsistent with other funding? Not via initial and/or final invoicing process?</i> OCTA: Clarify current language to align with the Ordinance language.
71	7-3	7	~~2026 Call For Projects~~ 2027 Call For Projects	Funding will be provided for the three RCP funding programs: ACE, ICE, and FAST. Chapter 7 details the specific program's intent, eligible project expenditures, ineligible project expenditures, and additional information that may be needed when applying for funds. Each section should be read thoroughly before applying for funding. Application should be prepared for the program that best fits the proposed project. For this call, OCTA shall program projects for a three-year period (FY 26/27 – 28/29), based upon the current estimate of available funds. For specifics on the funding policies that apply to this call, refer to the Program Precepts as found in Section V of these guidelines.	Funding will be provided for the three RCP funding programs: ACE, ICE, and FAST. Chapter 7 details the specific program's intent, eligible project expenditures, ineligible project expenditures, and additional information that may be needed when applying for funds. Each section should be read thoroughly before applying for funding. Application should be prepared for the program that best fits the proposed project. For this call, OCTA shall program projects for a three-year period (FY 27/28 – 29/30), based upon the current estimate of available funds. For specifics on the funding policies that apply to this call, refer to the Program Precepts as found in Section V of these guidelines.	Revise programming years to align with the 2027 call schedule.
72	7-3	7	Applications	In order for OCTA to consider a project for funding, applications will be prepared by the lead agency. A separate application package must be completed for each individual project. Multiple variations of the same project (i.e. with different local match rates) will not be considered. If funding is requested under multiple program components for a single project (i.e. arterials and intersections) a separate application must be prepared for each request. OCTA shall require agencies to submit electronic applications for the 2026 call for projects by 5:00 p.m. on Thursday, November 20, 2025. Late and/or incomplete submittals will not be accepted.	In order for OCTA to consider a project for funding, applications will be prepared by the lead agency. A separate application package must be completed for each individual project. Multiple variations of the same project (i.e. with different local match rates) will not be considered. If funding is requested under multiple program components for a single project (i.e. arterials and intersections) a separate application must be prepared for each request. OCTA shall require agencies to submit electronic applications for the 2027 call for projects by 5:00 p.m. on Thursday, November 19, 2026. Late and/or incomplete submittals will not be accepted.	<i>Consultant: Have example of good application.</i> OCTA: Will work on gathering examples and making them available to the local jurisdictions. Revise application deadline to reflect the 2027 call schedule.
73	7-8	7	Project Cost Estimate Form	Include a separate attachment listing all expenditures and costs for the project using the Revised Cost Estimate Form 10-3 provided by OCTA and available for download at https://ocfundtracker.octa.net. Another attachment may be included in addition if desired. Accurate unit prices and a detailed description of work, including design, will be critical when the candidate project is reviewed. For example, design applications should include major tasks that will be performed. ROW cost estimate should include parcel information (including project area needed), improvements taken, severance damages, easements, ROW engineering, appraisal and legal costs. Construction should include a listing of all bid items including a maximum 10 percent (10%) allowance for contingencies and a maximum 20 percent (20%) of M2 grant allowance for construction support, subject to match requirements. The anticipated disbursement of costs (e.g., Agency, Other, Non-Eligible) must also be completed. Agencies should reference the program from which funding is expected to be allocated when completing this portion of the form. Each of the funding programs described in these guidelines may have differing matching fund requirements. If more than one project phase is requested to be funded, a separate project cost estimate form is to be completed for each phase, or each phase must be clearly indicated, and a subtotal prepared on this form. Separate forms should also be prepared if funding for project phases is being requested over multiple fiscal years.	Include a separate attachment listing all project expenditures and costs using the Revised Cost Estimate Form 10-3, provided by OCTA and available for download at https://ocfundtracker.octa.net. An additional attachment may be included, if desired. Accurate unit prices and a detailed description of the proposed work, including design activities, are critical during the candidate project review process. Cost estimates must provide sufficient detail to understand cost components and determine eligible and noneligible items. For example, design applications must include major tasks that will be performed. ROW cost estimates must include parcel information (including the project area required), improvements to be acquired, severance damages, easements, ROW engineering, appraisal costs, and legal costs. Construction cost estimates must include a complete listing of all bid items, including up to 10 percent (10%) contingency and a maximum 20 percent (20%) of the M2 grant for construction support, subject to match requirements. Local jurisdictions may request a higher contingency with supporting documentation identifying the specific risk that justify the increase. This includes identifying project risks, potential scope changes, and any uncertainties in ROW or construction that could justify exceeding the 10 percent (10%) threshold. The anticipated disbursement of costs (e.g., Agency, Other, Non-Eligible) must also be completed. Agencies should reference the funding program from which funds are expected to be allocated when completing this section of the form. Each funding program described in these guidelines may have different matching fund requirements. If funding is requested for more than one project phase, a separate project cost estimate form must be completed for each phase. Separate forms are also required when funding for project phases is being requested over multiple fiscal years.	<i>Consultant: Confirm form is current/accurate. Show completed examples and FAQ for items frequently submitted erroneously. Provide more specific link - link to form downloads page. What is considered major? Link to historical examples and sample calculations. Is there a specified format to show anticipated disbursements of costs (agency, other, non-eligible)? Is this clear on the form?</i> OCTA: Add context to further clarify information and level of detail needed on the Cost Estimate Form. Clarify what information is needed to justify a higher contingency based on TSC feedback.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
74	7-13	7	Application Review Process	The following guidelines will be used in reviewing project applications. Any application that does not meet these minimum guidelines must include an explanation of why the guidelines were not met: 1. The travel lane width should be no less than 11 feet (12 feet if adjacent to a raised median or other obstruction) for all arterial highways. 2. For divided roadways, the minimum median width should be no less than 10 feet to allow for turning movements. Divided roadways are defined as those with either a painted or raised median. 3. Arterial highways that are designated for uses in addition to automobile travel (e.g., bicycle, pedestrian, parking) shall provide additional ROW consistent with local jurisdiction standards to facilitate such uses.	1. The travel lane width should be no less than 11 feet unless reviewed and approved by OCTA's Transit Planning (12 feet if adjacent to a raised median or other obstruction) for all arterial highways. 2. For divided roadways, the minimum median width should be no less than 10 feet to allow for turning movements. Divided roadways are defined as those with either a painted or raised median. 3. Arterial highways that are designated for uses in addition to automobile travel (e.g., bicycle, pedestrian, parking) shall provide additional ROW consistent with local jurisdiction standards to facilitate such uses.	<i>Consultant: Include examples for each requirement.</i> OCTA: Feedback requested from TSC at April 8, 2026 TSC meeting. Based on TSC feedback, reduce the minimum travel lane width requirement that would require additional explanation during the application review process to 10 1/2 feet from 11 feet.
75	7-14	7	Application Review Process	Board authorization to issue call: September 8, 2025 Application submittal deadline: November 20, 2025 TSC/TAC Review: March/April 2026 Committee/Board approval: May/June 2026	Board authorization to issue call: September 14, 2026 Application submittal deadline: November 19, 2026 TSC/TAC Review: March/April 2027 Committee/Board approval: May/June 2027	Revise the key call dates to align with the 2027 call schedule.
76	7-14	7	Funding	A thorough review of eligible activities is not always possible during the call for projects evaluation period. As a result, it is possible that cost elements contained within an application and included in a funding recommendation may ultimately be deemed ineligible for program participation. The applicant is responsible for ensuring projects are implemented according to eligible activities contained within the program guidelines. In order to make certain that local agencies are aware of ineligible activities and/or potentially ineligible elements within a funded project, OCTA staff is available to review elements of the project design at any time through the duration of the M2 grant. It is highly recommended that grantees engage in the design review process with OCTA staff prior to initiating project implementation (i.e., commencing ROW acquisitions, executing construction contract) to allow for design changes by the local agencies, as needed.	A thorough review of eligible activities is not always possible during the call for projects evaluation period. As a result, it is possible that cost elements contained within an application and included in a funding recommendation may ultimately be deemed ineligible for program participation. The applicant is responsible for ensuring projects are implemented according to eligible activities contained within the program guidelines. It is highly recommended that local jurisdictions engage in the design review process with OCTA staff as early as possible prior to initiating project implementation (i.e., 35%-65% design, commencing ROW acquisitions) to allow for design changes by the local jurisdictions, as needed. In order to make certain that local jurisdictions are aware of ineligible activities and/or potentially ineligible elements within a funded project, OCTA staff <u>will review the cost elements following Board approval of the funding recommendation for construction. OCTA will then issue written confirmation identifying eligible and ineligible costs and provide staff approval to proceed prior to the obligation of any funds through contract award.</u>	Update section to align with revision made under the new Precept 6 (letter agreement process/pre-award authority and cost eligibility confirmation process for CON and PI phases).
77	7-15	7	Project Participating Categories	Gap closures – the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic.	Gap closures – the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic. Gap closures must use the minimum lane width of 11 feet, unless reviewed and approved by OCTA's Transit Planning.	Add minimum lane width to ensure the intent of the program is being maintained and funds are not being used for restriping, specifically for gap closure projects. Add link for resource accessibility. Based on TSC feedback, use a minimim lane width of 10 1/2 feet, consistent with Item No. 74. While the CTFP specifies 10 1/2 feet as a general minimum lane width, local jurisdictions are responsible for ensuring roadways meet minimum widths governed by other applicable state and federal guidance, which may be greater than 10 1/2 feet.
78	7-16 7-33 7-44	7	Potentially Eligible Items	Below is a list of potentially eligible items. However, final determination of the eligibility of all project related costs will be made at the time of reimbursement. Prior to the submittal of an application for funding, or at any point in the project life cycle, local agencies may meet with OCTA staff to review the eligibility of project related costs. Application review and approval does not guarantee the eligibility of all items.	Below is a list of potentially eligible items. However, initial determination of the eligibility of all project related costs will be made following Board approval and OCTA will provide a written confirmation of the eligible costs for construction. Prior to the submittal of an application for funding, or at any point in the project life cycle, local jurisdictions may meet with OCTA staff to review the eligibility of project related costs. Application review and Board approval does not guarantee the eligibility of all items.	<i>Consultant: "Potentially" is confusing/unclear</i> OCTA: Update section to align with revision made under Precept 6 (letter agreement process/pre-award authority and cost eligibility confirmation process for CON and PI phases)

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79	7-16, 7-33, 7-45	7	Potentially Eligible Items	• Direct environmental mitigation for projects funded by ACE (subject to limitations identified in precepts) • Sound walls (in conjunction with roadway improvement mitigation measures) • Aesthetic improvements including landscaping within the project ROW (eligible improvements up to 10 percent (10%) of construction costs, provided costs are reasonable for the transportation benefit) • Improvements to private property if part of a ROW settlement agreement • Roadway grading within the ROW (inclusive of any TCE and/or ROW agreement related improvements) should not exceed a depth for normal roadway excavation (e.g., structural section). Additional grading will be considered on a case-by-case basis. Agencies shall provide supporting documentation (e.g., soils reports, ROW agreements) to justify the additional grading.	• Environmental mitigation for projects funded by ACE (subject to limitations identified in Precept 30) as defined in an approved CEQA environmental document • Sound walls (in conjunction with roadway improvement mitigation measures) as defined in an approved CEQA environmental document • Aesthetic improvements, including landscaping and enhanced landscaping within the project ROW, are eligible for up to 10 percent (10%) of the construction grant, subject to match requirements. • Improvements and/or betterments (e.g., gates, minor parking lot restriping, underground utility, etc.) to private property if part of a ROW settlement agreement • Grading within the roadway is eligible. However, additional grading will be considered on a case-by-case basis. Agencies must provide supporting documentation (e.g., soils reports, ROW agreements) to justify the additional grading, if seeking reimbursement for this component.	<i>Consultant: Specify what is eligible, unclear - need examples.</i> OCTA: Add examples and additional details for clarity. Clarify that environmental mitigation and sound walls are potentially eligible if items are included in an approved environmental document. Simplify calculations of aesthetic improvements by making percentage based off grant amount. Grading within the roadway is now eligible without limitation on depth; however, any additional grading must be supported by documentation to be considered eligible for reimbursement. Revise potentially eligible items to include enhanced landscaping as an eligible expense based on TSC feedback. Enhanced landscaping incorporated under aesthetic improvements, which is subject to a maximum of 10% of the construction grant.
80	7-16, 7-34, 7-45	7	Potentially Eligible Items	Environmental mitigation will be allowed only as required for the proposed roadway improvement and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 25 percent (25%) of the total eligible construction costs.	Environmental mitigation will be allowed only as required for the proposed roadway improvement and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 25 percent (25%) of the grant .	Simply calculations by making percentage based off the grant amount.
81	7-16, 7-34, 7-45	7	Potentially Eligible Items	Longitudinal storm drains are eligible for program participation when the storm drain is an incidental part (cost is less than 25 percent (25%) of the total eligible construction cost) of an eligible improvement. Program participation shall not exceed 10 percent (10%) of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in ACE Program funding. Storm drains outside standard MPAH ROW widths are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g., within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin designated by aforementioned criteria.	Storm drains systems required for the MPAH road improvement are eligible. Eligibility is limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement. OCTA may request supporting documentation from the local jurisdiction to demonstrate that the storm drain improvements are required due to the MPAH roadway improvement and are not part of a separate regional storm drain project or broader drainage system improvement. M2 funds shall not supplant developer funding (see Precept 5). Storm drains outside standard project area are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g., within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin designated by aforementioned criteria.	<i>Consultant: Show sample calculation</i> OCTA: Remove percentage limitation on storm drain systems deemed by the hydrology report to be required for the roadway improvement. Additional guidance from the TSC requested at the April 8, 2026 TSC meeting. Specify that storm drain systems required for the MPAH road improvement are eligible based on TSC feedback.
82	7-17, 7-34, 7-45	7	Potentially Eligible Items	Soundwalls are eligible only if they are required as part of the environmental mitigation for the proposed project and the Measure M contribution to the cost of soundwalls shall not exceed 25 percent (25%) of the total eligible construction costs. Aesthetic enhancements and landscaping in excess of minimum environmental mitigation requirements are subject to limitations described in this section above.	Soundwalls are eligible only if they are required as part of the environmental mitigation for the proposed project and the Measure M contribution to the cost of soundwalls shall not exceed 25 percent (25%) of the total grant . Aesthetic enhancements and landscaping in excess of minimum environmental mitigation requirements are subject to limitations described in this section above.	Simply calculations by making percentage based off the grant amount.
83	7-18, 7-33, 7-47	7	Ineligible Items	Enhanced landscaping, aesthetics and gateway treatments (landscaping that exceeds that necessary for normal erosion control and ornamental hardscape)	Statues, ornaments and fountains or similar	Consultant: What counts as normal/necessary erosion control and ornamental hardscape? OCTA: Add examples for clarity. Revise to consider enhanced landscaping as a potentially eligible item based on TSC feedback. Enhanced landscaping specified as an aesthetic improvement, see Item No. 74. For ineligible gateway treatments, specified statues, ornaments, fountains or similar.
84	7-18, 7-34, 7-47	7	Ineligible Items	None	Street improvements and maintenance activities (e.g., curb and gutter, pavement rehabilitation/restoration, sidewalk reconstruction, or full catch-basin replacement/construction) are not eligible, unless surface repairs are required to restore a funded RCP project area to pre-construction conditions.	Clarify that general street improvement and maintenance work are ineligible, except surface repairs necessary to restore project area to pre-construction conditions.

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85	7-25, 7-39, 7-50	7	Application Process	Application Process Project grants are determined through a competitive application process. Local jurisdictions seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Detailed instructions and checklists are provided in this chapter. Complete application • Funding needs by phase and fiscal year • Local committed match funding source, confirmed through city council resolution or minute order • Supporting technical information (including current traffic counts) • Project development and implementation schedule • ROW status and detailed plan for acquisition/disposal of excess right-of-way. The ROW acquisition/disposal plan must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at https://ocfundtracker.octa.net. • Any additional information deemed relevant by the applicant • Grants subject to Master Funding Agreement Calls are expected to be issued on an annual basis, or as determined by the Board. Complete project applications must be submitted by the established due date to be considered eligible for consideration.	No material changes to text.	The section was moved to earlier in the chapter to improve the flow of the guidelines; however, no changes were made to the existing language.
86	7-26, 7-39, 7-51	7	Minimum Eligibility Requirements	Minimum Eligibility Requirements Projects must have an existing or projected LOS "D" (.81 v/c) or worse to qualify for priority consideration for funding in this program. All project roadways must be identified on the MPAH network. Local streets not shown on the MPAH are not eligible for funding through this program.	No material changes to text.	The section was moved to earlier in the chapter to improve the flow of the guidelines; however, no changes were made to the existing language.
87	7-27, 7-40, 7-52	7	Other Application Materials	Other Application Materials Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials: <u>Council Approval</u>: A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body. A final copy of the City Council approved resolution must be provided at least four (4) weeks PRIOR to the consideration of programming recommendations by OCTA's Board of Directors. <u>Project Documentation</u>: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer stamped site plan, or other summary information to demonstrate completion or planning phases. An electronic copy of the PSR and/or environmental document must be supplied as applicable. The applicant will be asked for additional detailed information if necessary, to adequately evaluate the project application. <u>Project Summary Information</u>: With each application being recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. OCTA staff will request the PowerPoint file when/if a project is recommended for funding.	No material changes to text.	The section was moved to earlier in the chapter improve the flow of the guidelines; however, no changes were made to the existing language.
88	7-22	7	Selection Criteria	Project applications using projected ADT must use traffic counts taken within the preceding 12 months. Project applications not using projected ADT may use traffic counts taken within the 36 months preceding the release date of the current call. Note: New facilities must be modeled through OCTAM and requests should be submitted to OCTA a minimum of six (6) weeks prior to application submittal deadline. The OCTAM modeling request deadline is October 9, 2025 for the 2026 Call for Projects. If modeling requests are not submitted six (6) weeks prior to the application submittal deadline, the application will not be considered. For agencies where event, weekend, or seasonal traffic presents a significant issue, Average Annual Daily Traffic (AADT) counts can be used, provided the agency gives sufficient justification for the use of AADT	Project applications using projected ADT must use traffic counts taken within the preceding 12 months. Project applications not using projected ADT may use traffic counts taken within the 36 months preceding the release date of the current call. Note: New facilities must be modeled through OCTAM and requests should be submitted to OCTA a minimum of six (6) weeks prior to application submittal deadline. The OCTAM modeling request deadline is October 8, 2026 for the 2027 Call for Projects. If modeling requests are not submitted six (6) weeks prior to the application submittal deadline, the application will not be considered. For agencies where event, weekend, or seasonal traffic presents a significant issue, Average Annual Daily Traffic (AADT) counts can be used, provided the agency gives sufficient justification for the use of AADT.	Revise deadline for OCTAM modeling requests to align with the 2027 call schedule.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
89	7-23 7-36 7-48	7	Selection Criteria	Funding Over-Match: The percentages shown apply to match rates above a jurisdiction's minimum local match rate requirement. M2 requires a 50 percent (50%) local match for RCP projects. This minimum match can be reduced by up to 25 percentage points if certain eligible components are met. If a jurisdiction's minimum match target is 30 percent (30%) and a local match of 45 percent (45%) is pledged, points are earned for the 15 percent (15%) over-match differential. The pledged amount is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project.	Funding Over-Match: The percentages shown apply to match rates above a jurisdiction's minimum local match rate requirement. M2 requires a 50 percent (50%) local match for RCP projects. Pursuant to the M2 Ordinance, this minimum match requirement may be reduced by up to twenty-five (25) percentage points if the following criteria are met: • A ten percent (10%) local match reduction if the local jurisdiction implements, maintains and operates in conformance with the Traffic Signal Synchronization Master Plan. • A ten percent (10%) local match reduction if the local jurisdiction either: (a) has measurable improvement of paved road conditions during the previous reporting period as determined pursuant to OCTA's method of measuring improvement of road pavement conditions or (b) has road pavement conditions during the previous reporting period which are within the highest 20 percent (20%) of the scale for road pavement conditions as determined pursuant to OCTA's method of measuring improvement of road pavement conditions. • A five percent (5%) local match reduction if the local jurisdiction does not use any Net Revenues as part of the funds for the local match. If a jurisdiction's minimum match target is 30 percent (30%) and a local match of 45 percent (45%) is pledged, points are earned for the 15 percent (15%) over-match differential. The pledged amount is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project.	<i>Consultant: What are these components?</i> OCTA: Add the specific components that can reduce the local match requirement, as stated in the Ordinance.
90	7-25	7	Selection Criteria	LOS Improvement: This category is a product of the existing or projected LOS based upon volume/capacity -- or v/c -- and LOS improvement "with project". Projects must meet a minimum existing or projected LOS of "D" (.81 v/c) "without project" condition to qualify for priority consideration for funding. Existing LOS is determined using current 24-hour traffic counts for the proposed segment. However, for projects where traffic volumes follow unconventional patterns, unidirectional volumes may be proposed as an acceptable alternate methodology for determining LOS. If unidirectional volumes are used for LOS calculations, ADT for the proposed direction of improvement shall serve as the basis for ADT, cost benefit and vehicle miles travelled (VMT) scoring categories. Projects that do not meet the minimum LOS "D" can be submitted but are not guaranteed consideration as part of the competitive process. If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS "D" have been funded, a consideration of projects with a minimum LOS "C" (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. Projects with a LOS better than "C" (.70 v/c) will not be considered.	LOS Improvement: This category is a product of the existing or projected LOS based upon volume/capacity -- or v/c -- and LOS improvement "with project". Projects must meet a minimum existing or projected LOS of "D" (.81 v/c) "without project" condition to qualify for priority consideration for funding. Existing LOS is determined using current 24-hour traffic counts for the proposed segment. However, for projects where traffic volumes follow unconventional patterns, unidirectional volumes may be proposed as an acceptable alternate methodology for determining LOS. If unidirectional volumes are used for LOS calculations, ADT for the proposed direction of improvement shall serve as the basis for ADT, cost benefit and vehicle miles travelled (VMT) scoring categories. Projects that do not meet the minimum LOS "D" can be submitted but are not guaranteed consideration as part of the competitive process. If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS "D" have been funded, a consideration of projects with a minimum LOS "C" (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. Unless the project is a New Facility/Extension, projects with a LOS better than "C" (.70 v/c) will not be considered.	<i>Consultant: What is unconventional?</i> OCTA: Feedback from the TSC requested at the April 8, 2026 TSC meeting if examples of "unconventional patterns" are needed and regarding language provided by a local jurisdiction for consideration with respect to new facilities/extensions. No concerns for added examples or proposed revision were raised. Specify that the minimum LOS "C" requirement does not apply to New Facility and Extension projects.
91	7-27, 7-39, 7-51	7	Matching Funds	Local agencies are required to provide local match funding for each phase of the project. As prescribed by the M2 Ordinance, the minimum local match requirement is 50 percent (50%) with potential to reduce this amount if certain eligibility requirements are met, as described in the Selection Criteria section of this chapter. The amount pledged during the application process is considered the committed match rate and will be required, at a minimum, from the local jurisdictions throughout the life of the project. Actual project contributions by the local jurisdiction are dependent on final project costs and may not be equal to the committed match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures do not contribute to the local match rate.	Local agencies are required to provide local match funding for each phase of the project. As prescribed by the M2 Ordinance, the minimum local match requirement is 50 percent (50%) with potential to reduce this amount if certain eligibility requirements are met, as described in the Selection Criteria section of this chapter. The amount pledged during the application process is considered the committed match rate and will be required, at a minimum, from the local jurisdictions throughout the life of the project. Actual project contributions by the local jurisdiction are dependent on final project costs and may not be equal to the committed match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures do not contribute to the local match rate. The match must be a monetary contribution and may not be made up of in-kind services.	Clarify that the match cannot consist of in-kind services and must be provided as a monetary contribution, consistent with the definition for local match.
92	7-28 7-40 7-51	7	Reimbursements	This program is administered on a reimbursement basis for capital improvements, planning, design, and ROW acquisition. Reimbursements will be disbursed upon review and approval of an acceptable initial payment submittal, final report, and consistency with Master Funding Agreement or cooperative agreement if federal funds are awarded. The reimbursement process is more fully described in Chapter 9 of this manual.	This program is administered on a progress payment basis, see Chapter 10.	Revise to align with revision made under Precept 37 (new progress payment structure).

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
93	7-28 7-40 7-52	7	~~Project Cancellations~~ Project Adjustments	If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. All ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation even if property has been acquired. All construction funding received prior to cancellation shall be repaid upon cancellation. Cancelled projects will be eligible to reapply upon resolution of issues that led to original project termination. Agencies can resubmit an application for funding consideration once either the cancellation of the existing funding grant has been approved by the OCTA Board or is in the process of approval through the semi-annual review. In the event the OCTA Board does not approve the cancellation, the lead jurisdiction will be required to withdraw the application.	Project Adjustments For project adjustments (scope changes, delays, cancellations, etc.), please refer to Chapter 2: Project Programming.	Remove cancellation language as it was added within Chapter 2 - Project Programming. Add reference to Chapter 2 - Project Programming for project adjustments.
94	7-35	7	Utility Relocation	Utility Relocations The expenses associated with the relocation of utilities are eligible for RCP reimbursement only when all conditions listed below have been met: • The relocation is made necessary due to conflict with proposed improvements. • The facility to be relocated is within the project right-of-way. • It has been determined that the local agency is legally liable for either a portion of or all of the relocation costs. Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, a finding by the local agency's counsel, or other recorded legal document. Documentation providing proof of the local jurisdiction's liability for the costs of utility relocation must be submitted at the time of a payment request (see Chapter 10). Utilities funded through enterprise funds shall not be eligible for reimbursement. If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by the utility owner's contractor, the work should be included in the ROW phase costs and clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local jurisdiction's contractor, the work should be included in the plans and specifications similar to other construction activities. Adjustment of existing utilities to grade (e.g., water valves, manhole frames and covers), due to new roadway cross sections are either eligible or not eligible in the construction phase subject to the limitations previously described (e.g., prior rights). New or relocated fire hydrants are ineligible. In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must include any salvage credits received.	No material changes to text.	The section was moved to improve the flow of the guidelines; however, no changes were made to the existing language.
95	7-38	7	Selection Criteria	For projects where traffic volumes follow unconventional patterns (e.g. unidirectional congestion, large disparity between AM and PM peaks, etc.) HCM 2010 may be proposed as an alternate methodology for determining LOS. HCM calculations must use SYNCHRO and be supported with complete calculation documentation using standard industry approaches and current signal timing plans. If an alternative methodology is proposed, all analysis must be submitted to OCTA for review no later than October 9, 2025 for the 2026 Call for Projects. OCTA will contract with an independent third-party firm to review the technical analysis. The cost for the review will be charged to the applicant.	For projects where traffic volumes follow unconventional patterns (e.g. unidirectional congestion, large disparity between AM and PM peaks, etc.) HCM 2010 may be proposed as an alternate methodology for determining LOS. HCM calculations must use SYNCHRO and be supported with complete calculation documentation using standard industry approaches and current signal timing plans. If an alternative methodology is proposed, all analysis must be submitted to OCTA for review no later than October 8, 2026 for the 2027 Call for Projects. OCTA will contract with an independent third-party firm to review the technical analysis. The cost for the review will be charged to the applicant.	Revise the dates to align with the 2027 call schedule.

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96	7-51	7	Caltrans Coordination	Caltrans Coordination Caltrans is not eligible to submit applications or receive payment under this program. Only eligible cities or the County of Orange may submit applications and receive funds. This program was designed to benefit local agencies. Coordination with Caltrans will be essential for most, if not all, of the projects submitted for this program. Local agencies should therefore establish contacts with the Caltrans District 12 Office (Project Development Branch) to ensure that candidate projects have been reviewed and approved by Caltrans. All other affected agencies should be consulted as well. Agencies submitting projects for this program must have confirmation from Caltrans that the proposed improvement is consistent with other freeway improvements as evidenced by an agreement or other formal document. Applications should be submitted so that interchange projects are done in conjunction with construction of other freeway improvements whenever possible. However, if the interchange project can be done in advance of the freeway project, verification and/or supporting documentation must be submitted showing the interchange improvement has merit for advanced construction and that it will be compatible with the freeway design and operation. Additionally, the interchange improvements should take into account the ultimate freeway improvements if the interchange is to be improved in advance.	No material changes to text.	The section was moved to improve the flow of the guidelines; however, no changes were made to the existing language.
97	7-49	7	Selection Criteria	LOS Improvement: This category is a product of the existing or projected LOS based upon v/c and LOS improvement “with project” for arterial based improvements and ICU for intersection-based improvements. Projects must meet a minimum existing or projected LOS of “D” (.81 v/c) to qualify for priority consideration for funding. Existing LOS is determined using current 24-hour traffic counts for arterials and peak hour turning movements at intersections for the proposed segment. However, for projects where traffic volumes follow unconventional patterns (e.g. unidirectional congestion, large disparity between AM and PM peaks, etc.) alternate methodologies for determining LOS can be proposed. If HCM 2010 is proposed for intersections as an alternative methodology, all analysis must be submitted to OCTA no later than October 9, 2025 and the cost for independent review shall be reimbursed by the applicant. Projects that do not meet the minimum LOS “D” can be submitted but are not guaranteed consideration as part of the competitive process.	LOS Improvement: This category is a product of the existing or projected LOS based upon v/c and LOS improvement “with project” for arterial based improvements and ICU for intersection-based improvements. Projects must meet a minimum existing or projected LOS of “D” (.81 v/c) to qualify for priority consideration for funding. Existing LOS is determined using current 24-hour traffic counts for arterials and peak hour turning movements at intersections for the proposed segment. However, for projects where traffic volumes follow unconventional patterns (e.g. unidirectional congestion, large disparity between AM and PM peaks, etc.) alternate methodologies for determining LOS can be proposed. If HCM 2010 is proposed for intersections as an alternative methodology, all analysis must be submitted to OCTA no later than October 8, 2026 and the cost for independent review shall be reimbursed by the applicant. Projects that do not meet the minimum LOS “D” can be submitted but are not guaranteed consideration as part of the competitive process.	Revise deadline for alternative methodology submittals to align with the 2027 call schedule.
Chapter 8 - Regional Traffic Signal Synchronization Program (Project P)						
98	8-1	8	Overview	The RTSSMP will be reviewed and updated by OCTA. Local agencies are required to adopt and maintain a Local Traffic Signal Synchronization Plan (Local Plan) that is consistent with the RTSSMP and shall issue a report on the status and performance of its traffic signal synchronization activities. Details on both the RTSSMP and requirements for Local Plan development are available in the Guidelines for the Preparation of Local Signal Synchronization Plans (updated April 2023). These guidelines are available at the following link: https://www.octa.net/pdf/Guidelines-Preparation-LSSP.pdf.	The RTSSMP will be reviewed and updated by OCTA. Local agencies are required to adopt and maintain a Local Traffic Signal Synchronization Plan (Local Plan) that is consistent with the RTSSMP and shall issue a report on the status and performance of its traffic signal synchronization activities. Details on both the RTSSMP and requirements for Local Plan development are available in the Guidelines for the Preparation of Local Signal Synchronization Plans (updated April 2026). These guidelines are available at the following link: https://www.octa.net/M2Eligibility.	Update link for resource accessibility
99	8-10	8	Funding Estimates	The streets and roads component of M2 is to receive 32 percent (32%) of net revenues, 4 percent (4%) of which are allocated for the RTSSP. The RTSSP will make an estimated \$270 million (2009 dollars) available over the course of the 30-year M2 Program. Programming estimates are developed in conjunction with a call for projects cycle corresponding to concurrent funding agreements with all local agencies. The RTSSP targets over 2,000 intersections across Orange County for coordinated operations. Because of the limited amount of funds available for the RTSSP, a project cap of \$75,000 per signal or \$250,000 per project corridor mile included as part of each project (whichever is higher) has been established for this call for projects. Note that offset signals will not be counted towards the total number of signals on the project for purposes of calculating the project cap.	The streets and roads component of M2 is to receive 32 percent (32%) of net revenues, four percent (4%) of which are allocated for the RTSSP. The RTSSP will make an estimated \$270 million (2009 dollars) available over the course of the 30-year M2 Program. Programming estimates are developed in conjunction with a call for projects cycle corresponding to concurrent funding agreements with all local agencies. The RTSSP targets over 2,000 intersections across Orange County for coordinated operations. Because of the limited amount of funds available for the RTSSP, a project cap of \$84,000 per signal or \$280,000 per project corridor mile included as part of each project (whichever is higher) has been established for this call for projects. Note that offset signals will not be counted towards the total number of signals on the project for purposes of calculating the project cap.	The “Funding Estimates” section was moved to earlier in the chapter to improve the flow of information and for consistency with other CTFP program chapters. The signal synchronization tasks that were previously waived due to efforts by the Countywide Baseline project will return as a requirement for this call. The project cap was increased by \$9,000 per signal to account for these efforts while leaving the same amount of funds for eligible improvements. The same percentage increase (12%) was incorporated to the per mile cap (additional \$30,000 per mile).

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100	8-2	8	2027 Call for Projects	5. Projects are funded for a grant period of three (3) years and are divided into two phases: a. Primary Implementation (PI) – includes the required implementation of optimized signal timing as well as any signal improvements proposed as part of a project. A report is required at the conclusion of this phase to document work completed during the PI phase. This PI Report shall be submitted with the final report.	3. Projects are funded for a grant period of three (3) years for the Primary Implementation phase, followed by a subsequent Ongoing Operations and Maintenance phase: a. Primary Implementation (PI) – includes the required implementation of optimized signal timing as well as any signal improvements proposed as part of a project. Implementing agency must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract. A report is required at the conclusion of this phase to document work completed during the PI phase. This PI Report shall be submitted with the Final CTFP Expenditure Report .	Revise grant period to 3 years for the PI phase to provide adequate time to complete the scope of the grant application. The typical period of 2 years of O&M following PI will remain. Added text to align with new Precept 6 (cost eligibility confirmation process for CON and PI phases) and the process proposed in Chapter 2 under Programming Policies to minimize closeout delays by confirming eligible elements in the final design package.
101	8-2	8	2027 Call for Projects	3. Projects selected will be programmed after July 1 of the programmed year (July 1 – June 30). 4. Project delays resulting in a time extension request will fall within the process outlined in the CTFP Guidelines.	5. Projects selected will be programmed after July 1 of the programmed year (July 1 – June 30). The date of encumbrance of each phase will be determined by contractual documents (e.g. fully executed contract, NTP, etc.). Local agencies are encouraged to issue separate NTP when combining contracts for both the PI and O&M phases. NTP requirements should be identified in the initial contract/agreement to avoid obligation of both phases at the same time. 6. Project delays resulting in a time extension request will fall within the process outlined in Chapter 2, Project Programming .	Move bullets down the list to improve the flow of the section. And, appropriate language from Project Extensions section moved to this bullet. Clarify date of encumbrance as each phase can start simultaneously or staggered depending on how the projects are procured. Specify the chapter within the guideline to reference for extension requests.
102	8-3	8	2027 Call for Projects	7. Any corridor or portion of a corridor funded through this call cannot re-apply for funding until the three-year grant period is completed and a final report for both phases have been submitted to OCTA.	7. Any corridor or portion of a corridor funded through this call cannot re-apply for funding until the Final CTFP Expenditure Report for both phases have been submitted to OCTA.	Delete reference to three-year grant period based on revision to new bullet 3 in this section.
103	8-3	8	2027 Call for Projects	9. Applications with full participation of agencies and signals in the OCTA Countywide Signal Synchronization Baseline Project (Baseline Project) may elect to waive data collection, timing development, and timing implementation tasks in their application. A waiver will only be accepted if all participating agencies (excluding Caltrans) execute a cooperative agreement with OCTA by no later than the date the funding recommendations are presented to the TSC, as these tasks will be covered in the Baseline Project. Note that "Before" and "After" studies and tasks in the O&M phase will still be required as part of Project P.	Removed in its entirety.	Delete all references to the Countywide Baseline project as these terms are not valid for this call.
104	8-3	8	2027 Call for Projects	For specifics on the funding policies that apply to this call, refer to the Program Precepts in Section V of these guidelines.	For specifics on the funding policies that apply to this call, refer to the Program Precepts in Section V and Chapter 2 of these guidelines.	Reference to where applicants can find more information.
105	8-3	8	Applications	In order for OCTA to consider a project for funding, applications will be prepared by the local agency responsible for the project application. OCTA shall require agencies to submit applications for the call for projects by 5:00 p.m. on Thursday, November 20, 2025. Late and/or incomplete submittals will not be reviewed or considered. The local agency responsible for the project application must submit the application and any supporting documentation via OCFundtracker as outlined below. A separate application package must be completed for each individual project and uploaded to OCFundtracker. One (1) electronic copy on a USB, thumb drive, memory stick, or via electronic file upload and/or email of each complete application shall also be delivered to:	In order for OCTA to consider a project for funding, applications will be prepared by the local agency responsible for the project application. OCTA shall require agencies to submit applications for the call for projects by 5:00 p.m. on Thursday, November 19, 2026 . Late and/or incomplete submittals will not be reviewed or considered. The local agency responsible for the project application must submit the application and any supporting documentation via OCFundtracker as outlined below. A separate application package must be completed for each individual project and uploaded to OCFundtracker. One (1) electronic copy on a USB, thumb drive, memory stick, or via electronic file upload and/or email of each complete application shall also be submitted to OCTA by the application deadline. Hardcopies will not be accepted.	Revise the key call date to align with the 2027 call schedule. All application materials must be sent electronically. Hardcopies will not be accepted.
106	8-6	8	OCFundtracker Application Components	OCFundtracker Application Components Final applications MUST be submitted via OCFundtracker and in electronic format. Selection criteria must be inputted as part of the OCFundtracker online application and includes the following categories of information: Transportation Significance, Number of Jurisdictions, Project Scale, Economic Effectiveness, Project Characteristics, Current Project Status, and Funding Match Rate.	No material changes to text	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; however, no changes were made to the existing language.

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107	8-7	8	Checklist Guide	Checklist Guide The "Project P Regional Traffic Signal Synchronization Program Application Checklist" has been provided for the RTSSP (Exhibit 8-1). The checklist identifies the basic documentation required for the program. In addition to items required at the time of project submittal, additional items that are not specified may be requested later. The checklist should be provided as a table of contents for each application submitted. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application.	No material changes to text	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; however, no changes were made to the existing language.
108	8-7	8	Sample Resolution Form	Sample Resolution Form A resolution or minute action must be approved by the local agency's governing body. A sample resolution is included as Exhibit 8-2. Local agencies, at a minimum, must include items a-h from the sample resolution. The mechanism selected shall serve as a formal request for RTSSP funds and will state that matching funds will be provided by the agency, if necessary. All project requests (i.e., multiple corridors proposed for RTSSP funds) must be included in this action.	No material changes to text	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; however, no changes were made to the existing language.
109	8-23	8	Project Summary Information	For each application that is recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for TAC review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. OCTA staff will request the PowerPoint file when/if a project is recommended for funding.	For each application that is recommended for funding, the agency may be asked to submit a PowerPoint presentation summarizing the pertinent project information for TAC review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. OCTA staff may request the PowerPoint file when/if a project is recommended for funding.	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; however, no changes were made to the existing language. Revised requirement for a PowerPoint presentation for RTSSP applications to an "as-needed" basis.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
110	8-7	8	Project Definition	Local agencies are required to submit complete projects that, at minimum, result in field-implemented coordinated timing. Project tasks that are eligible for funding can consist of design, engineering, construction, and construction management. Partial projects that include design improvements, but do not field implement the improvements are ineligible. Projects must consist of a corridor along the priority corridor network, signal synchronization network, or the MPAH. Projects previously awarded RTSSP funding must be complete with a Final Report for both phases submitted to OCTA. Projects can be the full length of the corridor or a segment that complies with the minimum project requirements identified later in the chapter. All participating agencies (except Caltrans) and their respective project signals in the application must be participants of the OCTA Baseline Project in order to be eligible to waive the data collection, timing development, and timing implementation tasks of the Project P project. Offset signal improvements are also only available to applications that have full Baseline Project participation (excluding Caltrans). Per the RTSSMP, the Project P projects are corridor-based. The applicant agency and owning agencies submitting a “route” project must provide evidence, including actual vehicle counts and a description of the proposed route to demonstrate that the interconnected corridors do form a coherent route. A “route” project shall meet the Minimum Eligibility Requirements as described on Page 8-19. For route projects encompassing more than two (2) corridors, current Origin-Destination (OD) count data (field or third-party crowdsourcing accepted), shall be provided. This data shall include a detailed depiction of the route and clearly highlight the OD points using the collected vehicle data. Discussion with OCTA staff regarding OD data gathering prior to collection for the application is highly encouraged. The analysis must illustrate how the route offers a coherent and logical path, detail the expected benefits, and explain the rationale behind drivers' choice of this particular route. Additionally, routes must maintain the integrity of eligible and/or previously synchronized corridors, avoiding any disruption to established routes to ensure seamless connectivity. The provided data should be recent, preferably within the last 12 months, and collected during peak traffic hours. Include maps and diagrams that illustrate the OD points and the flow of the route. A draft application must be submitted at least four (4) weeks prior to the application deadline. Failure to submit a draft application by September 24, 2026, will result in automatic disqualification of the project. By adhering to these guidelines, applicants will ensure their projects align with the objectives of Project P. A “grid” project shall consist of one main corridor that is specifically identified in the application with a maximum of two crossing corridors to make a grid. Grid projects shall also be multijurisdictional with a minimum of two local agencies, excluding Caltrans. For a grid project, applicant agency and owning agency must demonstrate through simulation or actual vehicle counts the following: • Show that timing changes on the main corridor will greatly impact the crossing corridor(s) • Crossing corridors shall have closely spaced signals in close proximity to the main corridor with timing changes along these crossings impacting the operation of the main corridor All corridors in the grid shall individually meet the Minimum Eligibility Requirements and, as part of the project, travel time studies shall also be collected along all corridors making the grid. Multimodal consideration of bicyclists and pedestrians along or crossing the intersection or roadway may enhance overall circulation. Therefore, active transportation elements may be included as part of the project as outlined in the following section.	Local agencies are required to submit complete projects that, at minimum, result in field-implemented coordinated timing. Project tasks that are eligible for funding can consist of design, engineering, construction, and construction management. Partial projects that include design improvements, but do not field implement the improvements are ineligible. Projects must consist of a corridor along the priority corridor network, signal synchronization network, or the MPAH. Projects previously awarded RTSSP funding must be complete with a Final Report for both phases submitted to OCTA. Projects can be the full length of the corridor or a segment that complies with the minimum project requirements identified later in the chapter. Per the RTSSMP, the Project P projects are corridor-based. The applicant agency and owning agencies submitting a “route” project must provide evidence, including actual vehicle counts and a description of the proposed route to demonstrate that the interconnected corridors do form a coherent route. A “route” project shall meet the Minimum Eligibility Requirements as described on Page 8-10. For route projects encompassing more than two (2) corridors, current Origin-Destination (OD) count data (field or third-party crowdsourcing accepted), shall be provided. This data shall include a detailed depiction of the route and clearly highlight the OD points using the collected vehicle data. Discussion with OCTA staff regarding OD data gathering prior to collection for the application is highly encouraged. The analysis must illustrate how the route offers a coherent and logical path, detail the expected benefits, and explain the rationale behind drivers' choice of this particular route. Additionally, routes must maintain the integrity of eligible and/or previously synchronized corridors, avoiding any disruption to established routes to ensure seamless connectivity. The provided data should be recent, preferably within the last 12 months, and collected during peak traffic hours. Include maps and diagrams that illustrate the OD points and the flow of the route. A draft application must be submitted at least four (4) weeks prior to the application deadline. Failure to submit a draft application by October 23,2026, will result in automatic disqualification of the project. By adhering to these guidelines, applicants will ensure their projects align with the objectives of Project P. A “grid” project shall consist of one main corridor that is specifically identified in the application with a maximum of two crossing corridors to make a grid. Grid projects shall also be multijurisdictional with a minimum of two local agencies, excluding Caltrans. For a grid project, applicant agency and owning agency must demonstrate through simulation or actual vehicle counts the following: • Show that timing changes on the main corridor will greatly impact the crossing corridor(s) • Crossing corridors shall have closely spaced signals in close proximity to the main corridor with timing changes along these crossings impacting the operation of the main corridor All corridors in the grid shall individually meet the Minimum Eligibility Requirements and, as part of the project, travel time studies shall also be collected along all corridors making the grid. Multimodal consideration of bicyclists and pedestrians along or crossing the intersection or roadway may enhance overall circulation. Therefore, active transportation elements may be included as part of the project as outlined under Selection Criteria.	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters. Delete all references to the Countywide Baseline project as these terms are not valid for this call. Bolded text for the specific items in this paragraph for emphasis and revised deadline for draft application submittal to align with the 2027 call schedule. Clarifying the specific section to reference.

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111	8-9	8	Eligible Activities	The primary purpose of Project P is to provide funding for projects that develop and maintain corridor-based, multi-jurisdictional signal synchronization along corridors throughout Orange County. All projects funded by Project P must be corridor-based and have a signal coordination component that includes the following: •Developing and implementing new signal synchronization timing parameters based on current travel patterns, and federal and state traffic signal timing mandates and guidance, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD). These tasks may be waived if ALL the applicants (excluding Caltrans) and all of their respective project signals are participating in the Baseline Project. All timing development (including data collection) and implementation for Caltrans intersection(s) included in the project will be the responsibility of the applicant. Funding/effort is allowed as part of the application. •Monitor, maintain (minimum quarterly/maximum monthly) and/or regularly improve the newly implemented signal synchronization timing and parameters for the remainder of the project. As part of the closeout process, an O&M Report is required to document activities of the O&M phase. This is required regardless of Baseline participation. •"Before" and "after" studies for the project comparing travel times, average speeds, ratio of green lights passed to red lights stopped (greens per red), average stops per mile, and emissions of greenhouse gases. The results of the "before" and "after" studies shall be included in the PI Report. This is required regardless of Baseline participation. In addition to developing optimized signal timing, a project may include other improvements, as long as they contribute to the goal of multi-agency signal synchronization of corridors throughout Orange County. These improvements are restricted to the signal synchronization project limits (main corridor) but may include synchronization with traffic signalized intersections on the MPAH that are within 2,700 feet from either direction of the project corridor. These offset signals; however, will not be counted towards the total number of signals on the project (for implementation of timing plans only). Projects waiving the development of optimized signal timing through the participation of the Baseline Project are eligible to include signal. Caltrans encroachment permits and agency to Caltrans Cooperative Agreement fees are eligible activities. This includes Caltrans labor, such as expenses for reviewing signal timing plans, providing signal timing parameters, and providing existing timing sheets, etc. Applicant must specify how the project intends to handle Caltrans intersections.	The primary purpose of Project P is to provide funding for projects that develop and maintain corridor-based, multi-jurisdictional signal synchronization along corridors throughout Orange County. All projects funded by Project P must be corridor-based and have a signal coordination component that includes the following: • Developing and implementing new signal synchronization timing parameters based on current travel patterns, and federal and state traffic signal timing mandates and guidance, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD). All timing development (including data collection) and implementation for Caltrans intersection(s) included in the project will be the responsibility of the applicant. Funding/effort is allowed as part of the application. • Monitor, maintain (minimum quarterly/maximum monthly) and/or regularly improve the newly implemented signal synchronization timing and parameters for the remainder of the project. As part of the closeout process, an O&M Report is required to document activities of the O&M phase. • "Before" and "after" studies for the project comparing travel times, average speeds, ratio of green lights passed to red lights stopped (greens per red), average stops per mile, and emissions of greenhouse gases. The results of the "before" and "after" studies shall be included in the PI Report. In addition to developing optimized signal timing, a project may include other improvements, as long as they contribute to the goal of multi-agency signal synchronization of corridors throughout Orange County. These improvements are restricted to the signal synchronization project limits (main corridor) but may include synchronization with traffic signalized intersections on the MPAH that are within 2,700 feet from either direction of the project corridor. These offset signals; however, will not be counted towards the total number of signals on the project (for implementation of timing plans only). Caltrans encroachment permits and agency to Caltrans Cooperative Agreement fees are eligible activities. This includes Caltrans labor, such as expenses for reviewing signal timing plans, providing signal timing parameters, and providing existing timing sheets, etc. Applicant must specify how the project intends to handle Caltrans intersections.	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; Delete all references to the Countywide Baseline project as these terms are not valid for this call.
112	8-10	8	~~Ineligible Expenditures~~ Ineligible Items	•Isolated traffic signal improvements •Traffic hardware (pole, mast arms, lights, electrical, signs, etc.) •Regular signal operation and maintenance (such as replacement of light bulbs or communication repairs) •Field display equipment (Traffic signal heads other than pedestrian countdown, or special bicycle, or Transit Vehicle signal heads) •Feasibility studies •Relocation of utilities except for electrical service requirements •Right-of-way •Rewiring of complete intersection because of age or isolated mitigation	No material changes to text	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; however, no changes were made to the existing language.
113	8-22	8	Data Compatibility	All count data, including average daily traffic (ADT) and intersection turning movement (ITM), collected as part of any funded project shall be provided to OCTA in Microsoft Excel format. Any data files containing numeric intersection or node identifiers shall use the same node identification (ID) numbers as is stored and maintained by OCTA. OCTA will provide a listing of intersections and corresponding unique node ID numbers upon request. Each count data filename shall describe the year the counts were collected, agency, type of count file, intersection name, and OCTA node ID number. As an example, an ITM file recently collected for the intersection of Harbor Boulevard and Wilson Street in the City of Costa Mesa would be given the filename 2020_CostaMesa_ITM_Harbor-Wilson_4534.xls. All traffic signal synchronization data collected and compiled as part of any funded project for both existing (before) and final optimized (after) conditions shall be provided to OCTA in Synchro version 10 or later format. This data shall include validated network layout, node, link, lane, volume, timing, and phase data for all coordinated times. The nodes for these files shall also correspond to the OCTA node ID numbers.	No material changes to text	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters; however, no changes were made to the existing language.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
114	8-6	8	Application Review and Program Adoption	OCTA staff will conduct a preliminary review of all applications for completeness and accuracy, may request supplemental information for projects during initial staff evaluations, and prepare a recommended program of projects to the TSC and TAC. In addition, OCTA may hire a consultant(s) to verify information within individual applications including, but not limited to, project scope, cost estimates, vehicle miles traveled, and average daily traffic. Final programming recommendations will be provided to the TSC and TAC for approval. Recommendations will be presented to the Board, who will approve projects for funding under the CTFP. Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below: Board authorization to issue call: September 8, 2025 Application submittal deadline: November 20, 2025 TSC/TAC Review: March/April 2026 Committee/Board approval: May/June 2026	OCTA staff will conduct a preliminary review of all applications for completeness and accuracy, may request supplemental information for projects during initial staff evaluations, and prepare a recommended program of projects to the TSC and TAC. In addition, OCTA may hire a consultant(s) to verify information within individual applications including, but not limited to, project scope, cost estimates, vehicle miles traveled, and average daily traffic. Final programming recommendations will be provided to the TSC and TAC for approval. Recommendations will be presented to the Board, who will approve projects for funding under the CTFP. Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below: Board authorization to issue call: September 14, 2026 Application submittal deadline: November 19, 2026 TSC/TAC Review: March/April 2027 Committee/Board approval: May/June 2027	This section was moved to earlier in the chapter to improve the flow of the information and for consistency with other CTFP program chapters Revise the key call date to align with the 2027 call schedule.
115	8-5	8	Other Application Materials	Supporting documentation is required to fully consider each project application. A Supplemental Application (available on the OCTA website and OCFundtracker) is required to be completed for each project application and included in the electronic submittal. Any Supplemental Application not submitted in the 2026 format will NOT be considered. The template is distributed with other application materials at the issuance of the Call for Projects. In addition to the funding plan described above, local agencies will be required to submit additional materials. Lead Agency: Eligible jurisdictions consistent with Measure M2 Ordinance definitions and requirements.	Supporting documentation is required to fully consider each project application. A Supplemental Application (available on the OCTA website and OCFundtracker) is required to be completed for each project application and included in the electronic submittal. Any Supplemental Application not submitted in the 2027 format will NOT be considered. The template is distributed with other application materials at the issuance of the Call for Projects. In addition to the funding plan described above, local agencies will be required to submit additional materials. Lead Agency: Eligible jurisdictions consistent with Measure M2 Ordinance definitions and requirements. See Section 3 Definitions.	Revise supplemental application format year to align with current call and add reference to Section 3 definitions.
116	8-5	8	~~Lead Agency~~ Implementing Agency	~~Local Agency Lead~~: Only the lead agency will receive payments in accordance with the CTFP Guidelines regarding payment for costs related to project for optimized signal timing development, capital improvements, planning, and related design. Payments will be disbursed consistent with Chapter 9. The lead agency is responsible for reimbursing other agencies as part of the effort. Additionally, the lead agency is also responsible for ensuring that all agencies participating in the project provide the local match proposed in the project application.	Only the implementing agency will receive payments in accordance with the CTFP Guidelines regarding payment for costs related to project for optimized signal timing development, capital improvements, planning, and related design. Payments will be disbursed consistent with Chapter 9. The implementing agency is responsible for reimbursing other agencies as part of the effort. Additionally, the lead agency is also responsible for ensuring that all agencies participating in the project provide the local match proposed in the project application.	Revise section name to "Implementing Agency" to be consistent with the definition. Removed "Local Agency Lead" to eliminate redundancy.
117	8-6	8	~~Lead Agency~~ Implementing Agency	OCTA Lead (NOT AVAILABLE FOR 2026 CALL FOR PROJECTS): OCTA may, at the request of the involved local agencies, act as the lead agency for RTSSP projects. If the involved local agencies would like OCTA to implement a project on the signal synchronization network, the local agency shall work cooperatively with OCTA to develop the scope of work and cost elements of the project. For example, accounting for OCTA's administrative and project management efforts by incorporating an additional 10 percent (10%) of the total project cost when calculating the Cost Benefit of the project. The lead local agency shall contact OCTA with a written request at least four weeks prior to deadline for submittal of the project grant application. Applications must be prepared by a designated local agency acting in a lead capacity during grant preparation. Applications must include a complete photographic field review (as outlined above) when submitted. The application will be scored using the criteria outlined in the following sections. Based on local agency interest and OCTA resource availability, a limited number of projects can be developed and implemented by OCTA. If any projects that are designated as OCTA led are awarded funding, OCTA will then be responsible for implementation of the project, including optimized signal timing development, capital improvements, planning, and related design. OCTA will implement the project based on the cost estimates developed in the application. Project elements may be modified based on final costs with the agreement of all participating agencies. OCTA will be responsible for ensuring that all agencies participating in the project provide the local match as identified in the project application (minimum 20 percent (20%))	OCTA Implementing Agency (NOT AVAILABLE FOR 2027 CALL FOR PROJECTS): OCTA may, at the request of the involved local agencies, act as the implementing agency for RTSSP projects. If the involved local agencies would like OCTA to implement a project on the signal synchronization network, the local agency shall work cooperatively with OCTA to develop the scope of work and cost elements of the project. For example, accounting for OCTA's administrative and project management efforts by incorporating an additional 10 percent (10%) of the total project cost when calculating the Cost Benefit of the project. The lead agency shall contact OCTA with a written request at least four weeks prior to deadline for submittal of the project grant application. Applications must be prepared by a designated local agency acting in a lead capacity during grant preparation. Applications must include a complete photographic field review (as outlined above) when submitted. The application will be scored using the criteria outlined in the following sections. Based on local agency interest and OCTA resource availability, a limited number of projects can be developed and implemented by OCTA. If OCTA accepts the request and the project is awarded funding, OCTA will then be responsible for implementation of the project, including optimized signal timing development, capital improvements, planning, and related design. OCTA will implement the project based on the cost estimates developed in the application. Project elements may be modified based on final costs with the agreement of all participating agencies. OCTA will be responsible for ensuring that all agencies participating in the project provide the local match as identified in the project application (minimum 20 percent (20%))	Revise date to align with current call. Revise term for projects led and managed by OCTA to be consistent with definition for Implementing Agency.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change																																																																																																																																																								
118	8-16	8	Selection Criteria	Caltrans. Scores for this category will depend on the commitment of a cooperative agreement with Caltrans that results in active Caltrans participation and inclusion of Caltrans as a partnering agency. The associated timing fee is an eligible expense. Note that if a cooperative agreement with Caltrans will not be executed, the participating agencies will still be responsible for modeling any Caltrans signalized intersections within the project limits.	Caltrans. Scores for this category will depend on the commitment of a cooperative agreement with Caltrans that results in active Caltrans participation and inclusion of Caltrans as a partnering agency. The associated timing fee is an eligible expense. Note that if a cooperative agreement with Caltrans will not be executed, the participating agencies will still be responsible for modeling any Caltrans signalized intersections within the project limits.	Bolded text for the specific note in this paragraph to emphasize the need to model Caltrans signalized intersections on project corridors.																																																																																																																																																								
119	8-15	8	Selection Criteria	• Central system - o New TMCs or TOCs, such as a new Advanced Traffic Management System (ATMS). Any project funded under this category should plan for center-to-center communication (C2C) with nearby agencies and/or OCTA. - o Upgrades to existing TMCs or TOCs. Any project funded under this category should plan for C2C with nearby agencies and/or OCTA. - o Motorist information systems (up to 10 percent (10%) of total project costs for PI phase only). - o Automated Traffic Signal Performance Measures (ATSPM) system can only be implemented if all signals, in at least one agency on the project, are included in the system, which will also be used during the O&M phase of the project. If implemented, these items will require a data sharing agreement with OCTA. • Video display equipment, including wall monitors, screens, mounting cabinets, and optical engines (up to 10 percent (10%) of total construction costs for PI phase only).	• Central system - o New TMCs or TOCs, such as a new Advanced Traffic Management System (ATMS). Any project funded under this category should plan for center-to-center communication (C2C) with nearby agencies and/or OCTA. - o Upgrades to existing TMCs or TOCs. Any project funded under this category should plan for C2C with nearby agencies and/or OCTA. - o Motorist information systems (up to 10 percent (10%) of the total grant for PI phase only). - o Automated Traffic Signal Performance Measures (ATSPM) system can only be implemented if all signals, in at least one agency on the project, are included in the system, which will also be used during the O&M phase of the project. If implemented, these items will require a data sharing agreement with OCTA. • Video display equipment, including wall monitors, screens, mounting cabinets, and optical engines (up to 10 percent (10%) of the total grant for PI phase only).	Simply calculations by making percentage based off the grant amount.																																																																																																																																																								
120	8-18	8	Tabel 8-1 Point Breakdown	Table 8-1 Point Breakdown RTSSP SCORING CRITERIA Point Breakdown for Regional Traffic Signal Synchronization Program Projects Maximum Points = 100 <table><tr><th>Transportation Significance</th><th>Points: 25</th><th>Project Scale</th><th>Points: 20</th></tr><tr><td>Inclusion of offset signals within 2700'</td><td>Points</td><td>Number of Signals on Main Corridor</td><td>Points</td></tr><tr><td>90% or above</td><td>10</td><td>Coordinated by Project</td><td>Points</td></tr><tr><td>50 - 89%</td><td>5</td><td>Range</td><td>Points</td></tr><tr><td>< 50%</td><td>0</td><td>50+</td><td>10</td></tr><tr><td>OR</td><td></td><td>40 - 49</td><td>8</td></tr><tr><td>Participation in the Baseline Project</td><td>10</td><td>30 - 39</td><td>6</td></tr><tr><td>AND</td><td></td><td>20 - 29</td><td>4</td></tr><tr><td></td><td></td><td>10 - 19</td><td>2</td></tr><tr><td></td><td></td><td>< 10</td><td>0</td></tr><tr><td>Vehicle Miles Traveled (VMT)</td><td>Points</td><td>AND</td><td></td></tr><tr><td>250+ thousand</td><td>15</td><td></td><td></td></tr><tr><td>200 - 249 thousand</td><td>10</td><td>Percent of Main Corridor Signals Being</td><td></td></tr><tr><td>150 - 199 thousand</td><td>6</td><td>Retimed</td><td>Points</td></tr><tr><td>100 - 149 thousand</td><td>3</td><td>Range</td><td>Points</td></tr><tr><td>0 - 99 thousand</td><td>1</td><td>90% or above</td><td>10</td></tr><tr><td>Calculation: ADT x segment length</td><td></td><td>80 - 89%</td><td>8</td></tr><tr><td>(Applies only to coordinated segments of project)</td><td></td><td>70 - 79%</td><td>6</td></tr><tr><td></td><td></td><td>60 - 69%</td><td>4</td></tr></table>	Transportation Significance	Points: 25	Project Scale	Points: 20	Inclusion of offset signals within 2700'	Points	Number of Signals on Main Corridor	Points	90% or above	10	Coordinated by Project	Points	50 - 89%	5	Range	Points	< 50%	0	50+	10	OR		40 - 49	8	Participation in the Baseline Project	10	30 - 39	6	AND		20 - 29	4			10 - 19	2			< 10	0	Vehicle Miles Traveled (VMT)	Points	AND		250+ thousand	15			200 - 249 thousand	10	Percent of Main Corridor Signals Being		150 - 199 thousand	6	Retimed	Points	100 - 149 thousand	3	Range	Points	0 - 99 thousand	1	90% or above	10	Calculation: ADT x segment length		80 - 89%	8	(Applies only to coordinated segments of project)		70 - 79%	6			60 - 69%	4	Table 8-1 Point Breakdown RTSSP SCORING CRITERIA Point Breakdown for Regional Traffic Signal Synchronization Program Projects Maximum Points = 100 <table><tr><th>Transportation Significance</th><th>Points: 25</th><th>Project Scale</th><th>Points: 20</th></tr><tr><td>Inclusion of offset signals within 2700'</td><td>Points</td><td>Number of Signals on Main Corridor</td><td>Points</td></tr><tr><td>90% or above</td><td>10</td><td>Coordinated by Project</td><td>Points</td></tr><tr><td>50 - 89%</td><td>5</td><td>Range</td><td>Points</td></tr><tr><td>< 50%</td><td>0</td><td>50+</td><td>10</td></tr><tr><td>AND</td><td></td><td>40 - 49</td><td>8</td></tr><tr><td></td><td></td><td>30 - 39</td><td>6</td></tr><tr><td></td><td></td><td>20 - 29</td><td>4</td></tr><tr><td></td><td></td><td>10 - 19</td><td>2</td></tr><tr><td></td><td></td><td>< 10</td><td>0</td></tr><tr><td>Vehicle Miles Traveled (VMT)</td><td>Points</td><td>AND</td><td></td></tr><tr><td>250+ thousand</td><td>15</td><td></td><td></td></tr><tr><td>200 - 249 thousand</td><td>10</td><td>Percent of Main Corridor Signals Being</td><td></td></tr><tr><td>150 - 199 thousand</td><td>6</td><td>Retimed</td><td>Points</td></tr><tr><td>100 - 149 thousand</td><td>3</td><td>Range</td><td>Points</td></tr><tr><td>0 - 99 thousand</td><td>1</td><td>90% or above</td><td>10</td></tr><tr><td>Calculation: ADT x segment length</td><td></td><td>80 - 89%</td><td>8</td></tr><tr><td>(Applies only to coordinated segments of project)</td><td></td><td>70 - 79%</td><td>6</td></tr><tr><td></td><td></td><td>60 - 69%</td><td>4</td></tr></table>	Transportation Significance	Points: 25	Project Scale	Points: 20	Inclusion of offset signals within 2700'	Points	Number of Signals on Main Corridor	Points	90% or above	10	Coordinated by Project	Points	50 - 89%	5	Range	Points	< 50%	0	50+	10	AND		40 - 49	8			30 - 39	6			20 - 29	4			10 - 19	2			< 10	0	Vehicle Miles Traveled (VMT)	Points	AND		250+ thousand	15			200 - 249 thousand	10	Percent of Main Corridor Signals Being		150 - 199 thousand	6	Retimed	Points	100 - 149 thousand	3	Range	Points	0 - 99 thousand	1	90% or above	10	Calculation: ADT x segment length		80 - 89%	8	(Applies only to coordinated segments of project)		70 - 79%	6			60 - 69%	4	Remove the possibility of 10 points tied to the baseline project.
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121	8-20	8	Matching Funds	• Primary Implementation (PI) (12 months) - o Project Administration – Each local agency traffic engineer or equivalent participates in approximately 10-15 hours per month of project administration (meetings, review of reports, minutes, and other administration).	• Primary Implementation (PI) - o Project Administration – Each local agency traffic engineer or equivalent participates in approximately 10-15 hours per month of project administration (meetings, review of reports, minutes, and other administration).	Removed the “(12 months)” indication for the PI phase to align with Item #100.																																																																																																																																																								
122	8-21	8	Matching Funds	o Construction management – Each local agency traffic engineer or equivalent provides construction management support including inspection (hours vary depending on improvements).	o Construction engineering – Each local agency traffic engineer or equivalent provides construction management support including inspection (hours vary depending on improvements).	Changed from “construction management” to “construction engineering” to match proposed Definitions.																																																																																																																																																								
123	8-21	8	Matching Funds	Participating agencies pledging in-kind services shall be responsible for keeping track of said hours and/or improvements. In-kind services are part of the total project cost. As indicated in the Precepts, construction support shall not exceed 20 percent (20%) of the M2 grant, subject to the match requirement. For OCTA-led projects, an in-kind services match report will be requested throughout the project to ensure agencies meet their promised in-kind match. All submissions shall include backup documentation, such as accounting/payroll detailed summaries, third-party invoices (consultant, contractor, and equipment) and are subject to Audit.	Participating agencies pledging in-kind services shall be responsible for keeping track of said hours and/or improvements. In-kind services are part of the total project cost. As indicated in the Precepts, construction engineering shall not exceed 20 percent (20%) of the M2 grant, subject to the match requirement. For OCTA-led projects, an in-kind services match report will be requested throughout the project to ensure agencies meet their promised in-kind match. If the required in-kind match is not fully satisfied by project closeout, the agency will be required to provide an equivalent cash contribution to meet the match requirement. All submissions shall include backup documentation, such as accounting/payroll detailed summaries, third-party invoices (consultant, contractor, and equipment) and are subject to Audit	Changed from “construction support” to “construction engineering” to match proposed Definitions. Add language to emphasize that any unmet in-kind match will result in additional cash match to meet the 20 percent match requirement.																																																																																																																																																								
124	New	8	Reimbursements	None	This program is administered on a progress payment basis, see Chapter 10.	Add a section to reflect the updates to reimbursements and align with flow with other program guidelines.																																																																																																																																																								

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
125	8-21	8	~~Project Cancellations~~ Project Adjustments	If a local agency decides to cancel a project, for whatever reason, the agency shall notify OCTA as soon as possible. Projects deemed infeasible shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination. If a lead agency decides to cancel a project before completion of the entire project, for whatever reason, the agency shall notify OCTA as soon as possible. It is the responsibility of the project lead agency to repay OCTA for any funds received.	Project Adjustments For project adjustments (scope changes, delays, cancellations, etc.), please refer to Chapter 2: Project Programming.	Remove cancellation language as it was added within Chapter 2 - Project Programming. Add reference to Chapter 2 - Project Programming for project adjustments.
126	8-22	8	Project Extensions	Project Extensions Local agencies are provided at least 36 months to expend the funds from the date of encumbrance. Agencies can request timely-use of funds extensions through the SAR in accordance with the CTFP guidelines. Local agencies should issue a separate NTP when combining contracts for both the PI and O&M phases. NTP requirement should be identified in the initial contract/agreement to avoid obligation of both phases at the same time. If this procedure is followed by the local agency the NTP date will be considered the date of encumbrance for the O&M phase.	Removed in its entirety.	Delete section as timely-use and SAR details are covered in Chapter 2 and referenced in “2027 Call for Projects” section of this chapter. Details regarding phase obligation and NTP moved to the “2027 Call for Projects” section with some edits.
Chapter 9 - Environmental Cleanup Program (Project X)						
127	11-1	11	Environmental Cleanup Program (Project X)	Minor clarifications have been made to the Environmental Cleanup Program (Project X) chapter. Revisions to this chapter will be made as part of the next Project X call for projects.		
Tier 1 Grant Program						
128	11-5	11	Reimbursements	For the Tier 1 Grant Program, OCTA will release funds through two payments. The initial payment will constitute 75 percent (75%) of the CTFP grant share of the contract award or grant amount at contract award, whichever is less. OCTA will disburse the final payment, approximately 25 percent (25%) of eligible funds, after approval of the final report. Further information on reimbursements can be located within Chapter 9 of the CTFP Guidelines.	This program is administered on a progress payment basis, see Chapter 10.	Revised to align with previously discussed revisions to the reimbursement process and align with the flow of other chapters.
129	11-6	11	2026 Tier 1 Call for Projects	The Tier 1 call will be open for 60 days. 2026 Tier 1 Call for Projects applications must be received by OCTA no later than 5:00 p.m. on Thursday, May 7, 2026. OCTA allocates funds on July 1 of each year. Tier 1 projects are not eligible for delay requests; please refer to Precept 17 for additional information. Funds will become available upon execution of a letter agreement. Projects that do not award construction contracts by December 31, 2027 will not be considered.	The Tier 1 call will be open for 60 days. 2026 Tier 1 Call for Projects applications must be received by OCTA no later than 5:00 p.m. on Thursday, May 7, 2026. OCTA allocates funds on July 1 of each year. Tier 1 projects are not eligible for delay requests; please refer to Precept 18 for additional information. Funds will become available upon execution of a letter agreement. Projects that do not award construction contracts by December 31, 2027 will not be considered.	Update precept number to align with prior changes made.
130	11-6	11	Tier 1 Selection Criteria	CTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit 11-1) with the following categories: • Project Need, Transportation Nexus, and Water Quality Benefits (15 points) • Cost/Benefit (16 points) • Pollutant Reduction Benefits (12 points) • Effectiveness Against More Visible Forms of Pollutants (10 points) • Justification for Project Devices Considered and Proposed (5 points) • Proposed Device Performance Efficiency and/or Effectiveness (6 points) • Project Readiness (6 points) • Secondary attributes* (5 points) • Methodology for Measuring Pollutant Reduction Before and After Implementation (10 points) • Operations and Maintenance Plan (15 points) *Note: Project elements which may qualify for points under the “secondary attributes” category do not need to be eligible expenditures. See Eligible Expenditures and Ineligible Expenditures sections for further information. Each proposal can receive a maximum of 100 points, exclusive of five bonus points for cash overmatch. See Exhibit 11-1 for scoring categories and point distribution.	CTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit 9-1) with the following categories: • Project Need, Transportation Nexus, and Water Quality Benefits (15 points) • Cost/Benefit (16 points) • Pollutant Reduction Benefits (12 points) • Effectiveness Against More Visible Forms of Pollutants (10 points) • Justification for Project Devices Considered and Proposed (5 points) • Proposed Device Performance Efficiency and/or Effectiveness (6 points) • Project Readiness (6 points) • Secondary attributes* (5 points) • Methodology for Measuring Pollutant Reduction Before and After Implementation (10 points) • Operations and Maintenance Plan (15 points) *Note: Project elements which may qualify for points under the “secondary attributes” category do not need to be eligible expenditures. See Eligible Expenditures and Ineligible Expenditures sections for further information. Each proposal can receive a maximum of 100 points, exclusive of five bonus points for cash overmatch. See Exhibit 9-1 for scoring categories and point distribution.	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
131	11-8	11	Exhibit 11-1 (Tier Scoring Criteria)	Exhibit 11-1 (Tier 1 Scoring Criteria)	Exhibit 9-1 (Tier 1 Scoring Criteria)	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
132	11-10	11	Application Process	A city council resolution specific to each proposed project and funding commitment must be approved by the local jurisdiction’s governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit 11-2. Local agencies, at a minimum, must include items a-l. The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the agency. A final resolution authorizing a request for funding consideration with a commitment of local match funding must be provided with the project application. If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency’s governing body. For a project to be considered for funding the City Council approved resolution must be provided at least four (4) weeks PRIOR to the programming recommendations being presented to OCTA’s Board.	A city council resolution specific to each proposed project and funding commitment must be approved by the local jurisdiction’s governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit 9-2. Local agencies, at a minimum, must include items a-l. The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the agency. A final resolution authorizing a request for funding consideration with a commitment of local match funding must be provided with the project application. If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency’s governing body. For a project to be considered for funding the City Council approved resolution must be provided at least four (4) weeks PRIOR to the programming recommendations being presented to OCTA’s Board.	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
133	11-12	11	Exhibit 11-2 (Tier 1 Sample Resolution)	Exhibit 11-2 (Tier 1 Sample Resolution) RESOLUTION NO.	Exhibit 9-2 (Tier 1 Sample Resolution) RESOLUTION NO.	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
134	11-13	11	Eligible Expenditures	For Tier 1, construction support cannot exceed 20 percent (20%) of the M2 grant, subject to match requirements.	For Tier 1, construction engineering cannot exceed 20 percent (20%) of the M2 grant, subject to match requirements.	Revised "construction support" to "construction engineering" to align with proposed Definitions.
135	11-13	11	Reporting and Reimbursement	A final report must be filed within 180 days of the project being completed with information as shown in Form 10-16. See Chapter 9 for the process and requirements regarding reimbursements and reporting for the Tier 1 Grant Program. Additionally, an exception to Precept #40: Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the reviewing and approving bodies, respectively, for this program.	A M2 Project Final Report must be filed within 180 days of the project being completed. See Chapter 10 for the process and requirements regarding reimbursements and reporting for the Tier 1 Grant Program. Additionally, an exception to Precept 42: Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the reviewing and approving bodies, respectively, for this program. See Chapter 10 for additional information.	Update chapter number and precept number to align with revisions being made.
136	11-14	11	Technical Review and/or Field Review	Once an agency submits a final report for a project, OCTA shall review the report for compliance with the CTFP guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project’s cost estimate form will be reimbursed. See Chapter 10 for independent audit requirements beyond the technical and/or field review.	Once an agency submits the Final CTFP Expenditure Report for a project, OCTA shall review the report for compliance with the CTFP guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project’s cost estimate form will be reimbursed. See Chapter 11 for independent audit requirements beyond the technical and/or field review.	Update chapter number to align with revisions being made.
Tier 2 Grant Program						
137	11-18	11	Eligible Expenditures	For Tier 2, construction support cannot exceed 20 percent (20%) of the M2 grant, subject to match requirements.	For Tier 2, construction engineering cannot exceed 20 percent (20%) of the M2 grant, subject to match requirements.	Revised "construction support" to "construction engineering" to align with proposed Definitions.
138	11-19	11	Reimbursements	For the Tier 2 Grant Program, OCTA will release funds through two payments. The initial payment will constitute 75 percent (75%) of the CTFP grant share of the contract award or grant amount at contract award, whichever is less. OCTA will disburse the final payment, approximately 25 percent (25%) of eligible funds, after approval of the final report. Further information on reimbursements can be located within Chapter 9 of the CTFP Guidelines.	This program is administered on a progress payment basis, see Chapter 10.	Revised section to reflect updated to the reimbursement process and align with the flow of other chapters.
139	11-19	11	Tier 2 Selection Criteria	OCTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit 11-3) with the following categories: • Problem and source identification • Project design • Project implementation and readiness • Project benefits • Performance metrics Each proposal can receive a maximum of 100 points. Tier 2 selection criteria include both technical scoring criteria –70 percent (70%) weighting – and non-technical scoring criteria –30 percent (30%) weighting.	OCTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit 9-3) with the following categories: • Problem and source identification • Project design • Project implementation and readiness • Project benefits • Performance metrics Each proposal can receive a maximum of 100 points. Tier 2 selection criteria include both technical scoring criteria –70 percent (70%) weighting – and non-technical scoring criteria –30 percent (30%) weighting.	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
140	11-20	11	Application Process	The technical scoring will be calculated wholly within the OCST Planning Module. The Tier 2 Grant Application Form (available electronically from OCTA) is required to evaluate general project information, funding, and to score non-technical project components. See Exhibit 11-3 for Tier 2 Scoring Criteria.	The technical scoring will be calculated wholly within the OCST Planning Module. The Tier 2 Grant Application Form (available electronically from OCTA) is required to evaluate general project information, funding, and to score non-technical project components. See Exhibit 9-3 for Tier 2 Scoring Criteria.	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
141	11-20	11	OCST Planning Module Project Entry	City Council resolution specific to the project and funding commitment must be approved by the local jurisdiction's governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit 11-4. Local agencies, at a minimum, must include items a-l. The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the agency. A final resolution authorizing a request for funding consideration with a commitment of local match funding must be provided with the project application. If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body. A final copy of the City Council approved resolution must be provided at least four (4) weeks PRIOR to the consideration of programming recommendations by OCTA's Board.	City Council resolution specific to the project and funding commitment must be approved by the local jurisdiction's governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit 9-4. Local agencies, at a minimum, must include items a-l. The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the agency. A final resolution authorizing a request for funding consideration with a commitment of local match funding must be provided with the project application. If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body. A final copy of the City Council approved resolution must be provided at least four (4) weeks PRIOR to the consideration of programming recommendations by OCTA's Board.	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
142	11-23	11	Reporting and Reimbursement	The Tier 2 Grant Program is consistent with Chapter 9 of the CTFP Guidelines regarding the process and requirements of reimbursements and reporting including semi-annual reviews. Upon completion of project construction, a 10-year final BMP O&M Plan is required to be submitted along with the final report. Additionally, an exception to Precept #40: Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve.	The Tier 2 Grant Program is consistent with Chapter 10 of the CTFP Guidelines regarding the process and requirements of reimbursements and reporting including semi-annual reviews. Upon completion of project construction, a 10-year final BMP O&M Plan is required to be submitted along with the final report. Additionally, an exception to Precept 42: Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve.	Update chapter number and precept number to align with revisions being made.
143	11-23	11	Technical Review and/or Field Review	Once an agency submits a final report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project's cost estimate form will be reimbursed. See Chapter 10 for independent audit requirements beyond the technical and/or field review.	Once an agency submits a Final CTFP Expenditure Report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project's cost estimate form will be reimbursed. See Chapter 11 for independent audit requirements beyond the technical and/or field review.	Update chapter number to align with revisions being made.
144	11-24	11	Exhibit 11-3 Tier 2 Scoring Criteria	Exhibit 11-3 Tier 2 Scoring Criteria	Exhibit 9-3 Tier 2 Scoring Criteria	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
145	11-25	11	Exhibit 11-4 Sample Agency Resolution Requesting Funds for Proposed Project	Exhibit 11-4 SAMPLE AGENCY RESOLUTION REQUESTING FUNDS FOR PROPOSED PROJECT	Exhibit 9-4 SAMPLE AGENCY RESOLUTION REQUESTING FUNDS FOR PROPOSED PROJECT	Update exhibit number to align with this chapter being moved from Chapter 11 to Chapter 9.
Chapter 10 - Reimbursements and Reporting						
146	9-1	9	Procedures for Receiving Funds	An implementing agency must encumber funds OCTA awards to a project phase within the fiscal year the grant is programmed (July 1-June 30). Prior to the encumbrance of funds, an agency must have a fully executed letter agreement with OCTA. An agency encumbers funds by awarding a contract, completing the appraisal or issuing an offer letter for one parcel of right-of-way, or by providing expense reports with supporting documentation to prove an agency's workforce costs (provided that the agency intends to complete the phase with agency staff). OCTA shall consider the primary contract(s) or the contract with the largest dollar amount, associated with the phase's tasks, when an agency uses a contract to show encumbrance of CTFP funds. Once an agency encumbers CTFP funds for a phase, it can begin the process for receiving payment of the funds.	An implementing jurisdiction must encumber funds OCTA awards to a project phase within the fiscal year the grant is programmed (July 1-June 30). For example, if a project phase is programmed for fiscal year 2027-28, the implementing jurisdiction must encumber funds by June 30, 2028. For jurisdictions awarded funding for the construction or PI phases, OCTA will work with the local jurisdiction following Board approval of the grant to determine eligible and ineligible costs. Written confirmation from OCTA identifying these eligible and ineligible costs must be obtained prior to encumbering funds for the construction phase and before issuing any construction-related Notice to Proceed, task order, or contract for PI construction activities. A local jurisdiction may demonstrate encumbrance of funds by: (1) awarding a contract; (2), completing the appraisal or issuing an offer letter for one parcel of right-of-way; (3), by providing expense reports with supporting documentation to prove an agency's workforce costs (provided that the agency intends to complete the phase with agency staff) (4), or by issuing a Notice to Proceed, which must include the project name, scope of services to be provided and cost. When a contract is used to demonstrate encumbrance, OCTA shall consider the primary contract(s) or the contract with the largest dollar amount, associated with the phase's tasks. Once an the jurisdiction has encumbered CTFP funds for a phase and has a fully executed letter agreement, it can may initiate the process for requesting payment of the funds.	Reimbursement and Reporting chapter moved to Chapter 10 (from Chapter 9) to align with Master Agreements between OCTA and local jurisdictions. Revise section to align with the newly proposed progress payment process and OCTA's written approval process of eligibility items.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change																												
147	9-1	9	Procedures for Receiving Funds	OCTA will release funds through two payments. The initial payment will provide up to 75 percent (75%) of the CTFP grant share of the contract award or grant amount, whichever is less. OCTA will disburse the final payment, 25 percent (25%) of eligible funds, after it approves the final report (See Precept 35). For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36).	OCTA will disburse grant funds through a progress payment process. To receive any payment, the local jurisdiction must submit a payment request via OCFundtracker. The local jurisdiction may elect to receive an initial payment of up to 30 percent (30%) of the total grant amount, followed by progress payment requests, or may elect to proceed directly with progress payment requests. In all cases, the local jurisdiction shall submit progress payment requests on a semi-annual basis. Unless otherwise determined by a separate cooperative agreement, progress payments must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment is due the following Monday. All payments issued, including any initial payment and subsequent progress payments, shall cumulatively be reimbursed for up to ninety percent (90%) of the total grant amount, unless otherwise determined by a separate cooperative agreement. The final retention payment will be issued within sixty (60) days following OCTA's receipt and approval of a complete and accurate Final CTFP Expenditure Report.	Revise section to align with the proposed progress payment process. Create a progress payment submittal timeframe of February and August that is consistent across all jurisdictions, based on TSC feedback.																												
148	9-5	9	Reimbursement	OCTA shall not reimburse for a project prior to the beginning of the fiscal year of the grant. If an agency receives an advancement and begins work prior to the start of the fiscal year of the grant, the agency may request an initial payment against the grant. If an agency receives an advancement and completes a project prior to the start of the fiscal year of the grant, OCTA shall disburse the grant in a single payment. OCTA must accept the final report prior to issuing a payment.	OCTA shall not reimburse for a project prior to the programmed fiscal year of the grant. If an agency receives an advancement and begins work prior to the start of the fiscal year of the grant, the agency may request an initial payment against the grant. If an agency receives an advancement and completes a project prior to the start of the fiscal year of the grant, OCTA shall disburse the grant in a single payment. OCTA must accept the Final CTFP Expenditure Report prior to issuing the final payment. However, if the project is not anticipated to be completed prior to the start of the fiscal year of the grant, the local jurisdiction shall follow the progress payment process.	This section was moved to earlier in the chapter to improve the flow of the information. Add that if the project is not anticipated to be completed it shall follow the proposed progress payment process.																												
149	9-5	9	Procedures for Receiving Funds	Once an agency encumbers Measure M funds, the agency may request a maximum of 75 percent (75%) of the CTFP share of the contract award amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, (See Precept 36). An example of calculating the initial funding request for a standard 75/25 payment is described below. Example: <table><tr><td>CTFP Grant Allocation</td><td>OCTA Match Rate</td><td>Local Agency Match Rate</td></tr><tr><td>\$200,000</td><td>80%</td><td>20%</td></tr></table> Step 1 Eligible Expenses x OCTA Match Rate = Product \$ 225,000.00 X 80% = \$ 180,000.00 Step 2 Check if Product is greater than or less than CTFP Allocation Amount: \$200,000 Step 3 Use the lower of the Product or Allocation \$ 180,000.00 In this case the \$180,000 amount is less Step 4 Then multiply the \$180,000 amount by 75% (Initial Payment Percentage) <table><tr><td>\$180,000</td><td>X</td><td>75%</td><td>=</td><td>\$135,000.00</td></tr><tr><td colspan="4"></td><td>Invoice Amount</td></tr></table>	CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate	\$200,000	80%	20%	\$180,000	X	75%	=	\$135,000.00					Invoice Amount	Once an agency encumbers Measure M funds and has a fully executed letter agreement, the jurisdiction may request a maximum of 30 percent (30%) of the grant amount as an initial payment. Examples of calculating the initial payment request and a progress payment are described below. Initial Payment Example If the total grant amount is \$1,000,000, the initial payment is 20% of the grant. Formula <table><tr><td>Grant Amount</td><td>Initial Payment Percentage</td><td>Initial Payment</td></tr><tr><td>\$1,000,000</td><td>20%</td><td>\$200,000</td></tr></table> Result: The initial payment to the local jurisdiction would be \$200,000. The remaining balance shall be requested by the local jurisdiction through progress payment submissions and will be reimbursed based on paid eligible costs during the reporting period. Progress Payment Example If the reported expenditures are \$300,000 and OCTA's match rate is 75%, and OCTA has determined the costs to be fully eligible, the progress payment amount will be 75% of the \$300,000. Calculation: • Paid Expenditures x OCTA Match Rate = Progress Payment Amount <table><tr><td>Paid Expenditures</td><td>OCTA Match Rate</td><td>Progress Payment Amount</td></tr><tr><td>\$300,000</td><td>75%</td><td>\$225,000</td></tr></table> Result: The progress payment amount would be \$225,000 for the reporting period. The combined total of the initial payment and/or all progress payments shall not exceed ninety percent (90%) of the grant. Retention will be ten percent (10%) of the grant and will not be released until acceptance of the Final CTFP Expenditure Report, unless otherwise determined by a separate cooperative agreement.	Grant Amount	Initial Payment Percentage	Initial Payment	\$1,000,000	20%	\$200,000	Paid Expenditures	OCTA Match Rate	Progress Payment Amount	\$300,000	75%	\$225,000	Revise section to align with proposed progress payment process.
CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate																																
\$200,000	80%	20%																																
\$180,000	X	75%	=	\$135,000.00																														
				Invoice Amount																														
Grant Amount	Initial Payment Percentage	Initial Payment																																
\$1,000,000	20%	\$200,000																																
Paid Expenditures	OCTA Match Rate	Progress Payment Amount																																
\$300,000	75%	\$225,000																																
150	9-1	9	Procedures for Receiving Funds	Agencies shall submit payment requests to OCTA in a timely fashion. The M2 Ordinance requires the submittal of a final report within 180 days of the project phase completion date (See M2 Ordinance/definitions/Precept 37). Failure to submit a final report within the 180-day time frame will result in an agency being found ineligible to receive net revenues. Per the M2 Ordinance, no provision for extension is allowed. The term "project phase completion" refers to the date that the local agency has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase.	The M2 Ordinance requires the submittal of an M2 Project Final Report within 180 days of the project phase completion date (See M2 Ordinance/Definition 28/Precept 37). Failure to submit a final report within the 180-day time frame will result in an agency being found ineligible to receive net revenues. Per the M2 Ordinance, no provision for extension is allowed. The term "project phase completion" refers to the date that the local jurisdiction has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase.	Update the referenced Definition and Precept numbers. Bold the text to emphasize the severity of consequences for not submitting an M2 Project Final Report within 180 days of project completion.																												

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
151	9-1	9	Procedures for Receiving Funds	OCTA will provide a separate CTFP payment supplement that includes sample forms and instructions for payment submittals and can be downloaded from the OCFundtracker database. Payment submittals are described in this chapter and must be submitted through OCTA's online database, OCFundtracker: http://ocfundtracker.octa.net . Detailed instructions for OCFundtracker are available online at the previously mentioned website. Staff is also available to assist agencies with this process. Agencies must upload appropriate backup documentation to the database. OCTA may request hardcopy payment requests.	OCTA will provide separate CTFP payment sample forms and instructions for payment submittals that can be downloaded from the OCFundtracker database. Payment submittals are described in this chapter and must be submitted through OCTA's online database, OCFundtracker. Detailed instructions for OCFundtracker are available online at the previously mentioned website. Staff is also available to assist jurisdictions with this process. Local jurisdictions must upload appropriate backup documentation to the database. OCTA will not initiate review of any payment request until all documents listed on the Payment Checklist have been submitted through OCFundtracker and a payment request has been opened.	Clarify that the local jurisdictions must submit their payment request on OCFundtracker. This will help OCTA know when payment requests are ready to be reviewed and processed.
152	9-8	9	Timely Final Reports	OCTA will work with local agencies to ensure the timeliness of final reports by utilizing the following procedures: 1. Local agencies should notify OCTA of the project phase completion date within 30 days of completion. 2. Local agencies to file a final report within 180 days of project phase completion date. 3. OCTA to issue a notification to the project manager, public works directors or TAC representative(s) 90 days after the project completion date, as reported in OCFundtracker, to remind local agencies that the final report is due in 90 days. OCTA staff will provide guidance to assist in preparation of the final report. 4. OCTA may issue a final notice letter to the project manager, public works directors or TAC representative(s) with a copy to the agency's management and finance director if OCTA does not receive the final report within 180 days of the project completion date. The final notice letter will inform the local agencies that if OCTA does not receive a response to the final notice letter and the final report within 180 days, then the funds will be unencumbered and OCTA shall request that the agency return disbursed funds, plus interest. 5. OCTA to issue the final payment to local agencies within 60 days of receiving the complete final report and all supporting documentation.	Timely M2 Project Final Reports The M2 Project Final Report is a requirement of the M2 Ordinance and is distinct from the Final CTFP Expenditure Report. The M2 Project Final Report serves as the local jurisdiction's certification of project completion for projects funded with Net Revenues and shall include a description of the work performed, an accounting of Net Revenues expended, and any interest earned on Net Revenues allocated to the project. OCTA will work with local agencies to ensure the timeliness of final reports by utilizing the following procedures: 1. Local agencies should notify OCTA of the project phase completion date within 30 days of completion by emailing M2ProjectFinalReport@octa.net. 2. OCTA to issue a reminder notification to the project manager, public works directors or TAC representative(s) 90 days after the project completion date, as reported in OCFundtracker; to remind local agencies that the final report is due in 90 days. OCTA staff will provide guidance to assist in preparation of the final report. 3. Local jurisdictions must file a final M2 Project Final Report within 180 days of project phase completion date. 4. If the M2 Project Final Report is not received within the 180-day deadline OCTA may issue a final notice letter to inform the local jurisdiction funds will be unencumbered, request that the agency return disbursed funds, plus interest and subsequent action may be taken to find the jurisdiction ineligible to receive Net Revenues.	Final Reports section was moved to earlier in the chapter to improve the flow of the information. Formally refer to the M2 Ordinance-required final report as the "M2 Project Final Report" to distinguish it from other closeout or expenditure reporting documents and address past confusion. This clarifies that the M2 Project Final Report is distinct from the Final CTFP Expenditure Report and serves as the local jurisdiction's certification of project completion and accounting of expended M2 funds. Clarify that the 180-day reporting deadline is an important requirement tied to eligibility status. Clarify the consequences of late or missing reports, including unencumbering M2 funds, requiring repayment of disbursed CTFP funds plus applicable interest, and advising that the jurisdiction may be deemed ineligible to receive Net Revenues. Add email contact for agencies to submit their M2 Project Final Report, based on TSC feedback.
153	9-11	9	Agency Workforce and Equipment Rental	The local jurisdiction must provide supporting documentation for work completed by agency staff or the use of agency workforce. The decision or justification that local agency forces could perform the work more cost effectively, more timely than a contractor or other justification must be documented. It is recommended that a unique project job key be created for each project and all project charges be billed under that job code. The agency shall multiply the fully burdened labor rate by the number of hours for each staff person assigned to the project. The jurisdiction may add overhead costs at an allowable rate up to 30 percent (30%) of payroll and fringe benefits. The jurisdiction must provide supporting documentation for equipment used by local agency staff. The jurisdiction may use local agency or Caltrans surcharge and equipment rental rates.	No materials changes to text	This section was moved to earlier in the chapter to improve the flow of the information; however no changes were made to the existing language.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
154	9-11	9	Technical and/or Field Review	Once an agency submits a final report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a technical and/or field review. As part of the technical/field review of a CTFP project, OCTA may: • review ROW acquisitions and the potential for excess right-of-way • compare hourly breakdown of staff time compared to staff time sheets • conduct a project field review – ensure improvements are within scope • review items that agencies self-certify • verification of the reasonableness of project costs OCTA may review all phases of the project. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. OCTA will only reimburse eligible CTFP items listed on the cost estimate. The implementing agency is expected to complete the entire scope of work as presented in the original application. See Chapter 10 for independent audit requirements beyond the technical/field review.	Once a local jurisdiction submits a Final CTFP Expenditure Report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a technical and/or field review. As part of the technical/field review of a CTFP project, OCTA may: • review ROW acquisitions and the potential for excess right-of-way • compare hourly breakdown of staff time compared to staff time sheets • conduct a project field review – ensure improvements are within scope • review items that agencies self-certify • verification of the reasonableness of project costs OCTA may review all phases of the project. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the Final CTFP Expenditure Report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. OCTA will only reimburse eligible CTFP items listed on the cost estimate. The implementing agency is expected to complete the entire scope of work as presented in the OCTA approved scope. For construction and PI phases, OCTA will use the OCTA written approval of eligible costs, project accounting records and the Final CTFP Expenditure Report as the primary items to conduct the review. See Chapter 11 for independent audit requirements beyond the technical/field review.	Add clarification that, for the construction and PI phases, OCTA's technical and/or field reviews will be based on OCTA's written approval to ensure consistency with the proposed process.
155	New	New	Appeal Process	None	An appeal may be submitted only if the disputed amount is at least \$100,000 or 10% of the grant amount, whichever is less. <u>RCP and RTSSP Projects</u> Appeals must be submitted as part of the semi-annual review process. The local jurisdiction must submit its appeal request no later than the second semi-annual review cycle following OCTA's payment determination. The jurisdiction may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff, including references to applicable CTFP Guidelines language. The appellant local jurisdiction must submit a written statement which proposes an action for TAC consideration. The TAC shall designate TSC to receive and review the appeal. The TSC shall consider the local jurisdiction's appeal along with information provided by staff, any known precedents or past practices, the CTFP guidelines and the Ordinance. Following its review, the TSC shall make a recommendation to the TAC to approve the appeal as presented, deny the appeal, or partially approve the appeal. TSC recommendations to approve the appeal as presented or partially approve the appeal shall be advanced to the Board for consideration. Denied appeals shall not be submitted for Board consideration. Depending on the findings and consistency with the Ordinance, staff shall include a recommendation as part of the subsequent semi-annual review staff report. The Board shall have final approval authority on the appeal. <u>ECP Projects</u> Appeals must be submitted as part of the semi-annual review process. The local jurisdiction must submit its appeal request no later than the second SAR cycle following OCTA's payment determination. The jurisdiction may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff, including references to applicable CTFP Guidelines language. The appellant local jurisdiction must submit a written statement which proposes an action for ECAC consideration. The ECAC shall consider the local jurisdiction's appeal along with information provided by staff, any known precedents or past practices, the CTFP guidelines and the Ordinance. Following its review, the ECAC shall make a recommendation to approve the appeal as presented, deny the appeal, or partially approve the appeal. ECAC recommendations to approve the appeal as presented or partially approve the appeal shall be advanced to the Board for consideration. Denied appeals shall not be submitted for Board consideration. Depending on the findings and consistency with the Ordinance, staff shall include a recommendation as part of the subsequent semi-annual review staff report. The Board shall have final approval authority on the appeal.	Add section further clarify the appeal process that was proposed under Precept 42. Based on TSC feedback, added a timeframe to the process and clarified the TSC's role.

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156	9-11	9	Reporting of Local Fair Share (LFS)	For the purposes of reporting non-project work (maintenance, repair, and other non-project related costs) funded by Measure M LFS funds, the Measure M2 expenditure report cited M2 Ordinance, Section III(B)(8) shall satisfy reporting requirements. If LFS funds are used for projects, the local agency shall also include those projects and the utilized LFS funds and/or other Measure M2 funds in the Measure M2 expenditure report.	For the purposes of reporting non-project work (maintenance, repair, and other non-project related costs) funded by Measure M LFS funds, the Measure M2 expenditure report cited M2 Ordinance, Section III(B)(8) shall satisfy reporting requirements. If LFS funds are used for projects, the local agency shall also include those projects and the utilized LFS funds and/or other Measure M2 funds in the Measure M2 expenditure report. For further information, please refer to the Measure M2 Eligibility Guidelines which can be found on the Eligibility Website: https://www.octa.net/M2Eligibility.	Provide link to the OCTA M2 Eligibility website as a resource for accessibility and reference.
157	9-2	9	Availability of Funding	The funds granted by OCTA for each phase will be available on July 1, the first day of the fiscal year in which the funds are programmed and upon implementation of the letter agreement for the specific project.	No materials changes to text	This section was moved to earlier in the chapter to improve the flow of the information; however no changes were made to the existing language.
158	9-2	9	~~Cancellation of Project~~ Project Adjustments	If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation, regardless of whether property has been purchased or not. Construction funding received prior to cancellation shall be repaid upon cancellation. Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.	For project adjustments (scope modifications, delays, cancellation, etc.), please refer to Chapter 2: Project Programming.	This section was moved to earlier in the chapter to improve the flow of the information; however no changes were made to the existing language.
Project O - Regional Capacity Program Reimbursement and Reporting Section						
159	9-3	9	Project O - Regional Capacity Program Reimbursement and Reporting	Payment Requests Payment requirements are located in the Guidelines. Staff may request additional documentation that is not listed on the checklist prior to approving the request. The checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at http://ocfundtracker.octa.net. OCTA usually releases funds through two payments. The initial payment will constitute 75 percent (75%) of the eligible contract award or allocation amount, whichever is less. In addition to the bid abstract, OCTA will require local agencies to submit appropriate backup documentation for all project phases to support the initial payment request. OCTA will release the final payment of remaining balance, usually the final 25 percent (25%) of CTFP grant funds, when the project is complete and OCTA accepts the final report. The balance is determined based on final costs for CTFP eligible program expenditures. Prior to submitting the report, review the program specific section in these guidelines that addresses the final report process. OCTA will reimburse costs associated with the Measure M informational signs (fabrication, installation, and removal) and do not count against a project's grant. Measure M informational "Funded By" sign removal costs should be requested in the Final Report. Prior to submitting an initial payment request, a local agency may request a meeting Below is additional information regarding the documentation requirements of initial payment requests:	Project O – Regional Capacity Initial Payment Requests Process The local jurisdiction must submit a payment request to receive an initial payment, as described under the Procedures for Receiving Funds section of this chapter. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at http://ocfundtracker.octa.net. OCTA will reimburse costs associated with the Measure M informational signs (fabrication, installation, and removal) and do not count against a project's grant. Measure M informational "Funded By" sign removal costs should be requested in the Final CTFP Expenditure Report. The initial payment request must include the following:	Clarify that the local jurisdictions must submit a payment request to receive an initial payment. Revise the term "final report" to "Final CTFP Expenditure Report" to align with the proposed Definitions.

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Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
160	9-3	9	Project O Regional Capacity Program - Initial Payment Request Process	1. Invoice – For initial payments, an agency shall invoice for 75 percent (75%) of the CTFP grant share of the primary contract(s) amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36). Agencies seeking initial payment for the planning, environmental and preliminary engineering work performed by local agency forces, must submit payroll records and City Council budget allocation with the initial payment request. The payroll records should identify the project name, date of expenditures, amount, and employee position. It is recommended that a unique project key be created for each project and all project charges be billed under that job code. OCTA staff can provide a sample of acceptable form of payroll report upon local agency request.	1. Invoice – The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.	Revise invoice language to align with the proposed progress payment process. Include the minimum invoice information required by OCTA Accounts Payable to ensure accurate distribution of funds. Remove local agency workforce language and further clarified it under Documentation of Decision to Use Local Agency Forces, based on TSC feedback.
161	9-4	9	Project O - Initial Payment Request Process	2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. This will include the certification that the project being reimbursed has met the signage requirements laid out in Precept 22.	2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, including signage requirements outlined in Precept 24, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed.	Combine the Project Certification Letter and the PS&E Certification Form into a single form to streamline the process and reduce the number of forms required to be completed by local jurisdictions. Clarify that the form shall be signed by the Public Works Director, City Engineer, or other appropriately authorized equivalent representative.
162	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants shall submit a purchase order or Notice to Proceed (NTP) that includes the project-specific scope of work for the contractor.	3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, NTP or other action authorized by an approved delegate. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Bid/task list with lump sum items may require an itemized breakdown of the costs.	Clarify that all supporting documentation must clearly identify the contract amount, project name, and project scope of work, and include the associated bid/task list. Further clarify that lump sum bid/task lists may require submission of an itemized cost breakdown to facilitate review and verification of project-related expenses under the CTFP requirements.
163	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	4. Revised Cost Estimate – The agency shall use the format provided in the Revised Costs Estimate Form 10-3 separating eligible and ineligible items.	4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made.	Update the form name from “Revised Cost Estimate” to “Contract Cost Summary” to better reflect that the information provided must be based on the awarded contract amount. Additionally, clarify that lump sum submissions are not acceptable, as itemized cost information is required to support review and reimbursement processing. This has been OCTA’s current practice and is being added to the Guidelines for clarification and consistency. Lump sum submissions will be returned to the local jurisdiction for revision, and the associated payment request will be removed from the processing queue until a revised submittal is received.
164	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	5. Work Schedule – OCTA prefers a complete project schedule, but an agency may provide as little as the expected start and completion dates for preliminary engineering, final engineering, right-of-way, and construction phases on the Engineering & Construction Phase Initial Report Form 10-1A.	5. Initial Payment Form – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the jurisdiction may provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. For the ROW phase, the local jurisdiction shall submit a fully completed Right-of-Way Phase Initial Report Form.	Update the form title from “Work Schedule” to “Initial Payment Form” to reflect the correct name of the form. Minor revisions were also made to improve clarity and overall flow.
165	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	7. Plans, Specifications, & Estimate (PS&E) Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.		The PS&E form was combined with the Project Certification Letter, see Item Number 16.

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166	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	New	7. ROW Disposal Plan – Provide an updated ROW disposal plan reflecting changes that have occurred since the original application submittal	Add a new requirement for the ROW Disposal Plan requiring local jurisdictions to submit an updated ROW Disposal Plan reflecting any changes that have occurred since the original application submittal. This clarification is intended to improve consistency and reduce potential confusion during the reimbursement review process.
167	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	8. Layout Plans – An agency shall not submit layout plans that print on paper larger than 11 inches by 17 inches.	8. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request.	Clarify that the local jurisdiction shall submit the most current and up-to-date layout plans at the time of the payment request. This requirement is intended to help avoid confusion regarding eligible and ineligible project items and ensure OCTA's reimbursement review is based on the latest approved project information.
168	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	9. Documentation of Decision to Use Local Agency Forces – For all project phases, for any work performed by local agency forces in lieu of a primary contract, local agency must document that local agency forces could perform the work more cost effectively or timely than a contractor; and documentation of this decision can be supplied in case of audit.	9. Documentation of Decision to Use Local Agency Forces – For all project phases, for any work performed by local agency forces in lieu of a primary contract, local agency must document that local agency forces could perform the work more cost effectively or timely than a contractor; and documentation of this decision can be supplied in case of audit. Memo confirmation from the local agency is acceptable. Payroll records must identify the project identifier, date(s) of expenditure, amount, and employee position. It is recommended that a unique project key be established and all project charges be tracked under that job code. OCTA staff can provide a sample payroll report upon request.	Clarify the documenation needed for using Local Agency Forces, based on TSC feedback.
169	New	New	Project O Regional Capacity Program - Progress Payment Process	None	The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above. The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Each progress payment request must include the following: 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs paid during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions, as applicable, will not be accepted and will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate. 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs. If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.	Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report. The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing. Proposed language was added under each program reimbursement section for consistency.

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170	9-6	9	Project Cost Changes	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the final report. OCTA will review these reports to: 1. Determine that the agency submitted proper justification for the change order(s) 2. Determine if the items are eligible for reimbursement 3. Confirm that expenses are within the project's original scope of work 4. The lead agency should provide information supporting the need for the change orders in the final report. Changes in project limits for construction projects are not eligible for reimbursement.	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3.The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.	This section was moved earlier in the chapter to improve the overall flow and organization of the information. Additionally, the first item from the existing language was removed because it has contributed to delays in the reimbursement process due to incomplete or unavailable documentation from local jurisdictions. Proposed language was added under each program reimbursement section for consistency.
171	New	New	M2 Project Final Report	None	The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the M2 Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted. The M2 Project Final Report Form is available for download via OCFundtracker.	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility. Proposed language was added under each program reimbursement section for consistency.
172	9-6	9	Project O - Regional Capacity Program Final Payment Process	The remaining CTFP funds are reimbursed to the lead agency following completion of the final reporting process. This final payment is calculated by considering the grant allocation amount, the minimum local agency match rate, how much has been previously reimbursed as part of the initial payment, and the total eligible costs that can be applied to the grant (see program specific eligibility sections). M2 funds are applied proportionally to all eligible project expenses. Prior to submitting the Final Report, review the following section which includes items important to the final reporting process. The CTFP Payment Supplement provides additional instructions and sample forms to complete payment requests. Payment requirements are located in this chapter.	The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final CTFP process.	Revised this section to align with the proposed payment process.
173	9-6	9	Project O - Regional Capacity Program Final Payment Process	The items listed below are to be submitted to complete the final reporting process. 1. Invoice - For final payments, an agency shall invoice for the remaining balance of the OCTA share of eligible costs or up to the grant amount, Final payment request invoices shall normally be approximately 25 percent (25%) of the eligible funds. Interest earned by an agency for initial payments received shall be applied to and deducted from the final payment balance amount.	The final payment must include the following: 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA share of the grant amount. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.	Revised this section to align with the proposed payment process.
174	9-6	9	Project O - Regional Capacity Program Final Payment Process	2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. This will include the certification that the project being reimbursed has met the signage requirements laid out in Precept 22.	2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.	Removed the requirement for the Project Certification Letter as part of the final payment request process, as this documentation is required to be submitted with the initial payment request or the first progress payment request. Added in the Progress Payment Form, which must indicate it is the final payment request and include itemized project costs, clearly separating eligible and ineligible items.
175	9-6	9	Project O - Regional Capacity Program Final Payment Process	3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants would need to submit a purchase order or NTP that includes the scope of work for the contractor.	3. Where ineligible costs are twenty percent (20%) or greater of the overall project cost, indicating considerable work outside of the goal and purpose of Project O, shared project costs that cannot be directly attributed to the eligible or ineligible work, will be prorated based on the share of the project that is eligible compared to ineligible. This does not supersede the OCTA written confirmation of eligible and ineligible expenses provided before the start of the project.	This section was moved to earlier in the chapter due to the removal of certain requirements. Removed the requirement for Documentation of Contract award as part of the final payment request process, as this documentation is already required to be submitted with the initial payment request or the first progress payment request. Clarified that this section does not supersede the OCTA written confirmation of eligible and ineligible expenses provided before the start of the project.

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176	9-7	9	Project O - Regional Capacity Program Final Payment Process	4. PS&E Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.	4. Proof of Project Payment – The required documentation that will be submitted includes approved invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 11).	Removed the requirement for the PS&E Certification as part of the final payment request process, as this documentation is required to be submitted with the initial payment request or the first progress payment request. Added in the Proof of Payment which aligns with the proposed payment process.
177	9-7	9	Project O - Regional Capacity Program Final Payment Process	5. Final Report Form – The local agency shall prepare a final report form using the Engineering & Construction Phase Final Report Form 10-5A.	5. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request.	Removed the requirement of the Final Report Form as part of the final payment request process. Added in the Layout Plans to ensure OCTA has the most up-to-date plans.
178	9-7	9	Project O - Regional Capacity Program Final Payment Process	6. Division of Costs –Supportive material shall equal the Division of Costs Form 10-6 totals that are located in the final report form separating eligible and ineligible items.	6. ROW Documents – Each parcel shall include an appraiser's report, written offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Agencies may submit equivalent documentation for OCTA's considerations on a case-by-case basis. Agencies attempting to acquire five or more parcels for a project shall include a parcel location map. For ROW grants with surplus land please see the Excess Right of Way section for additional required documentation and disposal process.	This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
179	9-7	9	Project O - Regional Capacity Program Final Payment Process	7. Where ineligible costs are twenty percent (20%) or greater of the overall project cost, indicating considerable work outside of the goal and purpose of Project O, shared project costs that cannot be directly attributed to the eligible or ineligible work, will be prorated based on the share of the project that is eligible compared to ineligible.	7. Summary of ROW Acquisition – Agencies shall submit a summary of ROW acquisition as described in the Progress Payment Form.	This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language. Revised applicable form containing the ROW acquisition summary.
180	9-7	9	Project O - Regional Capacity Program Final Payment Process	8. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 10).	8. Before and After Project Photos (construction phases) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.	This section was moved to earlier in the chapter due to the removal of certain requirements. Revise the Definiton number to 30.
181	9-7	9	Project O - Regional Capacity Program Final Payment Process	9. Layout Plans – An agency shall not submit layout plans that print on paper larger than 11 inches by 17 inches (where applicable). Agencies shall submit the most recently updated final design plans or "as-built" plans.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
182	9-7	9	Project O - Regional Capacity Program Final Payment Process	10. Documentation of Decision to Use Local Agency Forces or Agency Workforce – For all project phases, for any work performed by local agency forces or agency workforce in lieu of a primary contract for that phase, local agency must document that local agency forces could perform the work more cost effectively, more timely than a contractor or provide other appropriate justification. Documentation of this decision would also be required for audit.		Removed the requirement for Documentation of Decision to Use Local Agency Forces or Agency Workforce as part of the final payment request process as documention needs to be provided, as this documentation is required to be submitted with the initial payment request or the first progress payment request..
183	9-7	9	Project O - Regional Capacity Program Final Payment Process	11. Documentation Supporting Local Agency Liability for Utility Relocation Costs – Local agency liability can be supported by the documentation of property rights, franchise rights/agreements, state and local statutes/ordinances, permits, or a finding by the local agency's counsel.		Removed the requirement for Documentation Supporting Local Agency Liability for Utility Relocation Costs as part of the final payment request process, as this documentation is required to be submitted with the initial payment request or the first progress payment request.
184	9-8	9	Project O - Regional Capacity Program Final Payment Process	12. ROW Documents – Each parcel shall include an appraiser's report, written offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Agencies may submit equivalent documentation for OCTA's considerations on a case-by-case basis. Agencies attempting to acquire five or more parcels for a project shall include a parcel location map.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.

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185	9-8	9	Project O - Regional Capacity Program Final Payment Process	13. Summary of ROW Acquisition – Agencies shall submit a summary of ROW acquisition as described in the Summary of ROW acquisition Form 10-5B.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
186	9-8	9	Project O - Regional Capacity Program Final Payment Process	14. Notice of Completion – An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 26 for phase completion date.		This section was moved to earlier in the chapter due to the removal of certain requirements.
187	9-8	9	Project O - Regional Capacity Program Final Payment Process	15. Before and After Project Photos (implementation and construction phases) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
Project P - Regional Traffic Signal Synchronization Program Reimbursement and Reporting Section						
188	9-12	9	Project P - Regional Traffic Signal Synchronization Program Reimbursements and Reporting Requirements	The previous sections of this chapter outline the process and requirements regarding reimbursements and reporting for all competitive programs that are part of Measure M2. A lead agency shall also use the following additional reporting and documentation requirements specific to any competitive project funded through RTSSP (Project P) as part of the reimbursement process.	The Procedures for Receiving Funds section of this chapter outline the process and requirements regarding reimbursements and reporting for all competitive programs that are part of Measure M2. An implementing agency shall also use the following additional reporting and documentation requirements specific to any competitive project funded through RTSSP (Project P) as part of the reimbursement process.	Revise the language to clarify that references to "previous sections of this chapter" pertain to the "Procedures of Receiving Funds" section.
189	9-12	9	Procedures for Receiving Funds	RTSSP funds projects with a three (3) year grant. Projects are divided into two components for the purposes of reimbursements and reporting: PI and Ongoing O&M.	Under the RTSSP, projects are divided into two components for the purposes of reimbursements and reporting: PI and Ongoing O&M	Remove the reference to the three-year grant requirement to align with the proposed changes made under the RTSSP chapter.
190	9-12	9	Procedures for Receiving Funds	A lead agency must encumber funds OCTA allocates to a project within the fiscal year of the grant and after funding agreements with OCTA are executed. A lead agency encumbers funds by awarding a contract or providing expense reports to prove the lead or a participating agency's workforce costs, provided that the lead agency intends to complete the PI with lead agency or participating agency staff. Once an agency encumbers RTSSP (Project P) funds for PI, it can begin the process for receiving payment of the funds. Note that only the lead agency will receive payment of funds from OCTA. Any funds that are due to other participating agencies are the responsibility of the lead agency and not OCTA. The project lead agency must submit payment requests through OCTA's online database, OCFundtracker. Additional details about the retention caps, timely payment requests, project closeout, and payment are available in Chapter 9.	Removed in its entirety.	Remove this section, as the information is already addressed under the "Procedures of Receiving Funds" section.
191	9-13	9	Availability of Funding	The funds allocated for projects will be available to project lead agencies July 1st of the programmed year and after funding agreements with OCTA are executed.	Removed in its entirety.	Remove this section, as the information is already addressed under the "Procedures of Receiving Funds" section.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
192	9-13	9	Project P – Regional Traffic Signal Synchronization Initial Payment Process	The initial payment will provide up to 75 percent (75%) of funds for the PI of the project. The following information specific to the RTSSP (Project P) Project is provided regarding the documentation requirements for initial payment of PI after an agency encumbers funds for the project. The interactive electronic versions of all payment forms can be downloaded via OCFundtracker. The final report has been provided so a lead agency can determine the reporting and documentation required for an initial payment request. Staff may request additional documentation that is not listed on the PI Report prior to approving the request. The checklist and electronic versions of the forms are available through OCFundtracker.	The local jurisdiction must submit a payment request to receive an initial payment. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker.	Revise this section to align with the proposed progress payment process.
193	9-13	9	Primary Implementation Initial Payment Process	Below is additional information regarding documentation requirements for RTSSP payment requests. • Invoice - For initial payments, the lead agency shall invoice for 75 percent (75%) of the CTFP grant share of the contract amount or grant amount of the project's PI, whichever is less. For final payments of the PI, the lead agency shall invoice the remaining balance of the project's PI phase contract amount or programmed amount, whichever is less • Project Certification Letter • Project Certification Letter (initial and final) • Revised Cost Estimate (initial) • PS&E Certification (initial and final) • Certification of Phase (initial) • Report Submission • Division of Cost Schedule (final) • Work Schedule - OCTA requires a complete project schedule, including expected start and competition dates for tasks in the PI and Ongoing O&M phases (initial and final) • ROW Documents - No requirements as ROW is not a part of RTSSP • Before and After Project Photos (PI phase) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats (final). Details on other aspects on Initial Payment Requests for PI including project advancement and reimbursement is available in this chapter.	Primary Implementation Initial Payment Process The PI initial payment request must include the following: 1. Invoice –The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed, and that the materials report was incorporated. 3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, or NTP. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. 4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs. Each line items shall clearly identify the type of equipment, quantity of equipment being installed, unit cost and total cost. Cost must be separated between eligible and ineligible items. All equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. Submissions that do not include itemized quantities will be considered incomplete. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. 5. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases.	Clarify the requirements for the PI initial payment. Clarify the required documentation and add additional information to align with the reimbursement process requirements under the RCP section.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change																
194	9-14	9	Example of Initial Reimbursement for Primary Implementation (PI):	Example of Initial Reimbursement for Primary Implementation (PI): <table><tr><td>CTFP Grant Allocation</td><td>OCTA Match Rate</td><td>Local Agency Match Rate</td></tr><tr><td>\$960,000.00</td><td>80%</td><td>20%</td></tr></table> Step 1 Eligible Expenses x OCTA Match Rate = Product \$1,000,000.00 x 80% = \$800,000.00 Step 2 Check if Product is greater than or less than CTFP Grant Allocation Amount: \$800,000 vs \$960,000 Step 3 Use the lower of the Product or CTFP Grant Allocation In this case, the \$800,000.00 amount is lower Step 4 Then multiply the amount by 75% (Initial Payment Percentage) <table><tr><td>\$800,000.00</td><td>x</td><td>75%</td><td>=</td><td>\$600,000.00</td></tr><tr><td colspan="4"></td><td>Invoice Amount</td></tr></table>	CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate	\$960,000.00	80%	20%	\$800,000.00	x	75%	=	\$600,000.00					Invoice Amount		Remove the example illustrating the calculation of the initial payment to avoid duplication, as the information is already included under the “Procedures of Receiving Funds” section.
CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate																				
\$960,000.00	80%	20%																				
\$800,000.00	x	75%	=	\$600,000.00																		
				Invoice Amount																		
195	New	New	Ongoing Operation and Maintenance Initial Payment Process	None	The O&M initial payment request must include the following: 1. Invoice – The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. Jurisdictions seeking reimbursement for planning, environmental, or preliminary engineering work performed by local agency forces must also submit payroll records and City Council budget allocation documentation. Payroll records must identify the project name, date(s) of expenditure, amount, and employee position. It is recommended that a unique project key be established and all project charges be tracked under that job code. OCTA staff can provide a sample payroll report upon request. 2. Documentation of the Contract Award – The local jurisdiction shall provide a NTP or equivalent. The documentation provided must include the project name, scope of services to be provided and cost. 3. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs. Each line items shall clearly identify the type of equipment, quantity of equipment being installed, unit cost and total cost. Cost must be separated between eligible and ineligible items. All equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. Submissions that do not include itemized quantities will be considered incomplete. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. 4. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases.	Add a new section for O&M initial payment requests.																

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
196	New	New	Project P - Regional Traffic Signal Synchronization Program Progress Payment Process	None	The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday. PI and O&M costs must be submitted under separate progress payment requests; OCTA will not accept progress payment requests that combine both PI and O&M expenses. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above. The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Each progress payment request must include the following: 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs incurred during the applicable reporting period. . The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. For the PI phase, all equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. For the O&M phase, cost must be fully itemized. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate. 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs. If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.	Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report. The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.
197	New	New	Project Cost Changes	None	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The implementing agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.
198	New	New	M2 Project Final Report	None	The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted. The Project Final Report Form is available for download via OCFundtracker.	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
199	9-15	9	Primary Implementation Final Payment Process	OCTA will release the remaining balance to the lead agency, approximately 25 percent (25%) of funds for the PI, when the project's PI phase is complete and OCTA receives the project Before and After Study. The balance is determined based on the final costs for the eligible RTSSP expenditures. The Before and After Study is defined as the following: This study shall at minimum collect morning and evening peak period using travel times, average speeds, green lights to red lights, stops per mile, and the derived CSPI metric. In addition, greenhouse gas and gasoline savings should be identified. This information shall be developed both before any signal timing changes have been made and after the PI. The study shall compare the information collected both before and after the timing changes. Comparisons shall identify the absolute and percent differences for the entire corridor, by segment, direction, and time period. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.).	The remaining CTFP funds shall be reimbursed to the lead jurisdiction after completion of the final payment process and upon OCTA's receipt of the project Before and After Study for the PI phase and the O&M Report for the O&M phase. The Before and After Study is defined as the following: This study shall at minimum collect morning and evening peak period using travel times, average speeds, green lights to red lights, stops per mile, and the derived CSPI metric. In addition, greenhouse gas and gasoline savings should be identified. This information shall be developed both before any signal timing changes have been made and after the PI. The study shall compare the information collected both before and after the timing changes. Comparisons shall identify the absolute and percent differences for the entire corridor, by segment, direction, and time period. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.). Prior to submitting the Final CTFP Expenditure Report, review the following section, which outlines items important to the final CTFP process.	Revise section to align with the proposed progress payment process.
200	9-15	9	Primary Implementation Final Payment Process	The PI Report, which includes the Before and After Study for RTSSP, shall be included as a requirement at the end of the Primary Implementation phase and as part of the Final Report as required by the M2 Ordinance, Attachment B, Section III.A.9.	The final payment request for PI must include the following: 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment - Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. 4. PI Report – The PI Report which includes the Before and After Study. 5. Before and After Photos – Photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.	Clarify the documentation needed for the final PI payment request.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
201	9-15	9	Ongoing Operations and Maintenance Final Payment Process	Payment Requests for Ongoing Operations and Maintenance The payments for the Ongoing O&M portion of the project award will cover the remainder of the grant period after the PI phase is completed and will be paid as a reimbursement upon proof of work/payment and receipt of invoice. The invoice should include the Final O&M report with details on the ongoing O&M work done including the required (1) work monitoring and improving optimized signal timing; and optional (2) communications and detection support. O&M Report The O&M Report shall be completed in accordance with all CTFP Guidelines upon the end of the O&M phase. In addition, the O&M Report shall summarize the O&M period, documenting the O&M efforts and procedures for continuing maintenance. At a minimum, the O&M Report shall include when travel runs were conducted and issues and solutions throughout the phase. The report shall document all planned and programmed improvements on the study corridor as well as recommendations for further infrastructure improvements that would likely enhance the corridor signal coordination project results.	The final payment request for O&M must include the following: 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment - Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. 4. O&M Report – The O&M Report shall be completed in accordance with all CTFP Guidelines upon the end of the O&M phase. In addition, the O&M Report shall summarize the O&M period, documenting the O&M efforts and procedures for continuing maintenance. At a minimum, the O&M Report shall include when travel runs were conducted and issues and solutions throughout the phase. The report shall document all planned and programmed improvements on the study corridor as well as recommendations for further infrastructure improvements that would likely enhance the corridor signal coordination project results.	Clarify the documentation needed for the final O&M payment request
202	New	New	Project Cost Changes	None	Project Cost Changes If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The implementing agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.
Project X - Environmental Cleanup Program Reimbursement and Reporting Section						
203	9-16	9	Project X - Environmental Cleanup Program Reimbursements & Reporting Requirements	The interactive electronic versions of all payment forms can be downloaded via OCFundtracker. These processes are applicable to the Tier 1 and Tier 2 Grant Programs:	The Procedures for Receiving Funds section of this chapter outlines the process and requirements for reimbursements and reporting for all competitive programs under Measure M2. The ECP Program consists of two tiers, Tier 1 and Tier 2; however, both tiers must submit the documentation listed below for payment reimbursement. The processes described herein apply to both Tier 1 and Tier 2 grant programs. The interactive electronic versions of all payment forms can be downloaded via OCFundtracker.	Add a reference to the “Procedures of Receiving Funds” section and clarify that the documentation requirements listed apply to both Tier 1 and Tier 2 funded projects.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
204	9-16	9	Project X – Environmental Cleanup Program Initial Payment Process	Initial payments: 1. Invoice – For initial payments, an agency shall invoice for 75 percent (75%) of the CTFP grant share of the contract amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase; but, shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36). 2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. 3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants shall submit a purchase order that includes the scope of work for the contractor. 4. Revised Cost Estimate – The agency shall use the format provided in the Revised Costs Estimate Form 10-3 separating eligible and ineligible items. 5. PS&E Certification – The agency shall provide PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report. 6. ECP (Project X) Initial Payment - The agency shall prepare an initial payment report form using the ECP Initial Payment Report 10-5A. 7. Location Maps of Installation – The agency shall provide a map that shows the specific locations Best Management Practices (BMP) devices were installed with catch basin identification numbers, as applicable.	The initial payment request must include the following: 1. Invoice – The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and Plans, Specifications, and Estimate (PS&E) Certification Form, signed by the Public Works Director, the City Engineer, or their appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed, and that the materials report was incorporated. 3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, or NTP. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. 4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. 5. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates. 6. Location Maps of Installation – The local jurisdiction shall provide a map that shows the specific locations Best Management Practices (BMP) devices were installed with catch basin identification numbers, as applicable.	Clarify the required documentation and add additional information to align with the reimbursement process requirements under the RCP section.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
205	New	New	Project X – Environmental Cleanup Program Progress Payment Process	None	The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above. The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Each progress payment request must include the following: 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs incurred during the applicable reporting period.The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate. 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs. If the local jurisdiction does not have any expenses to report during a given period, it must still submit the No Cost Form indicating no costs for that reporting period.	Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report. The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.
206	New	New	Project Cost Changes	None	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
207	New	New	M2 Project Final Report	None	The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted. The Project Final Report Form is available for download via OCFundtracker.	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility.
208	9-17	9	Project X – Environmental Cleanup Program Final Payment Process	Final Reporting Process: The items listed below are to be submitted to complete the final reporting process. A final report must be filed within 180 days of the project phase completion. Additionally, an exception to Precept 40: agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the approving bodies for this program.	The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final process.	Revise to align with the proposed progress payment process.
209	9-17	9	Project X – Environmental Cleanup Program Final Payment Process	1. Invoice – For final payments, an agency shall invoice for the remaining balance of the OCTA share of eligible costs up to the grant amount. Final payment request invoices shall normally be approximately 25 percent (25%) of the eligible funds. Interest earned by an agency for initial payments received shall be applied to and deducted from the final payment balance amount. 2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. 3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants would need to submit a purchase order or NTP that includes the scope of work for the contractor. 4. PS&E Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. 5. Final Report Division of Costs Schedule – The agency shall use the format provided in Form 10-6. 6. Certification of Phase Completion – The agency shall certify the phase completion date using the Form 10-7. See definition 26 for phase completion date. 7. ECP (Project X) Final Report Form 10-16 – The agency shall prepare a final report form using the ECP Final Report Form 10-16. 8. Location Maps of Installation – The agency shall provide a map that shows the specific locations BMP devices were installed with catch basin identification numbers, as applicable. 9. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit chapter. 10. Form 10-17 (where applicable) Supporting documentation for O&M costs (if used as local match). For Tier 1 of the ECP (Project X), where ongoing O&M of the project were pledged as a local match, as part of the semi-annual review reporting process, OCTA will verify local agency O&M expenditures to ensure local match commitments are being met. Local agencies must complete the In-Kind O&M Report Form 10-17 for each ECP (Project X) grant as part of their semi-annual review updates.	The final payment must include the following: 1. Invoice – The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate. 3. Location Maps of Installation – The agency shall provide a map that shows the specific locations BMP devices were installed with catch basin identification numbers, as applicable. 4. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit chapter. 5. Form 10-17 (where applicable) Supporting documentation for O&M costs (if used as local match). For Tier 1 of the ECP (Project X), where ongoing O&M of the project were pledged as a local match, as part of the semi-annual review reporting process, OCTA will verify local agency O&M expenditures to ensure local match commitments are being met. Local agencies must complete the In-Kind O&M Report Form 10-17 for each ECP (Project X) grant as part of their semi-annual review updates.	Removed the requirements for the Project Certification Letter, Documentation of Contract Award, and PS&E Certification as part of the final payment request process, as these documents are required to be submitted with the initial payment request or first progress payment request. Additionally, removed the Final Report Division of Costs Schedule and replaced it with the Progress Payment Form.
Project W - Safe Transit Stops Program Reimbursement and Reporting Section						
210	New	New	Project W – Safe Transit Stops Program Reimbursements & Reporting Requirements	None	The local jurisdiction must submit a payment request to receive an initial payment, as described under the Procedures for Receiving Funds section of this chapter. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at http://ocfundtracker.octa.net.	Add a new section for the Safe Transit Stops (Project W) program. Added language aligns with the proposed progress payment process.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
211	New	New	Project W – Safe Transit Stops Program Initial Payment Process	None	The initial payment request must include the following: 1. Invoice – The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. OCTA staff can provide a sample payroll report upon request. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, and that the approved scope of work was followed. 3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, NTP or other action authorized by an approved delegate. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Bid/task list with lump sum items may require an itemized breakdown of the costs. 4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. 5. Initial Payment From – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the jurisdiction may provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. 6. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request, if applicable.	Added clarification regarding the documentation required for the initial payment request to ensure consistency with the requirements established under the RCP, ECP, and RTSSP programs.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
212	New	New	Project W – Safe Transit Stops Program Progress Payment Process	None	The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above. The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request. Each progress payment request must include the following: 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs paid during the applicable reporting period. 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs. If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.	Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report. The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.
213	New	New	Project Cost Changes	None	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.
214	New	New	M2 Project Final Report	None	The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the M2 Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted. The M2 Project Final Report Form is available for download via OCFundtracker.	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility.

CTFP Guidelines Revisions for Payment Processing

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
215	New	New	Project W - Safe Transit Stops Final Payment Process	None	The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final CTFP payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final CTFP process. The final payment must include the following: 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA share of the grant amount. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Project Payment – The required documentation that will be submitted includes approved invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 11). 4. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request, if applicable. 5. Before and After Project Photos – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats. Electronic copies of all payment forms can be downloaded from OCFundtracker.	Added clarification regarding the documentation required for the final payment request to ensure consistency with the requirements established under the RCP, ECP, and RTSSP programs.
Project V - Community-Based Transit/Circulators Program Reimbursement and Reporting Section						
216	New	New	Project V – Community Based Transit Program Reimbursements & Reporting Requirements	None	Due to the unique nature of Project V, reimbursements shall be processed in accordance with the separate cooperative agreement. Prior to submitting a payment request, a local jurisdiction may request a meeting with OCTA staff to review and determine eligible and ineligible items before seeking reimbursement.	Add a new section for the Community-Based Transit/Circulators Program.

Color Key

Red = Revised text in CTFP Guidelines

Yellow, *Italics* = Consultant recommendation

Green = Section was moved to improve the flow of the guidelines; however, no changes were made to the existing language.

Pink = Revision incorporates TSC feedback



COMPREHENSIVE TRANSPORTATION FUNDING PROGRAMS GUIDELINES

2027 Call For Projects



EFFECTIVE 9/14/2026

Orange County Transportation Authority

I. Overview

On November 6, 1990, Orange County voters approved Measure M, a 20-year half-cent local transportation sales tax. All major transportation improvement projects and programs included in the original Measure M have been completed or are currently underway.

Expected growth demands in Orange County over the next 30 years will require agencies to continue to invest in transportation infrastructure projects. A collaborative effort between County leaders and the Orange County Transportation Authority (OCTA) identified additional projects to fund through an extension of the Measure M program. Voters approved Measure M2 (M2) on November 7, 2006. [M2 Ordinance No. 3](#) (Ordinance) outlines all programs.

Background

A robust freeway network, high occupancy vehicle & toll lanes, a Master Plan of Arterial Highways (MPAH), extensive fixed route and demand response bus service, [intercity and](#) commuter rail, and bicycle/pedestrian facilities comprise Orange County's transportation system. ~~Future planning efforts are considering high-speed rail service as part of a statewide system.~~ Separate agencies manage and maintain each transportation component with a common purpose: mobility.

OCTA is responsible for planning and coordination of county regional transportation components. Local jurisdictions generally oversee construction and maintenance of roadway improvements using a combination of regional and local funding sources derived from grants and formula distributions.

The Comprehensive Transportation Funding Programs (CTFP) represents a collection of competitive grant programs offered to local jurisdictions. OCTA administers a variety of additional funding sources including M2, state/federal gas taxes, and Transportation Development Act (TDA) revenues.

Guidelines Overview

This document provides guidelines and procedures necessary for Orange County jurisdictions to apply for funding of transportation projects contained within the CTFP through a simplified and consistent process. Each program has a specific objective [established by the Ordinance \(see Appendix for Ordinance excerpts\)](#), funding source, and set of selection criteria detailed in separate chapters contained within these guidelines.

Guidelines are updated on a periodic basis in coordination with local jurisdictions working through the Technical Steering Committee (TSC) and Technical Advisory Committee (TAC). Modifications to the guidelines are discussed in detail with the local jurisdiction representatives during the TSC and TAC meetings held to review and [recommend Board approval of](#) the updated guidelines.

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Additionally, OCTA may add, modify, or delete non-M2 programs over time to reflect legislative action and funding availability.

OCTA's Responsibility

OCTA budgets and allocates M2 Net Revenues in accordance with Ordinance No. 3 and distributes the funds to local jurisdictions consistent with the Ordinance and the purposes, policies and procedures described in these guidelines.

OCTA awards grants through the CTFP to local jurisdictions based on best qualifying grant applications which are received, reviewed, and ranked by staff and recommended to and approved for individual projects and phases through Board action.

The OCTA Local Programs Section (Local Programs) within the Planning Division provides guidance and oversight of the M2 CTFP funds to support compliance with applicable M2 eligibility requirements and CTFP Guidelines, including timely use of funds and reporting obligations. Local Programs reviews payment requests for CTFP-funded projects to confirm consistency with program guidelines, verify required matching funds, and validate eligible phase activities. Local Programs will generally complete its review of payment requests within 180 days of submittal through OCFundtracker, provided the request is accurate, complete, and all required supporting documentation has been submitted. Final payment requests will be released within sixty (60) days after OCTA receives a complete and accurate Final CTFP Expenditure Report. Once verified, Local Programs processes the payment request through the Finance and Administration Division which generates the payment to the local jurisdiction. Local Programs functions as an oversight and grantor role, not as a project manager for CTFP projects.

Local Programs is also responsible for verifying the ongoing M2 eligibility for each local jurisdiction, which is required in order to receive M2 funds. M2 eligibility requirements are outlined in the Measure M2 Eligibility Guidelines. These guidelines are available at the following link: <https://www.octa.net/M2Eligibility>. If a jurisdiction is not found eligible for some reason, a penalty may be applied that could withhold M2 funding for up to five years and require the return of funds depending on the severity and Board directives.

OCTA or its authorized agents may perform an audit, agreed upon procedures review, and/or technical review of each project to ensure compliance with CTFP policies and procedures. If the audit or review determines that any activities are ineligible for CTFP funding, the local jurisdiction shall reimburse OCTA for the amount of CTFP funds expended on ineligible activities. See Chapter 11 – Audits for additional information.

Please also see the master agreement for each local jurisdiction for additional requirements and responsibilities.

Local Jurisdictions' Responsibility

Local jurisdictions shall implement the project scope and complete projects, functioning

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as the project manager, for projects which have been awarded M2 CTFP funds by the Board, consistent with the project scope, schedule and cost that was originally submitted in the grant application, unless a scope change or other modification has been approved by OCTA and in accordance with applicable M2 eligibility requirements, these Guidelines, the master agreement with the local jurisdiction and the Ordinance, as well as applicable state and federal requirements.

Local jurisdictions shall obligate or encumber funds through the award of a contract or a similar action by the programmed year, unless a delay has been approved, and comply with any additional requirements identified in all applicable master and letter agreements. In adherence to the Ordinance, local jurisdictions must submit the M2 Project Final report within one hundred eighty (180) days of project completion.

Local jurisdictions are required to provide project updates through the semi-annual review process every six months. As part of this process, the local jurisdiction reports on any changes to the project's scope, cost or schedule, or any other concerns that could delay or impede the project. Any changes that are expected or needed which are not consistent with the original project that was submitted in the grant application should be shared with OCTA and may require advance approval. OCTA typically requires that local jurisdictions receive approval for scope changes, delaying the start of a project, advancing the start of a project by more than a year, extending the period the project will be implemented, transferring project savings between phases, and cancellations.

Local jurisdictions are responsible for expending M2 funds within the applicable time requirements for each CTFP project, which is typically thirty-six (36) months from the date of encumbrance; however, time limits may vary depending on the program, cooperative agreement, or other Board action. If additional time is needed, the local jurisdiction must submit a time extension request prior to the expenditure deadline through the CTFP semi-annual review process.

Local jurisdictions are responsible for ensuring that all reimbursement requests include only project costs that are eligible under the CTFP Guidelines. Local jurisdictions shall prepare and submit progress payment requests to OCTA at least semi-annually and shall ensure that requests include only costs for completed work that has been paid and that all applicable matching fund requirements have been met.

An initial payment, generally limited to up to 30 percent (30%) of the M2 grant (see Chapter 10), may be requested by the local jurisdiction after funds have been encumbered and a fully executed letter agreement is in place.

The final payment will be released within sixty (60) days after OCTA receives a complete and accurate Final CTFP Expenditure Report. Local jurisdictions shall return M2 funds expended on ineligible activities within thirty (30) days of OCTA's written notice.

The local jurisdiction shall dispose of any right of way acquired in excess of that required for transportation purposes. Excess property acquired with CTFP funds shall be sold by the local jurisdiction in accordance with Government Code Sections 54220-54232, and a proportionate share of the proceeds from such sale, consistent

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with the M2 share of funding for the projects, shall be remitted to OCTA.

Local jurisdictions must retain and provide documentation of costs to assist OCTA with the required verification of costs that is necessary in order to issue payment for those costs. These documents should be further maintained by the jurisdiction for a period of at least five years following project completion.

Local jurisdictions are responsible for meeting M2 eligibility requirements in order to remain eligible to receive M2 funding consistent with the Ordinance and the M2 Eligibility Guidelines.

Local jurisdictions shall keep CTFP funds, including any interest earned, separate from other funding sources in their accounting records and must track expenditures by program. In addition to the project final report, jurisdictions are responsible for reporting on M2 funds received and spent for CTFP projects through the M2 Expenditure Report, which is required annually through the M2 Eligibility review process. M2 funds may not be used to replace other committed funding, including developer contributions for transportation projects.

Local jurisdictions are required to assign a representative to serve on the OCTA Technical Advisory Committee, consistent with the committee bylaws.

Please also see master and letter agreements for each jurisdiction for additional information on the local jurisdiction's responsibilities.

Technical Advisory Committee Responsibility

The OCTA Technical Advisory Committee (TAC), which is comprised of representatives from all Orange County cities and the County of Orange (County), shall provide OCTA staff with technical support on items related to M2 CTFP grant programs that serve to improve capacity on local streets and roads. In order to provide the best recommendations, as part of the discussion process, the TAC designates the Technical Steering Committee (TSC) to review programming recommendations and provide policy direction on more complex or major technical issues prior to submittal to the full TAC.

The TAC member is responsible for ensuring that information discussed and materials provided at meetings are communicated to the appropriate parties within their local jurisdiction.

II. Funding Sources

Renewed Measure M

M2 is a 30-year, multibillion-dollar program extension of the original Measure M (approved in 1990), ~~with a new slate of which funds~~ planned transportation projects and programs within Orange County. These include improvements to the County freeway system, streets and roads network, expansion of the Metrolink system, community and specialized more transit services, ~~for seniors and the disabled~~ as well as funding for the cleanup of roadway storm water runoff.

Thirty-two percent (32%) of M2 net revenues are allocated to street and roads projects, which includes the Local Fair Share formula program, or Project Q, which allocates eighteen percent (18%) of M2 revenues directly to the local jurisdictions and is further described in the Local Fair Share Guidelines; the competitive Regional Capacity Program (RCP), or Project O, is allocated ten percent (10%) of M2 net revenues and the competitive Regional Traffic Signal Synchronization Program (RTSSP), or Project P, is allocated four percent (4%) of M2 revenues. Both the RCP and RTSSP programs are included in the CTFP and are allocated to the local jurisdictions through a competitive process.

Twenty-five percent (25%) of M2 net revenues are allocated for transit projects. There are multiple transit programs identified in M2 with a large share of the funding directed to commuter rail and senior mobility. However, the CTFP-specific competitive funding programs include Transit Extensions to Metrolink, or Project S, Community Based Transit/Circulators, or Project V, and Safe Transit Stops, or Project W. Project S, Project V, and Project W funding are allocated to the local jurisdictions through a competitive process.

~~OCTA shall select projects through a competitive process for the Regional Capacity Program (RCP) (Project O), the Regional Traffic Signal Synchronization Program (RTSSP) (Project P), the various transit programs (Projects S, T, V and W), and the~~

Two percent (2%) of M2 net revenues are allocated for the Environmental Cleanup Program (ECP), or Project X, (Project X) and are allocated to the local jurisdictions through the competitive process.

Each program has a specific focus consistent with the description provided in the Ordinance (see Appendix for Ordinance excerpts), and Evaluation criteria, which is largely directed by the Ordinance and the M2 Transportation Investment Plan, is as outlined in these guidelines.

~~OCTA shall distribute Local Fair Share (LFS) Program (Project Q) funds on a formula basis to eligible local agencies. The program receives 18 percent (18%) of Net Revenues. The formula is based upon three components:~~

- ~~• Fifty percent (50%) based upon population~~

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- ~~• Twenty five percent (25%) based upon centerline miles on the existing MPAH~~
- ~~• Twenty five percent (25%) based upon local agency's share of countywide taxable sales~~

~~Projects that are wholly funded by M2 LFS revenues and/or local sources are not subject to a competitive process. However, program expenditures must maintain certain criteria as outlined in the Ordinance and M2 Eligibility Guidelines. Local agencies must conform to annual eligibility requirements in order to receive LFS funding and participate in the CTFP funding process. Key requirements include:~~

- ~~• Timely use of funds (expend within three years of receipt)~~
- ~~• Meet maintenance of effort requirements~~
- ~~• Use of funding consistent with Article XIX of the California Constitution (Article XIX) unless otherwise allowed by the M2 Ordinance~~
- ~~• Include project in seven-year Capital Improvement Plan (CIP)~~
- ~~• Consistency with MPAH, Pavement Management Program, and Traffic Signal Synchronization Master Plan~~

~~As indicated above, M2 LFS revenues are subject to timely use of funds provisions (must be expended within three years of receipt). If an agency is unable to meet this provision, an extension of up to 24 months can be granted. Requests for extension for the timely use of M2 Fair Share revenues will be made as part of the Semi-Annual Review (SAR) process. In addition to a written request, the agency will also submit an expenditure plan of how the funds will be expended.~~

State/Federal Programs

OCTA participates in state and federal transportation funding programs based on competitive and formula distributions. OCTA typically earmarks this funding for major regional transportation projects. From time to time, OCTA may set aside funding, where permitted, for use by local jurisdictions through a competitive selection process. If state and federal funds are provided, the funds would not flow through OCTA, except in very rare circumstances, but would be allocated directly by the state or federal agency to the local jurisdiction.

Call for Projects

OCTA issues calls for projects annually or on an as-needed basis. Secure revenue sources, such as M2, will provide funding opportunities on an annual basis. OCTA will update program guidelines and selection criteria periodically. OCTA may offer limited opportunity funding, such as a state-wide bond issuance or federal grants, consistent with funding source requirements. OCTA may conduct concurrent calls for projects when necessary. General funding availability, application submittal processes and due dates will be updated for each call for projects. Information required to participate in the call for projects will be included and updated in Section V of these guidelines.

III. Definitions

1. The term “approved invoice” refers to a third-party invoice submitted by a vendor, consultant, and/or contractor, in which the payment was authorized by an appropriate delegated authority from the local jurisdiction and includes the project name or a clear project reference linking the invoice to the corresponding CTFP grant, and provides the date or date range, a detailed description of services rendered and/or items purchased.
- 1.2. The term “agency,” “agencies,” “local agency,” “local jurisdiction,” “jurisdiction,” or any form thereof shall be described in Precept 2.
3. The term “betterment” (e.g., gates, minor parking lot restriping, underground utility, etc.) generally refers to any upgrade or improvement to a facility that goes beyond simply restoring it to its original condition or existing standard. It is an enhancement that results in a condition superior to or more extensive than its prior state.
- 2.4. The term “construction–support engineering” is the supervision and inspection of construction activities (construction management and project management) which includes ~~construction engineering which is~~ design carried out during construction, additional staking functions considered necessary for effective control of construction operations, materials–testing materials incorporated into construction, checking shop drawings, and measurements needed for the preparation of pay estimates. design support, and/or other specific activities that are carried out during construction and are related to but are not directly construction activities.
- 3.5. The term “construction” or “construction activities” typically means the building of something or may mean reconstruction of something and also includes any activities that directly allow for the building of something such as equipment mobilization, clearing a site including waste removal and other similar activities that make construction within an area possible. There may be multiple contracts and/or agency workforce involved in construction but there is usually one primary contract.
- 4.6. “Competitive funds” refers to funding grants received through the Comprehensive Transportation Funding Programs (CTFP).
7. The term “complete project” refers to all phases of the project.
 - For infrastructure projects, “complete project” refers to as in–the entire project scope of work, is inclusive of including– environmental documents, preliminary engineering, final design/engineering, right-of-way (ROW) acquisition, construction, and construction support engineering.
 - For infrastructure–transit projects, “complete project” refers to the duration specified and may also mean the timeframe outlined in the grant for transit operations, and/or the acquisition and acceptance of equipment or vehicles which is then used for the intended for the approved transportation need

purpose.

- 5.8. The term “cost overrun” in reference to projects awarded through the CTFP shall refer to any and all costs beyond the original estimate that are necessary to complete the approved project scope.
- 6.9. The term “encumbrance,” or any variation thereof shall mean the execution of a contract or other action (e.g., entering into a cooperative agreement to carry out work, city council award of a contract, or issuance of a purchase order and/or Notice to Proceed [NTP]) or other acceptable documentation for work to be funded by Net Revenues. For purposes of consideration of an administrative delay only, entering into procurement may be considered “encumbrance”.
- 7.10. The term “escalation” or “escalate” is the inflationary adjustment, as determined by the Engineering News Record (ENR) Construction Cost Index (CCI) 20-city average, added to the application funding request (current year basis) for ROW and construction phases (see Precept 12), see Chapter 2 for an example calculation.
- 8.11. The term “environmental mitigation” is the process by which project proponents apply measures to avoid, minimize, or compensate for the adverse effects and environmental impacts resulting from their projects. Environmental mitigation may include environmental clean-up/preservation measures made as part of that project’s environmental clearance and are typically included in the overall project scope of work. Environmental mitigation may be carried out as part of or immediately following construction phase.
- 9.12. For the purpose of these guidelines, the terms “excess right-of-way” and “surplus right-of-way” shall interchangeably refer to ROW acquired for a specific transportation purpose that is not needed for that purpose. ROW designation shall be acknowledged by applicant to OCTA within sixty (60) calendar days of designation. Furthermore, an excess ROW disposal ~~surplus property~~ plan must also be provided to OCTA at time of designation.
- 10.13. The term “Fast Track” shall refer to projects that apply for both planning and implementation phase funding in a single competitive application/call for projects.
14. The term “Final CTFP Expenditure Report” refers to the OCTA forms and documents listed in Chapter 10.
- 11.15. The term “Fully Burdened Labor Rates” include Workforce Labor Rate (WFLR) plus overhead (see Chapter 10 9).
16. The term “funding grant,” “grant,” “project funding,” “competitive funds,” or “project programming” shall refer to the total amount of funds approved by the Board through the CTFP competitive process.
- 12.17. The term “Gap Closure” shall refer to the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic. For reference,

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see the MPAH map: <https://www.octa.net/programs-projects/projects/streets-projects/master-road-plan>

- 13.18.** The term “implementing agency” or “implementing jurisdiction” is the agency responsible for managing the scope, cost, and schedule of proposed project as defined in the grant application.
- 14.19.** The term “lead agency”, “administering agency,” or “lead jurisdiction” shall refer to the agency responsible for the submission of the grant application.
- 15.20.** The term “Master Funding Agreements,” “master agreement,” or any form thereof shall refer to cooperative funding agreements described in Precepts 3 and 4.
- 16.21.** The term “match rate”, “local match”, “local matching funds”, or any variation thereof, refers to the match funding that an agency is pledging through the competitive process and disposed of through procedures in Chapter 10 9. Unless otherwise specifically defined in program specific guidelines, this term refers to the cash contribution that is expected from the local agency in terms of dollars and cost share.
- 17.22.** A “micro-purchase” is any purchase that does not exceed \$5,000. For the purposes of proof of payment, only an approved invoice or general ledger is required. If a local jurisdiction has an established micro-purchase threshold that differs from this amount, supporting documentation may be provided, and OCTA will accept the applicable local threshold.
- 18.23.** The term “obligate”, or any variation thereof shall refer to the process of encumbering funds.
- 24.** “OCFundtracker” refers to the online grant application and payment system used by OCTA to administer the competitive programs awarded through the CTFP. Refer to <https://ocfundtracker.octa.net/>.
- 19.25.** The term “payment” and “reimbursement” shall refer to the disbursement of approved CTFP grant funds by OCTA to the implementing agency. Procedures for requesting and receiving funds are described more fully in Chapter 10.
- 20.26.** The term “final design,” or “Plans, Specifications, and Estimates,” or “PS&E,” shall refer to 100 percent (100%) completion of project design plans.
- 21.27.** “Primary Implementation (PI) Report” refers to the report required at the end of the PI phase for the Regional Traffic Signal Synchronization Program (RTSSP). It is a technical report that documents the work completed during the PI phase, which contains the Before and After Study. The PI Report is a separate report from the M2 Project Final Report required by the Ordinance, Attachment B, Section III.A.9.
- 28.** “Operations and Maintenance (O&M) Report” refers to the report required at the conclusion of the O&M phase for the RTSSP (Project P). It is a technical report that documents the work completed during the O&M phase. This is a separate report from the M2 Project Final Report required by the Ordinance, Attachment B, Section III.A.9.

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29. The term "M2 Project Final Report" is the certification of completion of a project funded with M2 Net Revenues, description of work performed, and accounting of Net Revenues expended, and interest earned on Net Revenues allocated for the project.

22.30. The term "project phase" or any form thereof shall refer to the three distinct project phases (engineering, right-of-way, and construction) for infrastructure projects that OCTA funds through the CTFP. Additionally, the "engineering phase" includes the preparation of environmental documents, preliminary engineering, final design or engineering and ROW engineering. The "ROW phase" includes ROW support, ROW acquisition, utility relocation and adjustment to private property as contained in the ROW agreements, private improvements taken, temporary construction easements (TCE), severance damages, relocation costs that are the legal obligation of the agency, as well as loss of good will, fixtures and equipment including legal cost and may include ROW engineering work. The "construction phase" includes construction and construction support and may also include utility relocation if that is being carried out by the construction contractor. A fourth phase defined as "O&M" applies to select programs and is described more fully in the applicable program chapter. Programming for RCP (Project O) follows a sequential process related to pre-construction elements as described more fully in Chapter 2. Pre-construction includes environmental evaluation, planning and engineering activities. The implementation step includes ROW and construction activities.

23.31. The term "project phase completion" refers to the date that the local agency has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase. The date of project phase completion will begin the 180-day requirement for the submission of a project final report as required by the M2 Ordinance, Attachment B, Section III.A.9. For projects that include environmental mitigation there may be two project phase completion dates. Either date may be used for the 180-day requirement for the submission of a final report.

24.32. The term "Public-Private Partnerships" is defined as direct financial contributions, sponsorships or ROW dedications for eligible program activities.

33. The term "reasonable" in reference to project phase costs shall refer to a cost that, in its nature and amount, does not exceed that which would normally be incurred under the circumstances prevailing at the time the decision was made to incur the cost. Factors that influence the reasonableness of costs: whether the cost is of a type generally recognized as ordinary and necessary for the completion of the work effort and market prices for comparable goods or services.

25.34. The term "savings" or "project savings" in reference to projects awarded through the CTFP are any grant funds remaining on a particular project phase after all eligible items within the approved project scope have been reimbursed.

26.35. The term "scope change" or "scope modification" is defined as a material change to the original project scope committed to by the local agency in the project application

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approved by the Board for M2 grant funding.

- ~~27.~~36. “Sustainability”, as it applies to capacity enhancing infrastructure projects, refers to project elements that support environmental benefits such as use of renewable or recycled resources.
- ~~28.~~37. The term “Workforce Labor Rates (WFLR)” include direct salaries plus direct fringe benefits.
- ~~29.~~38. The term “offset intersection” or “offset signal” refers to traffic signalized intersections on the MPAH that are within 2,700 feet from either direction of the project corridor (Project P Only).

IV. Acronyms

AADT – Average Annual Daily Traffic
ACE – Arterial Capacity Enhancements
ADA – Americans with Disabilities Act of 1990
ADT – Average Daily Trips
A/E – Architectural/Engineering
APIRI – Applications Programming Interface with Referenced Implementations
ATC – Advanced Transportation Controller
ATMS – Advanced Transportation Management System
BMP – Best Management Practices
B/RVH – Boardings Divided by the Revenue Vehicle Hours
C2C – Center-to-Center Communication
CASQA – California Stormwater Quality Association
CAPPMP – Cost Accounting Policies and Procedures Manual
CCI – Construction Cost Index
CCTV – Closed Circuit Television
CDS – Continuous Deflection Separator
CFS – Climate Forecast System
CE – Categorical Exclusion
CEQA – California Environmental Quality Act
CIP – Capital Improvement Program
CPI – Catchment Prioritization Index
CS – Customer Satisfaction
CSPI – Corridor System Performance Index
CTC – California Transportation Commission
CTFP – Comprehensive Transportation Funding Programs
ECAC – Environmental Cleanup Allocation Committee
ECP – Environmental Cleanup Program
EIR – Environmental Impact Report

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ENR – Engineering News Record
EVP – Emergency Vehicle Preempt
FAST – Freeway Arterial/Streets Transition
FTA – Federal Transit Administration
FY – Fiscal Year
GIS – Geographic Information System
GTFS – General Transit Feed Specification
GSRD – Gross Solid Removal Device
HAWK – High-Intensity Activated Crosswalk Signaling Systems
HCM – Highway Capacity Manual
ICE – Intersection Capacity Enhancements
ICU – Intersection Capacity Utilization
ID – Identification
IRWMP – Integrated Regional Water Management Plan
ITS – Intelligent Transportation System
LFS – Local Fair Share
LID – Low-Impact Development
LOS – Level of Service
M2 – Measure M2
MG/yr – Megagrams per Year
MPAH – Master Plan of Arterial Highways
MUTCD – Manual on Uniform Traffic Control Devices
ND – Negative Declaration
NDS – National Data & Surveying Services
NEPA – National Environmental Policy Act
NTP – Notice to Proceed
O&M – Operations and Maintenance
OCTA – Orange County Transportation Authority
OCTAM – Orange County Transportation Analysis Model

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OTP – On-Time Performance
PA/ED – Project Approvals/Environmental Documentation
PCI – Pavement Condition Index
PI – Primary Implementation
PSR – Project Study Report
PS&E – Plans, Specifications and Estimates (100% Final Design)
PUC – Public Utilities Commission
RCP – Regional Capacity Program
RGSP – Regional Grade Separation Program
RTSSP – Regional Traffic Signal Synchronization Program
RTSSMP – Regional Traffic Signal Synchronization Master Plan
ROADS – Roadway Operations and Analysis Database System
ROW – Right of Way
RVH – Revenue Vehicle Hours
SAR – Semi-Annual Review
SBPAT – Structural BMP Prioritization Analysis Tool
SLPP – State-Local Partnership Program
TAC – Technical Advisory Committee
TCE – Temporary Construction Easement
TCIF – Trade Corridors Improvement Funds
TDA – Transportation Development Act
TMC – Traffic Management Center
TNC – Transportation Network Companies
TOC – Traffic Operations Center
TPC – Total Project Cost
TPI – Transportation Priority Index
TSC – Technical Steering Committee
TSP – Transit Signal Priority
UPS – Uninterruptible Power Supply

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UTDF – Universal Traffic Data Format

v/c – Volume/Capacity

VMT – Vehicle Miles Traveled

WFLR – Workforce Labor Rates

WQLRI – Water Quality Load Reduction Index

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V. Precepts

The OCTA Board of Directors (Board) approved these guidelines on March 22, 2010. The guidelines subsequently have been amended and approved by the Board as needed. The purpose is to provide procedures that assist in the administration of the CTFP under M2 where other superseding documents lack specificity. OCTA, or an agent acting on the authority's behalf, shall enforce these guidelines.

1. All eligible Orange County cities and the County of Orange (County) may participate in the M2 competitive programs and federal funding programs included in the CTFP. Other agencies (e.g., California Department of Transportation [Caltrans] or local jurisdiction) may participate on a project; however, one local jurisdiction shall be designated as the implementing jurisdiction, shall be responsible for all funding requirements associated with the project, and shall be the recipient of funds through the program.
2. To participate in the CTFP, OCTA must declare that a jurisdiction is eligible to receive M2 Net Revenues which include LFS distributions. Failure to meet minimum eligibility requirements after programming of funds will result in deferral or cancellation of funding.
3. The lead agency must execute a Master Funding Agreement with OCTA. OCTA and lead agencies will periodically amend the agreement via letter to reflect funding changes through competitive calls for projects.
4. A separate cooperative funding agreement will be issued for Project V funded projects and any OCTA-led Project P (RTSSP) funded projects.
5. The local jurisdiction shall not use M2 Net Revenues to supplant developer funding which has been or will be committed for any transportation project.
6. The local jurisdiction must have a fully executed letter agreement prior to the obligation reimbursement of funds. Local agencies may be granted pre-award authority for M2 funded projects. Local jurisdictions, at their own risk, may use this pre-award authority to obligate funds for an M2 funded project prior to the programmed year. Expenditures actualized prior to the Board approved programmed year of the grant will not be eligible for reimbursement (see Chapter 10.9). Unless an advancement is approved, reimbursements will be released in the programmed year. Board approval of a project does not guarantee the eligibility of all items. For construction phases, the local jurisdiction must have OCTA's written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract.
5. ~~For transit programs (e.g., Projects S, V, and W), pre-award authority is granted~~

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~~upon Board approval of the funding grant. See Precept 5 above for pre-award authority provisions.~~

- ~~6.7.~~ Local jurisdictions shall scope projects, prepare estimates, and conduct design in cooperation with and in accordance with the standards and procedures required by the local agencies involved with the project (e.g., Caltrans, County, state/federal resource agencies).
- ~~7.8.~~ If not using agency workforce, local jurisdictions should select consultants based upon established contract management and applicable public contracting practices, with qualification-based selection for architectural/engineering (A/E) services, and competitive bidding environments for construction contracts in accordance with the Public Contracts Code. Jurisdictions must meet procurement and contracting requirements of non-M2 funding sources which may exceed those identified in the CTFP. See [Chapter 10](#) ~~Chapter 9~~ if using local workforce.
- ~~8.9.~~ Based upon funding availability, a “Call for Projects” (call) shall be considered annually but may be issued less frequently.
- ~~9.10.~~ In each call cycle, OCTA shall program projects for a three-year period, based upon an estimate of available funds.
- ~~10.11.~~ OCTA will base funding grants on project cost estimates including up to 10 percent (10%) contingency for right of way, construction, and PI. A local jurisdiction may request a higher contingency with supporting documentation identifying the specific risks that justify the increase. During the programming process, OCTA adds an inflationary adjustment, as appropriate.
- ~~11.12.~~ OCTA shall escalate project grants for years two and three for ROW and construction phases only. OCTA will base escalation rates on the Engineering News Record (ENR) CCI 20-city average, see Chapter 2 for example.
- ~~12.13.~~ Match rate commitments identified by implementing agencies in the project grant application shall remain constant throughout the funded project phase. This includes projects where the programming has been escalated for future years. OCTA and implementing agencies shall not reduce match rate commitments or split the match rate by phase. Actual project contributions by the local jurisdiction or OCTA are dependent on final project costs and may not be equal to the match rate if a local jurisdiction overmatch exists. Local jurisdiction contributions may exceed the committed local match rate in the event of cost overruns. ~~OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures cannot be considered when calculating the local match rate.~~

14. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures cannot be considered when calculating the local match rate.

13.15. Where a project experiences savings, the local match percentage must be maintained.

14.16. OCTA shall program funds by fiscal year for each phase of a project.

15.17. A grant for a specific project shall be cancelled if the funds are not encumbered within the fiscal year the funds are programmed, unless OCTA has granted a delay.

16.18. Implementing agencies may request a one-time delay not exceeding a total of 24 months per project/phase grant. Agencies shall justify this request, receive City Council/Board of Supervisor concurrence, and seek approval of OCTA staff, the TAC, and the Board as part of the SAR process. Delay requests must be received no less than ninety (90) calendar days prior to the encumbrance deadline and are not permitted for projects that seek “fast track” grants.

17.19. An administrative delay may be granted for expiring M2 funds for a project that is clearly engaged in the procurement process (advertised but not yet awarded), see Chapter 2 for additional information.

18.20. Funds that have been encumbered shall be used in a timely fashion. There shall be one encumbrance date determined for each project phase. For project phases (excluding Projects O and P), ~~funds must be expensed~~ work must be carried out within 36 months from encumbrance. Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline. See Precept 210 for Project O and Project P.

19.21. For Project O and Project P, funds that have been encumbered shall be used in a timely fashion. There shall be one encumbrance date determined for each project phase. For project phases, local jurisdictions have at least 36 months from encumbrance to complete a project phase and expend the funds. For project phases expected to be longer than 36 months, ~~funds must be expensed~~ work must be carried out within 6 months from the scheduled completion date for that project phase. This schedule information is provided within the application. As an example, if an agency indicates construction will be completed within 40 months from encumbrance, the agency would have 46 months to complete the phase or request an extension. Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline. For Project O construction phase funds, participating environmental mitigation activities (see Precept 30 28) may be reimbursed up to 48 months after adopted Notice of Completion (NOC), contingent upon verification of environmental mitigation requirements.

20.22. Preliminary Engineering allocations can be programmed in two different fiscal years depending on the project schedule and when certain engineering costs will

need to occur during the project development and implementation phases. Local jurisdictions can issue a separate NTP on a single contract to ensure compliance with the timely use of funds requirement. Local jurisdictions may also issue separate contracts for the funds programmed in different fiscal years. Local jurisdictions are required to obligate the funds within the same fiscal year of the programming or request a delay at least 90 days prior to the obligation deadline.

23. Local jurisdictions shall acknowledge Measure M as a funding source in communications and at public-facing events, as applicable. Such acknowledgement shall include appropriate visual recognition in materials including, but not limited to, signage, digital and printed collateral, presentations and on-site displays. Refer to Chapter 2 for further information.

21-24. For all construction projects awarded CTFP funds in excess of \$500,000 and/or exceeding a 90-day construction period schedule, the local jurisdiction shall install and remove signage in accordance with OCTA specifications during the construction period. The implementing agency shall request OCTA furnished signage. OCTA signage specifications can be found on the Call for Projects website (<https://www.octa.net/programs-projects/programs/funding-programs/call-for-projects/ctfp/regional-capacity-program>). Agencies will be required to certify that these signage requirements have been met as part of the initial payment process (see Chapter 10 9).

22-25. OCTA shall reprogram funds derived from savings or project cancellation based upon final project status. An implementing agency may request to transfer 100 percent (100%) of savings of M2 funds between the phases within a project with approval from the TAC and Board. Funds can only be transferred to a phase that has already been awarded competitive funds. Such requests must be made prior to the acceptance of a Final CTFP expenditure Report and submitted as part of a SAR. Construction phase savings may be applied to eligible construction engineering costs within the same project. Request must be made before issuance of the final payment. Jurisdictions may only use savings as an aid for unanticipated cost overruns within the approved scope of work.

23-26. Where the actual conditions of a roadway differ from the MPAH classification (e.g., number of through lanes), OCTA shall use the actual conditions for the purposes of competitive scoring. A jurisdiction may appeal to the TAC to request that the MPAH classification be adjusted/reconsidered. The MPAH map is available on the OCTA website at: <https://www.octa.net/programs-projects/projects/streets-projects/master-road-plan/>

- ~~24.27.~~ For the purpose of calculated Level of Service (LOS), the capacity used in the volume over capacity calculation shall be 100 percent (100%) capacity, or LOS level “E”. Intersection Capacity Utilization (ICU) calculations shall use 1,700 vehicles per hour per lane with a .05 clearance interval.
- ~~25.28.~~ OCTA shall consider matching fund credit(s) for an implementing agency’s proposed projects current and applicable environmental clearance expenditures. OCTA will review and consider these expenditures on a case-by-case basis at the time of funding approval.
- ~~26.29.~~ An approved CTFP project may be determined ineligible for funding at any time if it is found that M2 funding has replaced all or a portion of funds or commitments that were to be provided by other sources such as: development conditions of approval, development deposits, fee programs, redevelopment programs or other dedicated local funding sources (i.e., assessment districts, community facilities districts, bonds, certificates of participation, etc.). ~~Appeals may be made in accordance with Precept 40.~~
- ~~27.30.~~ OCTA may fund environmental mitigation, up to 25 percent (25%) of the grant total eligible project cost by phase, as required for the proposed project contained in the environmental document. Participating environmental mitigation expenditures are eligible for funding under ~~certain programs, but not all~~ Project O or a case-by-case basis.
- ~~28.31.~~ ~~Construction support may be reimbursed up to 20 percent (20%) of the total M2 grant, with costs subject to the match requirements. Construction activities carried out by local agency workforces are not considered construction support.~~ Local jurisdictions may allocate up to 20 percent (20%) of the total grant for construction engineering activities. In the event that construction phase expenditures result in project cost savings at the time of final reimbursement, jurisdictions may request to apply savings toward eligible construction engineering costs. Costs are subject to match requirements.
- ~~29.32.~~ Contract change orders are ~~only~~ eligible for reimbursement ~~of work within the original scope of work and not exceeding 10 percent (10%) of eligible construction costs or contingency provided in the application cost estimate, whichever amount is higher~~ only when the change order is required to deliver the Board approved scope of work and only for eligible project components.

- ~~30.33.~~ Local jurisdictions need to provide information so OCTA ~~shall~~ can evaluate ~~“whole”~~ complete projects during the initial review process. Subsequent phase application reviews shall not include prior phases in the evaluation unless locally funded and pledged as a match and are subject to OCTA verification. The criteria for ranking project applications is included in these guidelines as part of each program component chapter.
- ~~31.34.~~ Projects that receive competitive CTFP funds shall not use other M2 competitive funds as a local match source. Lead agencies may request project consolidation. The TAC and Board must approve consolidation requests. OCTA shall use the weighted average match rate of the consolidated project’s individual segments.
- ~~32.35.~~ OCTA shall conduct a SAR of all active CTFP projects. All jurisdictions shall participate in these sessions through a process established by OCTA. Currently, OCTA administers the SAR through OCFundtracker. OCTA’s intent is to: 1) verify project schedule, 2) confirm project’s continued viability, 3) discuss project changes to ensure successful and timely implementation, 4) request sufficient information from jurisdictions to administer the CTFP, and 5) address any potential issues with external fund sources committed as match against the competitive funds.
- ~~33.36.~~ For any project experiencing cost increases exceeding 10 percent (10%) of the originally contracted amount, a revised cost estimate must be submitted to OCTA as part of the SAR process. This is applicable even if the increase is within the overall grant amount.
- ~~34.37.~~ Local jurisdictions must ~~shall~~ submit progress payment requests to OCTA ~~in a timely fashion semi-annually~~. Request must be consistent with funding match requirements and must only include costs for completed work that has been paid. OCTA shall reimburse ninety percent (90%) of the grant amount until receipt and approval of a complete and accurate Final CTFP Expenditure Report. Jurisdictions may request an initial payment for M2 (generally up to 30.75 percent (30.75%) of the grant programmed amount or eligible expenditures, see Chapter 10.9) once the funds have been encumbered and a fully executed letter agreement has been issued. The final 25 percent (25%) of the available programmed balance reimbursement will be released upon the submission of an approved final report within sixty (60) days after OCTA receives a complete and accurate Final CTFP Expenditure Report.

~~35.38. For situations where a grant amount exceeds \$2,000,000, the amount withheld pending the submittal of an approved final report shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant or the contract amount, whichever is less. Should the 75 percent/25 percent (75%/25%) payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached. At no time will the final payment retention be less than 10 percent (10%). Retention will be ten percent (10%) of the grant and will not be released until acceptance of the Final CTFP Expenditure Report, unless otherwise determined by a separate cooperative agreement.~~

~~36.39. When a project phase is complete, an agency should notify OCTA in writing, at M2ProjectFinalReport@octa.net, within thirty (30) calendar days of completion. The date of project phase completion will begin the 180-day requirement for the submission of the M2 Project Final Report as required by the M2 Ordinance, Attachment B, Section III.A.9.~~

~~37.40. The local jurisdiction shall provide final accounting in an approved M2 Project Final Report format (see Chapter 10 9) within 180 calendar days of project phase completion. The process for untimely final reports is described in Chapter 10 9. Failure to provide a final accounting shall result in repayment of applicable M2 funds received for the project phase in a manner consistent with the Master Funding Agreement. Projects funded with M2 funding require a project final report within 180 calendar days of project phase completion as part of eligibility compliance. Failure to meet eligibility requirements, including submittal of final reports within 180 calendar days of project phase completion may result in suspension of all net revenues including fair share funds.~~

~~38.41. The payment distribution ratio referenced in Precept 37 may be modified to a reimbursement process, at the discretion of the Board, in the event that financing, or bonding is required to meet OCTA's cash flow needs.~~

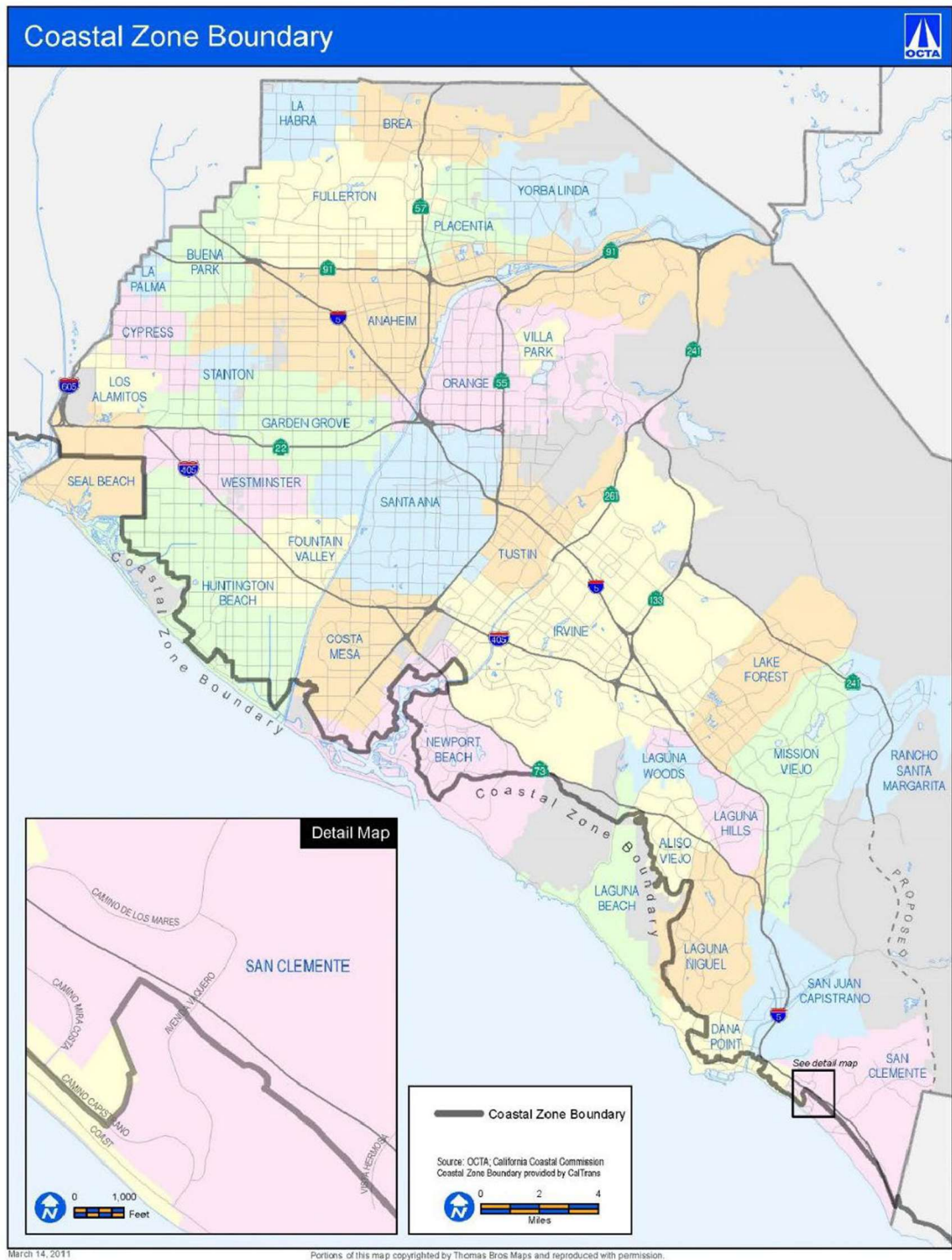
~~39.42. Local jurisdictions may appeal a payment decision where the payment would result in the project receiving at least one hundred thousand dollars (\$100,000) less or ten percent (10%) less of the grant amount, whichever amount is less. See Chapter 10 for the appeal process. to the TAG on issues that the agency and OCTA staff cannot resolve. An agency may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff. The appellant local agency must submit a written statement which proposes an action for TAG consideration. The TSC shall recommend specific action for an appeal to the TAG. The Board shall have final approval on appeals.~~

~~40.43. Projects within the Coastal Zone Boundary, as a requirement of a Coast Development Permit, may be required to replace existing on-street parking on a one-for-one basis for spaces removed as a result of a roadway widening~~

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project. ROW costs to replace the existing on-street parking can be considered mitigation for coastal zone cities only (see exhibit IV-1). The mitigation activities can be covered up to 25 percent (25%) of the total ~~eligible-cost-grant~~ consistent with Precept 30 28. Jurisdictional boundaries are more fully described in the Public Resource Code, Division 20, California Coastal Act (2016) Sections 30168 & 30169. OCTA staff will work with the local agency staff during the project application process to determine eligibility of these costs and to identify any excess ROW that will require a disposal plan. OCTA and the local agency will also establish any savings that will revert back to the Measure M Program after project completion. The cost of ROW required to replace parking should be fair and reasonable in comparison to the total cost of the project.

Exhibit IV-1



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Chapter 1 - Eligibility

Overview

To apply for the CTFP, local jurisdictions must fulfill an annual eligibility process. OCTA established this process to ensure that improvements are consistent with regional plans. The cities and county approved a process reflecting the eligibility criteria found in Measure M. Eligibility packages are due to OCTA by June 30 of each year.

In order to receive CTFP and M2 LFS funds, OCTA must deem jurisdictions as eligible. OCTA shall annually distribute an eligibility information package to local jurisdictions. Below is a brief list of requirements:

- Adoption of a Capital Improvement Program (CIP)
- Adoption of a General Plan Circulation Element which does not preclude implementation of the MPAH
- Adoption of a Pavement Management Plan (PMP)
- Adoption of a Local Traffic Signal Synchronization Plan (LSSP)
- Satisfied Maintenance of Effort requirements
- Approved agreement to expend funds within three years of receipt (based upon award date for competitive M2 projects and based on the date OCTA issues check to local jurisdiction for LFS and Senior Mobility Programs)
- Adopt an annual Expenditure Report
- Submit Project Final Report for all Net Revenue projects

The M2 Eligibility Guidelines outline the eligibility requirements in detail. OCTA updates the Eligibility Preparation Manual annually and encourages jurisdictions to use it as a reference when preparing items to meet eligibility requirements (see <http://www.octa.net/pdf/M2EligibilityGuidelines.pdf>). Jurisdictions will submit a CIP through an electronic database application (see <http://ocfundtracker.octa.net>). OCTA develops a manual and workshops to prepare local jurisdiction staff for the annual eligibility process.

MPAH Consistency Review and Amendment Process

Through a transfer agreement with the County of Orange, OCTA assumed responsibility for administering the MPAH starting in mid-1995. As the administrator, OCTA is responsible for maintaining the integrity of the MPAH through coordination with cities and the County and shall determine a jurisdiction's consistency with the MPAH. In order to provide a mechanism to communicate MPAH policies and procedures, OCTA prepared the Guidance for the Administration of the Orange County Master Plan of Arterial Highways (see http://www.octa.net/pdf/mpah_guidlines.pdf). The guidance document is to assist OCTA, the County, and the cities of Orange County to maintain the MPAH as a vital component of transportation planning in the County. The guidance document outlines, in detail, the MPAH consistency review and amendment process. Jurisdictions

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can find contact information for OCTA staff assigned to MPAH administration in the manual. The MPAH map is available on the OCTA website at: <https://www.octa.net/programs-projects/projects/streets-projects/master-road-plan>

Additional Information Regarding MPAH

The jurisdiction's General Plan Circulation Element must be consistent with the MPAH. In order for an agency's circulation element to be consistent with the MPAH, it shall have a planned-carrying capacity equivalent to the MPAH for all MPAH links within the agency's jurisdiction. "Planned capacity" shall be measured by the number of through lanes on each arterial highway as shown on the local circulation element. Jurisdictions are not considered "inconsistent" as a result of existing capacity limitations on arterials which are not yet constructed to the circulation element design.

The agency must also submit a resolution attesting that no unilateral reduction in lanes has been made on any MPAH arterials. For a sample resolution, see the [Measure M2 Eligibility Guidelines](#).

Chapter 2 – Project Programming

Program Consolidation

The M2 RCP improvement categories (see Chapter 7) will combine projects into one application review process. The programs of the CTFP will act as the project funding source. The consolidation of programs will help eliminate confusion among the various requirements and allow the greatest flexibility for programming projects. Other funding programs (Projects S, T, V, W, and X) have similar eligibility requirements, but OCTA will evaluate and approve these projects through a separate process.

Sequential Programming Process – RCP

Timely and efficient use of funding is a critical success factor for the CTFP. Historically, jurisdictions were encouraged to develop long term projects spanning three or more years which often led to delays in implementing final project phases. This dynamic led to larger-than-anticipated funding program cash balances and an inability to fund smaller time sensitive projects in the interim.

In response to concerns raised by the Board and the Taxpayers Oversight Committee responsible for M2 oversight, OCTA will use annual calls that serve a near term programming window (3 years), as well as a sequential funding approach for M2 projects. OCTA expects this new approach to aid in a timelier use of funding and limit the potential for unanticipated project completion delays inherent with long lead time projects.

Sequential funding is a two-step process. Step One, also known as the planning phase, includes funding requests for planning/environmental, engineering and ROW engineering activities. Step Two, also known as the implementation phase, includes ROW engineering/acquisition and construction activities. ROW engineering can be requested in either the planning or implementation phases. Projects must complete the planning phase before a jurisdiction requests implementation phase funding during a call for projects. Exceptions to this rule include the following:

- A local jurisdiction may request implementation funding prior to completion of the planning phase if the jurisdiction can demonstrate that the planning phase activities are underway, are substantially complete and the agency will complete the activities within six months of the start of the new phase programmed year.

OR

- A local jurisdiction may request a Fast Track approach, seeking funds for planning and implementation phase at the same time. The jurisdiction may be asked to provide justification for the request, including an explanation of why adherence to standard sequential programming is not feasible. The justification should address how deferring the application to the next annual call for projects for implementation phase funding would impose undue hardship or

potentially jeopardize overall project delivery and the achievement of key milestones must demonstrate that the policy variance is necessary due to the project schedule and waiting until the next annual call for projects to apply for implementation phase funding presents undue hardship or could jeopardize the overall project delivery and milestones. The jurisdiction will waive the opportunity to request a project delay under this approach. The Fast Track approach is permitted only for projects that do not have ROW acquisition needs. If seeking engineering funds, the local jurisdiction must have received environmental clearance and demonstrate that all necessary easements and titles are in place for local jurisdiction use. Under no circumstances will the Fast Track option be considered for local jurisdiction convenience as this could delay implementation of other projects that are shelf ready.

Each call for projects will cover a three-year period that overlaps subsequent future cycles. Funding targets for each cycle are based upon prior funding commitments, anticipated revenues, reprogramming of unused grants (cancellations and savings), and a set aside for future funding cycles.

As part of each call for projects, OCTA will determine an appropriate balance between grants made for the planning and implementation phases.

Tiered Funding

Project funding for RCP (Project O) will follow a tiered funding process that differentiates between large and small projects. The tiered process is described in detail in Chapter 7.

Funding Projections – Call for Projects

Revenue estimates for M2 are updated annually. Programming decisions are based upon conservative economic assumptions provided by Southern California academic institutions. In the future, OCTA will add project cancellations and realized savings from completed projects to anticipated revenues for redistribution in the first year of each funding cycle.

Project Cost Escalation

OCTA bases funding grants on cost estimates that the local jurisdictions provide and that OCTA validates against industry norms during the evaluation process.

When jurisdictions are preparing applications, all cost estimates must be in current year dollars with Month and Year cited. OCTA will review each cost estimate thoroughly and ~~OCTA~~ will escalate approved ROW and construction projects in years two and three of the funding cycle. The match rate percentage identified by implementing jurisdictions in the project grant application shall remain constant throughout the project. This includes projects where the programming has been escalated for future years. OCTA will base escalation rates for future years on ENR CCI 20-City Average escalation rates. These increases are applied annually and are compounded, meaning each year's increase build on the previous year's total.

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For example:

The three-year funding period for the 2026 call for projects corresponds to the following fiscal years:

- Year 1: FY 2026-27
- Year 2: FY 2027-28
- Year 3: FY 2028-29

If a jurisdiction submits a project funding request with right-of-way programmed (or anticipated to start) in Year 1 (FY 2026-27) and construction programmed in in Year 3 (FY 2028-29), the escalation will only apply to the construction phase. OCTA will escalate the construction costs by the CCI-based adjustment factor beginning in Year 2 (FY 2027-28) of the funding cycle and continue compounding through Year 3. Refer to the table below for an example.

Escalation Adjustment Factor, CCI = 2.8%*			
2026 Call Year	Fiscal Year (FY)	Adjustment	Escalation %
1	FY26/27	$(1.028)^0 = 1.00$	100.0%
2	FY27/28	$(1.028)^1 = 1.028$	102.8%
3	FY28/29	$(1.028)^2 = 1.0568$	105.7%

*Example based on January 2026 ENR CCI 20-City Average.

2026 Call - Project Cost Escalation							
Phase	M2 Request (A)	Programming Year (B)	Programmed FY	Escalation %	FY 26/27 (= A x B)	FY 27/28 (= A x B)	FY 28/29 (= A x B)
ROW	\$ 2,500,000	1	FY 26/27	100.0%	\$ 2,500,000	-	-
Construction	\$ 800,000	3	FY 28/29	105.7%	-	-	\$ 845,427

If a local jurisdiction requests a delay to the project schedule after funding has been awarded by the Board, the project will not be escalated beyond the escalation amount associated with the original approved schedule.

Revisions to Grant Funding Following Board Approval Programming Adjustments

If an application is ultimately approved by the Board for a CTFP grant, requests to increase the M2 funding levels will not be considered. **OCTA bases funding grants on cost estimates that the local jurisdictions agencies provide and that OCTA validates against industry norms during the evaluation process. Jurisdictions Agencies must provide estimates in current year dollars.**

Projects programmed in Year Two or Year Three of each funding cycle include an ENR CCI-based adjustment factor for the ROW and construction phases only. Under no circumstances shall lead jurisdictions receive increases to

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~~their awarded grant amount. Lead jurisdictions agencies shall not receive grant increases. Any cost overruns beyond the awarded grant~~ are the responsibility of local jurisdictions ~~agencies and may count against agencies' match rate commitment for eligible activities.~~ Jurisdictions may request scope adjustments to meet budget shortfalls when the jurisdiction can demonstrate substantial consistency and attainment of proposed transportation benefits compared to the original Board-approved project scope.

Cost Overruns

Non-Allowable

Grant increases will not be provided to cover cost overruns, including but not limited to:

- Increases in construction, material, or equipment costs above original estimates
- Labor cost increases, including wage escalation or contractor rate changes
- Budget shortfalls due to underestimated costs at the time of application
- Expenses resulting from project delays or extended schedules
- Change orders or scope expansions that increase total project cost
- Unforeseen site conditions (e.g., subsurface issues, utility conflicts)
- General market-driven cost escalation following award

Non-Overrun Adjustments

Adjustments may be considered only under limited circumstances and do not include cost overruns. Examples may include:

- Administrative corrections (e.g., rounding, clerical errors in the approved amount)
- Reallocation of funds within the approved budget that does not increase the total award
- Formal reductions in scope accompanied by a corresponding decrease in funding

~~When jurisdictions agencies are preparing applications, all cost estimates must be in current year dollars with Month and Year cited. OCTA will review each cost estimate thoroughly and will escalate ROW and construction costs based on the year OCTA programs the project grant as stated in the section above. For example, if an agency's cost estimate lists construction costs for a project and OCTA programs the project for Year Three of the funding cycle, then OCTA will escalate the costs by the CCI-based adjustment factor, compounded annually, beginning in Year One of the funding cycle.~~

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Project Readiness

In an effort to better utilize project funding and maintain project schedules, programming of funding for CTFP under the sequential approach has been revised. In general, to program grants for Step Two (ROW or construction phases), a project must either have:

1. Project-level approval for environmental clearance, California Environmental Quality Act (CEQA), for M2 programs, (National Environmental Policy Act (NEPA) and CEQA for federally funded programs), or
2. Exempt (categorically or statutorily) under CEQA and/or NEPA (as applicable).

OCTA will not consider any projects for funding for ROW and construction without final adopted project level environmental clearance documentation at the time of application.

Programming Policies

OCTA will not increase grants after the initial programming for each phase except through eligible project savings transfers, ~~where applicable~~. Project savings are defined as any remaining anticipated ~~the grant~~ balance value remaining after ~~one a~~ project phase (such as engineering) has been completed. Potential transfers should be identified during the SAR phase. Formal request of savings transfers must be include accompanied by updated project information and justification for applying the savings to the intended phase. Construction phase savings may be applied to eligible construction engineering costs within the same project. Request must be made before issuance of the final reimbursement. Scope reductions are not considered project savings. ~~Adjustments in grant funding between PI and O&M can occur after programming approval for sixty (60) calendar days after contract award, in order to reflect actual contract award amounts.~~

Any remaining Overall projects savings at the conclusion of a project will be ~~are~~ returned to the original program for reprogramming in a subsequent call for projects. This section is intended to clarify rather than replace the transfer policy identified in Precept 2~~5~~3.

In order to receive ROW and construction grants, a project must have all environmental clearances in place. OCTA shall not release final payment for the planning stage (includes final design) until confirmation of environmental clearance is provided.

Local jurisdictions are responsible for all costs that exceed the project grant amount and for ensuring adherence to the approved project schedule and scope, ~~maintaining the project schedule, and maintaining the project scope~~.

A jurisdiction's grant will be cancelled if the jurisdiction does not encumber the funds within the programmed fiscal year. A jurisdiction may request a delay in accordance with the time extension policy described in the precepts.

A local jurisdiction must have a fully executed letter agreement prior to the ~~obligation of funds unless they have been approved for pre-award authority.~~ reimbursement of funds. Local jurisdictions, at their own risk, may obligate funds for an M2 funded project prior to the programmed year. For construction phases, the local jurisdiction must have OCTA's

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written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract.

As stated above, a jurisdiction's grant is based on the project's cost as requested and programmed with established escalation rates. If project costs escalate beyond original estimates and the jurisdiction is unable to cover additional costs, a request to reduce the project scope or limits will be considered where feasible. For example, shortening the roadway transition or reducing the median width (landscaping) to reduce costs. For the RTSSP (Project P), changes to the project costs with respect to the phase allocations will be considered based upon the issuance of the CTO, provided that the readjusted phase allocations do not increase the overall grant. All requests for changes in scope and limits should be submitted to OCTA in advance of the change. This request will be evaluated on a case-by-case basis and may need to must be approved by the Board prior to initiation of the change by the lead jurisdiction. The lead jurisdiction must submit a letter to OCTA no later than June 30th of the year in which funds are programmed stating the reasons for cost increases, a proposal for project scope or limit reduction, and an explanation of why approval of the request is warranted. ~~The review process is similar to the appeals process mentioned above.~~

Grants approved as part of the CTFP process are subject to timely delivery requirements and ongoing grant monitoring for project delivery. Agencies with project funded through the CTFP must participate in the semiannual review, through a process established by OCTA.

Schedule Change Requests

~~Grants approved as part of the CTFP process are subject to timely delivery requirements. Implementation schedules are determined by the lead jurisdiction (applicant). Contract work must be awarded prior to the end of the programmed fiscal year to encumber the funds. If work cannot be initiated within this time frame, a request to defer funding may be submitted to OCTA for consideration. Project status is reviewed every six months during the SAR process. Expired project funding is subject to withdrawal from project and reprogramming in a subsequent call for projects.~~

~~Funding delays must be submitted to OCTA in conjunction with the SAR process. These reviews are typically held in Fall and Spring. Emergency delays after the Spring SAR may be considered on a case-by-case basis, but no less than ninety (90) calendar days prior to the encumbrance deadline. The M2 Ordinance permits a delay for up to 24 months. Implementing jurisdictions may request a delay of up to 24 months per project grant. Jurisdictions shall justify this request, receive City Council/Board of Supervisor concurrence, and provide documentation justifying delay to OCTA staff, the TAC and Board as part of the SAR process. Projects that are expected to incur extensive delays beyond the parameters of the program should consider cancellation and reapplication.~~

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~~at a future date. Advancement requests may be considered during the review process and may be approved subject to funding availability.~~

Timely Use of Funds

~~For project phases (RCP and RTSSP projects see paragraph below), must be expensed within 36 months from encumbrance. Funds extensions up to 24 months may be granted through the SAR. Extension requests must be received prior to the expenditure deadline.~~

~~For RCP and RTSSP project phases, funds must be expensed based on the project phase schedule that is provided at the time of application plus 6 months (see Precept 20). Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline.~~

Project Advancements

~~Local jurisdictions wishing to advance a project by one fiscal year, or more may request project advancement. Advancement requests will be considered only if program funds are available. The grant will be de-escalated according to the original escalation rate.~~

~~Requests must be submitted as part of the SAR. All advancements will be reviewed by the TAC and approved by the Board. If approved, the local jurisdiction and project will be required to meet the new fiscal year award or encumbrance deadline.~~

~~Should OCTA be unable to accommodate an advancement request due to cash flow constraints, the jurisdiction may still move forward with the project using local funding (see Precept 6). The lead jurisdiction must have a fully executed letter agreement. The lead jurisdiction may subsequently seek reimbursement of CTFP funds in the fiscal year in which funds are programmed. Reimbursement shall follow the standard CTFP process (see Chapter 9). Prior approval is not necessary if the project is being advanced through local funds. However, if the local agency intends to receive match credit for local funds spent, prior approval is required.~~

Semi-Annual Review

OCTA staff will conduct a comprehensive review of CTFP projects on a semi-annual basis to determine the status of projects. Project updates will be provided by the local jurisdictions and uploaded to OCFundtracker. Follow-up meetings to these updates will be held as needed. Semi-annual project reviews are usually scheduled to occur in March and September of each year.

Projects are reviewed to:

1. Update project cost estimates. For any project experiencing cost increases exceeding ten percent (10%) of the originally contracted amount, a revised cost estimate must be submitted to OCTA. This is applicable even if the increase is within the overall grant amount.
2. Review the project delivery schedule

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3. Verify the Board approved scope is being delivered

4. Determine the project's continued viability
5. Verify project O&M expenditures (e.g. ECP (Project X))
6. Discuss any potential issues with external fund sources committed as match against the competitive funds

Prior to each review meeting, OCTA staff will distribute a list of active projects to each local jurisdiction. Each jurisdiction will be contacted as needed and asked to participate in the upcoming review where each jurisdiction's project schedules, cost estimates, and scope will be reviewed. Jurisdictions will be given the opportunity to request program changes (e.g. delaying and advancing funds from one fiscal year to another) and each adjustment will be considered on a case-by-case basis. The jurisdiction should be prepared to explain any changes and provide all necessary supporting documentation. Generally, the local jurisdiction is responsible for the implementation of the projects as approved by OCTA, however consideration will be given for circumstances beyond the lead jurisdiction's control that affect scope, cost, or schedule.

Based on the semi-annual review meetings, OCTA staff will develop and present recommendations for project adjustments to the TAC. Requests for project changes (delays, advancements, scope modifications, etc.) will be considered on an individual basis. The following action plan has been developed for the semi-annual review process:

- Require local jurisdictions to submit status reports, project worksheets, and supporting documentation to OCTA for all project adjustments.
- Require local jurisdictions to abide by the **Time Extension Policy**:
 - Jurisdictions may request a delay of up to 24 months per grant. Local jurisdictions will be required to justify this request and seek approval of OCTA staff, the TAC, and the Board as part of the semi-annual review process.
 - Approved schedule changes will require an update of the local jurisdiction's seven-year CIP and the OCTA cooperative funding agreement.
 - Evidence of Council approval (resolution, minute order, or notification) must be provided prior to Board approval of delays.
 - An administrative delay extension may be granted for expiring M2 funds for a project phase that is clearly engaged in the procurement process (advertised but not yet awarded). The local jurisdiction must notify OCTA through a written request on agency letterhead extension, and provide evidence of advertisement ~~prior to the award deadline~~. The letter request and proof of advertisement must be received by OCTA no less than thirty (30) calendar days prior to the award deadline to ensure sufficient time for OCTA to review and respond.

- Agencies that have requested Fast Track funding cannot request time extensions.

To ensure delivery of Board approved projects local jurisdictions can make any of the six project adjustments shown in the sections below, as appropriate.

Delays

Funds programmed for a project must be obligated within the fiscal year (FY) in which they are allocated. For example, projects programmed in FY 2027–28 must be obligated by June 30, 2028. An exception applies to Project X grants, which must be obligated by December 30, 2028.

If an implementing jurisdiction anticipates that the applicable obligation deadline cannot be met, it must request a funding delay to avoid the potential forfeiture of funds. The M2 Ordinance permits a delay of up to twenty-four (24) months. Implementing jurisdictions may request a funding delay of either twelve (12) or twenty-four (24) months per project grant.

Funding delay requests must be submitted to OCTA through OCFundtracker as part of the applicable SAR cycle. Emergency delays requested after the Spring SAR may be considered on a case-by-case basis; however, OCTA will not consider funding delay requests submitted fewer than ninety (90) calendar days prior to the applicable obligation or encumbrance deadline.

Each funding delay request must include a formal letter seeking the delay, detailed justification for the delay, and documentation of approval from the applicable City Council or Board of Supervisors. Documentation of the approved action must be submitted to OCTA by the applicable SAR deadline. Delay requests shall be reviewed by OCTA staff, the Technical Advisory Committee (TAC), and the Board as part of the SAR process.

Projects that are expected to incur extensive delays beyond the parameters of the program should consider cancellation and reapplication during a future call for projects. Projects awarded Fast Track grants and Project X Tier 1 grants are not eligible for funding delays.

Timely Use of Funds

For project phases (RCP and RTSSP projects see paragraph below), work must be carried out ~~funds must be expensed~~ within 36 months from encumbrance to be considered eligible for reimbursement. Funds extensions up to 24 months may be granted through the SAR. Extension requests must be received prior to the expenditure deadline.

For RCP and RTSSP project phases, work must be carried out within ~~funds must be expensed based on the~~ project phase schedule that is provided at the time of application

(see Precept 21). Funds extensions up to 24 months may be granted through the SAR process. Extension requests must be received prior to the expenditure deadline.

Project Advancements

Local jurisdictions wishing to advance a project by one fiscal year, or more may request project advancement. Advancement requests will be considered only if program funds are available. The grant will be de-escalated according to the original escalation rate.

Requests must be submitted as part of the SAR. All advancements will be reviewed by the TAC and approved by the Board. If approved, the local jurisdiction and project will be required to meet the new fiscal year award or encumbrance deadline

Should OCTA be unable to accommodate an advancement request due to cash flow constraints, the jurisdiction may still move forward with the project using local funding (see Precept 6). The lead jurisdiction must have a fully executed letter agreement in order to receive an initial payment or reimbursement for costs. For construction phases, the local jurisdiction must have OCTA's written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract. The lead jurisdiction may subsequently seek reimbursement of CTFP funds in the fiscal year in which funds are programmed. Reimbursement shall follow the standard CTFP process (see Chapter 109). Prior approval is not necessary if the project is being advanced through local funds. However, if the local agency intends to receive match credit for local funds spent, prior approval is required.

Project Scope Changes

Local jurisdictions may request a scope change so long as the overall project benefits committed to in the Board-approved application can still be delivered. Any request for scope modifications of an approved project must be submitted to OCTA staff in advance of the change to ensure consistency with the project requirements. Request must include the status of the project, detailed description of the modification, rationale for the proposed modification, and potential impacts to the community and funding. For scope changes that do not have significant impacts to the project, which varies by program, OCTA staff will review and provide notification to the local jurisdiction of either approval or rejection of the scope change or if the modification warrants Board approval.

For all other scope changes, OCTA staff will review the modification against the original project scoring criteria, ensure that the proposed change delivers comparable or better benefits to the public, and confirm consistency with the project program requirements. Contingent on staff's evaluation, the scope modification will be presented to the Board for review and approval. For Project V, additional details on scope changes are provided in Chapter 6.

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Local jurisdictions should have prior approval for the scope modification before issuance of a reimbursement. Failure to obtain prior approval may result in a prorated reimbursement amount or a delay in reimbursement, as the scope modification may need to be submitted as part of the SAR for Board approval, which is typically received in June/July for a March SAR cycle and in December for a September SAR cycle.

Transfer of Savings

An implementing jurisdiction may request to transfer one-hundred percent (100%) of savings of M2 funds between the phases within a project. M2 funds can only be transferred to the phase of the same project that has already been awarded CTFP funds. Such requests must be made prior to the acceptance of a Final CTFP Expenditure Report in order to be considered. For Regional Traffic Signal Synchronization Program (RTSSP) projects that experience cost savings in the Primary Implementation (PI) phase, a request to transfer the savings into the subsequent operations and maintenance (O&M) phase must be submitted before final reimbursement is issued by OCTA for the PI phase.

Cancellations

If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a Final CTFP Expenditure Report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. All ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation even if property has been acquired. All construction funding received prior to cancellation shall be repaid upon cancellation.

Cancelled projects will be eligible to reapply upon resolution of issues that led to original project termination. Jurisdictions can resubmit an application for funding consideration once either the cancellation of the existing funding grant has been approved by the Board or is in the process of approval through the SAR. In the event the Board does not approve the cancellation, the lead jurisdiction will be required to withdraw the application.

For Project V, cancellation details are provided in Chapter 6.

Environmental Cleanup Program Operations and Maintenance Reporting For Tier 1 of the ECP (Project X), cash match is required. Ongoing Operations and Maintenance (O&M) of the project can no longer be pledged as a match.

OCTA Branding

Public recognition of Measure M2-funded projects promotes transparency and accountability by informing residents about the transportation improvements made possible through voter-approved funding. Accordingly, local jurisdictions receiving funding through the Comprehensive Transportation Funding Programs (CTFP) shall

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acknowledge Measure M2 as a funding source in project-related communications and public-facing activities, as applicable. Such acknowledgement shall include appropriate visual recognition of Measure M2 in materials including, but not limited to, project signage, digital and printed materials, presentations, press releases, websites, and on-site displays. Local jurisdictions shall comply with OCTA branding and recognition requirements and any related guidance issued by OCTA.

For examples of boilerplate language, media releases and public events, please refer to <https://octa.net/about/about-octa/measure-m-branding-and-media-guidelines>

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Chapter 3 – Safe Transit Stops (Project W)

Purpose

This is a fixed-scope program, which provides funding for passenger amenities at the 100 busiest bus stops in Orange County determined by average daily weekday passenger boardings (October 2017 – February 2018 data)¹. The goal of the program is to provide value, safety, and convenience which enhances the overall transit experience.

Project W funding will be made available to support the 100 busiest bus stops in the County². The Orange County Transportation Authority (OCTA) is functioning as the funding agency for the local bus stop amenity improvements implemented by cities under this program. Local agencies have the authority and responsibility for designing, constructing, and maintaining bus stop improvements. Local agencies will retain local control and responsibility for these improvements including, but not limited to, shelters, lighting, seating, and waste receptacles. For OCTA owned facilities and transit centers, OCTA has the authority and responsibility for designing, constructing, and maintaining bus stop improvements. OCTA will retain control and responsibilities for these improvements.

Eligible Applicants

Eligible applicants include local agencies in Orange County, which have at least one of the top 100 busiest bus stops as defined above. The list of the 100 busiest stops is reviewed, updated, and distributed with every funding cycle; as such eligible local agencies may change based upon evolution of the list of the 100 busiest bus stops.

Bus stops on private property would need to be submitted by the city on behalf of the property owner.

Application

Applications are required to include the following components. However, they should also keep the overall goal of the program in mind, which is to provide for an improved

¹ Excludes stops improved by the program within the last 5 years. The final list of prioritized improvements may also exclude stops determined by local agencies (and OCTA) that no improvements are required. These stops will be removed from the list at the time programming recommendations are approved by the OCTA Board of Directors.

² OCTA facilities and transit centers are eligible for Project W funds, so long as they are included on the list of the County's 100 busiest stops.

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experience for transit riders, primarily focused upon value, safety, convenience, and reliability.

- Proposed maintenance plan;
- Photos of the proposed project site in the weekday AM peak and PM peak period;
- Project design or concept drawings;
- Shelter size and covered passenger waiting area footage;
- Needs assessment; and
- City Council resolution

Evaluation Criteria

If sufficient funds are not available during a funding cycle to fund all the projects that are submitted, projects will be prioritized for funding based on a combination of boarding ranking and the needs of each bus stop.

Available Funding

The 2019 Project W Allocation will provide \$3 million for Safe Transit Stops across the County.

Eligible Costs

Project W will pay for up to \$20,000 for "normal load stops" and up to \$35,000 for "high load stops. A high load stop is defined as a stop where eight (8) or more passengers are waiting to board for an average of five minutes or more. The following expenses are eligible for reimbursement under the program:

Eligible

- Passenger Waiting Amenities
 - Bus shelters or shade structures (required);
 - Seating/leaning fixtures (required);
 - Waste receptacles (required);
 - Ad displays; and
 - Bus stop lighting
- Other Amenities
 - Transit/pedestrian information display (at "high load stops");
 - Security cameras (monitored by local police department);
 - Bicycle lockers or racks;
 - Street trees that provide shade protection;
 - Installation of low-cost water efficient irrigation systems to support street shade tree investments;
 - Installation of bus stop signage;

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- Minor improvements to sidewalks necessary to accommodate shelters; and,
- Installation of electric service at bus shelters for passenger amenities and future OCTA uses.
- Other
 - Design up to \$1K per stop with a 50 percent (dollar for dollar) local match.
 - Bus Shelter or Shade Structure solar panels to support eligible expense items.

Not Eligible

- Right-of-way acquisition;
- Planning;
- Maintenance;
- Electricity to support non-passenger related amenities or non-OCTA uses; and
- Construction support

Scope Reductions and Cost Savings

Any proposed scope modifications of an approved project must be submitted to OCTA to ensure consistency with the program requirements. If the proposed scope modification is approved by OCTA, any cost savings will be returned to the program for reallocation for the subsequent call.

Reimbursements

This program is administered on a reimbursement basis. Reimbursements will be disbursed upon review and approval of acceptable final report, complete expense report, performance report, before and after photos, and consistent with a Master Funding Agreement. Required forms can be downloaded from OCFundtracker.

Audits

All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined. Audits shall be conducted by the OCTA Internal Audit Department or other authorized agent either through the normal annual process or on a schedule to be determined by the OCTA Board.

Precept Applicability

Note some precepts are not applicable to Project W, such cases will be reviewed by staff on a case-by-case basis and will be determined by staff, as appropriate, based upon the unique characteristics of the proposed project.

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Chapter 4 – Transit Extensions to Metrolink (Project S)

Overview

This M2 Program establishes a competitive process to enable local agencies to enhance regional transit capabilities through creation of new connections to the existing Metrolink system. Projects must meet specific criteria in order to compete for funding through this program. In addition, local agencies will be required to demonstrate the ability to fund the local share of O&M on an ongoing basis using non-OCTA resources. Public-private partnerships are encouraged but not required.

Fixed Guideways

Objectives

- Expand multi-modal transit options for regional travel by establishing new transit connections to existing Metrolink stations
- Provide new service on a defined route with primary ridership derived from Metrolink patronage

Project Participation Categories

Metrolink provides a vital transit option for travel throughout southern California. Orange County is home to 12 Metrolink stations currently serving residents and commuters for employment, education, and pleasure-based trips. These stations serve diverse destination and trip origination needs. Efficient and convenient access enables the system to thrive and the overall transportation network (all motorized and non-motorized modes) to operate effectively.

Transit needs may differ from one location to the next and projects pursued under this program have significant latitude in how the challenge of delivering enhanced transit service to/from existing Metrolink stations are addressed. The program categories listed below identify key project elements that can be pursued through the Project S funding source. Fixed guideway projects are capital intensive. Additional funding sources may be required to supplement M2 for maximum investment opportunities. Selection criteria will parallel Federal Transit Administration (FTA) programs such as New Starts or Small Starts wherever possible to aid in streamlining the competitive process. The program categories eligible for funding through the fixed guideway component of Project S are:

- Fixed guideway systems including rolling stock acquisition
- Station/stop improvements (includes signage, furniture, and shelters)
- Maintenance facilities and fueling stations

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Match Funding Requirements

Local funding must meet a minimum 10 percent (10%) match rate requirement for the whole project comprised of any combination private contributions, advertising revenues, and local discretionary funds. Match funding commitments in excess of 10 percent (10%) for one project phase (capital or operations/maintenance) may result in a reduced minimum match rate requirement for another phase subject to Board of Directors (Board) approval. Minimum match rate commitments will be incorporated into a cooperative funding agreement and will apply on an annual basis to the entire service life of the project (typically 5, 7, or 25 years). The match must be a monetary contribution and may not be made up of in-kind services.

Eligibility Requirements

Minimum eligibility and participation requirements must be considered before a project funding application should be submitted. Adherence to strict funding guidelines is required by the M2 Ordinance. Additional standards have been established to provide assurance that M2 funds are spent in the most prudent, effective manner. There is no guarantee that funding will be approved during a particular call for projects. If no acceptable project is identified during a funding cycle, a subsequent call for projects will be scheduled at an appropriate time.

- Applicant must be eligible to receive M2 funding (established on an annual basis) to participate in this program
- Initial call for projects is limited to fixed guideway projects based upon Go Local Step 3 activities (preliminary engineering)
- Agency must have a financial plan outlining a funding strategy for ongoing O&M (minimum of five years)
- Project applications must be for complete projects (environmental clearance through implementation, where applicable) for evaluation purposes
- Project application must meet minimum competitive score to be deemed eligible and "of merit" (as determined by the OCTA Board)
- Any proposal to duplicate or replace existing local or OCTA service must be clearly detailed
- Complete applications must be approved by the city council and partner agencies prior to submittal to OCTA to demonstrate adequate community and elected official support for initial consideration
- Procurements associated with the project must follow FTA procurement policies
- Agencies submitting for funding must agree to follow the FTA Small Starts/New Starts process

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Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. (See Table 4.1) Emphasis is placed on projects with firm financial commitments and overall project readiness as shown on the Project S selection criteria. In addition, projects will be evaluated based upon existing and future transit usage, ease of connection, cost effectiveness, and local/regional benefits. Although a minimum 10 percent (10%) match rate for capital investments is required, projects that leverage M2 funds with a higher percentage from other sources are encouraged and will be more competitive.

Application Process

Project grants are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to fully evaluate the project proposal as outline below.

- Complete information application
- Provide funding/operations plan
- Grants subject to a cooperative funding agreement

The funding plan shall include, at a minimum, the following information:

- Financials (funding needs, match rate availability, operations funding assurances, and public-private partnership arrangements)
- Project development and implementation schedule
- O&M facility management
- Service coordination plan (scheduling/ticketing for Metrolink and fixed route service)
- Any additional information deemed relevant by the applicant

The last call for projects under this program was held in 2010. No call for projects is envisioned in the immediate future. The Board will determine an appropriate time to authorize additional funding.

Application Guidelines

Project selection is based upon merit utilizing a series of qualitative and quantitative criteria. Candidate projects are required to submit a financial plan with sufficient data to enable an adequate evaluation of the application. Each jurisdiction is provided broad latitude in formatting, content and approach. However, key elements described below must be clearly and concisely presented to enable timely and accurate assessment of the project.

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Financial Details

Each candidate project application must include all phases through construction of facilities. The financial plan will include, at a minimum, the following information:

- Estimated project cost for each phase of development (planning, environmental, permitting, design, ROW acquisition, construction, and project oversight)
- Funding request for each phase of project implementation with match commitment and sources clearly identified
- Realistic project schedule for each project phase
- Demonstrated financial commitments for minimum match commitment and ongoing operations (first five years of operation)
- Discussion of contingency planning for revenue shortfalls
- Revenue projections and methodology where on-site commercial activity is expected to support implementation and/or operations costs
- ROW status and strategy for acquisition
- Project's status in current local plans

Technical Attributes

The formal application must include feasibility and efficacy components to demonstrate transportation benefit to ensure the selected project(s) meet the spirit and intent of M2. Merit will be demonstrated through technical attributes and industry standard methodologies. The following data will be included and fully discussed in the application.

- Planned employment densities per square mile (opening year)
- Planned population densities per square mile (opening year)
- Projected daily transit boardings with projection methodology fully presented
- Percent of projected ridership from commuter rail riders
- Description of all transit modes serviced by the Metrolink station at time of application and projected future mode increase
- Ease of connections to other travel modes (average walking distance)
- Incremental cost per hour of system user benefits (per FTA guidelines)

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the information described above, local agencies will be required to submit the following materials:

Council Resolution: A Council Resolution authorizing request for funding consideration with a commitment of project local match rate and operating funds as shown in the funding plan.

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Lease/Cost Sharing Agreements: Copies of leases, sponsorship, and/or advertising revenue documents. Confidential agreements may be included by reference when accompanied by affidavit from City Treasurer or Finance Director.

Project Documentation: If the proposed project has completed initial planning activities (such as Project Study Report (PSR) or equivalent, Environmental Impact Report (EIR), or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion or planning phases. The applicant will be asked for detailed information only if necessary, to adequately evaluate the project application.

Operations Plan: In addition to the financial details indicated in 8.1, the operations plan submitted shall include the following technical data (consistent with FTA guidelines) a route map, draft time table, headways, stop location listing, summary of alternatives (including any special operations – interlining, feeder bus connections, etc.), summary of vehicle types and characteristics, speed profile, fleet size, and any other applicable supporting documentation.

Approved Land Use Supporting Documentation: Any documentation which describes the transit supportive land use changes already in place to support the proposed guideway projects.

Reimbursements

This program is administered on a reimbursement basis. Reimbursements will be disbursed upon review and approval of a complete expense report, performance report, and consistent with a cooperative funding agreement.

Project Cancellation

Projects deemed infeasible during the planning process will be cancelled and further expenditures will be prohibited except where necessitated to bring the current phase to a logical conclusion.

Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.

Audits

All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall grant, and/or other sanctions to be determined. Audits shall be

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conducted by the OCTA Internal Audit department or other authorized agent either through the normal annual process or on a schedule to be determined by the OCTA Board.

Bus and Station Vans

Objectives

- Expand multi-modal transit options for regional travel by establishing new transit connections to existing Metrolink stations
- Provide new service (shuttle bus and station van) on a defined route with ridership derived from Amtrak/Metrolink patronage

Project Participation Categories

Metrolink provides a vital transit option for travel throughout Southern California. Orange County is home to 11 Metrolink stations currently serving residents and commuters for employment, education, and recreational-based trips. These stations serve diverse destination and trip origination needs. Efficient and convenient access enables the system to thrive and the overall transportation network (all motorized and non- motorized modes) to operate effectively.

Transit needs may differ from one location to the next, and projects pursued under this program have significant latitude on how the challenge of delivering enhanced transit service to/from existing Metrolink stations are addressed. The program categories listed below identify key project elements that can be pursued through the Project S funding source. Selection criteria will parallel FTA programs wherever possible to aid in streamlining the competitive process. The program categories eligible for funding through Project S are:

- Bus leases/purchases for the purposes of providing expanded service to/from a Metrolink station
- Bus stop improvements (including signage, furniture, fare box equipment, and shelters) on the new route
- Maintenance facilities and fueling stations required for the new bus service
- Station vans leases for the purposes of providing expanded service to/from a Metrolink station
- Consistent with FTA guidelines, Americans with Disabilities Act (ADA) complementary paratransit service costs are considered capital costs for the purposes of this program

Operating Reserve Incentive

OCTA has established an operating reserve as part of this program that may be used to offset the costs of O&M. The operating reserve is subject to the following requirements:

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1. OCTA will reserve a total of \$1 million per year in Project S revenue for O&M distributed on a pro-rata basis
2. The project must have been awarded Project S non-guideway funds through the Project S competitive process and meet a minimum standard of ten boardings per Revenue Vehicle Hour (RVH) on an ongoing basis for shuttle buses and a 60 percent (60%) minimum occupancy for station vans
3. Awarded agencies must submit audited O&M costs and ridership and fare performance data to OCTA by September 30 of each year for the prior fiscal year
4. OCTA will reimburse awarded agencies on a pro-rata basis but not to exceed \$6 per boarding, not to exceed 90 percent (90%) of net operating and maintenance costs (after deducting fares), and no more than \$150,000 per agency or project, whichever is less
5. Participation in the operating reserve is limited to the useful life of the capital purchased with Project S funds

All submitted materials are subject to audit prior to OCTA pro-rata reimbursements. Funds not used in a given year will become available for future calls for projects.

Capital Match Rate Funding Requirements

The Implementing agency must meet a minimum ten percent (10%) match requirement for the entire capital project comprised of any combination of private contributions, advertising revenues, and local discretionary funds. Match rate funding commitments in excess of ten percent (10%) for one project phase may result in a reduced minimum match rate requirement for another phase subject to Board of Directors (Board) approval. Match funding commitments will be incorporated into the cooperative funding agreement.

Eligibility Requirements

Minimum eligibility and participation requirements must be considered before a project funding application should be submitted. Adherence to strict funding guidelines is required by the M2 Ordinance. Additional standards have been established to provide assurance that M2 funds are spent in the most prudent, effective manner. There is no guarantee that funding will be approved during a particular call for projects. If no acceptable project is identified during a funding cycle, a subsequent call for projects will be scheduled at an appropriate time.

Additional Project S Precepts

- Applicant must be eligible to receive M2 funding (established on an annual basis) to participate in this program
- The proposed project must be included in the 2011 Transit System Study or have participated in prior Go Local planning efforts

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- Agency must have a financial plan outlining a funding strategy for ongoing O&M (minimum of five years)
- If the service operator is OCTA, and the local agency would retain routing and service-level decisions, or local agencies may propose an alternate service provider
- Letter of commitment for an 80 percent (80%) start-up occupancy rate for each station van and documentation supporting the commitment (e.g. letters of interest, proof of van pool request and or survey data). Station van passengers must be Amtrak/Metrolink passengers
- Local agency will be required to enter into a cooperative funding agreement with OCTA
- Project applications must be for complete projects (environmental clearance through implementation, where applicable) for evaluation purposes
- All projects must include meeting ADA requirements, and these costs must be included in the project application
- Project application must meet minimum competitive score to be deemed eligible and “of merit” (as determined by the OCTA Board)
- Any proposal to duplicate or replace existing local or OCTA service must be clearly detailed
- Complete applications must be approved by the city council and partner agencies prior to submittal to OCTA to demonstrate adequate community and elected official support for initial consideration
- Procurements associated with the project must follow FTA procurement policies
- Agencies submitting for funding must agree to follow applicable FTA requirements
- Agencies will be required to submit annual National Transit Database reporting information to OCTA

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on projects with firm financial commitments and overall project readiness as shown on the Project S scoring criteria. In addition, projects will be evaluated based upon existing and future usage, ease of connection, cost effectiveness, and local/regional benefits. Although a minimum of ten percent (10%) match funding for capital investments is required, projects that leverage M2 funds with a higher match rate are encouraged and will be more competitive.

Application Process

Project grants are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to fully evaluate the project proposal as outlined below.

- Complete application

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- Provide five-year funding/operations plan
- Grants subject to cooperative funding agreement

The funding plan shall include, at a minimum, the following information:

- Financials (funding needs, minimum match commitments, funding availability, operations funding assurances, and public-private partnership arrangements)
- Project development and implementation schedule
- O&M facility management
- Service coordination plan (scheduling/ticketing for Metrolink and fixed-route service)
- Any additional information deemed relevant by the applicant

A call for projects for the initial funding cycle was held in 2012. No call for projects is envisioned in the immediate future. The Board will determine an appropriate time to authorize additional funding.

The final approved application (including funding plan) will serve as the basis for any funding agreement required under the program.

Application Guidelines

Project selection is based upon merit utilizing a series of qualitative and quantitative criteria. Candidate projects are required to submit a financial plan with sufficient data to enable an adequate evaluation of the application. Each jurisdiction is provided broad latitude in formatting, content, and approach. However, key elements described below must be clearly and concisely presented to enable timely and accurate assessment of the project.

Financial Details

Each candidate project application must include all phases through construction of facilities. The financial plan will include, at a minimum, the following information:

- Estimated project cost for each phase of development (planning, environmental, permitting, design, ROW acquisition, construction, and project oversight)
- Funding request for each phase of project implementation with match funding amounts and funding sources clearly identified
- Demonstrated financial commitments for minimum match commitments and ongoing operations
- Discussion of contingency planning for revenue shortfalls
- Revenue projections and methodology where commercial activity is expected to support implementation and/or operations costs
- Project readiness status

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- Subscriber commitment for proposed station van services
- ROW status and strategy for acquisition
- Project's status in current local plans
- Realistic project schedule for each project phase

Scoring Criteria

The formal application must include feasibility and efficacy components to demonstrate transportation benefit to ensure the selected project(s) meet the spirit and intent of M2. Merit will be demonstrated through technical attributes and industry standard methodologies. The applications will be evaluated against the criteria identified in the Measure M2 voter pamphlet and fully discussed in the application:

- Match funding and level of commitment from private partners
- Operating subsidy per boarding for opening year
- Annualized cost per incremental passenger trip for opening year
- Project readiness including projected opening year and phase readiness
- Projected daily boardings with projection methodology fully presented
- Percent of projected ridership from commuter rail riders
- Projected average daily occupancy for station vans
- Ease of connections (average travel time to employment and recreation centers served)
- Planned employment densities per square mile for opening year
- Planned population densities per square mile for opening year

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the information described above, local agencies will be required to submit the following materials:

Council Resolution: A Council Resolution authorizing request for funding consideration with a commitment of project local match funding (local sources) and operating funds as shown in the funding plan.

Lease/Cost Sharing Agreements: Copies of leases, sponsorship, and/or advertising revenue documents. Confidential agreements may be included for reference when accompanied by affidavit from City Treasurer or Finance Director.

Project Documentation: If the proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion or planning

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phases. The applicant will be asked for detailed information only if necessary, to adequately evaluate the project application.

Operations Plan: In addition to the financial details, the operations plan submitted shall include the following technical data: a route map, draft timetable, headways, stop location listing, summary of vehicle types and characteristics, speed profile, fleet size, and any other applicable supporting documentation.

Approved Land Use Supporting Documentation: Any documentation which describes the transit supportive land use changes already in place to support the proposed guideway projects.

Reimbursements

The capital program is administered on a reimbursement basis. Capital reimbursements will be disbursed upon review and approval of a complete expense report, performance report, and consistent with the cooperative funding agreement. Local agency revenues provided to OCTA for ongoing operating assistance will be in accordance with terms identified in the cooperative funding agreement.

Project Cancellation

Projects deemed infeasible during the planning process will be cancelled and further expenditures will be prohibited except where necessitated to conclude the current phase.

Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.

Audits

All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall grant, and/or other sanctions to be determined. Audits may be conducted by the OCTA Internal Audit Department or an authorized agent.

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Table 4-1 Point Breakdown for Transit Extensions to Metrolink (Project S) (For Fixed Guideway Preliminary Engineering Call for Projects Only)			
Financial Commitment/Partnership (20 points)		Transit Usage/Congestion Relief (16 points)	
Match funding (Complete Project; Capital)		Percent of Ridership from Commuter Rail Riders (Opening Year)	
>=30%	6	>=50%	8
29%to20%	4	49%to40%	6
19%to 11%	2	39% to 30%	4
10% (Program Minimum)	0	29% to 20%	2
		<20%	0
Five-Year Operations Funding Plan Submitted and OCTA Concurrence with Assumptions*		Projected Average Daily Ridership (Opening Year)	
Yes	10	>10,000	8
No	0	9,999 to 8,500	6
		7,999 to 6,500	4
		6,499 to 5,000	2
		<5,000	0
Level of Commitment from Private Partners		Ease of Connections (14 points)	
Binding Agreement	4	Number of Transit Modes Provided at Metrolink Station (Opening Year)	
Commitment Letter	2	>9	8
		9108	6
		7106	4
		<6	2
Project Readiness (8 points)		Average Walking Distance to Proposed Connections (From Metro/ink Station; Feet; Opening Year)	
Opening Year		<250	6
By 2015	4	251 to 500	4
By 2016	3	501 to 750	2
By 2017	2	>500	
By 2018			
Land Acquired for Total Project		Cost Effectiveness (16 points)	
Yes	4	Incremental Cost per Hour of System User Benefit**	
No	0	\$15 to \$17.99	16
		\$18 to \$20.99	12
		\$21 to \$23.99	8
		>\$24	4
Regional/Local Benefits (16 points)		Approved Land Use (5 points)	
Regional: Planned Employment (Jobs/Square Mile; Opening Year).. >15,500 8 15,500 to 13,001 6 13,000 to 8,500 4 <8,500 2		Included in City Council-Approved Plan	
Regional: Daily Vehicle Miles Traveled Reduction (Opening Year)'.. >2,000 4 2,000 to 1,501 3 1,500 to 1,000 2 <1,000		Yes	5
Local: Planned Population (Persons/Square Mile; Opening Year).. >11,000 4 10,999 to 7,000 3 6,999 to 3,500 2 <3,500		No	0
		Safety (5 points)	
		At-Grade Rail Crossings	
		No	5
		Yes	0
* May assume first three-years Congestion Mitigation Air Quality funded and no Project S funds for operations			
** Average within 1/4 mile of each station			
*** Total within 2 miles of proposed route (one mile buffer)			
****Incremental cost per hour of system user benefit from FTA "Summit" Program (in opening and horizon years)			

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Table 4-2
Point Breakdown for Transit Extension to Metrolink (Project S)
(For Bus and Station Van Program Only)

M2 Eligible	Yes	No
In Go Local Planning and/or 2011 Transit Study	Yes	No
Five-year Operations and Maintenance Plan	Yes	No
Total Project Cost (information only)	\$	(capital)

Financial Commitment/Partnership (18 points)	
Match ≥50%	10 points
40% - 49%	8 points
30% - 39%	6 points
20% - 29%	4 points
11% - 19%	2 points
Level Binding agreement	8 points
Commitment letter	4 points

Cost Effectiveness (20 points)	
Operating subsidy per boarding opening year	
\$4.51 - \$8.50	8 points
\$8.51 - \$14.99	6 points
\$14.50 - \$18.00	4 points
Annualized cost per incremental passenger opening year	
≤\$7.00	10 points
\$7.01 - \$11.20	8 points
\$11.21 - \$14.20	6 points
\$14.21 - \$17.99	4 points
≥\$18.00	2 points

Project Readiness (20 points)	
Estimated opening year	
By 2012	10 points
By 2013	8 points
By 2014	4 points
By 2015	2 point
Phase readiness	
Planning and environmental complete	10 points
ROW acquired or not applicable	5 points
Maintenance facilities available	1 points

Local/Regional Benefit (12 points)	
Planned employment densities per square mile	
(with) >15,000	6 points
10,001 - 15,000	4 points
5,001 - 10,000	2 points
1,001 - 5,000	1 points

Transit Usage - Shuttle Bus (20 points)	
≥300	10 points
201 - 299	8 points
101 - 200	6 points
31 - 100	4 points
≤30	2 points
Transit Usage - Station Van (20 Points)	
≥100%	10 points
90% - 99%	8 points
80% - 89%	6 points
Percent of projected ridership from commuter rail	
100%	10 points
<100%	0 points

Community Connections (10 points)	
Average travel time to station from employment/activity center	
1 - 10 minutes	5 points
11 - 15 minutes	4 points
16 - 20 minutes	3 points
21 - 30 minutes	2 points
Connectivity/activity centers served by project	
Senior center(s)	1 point
Schools	1 point
Retail centers (over 000k feet)	1 point
Special event venues	1 point
Major employment centers	1 point
Connections to existing service	1 point

5 points maximum	Planned population densities per square mile (within	Planned population densities per square mile (within
	>10,000	>10,000
	7,001 - 10,000	4 points
	4,001 - 7,000	2 points
	501 - 4,000	1 points

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Chapter 5 – Metrolink Gateways (Project T)

Project T has been removed from the 2027 CTFP Guidelines and will not be included in future CTFP Guidelines. For prior requirements and procedures, please refer to <https://www.octa.net/programs-projects/programs/funding-programs/call-for-projects/metrolink-gateways>.

Overview

~~This M2 program establishes a competitive process for local agencies to convert Metrolink stations into regional gateways for enhanced operations related to high-speed rail service. Projects must meet specific criteria in order to compete for funding through this program. In addition, local agencies will be required to demonstrate the ability to fully fund operations on an ongoing basis using non-OCTA resources. Public-private partnerships are encouraged but not required.~~

Objectives

- ~~• Convert Metrolink stations(s) to regional gateways that connect Orange County with planned future high-speed rail systems.~~
- ~~• Deliver improvements that are necessary to connect planned future high-speed rail systems to stations(s) on the Orange County Metrolink route.~~

Project Participation Categories

~~Multi-modal transit facilities provide expanded transportation options for regional and long-distance travel. These “hubs” provide a vital link in the mobility chain. Availability of viable stations is a critical consideration for high speed rail service implementation. Each host community has unique needs and expectations related to high-speed rail systems. Conditions will differ from one location to the next and projects pursued under this program have significant latitude in how they address the challenge of delivering supporting facilities for high speed rail services. Converting a station may include modifying and/or relocating the station. The program categories listed below identify key project elements that can be pursued through the Project T funding source. Public-private partnerships and local funding sources may be used to leverage these elements.~~

- ~~• Station and passenger facilities necessary to support planned high-speed rail system³~~
- ~~• Parking structures related to expanded high-speed rail service~~
- ~~• Track improvements (e.g., track, switching, signal equipment)~~
- ~~• Traffic control enhancements for ingress/egress from public roadways~~
- ~~• Aesthetics limited to 10 percent (10%) of the Project T funds (specifically limited to: landscaping, non-standard lighting, and on-site signage)~~

³-Program should not build retail or other leasable space. Mixed Use and TOD elements will be the

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~~responsibility of others.~~

- ~~• On-site public art expenses limited to one percent (1%) of Measure M funds in order to improve the appearance and safety of the facility~~
- ~~• Off-site improvements cannot exceed 5 percent (5%) of Measure M funding request⁴~~
- ~~• Bond financing costs~~
- ~~• Construction Support (not to exceed twenty percent (20%) of grant award)~~

Commercial facilities that are not transit related are not eligible for Measure M funds.

Eligibility Requirements

~~Minimum eligibility and participation requirements must be considered before a project funding application should be submitted. Adherence to strict funding guidelines is required by the Ordinance. Additional standards have been established to provide assurance that M2 funds are spent in the most prudent, effective manner. There is no guarantee that funding will be approved during a particular call for projects. If no acceptable project is identified during a funding cycle, a subsequent call for projects will be scheduled at an appropriate time.~~

- ~~• Station must be included as part of a planned future high-speed rail system.~~
- ~~• Station must be identified in constrained or unconstrained chapters of the 2008 Regional Transportation Plan for the initial M2 funding cycle~~
- ~~• Agency must demonstrate sufficient funding for first five years of operation with financial plan outlining funding strategy for ongoing O&M (cannot include OCTA funding sources)~~
- ~~• Project applications must be for complete projects (environmental clearance through construction)~~
- ~~• Project application must meet minimum competitive score to be deemed eligible and "of merit" (as determined by OCTA Board of Directors)~~
- ~~• Capital improvements must adhere to public bidding requirements~~
- ~~• Complete applications must be approved by the applicant City Council prior to submittal to OCTA to demonstrate adequate community and elected official support for initial consideration~~
- ~~• Applicant must be eligible to receive Measure M funding (established on an annual basis) to participate in this program~~

⁴ "Off-site" improvements adjacent to the project site such as monumentation, traffic control, etc.

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Funding Estimates

The program will make an estimated \$186 million (nominal dollars) available during the initial 21-year period of the program (FY2011 through FY 2031). For the initial call for projects, bonds were issued in FY 2011 and FY 2012, making the maximum net programming amount of \$82.3 million available after deducting for bond costs. Funding for the remaining nine-year period of M2 will not be programmed until a future call for projects is warranted. This approach provides a hedge against economic uncertainty and preserves funding for future system expansion.

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on projects with firm funding commitments and overall project readiness as shown on Table 5-1. In addition, projects will be evaluated based upon existing and future transit usage, intermodal connectivity, and community land use attributes. Although a local match commitment is not required, projects that leverage M2 funds with at least 10 percent (10%) from other sources are encouraged and will be more competitive.

Application Process

Project grants are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to fully evaluate the project proposal as outline below.

Complete information application

- Provide funding/operations plan
- Grants subject to a cooperative funding agreement

A call for projects for the initial funding cycle was issued in January 2009. The need for a future call will be determined by the OCTA Board of Directors. Complete project applications must be submitted by the established due date to be considered eligible for consideration.

The funding plan shall include, at a minimum, the following information:

- Financials (Funding needs, match rate funding availability, operations funding assurances, public-private partnership arrangements, bond financing projections)
- Project development and implementation schedule
- High speed rail ridership projections
- Any additional information deemed relevant by the applicant

Applications will be reviewed by the Authority for consistency, accuracy and concurrence. Once applications have been completed in accordance with the program requirements,

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~~the projects will be scored, ranked and submitted to the T2020 Committee and Board of Directors for consideration and funding approval.~~

~~The final approved application (including Financial Plan) will serve as the basis for any funding agreement required under the program.~~

Reimbursements

~~This program is administered on a reimbursement basis for capital improvements, planning design, ROW acquisition, and related bond financing costs. Reimbursements will be disbursed upon review and approval of a complete expense report, performance report, and consistent with the executed cooperative agreement.~~

Status Reports

~~Projects selected for funding will be subject to submittal of an annual financial plan update in order to receive project reimbursement payments during the following fiscal year. The updated financial plan will be due as a supplement to the annual Measure M eligibility process (typically due on June 30th).~~

Project Cancellation

~~Projects deemed infeasible during the planning process will be cancelled and further expenditures will be prohibited (except where necessitated to bring the current phase to a logical conclusion). ROW acquired for projects which are cancelled prior to construction will require repayment to the contributing funding program(s) within a reasonable time as determined by the Board.~~

~~Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.~~

Audits

~~All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall grant, and/or other sanctions to be determined. Audits shall be conducted by OCTA Internal Audit department or other authorized agent either through the normal annual process or on a schedule to be determined by the OCTA Board of Directors.~~

~~Proceeds from the sale of excess ROW acquired with program funding must be paid back to the project fund as described in the executed funding agreement.~~

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Application Guidelines

Funding grants provided through M2 are determined through a competitive application process. Project selection is based upon merit utilizing a series of qualitative and quantitative criteria. Candidate projects are required to submit a financial plan with sufficient data to enable an adequate evaluation of the application. Each jurisdiction is provided broad latitude in formatting, content and approach. However, key elements described below must be clearly and concisely presented to enable timely and accurate assessment of the project.

Financial Details

Each candidate project must include all phases through construction of facilities and implementation of service. The financial plan will include, at a minimum, the following information:

- Estimated project cost for each phase of development (planning, environmental, permitting, design, ROW acquisition, construction, and project oversight)
- Funding request for each phase of project implementation with match funding amounts and sources clearly identified
- Realistic project schedule for each project phase
- Demonstrated financial commitments for match funding and ongoing operations (through first five years of operation)
- Discussion of contingency planning for revenue shortfalls
- Revenue projections and methodology where on-site commercial activity or advertising revenue is expected to support implementation and/or operations costs
- ROW status and strategy for acquisition
- Revenue sharing proposals (where applicable)

Technical Attributes

The formal application must include feasibility and efficacy components to demonstrate transportation benefit to ensure the selected project(s) meet the spirit and intent of M2. Merit will be demonstrated through technical attributes and industry standard methodologies. The following site-specific data will be included and fully discussed in the application:

- Current employment estimates within five-mile radius of project site (cite reference)
- Freeway lane miles within five-mile radius of site (provided by OCTA upon request)
- Planned job density within 1,500' radius of project boundary based upon current General Plan
- Planned housing density within 1,500' radius of project boundary based upon current General Plan

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- ~~Daily transit boardings within five-mile radius of project boundary (include rail and fixed route bus/shuttle)~~
- ~~Daily transit boardings growth within five-mile radius of project boundary with projection methodology fully presented for opening day operations~~
- ~~Description of all transit modes serviced by the site at time of application~~
- ~~Discussion of new transit modes (including high speed rail) served by the site as a result of proposed project (opening day)~~
- ~~Service coordination plan (how will proposed project facilitate transfer between transit services?)~~

Other Application Materials

~~Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials:~~

Council Resolution: ~~A Council Resolution authorizing request for funding consideration with a commitment of project match funding (local sources) and operating funds as shown in the funding plan.~~

Lease/Cost Sharing Agreements: ~~Copies of leases, cost sharing (match funding), and/or land dedication documents. Confidential agreements may be included by reference when accompanied by affidavit from City Treasurer or Finance Director.~~

Project Documentation: ~~If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion or planning phases. The applicant will be asked for detailed information only if necessary, to adequately evaluate the project application.~~

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TABLE 5-1

Point Breakdown for Metrolink Gateways (Project T) Maximum Points = 100

Financial Commitment (30 points)		Transit Usage (20 points)	
Total Project Cost (information only)		Existing transit boardings (within 5 miles)	
\$ (capital)	(No Points)	>75,000 a day	4 points
		50,000 to 75,000 a day	3 points
Percent of M2 for capital		25,000 to 49,000 a day	2 points
50% or less	16 points	<25,000 a day	1 point
51% to 65%	12 points		
66% to 80%	8 points	Transit boardings growth (within 5 miles)	
81% to 90%	4 points	>20,000 daily increase	8 points
Level of commitment from private partners		15,000 to 20,000 daily increase	6 points
Investment agreement (binding)	8 points	10,000 to 14,900 daily increase	4 points
Commitment letters	2 points	<10,000 daily increase	2 points
OCTA concurrence with financial assumptions/analysis		Consistent ridership projections	
Yes	6 points	100% to 110% of OCTAM [*]	
No	0 points	111% to 120% of OCTAM	
		121% to 140% of OCTAM	
		<i>*Projections below OCTAM get 8 points</i>	
Readiness (20 points)		Intermodal Connections (18 points)	
High-speed rail system status		Number of current transit modes provided	
In constrained 2008 RTP	10 points	>6	5 points
Added in unconstrained RTP	2 points	4 to 6	3 points
Land acquired for total project		<4	1 point
Yes	5 points	Future increase in the number of transit modes	
No	0 points	>5 added	10 points
Project design status		3 to 5 added	6 points
Design complete	5 points	<3 added	2 points
Environmental complete	3 points	OCTA concurrence with intermodal analysis	
PSR equivalent complete	1 point	Yes	3 points
		No	0 points
Regional Markets/ Land Use (12 points)			
Adjacent freeway lane miles (within five miles)			
>500 lane miles	3 points		
400 to 500 lane miles	2 points		
<400 lane miles	1 point		
Current employment (within 5 miles)			
>350,000	3 points		
200,000 to 350,000	2 points		
<200,000	1 point		
Planned job density within 1,500 feet			
>2.0 avg. floor area ratio	3 points		
1.5 to 2.0 avg. floor area ratio	2 points		
<1.5 avg. floor area ratio	1 point		
Planned housing density within 1,500 feet			
>35 dwelling units/acre			
20 to 35 dwelling units/acre			
<20 dwelling units/acre			

^{*} OCTAM - Orange County Transportation Analysis Model

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Chapter 6 – Community-Based Transit/Circulators (Project V)

Overview

The M2 Community-Based Transit/Circulators Program, referred to as Project V, establishes a competitive process to enable local jurisdictions to develop community-based, local transit services that complement regional transit services and meet needs in areas not adequately serviced by regional transit. Project V services cannot duplicate or compete with existing OC Bus services or other existing services. Exceptions to this policy may be considered on a case-by-case basis.

Regional Transit: Regional Transit services are provided by OCTA, specifically through OC Bus routes 1 through 99 (and excluding those route sections that perform less than 10 boardings per RVH). Additional information on OCTA routes and schedules can be accessed from the OCTA website at www.octa.net.

Projects must meet specific criteria in order to compete for funding through this program. In addition, local jurisdictions will be required to demonstrate the ability to provide funding match for capital and ongoing local share of operations and maintenance (O&M) using non-OCTA resources. Public-private partnerships are encouraged but not required. However, such efforts need to be applied for by a CTFP eligible local agency. Local jurisdictions are also encouraged to partner and coordinate with each other.

General Program Objectives

- To provide community transit service that is safe, clean, and convenient.
- To encourage new, well-coordinated, flexible transportation systems customized to each community's needs.
- To develop financially sustainable local transit services that complement regional bus and rail service.
- To meet transportation needs in areas not served by regional transit with reliable and viable transit services.

Eligible Service Categories

The services currently eligible for this program generally fall into two service categories defined as Traditional Project V transit services and On-Demand mobility services. These categories allow for special operating characteristics to be considered in the evaluation and administration of distinctive transit delivery models. Given the unique nature of this program and services provided through Project V, clarification on what types of services fall into these categories will be provided through workshops or direct communication. The eligible service types under each category are as follows:

Traditional Project V transit services include the following service types:

- fixed route

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- deviated fixed route
- circulators and rubber-tire trolleys
- point-to-point shuttle services (event parking shuttles)

On-Demand (mobility) services¹ include the following service types:

- ride-hailing or transportation network companies (TNC)
- microtransit

Note: Emerging technology has enabled users (frequently through smart phones and app-based programs) to inform their mobility choices resulting in greater access and efficiency. To be considered for Project V funding, all On-Demand services must only be provided in a shared ride platform.

All Project V services must meet the Americans with Disabilities Act (ADA) requirements, which extend to ride-hailing or scheduling.

2024 Call for Projects Objectives (in order)

1. To continue funding existing projects² that are expiring.
2. To support expansion of existing projects² services.
3. To support new Traditional Project V services.
4. To allow for on-demand services that provide shared ride options.

Other Priorities to Promote Fiscal Responsibility:

- To consolidate continuing existing services into one grant as the project is extended.
- To engage in competitive procurements for service providers of all service types and re-procurements of service providers for all continuing existing services.

¹ On-Demand services involve similar service designs and characteristics including, but not limited to:

- Based on contracted mobility providers responding to user-initiated requests for transportation (ride-hailing).
- User trips occur within a designated service area or boundary.
- May include designated user pickup/drop-off locations within a suitable distance from desired destinations.
- Users have an expectation of ridesharing where all trips may include diversions and deviations to serve other user-requested trips in an efficient and effective manner.

² Existing Projects are defined as previously funded ongoing Project V services, which may expire and at minimum, meet the cost per boarding requirement.

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2024 Call for Projects

The 2024 Call for Projects (call) will provide community-based transit/circulators across Orange County, which meet program objectives (emphasis will be focused on 2024 call objectives). For this call, OCTA shall program projects up to a seven-year period, from fiscal year (FY) 2024/25 – FY 2030/31. Specifics on the funding policies that apply to this call are identified in subsequent paragraphs. Each section should be read thoroughly before applying for funding. Applications should be prepared for the service type(s) that best fit the proposed projects.

Applications

In order for OCTA to consider a project for funding, applications will be prepared by the local agency utilizing the project application form, available electronically from OCTA. Agencies are required to submit electronic and hardcopy applications for the 2024 call by **5:00 PM PST on Thursday, January 25, 2024**. Late submittals will not be reviewed or considered. The local agency responsible for the project application must submit the application and any supporting documentation via OCFundtracker as outlined below.

A separate application package must be completed for each service category (Traditional Project V transit service or On-Demand service) and uploaded to OCFundtracker (<https://ocfundtracker.octa.net>). **One electronic copy via file upload to OCFundtracker and one (1) unbound printed hardcopy** of each application and any supporting documentation including KMZ files, must be submitted to OCTA by the application deadline. Hardcopy application packages shall be mailed or delivered in person to:

By mail:

Adrian Salazar
Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Tel: (714) 560-5363

In person:

Orange County Transportation Authority
600 South Main Street
Orange, CA 92863-1584

Application Process

Project V allocations are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to fully evaluate the project proposal. An application for any proposed service must include a detailed funding/operations plan.

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The project application shall include, at a minimum, the following information (see Scoring Criteria section for further information):

- Project need, goals and objectives.
- Project development and implementation schedule.
- Funding plan (funding needs, match funding commitment and source, operations funding assurances, passenger fare rate schedule, public-private partnership arrangements, and ADA considerations, if applicable).
- Proposed and/or ongoing service and operations plan.
- O&M facility management and vehicle storage or parking.
- KMZ file(s) of proposed service area and route boundaries, sufficient to support OCTA geocoding efforts.
- Ridership projections.
- Service Coordination Plan demonstrating support of proposed Project V service(s) with existing services such as OCTA transit services, existing Project V services, Metrolink, I-Shuttle, Anaheim Transportation Network and/or Senior Mobility Program (Project U).
- Request to merge existing and or new grants, include a multi-year corresponding financial plan by FY that shows the total combined revenues, expenditures and revenue vehicle service hours by year.
- Confirmation of competitive procurement or re-procurement plan. Services that are provided with agency employees are exempt from this requirement.
- Any additional information deemed relevant by the applicant and/or OCTA.

Complete project applications must be submitted by the established due date to be eligible for consideration.

Applications will be reviewed by OCTA for alignment and consistency with program requirements and goals. For applications completed in accordance with the program requirements, the projects will be scored, ranked, and, if score dictates, submitted to the Transit Committee and the Board for consideration and potential funding approval. The process is expected to be concluded by Spring 2024.

The final approved application (including funding plan) will serve as the basis for any cooperative agreements required under the program. The approved projects will be subject to the CTFP Guidelines for project delivery requirements.

Application Guidelines

Project selection is based upon merit utilizing a series of qualitative and quantitative criteria. Candidate projects are required to submit a financial plan with sufficient data to enable adequate evaluation of the application. Each agency is provided broad latitude in

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formatting, content, and approach. Please ensure all required information listed under the preceding Application Process section is included. Key elements must be clearly and concisely presented to enable timely and accurate assessment of project applications.

Financial Details

Each candidate project application must include all phases through construction of facilities. The financial plan will include, at a minimum, the following information:

- Estimated project cost for each phase of development (Initial/Startup Marketing Cost to Establish Service, Capital — including equipment and vehicle acquisition, construction, if applicable, O&M, ongoing marketing, and project oversight).
- Preliminary cost estimates for O&M should be coordinated with OCTA and be based upon realistic estimates provided by applicable potential vendors.
- Funding request phase of project implementation with match funding amounts, match rate (%), and funding sources clearly identified.
- Consideration of ADA costs, if applicable.
- Demonstrated financial commitments for match funding and ongoing operations.
- User fare subsidy paid by the agency and intended for reimbursement through Project V, if applicable.
- Discussion of contingency planning for revenue shortfalls.
- Revenue projections and methodology where commercial activity is expected to support implementation and/or operations costs.
- Project readiness status.
- Realistic project schedule for each project phase.

Scoring Criteria

Specific scoring criteria will be used to evaluate the competitive program project applications. Emphasis will be placed on projects with firm financial commitments, overall project readiness, and consistency with the 2024 call objectives. In addition, projects will be evaluated based upon ridership projections, areas served, cost effectiveness, and local/regional benefits.

The formal application must include feasibility and efficacy components in order to demonstrate transportation benefits and to also ensure that selected project(s) meet the spirit and intent of M2.

Merit will be demonstrated through technical attributes and industry standard methodologies. The following data will be included and fully discussed in the application:

- Matching rate and funds.
- Level of commitment from non-applicant partners.
- Estimated capital, initial marketing, and continuing O&M costs.

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- Projected daily boardings with projection methodology fully presented.
- Estimated operating cost per boarding and per RVH.
- Project readiness defined by a clear, accurate and reasonable operations plan, also includes initial operating period and service implementation startup plan for seasonal services or special event readiness.
- Community connections; connections to fixed route bus and rail.
- Projected annual visitors served by seasonal route(s).
- Community outreach supporting the proposed service.
- Agency experience deploying comparable services.

Each application can receive a maximum of 100 points. See Table 6-2 for scoring categories and percentage distribution.

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the information described above, local agencies will be required to submit the following materials:

Council Resolution: A council resolution or minute action authorizing request for funding consideration with a commitment of project match funding (local sources) and operating funds as shown in the funding plan. A resolution or minute action must be approved by the local agency's governing body. The resolution or minute action shall serve as the local agency's formal request for Project V funds and must state that matching funds will be provided by the agency. All funding requests must be listed in the resolution or minute action.

At minimum, a draft resolution must be submitted with the application by the January 25th deadline. **A final adopted resolution (or minute action) must be submitted to OCTA by Thursday, February 15, 2024, to be considered for funding recommendation.** A sample resolution is included in Exhibit 6-2. Local agencies, at a minimum, must include items a-m in Exhibit 6-2.

Lease/Cost Sharing Agreements: Copies of leases, sponsorship, and/or advertising revenue documents, including appropriate vehicle specifications and safety features. Confidential agreements may be included for reference when accompanied by affidavit from city treasurer or finance director.

Project Documentation: If the proposed project has completed initial planning activities, evidence of plan approval should be included with the application. Satisfactory evidence includes sponsor agency council or board action approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion of planning

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phases. The applicant will be asked for detailed information only if necessary, to adequately evaluate the project application.

Operations Plan: In addition to the financial details indicated in this chapter, the operations plan submitted shall include the following technical data: a route map and geocoded service area, stop or pick up location listing, draft timetable that includes begin/end dates, frequency and cycle time, days of the week, start and end times; summary of vehicle types and specifications, fleet size, and vehicle maintenance plan, if applicable; projected annual revenue vehicle hours; ride-hailing or ride request process; ADA accommodations or comparable alternative; any other applicable supporting documentation.

Pre-Award Activities

Pre-award activities are allowable under Precept 6. A grantee may, at its own risk and without an executed OCTA Cooperative Agreement, obligate funds. Expenditures that are paid prior to an executed OCTA Cooperative Agreement, but after July 1 of the programmed FY must be identified in the grant application and must be submitted to OCTA for administrative approval prior to the implementation of the project.

OCTA staff is available to respond to applicant questions and provide guidance regarding Project V applications prior to the submittal deadline, upon request. In order to ensure the best use of M2 funds and assist eligible jurisdictions, applicants may engage in a pre-application process with OCTA staff in project planning, cost estimate development, and determination of likely projected competitiveness. Specific meeting times will be established once the call is initiated.

Application Review and Program Adoption

Applications will be reviewed by OCTA for consistency, accuracy, and concurrence. Applications determined to be complete and in accordance with program requirements and objectives will be scored, ranked, and submitted to the OCTA Transit Committee and OCTA Board for final consideration and funding approval.

The call schedule is detailed below:

Board authorization to issue call: November 13, 2023

Application submittal deadline: Thursday, January 25, 2024 at 5:00 PM

Final adopted resolution (or minute action) deadline: Thursday, February 15, 2024

Transit Committee/Board approval: Spring 2024

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Funding Information

Agencies may be awarded, no more than \$592,000 annually for Traditional Project V services or service expansion, based on proposed RVH³ and no more than \$296,000 for On-Demand services in Year 1 of the call cycle. See Table 6-1 below for the maximum annual allocation for the 2024 call programming period. Funding will be available starting in FY 2024-25 and shall not extend beyond seven years. The minimum local match is ten percent (10%) for Traditional Project V services and capital/equipment and fifty (50%) for On-Demand services. Agencies will receive points for committing to a higher match rate. Agencies can consolidate existing continuing grants in the 2024 call to simplify project administration and can exceed the maximum annual allocations listed for continuing services, when merging multiple grants.

Table 6-1 Maximum Annual Project V Funding Allocation

Grant Year	Fiscal Year	Traditional Services	On-Demand Services
Year 1	FY 25	\$592,000	\$296,000
Year 2	FY 26	\$610,000	\$305,000
Year 3	FY 27	\$628,000	\$314,000
Year 4	FY 28	\$647,000	\$323,500
Year 5	FY 29	\$665,000	\$332,500
Year 6	FY 30	\$685,000	\$342,500
Year 7	FY 31	\$705,000	\$352,500

Note: FY 25 funds will be available July 1, 2024. Expenses incurred before this date will not be eligible for reimbursement.

Project Participation Categories

Transit needs may differ from one location to the next, and projects pursued under this program have significant latitude on how the challenge of providing community-based transit will be delivered. However, emphasis upon program 2024 call objectives is highly encouraged. The program categories listed below identify key project elements that can be pursued through Project V. The program categories eligible for funding through Project V are:

Capital – Eligible Expenditures

- Bus and vehicle leases/purchases for the purposes of providing Traditional Project V transit or microtransit services. If the purchase of vehicles is more cost

³ OCTA uses reported costs per RVH from FY 22-23 to determine annual maximum. Agency to populate proposed operations plan in application.

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efficient than a lease, justification and supporting documentation must be provided. Vehicle purchase requests will be evaluated by OCTA for approval on the basis of cost effectiveness.

- Equipment for the deployment, implementation and use of Project V-funded services, including but not limited to:
 - Bike racks
 - Dispatch/routing software
 - Communications/passenger information equipment
 - Fare collection equipment
 - Reasonable passenger amenities, generally consistent with Chapter 3 (Project W eligible items)
 - ADA equipment for vehicles
- Major revenue service vehicle maintenance and repairs (e.g., replacement of transmission, engine, etc.).
- Minor vehicle services (routine maintenance: brake pads/rotors, fluids, filters, spark plugs, belts, hoses, ignition coils, cosmetic bodywork or paint without structural involvement, etc.)
- Maintenance facilities and fueling stations required for new and/or substantially revised or modified transit service and directly related to Project V service.
- Reasonable stop improvements and amenities (generally including signage, furniture and shelters and consistent with Chapter 3 Project W eligible items) for Project V-funded service stops only.
- Service vehicle wraps (including replacement).

If capital purchases (bus/vehicles, equipment, facilities, bus stop amenities, etc.) are provided with Project V funds, there is an expectation that these capital items will be used for their entire useful life and/or through the termination of the service. If termination occurs prior to the completion of the capital item's useful life and/or grant term, the local agency shall repay OCTA the same percentage of the sale price (or estimated value of the asset(s) based on straight line depreciation of the asset[s]), consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service life, where applicable.

Initial/Start-up Marketing Costs to Establish Service – Eligible Expenditures

- Print copy, digital artwork and identity creation associated with publication, marketing, and initial deployment of service.
- Initial/start-up marketing costs to establish and publicize new and/or expanded services will be capped at \$80,000 (total).

Initial/Start-up Marketing costs will not be considered in the calculation of the O&M cost per boarding subsidy limitations outlined below. However, costs submitted for reimbursement would still require a minimum local match of ten percent (10%). OCTA will provide M2 (OC Go) logo decals for all Traditional Project V transit and microtransit service vehicles, as needed.

Operations and Maintenance (O&M) – Eligible Expenditures (Costs to Perform Service)

- Fixed route and deviated fixed route local circulator and trolley services.
- Special event shuttle services for events that will create significant congestion.
- Approved On-Demand services (contingent on proposed service plan, anticipated service performance, consistency with 2024 call objectives, and demonstration that ADA requirements can be met). Additional information on On-Demand services provided in subsequent paragraphs.
- Transportation services with prescribed periods (i.e., daily, weekend, seasonal, and/or special event) and spans (timeframes) of operations.
- Transportation services provided must be operated non-OCTA service providers.
- Expansion of existing services will only be considered if the existing service has clearly met minimum performance standards and will expire within the current call period.
- Ongoing vehicle maintenance (does not include capital replacement. e.g., engines, transmissions, etc.).
- Temporary off-site parking for special events subject to agreement with the property owner and approved by OCTA.
- Parking leases and vehicle storage fees for service operating fleet. Proportional reimbursement for vehicle storage at agency facility or property, with OCTA approval.
- Regular and ongoing marketing efforts, including expenditures related to seasonal or special event service schedules, marketing materials such as flyers, brochures and community outreach efforts.

O&M costs are subject to OCTA cost per boarding subsidy limitations discussed in subsequent sections. Reimbursement for regular and ongoing marketing efforts will be capped at \$25,000 annually and are included as part of the O&M cost.

Agencies using a contracted service provider are required to competitively procure.

Additional Information (On-Demand Services):

- Microtransit services may provide passenger pickup and drop-off at exclusively designated locations; or include door-to-door service within the proposed service area boundary.
- Ride-hailing services primarily consist of operators who are independent contractors providing door-to-door service within the service area boundary.
 - May have implications on contracts, cost, insurance, liability, performance, operations, etc.
- Some mobility providers for shared ride-hailing services may have age restrictions for youth travel.

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- Considerations for microtransit service scalability and flexible deployment are required to right-size fleet to the desired service area and travel demand volumes/patterns.
- Agencies proposing shared ride-hailing services are encouraged to consider demand management options.
- Agencies using a contracted service provider are required to competitively procure.

Ineligible Categories

Project V funds may not be used for the following:

- Planning for new service (NOT AVAILABLE FOR 2024 CALL)
- Micromobility services (e.g., shared bicycle, scooters)
- Right-of-way (ROW) acquisition
- Services that duplicate or compete with existing transit services
 - In order to justify transit service is not being supplanted, local agencies must document and explain how their proposal will not compete with the existing transit services. Final determination of duplication of or competing with existing transit service will be determined by OCTA staff on a case-by-case basis.
- Fare subsidies (free shuttles are not considered subsidized fare for this program)
- Indirect costs

Project Requirements

All projects funded through Project V must comply with the CTFP Guidelines, unless specifically noted in the agreement with the local agency, and must comply with applicable state and federal laws, including ADA requirements for transit services.

Capital – Project Requirements

Project V funding is available to offset the costs of purchasing or leasing vehicles, equipment and other appropriate and reasonable capital amenities as described in Chapter 3, under eligible costs. Progress on capital projects must be reported to OCTA through the CTFP semi-annual review process. Agencies must inspect vehicle(s) to ensure they meet specifications prior to final acceptance and withhold retention until warranty issues and/or final acceptance is met and approved by the local agency.

If capital purchases (bus/vehicles, equipment, facilities, bus stop amenities, etc.) are provided with Project V funds, there is an expectation that these capital items¹ will be

¹ Specific capital items eligible for Project V funds will be identified in the terms and conditions of the cooperative agreement.

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used for their entire useful life and/or through the termination of the service. If termination occurs prior to the completion of the capital item's useful life and/or grant term, the local agency shall repay OCTA the same percentage of the sale price (or estimated value of the asset(s) based on straight line depreciation of the asset[s]), consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service life, where applicable.

O&M – Project Requirements

OCTA has established an operating reserve as part of this program that may be used to support the costs of O&M for Traditional Project V transit and On-Demand services. The operating reserve is subject to the following requirements:

- The OCTA subsidy allows awarded agencies to be reimbursed on a pro-rata basis, but not to exceed \$10.81 per boarding/user or 90 percent (90%) of net operating and maintenance costs⁴ for Traditional services and fifty percent (50%) of net operating costs for On-Demand services (after deducting fares and non-OCTA subsidies), whichever is less⁵.
- Project V service shall meet the minimum performance standard, which is a maximum cost per boarding of twice the per boarding subsidy. Should the service's cost per boarding exceed twice the per boarding subsidy as reported quarterly, OCTA will provide written notice to the local agency and request a City Council/ Board of Supervisor's response with direction to continue, restructure, or cancel the service. Only one written notification per fiscal year will be sent to allow sufficient time for the agency to make its decision. Performance standards for On-Demand shared ride-hailing or TNC services will be determined specifically for each service and may be based on cost per user, cost per mile, cost per hour, or other applicable performance measure.
- As part of the Project V service, local agencies must develop methods to measure ridership satisfaction and customer satisfaction (CS) based on customer surveys and on-time performance (OTP) based upon local service objectives. OCTA will work with agencies to establish appropriate OTP and CS performance metrics.
- Awarded agencies must submit monthly O&M costs and ridership and fare performance data to OCTA on a quarterly basis. This information will be used to provide a report to the OCTA Transit Committee and Board, which is anticipated to be provided on a semi-annual basis.
- Consistent with Federal law, ADA complementary paratransit or ADA comparable service is required for certain types of Project V funded services.

⁴ Net Operating Costs include regular and ongoing marketing expenses for reimbursement purposes.

⁵ Note: Reimbursement for Planning for New Service, Capital, and Initial Marketing Costs to Establish Service are not subject to OCTA cost per boarding subsidy limitations and may be reimbursed at up to 90% of total eligible phase costs, depending upon the local agencies' match commitment.

- For Project V-funded fixed-route services within the existing OC Access paratransit service areas, OC Access paratransit services will be provided independently with Project V-funds through OCTA Board policy.
- For Project V-funded non-fixed route services (i.e., on-demand, ride-hailing) or fixed route services that do not meet the criteria listed above, the local agency will be required to provide ADA comparable services and include cost for service or a funding plan as part of the project application.
- Agencies receiving Project V funds may be required to adopt a paratransit plan prior to starting operations.
- Agencies receiving Project V funds for scheduled fixed route services are required to provide scheduling information in the required format for General Transit Feed Specification (GTFS).
- In order to allow for market competition, new, ongoing, or continuing services must re-bid for a service contractor or service provider as soon as the current term expires or by June 30, 2026, whichever is earlier, unless the agency can provide documentation that they have gone through a competitive procurement process in FY 2022-23 or later. Project V services should be rebid through competitive procurement every three to seven years to ensure the agency is receiving the best rates. This requirement would not apply to services that are being provided by local agency staff.

Agency Match Requirements

Agencies are required to provide a minimum ten percent (10%) non-OCTA local match (net any fares collected) for Traditional Project V transit services O&M and capital. A minimum match of fifty percent (50%) is required for new or continuing On-Demand services funded through the 2024 call. The match may be comprised of any combination of private contributions, advertising revenues, and local discretionary funds. The match must be a local agency contribution and may not be made up of in-kind services. Capital match funding commitments in excess of ten percent (10%) are eligible for additional points. Traditional Project V transit services O&M match funding commitments in excess of twenty percent (20%) and On-Demand services O&M match funding commitments in excess of sixty percent (60%) are eligible for additional points in the application. The OCTA contribution for O&M will not exceed \$10.81 per boarding/user. Therefore, the actual match provided by the local agency may be greater than ten percent (10%) or fifty percent (50%) depending upon service type and ridership. Agency match commitments will be incorporated into cooperative agreements.

Eligibility Requirements

Minimum eligibility and participation requirements must be considered before a project funding application should be submitted. Adherence to strict funding guidelines is required by the M2 Ordinance. Additional standards have been established to provide assurance that M2 funds are spent in the most prudent and effective manner. There is no guarantee that funding will be approved during a particular call. If no acceptable project is identified during a funding cycle, a subsequent call may be scheduled at an appropriate time.

- Applicant must be eligible to receive M2 funding (established on an annual basis) to participate in this program.
- Support recommendations from OC Transit Vision, local transit planning efforts and goals of the Sustainable Communities Strategy, and 2024 call objectives.
- Supplement existing transit services (and commitments) and emphasize service to areas not served by transit.
- Proposed services may not duplicate or compete with existing transit services.
- Demonstrate availability of local share of O&M funding for the application's specific time horizon.
- Demonstration of cost reasonableness.
- Agency must have a financial plan outlining a funding strategy for ongoing O&M (maximum of seven years).
- Local agency will be required to enter into a cooperative funding agreement with OCTA.
- The project description must include information on how service is meeting ADA complementary or comparable service requirements noted under O&M in the Project Requirements section above, and these costs must be included in the project application.
- Complete applications must be approved by the City Council/Board of Supervisors and partner jurisdictions, if applicable, as part of the submittal to OCTA to demonstrate adequate community and elected official support, consistent with the resolution submittal deadline, for eligibility consideration.
- Local agencies will be required to submit National Transit Database data to OCTA, or local agency's operator must submit directly to the National Transit Database, if applicable.
- Proposed vehicle types must have appropriate specifications and safety equipment for service type and anticipated passenger loads.
- Must demonstrate that project meets competitive procurement requirement previously noted under the O&M – Project Requirements section.

Reimbursements

The initial marketing costs to establish service, capital, and O&M phases will be administered on a reimbursement basis. Initial marketing costs to establish service,

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capital, and O&M reimbursements will be disbursed upon review and approval of a complete invoice and accompanying expense reports uploaded to OCFundtracker, performance report, and consistent with cooperative funding agreement requirements and specifications.

OCTA's operating subsidy for O&M will be no more than Ten Dollars and Eighty-One cents (\$10.81) per boarding/user or Ninety Percent (90%) of net O&M costs, whichever is lower for Traditional Project V transit services and Fifty Percent (50%) of net costs for On-Demand services (after deducting fares and non-OCTA subsidies), whichever is less. Local agency matching commitment to OCTA for ongoing operating assistance will be in accordance with terms identified in the cooperative funding agreement.

Calculation of Payment

OCTA's operating subsidy will be no more than Ten Dollars and Eighty-One cents (\$10.81) per boarding/user OR Ninety Percent (90%) of net O&M costs for Traditional Project V transit services, whichever is lower. An example of a payment calculation to differentiate between the two scenarios is provided as follows:

SAMPLE PAYMENT CALCULATION ASSUMPTIONS: 10% MATCH and 1,500 BOARDINGS	
Operating Cost	\$23,000
Fare Revenue (deduct)	-\$ 3,000
Net Operating Cost	\$20,000
Agency Match (10%)	\$ 2,000
Agency Reimbursement (90% of net O&M)	\$18,000
or	
Operating Cost	\$23,000
Fare Revenue (deduct)	-\$ 3,000
Net Operating Cost	\$20,000
\$10.81 x Boardings (\$10.81 x 1,500)	\$16,215
Agency Match	\$ 3,785
Agency Reimbursement (\$10.81 per boarding/user)	\$16,215

Note: In this case, the local agency would be reimbursed for the **lower**, \$10.81 per boarding/user amount.

Scope Reductions/Modifications and Cost Savings

Agencies may request a scope change so long as the overall project benefits committed to in the Board-approved application can still be delivered. Any requests for scope

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modifications of an approved project must be submitted to OCTA staff in advance of the change to ensure consistency with the program requirements. Requests must include the status of the Project V grant, detailed description of the modification, rationale for the proposed modification, and potential impacts to the community and funding. Note: Requests to change the category of service (i.e., Traditional and On-Demand) will not be considered.

For scope changes that do not have significant impacts to Project V service operations, such as changes to stop locations along the same route or adjustments to operating hours on regularly scheduled days, OCTA staff will review and provide notification to the local agency of either approval or rejection of the scope change or if the modification warrants Board approval.

For all other scope changes, OCTA staff will review the modification against the original project scoring criteria, ensure that the proposed change delivers comparable or better benefits to the public, and confirm consistency with Project V Program requirements. Contingent on staff's evaluation, the scope modification will be presented to the Board for review and approval.

Factors that may be considered in determining when a scope change may be presented to the Board may also include the following from OCTA's service and fare change policy. This primarily applies to fixed route or seasonal services but may be adapted as applicable to other service types:

A Major Service or Scope Change is defined as a numerical standard, as expressed by the distribution of routes as measured against the existing level of service. The following is considered a major service change:

1. Route Alignment Reduction or Elimination – Reducing an existing route by more than 50 percent (50%) of directional route miles or reducing an existing route by more than 50 percent (50%) of bus stops.
2. Route Alignment Extension or New Route – Adding a new route or a route segment that increases directional route miles of an existing route by more than 50 percent (50%) and when more than 50 percent (50%) of the new service bus stops are along currently unserved street segments.
3. Route Level Service Hour Change – Increase or decrease of the following levels of service on a route within 12 months: Weekday service increase or decrease of 25 percent (25%) or more annualized vehicle revenue hours, or weekend service increase or decrease of 25 percent (25%) or more annualized vehicle revenue hours.
4. Systemwide Service Hour Change – Increase or decrease of 25 percent (25%) of annualized vehicle revenue hours for all routes within 12 months.

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If the proposed scope modification is approved by OCTA, any cost savings will be proportionally shared between OCTA and the grantee; for example, a reduction in Project V funds must be applied proportionally to maintain the approved local match percentage. All cost savings will be returned to the Project V Program for reallocation for subsequent calls.

Project Cancellation

Projects deemed infeasible during the planning or implementation process will be cancelled and further expenditures will be prohibited except where necessitated to bring the current phase to a logical conclusion.

For vehicles or capital equipment owned by local jurisdictions that were funded through Project V, if the service is discontinued, agencies shall repay OCTA for the vehicles or capital equipment at the same percentage of the sale price, or estimated value based on straight line depreciation of the asset(s) consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service/asset life, where applicable.

Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination. Cancellation by the local agency does not require OCTA approval but the local agency must notify OCTA as soon as possible.

Audits

All M2 payments are subject to audit. Local jurisdictions must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined. Audits shall be conducted by the OCTA Internal Audit Department or other authorized agent either through the normal annual process or on a schedule to be determined by the OCTA Board.

Project V Branding

Projects awarded Project V funding are required to place ~~M2 (OC Go)~~OCTA logo decals on the vehicles used for fixed-route, community shuttles, seasonal services and regular microtransit. ~~Local agencies~~Local jurisdictions will coordinate with OCTA in regard to the sizing, placement, and furnishing of decals. The implementing jurisdiction will be required to certify actual placement and visibility during the Project V Quarterly Report updates. ~~The implementing agency will be required to certify actual placement and visibility on a reasonable basis.~~

For all awarded services, local jurisdictions are required to place ~~M2~~OCTA logos on marketing and related service publication materials, including software applications.

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Promotion of the ~~OC-Go~~OCTA logo is not intended to overpower or take away from the service operated by the local jurisdiction but is intended to ensure transparency regarding the local sales tax measure expenditures.

An example of the ~~M2-OC-Go~~logoOCTA logo with the “Funded By” tagline is shown as follows:

FUNDED BY



OCTA

Comprehensive Transportation Funding Programs



Table 6-2
Community-Based Transit/Circulators (Project V)
Scoring Criteria

Category	Points Possible	Percent
Financial Commitment		15%
Matching Funds	15	
Cost Effectiveness		10%
Estimated Operating Cost per Boarding and per RVH	7	
Supporting Documentation for Projected Costs	3	
Project Readiness		10%
Project Implementation Schedule and Service Startup Plan	7	
Project Feasibility or Planning Study Completed	3	
Operations Plan/Service Type		25%
Service Type	10	
Draft Timetable, Frequencies, Headways, and Round-Trip Cycle Times	3	
Fleet Size, Vehicle Types & Specifications	3	
Route Map and KMZ file w/ Existing Transit Service and Stop Locations	3	
Estimation of Revenue Service Hours	2	
ADA Service Plan / Paratransit Plan	2	
Contingency Plan for Revenue Shortfalls	2	
Ridership Projection		5%
Funding Plan		10%
Partnership Arrangements	4	
Service Coordination Plan	3	
Cost of ADA Services Considered/Addressed	3	
Community Benefit		25%
Local and Regional Benefits	20	
Documented Outreach and Community Support	5	
Total	100	100%

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Exhibit 6-1

Point Breakdown & Application Checklist for Community-Based Transit/Circulators (Project V)

Scoring Criteria		
Financial Commitment <i>Overall Match Rates</i>		15 Points Max ☐ 15 ☐ 10 ☐ 5
Traditional Service	On-Demand Service	
≥ 30%	≥ 70%	
20-29%	60%-69%	
10-19%	50-59%	
Cost Effectiveness Estimated Operating Cost per Boarding (CPB threshold - \$21.63) and Boardings per Revenue Vehicle Hour (RVH) Documentation Supporting Projected Costs (<i>Vendor Operations, Capital Lease and Amenity, and User Fee Schedule, etc.</i>) Documentation Supporting Projected Ridership		10 Points Max ☐ 7 ☐ 2 ☐ 1
Project Readiness Procurement, Initial Startup, Mobilization and Demobilization Approach Project Implementation Schedule Project Feasibility or Planning Study Complete		10 Points Max ☐ 4 ☐ 3 ☐ 3
Operations Plan and Service Type Status of Proposed Services (<i>Continuation, Expansion or Modification of Existing; OR New</i>) Project V Service Type (<i>Traditional Transit or On-Demand</i>) Operations Plan-Draft Timetable, Frequencies, Round-Trip Cycle Times (by Time Period), Shared Ride Capabilities and Capacity, etc. Fleet Size, Vehicle Types and Specifications, Maintenance Facilities and Needs Identified Route Map and KMZ file w/ Existing Transit Service and Stop Locations Identified ADA Service Plan / Paratransit Plan Estimation of Revenue Service Hours Contingency Plan for Revenue Shortfalls		25 Points Max ☐ 6 ☐ 4 ☐ 3 ☐ 3 ☐ 3 ☐ 2 ☐ 2 ☐ 2
Ridership Projection Projected Averaged Daily Boardings (Opening Year) > 1,000 801-1,000 501-800 151-500 50-150		5 Points Max ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1
Funding Plan Partnership Arrangements Service Coordination Plan Cost of ADA Service Considered/Addressed		10 Points Max ☐ 4 ☐ 3 ☐ 3

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Community Benefit	25 Points Max
Activity Centers Connections (<i>Key Destinations, Community/Cultural Centers, Tourist Attractions/Event Venues, Affordable and/or High-Density Housing, Other Regional Trip Generators</i>)	☐ 10
Local and Regional Fixed-Route Bus/Rail Connections	☐ 5
Documented Community Outreach and Support (<i>e.g., Surveys, Letters of Support, Outreach Events and Feedback Received</i>)	☐ 5
Agency Experience and Recent History Operating Relevant Transportation Services	☐ 3
Population Density (relative)	☐ 2
Total Points	100 Points

Exhibit 6-2

Sample Resolution for Community-Based Transit/Circulators Program (Project V)

RESOLUTION NO. XXXX

A Resolution of the _____ City Council or the Orange County Board of Supervisors approving the submittal of (PROJECT NAME (s)) application to the Orange County Transportation Authority for funding under the Project V Community-Based Transit/Circulators Program

The City Council of the City of _____ or Orange County Board of Supervisors hereby resolves, determines and orders as follows that:

- (a) Whereas, the Orange County Transportation Authority Community-Based Transit/Circulators program (Project V under Measure M2) establishes a competitive funding program to enable local jurisdictions to develop, test and provide community-based local transit services that complement regional transit services and meets needs in areas not adequately serviced by regional transit; and,
- (b) Whereas, the Orange County Transportation Authority intends to allocate Project V funds to the incorporated cities and the County of Orange, as applicable; and
- (c) Whereas, the Orange County Transportation Authority has established the procedures and criteria for selecting projects for funding through a competitive process as identified in the Comprehensive Transportation Funding Program (CTFP) Project V Guidelines; and
- (d) Whereas, the City of _____ or the County of Orange desires to provide local community based transit services;
- (e) Whereas, the City of _____ or the County of Orange authorizes the nomination of (PROJECT NAME or PROJECT NAMES), including all understanding and assurances contained therein; and,
- (f) Whereas, the City of _____ or the County of Orange has been declared by the Orange County Transportation Authority to meet the eligibility requirements to receive Measure M2 funds, including Project V funds; and,
- (g) Whereas, the City of _____ or the County of Orange must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part

Comprehensive Transportation Funding Programs



of the Measure M2 Ordinance eligibility requirement; and

- (h) Whereas, the City of _____ or County of Orange authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board of Directors; and
- (i) Whereas, the City of _____ or County of Orange Circulation Element is consistent with the County of Orange Master Plan of Arterial Highways; and
- (j) Whereas, the City of _____ or County of Orange will comply where applicable with provisions of the Americans with Disabilities Act, and any other federal, state, and/or local laws, rules and/or regulations; and
- (k) Whereas, the City of _____ or County of Orange will consult with Orange County Transportation Authority regarding the need for ADA/paratransit services and/or plan prior to starting operations; and
- (l) Whereas, the City of _____ or County of Orange will provide a minimum ____% in matching funds, excluding non-Project V subsidies or net fares collected, as required by the Project V CTFP Guidelines and shall fund its share of the project costs and any additional costs over the identified programmed amount ; and
- (m) Whereas, the City of _____ or County of Orange will not use Measure M funds to supplant Developer Fees or other commitments; and
- (n) Whereas, the City of _____ or County of Orange will give the Orange County Transportation Authority's representatives access to and the right to examine all data, records, books, papers or documents related to the Project(s); and

NOW, THEREFORE, BE IT RESOLVED THAT:

The City of _____ or County of Orange hereby requests that the Orange County Transportation Authority allocate Project V funds in the amounts specified in the City or County's application to said City or County from the Project V Community-Based Transit/Circulators program through the Comprehensive Transportation Funding Program (CTFP). Said funds shall be matched by funds from the City of _____ or County of Orange as required and shall be used as supplemental funding to aid the City of _____ or County of Orange in the implementation of the proposed transit service.

PASSED, APPROVED AND ADOPTED THIS [Insert Day] day of [Insert Month], [Insert Year].

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Chapter 7 – Regional Capacity Program (Project O)

Overview

The RCP (Project O) is a competitive program that will provide more than \$1 billion over a thirty-year period. The RCP replaces the Measure M local and regional streets and roads competitive programs (1991-2011).

Although each improvement category described in this chapter has specific eligible activities, the use of RCP funding is restricted to and must be consistent with the provisions outlined in Article XIX and the California State Controller's [Guidelines Related to Gas Tax Expenditures for Cities and Counties \(Gas Tax Fund Guidelines\)](https://sco.ca.gov/pubs_guides.html) [Guidelines Relating to Gas Tax Expenditures \(March 2019\)](https://www.sco.ca.gov/Files-AUD/Gas-Tax-Fund-Guidelines.pdf). These Guidelines are available at the following link: https://sco.ca.gov/pubs_guides.html—<https://www.sco.ca.gov/Files-AUD/Gas-Tax-Fund-Guidelines.pdf>.

The MPAH serves as the backbone of Orange County's arterial street network. Improvements to the network are required to meet existing needs and address future demand. The RCP is made up of three (3) individual program categories which provide improvements to the network:

- The ACE improvement category complements freeway improvement initiatives underway and supplements development mitigation opportunities on arterials throughout the MPAH.
- The ICE improvement category provides funding for operational and capacity improvements at intersecting MPAH roadways.
- The FAST focuses upon street to freeway interchanges and includes added emphasis upon arterial transitions to interchanges.

Projects in the arterial, intersection, and interchange improvement categories are selected on a competitive basis. All projects must meet specific criteria in order to compete for funding through this program.

Also included under the RCP is the Regional Grade Separation Program (RGSP), which is meant to address vehicle delays and safety issues related to at-grade rail crossings. Seven rail crossing projects along the MPAH network were identified by the California Transportation Commission (CTC) to receive TCIF. TCIF allocations required an additional local funding commitment. The RGSP captures these prior funding commitments. Future calls for projects for grade separations are not anticipated.

Funding Estimates

Consistent with the M2 Ordinance, funding for transportation improvements and operations will be provided on a pay-as-you-go basis. Under this approach, the RCP is anticipated to make approximately \$1.5 billion (in 2022 dollars) available during the 30-year life of the M2 program. Programming estimates are developed in conjunction with periodic calls for projects. Funding is shared with intersection, interchange, and grade separation improvement categories. No predetermined funding has been set aside or established for street widening.

Programming Approach

Programming decisions are based upon project prioritization ranking, feasibility and readiness. Each round of funding has resulted in a diverse range of activities, cost and competitive score. Funding applications may seek financial assistance for planning, engineering, ROW, construction or a combination of these activities. Effective grant programs include a combination of project development as well as implementation projects. In order to ensure continued distribution of funding opportunities between small and large-scale projects, a tiered funding approach will be used.

Typically, OCTA has made approximately \$32 million available for each RCP (Project O) programming cycle. Category 1 projects are limited to those projects requesting \$5 million or less. Category 2 projects are defined as those requesting more than \$5 million in Measure M2 funds.

Tiered Funding Approach: The two-tiered funding (Tier 1 and Tier 2) approach will only be applicable to the RCP. This approach is proposed to prioritize high scoring projects while providing a balanced program with funding availability for small and large projects. The first tier is for projects scoring 50 points or higher, and the second tier is for all projects after first satisfying the Tier 1 ranking. Within Tier 1, two categories are would be established with 60 percent (60%) (Category 1) of the M2 funds available for smaller projects (requesting \$5 million or less), and 40 percent (40%) (Category 2) of the M2 funds available for larger projects (requesting \$5 million or more). This approach is intended to broaden the distribution of M2 funds to higher scoring/lower cost projects and retain the ability to fund larger projects without placing formal funding caps on allocations. Any M2 funds not programmed in Tier 1 will be designated for Tier 2 allocation. A funding split between small and large projects is not recommended for Tier 2.

Applications may be for any project phase provided it represents a meaningful, logical terminus and is consistent with scoping from a previously funded project if applicable (i.e., if engineering was previously funded, the ROW and/or construction request must be for the same project scope).

Comprehensive Transportation Funding Programs



	Category 1 (60%)	Category 2 (40%)
Tier 1 >=50	• \$0 - \$5 million • Score at least 50 points • Logical, standalone project • Unallocated balance shifts to Tier 2 for programming	• \$5+ million request • Score at least 50 points • Logical, standalone project • Unallocated balance shifts to Tier 2 for programming
Tier 2	• Balance of unallocated funds from Tier 1 prioritization • Request can be of any dollar value to compete in Tier 2 • Multiple segments of the same project cannot be submitted under both categories.	

2027 Call for Projects

Funding will be provided for the three RCP funding programs: ACE, ICE, and FAST. Chapter 7 details the specific program's intent, eligible project expenditures, ineligible project expenditures, and additional information that may be needed when applying for funds. Each section should be read thoroughly before applying for funding. Applications should be prepared for the program that best fits the proposed project.

For this call, OCTA shall program projects for a three-year period (FY 27/28 – 29/30), based upon the current estimate of available funds. For specifics on the funding policies that apply to this call, refer to the Program Precepts as found in Section V of these guidelines.

Applications

In order for OCTA to consider a project for funding, applications will be prepared by the lead agency. A separate application package must be completed for each individual project. Multiple variations of the same project (i.e. with different local match rates) will not be considered. If funding is requested under multiple program components for a single project (i.e. arterials and intersections) a separate application must be prepared for each request. OCTA shall require jurisdictions to submit electronic applications for the **2027 2026** call for projects by **5:00 p.m. on Thursday, November 19, 2026** **November 20, 2025**. **Late and/or incomplete submittals will not be accepted.**

Since each funding program has slightly different application requirements, an "Internal Application Checklist Guide" has been provided for the three programs under the RCP

Comprehensive Transportation Funding Programs



(Exhibits 7-1, 7-2, and 7-3). The checklist guide identifies the basic forms and documentation required for each of the program components. In addition, items required at the time of project submittal are differentiated from supplemental items due later. The appropriate **checklist must be provided as a cover sheet for each application submitted**. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application. In addition to this checklist guide, please review the **Attachments/Additional Information** section of each program component for a description of supplementary documentation which may be required to support your agency's project application in specific cases.

An electronic copy on a USB, thumb drive, memory stick, or via electronic file upload and/or email of the application and any supporting documentation must be submitted to OCTA by the application deadline. **Hardcopies will not be accepted.**

Digital media files shall be mailed or delivered in person to, as needed:

By mail:

Orange County Transportation Authority
Attn: Cynthia Morales
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Tel: (714) 560-5905

In person:

Orange County Transportation Authority
600 South Main Street
Orange, CA 92868

Electronic application copies may be emailed to: cmorales@octa.net

Exhibit 7-1

Arterial Capacity Enhancement (ACE)

CTFP Application Checklist Guide

Planning – Environmental & Engineering

- CTFP Online Application – submitted through OCFundtracker
- Project Description, Scope of Work and Project Limits
- Cost Estimate for Complete Project - ALL PHASES
- General Application Sample Resolution
- ADT Counts and LOS Calculations
- Aerial Photo w/ Proposed Improvements Shown

Right-of-Way

- CTFP Online Application – submitted through OCFundtracker
- Project Description Detail (include plat maps and legal descriptions for proposed acquisitions)
- Detailed right-of-way Acquisition/Disposal Plan using the OCTA provided right-of-way acquisition/disposal plan form available for download at <https://ocfundtracker.octa.net>.
- Cost Estimate for Complete Project - ALL PHASES
 - Estimated right-of-way Cost by Parcel (Land, Improvements Taken, Severance, Goodwill, Incidental Expenses)*
- General Application Sample Resolution
- CEQA Compliance Form (CE, Negative Declaration, EIR)
- Aerial Strip Map w/ Existing and Proposed Improvements Shown
 - Include right-of-way Improvements and Parcels to be Acquired
- Preliminary Construction Layout Plans*
- ADT and LOS Calculations

Construction

- CTFP Online Application – submitted through OCFundtracker
- Project Description, Scope of Work and Project Limits
- Project Construction Specifications
- Cost Estimate for Complete Project - ALL PHASES
- General Application Sample Resolution
- CEQA Compliance Form (CE, Negative Declaration, EIR)
- Project Development Documents - Project Report or Materials Report *
- Approved Project Final Design (100% PS&E) Plans*
- ADT and LOS Calculations

NOTE: To qualify for the 10 percent (10%) local match discount for measurable improvement of PCI, please include documentation from the last two PMP biennial Measure M Eligibility submittals that provide average PCI for Overall System.

**Items are due after first application review. OCTA staff will contact you regarding those projects that will require this additional information. If final engineering is underway, final design (100% PS&E) must be submitted prior to encumbrance/ contract award.*

Exhibit 7-2

Intersection Capacity Enhancement (ICE)

CTFP Application Checklist Guide

Planning – Environmental & Engineering

- CTFP Online Application – submitted through OCFundtracker
- Project Description, Scope of Work and Project Limits
- Cost Estimate for Complete Project - ALL PHASES
- General Application Sample Resolution
- Peak Hour Turning Movement Counts, LOS Calculations, and ADT for each leg of the intersection
- Aerial Photo w/ Proposed Improvements Shown

Right-of-Way

- CTFP Online Application – submitted through OCFundtracker
- Project Description Detail (include plat maps and legal descriptions for proposed acquisitions)
- Detailed right-of-way Acquisition/Disposal Plan using the OCTA provided right-of-way acquisition/disposal plan form available for download at <https://ocfundtracker.octa.net>.
- Cost Estimate for Complete Project - ALL PHASES
 - Estimated right-of-way Cost by Parcel (Land, Improvements Taken, Severance, Goodwill, Incidental Expenses) *
- General Application Sample Resolution
- Peak Hour Turning Movement Counts, LOS/ICU Calculations, and ADT for each leg of the intersection
- CEQA Compliance Form (CE, Negative Declaration, EIR)
- Aerial Strip Map w/ Existing and Proposed Improvements Shown
 - Include right-of-way Improvements and Parcels to be Acquired
- Preliminary Construction Layout Plans*

Construction

- CTFP Online Application – submitted through OCFundtracker
- Project Description, Scope of Work and Project Limits
- Project Construction Specifications
- Cost Estimate for Complete Project - ALL PHASES
- General Application Sample Resolution
- Peak Hour Turning Movement Counts, LOS Calculations, and ADT for each leg of the intersection
- CEQA Compliance Form (CE, Negative Declaration, EIR)
- Project Development Documents - Project Report or Materials Report *
- Approved Project Final Design (100% PS&E) Plans*

NOTE: To qualify for the 10 percent (10%) local match discount for measurable improvement of PCI, please include documentation from the last two PMP biennial Measure M Eligibility submittals that provide average PCI for Overall System.

**Items are due after first application review. OCTA staff will contact you regarding those projects that will require this additional information. If final engineering is underway, final design (100 % PS& E) must be submitted prior to encumbrance/ contract award.*

Exhibit 7-3

Freeway Arterial/Streets Transition (FAST)

CTFP Application Checklist Guide

Planning – Environmental & Engineering

- CTFP Online Application – submitted through OCFundtracker
- Project Description, Scope of Work and Project Limits
- Cost Estimate for Complete Project - ALL PHASES
- General Application Sample Resolution
- Peak Hour Turning Movement Counts, LOS Calculations, ADT for arterial and ramp exit volumes
- Caltrans Letter of Support
- Aerial Photo w/ Proposed Improvements Shown

Right-of-Way

- CTFP Online Application – submitted through OCFundtracker
- Project Description Detail (include plat maps and legal descriptions for proposed acquisitions)
- Detailed right-of-way Acquisition/Disposal Plan using the OCTA provided right-of-way acquisition/disposal plan form available for download at <https://ocfundtracker.octa.net>.
- Cost Estimate for Complete Project - ALL PHASES
 - Estimated right-of-way Cost by Parcel (Land, Improvements Taken, Severance, Goodwill, Incidental Expenses) *
- General Application Sample Resolution
- Peak Hour Turning Movement Counts, LOS Calculations, and ADT for each leg of the intersection
- CEQA Compliance Form (CE, Negative Declaration, EIR)
- Aerial Strip Map w/ Existing and Proposed Improvements Shown
 - Include right-of-way Improvements and Parcels to be Acquired
- Preliminary Construction Layout Plans*

Construction

- CTFP Online Application – submitted through OCFundtracker
- Project Description, Scope of Work and Project Limits
- Project Construction Specifications
- Cost Estimate for Complete Project - ALL PHASES
- General Application Sample Resolution
- Peak Hour Turning Movement Counts, LOS Calculations, and ADT for each leg of the intersection
- CEQA Compliance Form (CE, Negative Declaration, EIR)
- Project Development Documents - Project Report or Materials Report*
- Approved Project Final Design (100% PS&E) Plans*
- Appropriate agreements between Caltrans and the project lead agency need to be in draft form and/or in place.

NOTE: To qualify for the 10 percent (10%) local match discount for measurable improvement of PCI, please include documentation from the last two PMP biennial Measure M Eligibility submittals that provide average PCI for Overall System.

**Items are due after first application review. OCTA staff will contact you regarding those projects that will require this additional information. If final engineering is underway, final design (100 % PS&E) must be submitted prior to encumbrance/ contract award.*

Attachments

OCFundtracker Application

Agencies must submit a copy of the OCFundtracker application and scoring information with all application submittals. This document is created within the OCFundtracker web-based application.

"Project Cost Estimate" Form

Include a separate attachment listing all expenditures and costs for the project using the Revised Cost Estimate Form 10-3 provided by OCTA and available for download at <https://ocfundtracker.octa.net>. ~~An additional attachment may be included, if desired. Another attachment may be included in addition if desired.~~

Accurate unit prices and a detailed description of the proposed work, including design activities, ~~are will be~~ critical during when the candidate project review process is reviewed. Cost estimates must provide sufficient detail to understand cost components and determine eligible and noneligible items. For example, design applications ~~should~~ must include major tasks that will be performed.

ROW cost estimate ~~must should~~ include parcel information (including project area needed), improvements taken, severance damages, easements, ROW engineering, appraisal and legal costs.

Construction cost estimates must should include a listing of all bid items, including ~~a maximum up to~~ 10 percent (10%) ~~allowance for~~ contingencies ~~and a maximum 20 percent (20%) of the M2 grant allowance for construction support, subject to match requirements.~~ Local jurisdictions may request a higher contingency with supporting documentation identifying the specific risk that justify the increase. This includes identifying project risks, potential scope changes, and any uncertainties in ROW or construction that could justify exceeding the 10 percent (10%) threshold.

The anticipated disbursement of costs (e.g., Agency, Other, Non-Eligible) must also be completed. Local jurisdictions should reference the program from which funding is expected to be allocated when completing this portion of the form. Each of the funding programs described in these guidelines may have differing matching fund requirements.

If ~~funding is more than one project phase is requested for more than one project phase to be funded~~, a separate project cost estimate form ~~must is to~~ be completed for each phase, ~~or each phase must be clearly indicated, and a subtotal prepared on this form.~~ Separate forms ~~are should~~ also required when ~~be prepared if~~ funding for project phases is being requested over multiple fiscal years.

"Sample Resolution" Form

A resolution or minute action must be approved by the local jurisdiction's governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit 7-4.

Local jurisdictions, at a minimum, must include items a-h. The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the jurisdiction, ~~if necessary~~. All project requests must be included in this action. **If a draft copy of the resolution is provided, the local jurisdiction must also provide the date the resolution will be finalized by the local jurisdiction's governing body.**

ROW Acquisition/Disposal Plan

For all projects requesting ROW phase funding, a detailed plan for acquisition/disposal of excess right-of-way, along with any reasonable labor costs expected, must be included. The ROW acquisition/disposal plan and labor cost estimate must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at <https://ocfundtracker.octa.net>.

Project Summary Information

For each application that is recommended for funding, the local jurisdiction shall submit a PowerPoint presentation summarizing the pertinent project information for TAC review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff will request the PowerPoint file when/if a project is recommended for funding.**

Pavement Management Supporting Documentation

The M2 Ordinance provides for a 10 percent (10%) reduction in the required local match if the local jurisdiction can either:

- a. Show measurable improvement of paved road conditions during the previous reporting period defined as an overall weighted (by area) average system improvement of one Pavement Condition Index (PCI) point with no reduction in the overall weighted (by area) average PCI in the MPAH or local street categories;
- or
- b. Road pavement conditions during the previous reporting period within the highest 20% (20 percent) of the scale for road pavement conditions in conformance with OCTA Ordinance No. 3, defined as a PCI of 75 or higher, otherwise defined as in "good condition".

If a jurisdiction is electing to take the 10 percent (10%) local match reduction, **supporting documentation indicating either the PCI improvement or PCI scale must be provided.**

Additional Information

The following documentation should be included with your completed project application:

If a project includes more than one jurisdiction and is being submitted as a joint application, one jurisdiction shall act as lead agency and must provide a resolution of support from the other jurisdiction.

1. Letters of support for the candidate project (optional). As part of the application submittal projects that require Caltrans consent, review, or approval must have a letter of support or acknowledgement.
2. Geotechnical/materials reports for all applicable candidate projects (e.g., widening, intersection improvement, new roadway). The reports should contain sufficient detail for an accurate assessment of improvements needed and costs, since funding will be jeopardized if a project is unable to meet proposed schedule and costs.
3. Preliminary plans, if available for the project. The plans (1"=40' preferred) should be included as digital pdf attachments and include:
 - a. Existing and proposed ROW (include plat maps and legal descriptions for proposed acquisitions).
 - b. Agency boundaries, dimensions and station numbers.
 - c. Existing and proposed project features such as: pavement width and edge of pavement, curb, gutter and sidewalk, raised median, driveway reconstruction, signal pole locations, etc.
 - d. Typical cross sections.
 - e. Proposed striping.
 - f. Structural sections per the materials report.
 - g. Proposed traffic signals, storm drains, bridges, railroad crossing improvements, safety lighting, etc.
 - h. If requesting funds for traffic signals, include traffic signal warrant(s) prepared by the City Traffic Engineer or City Engineer.
 - i. If the project includes construction, relocation, alteration or widening of any railroad crossing or facility, include a copy of the letter of intent sent to the railroad, a copy of which must be sent to the Public Utilities Commission (PUC). Any project including work of interest to a railroad will not be considered for eligibility until the railroad and PUC have been notified.

- j. If the project is proposed as a staged project and additional funds will be necessary in subsequent calls for projects, the preliminary project statement should be accompanied with a complete preliminary estimate and schedule for the completion of the entire project.
 - k. If the project is proposed as a safety improvement, provide justifying accident data for the past three years and show the expected decrease in intersection or mid-block accident rate.
4. Current 24-hour traffic counts (taken for a typical mid-week period within the preceding 12-month period) for the proposed segment. Projects submitted without “current counts” will be considered incomplete and non-responsive. Counts taken no more than 36 months prior to the application due date may be accepted.

Exhibit 7-4

Sample Resolution for Candidate Orange County Comprehensive Transportation Funding Programs Projects

A resolution of the _____ City Council approving the submittal of _____ improvement project(s) to the Orange County Transportation Authority for funding under the Comprehensive Transportation Program

THE CITY COUNCIL OF THE CITY OF _____ HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS THAT:

- (a) WHEREAS, the City of _____ desires to implement the transportation improvements listed below; and
- (b) WHEREAS, the City of _____ has been declared by the Orange County Transportation Authority to meet the eligibility requirements to receive M2 "Fair Share" funds; and
- (c) WHEREAS, the City's Circulation Element is consistent with the County of Orange Master Plan of Arterial Highways; and
- (d) WHEREAS, the City of _____ will not use M2 funds to supplant Developer Fees or other commitments;
- (e) WHEREAS, the City/County must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Measure M2 Ordinance eligibility requirement.
- (f) WHEREAS, the City of _____ will provide a minimum in __% in matching funds for the _____ project as required by the Orange County Transportation Authority Comprehensive Transportation Funding Programs Guidelines; and
- (g) WHEREAS, the Orange County Transportation Authority intends to allocate funds for transportation improvement projects, if approved, within the incorporated cities and the County; and
- (h) WHEREAS, the City/County authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board of Directors, if necessary.

NOW, THEREFORE, BE IT RESOLVED THAT:

The City Council of the City of _____ hereby requests the Orange County Transportation Authority allocate funds in the amounts specified in the City's application to said City from the Comprehensive Transportation Funding Programs. Said funds, if approved, shall be matched by funds from said City as required and shall be used as supplemental funding to aid the City in the improvement of the following street(s):

ADOPTED BY THE CITY COUNCIL on _____, 20____.

SIGNED AND APPROVED on _____, 20____.

City Clerk

Mayor

***Required language a-h**

Application Review Process

OCTA staff will conduct a preliminary review of all applications for completeness and accuracy, request supplemental information (i.e., plans, aerial/strip maps, CEQA forms) for projects that appear to rank well during initial staff evaluations, and prepare a recommended program for the TSC. In addition, OCTA may hire a consultant(s) to verify information within individual applications such as, but not limited to, project scope, cost estimates, ADT and LOS. These applications will be selected through a random process.

The following guidelines will be used in reviewing project applications. Any application that does not meet these minimum guidelines must include an explanation of why the guidelines were not met:

1. The travel lane width should be no less than 11 feet unless reviewed and approved by OCTA's Transit Planning (12 feet if adjacent to a raised median or other obstruction) for all arterial highways.
2. For divided roadways, the minimum median width should be no less than 10 feet to allow for turning movements. Divided roadways are defined as those with either a painted or raised median.
3. Arterial highways that are designated for uses in addition to automobile travel (e.g., bicycle, pedestrian, parking) shall provide additional ROW consistent with local jurisdiction standards to facilitate such uses.
4. An eight-lane roadway should provide for a continuous median, protected dual or single left-turn pockets as warranted at signalized intersections, single left-turn pockets at non-signalized intersections, and a right-turn lane at signalized intersections where determined necessary by traffic volumes. ROW for a free right-turn lane should be provided at locations warranted by traffic demand.
5. A six-lane divided roadway should provide a continuous median, protected dual or single left-turn pockets as warranted by existing traffic at all signalized intersections, and single left-turn pockets at non-signalized intersections. A right-turn option lane should also be provided as warranted by traffic demand.
6. A four-lane divided roadway should provide a continuous median, protected dual or single left-turn pockets at all signalized intersections, and a left-turn pocket at all non-signalized intersections. A right-turn lane should also be provided as warranted by traffic demand.
7. A four-lane undivided roadway shall provide for a single left-turn pocket at all intersections as warranted by traffic demand.

Applications will be reviewed by OCTA for consistency, accuracy and concurrence. Applications determined complete in accordance with the program requirements will be scored, ranked and submitted to the TSC, TAC and Board for consideration and funding approval.

Comprehensive Transportation Funding Programs



Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below:

Board authorization to issue call: ~~September 14, 2025~~ September 8, 2025

Application submittal deadline: ~~November 19, 2026~~ November 20, 2025

TSC/TAC Review: March/April 2027

Committee/Board approval: May/June 2027

Funding

M2 RCP (Project O) funding will be used for this call.

The CTFP Guidelines include a provision that allows applicants to request ROW and/or construction funding prior to completion of the planning phase (including final design) provided that the phase is underway, substantially complete and the local jurisdiction will complete the activities within six months of the start of the new phase programmed year.

A thorough review of eligible activities is not always possible during the call for projects evaluation period. As a result, it is possible that cost elements contained within an application and included in a funding recommendation may ultimately be deemed ineligible for program participation. The applicant is responsible for ensuring projects are implemented according to eligible activities contained within the program guidelines.

It is highly recommended that local jurisdictions engage in the design review process with OCTA staff as early as possible prior to initiating project implementation (i.e., 35%-65% design, commencing ROW acquisitions) to allow for design changes by the local jurisdictions, as needed.

In order to make certain that local jurisdictions are aware of ineligible activities and/or potentially ineligible elements within a funded project, OCTA staff will review the cost elements following Board approval of the funding recommendation for construction. is available to review elements of the project design at any time through the duration of the M2 grant. OCTA will then issue written confirmation identifying eligible and ineligible costs and provide staff approve to proceed prior to the obligation of any funds through contract award.

It is highly recommended that local jurisdictions engage in the design review process with OCTA staff prior to initiating project implementation (i.e., commencing ROW acquisitions, executing construction contract) to allow for design changes by the local jurisdictions, as needed.

2027 Call for Projects

7-14

Arterial Capacity Enhancements (ACE)

Overview

The MPAH serves as the backbone of Orange County's arterial street network. Improvements to the network are required to meet existing needs and address future traffic demand. The ACE improvement category complements freeway improvement initiatives underway, supplements development mitigation activities and enables improvements based upon existing deficiencies.

Projects in the ACE improvement category are selected on a competitive basis. Projects must meet specific criteria in order to compete for funding through this program.

Objectives

- Complete MPAH network through gap closures and construction of missing segments
- Relieve congestion by providing additional roadway capacity where needed
- Provide timely investment of M2 Revenues
- Leverage funding from other sources

Project Participation Categories

The ACE category provides capital improvement funding (including planning, design, ROW acquisition and construction) for capacity enhancements on the MPAH for the following:

- Gap closures – the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic. Gap closures must use the minimum lane width of 11 feet, unless reviewed and approved by OCTA's Transit Planning.
- Roadway widening where additional capacity is needed
- New roads / extension of existing MPAH facility

Eligible Activities

- Planning, environmental clearance
- Design
- ROW acquisition
- Construction (including curb-to-curb, lighting, drainage, etc.)
- Rehabilitation and/or resurfacing of existing pavement when necessitated by proposed improvement (such as change in profile and cross section).

Potentially Eligible Items

Comprehensive Transportation Funding Programs



Below is a list of potentially eligible items. However, initial final determination of the eligibility of all project related costs will be made following Board approval and OCTA will provide a written confirmation of the eligible costs for construction at the time of reimbursement. Prior to the submittal of an application for funding, or at any point in the project life cycle, local jurisdictions may meet with OCTA staff to review the eligibility of project related costs. **Application review and Board approval does not guarantee the eligibility of all items.**

- ~~Direct E~~ Environmental mitigation for projects funded by ACE (subject to limitations identified in Precepts 30) as defined in an approved CEQA environmental document
- Storm drains/catch basins/detention basins/bioswales/other pollutant discharge mitigation devices
- Sound walls (in conjunction with roadway improvement mitigation measures) as defined in an approved CEQA environmental document
- Aesthetic improvements, including landscaping and enhanced landscaping within the project ROW, are eligible for (eligible improvements up to 10 percent (10%) of the construction grant costs, subject to match requirements provided costs are reasonable for the transportation benefit.)
- ITS infrastructure (advance placement in anticipation of future project)
- Rehabilitation and/or resurfacing of incidental pavement areas within the proposed project limits is eligible but shall not exceed 10 percent (10%) of the ~~M2~~ construction grant, subject to match requirements.
- Improvements and/or betterments (e.g., gates, minor parking lot restriping, underground utility, etc.) to private property if part of a ROW settlement agreement
- Utility relocation where the serving utility has prior rights as evidenced by a recorded legal document
- ~~Roadway G~~grading within the roadway is eligible. ROW (inclusive of any TCE and/or ROW agreement related improvements) should not exceed a depth for normal roadway excavation (e.g., structural section). However, a Additional grading will be considered on a case-by-case basis. Agencies must shall provide supporting documentation (e.g., soils reports, ROW agreements) to justify the additional grading, if seeking reimbursement for this component.
- Additional ROW and CON to accommodate pedestrian or bike improvements (including Class II and Class IV bike lanes) **as a complementary feature to the MPAH project** are eligible. Construction of eligible bike facilities shall not exceed 25 percent (25%) of the M2 construction grant, subject to match requirements.
- Installation of a pedestrian activated traffic signal where necessitated by pedestrian traffic warrants or other engineering criteria.

Environmental mitigation will be allowed only as required for the proposed roadway

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improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 25 percent (25%) of the total eligible construction grant costs.

Storm drains systems required for the MPAH road improvement are eligible. Eligibility is limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement. OCTA may request supporting documentation from the local jurisdiction to demonstrate that the storm drain improvements are required due to the MPAH roadway improvement and are not part of a separate regional storm drain project or broader drainage system improvement.

M2 funds shall not supplant developer funding (see Precept 5). Longitudinal storm drains are eligible for program participation when the storm drain is an incidental part (cost is less than 25 percent (25%) of the total eligible construction cost) of an eligible improvement. Program participation shall not exceed 10 percent (10%) of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in ACE Program funding. Storm drains outside standard project area MPAH ROW widths are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g., within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin designated by aforementioned criteria.

The relocation of detention basins/bioswales are potentially eligible dependent on prior rights and will be given consideration on a case-by-case basis (see Utility Relocations below).

Soundwalls are eligible only if they are required as part of the environmental mitigation for the proposed project and the Measure M contribution to the cost of soundwalls shall not exceed 25 percent (25%) of the total eligible construction grant costs. Aesthetic enhancements and landscaping in excess of minimum environmental mitigation requirements are subject to limitations described in this section above.

Roadway grading is eligible for structural sections if within the standard MPAH cross section for the facility (inclusive of any TCEs). Rough grading can be considered eligible, so long as it supports MPAH improvement(s) within the ROW and does not supplant developer (or any other project obligations). Any proposed rough grading outside of the MPAH ROW will be evaluated by OCTA on a case-by-case basis but must be tied to the MPAH improvement(s) and not supplant developer (or any other project obligations).

Utility Relocations

The expenses associated with the relocation of utilities are eligible for RCP reimbursement only when all conditions listed below have been met:

- The relocation is made necessary due to conflict with proposed improvements.

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- The facility to be relocated is within the project right-of-way.
- It has been determined that the local agency is legally liable for either a portion of or all of the relocation costs.

Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, a finding by the local jurisdiction's counsel, or other recorded legal document. Documentation providing proof of the local jurisdiction's liability for the costs of utility relocation must be submitted at the time of a payment request (see Chapter 9). Utilities funded through enterprise funds shall not be eligible for reimbursement.

If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by the utility owner's contractor, the work should be included in the ROW phase costs and clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local jurisdiction's contractor, the work should be included in the plans and specifications similar to other construction activities. Adjustment of existing utilities to grade (e.g., water valves, manhole frames and covers), due to new roadway cross sections are either eligible or not eligible in the construction phase subject to the limitations previously described (e.g., prior rights). New or relocated fire hydrants are ineligible.

In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must include any salvage credits received.

Ineligible Items Expenditures

Items that are not eligible under the ACE Program are:

- Grading outside of the roadway ROW not related to a TCE or ROW agreement is generally considered ineligible but can be evaluated by OCTA on a case-by-case basis but must be tied to the MPAH improvement(s) and not supplant developer (or any other project obligations).
- Rehabilitation, unless there is a change in profile and cross section
- Reconstruction (unless in ROW agreement or within project scope)
- New Railroad Grade Separation Projects
- ~~Enhanced landscaping, aesthetics and gateway treatments (Statues, ornaments, and fountains or similar landscaping that exceeds that necessary for normal erosion control and ornamental hardscape)~~
- ROW acquisition and construction costs for improvements greater than the typical ROW width for the applicable MPAH Roadway Classification (See standard MPAH cross sections in Exhibit 7-5), unless required by Class II or Class IV bike facilities. Where full parcel acquisitions are necessary to meet typical ROW requirements for the MPAH classification, any excess parcels shall be disposed of in accordance with the provisions of these guidelines, State statutes as outlined in

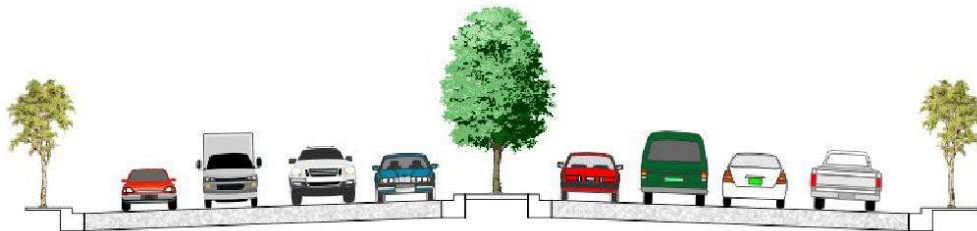
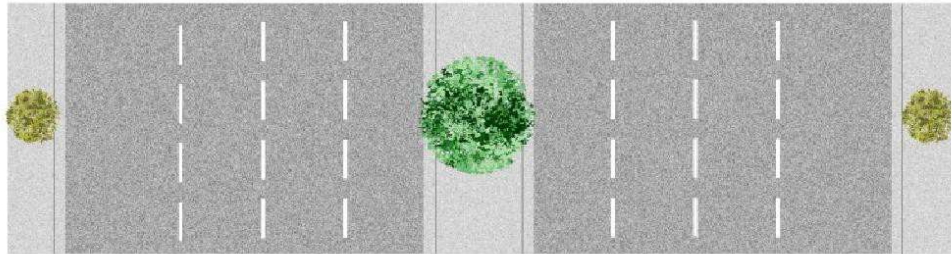
Comprehensive Transportation Funding Programs



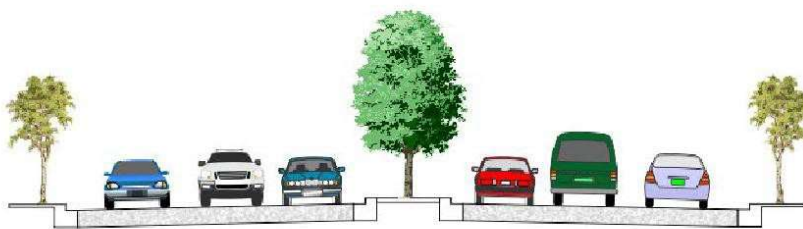
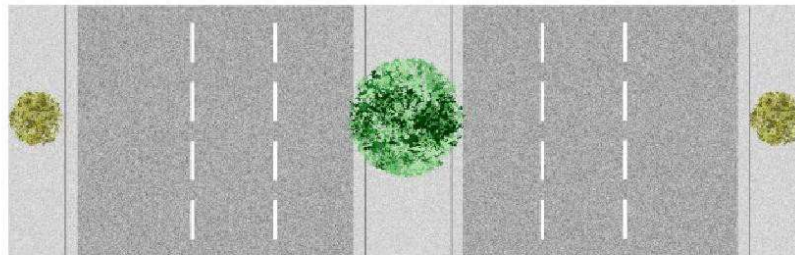
Article XIX and the California State Controllers Guidelines Relating to Gas Tax Expenditures.

- Construction and/or ROW for separated Class I bike facilities, unless a connection into the MPAH roadway is required.
- Utility betterments
- Construction of new utilities
- Street improvements and maintenance activities (e.g., curb and gutter, pavement rehabilitation/restoration, sidewalk reconstruction, or full catch-basin replacement/construction) are not eligible, unless surface repairs are required to restore a funded RCP project area to pre-construction conditions.

Exhibit 7-5 Standard MPAH Cross Sections

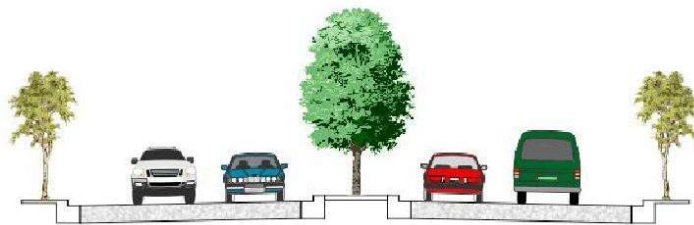
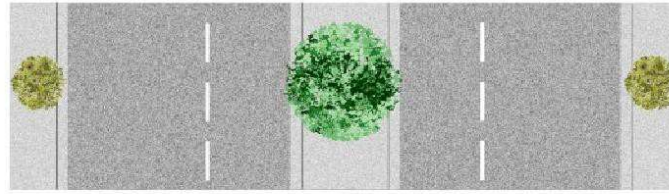


PRINCIPAL
144 FT
(8 LANES, DIVIDED)

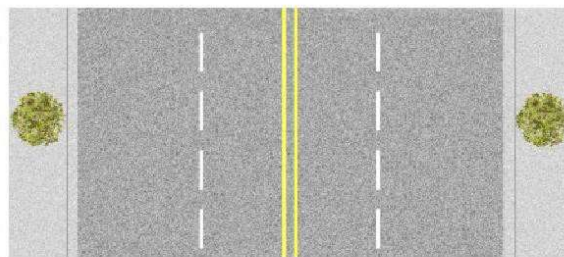


MAJOR
120FT
(6 LANES, DIVIDED)

Exhibit 7-5 *continued* Standard MPAH Cross Sections

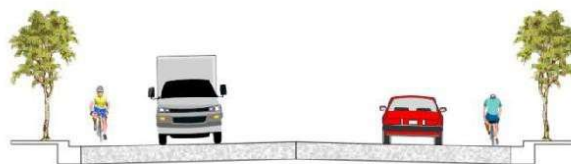
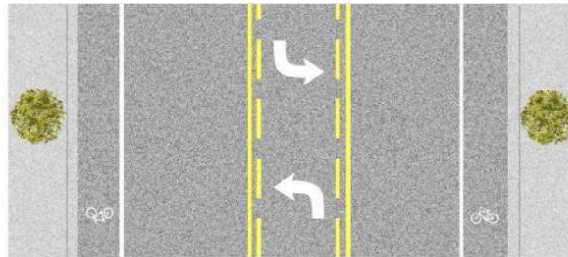


PRIMARY
100 FT
(4 LANES, DIVIDED)

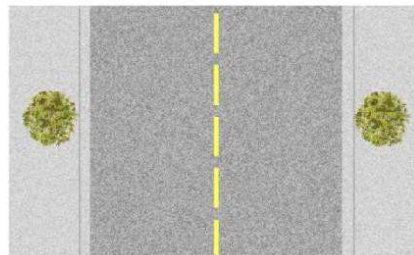


SECONDARY
80 FT
(4 LANES, UNDIVIDED)

Exhibit 7-5 *continued* Standard MPAH Cross Sections



DIVIDED COLLECTOR
80 FT
(2 LANES, DIVIDED)



COLLECTOR
56 FT
(2 LANES, UNDIVIDED)

Application Process

Project grants are determined through a competitive application process. Local jurisdictions seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Detailed instructions and checklists are provided in this chapter.

Complete application

- Funding needs by phase and fiscal year
- Local committed match funding source, confirmed through city council resolution or minute order
- Supporting technical information (including current traffic counts)
- Project development and implementation schedule
- ROW status and detailed plan for acquisition/disposal of excess right-of-way. The ROW acquisition/disposal plan must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at <https://ocfundtracker.octa.net>.
- Any additional information deemed relevant by the applicant
- Grants subject to Master Funding Agreement

Calls are expected to be issued on an annual basis, or as determined by the Board. Complete project applications must be submitted by the established due date to be considered eligible for consideration.

Minimum Eligibility Requirements

Projects must have an existing or projected LOS "D" (.81 v/c) or worse to qualify for priority consideration for funding in this program.

All project roadways must be identified on the MPAH network. Local streets not shown on the MPAH are not eligible for funding through this program.

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials:

Council Approval: A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. **If a *draft* copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.

Project Documentation: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer

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stamped site plan, or other summary information to demonstrate completion or planning phases. An electronic copy of the PSR and/or environmental document must be supplied as applicable. The applicant will be asked for additional detailed information if necessary, to adequately evaluate the project application.

Project Summary Information: With each application being recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff will request the PowerPoint file when/if a project is recommended for funding.**

Master Plan of Arterial Highway Capacities

Below are the approximate roadway capacities that will be used in the determination of LOS:

<u>Type of Arterial</u>	<u>Level of Service (LOS)</u>				
	A .51 - .60 v/c	B .61 - .70 v/c	C .71 - .80 v/c	D .81 - .90 v/c	E .91 - 1.00 v/c
8 Lanes Divided	45,000	52,500	60,000	67,500	75,000
6 Lanes Divided	33,900	39,400	45,000	50,600	56,300
4 Lanes Divided	22,500	26,300	30,000	33,800	37,500
4 Lanes (Undivided)	15,000	17,500	20,000	22,500	25,000
2 Lanes Divided	9,000	12,000	15,000	20,000	22,000
2 Lanes (Undivided)	7,500	8,800	10,000	11,300	12,500

Note: Values are maximum Average Daily Traffic

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on existing usage, proposed Vehicle Miles Traveled (VMT), level of services benefits, local match rate funding and overall facility importance. Technical categories and point values are shown on Tables 7-1 and 7-2. Data sources and methodology are described below.

Projected/Current Average Daily Trips (ADT): Current ADT is the preferred method of measuring congestion. However, traffic counts projected to the year of opening for the project will be allowed as part of the competitive evaluation.

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These must be submitted along with current 24-hour traffic counts for the proposed segment for comparison purposes. The agency must submit the project's projected ADT, current ADT, the delta, and justification of the increase.

Regarding "current" counts, these are defined as those taken for a typical mid-week period within the preceding 12-months. Projects submitted without "current counts" will be considered incomplete and non-responsive.

Project applications using projected ADT must use traffic counts taken within the preceding 12 months. Project applications not using projected ADT may use traffic counts taken within the 36 months preceding the release date of the current call. **Note:** New facilities must be modeled through OCTAM and requests should be submitted to OCTA a minimum of six (6) weeks prior to application submittal deadline. **The OCTAM modeling request deadline is October 8, 2026 for the 2027 Call for Projects.** If modeling requests are not submitted six (6) weeks prior to the application submittal deadline, the application will not be considered. For agencies where event, weekend, or seasonal traffic presents a significant issue, Average Annual Daily Traffic (AADT) counts can be used, provided the agency gives sufficient justification for the use of AADT.

VMT: Centerline length of segment proposed for improvement multiplied by the existing ADT for the proposed segment length. Measurements must be taken proximate to capacity increase. VMT for improvements covering multiple discrete count segments are calculated on a weighted average basis.

Current Project Readiness: This category is additive. **Points are earned for the highest qualifying designation at the time applications are submitted.** Local jurisdictions should select the most current phase of the project.

- Environmental Approvals – applies where all environmental clearances have been obtained on the project.
- Preliminary design (35 percent (35%) level) – will require certification from the City Engineer and is subject to verification.
- Final Design (PS&E) – applies where the jurisdiction's City Engineer or other authorized person has approved the final design.
- ROW (all offers issued) – applies where offers have been made for every parcel where acquisition is required and/or offers of dedication or orders of immediate possession have been received by the jurisdiction. Documentation of ROW possession will be required with application submittal.
- ROW (all easements and titles) – applies where no ROW is needed for the project or where all ROW has been acquired/dedicated.

Cost Benefit: Total project cost (including unfunded phases) divided by the existing ADT (or modeled ADT for new segments).

Funding Over-Match: The percentages shown apply to match rates above a jurisdiction's

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minimum local match rate requirement. M2 requires a 50 percent (50%) local match for RCP projects. This minimum match can be reduced by up to 25 percentage points if certain eligible components are met. Pursuant to the M2 Ordinance, this minimum match requirement may be reduced by up to twenty-five (25) percentage points if the following criteria are met:

- A ten percent (10%) local match reduction if the local jurisdiction implements, maintains and operates in conformance with the Traffic Signal Synchronization Master Plan.
- A ten percent (10%) local match reduction if the local jurisdiction either: (a) has measurable improvement of paved road conditions during the previous reporting period as determined pursuant to OCTA's method of measuring improvement of road pavement conditions or (b) has road pavement conditions during the previous reporting period which are within the highest 20 percent (20%) of the scale for road pavement conditions as determined pursuant to OCTA's method of measuring improvement of road pavement conditions.
- A five percent (5%) local match reduction if the local jurisdiction does not use any Net Revenues as part of the funds for the local match.

If a jurisdiction's minimum match target is 30 percent (30%) and a local match of 45 percent (45%) is pledged, points are earned for the 15 percent (15%) over-match differential. The pledged amount is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project.

Transportation Significance: Roadway classification as shown in the current MPAH.

Operational Attributes (within the roadway): This category is additive. Each category, except Active Transit Routes, must be a new feature added as a part of the proposed project. Only one feature can be selected for any qualifying category. For example, installation of a bike lane that is identified in an adopted ATP plan can be awarded points under "Bike Facilities" or "Active Transportation Focused Plan Elements," but not both.

- Pedestrian Facilities: Placement of a new sidewalk where **none currently exists** along an entire segment of proposed project.
- Meets MPAH configuration: Improvement of roadway to full MPAH standard for the segment classification.
- Active Transit Route(s): Segments served by fixed route public transit service.
- Bus Turnouts: Construction of bus turnouts.
- Bike Facilities: Installation of new bike facilities (Class II or Class IV bike lanes) **as a complementary feature to the MPAH project. Class I is not eligible.** All proposed bike facilities must be included in an approved transportation plan or circulation element. For bonus points (max 5 total), Class II and Class IV facilities may also describe how improvements will help improve street operations and reduce congestion including how the project will connect a diversity of land-uses, fill gap(s)

in existing bicycle facilities, and contribute to the broader bicycling infrastructure network AND/OR a quantitative analysis showing congestion reduction/reduction in vehicle miles traveled. Potential methodology includes the California Air Resources Board (CARB) VMT reduction or alternative quantification method, see CARB link: https://ww2.arb.ca.gov/sites/default/files/auction-proceeds/bicycle%20facilities_summary_032519.pdf

- Median (Raised): Installation of a mid-block raised median where none exists today. Can be provided in conjunction with meeting MPAH standards.
- Safety Improvements: Project features that increase the safety of pedestrians. These elements can include the new installation of: median barriers, curb extensions, residential traffic diverters, pedestrian crossing islands, pedestrian activated signals, crosswalk enhancements, safety signage, and the addition, modification, or improvement of existing pedestrian signals. Other elements of safety may be considered on a case-by-case basis.
- Elements of Approved Active Transportation Plan/Active Transportation Focused Sections of other Types of Mobility Plans: Incorporate project features that are approved in an active transportation plan or if very focused, in active transportation focused sections of other types of plans that improve mobility. These elements can include bike infrastructure and pedestrian elements. Other elements of an active transportation plan may be considered on a case-by-case basis. Documentation of approved plan will be required with application submittal and assignment of points for active transportation focused sections of other types of plans will be considered on a case-by-case basis.
- Sustainability Elements: Includes the use of multiple complete street elements, the installation of solar lighting within the roadway cross section, or water conservation elements that reduce water consumption, compared to current usage within project limits; such as the replacement of existing landscaping with hardscape and/or "California Native" drought tolerant type landscaping; the replacement of existing sprinklers with drip irrigation systems; the installation of new "grey" or recycled water systems where such does not currently exist. Other elements of sustainability may be considered on a case-by-case basis. Points are awarded at construction phase only.
- Other (e.g., Golf cart paths in conformance with California Vehicle Code and which are demonstrated to remove vehicle trips from roadway).

Improvement Characteristics: Select one characteristic which best describes the project:

Gap Closures: the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic.

- New Facility/Extensions: Construction of new roadways.
- Bridge crossing: Widening of bridge crossing within the project limits to full MPAH width. Widening beyond MPAH shall not qualify for Project O funding.
- Adds capacity: Addition of through traffic lanes.

- Improves traffic flow: Installation of a median, restricting cross street traffic, adding midblock turn lanes, or elimination of driveways.

LOS Improvement: This category is a product of the existing or projected LOS based upon volume/capacity -- or v/c -- and LOS improvement "with project". **Projects must meet a minimum existing or projected LOS of "D" (.81 v/c) "without project" condition to qualify for priority consideration for funding.** Existing LOS is determined using current 24-hour traffic counts for the proposed segment. However, for projects where traffic volumes follow unconventional patterns, unidirectional volumes may be proposed as an acceptable alternate methodology for determining LOS. If unidirectional volumes are used for LOS calculations, ADT for the proposed direction of improvement shall serve as the basis for ADT, cost benefit and vehicle miles travelled (VMT) scoring categories. Projects that do not meet the minimum LOS "D" can be submitted but are not guaranteed consideration as part of the competitive process.

If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS "D" have been funded, a consideration of projects with a minimum LOS "C" (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. Projects with a LOS better than "C" (.70 v/c) will not be considered.

LOS Improvement: This category is a product of the existing or projected LOS based upon volume/capacity -- or v/c -- and LOS improvement "with project". **Projects must meet a minimum existing or projected LOS of "D" (.81 v/c) "without project" condition to qualify for priority consideration for funding.** Existing LOS is determined using current 24-hour traffic counts for the proposed segment. However, for projects where traffic volumes follow unconventional patterns, unidirectional volumes may be proposed as an acceptable alternate methodology for determining LOS. If unidirectional volumes are used for LOS calculations, ADT for the proposed direction of improvement shall serve as the basis for ADT, cost benefit and vehicle miles travelled (VMT) scoring categories. Projects that do not meet the minimum LOS "D" can be submitted but are not guaranteed consideration as part of the competitive process.

If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS "D" have been funded, a consideration of projects with a minimum LOS "C" (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. ~~Projects with a LOS better than "C" (.70 v/c) will not be considered.~~ Unless the project is a New Facility/Extension, projects with a LOS better than "C" (.70 v/c) will not be considered.

Application Process

~~Project grants are determined through a competitive application process. Local jurisdictions seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Detailed instructions and checklists are provided in this chapter.~~

~~Complete application~~

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- ~~• Funding needs by phase and fiscal year~~
- ~~• Local committed match funding source, confirmed through city council resolution or minute order~~
- ~~• Supporting technical information (including current traffic counts)~~
- ~~• Project development and implementation schedule~~
- ~~• ROW status and detailed plan for acquisition/disposal of excess right-of-way. The ROW acquisition/disposal plan must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at <https://ocfundtracker.octa.net>.~~
- ~~• Any additional information deemed relevant by the applicant~~
- ~~• Grants subject to Master Funding Agreement~~

~~Calls are expected to be issued on an annual basis, or as determined by the Board. Complete project applications must be submitted by the established due date to be considered eligible for consideration.~~

Minimum Eligibility Requirements

~~Projects must have an existing or projected LOS "D" (.81 v/c) or worse to qualify for priority consideration for funding in this program.~~

~~All project roadways must be identified on the MPAH network. Local streets not shown on the MPAH are not eligible for funding through this program.~~

New Facilities

New facilities must be modeled through OCTAM. A local agency planning on submitting a request for funding for a new facility must submit a modeling request a minimum of six (6) weeks prior to the application submittal deadline. If modeling requests are not submitted six (6) weeks prior to the application submittal deadline, the application associated with the related project will not be considered. Any request for modeling **must be submitted to OCTA no later than October 8, 2026 ~~October 9, 2025~~** for the 2027 call.

Facility Modeling: For consistency purposes, all proposed new facilities will be modeled by OCTA using the most current version of OCTAM. Applicants may supplement their application with a locally-derived model with OCTAM used for validation purposes. The facility will be modeled with the lane capacity reflected in the application.

Average Daily Trips Determination: OCTAM will provide an "existing" ADT using a "with project" model run under current conditions. The ADT for the proposed segment will serve as the ADT value to be considered in the application. LOS Improvement: LOS on existing facilities may be positively or negatively affected by a proposed new roadway segment through trip redistribution. A current condition model run is generated "with" and "without" the proposed project. The intent is to test the efficacy of the proposed segment. A comparison of these before and after project runs (using current traffic volumes) yields potential discernable changes in LOS. The greatest benefit is generally

on a parallel facility directly adjacent to the proposed project. Trip distribution changes generally dissipate farther from the project. For evaluation purposes, the segment LOS (determined through a simple volume / capacity calculation) for the “with” and “without project” will be used for the existing LOS and LOS improvement calculations.

LOS Improvement: LOS on existing facilities may be positively or negatively affected by a proposed new roadway segment through trip redistribution. A current condition model run is generated “with” and “without” the proposed project. The intent is to test the efficacy of the proposed segment. A comparison of these before and after project runs (using current traffic volumes) yields potential discernable changes in LOS. The greatest benefit is generally on a parallel facility directly adjacent to the proposed project. Trip distribution changes generally dissipate farther from the project. For evaluation purposes, the segment LOS (determined through a simple volume / capacity calculation) for the “with” and “without project” will be used for the existing LOS and LOS improvement calculations.

Matching Funds

Local agencies are required to provide local match funding for each phase of the project. As prescribed by the M2 Ordinance, the minimum local match requirement is 50 percent (50%) with potential to reduce this amount if certain eligibility requirements are met, as described in the Selection Criteria section of this chapter. The amount pledged during the application process is considered the committed match rate and will be required, at a minimum, from the local jurisdictions throughout the life of the project. Actual project contributions by the local jurisdiction are dependent on final project costs and may not be equal to the committed match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures do not contribute to the local match rate. The match must be a monetary contribution and may not be made up of in-kind services.

Other Application Materials

~~Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials:~~

~~**Council Approval:** A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. **If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.~~

~~**Project Documentation:** If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page,~~

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~~engineer stamped site plan, or other summary information to demonstrate completion or planning phases. An electronic copy of the PSR and/or environmental document must be supplied as applicable. The applicant will be asked for additional detailed information if necessary, to adequately evaluate the project application.~~

~~Project Summary Information: With each application being recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff will request the PowerPoint file when/if a project is recommended for funding.**~~

Reimbursements

~~This program is administered on a progress payment basis, see Chapter 10. reimbursement basis for capital improvements, planning, design, and ROW acquisition. Reimbursements will be disbursed upon review and approval of an acceptable initial payment submittal, final report, and consistency with Master Funding Agreement or cooperative agreement if federal funds are awarded. The reimbursement process is more fully described in Chapter 9 of this manual.~~

Project Adjustments

~~For project adjustments (scope changes, delays, cancellations, etc.), please refer to Chapter 2: Project Programming~~

Project Cancellation

~~If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. All ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation even if property has been acquired. All construction funding received prior to cancellation shall be repaid upon cancellation.~~

~~Cancelled projects will be eligible to reapply upon resolution of issues that led to original project termination. Agencies can resubmit an application for funding consideration once either the cancellation of the existing funding grant has been approved by the OCTA Board or is in the process of approval through the semi-annual review. In the event the OCTA Board does not approve the cancellation, the lead jurisdiction will be required to withdraw the application.~~

Audits

~~All M2 payments are subject to audit. Local jurisdictions must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation, which may include repayment,~~

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reduction in overall grant, and/or other sanctions to be determined. Audits shall be conducted by OCTA's Internal Audit department or other authorized agent either through the normal annual process or on a schedule to be determined by the Board (see Chapter ~~11~~ 10).

Proceeds from the sale of excess ROW acquired with program funding must be paid back to the project fund as described in Chapter 10 ~~9~~ and the Master Funding Agreement.

**Table 7-1 Regional
Capacity Program
Street Widening Selection Criteria**

Category	Points Possible	Percentage
Facility Usage		25%
Existing ADT & VMT	15	15%
Current Project Readiness	10	10%
Economic Effectiveness		15%
Cost Benefit	10	10%
Funding Over-Match	5	5%
Facility Importance		25%
Transportation Significance	10	10%
Operational Efficiency	15	15%
Benefit		35%
Improvement Characteristics	10	10%
Level of Improvement and Service	25	25%
Total	100	100%
Bonus: Additional details and analysis for Class II or Class IV bike facility as complementary feature to the MPAH project, as applicable.		5

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Table 7-2 Street Widening Point Breakdown

ACE SCORING CRITERIA
Point Breakdown for Arterial Capacity Enhancement Projects Maximum
Points = 100

Facility Usage			Points: 25
Existing ADT & VMT		Max Points: 15	
Existing ADT Range		Points	
45+	thousand	10	
40 – 44	thousand	8	
35 – 39	thousand	6	
30 – 34	thousand	5	
25 – 29	thousand	4	
20 – 24	thousand	3	
15 – 19	thousand	2	
10 – 14	thousand	1	
<10	thousand	0	
VMT Range		Points	
31+	thousand	10	
26 – 30	thousand	8	
22 – 25	thousand	6	
18 – 21	thousand	5	
14 – 17	thousand	4	
11 – 13	thousand	3	
08 – 10	thousand	2	
04 – 07	thousand	1	
<4	thousand	0	
Current Project Readiness		Max Points: 10	
ROW (All Easement and Titles)		5	
Final Design (PS&E)		4	
Environmental Approvals		2	
Preliminary Design (35%)		2	
ROW (All Offers Issued)		2	

Facility Importance			Points: 25
Transportation Significance Range		Points	
Principal or CMP Route		10	
Major		8	
Primary		6	
Secondary		4	
Collector		2	
Operational Attributes (within the roadway)		Max Points: 15	
Meets MPAH Configs.		4	
Pedestrian Facilities (New)		4	
Bike Facilities (New)		4	
Active Transit Route(s)		2	
Bus Turnouts		2	
Median (Raised)		2	
Safety Improvements		3	
Active Transportation Focused Plan Elements		2	
Sustainability Elements		2	
Other		2	

Benefit		Points: 35
Improve Characteristics		Points
Gap Closure		10
New Facility/Extension		8
Bridge Crossing		8
Adds Capacity		6
Improves Traffic Flow		2
LOS Improvement		Max Points: 25
Existing LOS Starting Point Range		
(LOS Imp x LOS Starting Pt)		Points
1.01+		5
.96 – 1.00		4
.91 – .95		3
.86 – .90		2
.81 – .85		1
<.81		0
LOS Improvements with Project (exist. Volume)		
Existing LOS Starting Point Range		Points
.20+		5
.16 – .20		4
.10 – .15		3
.05 – .09		2
.01 – .05		1
<.01		0

Economic Effectiveness		Points: 15
Cost Benefit (Total \$/ADT)		
Range*		Points
< 49		10
50 – 74		9
75 – 99		7
100 – 149		5
150 – 199		4
200 – 249		3
250 – 299		2
300 – 349		1
350+		0

Funding Over-Match (local match/project cost) minus minimum local match requirement.		
Range*		Points
25+%		5
20 – 24%		4
15 – 19%		3
10 – 14%		2
05 – 09%		1
00 – 04%		0

Bonus		Points: 5
Additional details and quantitative analysis for Class II and Class IV bike facilities as a complementary feature to the MPAH project, as applicable.		

*Range refers to % points above agency minimum requirement.

Intersection Capacity Enhancements (ICE)

Overview

The MPAH serves as the backbone of Orange County's arterial street network. Intersections at each intersecting MPAH arterial throughout the County will continue to require improvements to mitigate current and future needs. The ICE improvement category complements roadway improvement initiatives underway and supplements development mitigation opportunities.

Projects in the ICE improvement category are selected on a competitive basis. Projects must meet specific criteria in order to compete for funding through this program.

For the purposes of the ICE improvement category, the limits of an intersection shall be defined as the area that includes all necessary (or planned) through lanes, turn pockets, and associated transitions required for the intersection. Project limits of up to a maximum of 600 feet for each intersection leg are allowable. Projects that, due to special circumstances, must exceed the 600-foot limit, shall include in their application the request for a technical variance. The project shall be presented to the TSC by the local agency to request approval of the variance.

Objectives

- Improve MPAH network capacity and throughput along MPAH facilities
- Relieve congestion at MPAH intersections by providing additional turn and through lane capacity
- Improve connectivity between neighboring jurisdictions by improving operations
- Provide timely investment of M2 revenues

Project Participation Categories

The ICE category provides capital improvement funding (including planning, design, ROW acquisition and construction) for intersection improvements on the MPAH network for the following:

- Intersection widening – constructing additional through lanes and turn lanes, extending turn lanes where appropriate, and signal equipment
- Street to street grade separation projects

Eligible Activities

- Planning, environmental clearance
- Design (plans, specifications, and estimates)
- ROW acquisition
- Construction (including bus turnouts, curb ramps, median, and striping)

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- Rehabilitation and/or resurfacing of existing pavement when necessitated by proposed improvement (such as change in profile and cross section).

Potentially Eligible Items

Below is a list of potentially eligible items. However, ~~initial final~~ determination of the eligibility of all project related costs will be made ~~following Board approval and OCTA will provide a written confirmation of the eligible costs for construction at the time of reimbursement.~~ Prior to the submittal of an application for funding, or at any point in the project life cycle, local agencies may meet with OCTA staff to review the eligibility of project related costs. **Application review and approval does not guarantee the eligibility of all items.**

- ~~Required~~ Environmental mitigation for projects funded by ICE (subject to limitations identified in Precept 30) as required in an approved CEQA environmental document
- Storm drains/catch basins/detention basins/bioswales/other pollutant discharge mitigation devices
- Sound walls (in conjunction with roadway improvement mitigation measures) as required in an approved CEQA environmental document
- Aesthetic improvements including landscaping and enhanced landscaping within the project ROW ~~(eligible improvements up to 10 percent (10%) of the construction grant costs, subject to match requirements, provided costs are reasonable for the transportation benefit) are eligible~~
- Signal equipment (as incidental component of program), including the installation or upgrade of pedestrian countdown heads
- Bicycle detection systems
- Rehabilitation and/or resurfacing of incidental pavement areas within the proposed project limits is eligible but shall not exceed 10 percent (10%) of the ~~M2 construction~~ grant, subject to match requirements.
- Improvements and/or betterments (e.g., gates, minor parking lot restriping, underground utility, etc.) to private property if part of a ROW settlement agreement
- Utility relocation where the serving utility has prior rights as evidenced by a recorded legal document and are located within the roadway right-of-way.
- ~~Roadway Grading within the ROW is eligible. (inclusive of any TCEs and/or ROW agreement related improvements) should not exceed a depth for normal roadway excavation (e.g., structural section). However,~~ additional grading will be considered on a case-by-case basis. Agencies must shall provide supporting documentation (e.g., soils reports, ROW agreements) to justify the additional grading, if seeking reimbursement for this component.

- Additional ROW and CON to accommodate pedestrian or bike improvements (including Class II and Class IV bike lanes) **as a complementary feature to the MPAH project** are eligible. Construction of eligible bike facilities shall not exceed 25 percent (25%) of ~~the M2 construction~~ grant, subject to match requirements.

Utility Relocations

The expenses associated with the relocation of utilities are eligible for RCP reimbursement only when all conditions listed below have been met:

- The relocation is made necessary due to conflict with proposed improvements.
- The facility to be relocated is within the project right-of-way.
- It has been determined that the local agency is legally liable for either a portion of or all of the relocation costs.

Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, a finding by the local agency's counsel, or other recorded legal document. Documentation providing proof of the local jurisdiction's liability for the costs of utility relocation must be submitted at the time of a payment request (see Chapter 10). Utilities funded through enterprise funds shall not be eligible for reimbursement.

If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by the utility owner's contractor, the work should be included in the ROW phase costs and clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local jurisdiction's contractor, the work should be included in the plans and specifications similar to other construction activities. Adjustment of existing utilities to grade (e.g., water valves, manhole frames and covers), due to new roadway cross sections are either eligible or not eligible in the construction phase subject to the limitations previously described (e.g., prior rights). New or relocated fire hydrants are ineligible.

In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must include any salvage credits received.

Ineligible Items

- Grading outside of the roadway ROW not related to a TCE or ROW agreement is generally assumed to be ineligible but can be evaluated by OCTA on a case-by-case basis but must be tied to the MPAH improvement(s) and not supplant developer (or any other project obligations).
- ROW acquisition greater than the typical ROW width for the applicable MPAH Roadway Classification, unless required by Class II or Class IV bike facilities. Additional turn lanes not exceeding 12 feet in width needed to maintain an intersection LOS D requiring ROW in excess of the typical ROW width for the applicable MPAH classification shall be fully eligible. Where full parcel

acquisitions are necessary to meet typical ROW requirements for the MPAH classification any excess parcels shall be disposed of in accordance with State statutes and the acquisition/disposal plan submitted in accordance with these guidelines.

- ~~Statues, ornaments, and fountains or similar Enhanced landscaping and aesthetic improvements (landscaping that exceeds that necessary for normal erosion control and ornamental hardscape).~~
- ROW and/or construction for separated Class I bike facilities, unless a connection into the MPAH roadway is required.
- Street improvements and maintenance activities (e.g., curb and gutter, pavement rehabilitation/restoration, sidewalk reconstruction, or full catch-basin replacement/construction) are not eligible, unless surface repairs are required to restore a funded RCP project area to pre-construction conditions.

Environmental mitigation will be allowed only as required for the proposed roadway improvement and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 25 percent (25%) of the total ~~grant eligible project costs~~.

Storm drains systems required for the MPAH road improvement are eligible. Eligibility is limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement. OCTA may request supporting documentation from the local jurisdiction to demonstrate that the storm drain improvements are required due to the MPAH roadway improvement and are not part of a separate regional storm drain project or broader drainage system improvement.

~~M2 funds shall not supplant developer funding (see Precept 5) Longitudinal storm drains are eligible for program participation when the storm drain is an incidental part (cost is less than 25 percent (25%) of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 10 percent (10%) of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in ICE improvement category funding.~~ Storm drains outside standard MPAH ROW widths are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g., within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin.

Soundwalls are eligible only if they are required as part of the environmental clearance for the proposed project and shall not exceed 25 percent (25%) of the ~~grant total-eligible project costs~~. Aesthetic enhancements and landscaping in excess of minimum environmental mitigation requirements are subject to limitations described in the "Potentially Eligible Item" section above.

The relocation of detention basins/bioswales/other pollutant discharge mitigation devices



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~~are potentially eligible dependent on who has prior rights and will be given consideration on a case-by-case basis (see utility relocations below).~~

Roadway grading is eligible for structural sections if within the standard MPAH cross section for the facility (inclusive of any TCEs). Rough grading can be considered eligible, so long as it supports MPAH improvement(s) within the ROW and does not supplant developer (or any other project obligations). Any proposed rough grading outside of the

MPAH ROW will be evaluated by OCTA on a case-by-case basis but must be tied to the MPAH improvement(s) and not supplant developer (or any other project obligations).

Utility Relocations

~~The expenses associated with the relocation of utilities are eligible for RCP reimbursement only when all conditions listed below have been met:~~

- ~~• The relocation is made necessary due to conflict with proposed improvements.~~
- ~~• The facility to be relocated is within the project right-of-way.~~
- ~~• It has been determined that the local agency is legally liable for either a portion of or all of the relocation costs.~~

~~Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, a finding by the local agency's counsel, or other recorded legal document. Documentation providing proof of the local jurisdiction's liability for the costs of utility relocation must be submitted at the time of a payment request (see Chapter 9). Utilities funded through enterprise funds shall not be eligible for reimbursement.~~

~~If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by the utility owner's contractor, the work should be included in the ROW phase costs and clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local jurisdiction's contractor, the work should be included in the plans and specifications similar to other construction activities. Adjustment of existing utilities to grade (e.g., water valves, manhole frames and covers), due to new roadway cross sections are either eligible or not eligible in the construction phase subject to the limitations previously described (e.g., prior rights). New or relocated fire hydrants are ineligible.~~

~~In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must include any salvage credits received.~~

Application Process

Project grants are determined through a competitive application process. Local jurisdictions seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Detailed instructions and checklists are provided in this chapter.

Complete application

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- ~~Funding needs by phase and fiscal year~~
 - Local match funding source, confirmed through city council resolution or minute order
 - Supporting technical information (including current arterial link and turning movement counts)
 - Project development and implementation schedule
-
- ROW status and a detailed plan for acquisition/disposal of excess right-of-way. The ROW acquisition/disposal plan must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at <https://ocfundtracker.octa.net>.
 - Any additional information deemed relevant by the applicant
 - Grants subject to master funding agreement

Calls for projects are expected to be issued on an annual basis, or as determined by the Board. Complete project applications must be submitted by the established due date to be considered eligible for consideration.

Minimum Eligibility Requirements

Projects must have an existing or projected LOS "D" (.81 v/c) or worse to qualify for priority consideration for funding in this program.

All project roadways must be identified on the MPAH network. Local streets not shown on the MPAH are not eligible for funding through this program.

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local jurisdictions will be required to submit the following materials:

Council Approval: A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. **If a *draft* copy of the resolution is provided, the local jurisdiction must also provide the date the resolution will be finalized by the local jurisdiction's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.

Project Documentation: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion or planning phases. An electronic copy of the PSR and/or environmental document must be supplied as applicable. The applicant will be asked for additional detailed information only if necessary, to adequately evaluate the project application.

Project Summary Information: With each application being recommended for funding,



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~~the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff will request the PowerPoint file when/if a project is recommended for funding.**~~

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on existing usage, LOS benefits, local match funding, and overall facility importance. Technical categories and point values are shown on Tables 7-3 and 7-4. Data sources and methodology are described below.

Projected/Current Average Daily Trips (ADT): Current ADT is the preferred method of measuring congestion. However, traffic counts projected to the year of opening for the project will be allowed as part of the competitive evaluation. These must be submitted along with current 24-hour traffic counts for the proposed segment for comparison purposes. The local jurisdiction must submit the project's projected ADT, current ADT, the delta, and justification of the increase. Regarding "current" counts, these are defined as those taken for a typical mid-week period within the preceding 12-months. Project applications using projected ADT must use traffic counts taken within the preceding 12 months. Project applications not using projected ADT may use traffic counts taken within the preceding 36 months. Project applications without "current" counts will be deemed incomplete and non-responsive. Average ADT for the east and west legs of the intersection will be added to the average ADT for the north and south legs.

For agencies where event or seasonal traffic presents a significant issue, AADT counts can be used, provided the local jurisdiction gives sufficient justification for the use of AADT.

Current Project Readiness: This category is additive. **Points are earned for each satisfied readiness stage at the time applications are submitted.** The local jurisdiction should select the most current phase of the project.

- Environmental Approvals – applies where all environmental clearances have been obtained on the project.
- Preliminary design (35 percent (35%) level) – will require certification from the City Engineer and is subject to verification.
- Final Design (100 percent (100%) PS&E) – applies where the jurisdiction's City Engineer or other authorized person has approved the final design.
- ROW (all offers issued) – applies where offers have been made for every parcel where acquisition is required and/or offers of dedication or orders of immediate possession have been received by the jurisdiction. Documentation of ROW possession will be required with application submittal.



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- ~~• ROW (all easements and titles) applies where no ROW is needed for the project or where all ROW has been acquired/dedicated.~~

Cost Benefit: Total project cost (included unfunded phases) divided by the existing ADT (or modeled ADT for new segments).

Funding Over-Match: The percentages shown apply to match rates above a jurisdiction's minimum match rate requirement. M2 requires a 50 percent (50%) local match for RCP

projects. ~~This minimum match can be reduced by up to 25 percentage points if certain eligible components are met. Pursuant to the M2 Ordinance, this minimum match requirement may be reduced by up to twenty-five (25) percentage points if the following criteria are met:~~

- ~~• A ten percent (10%) local match reduction if the local jurisdiction implements, maintains and operates in conformance with the Traffic Signal Synchronization Master Plan.~~
- ~~• A ten percent (10%) local match reduction if the local jurisdiction either: (a) has measurable improvement of paved road conditions during the previous reporting period as determined pursuant to OCTA's method of measuring improvement of road pavement conditions or (b) has road pavement conditions during the previous reporting period which are within the highest twenty percent (20%) of the scale for road pavement conditions as determined pursuant to OCTA's method of measuring improvement of road pavement conditions.~~
- ~~• A five percent (5%) local match reduction if the local jurisdiction does not use any Net Revenues as part of the funds for the local match.~~

If a jurisdiction's minimum match target is 30 percent (30%) and a local match of 45 percent (45%) is pledged, points are earned for the 15 percent (15%) over-match. The pledged amount is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project.

Coordination with Contiguous project: Projects that complement a proposed arterial improvement project with a similar implementation schedule earn points in this category.

This category is intended to recognize large projects that segregate intersection components from arterial components for funding purposes.

Transportation Significance: Roadway classification as shown in the current MPAH.

Operational Attributes (within the roadway): This category is additive. Each category must be a new feature added as a part of the proposed project. Only one feature can be selected for any qualifying category. For example, installation of a bike lane that is identified in an adopted ATP plan can be awarded points under "Bike Facilities" or "Active Transportation Focused Plan Elements," but not both.

- Bike Facilities: Extension of bike facilities through an intersection (Class II or Class IV) **as a complementary feature to the MPAH project. Class I is not eligible.**
- All proposed bike facilities must be included in an approved transportation plan or circulation element. For bonus points (max 5 total), Class II and Class IV facilities may also describe how improvements will help improve street operations and reduce congestion including how the project will connect a diversity of land- uses, fill gap(s) in existing bicycle facilities, and contribute to the broader bicycling infrastructure network AND/OR a quantitative analysis showing congestion reduction/reduction in vehicle miles traveled. Potential methodology includes the CARB VMT reduction or alternative quantification method, see https://ww2.arb.ca.gov/sites/default/files/auction-proceeds/bicycle%20facilities_summary_032519.pdf
- Bus Turnouts: Construction of a bus turnout as a new feature.
- Lowers density: Addition of through travel lanes.
- Channels traffic: Addition and/or extension of turn pockets (other than free right turn).
- Free right turn: installation of new free right or conversion of an existing right turn to free right
- Protected/permissive left turn: Convert from protected to protected/permissive
- Pedestrian Facilities: Placement of a new sidewalk if none currently exists.
- Grade separations: Street to street grade separations and do not apply to rail grade separation projects which are covered by the grade separation program category.
- Safety Improvements: Project features that increase the safety of pedestrians. These elements can include the new installation of: median barriers, curb extensions, residential traffic diverters, pedestrian crossing islands, pedestrian activated signals, crosswalk enhancements, safety signage, and the addition, modification, or improvement of existing pedestrian signals. Other elements of safety may be considered on a case-by-case basis.
- Elements of Approved Active Transportation Plan/Active Transportation Focused Sections of other Types of Mobility Plans: Incorporate project features that are approved in an active transportation plan or if very focused, in active transportation focused sections of other types of plans that improve mobility. These elements can include bike infrastructure and pedestrian elements. Other elements of an active transportation plan may be considered on a case-by-case basis. Documentation of approved plan will be required with application submittal and assignment of points for active transportation focused sections of other types of plans will be considered on a case-by-case basis.
- Sustainability Elements: Includes the use of multiple complete street elements, the installation of solar lighting within the roadway cross section, or water conservation elements that reduce water consumption, compared to current usage within project limits; such as the replacement of existing landscaping with hardscape and/or “California Native” drought tolerant type landscaping; the replacement of



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~~existing sprinklers with drip irrigation systems; the installation of new “grey” or recycled water systems where such does not currently exist. Other elements of sustainability may be considered on a case-by-case basis. Points are awarded at construction phase only.~~

LOS Improvement: This category is a product of the existing or projected LOS based upon v/c and LOS improvement “with project” using ICU calculation with 1,700 vehicles per lane per hour and a .05 clearance interval. Calculations will be based upon “current” arterial link and turning movement counts projected to opening year. **Projects must meet a minimum existing or projected LOS of “D” (.81 v/c) to qualify for priority consideration for funding.** Existing LOS is determined using peak hour traffic counts/turning movements AM/PM peak periods for the proposed segment utilizing ICU methodology and using 1,700 vehicles per lane/per hour and a .05 clearance interval.

For projects where traffic volumes follow unconventional patterns (e.g. unidirectional congestion, large disparity between AM and PM peaks, etc.) HCM 2010 may be proposed as an alternate methodology for determining LOS. HCM calculations must use SYNCHRO and be supported with complete calculation documentation using standard industry approaches and current signal timing plans. If an alternative methodology is proposed, all analysis **must be submitted to OCTA for review no later than October 8, 2026 ~~October 9, 2025~~** for the 2027~~6~~ Call for Projects. OCTA will contract with an independent third-party firm to review the technical analysis. The cost for the review will be charged to the applicant.

Projects that do not meet the minimum LOS “D” can be submitted but are not guaranteed consideration as part of the competitive process.

If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS “D” have been funded, a consideration of projects with a minimum LOS “C” (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. Projects with a LOS better than “C” (.70 v/c) will not be considered.

Application Process

~~Project grants are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Detailed instructions and checklists are provided in this chapter.~~

~~Complete application~~

- ~~○ Funding needs by phase and fiscal year~~
- ~~○ Local match funding source, confirmed through city council resolution or minute order~~
- ~~○ Supporting technical information (including current arterial link and turning movement counts)~~
- ~~○ Project development and implementation schedule~~
- ~~○ ROW status and a detailed plan for acquisition/disposal of excess right of way. The ROW acquisition/disposal plan must be submitted using the “ROW acquisition/disposal plan” form provided by OCTA and available for download at~~

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~~<https://ocfundtracker.octa.net>~~

~~○ Any additional information deemed relevant by the applicant~~

~~○ Grants subject to master funding agreement~~

~~Calls for projects are expected to be issued on an annual basis, or as determined by the Board. Complete project applications must be submitted by the established due date to be considered eligible for consideration.~~

Minimum Eligibility Requirements

~~Projects must have an existing or projected LOS "D" (.81 v/c) or worse to qualify for priority consideration for funding in this program.~~

~~All project roadways must be identified on the MPAH network. Local streets not shown on the MPAH are not eligible for funding through this program.~~

Matching Funds

Local agencies are required to provide local match funding for each phase of the project. As prescribed by the M2 Ordinance, the minimum local match requirement is 50 percent (50%) with potential to reduce this amount if certain eligibility requirements are met, as described in the Selection Criteria section of this chapter. The amount pledged during the application process is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project. Actual project contributions by the local agency are dependent on final project costs and may not be equal to the committed match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures do not contribute to the local match rate. The match must be a monetary contribution and may not be made up of in-kind services.

Other Application Materials

~~Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials:~~

~~Council Approval: A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. **If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.~~

~~Project Documentation: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion or planning phases. An electronic copy of the PSR and/or environmental document must be supplied~~

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~~as applicable. The applicant will be asked for additional detailed information only if necessary, to adequately evaluate the project application.~~

~~Project Summary Information: With each application being recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. OCTA staff will request the PowerPoint file when/if a project is recommended for funding.~~

Reimbursements

~~This program is administered on a progress payment basis, see Chapter 10. reimbursement basis for capital improvements, planning, design, and ROW acquisition. Reimbursements will be disbursed upon review and approval of an acceptable initial payment submittal, final report and consistency with Master Funding Agreement or cooperative agreement. The reimbursement process is more fully described in Chapter 9 of this manual.~~

Project Adjustments

~~For project adjustments (scope changes, delays, cancellations, etc.), please refer to Chapter 2: Project Programming.~~

Project Cancellation

~~If a local jurisdiction decides to cancel a project, for whatever reason, the agency shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation even if property has been acquired. Construction funding received prior to cancellation shall be repaid upon cancellation.~~

~~Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.~~

Audits

All M2 payments are subject to audit. Local jurisdictions must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall grant, and/or other sanctions to be determined. Audits shall be conducted by OCTA's Internal Audit department or other authorized agent either through the normal annual process or on a schedule to be determined by the Board (see Chapter 1140).

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Proceeds from the sale of excess ROW acquired with program funding must be paid back to the project fund as described in Chapter 10 9 and the Master Funding Agreement.

**Table 7-3 Regional
Capacity Program
Intersection Improvement Selection Criteria**

Category	Points Possible	Percentage
Facility Usage		25%
Existing ADT	15	15%
Current Project Readiness	10	10%
Economic Effectiveness		20%
Cost Benefit	10	10%
Funding Over-Match	5	5%
Coordination with Contiguous Project	5	5%
Facility Importance		30%
Transportation Significance	10	10%
Operational Efficiency	20	20%
Benefit		25%
LOS Improvement	25	25%
Total	100	100%
Bonus: Additional details and analysis for Class II or Class IV bike facility as complementary feature to the MPAH project, as applicable.	5	

Table 7-4 Intersection Widening Point Breakdown

ICE SCORING CRITERIA

Point Breakdown for Intersection Capacity Enhancement Projects

Maximum Points = 100

Facility Usage Points: 25			Facility Importance Points: 30	
ADT Range*		Points	Transportation Significance Range	
60+	thousand	15	Principal or CMP Route	10
55 – 59	thousand	13	Major	8
50 – 54	thousand	11	Primary	6
45 – 49	thousand	9	Secondary	4
40 – 44	thousand	7	Collector	2
35 – 39	thousand	5		
30 – 34	thousand	3		
25 – 29	thousand	1		
*AVG ADT for east and west legs plus AVG ADT for north and south legs of intersection.			Operational Attributes (within the roadway) Max Points: 20	
Current Project Readiness Max Points: 10			Grade Separations	10
ROW (All Easement and Titles)		5	Bike Facilities	5
Final Design (PS&E)		4	Pedestrian Facilities (New)	5
Environmental Approvals		2	Bus Turnouts	4
Preliminary Design (35%)		2	Free Right	4
ROW (All Offers Issued)		2	Lowers Density	3
			Channels Traffic	3
			Protected/Permissive Left Turn	2
			Safety Improvements	3
			Active Transportation Focused Plan Elements	2
			Sustainability Elements	2
Points are additive. Design and ROW limited to highest qualifying designation.			Benefit Points: 25	
Economic Effectiveness Points: 20			LOS Improvement Max Points: 25	
Cost Benefit (Total \$/ADT) Range*		Points	Calculation: LOS Imp x LOS Starting Point Existing LOS (Peak Hour)	
< 20		10	Range	Points
21 – 30		9	1.01+	5
31 – 50		7	.96 – 1.00	4
51 – 75		5	.91 – .95	3
76 – 100		3	.86 – .90	2
>100		1	.81 – .85	1
*= Total Cost/Average ADT			<.81	0
Funding Over-Match (local match/project cost) minus minimum local match requirement.			LOS Reduction w/ Project (existing Volume)	
Range*		Points	Range	Points
25+%		5	.20+	5
20 – 24%		4	.16 – .20	4
15 – 19%		3	.10 – .15	3
10 – 14%		2	.05 – .09	2
5 – 9%		1	.01 – .04	1
0 – 4%		0	<.01	0
Coordination with Contiguous Project		Points	Bonus Points: 5	
Range			Additional details and quantitative analysis for Class II and Class IV bike facilities as a complementary feature to the MPAH project, as applicable.	
Yes		5		
No		0		
Coordination with ACE Project with similar implementation schedule.				

Freeway Arterial/Streets Transitions (FAST)

Overview

The MPAH serves as the backbone of Orange County's arterial street network. Current and future needs at existing interchanges along MPAH highways and freeways will need to be addressed in order to improve connectivity between freeways and MPAH arterials. The interchange improvement program complements roadway improvement initiatives underway as well, and supplements development mitigation opportunities.

Projects in the FAST improvement category are selected on a competitive basis. Projects must meet specific criteria in order to compete for funding through this program.

Objectives

- Improve transition to and from Orange County freeways with emphasis on MPAH performance
- Provide timely investment of M2 revenues

Project Participation Categories

The FAST category provides capital improvement funding (including planning, design, ROW acquisition and construction) for interchange improvements on the MPAH network for the following:

- MPAH facility interchange connections to Orange County freeways (including on-ramp, off-ramp and arterial improvements)

Eligible Activities

- Planning, environmental clearance
- Design
- ROW acquisition
- Construction (including ramps, intersection and structural improvements/reconstruction incidental to project)
- Signal equipment (as incidental component of the program)
- Rehabilitation and/or resurfacing of existing pavement when necessitated by proposed improvement (such as change in profile and cross section)

Potentially Eligible Items

Below is a list of potentially eligible items. However, ~~initial final~~ determination of the eligibility of all project related costs will be made following Board approval and OCTA will provide a written confirmation of the eligible costs for construction at the time of reimbursement. Prior to the submittal of an application for funding, or at any point in the project life cycle, local agencies may meet with OCTA staff to review the eligibility of project related costs. **Application review and approval does not guarantee the eligibility of all items.**

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- Environmental mitigation for projects funded by FAST (subject to limitations identified in Precept 30) as required in an approved CEQA environmental document details below)
- Storm drains/catch basins/detention basins/bioswales/other pollutant discharge mitigation devices (details below)
- Aesthetic improvements including landscaping and enhanced landscaping within the project ROW ~~(eligible improvements up to 10 percent (10%) of construction grant costs, subject to match requirements, are eligible provided costs are reasonable for the transportation benefit)~~
- Rehabilitation and/or resurfacing of incidental pavement areas within the proposed project limits is eligible but shall not exceed 10 percent (10%) of the ~~M2 construction~~ grant, subject to match requirements.
- Improvements and/or betterments to private property if part of a ROW settlement agreement
- Utility relocation where the serving utility has prior rights as evidenced by a recorded legal document
- ~~Roadway Grading within the ROW is eligible. shall not exceed a depth for normal roadway excavation (e.g. structural section) or as required by TCEs, and/or ROW agreement related improvements. However, a~~ Additional grading will be considered on a case-by-case basis. Agencies ~~must shall~~ provide supporting documentation (e.g. soils reports, ROW agreements) to justify the additional grading, if seeking reimbursement for this component.
- Additional ROW and CON to accommodate pedestrian or bike improvements (including Class II and Class IV bike lanes) **as a complementary feature to the MPAH project** are eligible. Construction of eligible bike facilities shall not exceed 25 percent (25%) of ~~the M2 construction~~ grant, subject to match requirements.
- Auxiliary lanes if necessitated by interchange improvements
- Soundwalls (in conjunction with roadway improvement mitigation measures) as required in an approved CEQA environmental document

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 25 percent (25%) of the grant total eligible project costs.

Storm drains systems required for the MPAH road improvement are eligible. Eligibility is limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement. OCTA may request supporting documentation from the local jurisdiction to demonstrate that the storm drain improvements are required due to the MPAH roadway improvement and are not part of a separate regional storm drain project or broader drainage system improvement.

M2 funds shall not supplant developer funding (see Precept 5) Longitudinal storm-

~~drains are eligible for program participation when the storm drain is an incidental part (cost is less than 25 percent (25%) of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 10 percent (10%) of the cost of storm drain longitudinal/parallel and main lines.~~ Storm drain inlets, connectors, laterals and cross culverts shall have full participation in FAST improvement category funding. Storm drains outside standard MPAH ROW widths are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g. within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin.

Soundwalls are eligible only if they are required as part of the environmental mitigation for the proposed project and shall not exceed 25 percent (25%) of the total eligible project cost. Aesthetic enhancements and landscaping in excess of minimum environmental mitigation requirements are eligible at up to 10 percent (10%) of the total ~~grant eligible construction costs~~, provided costs are reasonable for the transportation benefit.

The relocation of detention basins/bioswales are potentially eligible dependent on prior rights and will be given consideration on a case-by-case basis (see Utility Relocations below).

Roadway grading is eligible for structural sections if within the standard MPAH cross section for the facility (inclusive of any TCEs). Rough grading can be considered eligible, so long as it supports MPAH improvement(s) within the ROW and does not supplant developer (or any other project obligations). Any proposed rough grading outside of the MPAH ROW, will be evaluated by OCTA on a case-by-case basis but must be tied to the MPAH improvement(s) and not supplant developer (or any other project obligations).

Utility Relocations

The expenses associated with the relocation of utilities are eligible for RCP reimbursement only when:

- The relocation is made necessary due to conflict with proposed improvements.
- The facility to be relocated is within the project right-of-way.
- It has been determined that the local agency is legally liable for either a portion of or all of the relocation costs.

Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, a finding by the local agency's counsel, or other recorded legal document. Documentation providing proof of the local agency's liability for the costs of utility relocation must be submitted at the time of a payment request (see Chapter 9). Utilities funded through enterprise funds shall not be eligible for reimbursement.

If a relocation is eligible to be reimbursed, and to be performed by the utility owner or by



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~~the utility owner's contractor, the work should be included in the ROW phase costs and~~ clearly identified in the project application submittal. For eligible relocations to be performed during the construction phase by the local agency's contractor, the work should be included in the plans and specifications similar to other construction activities.

Adjustment of existing utilities to grade (e.g. water valves, manhole frames and covers), due to new roadway cross sections are either eligible or not eligible in the construction phase subject to the limitations previously described (e.g. prior rights). New or relocated fire hydrants are ineligible.

In all cases, eligible costs shall only include "in-kind" relocation. No reimbursements will be made for betterments above the cost of "in-kind" relocation. Additionally, costs submitted for program reimbursement must be reduced by any salvage credits received.

Ineligible ~~Items~~ Projects

- Seismic retrofit projects (unless combined with eligible capacity enhancements)
- Grading outside of the roadway ROW not related to a TCE or ROW agreement is generally assumed to be ineligible but can be evaluated by OCTA on a case-by-case basis but must be tied to the MPAH improvement(s) and not supplant developer (or any other project obligations).
- ~~Statues, ornaments, and fountains or similar Enhanced landscaping, aesthetics and gateway treatments (landscaping that exceeds that necessary for normal erosion control and ornamental hardscape).~~
- ROW and/or construction for separated Class I bike facilities, unless a connection into the MPAH roadway is required.
- Street improvements and maintenance activities (e.g., curb and gutter, pavement rehabilitation/restoration, sidewalk reconstruction, or full catch-basin replacement/construction) are not eligible, unless surface repairs are required to restore a funded RCP project area to pre-construction conditions.

Application Process

Project grants are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below.

Complete application

- Funding needs by phase and fiscal year
- Local match funding source
- Supporting technical information
- Project development and implementation schedule
- ROW status and a detailed plan for acquisition/disposal of excess right-of-way. The ROW acquisition/disposal plan must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at <https://ocfundtracker.octa.net>.

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- Any additional information deemed relevant by the applicant
- Grants subject to a Master Funding Agreement or cooperative agreement if federal funds are awarded

Calls for projects are expected to be issued on an annual basis, or as determined by the OCTA Board of Directors. Complete project applications must be submitted by the established due date to be considered eligible for consideration.

Minimum Eligibility Requirements

- Projects must have an existing or projected LOS “D” (.81 v/c) or worse to qualify for priority consideration for funding in this program. Worst peak hour period is used for this evaluation and eligibility purposes.

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials:

Council Approval: A Council Resolution or minute order authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. **If a *draft* copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency’s governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA’s Board of Directors.

Project Documentation: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion of planning phases. An electronic copy of the PSR and/or environmental document must be supplied as applicable. The applicant will be asked for additional detailed information only if necessary, to adequately evaluate the project application.

Project Summary Information: With each application being recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff will request the PowerPoint file when/if a project is recommended for funding.**

Caltrans Coordination

Caltrans is not eligible to submit applications or receive payment under this program. Only eligible cities or the County of Orange may submit applications and receive funds. This program was designed to benefit local agencies.

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Coordination with Caltrans will be essential for most, if not all, of the projects submitted for this program. Local agencies should therefore establish contacts with the Caltrans

District 12 Office (Project Development Branch) to ensure that candidate projects have been reviewed and approved by Caltrans. All other affected agencies should be consulted as well.

Agencies submitting projects for this program must have confirmation from Caltrans that the proposed improvement is consistent with other freeway improvements as evidenced by an agreement or other formal document.

Applications should be submitted so that interchange projects are done in conjunction with construction of other freeway improvements whenever possible. However, if the interchange project can be done in advance of the freeway project, verification and/or supporting documentation must be submitted showing the interchange improvement has merit for advanced construction and that it will be compatible with the freeway design and operation. Additionally, the interchange improvements should take into account the ultimate freeway improvements if the interchange is to be improved in advance.

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on existing usage, level of services benefits, local match funding and overall facility importance. Technical categories and point values are shown on Tables 7-5 and 7-6. Data sources and methodology are described below.

Projected/Current Average Daily Trips (ADT): Current ADT is the preferred method of measuring congestion. However, traffic counts and ramp volumes projected to the year of opening for the project will be allowed as part of the competitive evaluation. These must be submitted along with current 24-hour traffic counts for the proposed segment for comparison purposes. The agency must submit the project's projected ADT, current ADT, the delta, and justification of the increase. Regarding "current" counts, these are defined as those taken for a typical mid-week period within the preceding 12 months. Project applications using projected ADT must use traffic counts taken within the preceding 12 months. Project applications not using projected ADT may use traffic counts taken within the preceding 36 months. Project applications without "current" counts will be deemed incomplete and non-responsive. Average ramp intersection volume for each interchange ramp will be used for the current counts. New facilities will rely on projected ramp volume based upon Caltrans approved projection.

For agencies where event or seasonal traffic presents a significant issue, AADT counts can be used, provided the agency gives sufficient justification for the use of AADT.

Current Project Readiness: This category is additive. **Points are earned for each satisfied readiness stage at the time applications are submitted.** The local jurisdiction should select the most current phase of the project.

- Environmental Approvals – applies where all environmental clearances have been obtained on the project.
- Preliminary design (35 percent (35%) level) – will require certification from the City Engineer and is subject to verification.
- Final Design (PS&E) – applies where the jurisdiction's City Engineer or other authorized person has approved the final design.
- ROW (all offers issued) – applies where offers have been made for every parcel where acquisition is required and/or offers of dedication or orders of immediate possession have been received by the jurisdiction. Documentation of ROW possession will be required with application submittal.
- ROW (all easements and titles) – applies where no ROW is needed for the project or where all ROW has been acquired/dedicated.

Cost Benefit: Total project cost (including unfunded phases) divided by the existing ADT (or modeled ADT for new segments).

Funding Over-Match: The percentages shown apply to match rates above a jurisdiction's minimum local match requirement. M2 requires a 50 percent (50%) local match for RCP projects. ~~This minimum match can be reduced by up to 25 percentage points if certain eligible components are met. Pursuant to the M2 Ordinance, this minimum match requirement may be reduced by up to twenty-five (25) percentage points if the following criteria are met:~~

- ~~• A ten percent (10%) local match reduction if the local jurisdiction implements, maintains and operates in conformance with the Traffic Signal Synchronization Master Plan.~~
- ~~• A ten percent (10%) local match reduction if the local jurisdiction either: (a) has measurable improvement of paved road conditions during the previous reporting period as determined pursuant to OCTA's method of measuring improvement of road pavement conditions or (b) has road pavement conditions during the previous reporting period which are within the highest twenty percent (20%) of the scale for road pavement conditions as determined pursuant to OCTA's method of measuring improvement of road pavement conditions.~~
- ~~• A five percent (5%) local match reduction if the local jurisdiction does not use any Net Revenues as part of the funds for the local match.~~

If a jurisdiction's minimum match target is 30 percent (30%) and a local match of 45 percent (45%) is pledged, points are earned for the 15 percent (15%) over-match. The pledged amount is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project.

Coordination with Freeway Project: Interchanges planned to coincide with or accommodate programmed freeway improvements receive points in this category.

Transportation Significance: Roadway classification as shown in the current MPAH.

Operational Attributes (within the roadway): This category is additive. Each category, except Active Transit Routes, must be a new feature added as a part of the proposed project. Only one feature can be selected for any qualifying category. For example, installation of a bike lane that is identified in an adopted ATP plan can be awarded points under "Bike Facilities" or "Active Transportation Focused Plan Elements," but not both.

- Eliminate left turn conflicts: Ramp intersection reconfiguration which does not permit left turns onto ramps.
- Coordinated signal: Ramp intersections within a coordinated corridor where coordination did not previously exist.
- Add turn lanes: Increase in number of turn lanes on arterial.
- Add traffic control: Signalization of ramp intersection
- Enhanced ramp storage: Extension or widening of existing ramp to improve off-street storage capacity.
- Pedestrian facilities: Add crosswalk and/or sidewalk to ramp or bridge crossing within context of interchange improvements.
- Bike Facilities: Installation of new bike facilities (Class II or Class IV) **as a complementary feature to the MPAH project**. Class I facilities are not eligible. All proposed bike facilities must be included in an approved transportation plan or circulation element. For bonus points (max 5 total), Class II and Class IV facilities may also describe how improvements will help improve street operations and reduce congestion including how the project will connect a diversity of land-uses, fill gap(s) in existing bicycle facilities, and contribute to the broader bicycling infrastructure network AND/OR a quantitative analysis showing congestion reduction/reduction in vehicle miles traveled. Potential methodology includes the CARB VMT reduction or alternative quantification method, see https://ww2.arb.ca.gov/sites/default/files/auction-proceeds/bicycle%20facilities_summary_032519.pdf
- Active Transit Route: facility contains a currently active OCTA transit route

- **Safety Improvements:** Project features that increase the safety of pedestrians. These elements can include the new installation of: intersection median barriers, curb extensions, pedestrian crossing islands, crosswalk enhancements, safety signage, and the addition, modification, or improvement of existing pedestrian signals. Other elements of safety may be considered on a case-by-case basis.
- **Elements of Approved Active Transportation Plan/Active Transportation Focused Sections of other Types of Mobility Plans:** Incorporate project features that are approved in an active transportation plan or if very focused, in active transportation focused sections of other types of plans that improve mobility. These elements can include bike infrastructure and pedestrian elements. Other elements of an active transportation plan may be considered on a case-by-case basis. Documentation of approved plan will be required with application submittal and assignment of points for active transportation focused sections of other types of plans will be considered on a case-by-case basis.
- **Sustainability Elements:** Includes the use of multiple complete street elements, the installation of solar lighting within the roadway cross section, or water conservation elements that reduce water consumption, compared to current usage within project limits; such as the replacement of existing landscaping with hardscape and/or “California Native” drought tolerant type landscaping; the replacement of existing sprinklers with drip irrigation systems; the installation of new “grey” or recycled water systems where such does not currently exist. Other elements of sustainability may be considered on a case-by-case basis. Points are awarded at construction phase only.

LOS Improvement: This category is a product of the existing or projected LOS based upon v/c and LOS improvement “with project” for arterial based improvements and ICU for intersection-based improvements. **Projects must meet a minimum existing or projected LOS of “D” (.81 v/c) to qualify for priority consideration for funding.** Existing LOS is determined using current 24-hour traffic counts for arterials and peak hour turning movements at intersections for the proposed segment. However, for projects where traffic volumes follow unconventional patterns (e.g. unidirectional congestion, large disparity between AM and PM peaks, etc.) alternate methodologies for determining LOS can be proposed. If HCM 2010 is proposed for intersections as an alternative methodology, all analysis **must be submitted to OCTA no later than October 8, 2026** ~~October 9, 2025~~ and the cost for independent review shall be reimbursed by the applicant. Projects that do not meet the minimum LOS “D” can be submitted but are not guaranteed consideration as part of the competitive process.

If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS “D” have been funded, a consideration of projects with a minimum LOS “C” (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. Projects with a LOS better than “C” (.70 v/c) will not be considered.

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Improvement Characteristics: Select the attribute that best fits your project definition.

- New facility: New interchange where none exists.
- Partial facility: New interchange which does not provide full access.
- Interchange reconstruction: improvement of existing interchange to provide additional arterial capacity (widening of overcrossing or undercrossing).
- Ramp reconfiguration: Widening of ramp or arterial to improve turning movements or other operational efficiencies.
- Ramp metering: Installation of metering on ramp.

Application Process

~~Project grants are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to evaluate the project proposal as outlined below.~~

~~Complete application~~

- ~~○ Funding needs by phase and fiscal year~~
- ~~○ Local match funding source~~
- ~~○ Supporting technical information~~
- ~~○ Project development and implementation schedule~~
- ~~○ ROW status and a detailed plan for acquisition/disposal of excess right of way. The ROW acquisition/disposal plan must be submitted using the "ROW acquisition/disposal plan" form provided by OCTA and available for download at <https://ocfundtracker.octa.net>.~~
- ~~○ Any additional information deemed relevant by the applicant~~
- ~~○ Grants subject to a Master Funding Agreement or cooperative agreement if federal funds are awarded~~

~~Calls for projects are expected to be issued on an annual basis, or as determined by the OCTA Board of Directors. Complete project applications must be submitted by the established due date to be considered eligible for consideration.~~

Minimum Eligibility Requirements

~~Projects must have an existing or projected LOS "D" (.81 v/c) or worse to qualify for priority consideration for funding in this program. Worst peak hour period is used for this evaluation and eligibility purposes.~~

Matching Funds

Local agencies are required to provide local match funding for each phase of the project. As prescribed by the M2 Ordinance, a 50 percent (50%) minimum local match is required.

A lower local match may be permitted if certain eligibility criteria are met, as described in the Selection Criteria section of this chapter. The amount pledged during the application

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process is considered the committed match rate and will be required, at a minimum, from the local agency throughout the life of the project. Actual project contributions by the local agency are dependent on final project costs and may not be equal to the committed match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures do not contribute to the local match rate. The match must be a monetary contribution and may not be made up of in-kind services.

Reimbursements

This program is administered on a progress payment basis, see Chapter 10. ~~reimbursement basis for capital improvements, planning, design, and ROW acquisition. Reimbursements will be disbursed upon review and approval of an acceptable initial payment submittal, final report and consistency with Master Funding Agreement. The reimbursement process is described in Chapter 9.~~

Caltrans Coordination

~~Caltrans is not eligible to submit applications or receive payment under this program. Only eligible cities or the County of Orange may submit applications and receive funds. This program was designed to benefit local agencies.~~

~~Coordination with Caltrans will be essential for most, if not all, of the projects submitted for this program. Local agencies should therefore establish contacts with the Caltrans District 12 Office (Project Development Branch) to ensure that candidate projects have been reviewed and approved by Caltrans. All other affected agencies should be consulted as well.~~

~~**Agencies submitting projects for this program must have confirmation from Caltrans that the proposed improvement is consistent with other freeway improvements as evidenced by an agreement or other formal document.**~~

~~Applications should be submitted so that interchange projects are done in conjunction with construction of other freeway improvements whenever possible. However, if the interchange project can be done in advance of the freeway project, verification and/or supporting documentation must be submitted showing the interchange improvement has merit for advanced construction and that it will be compatible with the freeway design and operation. Additionally, the interchange improvements should take into account the ultimate freeway improvements if the interchange is to be improved in advance.~~

Project Adjustments

For project adjustments (scope changes, delays, cancellations, etc.), please refer to Chapter 2: Project Programming.

Project Cancellation

~~If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation even if property has been acquired. Construction funding received prior to cancellation shall be repaid upon cancellation.~~

~~Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.~~

Audits

All M2 payments are subject to audit. Local jurisdictions must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall grant, and/or other sanctions to be determined. Audits shall be conducted by OCTA's Internal Audit department or other authorized agent either through the normal annual process or on a schedule to be determined by the Board (see Chapter 11 10).

Proceeds from the sale of excess ROW acquired with program funding must be paid back to the project fund as described in Chapter 10 9 and Master Funding Agreement.

Other Application Materials

~~Supporting documentation will be required to fully consider each project application. In addition to the funding plan described above, local agencies will be required to submit the following materials:~~

~~Council Approval: A Council Resolution or minute order authorizing request for funding consideration with a commitment of local match funding must be provided with the project application. **If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's**~~

~~**governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.~~

~~Project Documentation: If proposed project has completed initial planning activities (such as PSR or equivalent, EIR, or design), evidence of approval should be included with the application. Satisfactory evidence includes project approval signature page, engineer-~~

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~~stamped site plan, or other summary information to demonstrate completion of planning phases. An electronic copy of the PSR and/or environmental document must be supplied as applicable. The applicant will be asked for additional detailed information only if necessary, to adequately evaluate the project application.~~

~~Project Summary Information: With each application being recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff will request the PowerPoint file when/if a project is recommended for funding.**~~

Table 7-5
Freeway/Arterial Street Transitions
Interchange Improvement Selection Criteria

Category	Points Possible	Percentage
Facility Usage		20%
Existing ADT	10	10%
Current Project Readiness	10	10%
Economic Effectiveness		25%
Cost Benefit	10	10%
Matching Funds	10	10%
Coordination with Freeway Project	5	5%
Facility Importance		25%
Transportation Significance	10	10%
Operational Attributes	15	15%
Benefit		30%
Existing LOS	10	10%
LOS Reduction w/ Project	10	10%
Improvement Characteristics	10	10%
Total	100	100%
Bonus: Additional details and analysis for Class II or Class IV bike facility as complementary feature to MPAH project, as applicable.		5

Table 7-6 Interchange Improvement Point Breakdown

FAST SCORING CRITERIA

Point Breakdown for Freeway/Arterial Street Transitions Projects

Maximum Points = 100

Facility Usage			Points: 20	
ADT Range*		Points		
55+	thousand	10		
50 – 54	thousand	9		
45 – 49	thousand	8		
40 – 44	thousand	6		
35 – 39	thousand	4		
30 – 34	thousand	3		
25 – 29	thousand	2		
20 – 24	thousand	1		
<10 – 19	thousand	0		
*Arterial plus daily ramp exit volume				
Current Project Readiness		Max Points: 10		
ROW (All Easement and Titles)		6		
ROW (All Offers Issued)		4		
Final Design (PS&E)		4		
PA/ED		2		
Project Study Report or Equiv.		1		
Points are additive. ROW is the highest qualifying designation.				
Economic Effectiveness			Points: 25	
Cost Benefit (Total \$/ADT) Range*		Points		
< 20		10		
20 – 39		8		
40 – 79		6		
80 – 159		4		
160 – 319		2		
320 – 640		1		
>640		0		
Funding Over-Match (local match/project cost) minus minimum local match requirement.				
Range*		Points		
30+%		10		
25 – 29%		8		
20 – 24%		6		
15 – 19%		4		
10 – 14%		2		
00 – 09%		1		
Range refers to % points above agency minimum requirement				
Coordination with Freeway Mainline Improvements				
Project Range		Points		
Yes		5		
No		0		

Facility Importance		Points: 25	
Transportation Significance Range		Points	
Principal or CMP Route		10	
Major		8	
Primary		6	
Secondary		4	
Collector		2	
Operational Attributes (within the roadway)		Max Points: 15	
Pedestrian Facilities (New)		4	
Bike Facilities (New)		4	
Eliminate Left Turn Conflict		3	
Add Turn Lanes		3	
Enhanced Ramp Storage		3	
Coordinated Signal		2	
Safety Improvements		3	
Active Transportation Focused Plan Elements		2	
Sustainability Elements		2	
Add Traffic Control		1	

Benefit		Points: 30	
LOS Improvement		Max Points: 20	
Calculation: Avg. LOS Imp + Avg. LOS Starting Point			
LOS Reduction w/ Project (existing Volume) Range		Points	
.20+		10	
.16 – .19		8	
.10 – .15		6	
.05 – .09		4	
<.05		2	
Existing LOS Range		Points	
1.06+		10	
1.01 – 1.05		8	
0.96 – 1.00		6	
0.91 – 0.95		4	
0.86 – 0.90		2	
0.81 – 0.85		1	
Improvement Characteristics		Max Points: 10	
New Facility (Full Interchange)		10	
New Facility (Partial Interchange)		8	
Interchange Reconstruction		6	
Ramp Reconfiguration		4	
Ramp Metering		2	

Bonus		Points: 5	
Additional details and quantitative analysis for Class II or Class IV bike facility as a complementary feature of the MPAH project, as applicable.			

Regional Grade Separation Program (RGSP)

Background

Seven rail crossing projects along the MPAH network were identified by the CTC to receive Trade Corridors Improvement Funds (TCIF). These TCIF allocations required an additional local funding commitment. To meet this need, the Board approved the commitment of \$160 million in RCP (Project O) funds to be allocated from M2. The RGSP captures these prior funding commitments.

Future calls for projects for grade separations are not anticipated.

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Chapter 8 – Regional Traffic Signal Synchronization Program (Project P)

Overview

The RTSSP (Project P) includes competitive funding for the coordination of traffic signals across jurisdictional boundaries including project based operational and maintenance funding. OCTA will provide funding priority to programs and projects, which are multi-jurisdictional in nature.

The RTSSP is based on the Regional Traffic Signal Synchronization Master Plan (RTSSMP). The Board adopted the RTSSMP as an element of the MPAH on July 26, 2010. The RTSSMP defines the foundation of the RTSSP. The RTSSMP consists of the following components:

- Regional signal synchronization network
- Priority corridors for accelerated signal synchronization
- Definition of Traffic Forums
- Model agreements presenting roles and responsibilities for Project P
- Signal synchronization regional assessment every three years
 - NOTE: For Call for Projects **2027**, Priority Corridors are an eligible inclusion, but no additional points will be awarded. A Priority Corridor is on the Signal Synchronization Network.

The RTSSMP will be reviewed and updated by OCTA. Local agencies are required to adopt and maintain a Local Traffic Signal Synchronization Plan (Local Plan) that is consistent with the RTSSMP and shall issue a report on the status and performance of its traffic signal synchronization activities. Details on both the RTSSMP and requirements for Local Plan development are available in the [Guidelines for the Preparation of Local Signal Synchronization Plans](#) (updated April **2026**). These guidelines are available at the following link: <https://www.octa.net/M2Eligibility>.

The remainder of this chapter details the key components of the RTSSP:

- Funding guidelines for the competitive call for projects
- **2027** Call for Projects

Projects compete for funding as part of the RTSSP. Projects submitted by local agencies as part of the call must meet specific criteria. Projects are rated based on scoring criteria and are selected based on their competitive ratings.

Funding Estimates

The streets and roads component of M2 is to receive 32 percent (32%) of net revenues, four percent (4%) of which are allocated for the RTSSP. The RTSSP will make an estimated \$270 million (2009 dollars) available over the course of the 30-year M2 Program. Programming estimates are developed in conjunction with a call for projects

cycle corresponding to concurrent funding agreements with all local agencies.

The RTSSP targets over 2,000 intersections across Orange County for coordinated operations. Because of the limited amount of funds available for the RTSSP, a project cap of ~~\$84,000~~ ~~\$75,000~~ per signal or ~~\$280,000~~ ~~\$250,000~~ per project corridor mile included as part of each project (whichever is higher) has been established for this call for projects. Note that offset signals will not be counted towards the total number of signals on the project for purposes of calculating the project cap.

Objectives

- Synchronize traffic signals across jurisdictions.
 - Monitor and regularly improve the synchronization.
 - Synchronize signals on a corridor, intersecting crossing arterial and/or route basis reflecting existing traffic patterns in contiguous zones or road segments that have common operations.

2027 Call for Projects

The following information provides an overview of the **2027** RTSSP (Project P) Call for Projects:

1. Projects must result in new, optimized, and field-implemented coordination timing.
2. Project shall be a single contiguous corridor or set of contiguous corridors related to each other. Multiple corridors and related systems of corridors that form a “grid” or “route” may be submitted as a single optimized timing project. However, the total number of corridors per project will be limited to three (3).
- ~~3. Projects selected will be programmed after July 1 of the programmed year (July 1 – June 30).~~
- ~~4. Project delays resulting in a time extension request will fall within the process outlined in the CTFP Guidelines.~~
- ~~5.3. Projects are funded for a grant period of three (3) years for the Primary Implementation phase, followed by a subsequent Ongoing Operations and Maintenance phase and are divided into two phases:~~
 - a. Primary Implementation (PI) – includes the required implementation of optimized signal timing as well as any signal improvements proposed as part of a project. Implementing agency must have OCTA’s written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract. A report is required at the conclusion of this phase to document work completed during the PI phase. This PI Report shall be submitted with the Final Final CTFP Expenditure Report.
 - b. Ongoing Operations and Maintenance (O&M) – includes the required monitoring and improving optimized signal timing in addition to any optional

communications and/or detection support. O&M will begin after the optimized signal timing is implemented and be required for the remainder of the project (typically 2 years). An O&M Report is required at the conclusion of this phase to document work completed during the O&M phase and shall be submitted with the Final CTFP Expenditure Report.

- 6.4.** Projects shall include a Before and After Study. This study shall collect morning, mid-day, and evening peak periods using travel times, average speeds, green lights to red lights, stops per mile, and the derived corridor synchronization performance index (CSPI) metric. This information shall be collected both before and after signal timing changes have been implemented and approved by all agencies. The study shall compare the information collected both before and after the timing changes. Comparisons should identify the absolute and percent differences for the entire corridor, by segment, direction and time. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.). The Before and After study shall also include field inventory, count data, modeling data, and Greenhouse Gas calculations. The Before and After Study shall be submitted as part of the PI Report.
- 5.** Projects Selected will be programmed after July 1 of the programmed year (July 1 – June 30). The date of encumbrance of each phase will be determined by contractual documents (e.g. fully executed contract, NTP, etc.). Local agencies are encouraged to issue a separate NTP when combining contracts for both the PI and O&M phases. NTP requirements should be identified in the initial contract/agreement to avoid obligation of both phases at the same time.
- 6.** Project delays resulting in a time extension request will fall within the process outlined in the CTFP Guidelines Chapter 2, Project Programming.
- 7.** Any corridor or portion of a corridor funded through this call cannot re-apply for funding until the three-year grant period is completed and a Final CTFP Expenditure Report for both phases have been submitted to OCTA.
- 8.** This chapter identifies the selection criteria for projects, eligible activities, minimum project requirements, data compatibility required as part of any funded project, and other key information.
- 9.** ~~Applications with full participation of agencies and signals in the OCTA Countywide Signal Synchronization Baseline Project (Baseline Project) may elect to waive data collection, timing development, and timing implementation tasks in their application. A waiver will only be accepted if all participating agencies (excluding Caltrans) execute a cooperative agreement with OCTA by no later than the date the funding recommendations are presented to the TSC, as these tasks will be covered in the Baseline Project. Note that "Before" and "After" studies and tasks in the O&M phase will still be required as part of Project P.~~

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Additional details of the specific program's intent, eligible project expenditures, ineligible project expenditures, and additional information that may be needed when applying for funds are included in this chapter. Each section should be read thoroughly before applying for funding. Applications should be prepared for the program that best fits the proposed project.

For specifics on the funding policies that apply to this call, refer to the Program Precepts in Section V and Chapter 2 of these guidelines.

Applications

In order for OCTA to consider a project for funding, applications will be prepared by the local agency responsible for the project application. OCTA shall require agencies to submit applications for the call for projects by **5:00 p.m. on Thursday, November 19, 2026**. Late and/or incomplete submittals will not be reviewed or considered. The local agency responsible for the project application must submit the application and any supporting documentation via OCFundtracker as outlined below.

A separate application package must be completed for each individual project and uploaded to OCFundtracker. **One (1) electronic copy on a USB, thumb drive, memory stick, or via electronic file upload and/or email** of each complete application shall also be ~~delivered to:~~ submitted to OCTA by the application deadline. Hard copies will not be accepted.

Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, California 92863-1584
Attn: Cynthia Morales
Email: cmorales@octa.net

OCFundtracker Application Components

Final applications **MUST** be submitted via OCFundtracker and in electronic format. Selection criteria must be inputted as part of the OCFundtracker online application and includes the following categories of information:

Transportation Significance, Number of Jurisdictions, Project Scale, Economic Effectiveness, Project Characteristics, Current Project Status, and Funding Match Rate.

Checklist Guide

The "Project P Regional Traffic Signal Synchronization Program Application Checklist" has been provided for the RTSSP (Exhibit 8-1). The checklist identifies the basic documentation required for the program. In addition to items required at the time of project submittal, additional items that are not specified may be requested later. The checklist should be provided as a table of contents for **each** application submitted. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application.

Sample Resolution Form

A resolution or minute action must be approved by the local agency's governing body. A sample resolution is included as Exhibit 8-2. Local agencies, at a minimum, must include items a-h from the sample resolution. The mechanism selected shall serve as a formal request for RTSSP funds and will state that matching funds will be provided by the agency, if necessary. All project requests (i.e., multiple corridors proposed for RTSSP funds) must be included in this action.

Data Compatibility

All count data, including average daily traffic (ADT) and intersection turning movement (ITM), collected as part of any funded project shall be provided to OCTA in Microsoft Excel format. Any data files containing numeric intersection or node identifiers shall use the same node identification (ID) numbers as is stored and maintained by OCTA. OCTA will provide a listing of intersections and corresponding unique node ID numbers upon request. Each count data filename shall describe the year the counts were collected, agency, type of count file, intersection name, and OCTA node ID number. As an example, an ITM file recently collected for the intersection of Harbor Boulevard and Wilson Street in the City of Costa Mesa would be given the filename 2020_CostaMesa_ITM_Harbor-Wilson_4534.xls.

All traffic signal synchronization data collected and compiled as part of any funded project for both existing (before) and final optimized (after) conditions shall be provided to OCTA in Synchro version 10 or later format. This data shall include validated network layout, node, link, lane, volume, timing, and phase data for all coordinated times. The nodes for these files shall also correspond to the OCTA node ID numbers.

Project Summary Information

For each application that is recommended for funding, the agency ~~shall~~ may be asked to submit a PowerPoint presentation summarizing the pertinent project information for TAC review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. **OCTA staff may ~~will~~ request the PowerPoint file when/if a project is recommended for funding.**

Project Definition

Local agencies are required to submit complete projects that, at minimum, result in field-implemented coordinated timing. Project tasks that are eligible for funding can consist of design, engineering, construction, and construction management. Partial projects that include design improvements, but do not field implement the improvements are ineligible.

Projects must consist of a corridor along the priority corridor network, signal synchronization network, or the MPAH. Projects previously awarded RTSSP funding must be complete with a Final CTFP Expenditure Report for both phases submitted to OCTA. Projects can be the full length of the corridor or a segment that complies with the minimum project requirements identified later in the chapter.

~~All participating agencies (except Caltrans) and their respective project signals in the application must be participants of the OCTA Baseline Project in order to be eligible to waive the data collection, timing development, and timing implementation tasks of the Project P project. Offset signal improvements are also only available to applications that have full Baseline Project participation (excluding Caltrans).~~

Per the RTSSMP, the Project P projects are corridor-based. The applicant agency and owning agencies submitting a “route” project must provide evidence, including actual vehicle counts and a description of the proposed route to demonstrate that the interconnected corridors do form a coherent route. A “route” project shall meet the Minimum Eligibility Requirements as described on Page 8-108-19.

For route projects encompassing more than two (2) corridors, current Origin-Destination (OD) count data (field or third-party crowdsourcing accepted), shall be provided. This data shall include a detailed depiction of the route and clearly highlight the OD points using the collected vehicle data. **Discussion with OCTA staff regarding OD data gathering prior to collection for the application is highly encouraged.** The analysis must illustrate how the route offers a coherent and logical path, detail the expected benefits, and explain the rationale behind drivers' choice of this particular route. Additionally, routes must maintain the integrity of eligible and/or previously synchronized corridors, avoiding any disruption to established routes to ensure seamless connectivity. The provided data should be recent, preferably within the last 12 months, and collected during peak traffic hours. Include maps and diagrams that illustrate the OD points and the flow of the route. A draft application must be submitted **at least four (4) weeks** prior to the application deadline. **Failure to submit a draft application by October 23, 2026, will result in automatic disqualification of the project.** By adhering to these guidelines, applicants will ensure their projects align with the objectives of Project P.

A “grid” project shall consist of one main corridor that is specifically identified in the application with a maximum of two crossing corridors to make a grid. Grid projects shall also be multijurisdictional with a minimum of two local agencies, excluding Caltrans. For a grid project, applicant agency and owning agency must demonstrate through simulation or actual vehicle counts the following:

- Show that timing changes on the main corridor will greatly impact the crossing corridor(s)
- Crossing corridors shall have closely spaced signals in close proximity to the main corridor with timing changes along these crossings impacting the operation of the main corridor

All corridors in the grid shall individually meet the Minimum Eligibility Requirements and, as part of the project, travel time studies shall also be collected along all corridors making the grid.

Multimodal consideration of bicyclists and pedestrians along or crossing the intersection or roadway may enhance overall circulation. Therefore, active transportation elements may be included as part of the project as outlined under the Selection Criteria section in the following section.

Eligible Activities

The primary purpose of Project P is to provide funding for projects that develop and maintain corridor-based, multi-jurisdictional signal synchronization along corridors throughout Orange County. All projects funded by Project P must be corridor-based and have a signal coordination component that includes the following:

- Developing and implementing new signal synchronization timing parameters based on current travel patterns, and federal and state traffic signal timing mandates and guidance, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD). ~~These tasks may be waived if ALL the applicants (excluding Caltrans) and all of their respective project signals are participating in the Baseline Project.~~ All timing development (including data collection) and implementation for Caltrans intersection(s) included in the project will be the responsibility of the applicant. Funding/effort is allowed as part of the application.
- Monitor, maintain (minimum quarterly/maximum monthly) and/or regularly improve the newly implemented signal synchronization timing and parameters for the remainder of the project. As part of the closeout process, an O&M Report is required to document activities of the O&M phase. ~~This is required regardless of Baseline participation.~~
- “Before” and “after” studies for the project comparing travel times, average speeds, ratio of green lights passed to red lights stopped (greens per red), average stops per mile, and emissions of greenhouse gases. The results of the “before” and “after” studies shall be included in the PI Report. ~~This is required regardless of Baseline participation.~~

In addition to developing optimized signal timing, a project may include other improvements, as long as they contribute to the goal of multi-agency signal synchronization of corridors throughout Orange County. These improvements are restricted to the signal synchronization project limits (main corridor) but may include synchronization with traffic signalized intersections on the MPAH that are within 2,700

feet from either direction of the project corridor. These offset signals; however, will not be counted towards the total number of signals on the project (for implementation of timing plans only). ~~As a reminder, the waiver for the development and implementation of timing will only be considered if **ALL** participating agencies and all of their respective project signals are part of the Baseline Project. No additional funds will be allocated for offset signals. All offset signal improvements must adhere to the CTFP Guidelines for eligibility. All improvements must be designed to enhance the specific project. Expenditures related to the design of systems, permitting, and environmental clearance are eligible for funding.~~

Caltrans encroachment permits and agency to Caltrans Cooperative Agreement fees are eligible activities. This includes Caltrans labor, such as expenses for reviewing signal timing plans, providing signal timing parameters, and providing existing timing sheets, etc. Applicant must specify how the project intends to handle Caltrans intersections.

Ineligible ~~Items~~ Expenditures

- Isolated traffic signal improvements
- Traffic hardware (pole, mast arms, lights, electrical, signs, etc.)
- Regular signal operation and maintenance (such as replacement of light bulbs or communication repairs)
- Field display equipment (Traffic signal heads other than pedestrian countdown, or special bicycle, or Transit Vehicle signal heads)
- Feasibility studies
- Relocation of utilities except for electrical service requirements
- Right-of-way
- Rewiring of complete intersection because of age or isolated mitigation

Data Compatibility

All count data, including average daily traffic (ADT) and intersection turning movement (ITM), collected as part of any funded project shall be provided to OCTA in Microsoft Excel format. Any data files containing numeric intersection or node identifiers shall use the same node identification (ID) numbers as is stored and maintained by OCTA. OCTA will provide a listing of intersections and corresponding unique node ID numbers upon request. Each count data filename shall describe the year the counts were collected, agency, type of count file, intersection name, and OCTA node ID number. As an example, an ITM file recently collected for the intersection of Harbor Boulevard and Wilson Street in the City of Costa Mesa would be given the filename 2020_CostaMesa_ITM_Harbor-Wilson_4534.xls.

All traffic signal synchronization data collected and compiled as part of any funded project for both existing (before) and final optimized (after) conditions shall be provided to OCTA in Synchro version 10 or later format. This data shall include validated network layout, node, link, lane, volume, timing, and phase data for all coordinated times. The nodes for these files shall also correspond to the OCTA node ID numbers.

Application Process

Project grants are determined through a competitive application process administered by OCTA. Agencies seeking funding must complete an online application, a supplemental application in the latest format, and provide supporting documentation that will be used to evaluate the project proposal as outlined below. Key information to be provided as part of the application process includes:

- Funding needs by phase and fiscal year
- Percent match rate per phase including funds type, source, and description (minimum 20 percent (20%))
- Lead agency (default – local agency)
- Lead and supporting agencies' contact information
- Supporting technical information
- Project development and implementation schedule
- Environmental clearances and other permits
- Any additional information deemed relevant by the applicant
- Complete photographic field review (including cabinet interiors and communication facilities) for all projects that request OCTA to lead. Original photos shall be uploaded to OCFundtracker as a single file or included with electronic copy of application.

A call for projects for the funding cycle will be issued as determined by the Board. Complete project applications must be submitted by the established due dates to be considered eligible for consideration.

An application should be submitted for a single corridor or route corridor project. Multiple corridors that form a “grid” may be submitted as separate or single project(s). However, the total number of corridors per route or grid corridor projects will be limited to three (3). The following instructions should be used in developing project applications.

Applications will be reviewed by OCTA for consistency, accuracy, and concurrence. Once applications have been completed in accordance with the Program requirements, the projects will be scored, ranked, and submitted to the TSC, TAC, and the Board for consideration and funding approval. OCTA reserves the right to evaluate submitted project costs for reasonableness as part of the review and selection process and suggest potential revisions to make the cost more appropriate. Grants will be subject to funding agreements with OCTA.

Application Review and Program Adoption

OCTA staff will conduct a preliminary review of all applications for completeness and accuracy, may request supplemental information for projects during initial staff evaluations, and prepare a recommended program of projects to the TSC and TAC. In addition, OCTA may hire a consultant(s) to verify information within individual applications including, but not limited to, project scope, cost estimates, vehicle miles traveled, and average daily traffic.

Final programming recommendations will be provided to the TSC and TAC for approval. Recommendations will be presented to the Board, who will approve projects for funding under the CTFP.

Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below:

Board authorization to issue call: ~~September 14, 2026~~ ~~September 8, 2025~~

Application submittal deadline: ~~November 19, 2026~~ ~~November 20, 2025~~

TSC/TAC Review: March/April ~~2027~~ ~~2026~~

Committee/Board approval: May/June ~~2027~~ ~~2026~~

Minimum Eligibility Requirements

All eligible local agencies may participate in the RTSSP. Caltrans facilities are eligible for the RTSSP, but Caltrans cannot act as the lead agency. Local agencies will be required to provide a minimum of 20 percent (20%) matching funds for eligible projects (see ~~definition of~~ matching funds- section below).

The goal of the RTSSP is to provide regional signal synchronization that crosses jurisdictional, geographical, or physical boundaries. To be eligible for RTSSP funding, a project must meet the following requirements:

1. Be on a street segment that is part of the signal synchronization network, or the MPAH. The project must be consistent with Local Signal Synchronization Plans and support the RTSSMP goals.
2. Be multi-jurisdictional, have documented support from all participating local agencies (cities, County, or Caltrans) and a minimum of 20 signals.

or

Be multi-jurisdictional, have documented support from all participating local agencies (cities, County, or Caltrans) and a minimum distance of five miles.

or

Include at minimum three local agencies, have documented support from all

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participating local agencies (cities, County, or Caltrans), and have a minimum intersection density of four intersections per mile with a minimum of eight signals.

or

Include the full length of the signal synchronization network corridor, or MPAH corridor.

Other Application Materials

Supporting documentation is required to fully consider each project application. A Supplemental Application (available on the OCTA website and OCFundtracker) is required to be completed for each project application and included in the electronic submittal. **Any Supplemental Application not submitted in the 2027 format will NOT be considered.** The template is distributed with other application materials at the issuance of the Call for Projects. In addition to the funding plan described above, local agencies will be required to submit additional materials.

Lead Agency: Eligible jurisdictions consistent with Measure M2 Ordinance definitions and requirements. [See Section 3 Definitions.](#)

Participating Agencies: All participating agencies must be identified and adopted City Council resolutions or Minute Order actions authorizing the participating agency's support of the project under the lead agency must be included. If the application claims Caltrans as a participant, then it shall contain a letter of support from Caltrans for the specific project and letters of support from all applicable agencies pledging to sign a cooperative agreement with Caltrans at the start of the project. The lead agency shall also pledge this commitment in the cover letter of the application. The required Caltrans fee will be a line item in the improvements list. The applicable agencies will be required to cover the required 20 percent (20%) match for the Caltrans line items. All agencies that have a Caltrans intersection/ramp in their jurisdiction are required to sign a cooperative agreement with Caltrans in order for the entire project to claim Caltrans as a participant.

Council Approval: A Council Resolution or Minute Order action authorizing request for funding consideration with a commitment of project local match funding must be provided with the project application from all participating agencies. **If a *draft* copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board of Directors.

ImplementingLead Agency

This Program is administered through a single ~~lead-implementing~~ agency: See ~~Lead Agency Section 3, dDefinitions-above~~.

~~Local Agency Lead~~: Only the ~~lead-implementing~~ agency will receive payments in accordance with the CTFP Guidelines regarding payment for costs related to project for optimized signal timing development, capital improvements, planning, and related design. Payments will be disbursed consistent with Chapter 9. The ~~lead-implementing~~ agency is responsible for reimbursing other agencies as part of the effort. Additionally, the ~~lead-implementing~~ agency is also responsible for ensuring that all agencies participating in the project provide the local match proposed in the project application.

~~OCTA Lead-Implementing Agency (NOT AVAILABLE FOR 2027 CALL FOR PROJECTS)~~: OCTA may, at the request of the involved local agencies, act as the ~~lead-implementing~~ agency for RTSSP projects. If the involved local agencies would like OCTA to implement a project on the signal synchronization network, the local agency shall work cooperatively with OCTA to develop the scope of work and cost elements of the project. For example, accounting for OCTA's administrative and project management efforts by incorporating an additional 10 percent (10%) of the total project cost when calculating the Cost Benefit of the project. The lead ~~local~~ agency shall contact OCTA with **a written request at least four weeks prior to deadline for submittal of the project grant application**. Applications must be prepared by a designated local agency acting in a lead capacity during grant preparation. Applications must include a complete photographic field review (as outlined above) when submitted. The application will be scored using the criteria outlined in the following sections. Based on local agency interest and OCTA resource availability, a limited number of projects can be developed and implemented by OCTA.

If ~~any projects that are designated as OCTA-led are~~OCTA accepts the request and the project is awarded funding, OCTA will then be responsible for implementation of the project, including optimized signal timing development, capital improvements, planning, and related design. OCTA will implement the project based on the cost estimates developed in the application. Project elements may be modified based on final costs with the agreement of all participating agencies. OCTA will be responsible for ensuring that all agencies participating in the project provide the local match as identified in the project application (minimum 20 percent (20%).

OCFundtracker Application Components

~~Final applications MUST be submitted via OCFundtracker and in electronic format. Selection criteria must be inputted as part of the OCFundtracker online application and includes the following categories of information:~~

~~Transportation Significance, Number of Jurisdictions, Project Scale, Economic Effectiveness, Project Characteristics, Current Project Status, and Funding Match Rate.~~

Application Review and Program Adoption

~~OCTA staff will conduct a preliminary review of all applications for completeness and~~

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~~accuracy, may request supplemental information for projects during initial staff evaluations, and prepare a recommended program of projects to the TSC and TAC. In addition, OCTA may hire a consultant(s) to verify information within individual applications including, but not limited to, project scope, cost estimates, vehicle miles traveled, and average daily traffic.~~

~~Final programming recommendations will be provided to the TSC and TAC for approval. Recommendations will be presented to the Board, who will approve projects for funding under the CTFP.~~

~~Local agencies awarded funding will be notified as to which projects have been funded and from what sources after the Board takes action. A tentative call schedule is detailed below:~~

~~Board authorization to issue call: September 8, 2025-~~

~~Application submittal deadline: November 20, 2025-~~

~~TSC/TAC Review: March/April 2026-~~

~~Committee/Board approval: May/June 2026~~

Checklist Guide

~~The "Project P Regional Traffic Signal Synchronization Program Application Checklist" has been provided for the RTSSP (Exhibit 8-1). The checklist identifies the basic documentation required for the program. In addition to items required at the time of project submittal, additional items that are not specified may be requested later. The checklist should be provided as a table of contents for **each** application submitted. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application.~~

Sample Resolution Form

~~A resolution or minute action must be approved by the local agency's governing body. A sample resolution is included as Exhibit 8-2. Local agencies, at a minimum, must include items a-h from the sample resolution. The mechanism selected shall serve as a formal request for RTSSP funds and will state that matching funds will be provided by the agency, if necessary. All project requests (i.e., multiple corridors proposed for RTSSP funds) must be included in this action.~~

Project Definition

~~Local agencies are required to submit complete projects that, at minimum, result in field-implemented coordinated timing. Project tasks that are eligible for funding can consist of design, engineering, construction, and construction management. Partial projects that include design improvements, but do not field implement the improvements are ineligible.~~

~~Projects must consist of a corridor along the priority corridor network, signal synchronization network, or the MPAH. Projects previously awarded RTSSP funding must be complete with a Final Report for both phases submitted to OCTA. Projects can be the~~

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~~full length of the corridor or a segment that complies with the minimum project requirements identified later in the chapter.~~

~~All participating agencies (except Caltrans) and their respective project signals in the application must be participants of the OCTA Baseline Project in order to be eligible to waive the data collection, timing development, and timing implementation tasks of the Project P project. Offset signal improvements are also only available to applications that have full Baseline Project participation (excluding Caltrans).~~

~~Per the RTSSMP, the Project P projects are corridor-based. The applicant agency and owning agencies submitting a “route” project must provide evidence, including actual vehicle counts and a description of the proposed route to demonstrate that the interconnected corridors do form a coherent route. A “route” project shall meet the Minimum Eligibility Requirements as described on Page 8-19.~~

~~For route projects encompassing more than two (2) corridors, current Origin-Destination (OD) count data (field or third-party crowdsourcing accepted), shall be provided. This data shall include a detailed depiction of the route and clearly highlight the OD points using the collected vehicle data. Discussion with OCTA staff regarding OD data gathering prior to collection for the application is highly encouraged. The analysis must illustrate how the route offers a coherent and logical path, detail the expected benefits, and explain the rationale behind drivers' choice of this particular route. Additionally, routes must maintain the integrity of eligible and/or previously synchronized corridors, avoiding any disruption to established routes to ensure seamless connectivity. The provided data should be recent, preferably within the last 12 months, and collected during peak traffic hours. Include maps and diagrams that illustrate the OD points and the flow of the route. A draft application must be submitted **at least four (4) weeks** prior to the application deadline. **Failure to submit a draft application by October 23, 2025 will result in automatic disqualification of the project.** By adhering to these guidelines, applicants will ensure their projects align with the objectives of Project P.~~

~~A “grid” project shall consist of one main corridor that is specifically identified in the application with a maximum of two crossing corridors to make a grid. Grid projects shall also be multijurisdictional with a minimum of two local agencies, excluding Caltrans. For a grid project, applicant agency and owning agency must demonstrate through simulation or actual vehicle counts the following:~~

- ~~• Show that timing changes on the main corridor will greatly impact the crossing corridor(s)~~
- ~~• Crossing corridors shall have closely spaced signals in close proximity to the main corridor with timing changes along these crossings impacting the operation of the main corridor~~

~~All corridors in the grid shall individually meet the Minimum Eligibility Requirements and, as part of the project, travel time studies shall also be collected along all corridors making the grid.~~

~~Multimodal consideration of bicyclists and pedestrians along or crossing the intersection~~

~~or roadway may enhance overall circulation. Therefore, active transportation elements may be included as part of the project as outlined in the following section.~~

~~Eligible Activities~~

~~The primary purpose of Project P is to provide funding for projects that develop and maintain corridor-based, multi-jurisdictional signal synchronization along corridors throughout Orange County. All projects funded by Project P must be corridor-based and have a signal coordination component that includes the following:~~

- ~~• Developing and implementing new signal synchronization timing parameters based on current travel patterns, and federal and state traffic signal timing mandates and guidance, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD). These tasks may be waived if **ALL** the applicants (excluding Caltrans) and all of their respective project signals are participating in the Baseline Project. All timing development (including data collection) and implementation for Caltrans intersection(s) included in the project will be the responsibility of the applicant. Funding/effort is allowed as part of the application.~~
- ~~• Monitor, maintain (minimum quarterly/maximum monthly) and/or regularly improve the newly implemented signal synchronization timing and parameters for the remainder of the project. As part of the closeout process, an O&M Report is required to document activities of the O&M phase. This is required regardless of Baseline participation.~~
- ~~• “Before” and “after” studies for the project comparing travel times, average speeds, ratio of green lights passed to red lights stopped (greens per red), average stops per mile, and emissions of greenhouse gases. The results of the “before” and “after” studies shall be included in the PI Report. This is required regardless of Baseline participation.~~

~~In addition to developing optimized signal timing, a project may include other improvements, as long as they contribute to the goal of multi-agency signal synchronization of corridors throughout Orange County. These improvements are restricted to the signal synchronization project limits (main corridor) but may include synchronization with traffic signalized intersections on the MPAH that are within 2,700 feet from either direction of the project corridor. These offset signals; however, will not be counted towards the total number of signals on the project (for implementation of timing plans only). Projects waiving the development of optimized signal timing through the participation of the Baseline Project are eligible to include signal~~

~~improvements at offset signals, as the Baseline Project will be evaluating timing countywide. As a reminder, the waiver for the development and implementation of timing will only be considered if **ALL** participating agencies and all of their respective project signals are part of the Baseline Project. No additional funds will be allocated for offset signals. All offset signal improvements must adhere to the CTFP Guidelines for eligibility. All improvements must be designed to enhance the specific project. Expenditures related to the design of systems, permitting, and environmental clearance are eligible for funding.~~

~~Caltrans encroachment permits and agency to Caltrans Cooperative Agreement fees are eligible activities. This includes Caltrans labor, such as expenses for reviewing signal timing plans, providing signal timing parameters, and providing existing timing sheets, etc. Applicant must specify how the project intends to handle Caltrans intersections.~~

~~Ineligible Expenditures~~

- ~~• Isolated traffic signal improvements~~
- ~~• Traffic hardware (pole, mast arms, lights, electrical, signs, etc.)~~
- ~~• Regular signal operation and maintenance (such as replacement of light bulbs or communication repairs)~~
- ~~• Field display equipment (Traffic signal heads other than pedestrian countdown, or special bicycle, or Transit Vehicle signal heads)~~
- ~~• Feasibility studies~~
- ~~• Relocation of utilities except for electrical service requirements~~
- ~~• Right-of-way~~
- ~~• Rewiring of complete intersection because of age or isolated mitigation~~

~~Funding Estimates~~

~~The streets and roads component of M2 is to receive 32 percent (32%) of net revenues, 4 percent (4%) of which are allocated for the RTSSP. The RTSSP will make an estimated~~

~~\$270 million (2009 dollars) available over the course of the 30-year M2 Program. Programming estimates are developed in conjunction with a call for projects cycle corresponding to concurrent funding agreements with all local agencies.~~

~~The RTSSP targets over 2,000 intersections across Orange County for coordinated operations. Because of the limited amount of funds available for the RTSSP, a project cap of \$75,000 per signal or \$250,000 per project corridor mile included as part of each project (whichever is higher) has been established for this call for projects. Note that offset signals will not be counted towards the total number of signals on the project for purposes of calculating the project cap.~~

Selection Criteria

Specific selection criteria will be used to evaluate competitive program project applications. Emphasis is placed on furthering the overall goal of multi-jurisdictional, corridor-based signal synchronization.

Transportation Significance: Points are awarded for projects that include offset signals along the project corridor, route, or grid. These offset signals do not count towards the project cap; however, they are in relatively close proximity to affect the operation of the corridor(s). The applicant shall identify the number of offset signals on the corridor and the percentage of those offset signals that will be included in the project. The applicant is encouraged to verify offset signals numbers with OCTA prior to application submission as changes are not allowed after submission.

Vehicle miles traveled (VMT) is calculated as the centerline length of segment(s) on the corridor, route, or grid proposed for synchronization multiplied by the existing average daily traffic (ADT) for the proposed segment(s) length. For instance, for a three-mile segment with one-mile interval ADT data at of 200 vehicles, 300 vehicles, and 400 vehicles, the VMT would be calculated as:

$$200 \text{ vehicles} * 1 \text{ mile} + 300 \text{ vehicles} * 1 \text{ mile} + 400 \text{ vehicles} * 1 \text{ mile} = 900 \text{ vehicle miles.}$$

VMT should be calculated by the smallest segmentation on which the city typically collects ADT data. ADT must be based upon actual count information taken within 36 months preceding the application date and include 24-hour, midweek, bi-directional counts for each segment. All supporting data shall be organized in order in which they appear for the calculation of the VMT. Data from the OCTA Traffic Flow Map may not be used. Furthermore, outdated and/or non-compliant counts may result in project ineligibility (maximum: 25 points).

Economic Effectiveness: Total project cost divided by Existing VMT. If the applicant is electing OCTA to be the lead-implementing agency, the total project cost in this calculation must also include an additional 10 percent (10%) of the total project for OCTA administrative and project management efforts. This additional 10% is used to determine the project effectiveness only and is not counted towards the overall project budget cap (maximum: 10 points).

Project Characteristics: Points are awarded based on the project's average improvement score. Eligible improvements for each intersection are assigned an improvement score based on factors, such as priority for overall signal operations and existing conditions. Intersection improvement scores are then averaged together, and the average project score is used in the point breakdown table in Project Characteristics. For instance, a maximum score of fifty (50) is awarded to projects that are timing only without any capital improvements or average scores accumulate if a signal synchronization project is

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combined with eligible improvements. The following improvements and requirements only apply to signalized intersections that are part of the application, including offset signal improvements for eligible applications.

Eligible Improvements		Score Based on Status	
Signal Timing (No Capital)		Online	Offline
	Timing Only	50	30
	Timing + Traffic Responsive (license only)	50	15
	Timing + Peer-to-Peer (configuration only)	50	40
	Timing + Traffic Adaptive (license only)	40	1
Signal Communication		No Time Source	Time Source
	Above ground (e.g., wireless, cellular, etc.)	50	30
	Fiber Optic underground	25	15
	All other (e.g., copper, aerial fiber, GPS, etc.)	5	1
Field Elements		None/5+ Years	Within 5 years
	ATC signal controller	50	10
	Signal cabinet on existing foundation	30	10
	Signal cabinet on new foundation	15	5
	BBS/USP (attached)	20	10
	BBS/UPS on existing foundation	10	5
	BBS/UPS on new foundation	5	1
	CCTV	30	10
	Vehicle detection (ATSPM inputs + counts)	50	30
	Vehicle detection (ATSPM inputs)	40	20
	Vehicle detection + bicycle detection	30	15
	Vehicle detection	30	15
	Bicycle detection	30	15
	Pedestrian detection (audible)	50	30
	Pedestrian detection	30	15
	Active transportation/pedestrian safety	50	30
	Transit Signal Priority	30	10
	EVP (hybrid or GPS)	40	10
	EVP (infrared)	30	10
	Speed feedback signs (existing post)	40	10
	Speed feedback signs (new post)	20	10
	Corridor Performance Monitoring	40	10
Minor Signal Operational Improvements		None/5+ Years	Within 5 years
	Channelization	40	20
	Signal phasing improvement	50	25

Eligible Improvements		Score Based on Status	
TMC/TOC		None/10+ Years	Within 10 years
	Central System (server, licenses, workstations)	40	20
	Display (video wall, VMS, etc.)	30	10
	UPS	20	5
Caltrans		Participation	No Participation
	Cooperative Agreement	50	25

Signal Timing (No Capital). Improvements in this category can only be selected if the entire project is a timing only project without any field improvements. Scores for this improvement category can be claimed for any one of the following depending on the status of the signal, whether is it online (connected to a central system and active) or offline (either connected and not active or not connected to a central system):

- Traffic Responsive only if all signals, in at least one agency on the project, are included in the system.
- Peer-to-Peer program on traffic control devices that have existing connectivity.
- Adaptive traffic signal systems only if all signals, in at least one agency on the project, are included in the system.

Signal Communication. Scores for this improvement category varies depending on the type of improvement coupled with the existing status of the signal, whether there is an existing reliable time source (e.g., GPS, master controller, direct connection to central system, etc.) that will keep the signal in synchronization along the corridor:

- Above ground communication installations, such as wireless radios and cellular devices, that are quick to build are the preferred medium to ensure all signals are online and operating. This should not include any construction between signalized intersections.
- New or upgraded fiber optic communication systems
 - New contemporary communication system improvements (e.g., Ethernet) including all conduits, pull boxes, fiber optic and/or copper cabling (not to exceed 120 strands), network switches and distribution systems. These systems should be sufficiently sized for the needs/capacity of the Intelligent Transportation System (ITS) network. Excess capacity is deemed non-participating and also, cannot be used as part of the required project match.
 - Software and hardware for system traffic control.
 - Control and monitoring interconnect conduit (including upgrades or replacement of existing systems).
 - Communication closure systems of conduit, cable, and associated equipment that are outside of project limits but complete a designated

communications link to an existing network for the Advanced Transportation Management System (ATMS) for an agency or agencies. Only communication links that are installed from a central location and/or communications hub to the project corridor that does not currently have a fiber connection to a central location are eligible.

- All other communication mediums, such as GPS clocks, copper twisted pair or aerial interconnect between signalized intersections, are eligible to ensure signals are online and in operation but are not encouraged.

Field Elements. This improvement category is focused on the field equipment/devices that will ensure the signals ~~are enhanced to~~ support advanced signal operations. Scores for this improvement category will vary depending on the existing lifespan of equipment/devices being upgraded. It is the applicant agency's responsibility to ensure the appropriate score is assigned, and OCTA may request for supporting documentation.

- Traffic signal controller replacement of antiquated units with Advanced Transportation controller (ATC) units. ATC shall comply with latest industry standards.
- Controller cabinet (assemblies) replacements that can be shown to enhance signal synchronization.
- Traffic signal Battery Backup System (BBS) or Uninterruptible Power Supply (UPS) that includes cabinet, batteries, and necessary configurations.
- Closed Circuit Television (CCTV). Intelligent cameras that include analytics, such as automated continuous counts are the preferred solution. If implemented, these cameras may require a data sharing agreement with OCTA in the future.
- Vehicle Detection System (VDS)
 - The ideal implementation for signal operations is a detection system that will increase the number of inputs, including separate bicycle and pedestrian detection inputs, into the signal controller for the purpose of signal performance measures, such as Automated Traffic Signal Performance Measures (ATSPM). Additionally, inputs that are specifically set to capture turning movement counts at the intersection.
 - Inductive loops, video detection, radar, sonar, thermal, hybrids thereof, and other types of vehicle detection systems that can distinguish bicycles. This includes implementing a separate bicycle minimum and/or clearance parameter in the traffic signal controller.
- Installation of new and/or improved traffic control devices to improve the accessibility, mobility, and safety of the facility for pedestrians and bicyclists. Americans with Disabilities Act (ADA) compliant pedestrian signals include, but not limited to, tactile and audible buttons in countdown signal heads.

- Active Transportation/Pedestrian Safety related elements
 - High-Intensity Activated crosswalk signaling systems (HAWK)
 - Pedestrian detection modules
 - Bicycle detection modules.
 - Rectangular Rapid Flashing Beacon Systems (RRFB) including striping, legends, and signage.
- Transit Signal Priority (TSP) intersection control equipment only.
- Emergency Vehicle Preempt (EVP) intersection control equipment only.
- Corridor Performance Monitoring implementations, such as Bluetooth and/or connected vehicle roadside units for signals on the project. If implemented, these items will require a data sharing agreement with OCTA.

Minor Signal Operational Improvements. Scores for this improvement category will vary depending on the existing lifespan. It is the applicant agency's responsibility to ensure the appropriate score is assigned, and OCTA may request for supporting documentation.

- Channelization (signing, striping, raised pavement markers, in lane flashing guidance or warning marking systems, and legends) improvements required for traffic signal phasing.
- Traffic signal phasing improvements that will improve traffic flow and system performance including protected permissive left turn phasing and shared pedestrian phasing, excluding display equipment and other ineligible activities as mentioned in these guidelines.

Traffic Management Center (TMC)/Traffic Operations Center (TOC). Scores for this improvement category will vary depending on the existing lifespan of equipment or software being upgraded. It is the applicant agency's responsibility to ensure the appropriate score is assigned, and OCTA may request for supporting documentation. Applicants shall include a breakdown of TMC/TOC improvements as an appendix to the Supplemental Application.

- Central system
 - New TMCs or TOCs, such as a new Advanced Traffic Management System (ATMS). Any project funded under this category should plan for center-to-center communication (C2C) with nearby agencies and/or OCTA.
 - Upgrades to existing TMCs or TOCs. Any project funded under this category should plan for C2C with nearby agencies and/or OCTA.
 - Motorist information systems (up to 10 percent (10%) of total grant project costs for PI phase only).
 - Automated Traffic Signal Performance Measures (ATSPM) system can only be implemented if all signals, in at least one agency on the project, are included in

the system, which will also be used during the O&M phase of the project. If implemented, these items will require a data sharing agreement with OCTA.

- Video display equipment, including wall monitors, screens, mounting cabinets, and optical engines (up to 10 percent (10%) of total grant construction costs for PI phase only).
- Uninterruptible Power Supply (UPS) for ATMS shall solely provide electrical power for ATMS Server(s), one dedicated workstation station (console terminal) and related communications devices. UPS for ATMS is not intended to provide power to entire TMC, and approval of request for UPS is at the sole discretion of OCTA.

Caltrans. Scores for this category will depend on the commitment of a cooperative agreement with Caltrans that results in active Caltrans participation and inclusion of Caltrans as a partnering agency. The associated timing fee is an eligible expense. Note that if a cooperative agreement with Caltrans will not be executed, the participating agencies will still be responsible for modeling any Caltrans signalized intersections within the project limits.

Each project intersection that has proposed improvements will receive an average score per the specific improvements noted above and the project's score will be an average of all intersection averages (maximum: 20 points).

Project Scale: Points are earned for including more intersections along the signal synchronization network. For a grid, the number of signals and percent of signals being retimed will only be calculated for the corridor that is designated as the Main Corridor. For routes, the percent of signals being retimed will be calculated as the average of total project signals to total possible signals on each corridor that are part of the route (maximum: 20 points).

Note: Due to the length of Pacific Coast Highway (PCH) and the fact that broad portions of it are a Caltrans' owned facility, for CTFP project scoring purposes only, the "Percent of Main Corridor Being Retimed" scoring criteria (identified in Table 8-1) can be divided into the four following segments.

1. San Gabriel River (Los Angeles County Line) to North of Goldenwest Street
2. Goldenwest Street to School/State Park
3. South of School State Park to Doheny Park Road
4. South of Doheny Park Road to County Line

If an application is proposed to span two or more segments of PCH the "Percent of Main Corridor Being Retimed" calculation will be based upon the number of signals in the project application divided by total number of signals in the applicable segments.

Number of Jurisdictions: Points are earned for including multiple local agencies as part of the project (maximum: 15 points).

Current Project Status: Points are earned based on the current status of the project development. Points for re-timing of a corridor can be claimed only if at least 75% of the previous project (RTSSP or Measure M Signal Improvement Program) is part of the new application **OR** at least 75% of the corridor (on MPAH) has never been funded. All corridors within a “route” or “grid” project must satisfy the 75% requirement to qualify for points. (maximum: 5 points).

Funding Match: The percentages shown in Table 8-1 apply to overall match rates. M2 requires a 20 percent (20%) local match for RTSSP projects. Project match rates above 20 percent (20%) are limited to dollar match only (maximum: 5 points).

Table 8-1 Point Breakdown

RTSSP SCORING CRITERIA

Point Breakdown for Regional Traffic Signal Synchronization Program Projects Maximum Points = 100

Transportation Significance Points: 25 <table> <tr> <th>Inclusion of offset signals within 2700'</th> <th>Points</th> </tr> <tr> <td>90% or above</td> <td>10</td> </tr> <tr> <td>50 - 89%</td> <td>5</td> </tr> <tr> <td>< 50%</td> <td>0</td> </tr> </table> OR ~~Participation in the Baseline Project 10~~ AND <table> <tr> <th>Vehicle Miles Traveled (VMT)</th> <th>Points</th> </tr> <tr> <td>Range</td> <td></td> </tr> <tr> <td>250+ thousand</td> <td>15</td> </tr> <tr> <td>200 - 249 thousand</td> <td>10</td> </tr> <tr> <td>150 - 199 thousand</td> <td>6</td> </tr> <tr> <td>100 - 149 thousand</td> <td>3</td> </tr> <tr> <td>0 - 99 thousand</td> <td>1</td> </tr> </table> <u>Calculation:</u> ADT x segment length (Applies only to coordinated segments of project)	Inclusion of offset signals within 2700'	Points	90% or above	10	50 - 89%	5	< 50%	0	Vehicle Miles Traveled (VMT)	Points	Range		250+ thousand	15	200 - 249 thousand	10	150 - 199 thousand	6	100 - 149 thousand	3	0 - 99 thousand	1	Project Scale Points: 20 <table> <tr> <th>Number of Signals on Main Corridor Coordinated by Project Range</th> <th>Points</th> </tr> <tr> <td>50+</td> <td>10</td> </tr> <tr> <td>40 - 49</td> <td>8</td> </tr> <tr> <td>30 - 39</td> <td>6</td> </tr> <tr> <td>20 - 29</td> <td>4</td> </tr> <tr> <td>10 - 19</td> <td>2</td> </tr> <tr> <td>< 10</td> <td>0</td> </tr> </table> AND <table> <tr> <th>Percent of Main Corridor Signals Being Retimed Range</th> <th>Points</th> </tr> <tr> <td>90% or above</td> <td>10</td> </tr> <tr> <td>80 - 89%</td> <td>8</td> </tr> <tr> <td>70 - 79%</td> <td>6</td> </tr> <tr> <td>60 - 69%</td> <td>4</td> </tr> <tr> <td>50 - 59%</td> <td>2</td> </tr> <tr> <td>< 50%</td> <td>0</td> </tr> </table> <u>Calculation:</u> Number of signals in project divided by total signals in full corridor length.	Number of Signals on Main Corridor Coordinated by Project Range	Points	50+	10	40 - 49	8	30 - 39	6	20 - 29	4	10 - 19	2	< 10	0	Percent of Main Corridor Signals Being Retimed Range	Points	90% or above	10	80 - 89%	8	70 - 79%	6	60 - 69%	4	50 - 59%	2	< 50%	0
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Economic Effectiveness Points: 10 <table> <tr> <th>Cost Benefit (Total \$/VMT) Range</th> <th>Points</th> </tr> <tr> <td>< 3</td> <td>10</td> </tr> <tr> <td>3 - 5</td> <td>9</td> </tr> <tr> <td>6 - 8</td> <td>8</td> </tr> <tr> <td>9 - 11</td> <td>7</td> </tr> <tr> <td>12 - 14</td> <td>6</td> </tr> <tr> <td>15 - 17</td> <td>5</td> </tr> <tr> <td>18 - 20</td> <td>4</td> </tr> <tr> <td>21 - 23</td> <td>3</td> </tr> <tr> <td>24 - 26</td> <td>2</td> </tr> <tr> <td>27+</td> <td>1</td> </tr> </table>	Cost Benefit (Total \$/VMT) Range	Points	< 3	10	3 - 5	9	6 - 8	8	9 - 11	7	12 - 14	6	15 - 17	5	18 - 20	4	21 - 23	3	24 - 26	2	27+	1	Number of Jurisdictions Points: 15 <table> <tr> <th>Total Number of Involved Jurisdictions Range</th> <th>Points</th> </tr> <tr> <td>5 or more</td> <td>15</td> </tr> <tr> <td>4</td> <td>11</td> </tr> <tr> <td>3</td> <td>7</td> </tr> <tr> <td>2</td> <td>4</td> </tr> <tr> <td>1</td> <td>0</td> </tr> </table>	Total Number of Involved Jurisdictions Range	Points	5 or more	15	4	11	3	7	2	4	1	0																
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Minimum Eligibility Requirements

~~All eligible local agencies may participate in the RTSSP. Caltrans facilities are eligible for the RTSSP, but Caltrans cannot act as the lead agency. Local agencies will be required to provide a minimum of 20 percent (20%) matching funds for eligible projects (see definition of matching funds below).~~

~~The goal of the RTSSP is to provide regional signal synchronization that crosses jurisdictional, geographical, or physical boundaries. To be eligible for RTSSP funding, a project must meet the following requirements:~~

~~3. Be on a street segment that is part of the signal synchronization network, or the MPAH. The project must be consistent with Local Signal Synchronization Plans and support the RTSSMP goals.~~

~~4. Be multi-jurisdictional, have documented support from all participating local agencies (cities, County, or Caltrans) and a minimum of 20 signals.~~

~~or~~

~~Be multi-jurisdictional, have documented support from all participating local agencies (cities, County, or Caltrans) and a minimum distance of five miles.~~

~~or~~

~~Include at minimum three local agencies, have documented support from all participating local agencies (cities, County, or Caltrans), and have a minimum intersection density of four intersections per mile with a minimum of eight signals.~~

~~or~~

~~Include the full length of the signal synchronization network corridor, or MPAH corridor.~~

Matching Funds

Local agencies along the corridor are required to provide a minimum local match funding of 20 percent (20%) for each phase of the project. As prescribed by the M2 Ordinance, this includes local sources, M2 Fair Share, and other public or private sources (herein referred to as a “cash match”). Projects can designate local matching funds as cash match, in-kind match provided by local agency staff and equipment, or a combination of both.

“In-kind match” is defined as those actions that local agencies will do in support of the project including staffing commitment and/or new eligible signal system investment related to improved signal synchronization. Examples of staffing commitment include, but are not limited to, implementation of intersection or system timing parameters, review of timing documentation, meeting participation, conducting or assisting in before/after

studies, and other similar efforts that directly enhance the signal synchronization project. Please note, any over-match commitment is subject to the same audit and requirements as in-kind match.

Administrative staff time for documentation of in-kind services is ineligible. Staff time charged to a project is limited to the caps as described in these guidelines. Allowable signal system investment would be improvements that are “eligible activities” per the funding guidelines, which can be shown to improve signal synchronization and would not include any prior investments made by the agency. For OCTA-led projects, match for equipment shall be in cash except when an agency elects to purchase equipment per the application. Project match beyond 20 percent (20%) is limited to cash match only.

In-kind match must be defined for each local agency as part of the supplemental application. In-kind match must be identified as staffing commitment and/or new signal system investment. The supplemental application template will include a section to input in-kind match type as well as additional data related to the match:

- Staffing commitment
 - Staff position
 - Number of hours
 - Hourly (fully burdened) rate
 - Total cost
- New signal system investment (limited to eligible activities)
 - Cost of any signal system investment
 - Description of work

For OCTA-led projects, O&M activities will be permitted in-kind match only for local agency oversight functions. Contract activities will require cash match. Local agency contributions identified as cash match in the application cannot be converted into in-kind match.

OCTA staff will review in detail the presented cash and in-kind match by local agency for reasonableness.

Additionally, for projects designating OCTA as lead-implementing agency, a consultant traffic engineering firm may be contracted to provide staff and services to implement the project. Therefore, in-kind match designated as staffing commitment under an OCTA-led agency option shall be limited. The following will be used as a guide for staffing commitment, when the local agency develops the application:

- Primary Implementation (PI) ~~(12-months)~~
 - Project Administration - Each local agency traffic engineer or equivalent participates in approximately 10-15 hours per month of project administration (meetings, review of reports, minutes, and other administration).

- Signal Synchronization Timing - Each local agency traffic engineer or equivalent reviews consultant developed draft and final timing plans for intersections within the local agency, approximately 2-4 hours per local agency intersection.
- Before and After Study - Each local agency traffic engineer or equivalent reviews consultant developed draft and final project Before and After Study, approximately 2-5 hours per local agency.
- Engineering design/review - Each local agency traffic engineer or equivalent reviews consultant developed engineer design within the local agency, approximately 2-4 hours per affected local agency intersection.
- System integration - Each local agency traffic engineer or equivalent provides support for this function (hours vary depending on improvements).
- Construction engineering management - Each local agency traffic engineer or equivalent provides construction management support including inspection (hours vary depending on improvements).
- Ongoing O&M (24 months) - Each local agency traffic engineer or equivalent participates in 2-5 hours per local agency per month to review consultant traffic engineering progress. In addition, each local agency traffic engineer or equivalent reviews consultant developed draft and O&M Report.

For projects designating a local agency as lead, the above may be used as a guide with additional local match related to implementation, development, design, monitoring and other costs that the local agency may choose to include as local match. For instance, O&M may be performed by in-house staff and be calculated using a different formula (e.g., 2-5 hours per local agency signal for 24 months).

Participating agencies pledging in-kind services shall be responsible for keeping track of said hours and/or improvements. In-kind services are part of the total project cost. As indicated in the Precepts, construction engineering support shall not exceed 20 percent (20%) of the M2 grant, subject to the match requirement. For OCTA-led projects, an in-kind services match report will be requested throughout the project to ensure agencies meet their promised in-kind match. If the required in-kind match is not fully satisfied by project closeout, the agency will be required to provide an equivalent cash contribution to meet the match requirement. All submissions shall include backup documentation, such as accounting/payroll detailed summaries, third-party invoices (consultant, contractor, and equipment) and are subject to Audit.

Reimbursements

This program is administered on a progress payment basis, see Chapter 10.

Project Adjustments

For project adjustments (scope changes, delays, cancellations, etc.), please refer to Chapter 2: Project Programming.

Project Cancellation

~~If a local agency decides to cancel a project, for whatever reason, the agency shall notify OCTA as soon as possible. Projects deemed infeasible shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty.~~

~~Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.~~

~~If a lead agency decides to cancel a project before completion of the entire project, for whatever reason, the agency shall notify OCTA as soon as possible. It is the responsibility of the project lead agency to repay OCTA for any funds received.~~

Project Extensions

~~Local agencies are provided at least 36 months to expend the funds from the date of encumbrance. Agencies can request timely use of funds extensions through the SAR in accordance with the CTFP guidelines. Local agencies should issue a separate NTP when combining contracts for both the PI and O&M phases. NTP requirement should be identified in the initial contract/agreement to avoid obligation of both phases at the same time. If this procedure is followed by the local agency the NTP date will be considered the date of encumbrance for the O&M phase.~~

Audits

All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall grant, and/or other sanctions to be determined. Audits shall be conducted by OCTA Internal Audit Department or other authorized agent either through the normal annual process or on a schedule to be determined by the Board.

Data Compatibility

~~All count data, including average daily traffic (ADT) and intersection turning movement (ITM), collected as part of any funded project shall be provided to OCTA in Microsoft Excel format. Any data files containing numeric intersection or node identifiers shall use the same node identification (ID) numbers as is stored and maintained by OCTA. OCTA will provide a listing of intersections and corresponding unique node ID numbers upon request. Each count data filename shall describe the year the counts were collected, agency, type of count file, intersection name, and OCTA node ID number. As an example, an ITM file recently collected for the intersection of Harbor Boulevard and Wilson Street in the City of Costa Mesa would be given the filename 2020_CostaMesa_ITM_Harbor-Wilson_4534.xls.~~

~~All traffic signal synchronization data collected and compiled as part of any funded project for both existing (before) and final optimized (after) conditions shall be provided to OCTA~~

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Comprehensive Transportation Funding Programs



~~in Synchro version 10 or later format. This data shall include validated network layout, node, link, lane, volume, timing, and phase data for all coordinated times. The nodes for these files shall also correspond to the OCTA node ID numbers.~~

~~Project Summary Information~~

~~For each application that is recommended for funding, the agency shall submit a PowerPoint presentation summarizing the pertinent project information for TAC review and discussion purposes. The presentation shall be no more than three (3) slides and should contain, at a minimum, a project description, project benefits, location map, and cost estimate. OCTA staff will request the PowerPoint file when/if a project is recommended for funding.~~

Exhibit 8-1

Project P – Regional Traffic Signal Synchronization Program Application Checklist

Project P Application Checklist		Page
RTSSP Online Application – submitted through OCFundTracker		Online
a. Transportation Significance		
b. Economic Effectiveness		
c. Project Characteristics		
d. Project Scale		
e. Number of Jurisdictions		
f. Current Project Status		
g. Funding Over-Match		
h. Cabinet photos, equipment specifications, as-built drawings, cabinet drawings, etc.		
Section 1: Key Technical Information		
a. Name of Project Corridor/Grid/Route		
b. Project Limits		
c. Project Length		
d. Number of Signalized Intersections Along Corridor		
e. Participating Agencies/Traffic Forum Members		
f. ~~Lead~~ Implementing Agency		
g. Designation of the corridor to synchronize		
h. Project start and end date		
i. Previous funding		
j. Contact Information		
k. Signalized intersections that are part of the project		
l. Offset signalized intersections that are part of the project		
m. Project Map Depicting the Project Limits		
Section 2: Regional Significance		
Section 3: Acknowledgement of Required Tasks		
Section 4: Funding Needs/Costs for Proposed Project by Task		
a. Summary of Project Cost		
b. Summary of Cost by Agency		
c. Summary of Intersection Improvement Costs		
Section 5: Detailed Local Match Commitment		
Section 6: Project Schedule for the 3 Year Grant Period by Task		
a. Project State and End Dates		
b. Project Schedule by Task		
Appendices		
a. Calculations and Estimated Points		
b. Agency Improvement Calculations		
c. Vehicle Miles Traveled (VMT)		
d. Agency Resolutions and Letters of Support		
e. Additional Information (Optional)		

Exhibit 8-2

Sample Resolution for Orange County Regional Traffic Signal Synchronization Program Projects

A resolution of the _____ City Council approving the submittal of _____ improvement project(s) to the Orange County Transportation Authority for funding under the competitive Measure M2 Regional Traffic Signal Synchronization Program.

THE CITY COUNCIL OF THE CITY OF _____ HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS THAT:

- a) WHEREAS, the Measure M2 Regional Traffic Signal Synchronization Program targets over 2,000 signalized intersections across Orange County to maintain traffic signal synchronization, improve traffic flow, and
reduce congestion across jurisdictions; and
- b) WHEREAS, the City of _____ has been declared by the Orange County Transportation Authority to meet the eligibility requirements to receive revenues as part of Measure M2;
- c) WHEREAS, the CITY must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Renewed Measure M Ordinance eligibility requirement.
- d) WHEREAS, the CITY authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board
of Directors, if necessary.
- e) WHEREAS, the City of _____ has currently adopted a Local Signal Synchronization Plan consistent with the Regional Traffic Signal Synchronization Master Plan as a key component of local agencies' efforts to synchronizing traffic signals across local agencies' boundaries; and
- f) WHEREAS, the City of _____ will provide matching funds for each project as required by the Comprehensive Transportation Funding Programs Procedures Manual; and
- g) WHEREAS, the City of _____ will not use Renewed Measure M funds to supplant Developer Fees or other commitments; and
- h) WHEREAS, the City of _____ desires to implement multi-jurisdictional signal synchronization listed below;
and

NOW, THEREFORE, BE IT RESOLVED THAT:

The City Council of the City of _____ hereby requests the Orange County Transportation Authority allocate funds in the amounts specified in the City's application to said City from the Regional Traffic Signal Synchronization Program. Said funds, if approved, shall be matched by funds from said City as required and shall be used as supplemental funding to aid the City in signal synchronization along the following street(s):

*Required language a-h

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Chapter 9 – Environmental Cleanup Program (Project X)

Overview

The ECP, herein referred to as Project X, provides M2 revenues to improve overall water quality in Orange County from transportation-generated pollution. Specifically, OCTA's Ordinance No. 3 (Ordinance), dated July 24, 2006, provides that 2 percent (2%) of gross M2 revenues be dedicated to protecting Orange County beaches and waterways from the conveyance of urban runoff associated with transportation-generated pollution. Project X ensures that funds will be used on a countywide competitive basis to meet federal Clean Water Act standards for controlling transportation-generated pollution by funding nationally recognized Best Management Practices (BMPs).

As required by the Ordinance, an Environmental Cleanup Allocation Committee (ECAC), representing a broad cross-section of the water quality community, was formed in October 2007 to provide guidance on program design and funding. The goal of Project X is to fund projects on a countywide, competitive basis. This will assist the County of Orange and Orange County cities in reducing transportation-related water quality pollution by meeting Clean Water Act standards for local waterways and beaches.

Proposed projects must demonstrate a direct nexus (connection) to a reduction of transportation-related pollution as developed and defined by the ECAC in conformity with the Ordinance. All proposing agencies must demonstrate an understanding of how their proposed projects meet the following transportation pollution nexus definition:

- Transportation-related activities can be a contributor of pollutants and/or impairments to receiving waters via aerial deposition, storm, and non-storm water discharges. Transportation-related activities are associated with the operation, construction, and maintenance of public roads, highways, and other ground transportation systems.
- The conveyance of transportation-related pollutants to surface and groundwater can occur from precipitation, runoff, and leachate entering or discharging from public roads, highways, and other ground transportation systems via drainage systems, such as catch basins, curbs, gutters, ditches, manmade channels, retention basins, or storm drains. The quality and quantity of these discharges vary considerably and are affected by hydrology, geology, land use, season, and sequence and discharge of hydrologic events.
- Pollutant sources can encompass right-of-way, properties, facilities, and activities related to motor vehicles, highway maintenance, construction site runoff, maintenance facility runoff, illegal dumping, spills, and landscaping care. Pollutant categories include but are not limited to metals (such as copper, lead, and zinc), organic chemicals and compounds (hydrocarbons), pesticides, sediment, nutrients (nitrogen and phosphorus), litter, oxygen demanding substances (decaying

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vegetation, animal waste, and other organic matter), groundwater dewatering discharges, and pathogenic material.

Project X funds are designed to supplement, not supplant, existing water quality programs. Proposed projects must improve and not replace existing pollution reduction efforts by an eligible party. Funds will be awarded to the most competitive projects with the highest benefit to water quality.

The intent of Project X is to provide funding for water quality projects that do not replace existing transportation water quality expenditures. In other words, if a project has components which would replace features already in place or which would fulfill project specific mitigation, those components would not be eligible for funding consideration. Some upgrades and expansions may be eligible with appropriate supporting justification.

Proposed projects, which support compliance with the 2015 adopted Trash Provisions, are eligible for Project X funding provided the funds do not replace established and programmed funds and the funds are not applied to any mandated project design features or required mitigation measures.

The eligibility of the project and its components will be determined during the evaluation process. Contact Mason Doshier at (714) 560-5427, or mdoshier@octa.net with questions.

Tier 1 Grant Program Overview

The Tier 1 Grant Program is designed to mitigate the more visible forms of pollutants, such as litter and debris, which collect on roadways and in the catch basins (storm drains) prior to being deposited in waterways and the ocean. It consists of grant funding for Orange County local governments to purchase equipment and upgrades for existing catch basins and other related BMPs (i.e., “street-scale” low flow diversion projects). Examples include screens, filters, and inserts for catch basins, as well as other devices designed to remove the above-mentioned pollutants. To date, 15 Tier 1 calls for projects have been held. Through this process, many of the opportunities for street-scale BMPs have been fulfilled. Water quality projects, regardless of technology, are eligible for Tier 1 funding provided they have a verifiable benefit to water quality and fall within the maximum per project programming cap. The intent of this funding program is for project applicants to complete the work generally within one year from the letter agreement execution date.

Tier 1 Project Types

Tier 1 projects funded in the past include the following types. A description of each project type is provided below:

- 1) Automatic Retractable Screen and other debris screens or inserts: screen or insert units prevent debris from entering the storm drain system.
- 2) Irrigation system retrofits with non-spraying heads to reduce runoff: these projects decrease runoff from highway medians by using more efficient irrigation systems and/or replacing existing landscape to reduce the amount of water used in irrigation.
- 3) Continuous Deflection Separator (CDS): CDS units screen, separate, and trap debris, sediment, oil, and grease from storm water runoff.
- 4) Linear Radial Gross Solid Removal Device (GSRD): GSRDs are certified full capture systems which efficiently remove large solids from runoff water flows.
- 5) Marina Trash Skimmer: these devices draw in floating debris, such as plastics, bottles, paper, oil sheen, and driftwood. The installation of marina trash skimmers will reduce the amount of trash and debris reaching the open ocean.
- 6) Bioswales and Bioretention systems: pollutants and sediments are captured and subsequently removed from stormwater runoff.
- 7) Trash Boom: a floating boom placed across a channel captures trash and debris that have reached flood channels from being further conveyed to downstream receiving waters.

Pre-Application Process

In order to ensure the best use of M2 funds and assist eligible jurisdictions with the Tier 1 Grant Program, applicants may engage in a pre-application process with OCTA staff in project planning, cost estimate development, and determination of likely projected competitiveness. Specific meeting times will be established once the call is initiated. After the call for projects deadline and submittal of the grant application, applicants will not be able to change the content of the application or scope of the project.

Eligible Applicants

Project X funds can be used to implement transportation-related water quality improvement projects to assist Orange County cities and the County of Orange to meet federal Clean Water Act standards for urban runoff and State Water Resources Control Board requirements for trash capture. Applicants eligible for Project X funds include the 34 Orange County cities plus the County of Orange. Eligible applicants must meet the transportation requirements discussed in the M2 Ordinance.

Third parties, such as water and wastewater public entities, environmental resource organizations, nonprofit 501(c) environmental institutions, and homeowners' associations cannot act as the lead agency for a proposed project; however, these agencies can coordinate with an eligible Orange County city and/or the County of Orange.

Two or more agencies may participate in a project. If a joint application among agencies and/or third-party entities is submitted, a preliminary agreement with joint or third-party entities must be provided as part of the application. In order to meet Ordinance requirements, an eligible applicant must be the lead agency for the funding application. If a project includes more than one jurisdiction and is being submitted as a joint application, one agency shall act as lead agency and must provide a resolution of support from all joint applicants.

Each eligible jurisdiction must meet the eligibility criteria as set forth in Chapter 1 of these guidelines.

Project Programming

The Tier 1 Grant Program approach is designed to be consistent with Chapter 2 of the CTFP Guidelines regarding the provisions below:

- Program Consolidation
- Funding Projections
- Project Cost Escalation
- Programming Adjustments
- Programming Policies

- Schedule Change Requests
- Timely use of Funds
- Project Advancements
- Semi-Annual Review

Refer to Chapter 2 for explanations of the above provisions.

Funding Estimates

Approximately \$3.5 million is available for the 2026 Tier 1 call for projects.

The maximum amount for the Tier 1 Grant Program is \$600,000 per project. The maximum amount that an eligible local agency can receive in this funding period is \$600,000.

Matching Funds

For the Tier 1 Grant Program, a minimum local match of 20 percent (20%) of the eligible project cost is required. The matching funds shall be provided as a cash contribution.

Retroactive expenditures cannot be credited towards the matching fund threshold or project expenditures.

Overmatch

For the Tier 1 Grant Program, administering agencies may “overmatch” Project X projects; that is, additional cash match may be provided for the project. Applicants will receive additional points in the evaluation process for matching with cash above the minimum requirement. Proposals that exceed the 20 percent (20%) minimum funding match will be given an additional one-half point for every five percent (5%) over the minimum cash match (up to five bonus points).

Additionally, administering agencies must commit to cover any future cost overruns if the project is underfunded. Any work not eligible for Project X reimbursement must be funded by other means by the project applicant and cannot count as match. These non-eligible items should not be included in the cost estimate breakdown in the application.

Reimbursements

~~This program is administered on a progress payment basis, see Chapter 10. For the Tier 1 Grant Program, OCTA will release funds through two payments. The initial payment will constitute 75 percent (75%) of the CTFP grant share of the contract award or grant amount at contract award, whichever is less. OCTA will disburse the final payment, approximately 25 percent (25%) of eligible funds, after approval of the final report. Further information on reimbursements can be located within Chapter 9 of the CTFP Guidelines.~~

Scope Reductions/Modifications and Cost Savings

Any proposed scope modifications, such as a change in BMP device quantities and/or the adjustment of device locations of an approved project must be submitted to OCTA staff for review and approval in advance of the change to ensure consistency with Tier 1 Grant Program requirements. The proposed modifications must mitigate the same pollutants, affect the same waterways, and meet all other provisions as stipulated in these guidelines.

OCTA staff will review and provide notification to the local agency of either approval or rejection of the scope change or if the modification warrants Board approval. If the proposed scope modification is approved by OCTA, any cost savings will be proportionally shared between OCTA and the grantee; for example, a reduction in Project X funds must be applied proportionally to maintain the approved local match percentage. All cost savings will be returned to the Tier 1 Grant Program for reallocation for subsequent calls for projects.

2026 Tier 1 Call for Projects

The Tier 1 call will be open for 60 days. 2026 Tier 1 Call for Projects applications must be received by OCTA **no later than 5:00 p.m. on Thursday, May 7, 2026**. OCTA allocates funds on July 1 of each year. **Tier 1 projects are not eligible for delay requests**; please refer to Precept ~~18 47~~ for additional information. Funds will become available upon execution of a letter agreement. Projects that do not award construction contracts by December 31, 2027 will not be considered.

Applications will be reviewed by OCTA for consistency, accuracy, and concurrence. Applications determined complete in accordance with the program requirements will be evaluated and scored by an advisory review panel. Project rankings and funding recommendations will be presented to the ECAC and subsequently forwarded to the Board for consideration and funding approval.

Local jurisdictions awarded funding will be notified as to which projects have been funded. No additional funds will be allocated for any project once approved by the Board. Grantees are responsible for any costs exceeding the allocated amount. A tentative call schedule is detailed below:

Board authorization to issue call: March 9, 2026

Application submittal deadline: May 7, 2026

ECAC Review: August 2026

Committee/Board approval: Fall 2026

Tier 1 Selection Criteria

OCTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit 9-1 ~~11-1~~) with the following categories:

- Project Need, Transportation Nexus, and Water Quality Benefits (15 points)
- Cost/Benefit (16 points)
- Pollutant Reduction Benefits (12 points)
- Effectiveness Against More Visible Forms of Pollutants (10 points)
- Justification for Project Devices Considered and Proposed (5 points)
- Proposed Device Performance Efficiency and/or Effectiveness (6 points)
- Project Readiness (6 points)
- Secondary attributes* (5 points)
- Methodology for Measuring Pollutant Reduction Before and After Implementation (10 points)
- Operations and Maintenance Plan (15 points)

**Note: Project elements which may qualify for points under the “secondary attributes” category do not need to be eligible expenditures. See Eligible Expenditures and Ineligible Expenditures sections for further information.*

Each proposal can receive a maximum of 100 points, exclusive of five bonus points for cash overmatch. See Exhibit 9-1 ~~11-1~~ for scoring categories and point distribution.

Exhibit ~~9-1~~ 11-1 (Tier 1 Scoring Criteria)

Scoring Criteria		Points Possible	
1. Describe the need for the selected BMP(s), including nexus to transportation pollutants, and detail the benefits to water quality the BMP(s) will achieve. (up to 15 Points)		15	
2. Cost/Benefit (Up to 16 points): Based on information provided by the applicant, a cost/benefit calculation will be conducted to compare the total project cost to the area of priority land uses treated by the proposed BMP(s). Applicant is required to provide ¹ : - Types(s) of BMP(s) proposed - Number of each BMP type - Total drainage area(s) contributing to each BMP type - Percent of drainage area(s) that is/are considered priority land uses (i.e., high density residential, industrial, commercial, mixed urban, public transportation stations) The applicant must also provide geospatial information (through ArcGIS and/or Google Earth) that identifies the drainage area(s) and BMP location(s) for the project.		16	
3. Pollutant Reduction Benefits: Based on treatment capacity and BMP type, project benefit will be calculated using the scoring equation: (A x 3) + (B x 3) + (C x 6) = (up to 12 points) ¹		12	
Line	Factor	Points Available	
A	Fractional percent of 1 year, 1-hour event flowrate discharging from priority land uses to the BMP(s)	0 to 1	
B	Fractional percent of 85th percentile, 24-hr design event that is treated by a low-impact development (LID) or treatment control BMP ²	0 to 1.5	
C	BMP Multiplier: 1/3 point for high capacity systems 2/3 point for filters/biofilters 1 point for zero-discharge BMPs	0 to 1	
¹ Applicants are not expected to calculate the score for question 2 and question 3. OCTA's technical consultant will provide the analysis for these questions based on the application materials provided by the applicant.			
² Examples include high-capacity systems (i.e., hydrodynamic separators), filters/biofilters, or zero-discharge BMPs (i.e., retention/infiltration).			
4. How effective will the proposed project be in dealing with the more visible forms of pollutants, such as a litter and debris? (up to 10 points)		10	
5. What other BMP types were considered for this project? Why was the proposed BMP chosen? (5 points)		5	
6. Provide information on proposed BMP performance efficiency and/or effectiveness, including pollutant capture, storage capacity, flow capacity, etc. (up to 6 points)		6	
7. Project Readiness: The project schedule will be reviewed by the evaluation committee to determine when the proposed BMP will be operational following OCTA Board of Directors approval. (up to 6 points):		6	
Less than 4 Months	(6 points)	8 - 12 months	(2 points)
4 - 8 months	(4 points)	More than 12 months	(1 point)

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8. Secondary Attributes: Will the proposed project provide any benefits beyond water quality improvement (i.e., water use efficiency, public awareness, flooding control, recreation, habitat, sustainability)? (up to 5 points)	5
9. What is the methodology for measuring pollutant reduction before and after the BMP is implemented? How frequently will monitoring and performance assessment occur? (up to 10 points)	10
10. Provide an O&M plan for the lifespan of the proposed project. Include schedule of inspections, cleaning, removal and disposal of pollutants, repairs, etc. (up to 15 points)	15
	100
11. BONUS: Are local matching funds in excess of the 20% minimum cash being proposed? If yes, at what percentage? (.5 point for each 5% cash overmatch, up to 5 points)	5
	105

Application Process

The following information, which is to be completed within the Tier 1 Grant Application Form, available electronically from OCTA, is required to evaluate and select projects. A checklist is included in the Tier 1 Grant Application Form to assist eligible agencies in assembling project proposals. The following project information will be necessary as part of the application process:

- Project Title
- Lead Agency Information
- Proposed Schedule
- Project Management
- Description and Scope of Proposed Project
- Integrated Regional Water Management Plan (IRWMP) identification (if applicable)
- Project Readiness
- Performance Metrics
- Detailed Project Estimate
- Minimum 20% Local Match (cash match only)
- Joint-Application (if applicable)

In addition to the completed Tier 1 Grant Application, the following documentation is required as part of the application process:

- Project design or concept drawings, including preliminary design calculations, of proposed BMPs.
- Precise maps to show tributary drainage area and proposed location(s) for BMP installation including geospatial information (through ArcGIS and/or Google Earth)
- Digital project site photos
- Preliminary agreements with joint and/or third-party entities if part of the funding application (if applicable)
- A city council resolution specific to each proposed project and funding commitment must be approved by the local jurisdiction's governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit 9-2 11-2. **Local agencies, at a minimum, must include items a-l.** The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the agency. A final resolution authorizing a request for funding consideration with a commitment of local match funding must be provided with the project application. **If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** For a project to be considered for funding the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the programming recommendations being presented to OCTA's Board.

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One electronic copy of the complete application form and supporting documentation materials must be submitted to OCTA by the application deadline. Electronic application materials can be submitted via email as an attachment, or via a link to an online storage device site, such as DropBox or OneDrive. Submittal via USB drive is also allowed. CD/DVD files will not be accepted. There is no maximum length for proposals.

Application materials are to be submitted by the call for projects deadline to the following OCTA staff email or via digital media device by mail or in person:

Mason Doshier
Orange County Transportation Authority
mdosher@octa.net

By mail:
Mason Doshier
Orange County Transportation Authority
P.O. Box 14184
Orange, CA 92863-1584
Tel: (714) 560-5427

In person:
Orange County Transportation Authority
600 South Main Street
Orange, CA 92863-1584

Note: if submitting via email, please note that certain attachments may be subject to file size or file type restrictions, which may prevent emails from being successfully sent to OCTA. OCTA staff will provide a confirmation email that the application was successfully received by the deadline.

Applications are considered final once the electronic application has been submitted. OCTA will document the submittal date and time and download the files for storage and application review. Any applications that do not contain all required information and documentation will be disqualified. Revisions may be allowed if changes are made prior to the application deadline.

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Exhibit ~~9-2-11-2~~ (Tier 1 Sample Resolution)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL/BOARD OF THE CITY/COUNTY OF _____

AUTHORIZING AN APPLICATION FOR FUNDS FOR THE ENVIRONMENTAL CLEANUP, TIER 1 GRANT PROGRAM UNDER ORANGE COUNTY LOCAL TRANSPORTATION ORDINANCE NO. 3 FOR (PROJECT NAME).

- (a) WHEREAS, Orange County Local Transportation Ordinance No. 3, dated July 24, 2006, and is known and cited as the Renewed Measure M Transportation Ordinance and Investment Plan makes funds available through the Environmental Cleanup Program to help protect Orange County beaches and waterways from transportation-generated pollution (urban runoff) and improve overall water quality; and
- (b) WHEREAS, the Environmental Cleanup, Tier 1 Grant Program consists of funding purchases and installation to catch basins with Best Management Practices, such as screens, filters, inserts, and other "street-scale" low flow diversion projects; and
- (c) WHEREAS, OCTA has established the procedures and criteria for reviewing proposals; and
- (d) WHEREAS, (ADMINISTERING AGENCY) possesses authority to nominate water quality improvement projects that have a transportation pollution nexus to finance and construct the proposed project; and
- (e) WHEREAS, by formal action the (GOVERNING BODY) authorizes the nomination of (PROJECT NAME), including all understanding and assurances contained therein, and authorizes the person identified as the official representative of the (ADMINISTERING AGENCY) to act in connection with the nomination and to provide such additional information as may be required; and
- (f) WHEREAS, the (ADMINISTERING AGENCY) will maintain and operate the equipment acquired and installed; and
- (g) WHEREAS, the (ADMINISTERING AGENCY) will give OCTA's representatives access to and the right to examine all records, books, papers or documents related to the funded Tier 1 Grant Project; and
- (h) WHEREAS, the (ADMINISTERING AGENCY) will cause work on the project to be commenced within a reasonable time after receipt of notification from OCTA and that the project will be carried to completion with reasonable diligence; and
- (i) WHEREAS, the (ADMINISTERING AGENCY) will comply where applicable with provisions of the California Environmental Quality Act, the National Environmental Policy Act, the American with Disabilities Act, and any other federal, state, and/or local laws, rules and/or regulations; and
- (j) WHEREAS, the (ADMINISTERING AGENCY) must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Renewed Measure M Ordinance eligibility requirement; and
- (k) WHEREAS, the (ADMINISTERING AGENCY) authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board of Directors; and
- (l) WHEREAS, the City/County of _____ will provide a minimum of 20% in matching funds for the (PROJECT NAME) as required by the Orange County Transportation Authority Comprehensive Transportation Funding Programs Guidelines.

NOW, THEREFORE, BE IT RESOLVED that the City/County of _____ hereby authorizes (NAME _____)

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____ OF AGENCY REPRESENTATIVE) as the official representative of the (ADMINISTERING AGENCY) to accept funds for the Environmental Cleanup, Tier 1 Grant Program for (PROJECT NAME).

BE IT FURTHER RESOLVED that the City/County of _____ agrees to fund its share of the project costs and any additional costs over the identified programmed amount.

Eligible Expenditures

- Tier 1 projects must meet the transportation nexus as outlined previously in this chapter.
- Project X funds must be for capital improvements.
- For Tier 1, construction ~~engineering support~~ cannot exceed 20 percent (20%) of the M2 grant, subject to match requirements.
- Project X funds can only be used for facilities that are in public ownership for public use; however, water quality improvements on private property, which are connected to municipal separate storm sewer systems, are eligible if part of a right of way agreement (For example, a homeowner association can coordinate through an eligible agency for funding if the proposed project is connected to a public facility). Administering agencies shall provide supporting documentation to justify improvements on private property.
- Reducing volume of surface flows is an integral factor of improving water quality, therefore, projects that have water-saving features (i.e., drip systems) are eligible for funding consideration.

Ineligible Expenditures

- O&M costs are not eligible expenditures. O&M costs cannot be utilized as a source of matching funds.
- Project X funds are not to be used for planning but can be used for final design, subject to the restrictions above.
- Expenditures prior to the grantee executed letter agreement date cannot be considered eligible for funding or match.
- Landscaping and vegetation not directly related to improving water quality (i.e., ornamental shrubs, trees).
- Replacement of equipment funded with Project X funds that is still within its anticipated useful life (based on manufacturer's specifications).
- Capital equipment purchases related to regular on-going street maintenance efforts, including, but not limited to: trash receptacles, vacuum trucks and/or equipment, street sweepers, signage, etc.
- Street improvement and maintenance activities (e.g., curb and gutter channelization, pavement rehabilitation/restoration, sidewalk reconstruction, or full catch-basin replacement/construction) are not eligible, unless surface repairs are required to restore a funded BMP installation area to pre-construction conditions and generally do not expand beyond the BMP disturbance area.

Reporting and Reimbursement

A ~~M2 Project F~~final ~~R~~report must be filed within 180 days of the project being completed ~~with information as shown in Form 10-16~~. See Chapter 10_9 for the process and requirements regarding reimbursements and reporting for the Tier 1 Grant Program.

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Additionally, an exception to Precept ~~42#40~~: Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the reviewing and approving bodies, respectively, for this program. See Chapter 10 for additional information.

Technical and/or Field Review

Once an agency submits ~~a the~~ Final CTFP Expenditure Rreport for a project, OCTA shall review the report for compliance with the CTFP guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project's cost estimate form will be reimbursed. See Chapter ~~11 40~~ for independent audit requirements beyond the technical and/or field review.

Additional Information

Questions regarding these procedures and criteria should be directed to:

By mail:

Mason Doshier
Orange County Transportation Authority
P.O. Box 14184
Orange, CA 92863-1584
Tel: (714) 560-5427

In person:

Orange County Transportation Authority
600 South Main Street
Orange, CA 92863-1584

Via email:

mdosher@octa.net

Tier 2 Grant Program

The Tier 2 Grant Program consists of funding larger scale, potentially multi-jurisdictional, capital-intensive structural treatment BMP projects. Proposed projects will be evaluated based on their water quality improvement benefits and cost-effectiveness under the scoring criteria guidelines. Examples of large-scale BMPs include constructed wetlands, detention/infiltration basins and other large BMPs that mitigate litter and debris, heavy metals, organic chemicals, sediment, nutrients, and other transportation-related pollutants. Funds will be awarded through a competitive grant process geared towards awarding funds to the highest scoring, most cost-effective projects.

For the 2024 call for projects (call), applicants will use a web-based platform called OC Stormwater Tools (OCST) as part of the application process. The OCST platform was originally developed by Orange County Public Works (OCPW). The OCST platform has been in use for over five years supporting Orange County cities and the County of Orange in managing stormwater BMP inventories, establishing facility delineations, and modeling the performance of the BMPs. It is maintained by OCPW. In 2022, OCTA and OCPW partnered to develop the Planning Module in OCST. The OCST Planning Module allows users to access mapping layers to view priority areas, evaluate the performance of candidate BMPs, and submit selected projects for consideration in the Tier 2 Grant Program, in combination with traditional application forms. Use of the OCST Planning Module to submit the project drainage area and facility design information is a requirement for Tier 2 funding applicants.

Pre-Application Process

In order to facilitate a jurisdiction's best use of Project X funds, Tier 2 applicants may engage in a pre-application process with OCTA staff to assist jurisdictions in project planning, proposal and cost estimate development, and determination of likely projected competitiveness in the scoring criteria. The pre-application timeframe is defined as the time between the initiation of the call and one week prior to the application deadline date. After the call deadline and submittal of the grant application, applicants will not be able to change the content of their application or scope of the project.

Eligible Applicants

Project X funds can be used to implement transportation-related water quality improvement projects to assist Orange County cities and the County of Orange meet federal Clean Water Act standards for urban runoff. Applicants eligible for Project X funds include the 34 Orange County cities plus the County of Orange. Eligible applicants must meet the transportation requirements discussed in the M2 Ordinance.

For Tier 2 multi-agency collaborations, eligible jurisdictions may partner with other entities such as special districts and non-profits, but the lead agency must be an M2 eligible jurisdiction.

Third parties, such as water and wastewater public entities, environmental resource organizations, non-profit 501(c) environmental institutions, and homeowners' associations cannot act as the lead agency for a proposed project, however; these agencies can coordinate with an M2 eligible Orange County city and/or the County of Orange to submit a project application. All project partners must contribute to the project in some capacity (i.e., monetary contribution, time contribution, etc.).

Two or more agencies may participate in a project. If a joint application among agencies and/or an application is submitted for the benefit of third-party entities is submitted, a preliminary agreement with joint or third-party entities must be provided as part of the application. In order to meet M2 Ordinance requirements, an eligible applicant must be the lead agency for the funding application. If a project includes more than one jurisdiction and is being submitted as a joint application, one agency shall act as the lead agency and must provide a resolution of support from the partnering agency. In addition, the applicant shall provide a schedule by which the lead agency will obtain a final agreement with a third party. The final agreement must be executed prior to contract award date.

Each eligible jurisdiction must meet the eligibility criteria as set forth in Chapter 1 of the Comprehensive Transportation Funding Program (CTFP) Guidelines. For example, to apply for CTFP funding, local agencies must fulfill an annual eligibility process. Eligibility packages are due to OCTA by June 30 of each year. The M2 Eligibility Preparation Manual outlines the eligibility requirements in detail.

In order for an applicant to accept Project X funding for their proposed project, OCTA has certain requirements that must be met. These requirements include adhering to the OCTA CTFP Guidelines; meeting a ten-year BMP Operations and Maintenance (O&M) commitment; and commitment to maintain and monitor the project commensurate with the design life.

Project Programming

The Tier 2 Grant Program is designed to be consistent with Chapter 2 of the CTFP Guidelines regarding the provisions below:

- Program Consolidation
- Sequential Programming Process
- Funding Projections
- Project Cost Escalation
- Programming Adjustments
- Project Readiness
- Programming Policies
- Schedule Change Requests
- Timely use of Funds

- Project Advancements
- Semi-Annual Review

Refer to Chapter 2 for explanations of the above provisions.

Funding Estimates

Approximately \$15 million is available for the 2024 Tier 2 call. The maximum amount for the Tier 2 Grant Program is \$2.5 million per project. The maximum amount that an eligible local agency can receive in this funding period is \$2.5 million.

2024 Tier 2 Call Implementation Timeline

The Tier 2 call will be open for 90 days. 2024 Tier 2 call applications must be received by OCTA **no later than 5:00 PM on Thursday, May 16, 2024**. OCTA is seeking applications for projects, which can be awarded no later than December 31, 2025. Funds will become available upon execution of a letter agreement. Projects that do not award construction contracts by December 31, 2025 will not be considered.

After Tier 2 applications are reviewed by OCTA staff for completeness and accuracy, an evaluation panel will review and rank projects. Following review and recommendation by the ECAC, a recommended priority list of projects will be presented to the OCTA Board for approval. Funding amounts allocated for projects are final once approved by the OCTA Board. No additional funds will be allocated to the project. Grantees are responsible for any costs exceeding the allocated amount.

Matching Funds

For the Tier 2 Grant Program, a minimum local match of fifty percent (50%) of the eligible project phase cost is required. The matching funds shall be provided by cash contributions. Previously completed phases of a project may not be attributed to the match. Prior expenditures cannot be used as matching funds. There is a potential to reduce matching funds up to 15 percent (15%) for project readiness (at time of application submittal) as follows:

- Environmental (5%): The environmental document has been completed and certified.
- Design (5%): The project has completed 100% design plans.
- Right of Way (5%): This reduction applies to only those projects that require right of way acquisition, and acquisition has been completed.

If a joint application among agencies and/or third-party project partners is submitted, matching funds documentation must clearly identify the entity providing the funds for each line item in the matching funds description. Additionally, preliminary agreements are required to be submitted with the grant application that contains the matching funds commitments from a supporting agency.

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Matching rate commitments identified in the project grant application shall remain constant throughout the project. Match rate commitments may not be reduced for any reason.

Operations and Maintenance

Applicants must submit a draft BMP O&M Plan covering a minimum of ten years after project completion. The BMP O&M Plan must document (through the resolution) project O&M financial commitment and sustainability for ten years. Applicants must include project assessment and monitoring of performance as part of the O&M Plan. OCTA may request to review this plan from time to time.

For guidance, please refer to Section 2.8 and Appendix G of the Technical Guidance Document for the Preparation of Conceptual/Preliminary and/or Project Water Quality Management Plans at:

<https://ocgov.app.box.com/v/SDR-WQIP-Clearinghouse/file/252490400944>

Eligible Expenditures

- Tier 2 projects must meet the transportation nexus as outlined previously in this chapter.
- Project X funds are designed to fund capital improvements. Tier 2 funds are designed to be strictly used for project construction costs, although up to ten percent (10%) of the total grant may be used for preliminary project design, environmental, and engineering costs.
- For Tier 2, construction engineering support cannot exceed 20 percent (20%) of the M2 grant, subject to match requirements.
- Project X funds can only be used for facilities that are in public ownership for public use; however, water quality improvements on private property, which are connected to municipal separate storm sewer systems, are eligible if part of a right of way agreement (For example, a homeowner's association coordinate through an eligible agency for funding if the proposed project is connected to a public facility). Agencies shall provide supporting documentation to justify improvements on private property.

Ineligible Expenditures (including, but not limited to)

- Non-capital expenses for enhancements such as education, recreation, etc.
- Expenditures prior to letter agreement execution
- Amenities such as benches, lighting, signage, waste receptacles, etc.
- Landscaping and vegetation not directly related to improving water quality (i.e., ornamental shrubs, trees)

- Irrigation (sprinklers or drip systems) not directly related to plant establishment of water quality features
- Trails/sidewalks, unless contributing to water quality improvement
- O&M
- Planning activities beyond ten percent (10%) of grant
- Replacement of existing water quality features still within anticipated useful life (based on manufacturer's specifications).

Reimbursements

~~This program is administered on a progress payment basis, see Chapter 10. For the Tier 2 Grant Program, OCTA will typically release funds through two payments. The initial payment will constitute 75 percent (75%) of the CFTP grant share of the contract award or grant amount at time of award, whichever is lower. OCTA will disburse the final payment, approximately 25 percent (25%) of eligible funds, after approval of the final report. Further information on reimbursements can be found within Chapter 9 of the CFTP Guidelines.~~

Additionally, administering agencies must commit to cover any future cost overruns if the project is underfunded. Any work not eligible for Project X reimbursement must be funded through other means by the project applicant and cannot count as match. These non-eligible items should not be included in the cost estimate breakdown in the application.

Scope Reductions and Cost Savings

Any proposed scope reductions of an approved project must be submitted to OCTA to ensure consistency with the Tier 2 Grant Program requirements. If the proposed scope reduction is approved by OCTA, cost savings will be proportionally shared between OCTA and the grantee. A reduction in Project X funds must be applied proportionally to maintain the approved local match percentage. All cost savings will be returned to the Tier 2 Grant Program for reallocation to subsequent calls.

Tier 2 Selection Criteria

OCTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit ~~9-3~~ ~~11-3~~) with the following categories:

- Problem and source identification
- Project design
- Project implementation and readiness
- Project benefits
- Performance metrics

Each proposal can receive a maximum of 100 points. Tier 2 selection criteria include both technical scoring criteria –70 percent (70%) weighting – and non-technical scoring criteria –30 percent (30%) weighting.

A focus on several overarching concepts is emphasized in the funding guidelines and scoring criteria:

- Focus on a clear and measurable transportation nexus, defined as total lane miles in the project catchment area, as defined by the MPAH
- Priority in the scoring criteria is given to projects in areas of highest water quality need, as established by predicted pollutant loading, receiving water monitoring, and the extent of impairment of receiving waters (i.e., higher priority given to 303(d) listed water bodies or project in a water quality plan)
- Quantification of project benefits where possible in terms of a load reduction metric (pollutants or water volumes)
- Emphasis on cost beneficial projects
- Emphasis on project readiness, and ability to leverage funding
- Emphasis on other regional and environmental benefits
- Emphasis on multi-jurisdictional and public benefits

Application Process

The technical scoring will be calculated wholly within the OCST Planning Module. The Tier 2 Grant Application Form (available electronically from OCTA) is required to evaluate general project information, funding, and to score non-technical project components. See Exhibit [9-3 11-3](#) for Tier 2 Scoring Criteria.

The applicant will be required to enter the technical project information into the OCST Planning Module (<https://planning.ocstormwatertools.org/>), populate the project with attributes necessary to quantify performance, and elect to share the project with OCTA within the Planning Module.

OCST Planning Module Project Entry

Complete the workflow for adding the project in the OCST Planning Module. The Planning Module Project workflow includes the following steps:

1. Log in to <https://planning.ocstormwatertools.org/>. If a user is not yet registered in this system, use the “Create Account” button to set username and password; permission to act on behalf of a city or the County will be assigned by the system administrators.
2. Under “Quick Actions”, select “Add a Project”.
3. Complete the Project Basics form using the same project name as in the Application Form. Enter project information such as Project Name, Description, and Primary Contact Person. Check the box to compute metrics for the OCTA M2 Tier 2 Grant Program.

4. Select “OCTA M2 Tier 2 Grant Program” to view scores (this does not enable sharing with OCTA, it will just calculate scoring metrics for the project for applicant review).
5. On the “Stormwater Treatments / Proposed Treatment BMPs” page, enter BMP type and location, and modeling attributes (a set of key design parameters used to estimate performance). More than one BMP can be entered within a project.
6. On the “Stormwater Treatments / Delineations” page, define the upstream delineation using the web map.
7. On the “Stormwater Treatments / Modeled Performance and Grant Metrics” page, select “Calculate” to review modeling results and preliminary grant scoring metrics for the project.
8. Review results.
9. On the “Review and Share” page, click the button to “Share” the project with the OCTA M2 Tier 2 Grant Program. This will add the project to the grant application reviewers dashboard. While a project is being shared it cannot be edited.

If an applicant believes an edit is needed, or if a change is requested by OCTA, the applicant may “Revoke” the project sharing status, make the edit, and re-share the project. Projects must be shared with the OCTA M2 Tier 2 Grant Program before the call for projects closes in order for the application to be considered eligible for funding.

Important Note: All Tier 2 score metrics computed by the Planning Module are preliminary. Final project scores will be calculated by OCTA after the call is closed, including comparisons between submitted projects.

In addition to entering project information into the OCST Planning Module and the Tier 2 Grant Application Form, the following items are required to be included within the submitted proposal:

- Project design or concept drawings, including preliminary design calculations, of proposed BMP. This should clearly justify the modeling attributes entered into the OCST Planning Module.
- Environmental Document (if applicable)
- Preliminary Cooperative Agreement(s) with joint and/or third-party entities (if applicable)
- Project Cost Estimate
- Maps
- Project site photos
- Project master schedule
- City Council resolution specific to the project and funding commitment must be approved by the local jurisdiction’s governing body prior to the Board approval of grant funds. A sample resolution is included as Exhibit [9-4 11-4](#). **Local agencies,**

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at a minimum, must include items a-l. The mechanism selected shall serve as a formal request for CTFP funds and states that matching funds will be provided by the agency. A final resolution authorizing a request for funding consideration with a commitment of local match funding must be provided with the project application. **If a draft copy of the resolution is provided, the local agency must also provide the date the resolution will be finalized by the local agency's governing body.** A final copy of the City Council approved resolution must be provided at least four (4) weeks **PRIOR** to the consideration of programming recommendations by OCTA's Board.

- 10-year draft BMP O&M Plan

For the Tier 2 Grant Program, one unbound original and one electronic copy of the complete application form and supporting documentation materials must be submitted to OCTA by the application deadline. Electronic application materials can be submitted via email as an attachment, or via a link to an online storage device site, such as DropBox or OneDrive. Submittal via USB drive is allowed. CD/DVD files will not be accepted.

There is no maximum length for proposals. All pages must be numbered and printed on 8 1/2 x 11 sheets of white paper. Use separate sheets of paper if necessary. Maps and drawings can be included on 11 x 17 sheets, folded into the proposal. *The original proposal should be left unbound for reproduction purposes.*

Application materials are to be submitted by the call for projects deadline to the following OCTA staff email and via hardcopy by mail or in person:

Adrian Salazar

Orange County Transportation Authority

asalazar@octa.net

By mail:

Adrian Salazar

Orange County Transportation Authority

P.O. Box 14184

Orange, CA 92863-1584

Tel: (714) 560-5363

In person:

Orange County Transportation Authority

600 South Main Street

Orange, CA 92863-1584

Note: if submitting via email, please note that certain attachments may be subject to file size or file type restrictions, which may prevent emails from being successfully sent to OCTA. OCTA staff will provide a confirmation email that the application was successfully received by the deadline.

Comprehensive Transportation Funding Programs



Applications are considered final once the electronic application has been submitted. OCTA will document the submittal date and time and download the files for storage and application review. Any applications that do not contain all required information and documentation will be disqualified. Revisions may be allowed if changes are made prior to the application deadline.

Reporting and Reimbursement

The Tier 2 Grant Program is consistent with Chapter [10_9](#) of the CTFP Guidelines regarding the process and requirements of reimbursements and reporting including semi-annual reviews. Upon completion of project construction, a 10-year final BMP O&M Plan is required to be submitted along with the final report.

Additionally, an exception to Precept [42_#40](#): Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve. [See Chapter 10 for additional information.](#)

Technical and/or Field Review

Once an agency submits a ~~F~~final [CTFP Expenditure R](#)report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project's cost estimate form will be reimbursed. See Chapter [11_10](#) for independent audit requirements beyond the technical and/or field review.

Exhibit ~~9-3~~ 11-3 Tier 2 Scoring Criteria

Technical Scoring – 70 points (Points awarded based on scoring metrics computed within OCST Planning Module)		
Scoring Metric	Description	Points
Transportation Priority Index (TPI)	The TPI is developed based on density of roadway lane miles within pre-defined catchment areas.	5
WQ Need Analysis	WQ Need is based on the presence of TMDLs and 303(d) list impairments, as well as receiving water quality monitoring data.	40
BMP Performance	BMP performance is a normalized score based on the total inflow volume, Water Quality Load Reduction Index, the ratio of wet to dry weather pollutant load reduction, and project cost.	25
Non-technical Scoring – 30 points (Points awarded based upon information provided by applicant)		
Multiple Benefits • Drainage • Recreation • Habitat • Water Resources	Describe the benefits of the proposed project above and beyond water quality improvement (load reduction benefit).	10
Cost/Benefit	Describe how the project is designed to maximize benefits while reducing costs, such as by aligning with parallel project efforts in the region and/or obtaining additional sources of funding beyond the minimum required match.	10
Regional Benefit	Describe how the proposed project would provide a regional benefit.	5
Project Readiness	Describe the proposed project's readiness with regard to concept development, cost estimates, design, environmental compliance, and construction documents.	5
Total		100

Exhibit ~~9-4~~ 11-4 SAMPLE AGENCY RESOLUTION REQUESTING FUNDS FOR PROPOSED PROJECT

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL/BOARD OF THE CITY/COUNTY OF _____
AUTHORIZING AN APPLICATION FOR FUNDS FOR THE ENVIRONMENTAL CLEANUP, TIER 2
GRANT PROGRAM UNDER ORANGE COUNTY LOCAL TRANSPORTATION ORDINANCE NO. 3 FOR
(NAME OF PROPOSAL) PROJECT.

(a) WHEREAS, Orange County Local Transportation Ordinance No. 3, dated July 24, 2006, and is known and cited as the Renewed Measure M Transportation Ordinance and Investment Plan makes funds available through the Environmental Cleanup Program to help protect Orange County beaches and waterways from transportation-generated pollution (urban runoff) and improve overall water quality; and

(b) WHEREAS, the Environmental Cleanup, Tier 2 Grant Program consists of funding regional, potentially multi-jurisdictional, capital-intensive projects, such as constructed wetlands, detention/infiltration basins and bioswales, which mitigate pollutants including litter and debris, heavy metals, organic chemicals, sediment, and nutrients; and

(c) WHEREAS, OCTA has established the procedures and criteria for reviewing proposals; and

(d) WHEREAS, (ADMINISTERING AGENCY) possesses authority to nominate water quality improvement projects that have a transportation pollution nexus to finance and construct the proposed project; and

(e) WHEREAS, by formal action the (GOVERNING BODY) authorizes the nomination of (NAME OF PROPOSAL), including all understanding and assurances contained therein, and authorizes the person identified as the official representative of the (ADMINISTERING AGENCY) to act in connection with the nomination and to provide such additional information as may be required; and

(f) WHEREAS, the (ADMINISTERING AGENCY) will maintain and operate the equipment acquired and installed; and

(g) WHEREAS, the (ADMINISTERING AGENCY) will give OCTA's representatives access to and the right to examine all records, books, papers or documents related to the funded Tier 2 Grant Project; and

(h) WHEREAS, the (ADMINISTERING AGENCY) will cause work on the project to be commenced within a reasonable time after receipt of notification from OCTA and that the project will be carried to completion with reasonable diligence; and

(i) WHEREAS, the (ADMINISTERING AGENCY) will comply where applicable with provisions of the California Environmental Quality Act, the National Environmental Policy Act, the American with Disabilities Act, and any other federal, state, and/or local laws, rules and/or regulations; and

(j) WHEREAS, the (ADMINISTERING AGENCY) must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Renewed Measure M Ordinance eligibility requirement; and

(k) WHEREAS, the (ADMINISTERING AGENCY) authorizes a formal amendment to the seven-year



Comprehensive Transportation Funding Programs

Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board of Directors; and

(I) WHEREAS, the City/County of _____ is committing to a minimum match of up to 50% for the (PROJECT NAME) as required by the Orange County Transportation Authority Comprehensive Transportation Funding Programs Guidelines.

NOW, THEREFORE, BE IT RESOLVED that the City/County of _____, hereby authorizes (NAME OF AGENCY REPRESENTATIVE) as the official representative of the (ADMINISTERING AGENCY) to accept funds for the Environmental Cleanup, Tier 2 Grant Program for (NAME OF PROPOSAL).

BE IT FURTHER RESOLVED that the City/County of _____, agrees to fund its share of the project costs and support any additional costs over the grant funding.

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Chapter 10 Reimbursements and Reporting

Procedures for Receiving Funds

An implementing jurisdiction must encumber funds OCTA awards to a project phase within the fiscal year the grant is programmed (July 1-June 30). For example, if a project phase is programmed for fiscal year 2027-28, the implementing jurisdiction must encumber funds by June 30, 2028. For jurisdictions awarded funding for the construction or PI phases, OCTA will work with the local jurisdiction following Board approval of the grant to determine eligible and ineligible costs. Written confirmation from OCTA identifying these eligible and ineligible costs must be obtained prior to encumbering funds for the construction phase and before issuing any construction-related Notice to Proceed, task order, or contract for PI construction activities. Prior to the encumbrance of funds, an agency must have a fully executed letter agreement with OCTA.

An agency encumbers. A local jurisdiction may demonstrate encumbrance of funds by: (1) awarding a contract; (2) completing the appraisal or issuing an offer letter for one parcel of right-of-way; (3) by providing expense reports with supporting documentation to prove an agency's workforce costs (provided that the agency intends to complete the phase with agency staff) (4) or by issuing a Notice to Proceed, which must include the project name, scope of services to be provided and cost.

When a contract is used to demonstrate encumbrance, OCTA shall consider the primary contract(s) or the contract with the largest dollar amount, associated with the phase's tasks, when an agency uses a contract to show encumbrance of CTFP funds. Once the jurisdiction has encumbered CTFP funds for a phase and has a fully executed letter agreement, it may initiate the process for requesting receiving payment of the funds.

OCTA will release funds through two payments. The initial payment will provide up to 75 percent (75%) of the CTFP grant share of the contract award or grant amount, whichever is less. OCTA will disburse the final payment, 25 percent (25%) of eligible funds, after it approves the final report (See Precept 35).

For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36).

OCTA will disburse grant funds through a progress payment process. To receive any payment, the local jurisdiction must submit a payment request via OCFundtracker. The local jurisdiction may elect to receive an initial payment of up to 30 percent (30%) of the total grant amount, followed by progress payment requests, or may elect to proceed directly with progress payment requests. In all cases, the local jurisdiction shall submit progress payment requests on a semi-annual basis. Unless otherwise determined by a

separate cooperative agreement, progress payments must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment is due the following Monday.

All payments issued, including any initial payment and subsequent progress payments, shall cumulatively be reimbursed for up to 90 percent (90%) of the total grant amount, unless otherwise determined by a separate cooperative agreement. The final retention payment will be issued within sixty (60) days following OCTA's receipt and approval of a complete and accurate Final CTFP Expenditure Report.

OCTA shall not reimburse for a project prior to the programmed fiscal year of the grant. If an agency receives an advancement and begins work prior to the start of the fiscal year of the grant, the agency may request an initial payment against the grant. If an agency receives an advancement and completes a project prior to the start of the fiscal year of the grant, OCTA shall disburse the grant in a single payment. OCTA must accept the Final CTFP Expenditure Report prior to issuing the final payment. However, if the project is not anticipated to be completed prior to the start of the fiscal year of the grant, the local jurisdiction shall follow the progress payment process.

Once an agency encumbers Measure M funds and has a fully executed letter agreement, the jurisdiction may request a maximum of 30 percent (30%) of the grant amount as an initial payment.

Examples of calculating the initial payment request and a progress payment are described below.

Initial Payment Example

If the total grant amount is \$1,000,000, the initial payment will be 30% of the grant.

Calculation:

- Grant Amount x 30% = Initial Payment

Grant Amount		Initial Payment Percentage		Initial Payment
\$1,000,000	X	30%	=	\$300,000

Accordingly: the initial payment to the local jurisdiction would be \$300,000.

The remaining balance shall be requested by the local jurisdiction through progress payment submissions and will be reimbursed based on paid eligible costs during the reporting period.

Progress Payment Example

If the reported expenditures are \$300,000 and OCTA's match rate is 75%, and OCTA has determined the costs to be fully eligible, the progress payment amount will be 75% of the \$300,000.

Calculation:

- Paid Expenditures x OCTA Match Rate = Progress Payment Amount

Paid Expenditures		OCTA Match Rate		Progress Payment Amount
\$300,000	X	75%	=	\$225,000

Result: The progress payment amount would be \$225,000 for the reporting period.

The combined total of the initial payment and/or all progress payments shall not exceed ninety percent (90%) of the grant. Retention will be ten percent (10%) of the grant and will not be released until acceptance of the Final CTFP Expenditure Report, unless otherwise determined by a separate cooperative agreement.

~~Agencies shall submit payment requests to OCTA in a timely fashion.~~ The M2 Ordinance requires the submittal of an M2 Project Final Report within 180 days of the project phase completion date (See M2 Ordinance/Definition 28/Precept 40 37). **Failure to submit a final report within the 180-day time frame will result in an agency being found ineligible to receive net revenues. Per the M2 Ordinance, no provision for extension is allowed.** The term "project phase completion" refers to the date that the local jurisdiction has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase.

OCTA will provide separate CTFP payment ~~supplement that includes~~ sample forms and instructions for payment submittals ~~and that~~ can be downloaded from the OCFundtracker database. Payment submittals are described in this chapter and must be submitted through OCTA's online database, OCFundtracker. Detailed instructions for OCFundtracker are available online at the previously mentioned website. Staff is also available to assist jurisdictions with this process.

Local jurisdictions must upload appropriate backup documentation to the database. OCTA will not initiate review of any payment request until all documents listed on the Payment Checklist have been submitted through OCFundtracker and a payment request has been opened². OCTA may request hardcopy payment requests.

Timely M2 Project Final Reports

The M2 Project Final Report is a requirement of the M2 Ordinance and is distinct from the Final CTFP Expenditure Report. The M2 Project Final Report serves as the local

² Please see OCTA.net for a step-by-step guide on opening a payment request in OCFundtracker.

jurisdiction's certification of project completion for projects funded with Net Revenues and shall include a description of the work performed, an accounting of Net Revenues expended, and any interest earned on Net Revenues allocated to the project. OCTA will work with local agencies to ensure the timeliness of final reports by utilizing the following procedures:

1. Local agencies should notify OCTA of the project phase completion date within 30 days of completion by emailing M2ProjectFinalReport@octa.net.
2. OCTA to issue a reminder notification to the project manager, public works directors or TAC representative(s) 90 days after the project completion date, as reported in OCFundtracker; to remind local agencies that the final report is due in 90 days. OCTA staff will provide guidance to assist in preparation of the final report.
3. Local jurisdictions **must to file a final M2 Project Final Report within 180 days of project phase completion date.**
- ~~3. OCTA to issue a notification to the project manager, public works directors or TAC representative(s) 90 days after the project completion date, as reported in OCFundtracker, to remind local agencies that the final report is due in 90 days. OCTA staff will provide guidance to assist in preparation of the final report.~~
4. If the M2 Project Final Report is not received within the 180-day deadline OCTA may issue a final notice letter to ~~the project manager, public works directors or TAC representative(s)~~ with a copy to the agency's management and finance director ~~if OCTA does not receive the final report within 180 days of the project completion date. The final notice letter will inform the local jurisdiction that if OCTA does not receive a response to the final notice letter and the final report within 180 days, then the funds will be unencumbered, and OCTA shall request that the agency return disbursed funds, plus interest and subsequent action may be taken to find the jurisdiction ineligible to receive Net Revenues.~~
- ~~5. OCTA to issue the final payment to local agencies within 60 days of receiving the complete final report and all supporting documentation.~~

Availability of Funds

~~The funds granted by OCTA for each phase will be available on July 1, the first day of the fiscal year in which the funds are programmed and upon implementation of the letter agreement for the specific project.~~

Cancellation of Project

~~If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation,~~

~~regardless of whether property has been purchased or not. Construction funding received prior to cancellation shall be repaid upon cancellation.~~

~~Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.~~

Agency Workforce and Equipment Rental

The local jurisdiction must provide supporting documentation for work completed by agency staff or the use of agency workforce. The decision or justification that local agency forces could perform the work more cost effectively, more timely than a contractor or other justification must be documented. It is recommended that a unique project job key be created for each project and all project charges be billed under that job code. The agency shall multiply the fully burdened labor rate by the number of hours for each staff person assigned to the project. The jurisdiction may add overhead costs at an allowable rate up to 30 percent (30%) of payroll and fringe benefits.

The jurisdiction must provide supporting documentation for equipment used by local agency staff. The jurisdiction may use local agency or Caltrans surcharge and equipment rental rates.

Technical and/or Field Review

Once a local jurisdiction submits a final CTFP expenditure report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a technical and/or field review. As part of the technical/field review of a CTFP project, OCTA may:

- review ROW acquisitions and the potential for excess right-of-way
- compare hourly breakdown of staff time compared to staff time sheets
- conduct a project field review – ensure improvements are within scope
- review items that agencies self-certify
- verification of the reasonableness of project costs

OCTA may review all phases of the project.

OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the Final CTFP Expenditure Report ~~final report~~ as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. OCTA will only reimburse eligible CTFP items listed on the cost estimate. The implementing agency is expected to complete the entire scope of work as presented in the OCTA approved scope ~~original application~~.

For construction and PI phases, OCTA will use the OCTA written approval of eligible costs, project accounting records and the Final CTFP Expenditure Report as the primary items to conduct the review.

See Chapter 11 ~~10~~ for independent audit requirements beyond the technical/field review.

Appeal Process

An appeal may be submitted only if the disputed amount is at least \$100,000 or 10% of the grant amount, whichever is less.

RCP and RTSSP Projects

Appeals must be submitted as part of the semi-annual review process. The local jurisdiction must submit its appeal request no later than the second semi-annual review cycle following OCTA's payment determination. The jurisdiction may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff, including references to applicable CTFP Guidelines language. The appellant local jurisdiction must submit a written statement which proposes an action for TAC consideration.

The TAC shall designate TSC to receive and review the appeal. The TSC shall consider the local jurisdiction's appeal along with information provided by staff, any known precedents or past practices, the CTFP guidelines and the Ordinance.

Following its review, the TSC shall make a recommendation to the TAC to approve the appeal as presented, deny the appeal, or partially approve the appeal. TSC recommendations to approve the appeal as presented or partially approve the appeal shall be advanced to the Board for consideration. Denied appeals shall not be submitted for Board consideration.

Depending on the findings and consistency with the Ordinance, staff shall include a recommendation as part of the subsequent semi-annual review staff report. The Board shall have final approval authority on the appeal.

ECP Projects

Appeals must be submitted as part of the semi-annual review process. The local jurisdiction must submit its appeal request no later than the second SAR cycle following OCTA's payment determination. The jurisdiction may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff, including references to applicable CTFP Guidelines language. The appellant local jurisdiction must submit a written statement which proposes an action for ECAC consideration.

The ECAC shall consider the local jurisdiction's appeal along with information provided by staff, any known precedents or past practices, the CTFP guidelines and the Ordinance.

Following its review, the ECAC shall make a recommendation to approve the appeal as presented, deny the appeal, or partially approve the appeal. ECAC recommendations to approve the appeal as presented or partially approve the appeal shall be advanced to the Board for consideration. Denied appeals shall not be submitted for Board consideration.

Depending on the findings and consistency with the Ordinance, staff shall include a recommendation as part of the subsequent semi-annual review staff report. The Board

shall have final approval authority on the appeal.

Reporting of Local Fair Share (LFS)

For the purposes of reporting non-project work (maintenance, repair, and other non-project related costs) funded by Measure M LFS funds, the Measure M2 expenditure report cited M2 Ordinance, Section III(B)(8) shall satisfy reporting requirements. If LFS funds are used for projects, the local agency shall also include those projects and the utilized LFS funds and/or other Measure M2 funds in the Measure M2 expenditure report. For further information, please refer to the Measure M2 Eligibility Guidelines which can be found on the Eligibility Website: <https://www.octa.net/M2Eligibility>.

Availability of Funds

The funds granted by OCTA for each phase will be available on July 1, the first day of the fiscal year in which the funds are programmed and upon implementation of the letter agreement for the specific project.

Project Adjustments

For project adjustments (scope modifications, delays, cancellation, etc.), please refer to Chapter 2: Project Programming.

Cancellation of Project

~~If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation, regardless of whether property has been purchased or not. Construction funding received prior to cancellation shall be repaid upon cancellation.~~

~~Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.~~

Project O - Regional Capacity Program ~~Initial Payment~~ Reimbursement and Reporting

Project O - Initial Payment Request Process

~~The local jurisdiction must submit a payment request to receive an initial payment, as described under the Procedures for Receiving Funds section of this chapter. Payment requirements are located in the Guidelines.~~ Staff may request additional documentation that is not listed on the checklist prior to approving the request.

~~Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at <http://ocfundtracker.octa.net>.~~

~~OCTA usually releases funds through two payments. The initial payment will constitute 75 percent (75%) of the eligible contract award or allocation amount, whichever is less. In addition to the bid abstract, OCTA will require local agencies to submit appropriate backup documentation for all project phases to support the initial payment request. OCTA will release the final payment of remaining balance, usually the final 25 percent (25%) of CTFP grant funds, when the project is complete and OCTA accepts the final report. The balance is determined based on final costs for CTFP eligible program expenditures. Prior to submitting the report, review the program specific section in these guidelines that addresses the final report process.~~

OCTA will reimburse costs associated with the Measure M informational signs (fabrication, installation, and removal) and do not count against a project's grant. Measure M informational "Funded By" sign removal costs should be requested in the Final CTFP Expenditure Report.

Prior to submitting an initial payment request for engineering or ROW phases, a local jurisdiction may request a meeting with OCTA staff to determine eligible/ineligible items prior to requesting reimbursement.

~~Below is additional information regarding the documentation requirements of initial payment requests:~~

The initial payment request must include the following:

1. Invoice – ~~The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. For initial payments, the local jurisdiction shall invoice for 75 percent (75%) of the CTFP grant share of the primary contract(s) amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36). Agencies seeking initial payment for the planning, environmental-~~

~~and preliminary engineering work performed by local agency forces, must submit payroll records and City Council budget allocation with the initial payment request. The payroll records should identify the project name, date of expenditures, amount, and employee position. It is recommended that a unique project key be created for each project and all project charges be billed under that job code. OCTA staff can provide a sample of acceptable form of payroll report upon local agency request.~~

- ~~2. Project and Plans, Specifications, & Estimate (PS&E) Certification FormLetter – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, including signage requirements outlined in Precept 24, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed. The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. This will include the certification that the project being reimbursed has met the signage requirements laid out in Precept 22.~~
- ~~3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, NTP or other action authorized by an approved delegate. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified or confirmed, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Bid/task list with lump sum items may require an itemized breakdown of the costs.~~

~~The local jurisdiction shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants shall submit a purchase order or Notice to Proceed (NTP) that includes the project-specific scope of work for the contractor.~~

3.4. Contract Cost Summary Revised Cost Estimate – The jurisdiction shall use the format provided in the Contract Cost Summary Revised Costs Estimate Form 10-3 and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made.

4.5. Initial Payment Form Work Schedule – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the jurisdiction may provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. For the ROW phase, the local jurisdiction shall submit a fully completed Right-of-Way Phase Initial Report Form. OCTA prefers a complete project schedule, but an agency may provide as little as the expected start and completion dates for preliminary engineering, final engineering, right-of-way, and construction phases on the Engineering & Construction Phase Initial Report Form 10-1A.

6. ROW Documents – Each parcel shall include an appraiser's report, written offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Jurisdictions may submit equivalent documentation for OCTA's consideration on a case-by-case basis. Jurisdictions attempting to acquire five or more parcels for a project shall include a parcel location map. Initial payments for ROW will be considered after submittal of documentation of an issuance of an offer.

7. ROW Disposal Plan – Provide an updated ROW disposal plan reflecting changes that have occurred since the original application submittal.

Plans, Specifications, & Estimate (PS&E) Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.

5.8. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request. An agency shall not submit layout plans that print on paper larger than 11 inches by 17 inches.

6.9. Documentation of Decision to Use Local Agency Forces – For all project phases, for any work performed by local agency forces in lieu of a primary contract, local agency must document that local agency forces could perform the work more cost effectively or timely than a contractor; and documentation of this decision can be supplied in case of audit. Memo confirmation from the local agency is acceptable.

Payroll records must identify the project identifier, date(s) of expenditure, amount, and employee position. It is recommended that a unique project key be established and all project charges be tracked under that job code. OCTA staff can provide a sample payroll report upon request.

- 7.10.** Documentation Supporting Local Agency Liability for Utility Relocation Costs – The local jurisdiction liability can be supported by the documentation of property rights, right/agreements, state and local statutes/ordinance, permit, or a finding by the local agency's counsel rights/agreements, state and local statutes/ordinance, permits, or a finding by the local agency's counsel.

Reimbursement

~~OCTA shall not reimburse for a project prior to the beginning of the fiscal year of the grant. If an agency receives an advancement and begins work prior to the start of the fiscal year of the grant, the agency may request an initial payment against the grant. If an agency receives an advancement and completes a project prior to the start of the fiscal year of the grant, OCTA shall disburse the grant in a single payment. OCTA must accept the final report prior to issuing a payment.~~

Calculation of Payment

~~Once an agency encumbers Measure M funds, the agency may request a maximum of 75 percent (75%) of the CTFP share of the contract award amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, (See Precept 36). An example of calculating the initial funding request for a standard 75/25 payment is described below.~~

Example:

Project O – Regional Capacity Program Progress Payment Process

The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday.

If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.

The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request.

Each progress payment request must include the following:

1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs paid during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount
2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions, as applicable, will not be accepted and will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form.

Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.

If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.

Project Cost Changes

If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request~~final report~~. OCTA will review these reports to:

- ~~1. Determine that the agency submitted proper justification for the change order(s)~~
- 2.1. Determine if the items are eligible for reimbursement

3.2. Confirm that expenses are consistent within delivering the OCTA approved project's original scope of work

3. The lead agency should provide information supporting the need for the change orders ~~in the final report~~. Changes in project limits for construction projects are not eligible for reimbursement.

M2 Project Final Report

The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net.

Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the M2 Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.

The M2 Project Final Report Form is available for download via [OCFundtracker](#).

Project O - Regional Capacity Program Final Report and Final Payment Process

The remaining CTFP funds ~~shall be~~ ~~are~~ reimbursed to the lead jurisdiction following completion of the final payment reporting process. ~~This final payment is calculated by considering the grant allocation amount, the minimum local agency match rate, how much has been previously reimbursed as part of the initial payment, and the total eligible costs that can be applied to the grant (see program specific eligibility sections). M2 funds are applied proportionally to all eligible project expenses. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final CTFP reporting process. The CTFP Payment Supplement provides additional instructions and sample forms to complete payment requests. Payment requirements are located in this chapter.~~

The final payment must include the following: ~~The items listed below are to be submitted to complete the final reporting process.~~

1. Invoice - ~~For final payments, an agency~~The local jurisdiction shall invoice for the remaining balance of the OCTA share of eligible costs or up to the grant amount, Final payment request invoices shall normally be approximately 25 percent (25%) of the eligible funds. Interest earned by an agency for initial payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Project Certification Letter—The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. This will include the certification that the project being reimbursed has met the signage requirements laid out in Precept 22.

Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.

- ~~2. Documentation of the Contract Award — The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants would need to submit a purchase order or NTP that includes the scope of work for the contractor.~~
3. Where ineligible costs are twenty percent (20%) or greater of the overall project cost, indicating considerable work outside of the goal and purpose of Project O, shared project costs that cannot be directly attributed to the eligible or ineligible work, will be prorated based on the share of the project that is eligible compared to ineligible. This does not supersede the OCTA written confirmation of eligible and ineligible expenses provided before the start of the project.
- ~~4. PS&E Certification — Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.~~
4. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 1140).
- ~~5. Final Report Form — The local agency shall prepare a final report form using the~~
- ~~6. Engineering & Construction Phase Final Report Form 10-5A.~~
- 7.5. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request. ~~An agency shall not submit layout plans that print on paper larger than 11 inches by 17 inches (where applicable). Agencies shall submit the most recently updated final design plans or “as-built” plans.~~
- ~~8. Division of Costs — Supportive material shall equal the Division of Costs~~



~~Form 10-6 totals that are located in the final report form separating eligible and ineligible items.~~

~~9.6. ROW Documents – Each parcel shall include an appraiser's report, written offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Agencies may submit equivalent documentation for OCTA's considerations on a case-by-case basis. Agencies attempting to acquire five or more parcels for a project shall include a parcel location map. For ROW grants with surplus land please see the Excess Right of Way section for additional required documentation and disposal process.~~

~~10.7. Where ineligible costs are twenty percent (20%) or greater of the overall project cost, indicating considerable work outside of the goal and purpose of Project O, shared project costs that cannot be directly attributed to the eligible or ineligible work, will be prorated based on the share of the project that is eligible compared to ineligible.~~

~~Summary of ROW Acquisition – Agencies shall submit a summary of ROW acquisition as described in the Summary of ROW acquisition Form 10-5B Progress Payment Form.~~

~~11.8. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 10).~~

~~Notice of Completion – An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 26 for phase completion date.~~

~~9. Before and After Project Photos (implementation and construction phases) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.~~

~~12.10. Documentation of Decision to Use Local Agency Forces or Agency Workforce – For all project phases, for any work performed by local agency forces or agency workforce in lieu of a primary contract for that phase, local agency must document that local agency forces could perform the work more cost effectively, more timely than a contractor or provide other appropriate justification. Documentation of this decision would also be required for audit.~~

~~13.11. Documentation Supporting Local Agency Liability for Utility Relocation Costs – Local agency liability can be supported by the documentation of property rights, franchise rights/agreements, state and local statutes/ordinances, permits, or a finding by the local agency's counsel.~~

~~14.12. ROW Documents – Each parcel shall include an appraiser's report, written~~



~~offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Agencies may submit equivalent documentation for OCTA's considerations on a case-by-case basis. Agencies attempting to acquire five or more parcels for a project shall include a parcel location map.~~

~~15.13. Summary of ROW Acquisition—Agencies shall submit a summary of ROW acquisition as described in the Summary of ROW acquisition Form 10-5B.~~

~~16.14. Notice of Completion—An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 26 for phase completion date.~~

~~17.15. Before and After Project Photos (implementation and construction phases)—photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.~~

Electronic copies of all payment forms can be downloaded from OCFundtracker.

Project Cost Changes

If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request ~~final report~~. OCTA will review these reports to:

- ~~1. Determine that the agency submitted proper justification for the change order(s)~~
- ~~2.1. Determine if the items are eligible for reimbursement~~
- ~~3.2. Confirm that expenses are consistent within delivering the OCTA approved project's original scope of work~~
- ~~4.3. The lead agency should provide information supporting the need for the change orders in the final report. Changes in project limits for construction projects are not eligible for reimbursement.~~

Excess Right-of-Way

Agencies that use Net Revenues (through CTFP or LFS programs) to acquire project ROW shall dispose of land deemed in excess of the proposed transportation use. Excess land sold by the lead agency will be disposed of in accordance with the process established in Government Code, Article 8, Surplus Land, Section 54220-54232, etc. Seq. and the ROW acquisition/disposal plan submitted as part of the application process. The agency shall return proceeds from the sale to OCTA. OCTA shall return the funds to the program of origin for future use.

Proceeds from the sale of excess ROW shall be returned to OCTA in proportion to the amount of M2 funds used in the purchase.

Agencies shall submit ROW documents for all parcels utilizing M2 Net Revenues.

Agencies must submit the following documents:

- Summary of the ROW required for the project
- Plat maps and legal descriptions for ROW acquisitions
- Parcel location map
- Identification of anticipated excess right-of-way, if any
- Appraisal reports for excess right-of-way
- ROW acquisition/disposal plan

OCTA shall consider excess ROW with a value of \$10,000 or less as an uneconomic remnant. OCTA shall determine if excess ROW is considered an uneconomic remnant.

The agency shall submit a fair market value appraisal report for the excess land of each parcel. Appraisers must conduct appraisals in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). If an agency suspects that the excess ROW has a value of \$10,000 or less, the agency may conduct a limited fair market value appraisal to confirm the value of the excess right-of-way. The agency shall submit the appraisals with the ROW final report.

OCTA shall retain from the final payment the value of excess ROW that is proportional to OCTA's percentage match rate to the project up to OCTA's match rate of ROW grant. However, if the local agency provided additional funds beyond what was originally estimated, OCTA will be reimbursed based on its proportional share of the cost of right-of-way.

An agency may include incidental expenditures from the disposal of property in their final report for the ROW grant.

An agency shall begin the process to sell excess ROW within 60 days after acceptance of the construction improvements.

OCTA shall not close out the ROW grant or construction grant until the agency and OCTA resolve questions regarding excess right-of-way.

Excess Right of Way Payment Example:

CTFP ROW Grant:	\$500,000
OCTA Match Rate	75%
Parcel Costs:	
Cost – Parcel 1:	\$300,000
Cost – Parcel 2:	\$380,000
Cost – Parcel 3:	\$120,000
Cost – Parcel 4:	\$100,000
Agency Total ROW Costs:	\$900,000
Payment with no excess ROW:	\$500,000
<u>Excess ROW Values</u>	
Value of excess ROW for parcel 1:	\$200,000
Value of excess ROW for parcel 2:	\$105,000
Value of excess ROW for parcel 3:	\$ 0
Value of excess ROW for parcel 4:	\$ 0
Total Value of excess ROW:	\$305,000

OCTA contribution to ROW acquisition:

CTFP ROW Grant ÷ Agency Total ROW Cost

$\$500,000 \div \$900,000 = 56\%$

If excess ROW is identified, OCTA's contribution is reduced proportionally as follows:

Value of excess ROW for parcel 1:	$\$200,000 \times 56\% =$	\$112,000
Value of excess ROW for parcel 2:	$\$105,000 \times 56\% =$	\$58,800
Total Excess ROW Value:		\$170,800
	CTFP ROW Grant:	\$500,000
	Less Excess ROW:	\$170,800
Final ROW Payment Amount:		\$329,200

Agency Workforce and Equipment Rental

An agency must provide supporting documentation for work completed by agency staff or the use of agency workforce. The decision or justification that local agency forces could perform the work more cost effectively, more timely than a contractor or other justification must be documented. It is recommended that a unique project job key be created for each project and all project charges be billed under that job code. The agency shall multiply the fully burdened labor rate by the number of hours for each staff person assigned to the project. An agency may add overhead costs at an allowable rate up to 30 percent (30%) of payroll and fringe benefits.

An agency must provide supporting documentation for equipment used by local agency staff. An agency may use local agency or Caltrans surcharge and equipment rental rates.

Technical and/or Field Review

Once an agency submits a final report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a technical and/or field review. As part of the technical/field review of a CTFP project, OCTA may:

- review ROW acquisitions and the potential for excess right-of-way
- compare hourly breakdown of staff time compared to staff time sheets
- conduct a project field review—ensure improvements are within scope
- review items that agencies self-certify
- verification of the reasonableness of project costs

OCTA may review all phases of the project.

OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. OCTA will only reimburse eligible CTFP items listed on the cost estimate. The implementing agency is expected to complete the entire scope of work as presented in the original application.

See Chapter 10 for independent audit requirements beyond the technical/field review.

Reporting of Local Fair Share (LFS)

For the purposes of reporting non-project work (maintenance, repair, and other non-project related costs) funded by Measure M LFS funds, the Measure M2 expenditure report cited M2 Ordinance, Section III(B)(8) shall satisfy reporting requirements. If LFS funds are used for projects, the local agency shall also include those projects and the utilized LFS funds and/or other Measure M2 funds in the Measure M2 expenditure report.

Project P - Regional Traffic Signal Synchronization Program Reimbursements and Reporting Requirements

The ~~Procedures for Receiving Funds~~ previous sections of this chapter outline the process and requirements regarding reimbursements and reporting for all competitive programs that are part of Measure M2. An ~~lead implementing~~ agency shall also use the following additional reporting and documentation requirements specific to any competitive project funded through RTSSP (Project P) as part of the reimbursement process.

Under the RTSSP, projects are divided into two components for the purposes of reimbursements and reporting: PI and Ongoing O&M.

Primary Implementation (PI) includes the following:

- Project administration (required)
- Developing and implementing optimized signal synchronization timing (required)
- Producing a PI Report, which includes the Before and After Study for the proposed project (required)
- Engineering design of signal improvements for the project (optional)
- System integration (optional)
- Proposed signal improvements, construction support, and contingency (optional):
 - New or upgraded detection
 - New or upgraded communication systems
 - Intersection/field system modernization and replacement
 - Minor signal operation improvements
 - Traffic management centers
 - Real-time traffic actuated operations and demonstration projects

Note: Equipment and quantity must be consistent with the project application.

- Contingencies (optional)
- Construction management (optional)

Ongoing Operation and Maintenance (O&M) includes the following:

- Monitoring and improving optimized signal timing (required)
- Communications support (optional)
- Detection support (optional)
- O&M report (required)

~~A lead agency must encumber funds OCTA allocates to a project within the fiscal year of the grant and after funding agreements with OCTA are executed. A lead agency~~

~~encumbers funds by awarding a contract or providing expense reports to prove the lead or a participating agency's workforce costs, provided that the lead agency intends to complete the PI with lead agency or participating agency staff. Once an agency encumbers RTSSP (Project P) funds for PI, it can begin the process for receiving payment of the funds. Note that only the lead agency will receive payment of funds from OCTA. Any funds that are due to other participating agencies are the responsibility of the lead agency and not OCTA.~~

~~The project lead agency must submit payment requests through OCTA's online database, [OCFundtracker](#). Additional details about the retention caps, timely payment requests, project closeout, and payment are available in Chapter 9.~~

Availability of Funds

~~The funds allocated for projects will be available to project lead agencies July 1st of the programmed year and after funding agreements with OCTA are executed.~~

Project P – Regional Traffic Signal Synchronization Initial Payment Requests for Primary Implementation

~~The local jurisdiction must submit a payment request to receive an initial payment. Staff may request additional documentation that is not listed on the checklist prior to approving the request.~~

~~Checklists and interactive electronic versions of all payment forms can be downloaded via [OCFundtracker](#).~~

~~The initial payment will provide up to 75 percent (75%) of funds for the PI of the project. The following information specific to the RTSSP (Project P) Project is provided regarding the documentation requirements for initial payment of PI after an agency encumbers funds for the project.~~

~~The interactive electronic versions of all payment forms can be downloaded via [OCFundtracker](#).~~

~~The final report has been provided so a lead agency can determine the reporting and documentation required for an initial payment request. Staff may request additional documentation that is not listed on the PI Report prior to approving the request. The checklist and electronic versions of the forms are available through [OCFundtracker](#). Below is additional information regarding documentation requirements for RTSSP payment requests.~~

Primary Implementation Initial Payment Process

The PI initial payment request must include the following:

1. Invoice –The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, including signage requirements outlined in Precept 24, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed.
3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, or NTP. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list.
4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs. Each line items shall clearly identify the type of equipment, quantity of equipment being installed, unit cost and total cost. Cost must be separated between eligible and ineligible items. All equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. Submissions that do not include itemized quantities will be considered incomplete. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision.
5. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases.

Ongoing Operation and Maintenance Initial Payment Process

The O&M initial payment request must include the following:

1. Invoice – The local jurisdiction shall invoice OCTA for up to thirty percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount
2. Documentation of the Contract Award – The local jurisdiction shall provide a NTP or equivalent. The documentation provided must include the project name, scope of services to be provided and cost.
3. Contract Cost Summary – The local jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs. Each line items shall clearly identify the type of equipment, quantity of equipment being installed, unit cost and total cost. Cost must be separated between eligible and ineligible items. All equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. Submissions that do not include itemized quantities will be considered incomplete. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision.
4. Initial Payment From – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases.

Project P – Regional Traffic Signal Synchronization Progress Payments

The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday.

PI and O&M costs must be submitted under separate progress payment requests; OCTA will not accept progress payment requests that combine both PI and O&M expenses.

If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.

The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request.

The Progress Payment Form is available for download via OCFundtracker.

Each progress payment request must include the following:

1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs incurred during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. For the PI phase, all equipment quantities must be explicitly stated, as applicable, to allow OCTA to verify the scope and installation details. For the O&M phase, cost must be fully itemized. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form.

Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.

If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.

Project Cost Changes

If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:

1. Determine if the items are eligible for reimbursement
2. Confirm that expenses are consistent within delivering the OCTA approved scope of work
3. The leadimplementing agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.

M2 Project Final Report

The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net.

Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the M2 Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.

The M2 Project Final Report Form is available for download via OCFundtracker.

Project P – Regional Traffic Signal Synchronization Final Payment Project P – Final Report and Payment Process

Final Payment Requests for Primary Implementation Final Payment Process

The remaining CTFP funds shall be reimbursed to the lead jurisdiction after completion of the final payment process and upon OCTA's receipt of the project Before and After Study for the PI phase and the O&M Report for the O&M phase.

~~OCTA will release the remaining balance to the lead agency, approximately 25 percent (25%) of funds for the PI, when the project's PI phase is complete and OCTA receives the project Before and After Study. The balance is determined based on the final costs for the eligible RTSSP expenditures.~~ The Before and After Study is defined as the following:

This study shall at minimum collect morning and evening peak period using travel times, average speeds, green lights to red lights, stops per mile, and the derived CSPI metric. In addition, greenhouse gas and gasoline savings should be identified. This information shall be developed both before any signal timing changes have been made and after the PI. The study shall compare the information collected both before and after the timing changes. Comparisons shall identify the absolute and percent differences for the entire corridor, by segment, direction, and time period. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.).

~~The PI Report, which includes the Before and After Study for RTSSP, shall be included as a requirement at the end of the Primary Implementation phase and as part of the Final Report as required by the M2 Ordinance, Attachment B, Section III.A.9.~~

Prior to submitting the Final CTFP Expenditure Report, review the following section, which outlines items important to the final CTFP process.

The final payment request for PI must include the following:

1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.

2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment - Provide approved invoices and supporting documentation that corresponds to the costs listed on the Progress Payment Form.
4. PI Report – The PI Report which includes the Before and After Study.
5. Before and After Photos – Photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.

Ongoing Operations and Maintenance Final Payment Process

The final payment request for O&M must include the following:

1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment - Provide approved invoices and supporting documentation that corresponds to the costs listed on the Progress Payment Form.
4. O&M Report – The O&M Report shall be completed in accordance with all CTFP Guidelines upon the end of the O&M phase. In addition, the O&M Report shall summarize the O&M period, documenting the O&M efforts and procedures for continuing maintenance. At a minimum, the O&M Report shall include when travel runs were conducted and issues and solutions throughout the phase. The report shall document all planned and

programmed improvements on the study corridor as well as recommendations for further infrastructure improvements that would likely enhance the corridor signal coordination project results.

Project Cost Changes

If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:

1. Determine if the items are eligible for reimbursement
2. Confirm that expenses are consistent within delivering the OCTA approved scope of work
3. The leadimplementing agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.

~~The payments for the Ongoing O&M portion of the project award will cover the remainder of the grant period after the PI phase is completed and will be paid as a reimbursement upon proof of work/payment and receipt of invoice. The invoice should include the Final O&M report with details on the ongoing O&M work done including the required (1) work monitoring and improving optimized signal timing; and optional (2) communications and detection support.~~

O&M Report

~~The O&M Report shall be completed in accordance with all CTFP Guidelines upon the end of the O&M phase. In addition, the O&M Report shall summarize the O&M period, documenting the O&M efforts and procedures for continuing maintenance. At a minimum, the O&M Report shall include when travel runs were conducted and issues and solutions throughout the phase. The report shall document all planned and programmed improvements on the study corridor as well as recommendations for further infrastructure improvements that would likely enhance the corridor signal coordination project results.~~

Project X - Environmental Cleanup Program Reimbursements & Reporting Requirements

The **Procedures for Receiving Funds** section of this chapter outlines the process and requirements for reimbursements and reporting for all competitive programs under Measure M2. The ECP Program consists of two tiers, Tier 1 and Tier 2; however, both tiers must submit the documentation listed below for payment reimbursement. The processes described herein apply to both Tier 1 and Tier 2 grant programs.

The interactive electronic versions of all payment forms can be downloaded via OCFundtracker. ~~These processes are applicable to the Tier 1 and Tier 2 grant programs.~~

Project X – Environmental Cleanup Program Initial Payment Process

The initial payment request must include the following:

1. Invoice – The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount
2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and Plans, Specifications, and Estimate (PS&E) Certification Form, signed by the Public Works Director, the City Engineer, or their appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed.
3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, or NTP. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list.
4. Contract Cost Summary – The agency jurisdiction shall use the format provided in the ~~Contract Cost Summare Revised Costs Estimate~~ Form ~~10-3~~ and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision.
5. Initial Payment Form – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates.

- 1.6. Location Maps of Installation – The local jurisdiction shall provide a map that shows the specific locations Best Management Practices (BMP) devices were installed with catch basin identification numbers, as applicable.

Project X – Environmental Cleanup Program Progress Payment Process

The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday.

If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.

The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request.

Each progress payment request must include the following:

1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs incurred during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form.

Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.

If the local jurisdiction does not have any expenses to report during a given period, it must still submit the No Cost Form indicating no costs for that reporting period.

Project Cost Changes

If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:

1. Determine if the items are eligible for reimbursement

2027 Call for Projects

2. Confirm that expenses are consistent within delivering the OCTA approved scope of work
3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.

M2 Project Final Report

The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net.

Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.

The Project Final Report Form is available for download via OCFundtracker.

Project X – Environmental Cleanup Program Final Payment Process Reporting Process:

The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final process. The items listed below are to be submitted to complete the final reporting process. A final report must be filed within 180 days of the project phase completion. Additionally, an exception to Precept ~~404~~2: agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the approving bodies for this program, see appeals section for additional information.

The final payment must include the following:

1. Invoice – The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. For final payments, an agency shall invoice for the remaining balance of the OCTA share of eligible costs up to the grant amount. Final payment request invoices shall normally be approximately 25 percent (25%) of the eligible funds. Interest earned by an agency for initial payments received shall be applied to and deducted from the final payment balance amount.
2. Project Certification Letter—The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2.
3. Documentation of the Contract Award—The agency shall submit a minute order,

~~agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants would need to submit a purchase order or NTP that includes the scope of work for the contractor.~~

~~4. PS&E Certification — Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4.~~

~~5. Final Report Division of Costs Schedule — The agency shall use the format provided in Form 10-6.~~

2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.

~~Certification of Phase Completion — The agency shall certify the phase completion date using the Form 10-7. See definition 26 for phase completion date.~~

~~6. ECP (Project X) Final Report Form 10-16 — The agency shall prepare a final report form using the ECP Final Report Form 10-16.~~

7.3. Location Maps of Installation – The agency shall provide a map that shows the specific locations BMP devices were installed with catch basin identification numbers, as applicable.

8.4. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional record are required to be maintained as outlined in the Audit chapter.

9.5. Form 10-17 (where applicable) Supporting documentation for O&M costs (if used as local match).

For Tier 1 of the ECP (Project X), where ongoing O&M of the project were pledged as a local match, as part of the semi-annual review reporting process, OCTA will verify local agency O&M expenditures to ensure local match commitments are being met. Local agencies must complete the In-Kind O&M Report Form 10-17 for each ECP (Project X) grant as part of their semi-annual review updates.

Project W – Safe Transit Stops Program Reimbursements & Reporting Requirements

The local jurisdiction must submit a payment request to receive an initial payment, as described under the Procedures for Receiving Funds section of this chapter. Staff may request additional documentation that is not listed on the checklist prior to approving the request.

Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at <http://ocfundtracker.octa.net>.

Project W – Safe Transit Stops Program Initial Payment Process

The initial payment request must include the following:

1. Invoice – The local jurisdiction shall invoice OCTA for up to 30 percent (30%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, and that the approved scope of work was followed.
3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, NTP or other action authorized by an approved delegate. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Bid/task list with lump sum items may require an itemized breakdown of the costs.
4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made.

5. Initial Payment From – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the jurisdiction may provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases.
6. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request, if applicable.

Project W – Safe Transit Stops Program Progress Payment Process

The local jurisdiction must submit a progress payment request semi-annually for incurred costs that have been paid. Progress payment request must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment request is due the following Monday.

If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.

The Progress Payment Form is available for download via OCFundtracker. Staff may request additional documentation that is not listed on the checklist prior to approving the request.

Each progress payment request must include the following:

1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs paid during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form.

Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.

If the local jurisdiction does not have any expenses to report during a given period, it

must submit the No Cost Report Form indicating no costs for that reporting period.

Project Cost Changes

If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:

1. Determine if the items are eligible for reimbursement
2. Confirm that expenses are consistent within delivering the OCTA approved scope of work
3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.

M2 Project Final Report

The local jurisdiction should notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline by emailing M2ProjectFinalReport@octa.net.

Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the M2 Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.

The M2 Project Final Report Form is available for download via [OCFundtracker](#).

Project W - Safe Transit Stops Final Payment Process

The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final CTFP process.

The final payment must include the following:

1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA share of the grant amount. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.
2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be

returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.

3. Proof of Project Payment – The required documentation that will be submitted includes approved invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 11).
4. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request, if applicable.
5. Before and After Project Photos – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.

Electronic copies of all payment forms can be downloaded from OCFundtracker.

Project V – Community Base Transit Program Reimbursements & Reporting Requirements

Due to the unique nature of Project V, reimbursements shall be processed in accordance with the separate cooperative agreement. Prior to submitting a payment request, a local jurisdiction may request a meeting with OCTA staff to review and determine eligible and ineligible items before seeking reimbursement.

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Chapter 11 – Audits

Independent Audit Process Overview

Independent audits of CTFP projects may be initiated by OCTA's Internal Audit Department (or agent thereof). The project information on file at OCTA will serve as the primary source of information for each audit. However, additional information may be requested of local jurisdictions.

Accurate records detailing specific expenditures for each CTFP project must be maintained by local jurisdictions. These records must show that proper accounting and cash management procedures were followed, the project was completed in accordance with the application and the CTFP guidelines, and that all records and documentation related to the project were adequately maintained. Consistent with the M2 Ordinance, local agencies must also establish a separate fund accounting system for Measure M funds transactions and expenditures.

Local jurisdictions must maintain a complete set of records in accordance with generally accepted accounting principles, and with reasonable notice, shall permit the authorized representatives of OCTA to inspect and audit all work, materials, payroll, contracts, books, accounts, and other data and for a period of five (5) years after final payment by OCTA for CTFP projects. For the LFS program, it shall be for a period of five (5) years after expenditure of funds or five (5) years after final payment of debt service where LFS revenues were pledged, whichever is longer. OCTA has the right to reproduce any such books, records, and accounts. The provision with respect to audits should be extended to/and included in contracts with the local agency's contractor(s).

Record Requirements to Demonstrate Compliance

A description of the required records is given below.

Contracts

For all contract expenses the following records must be maintained:

1. The original executed contract
2. Evidence the procurement of contracted public works and architectural and engineering services followed applicable state laws and local agency procurement requirements
3. All contractor invoices received
4. All contract change order documents
5. Proof of payment to contractors
6. Project "as built" or other final plans

7. Sign-off on completion by Local Agency (letter of acceptance)

Materials and other

For all materials and other miscellaneous expenses charged to the Comprehensive Transportation Programs project, the following records must be maintained:

1. Original invoice and purchase order
2. Proof of delivery
3. Evidence of reasonableness of price, if total cost of purchase is over \$5,000.
4. Proof of payment

Direct labor

For all direct labor charged to a project, including engineering labor, the following records must be maintained:

1. Summary time sheets showing total time charged to the project by the different individuals working on it
2. Individual time sheets or timecards showing the total time worked by the individual for each period (day, week, etc.) and the different tasks to which the individual's time was charged
3. Personnel files showing the individuals' pay rates
4. Payroll reports showing the computations of paychecks for the applicable periods

Equipment

Equipment rental charges related to a project shall be documented by the following records:

1. Vendor's or local agency's invoice showing hours, rate, and type of equipment and location of rented equipment
2. Evidence of quotes obtained to determine best rate (documented phone quotes are acceptable)
3. Documentation of project need for equipment

Local agency workforce

For all construction work performed by local agency workforces, the decision that local agency forces could perform the work more cost effectively, more timely than a contractor or other justification must be documented.

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Chapter 12 Appendix: M2 Ordinance References

Project O – Regional Capacity Program

- Attachment A, Streets and Roads Projects, page 18

18  Streets and Roads Projects Regional Capacity Program	
Project  Regional Capacity Program Description: This program, in combination with local matching funds, provides a funding source to complete the Orange County Master Plan of Arterial Highways (MPAH). The program also provides for intersection improvements and other projects to help improve street operations and reduce congestion. The program allocates funds through a competitive process and targets projects that help traffic the most by considering factors such as degree of congestion relief, cost effectiveness, project readiness, etc. Local jurisdictions must provide a dollar-for-dollar match to qualify for funding, but can be rewarded with lower match requirements if they give priority to other key objectives, such as better road maintenance and regional signal synchronization.	Roughly 1,000 miles of new street lanes remain to be completed, mostly in the form of widening existing streets to their ultimate planned width. Completion of the system will result in a more even traffic flow and efficient system. Another element of this program is funding for construction of railroad over or underpass grade separations where high volume streets are impacted by freight trains along the Burlington Northern Santa Fe railroad in northern Orange County. Cost: The estimated cost for these street improvement projects is \$1,132.8 million.

Project P – Regional Traffic Signal Synchronization Program

- Attachment A, Streets and Roads Projects, page 19



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Streets and Roads Projects

Regional Traffic Signal Synchronization Program

Project P

Regional Traffic Signal Synchronization Program

Description:
This program targets over 2,000 signalized intersections across the County for coordinated operation. The goal is to improve the flow of traffic by developing and implementing regional signal coordination programs that cross jurisdictional boundaries.

Most traffic signal synchronization programs today are limited to segments of roads or individual cities and agencies. For example, signals at intersections of freeways with arterial streets are controlled by Caltrans, while nearby signals at local street intersections are under the control of cities. This results in the street system operating at less than maximum efficiency. When completed, this project can increase the capacity of the street grid and reduce the delay by over six million hours annually.

To ensure that this program is successful, cities, the County of Orange and Caltrans will be required to work together and prepare a common traffic signal synchronization plan and the necessary governance and legal arrangements before receiving funds. In addition, cities will be required to provide 20 percent of the costs. Once in place, the program will provide funding for ongoing maintenance and operation of the synchronization plan. Local jurisdictions will be required to publicly report on the performance of their signal synchronization efforts at least every three years. Signal equipment to give emergency vehicles priority at intersections will be an eligible expense for projects implemented as part of this program.

Cost:
The estimated cost of developing and maintaining a regional traffic signal synchronization program for Orange County is \$453.1 million.

Project S – Transit Extensions to Metrolink

- Attachment A, Transit Projects, page 23

23



Transit Projects

High Frequency Metrolink Service

Transit Extensions to Metrolink

Project R

High Frequency Metrolink Service

Description:
This project will increase rail services within the county and provide frequent Metrolink service north of Fullerton to Los Angeles. The project will provide for track improvements, more trains, and other related needs to accommodate the expanded service.

This project is designed to build on the successes of Metrolink and complement service expansion made possible by the current Measure M. The service will include upgraded stations and added parking capacity; safety improvements and quiet zones along the tracks; and frequent shuttle service and other means, to move arriving passengers to nearby destinations.

The project also includes funding for improving grade crossings and constructing over or underpasses at high volume arterial streets that cross the Metrolink tracks.

Cost:
The estimated cost of capital and operations is \$1,129.8 million.

Project S

Transit Extensions to Metrolink

Description:
Frequent service in the Metrolink corridor provides a high capacity transit system linking communities within the central core of Orange County. This project will establish a competitive program for local jurisdictions to broaden the reach of the rail system to other activity centers and communities. Proposals for extensions must be developed and supported by local jurisdictions and will be evaluated against well-defined and well-known criteria as follows:

- Traffic congestion relief
- Project readiness, with priority given to projects that can be implemented within the first five years of the Plan
- Local funding commitments and the availability of right-of-way
- Proven ability to attract other financial partners, both public and private
- Cost-effectiveness
- Proximity to jobs and population centers
- Regional as well as local benefits
- Ease and simplicity of connections
- Compatible, approved land uses
- Safe and modern technology
- A sound, long-term operating plan

This project shall not be used to fund transit routes that are not directly connected to or that would be redundant to the core rail service on the Metrolink corridor. The emphasis shall be on expanding access to the core rail system and on establishing connections to communities and major activity centers that are not immediately adjacent to the Metrolink corridor. It is intended that multiple transit projects be funded through



Project R cost estimate amended on December 14, 2015.

Project U - Expand Mobility Choices for Seniors and Persons with Disabilities

• Attachment A, Transit Projects, page 24

24



Transit Projects

Metrolink Gateways

Expand Mobility Choices for Seniors and Persons with Disabilities

a competitive process and no single project may be awarded all of the funds under this program.

These connections may include a variety of transit technologies such as conventional bus, bus rapid transit or high capacity rail transit systems as long as they can be fully integrated and provide seamless transition for the users.

Cost:
The estimated cost to implement this program over thirty years is \$1,000.0 million.

Project T

Convert Metrolink Station(s) to Regional Gateways that Connect Orange County with High-Speed Rail Systems

Description:
This program will provide the local improvements that are necessary to connect planned future high-speed rail systems to stations on the Orange County Metrolink route.

The State of California is currently planning a high-speed rail system linking northern and southern California. One line is planned to terminate in Orange County. In addition, several magnetic levitation (MAGLEV) systems that would connect Orange County to Los Angeles and San Bernardino Counties, including a link from Anaheim to Ontario airport, are also being planned or proposed by other agencies.

Cost:
The estimated Measure M share of the cost for these regional centers and connections is \$57.9 million.



Project U

Expand Mobility Choices for Seniors and Persons with Disabilities

Description:
This project will provide services and programs to meet the growing transportation needs of seniors and persons with disabilities as follows:

- One and forty-seven hundredths percent (1.47%) of net revenues will stabilize fares and provide fare discounts for bus services, specialized ACCESS services and future rail services
- One percent of net revenues will be available to continue and expand local community van service for seniors through the existing Senior Mobility Program
- One percent will supplement existing countywide senior non-emergency medical transportation services

Over the next 30 years, the population age 65 and over is projected to increase by 93 percent. Demand for transit and specialized transportation services for seniors and persons with disabilities is expected to increase proportionately.

Cost:
The estimated cost to provide these programs over 30 years is \$392.8 million.

Project T and U cost estimates amended on December 14, 2015.

Project T – Metrolink Gateways

- Attachment A, Transit Projects, page 24

24



Transit Projects

Metrolink Gateways

Expand Mobility Choices for Seniors and Persons with Disabilities

a competitive process and no single project may be awarded all of the funds under this program.

These connections may include a variety of transit technologies such as conventional bus, bus rapid transit or high capacity rail transit systems as long as they can be fully integrated and provide seamless transition for the users.

Cost:
The estimated cost to implement this program over thirty years is \$1,000.0 million.

Project U

Expand Mobility Choices for Seniors and Persons with Disabilities

Description:
This project will provide services and programs to meet the growing transportation needs of seniors and persons with disabilities as follows:

- One and forty-seven hundredths percent (1.47%) of net revenues will stabilize fares and provide fare discounts for bus services, specialized ACCESS services and future rail services
- One percent of net revenues will be available to continue and expand local community van service for seniors through the existing Senior Mobility Program
- One percent will supplement existing countywide senior non-emergency medical transportation services

Over the next 30 years, the population age 65 and over is projected to increase by 93 percent. Demand for transit and specialized transportation services for seniors and persons with disabilities is expected to increase proportionately.

Cost:
The estimated cost to provide these programs over 30 years is \$392.8 million.

Project T

Convert Metrolink Station(s) to Regional Gateways that Connect Orange County with High-Speed Rail Systems

Description:
This program will provide the local improvements that are necessary to connect planned future high-speed rail systems to stations on the Orange County Metrolink route.

The State of California is currently planning a high-speed rail system linking northern and southern California. One line is planned to terminate in Orange County. In addition, several magnetic levitation (MAGLEV) systems that would connect Orange County to Los Angeles and San Bernardino Counties, including a link from Anaheim to Ontario airport, are also being planned or proposed by other agencies.

Cost:
The estimated Measure M share of the cost for these regional centers and connections is \$57.9 million.



Project T and U cost estimates amended on December 14, 2015.

Project V – Community Based Transit /Circulators

- Attachment A, Transit Projects, page 25



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Transit Projects

Community Based Transit/Circulators

Safe Transit Stops

Project V Community Based Transit/Circulators Description: This project will establish a competitive program for local jurisdictions to develop local bus transit services such as community based circulators, shuttles and bus trolleys that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. Projects will need to meet performance criteria for ridership, connection to bus and rail services, and financial viability to be considered for funding. All projects must be competitively bid, and they cannot duplicate or compete with existing transit services. Cost: The estimated cost of this project is \$226.5 million.	Project W Safe Transit Stops Description: This project provides for passenger amenities at 100 busiest transit stops across the County. The stops will be designed to ease transfer between bus lines and provide passenger amenities such as improved shelters, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines. Cost: The estimated cost of this project is \$25.0 million.



Project W – Safe Transit Stops

- Attachment A, Transit Projects, page 25



25

Transit Projects

Community Based Transit/Circulators

Safe Transit Stops

Project V

Community Based Transit/Circulators

Description:
This project will establish a competitive program for local jurisdictions to develop local bus transit services such as community based circulators, shuttles and bus trolleys that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. Projects will need to meet performance criteria for ridership, connection to bus and rail services, and financial viability to be considered for funding. All projects must be competitively bid, and they cannot duplicate or compete with existing transit services.

Cost:
The estimated cost of this project is \$226.5 million.

Project W

Safe Transit Stops

Description:
This project provides for passenger amenities at 100 busiest transit stops across the County. The stops will be designed to ease transfer between bus lines and provide passenger amenities such as improved shelters, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines.

Cost:
The estimated cost of this project is \$25.0 million.



Project X – Environmental Cleanup Program

- [Attachment A, Environmental Cleanup, page 27](#)



27

Environmental Cleanup

Project X

Environmental Cleanup

Description:
Implement street and highway related water quality improvement programs and projects that will assist Orange County cities, the County of Orange and special districts to meet federal Clean Water Act standards for urban runoff.

The Environmental Cleanup monies may be used for water quality improvements related to both existing and new transportation infrastructure, including capital and operations improvements such as:

- Catch basin screens, filters and inserts
- Roadside bioswales and biofiltration channels
- Wetlands protection and restoration
- Continuous Deflective Separation (CDS) units
- Maintenance of catch basins and bioswales
- Other street-related "Best Management Practices" for capturing and treating urban runoff

This program is intended to augment, not replace existing transportation related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. In addition, all new freeway, street and transit capital projects will include water quality mitigation as part of project scope and cost.

The Environmental Cleanup program is subject to the following requirements:

- Development of a comprehensive countywide capital improvement program for transportation related water quality improvements
- A competitive grant process to award funds to the highest priority, most cost-effective projects
- A matching requirement to leverage other federal, state and local funds for water quality improvements
- A maintenance of effort requirement to ensure that funds augment, not replace existing water quality programs
- Annual reporting on actual expenditures and an assessment of the water quality benefits provided
- A strict limit on administrative costs and a requirement to spend funds within three years of receipt
- Penalties for misuse of any of the Environmental Cleanup funds

Cost:
The estimated cost for the Environmental Cleanup program is \$237.2 million. In addition it is estimated that new freeway, road and transit projects funded by the Renewed Measure M Transportation Investment Plan will include more than \$165 million for mitigating water quality impacts.



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2027 Comprehensive Transportation Funding Programs Guidelines

Technical Steering Committee Review: Questions and Answers



OVERVIEW, FUNDING SOURCES, DEFINITIONS, PRECEPTS, CHAPTER 3 – SAFE TRANSIT STOPS AND CHAPTER 6 – COMMUNITY-BASED TRANSIT/CIRCULATOR

OVERVIEW – OCTA RESPONSIBILITY

1. **Question:** If Local Programs is responsible for verifying M2 eligibility status before award, what would the penalty be for a jurisdiction if ineligible costs are identified?

Answer: Local Programs is responsible for verifying each local jurisdiction's ongoing M2 eligibility status to ensure the jurisdiction remains eligible to receive M2 funds. Ineligible costs identified in CTFP projects are deducted from the eligible funding/reimbursement amount to the local jurisdiction or repaid back to OCTA.

2. **Question:** Can OCTA add the webpage link to the M2 Eligibility Guidelines?

Answer: The M2 Eligibility Guidelines link has been added to the Comprehensive Transportation Funding Programs (CTFP) Guidelines.

3. **Question:** Can OCTA provide additional information regarding what the audit process may entail? Some jurisdictions have limited experience with this process, and additional clarification regarding audit requirements and purpose would be helpful.

Answer: For CTFP projects, the audit process or agreed upon procedures review is primarily intended to confirm that jurisdictions have appropriate documentation to support project costs and demonstrate that funds were used consistent with the approved project, funding agreement, and applicable program requirements. In general, this may include a review of invoices, proof of payment, reimbursement records, procurement documentation, staff or consultant charges, and other supporting materials tied to the project costs being claimed.

OVERVIEW – LOCAL JURISDICTIONS' RESPONSIBILITY

4. **Question:** How will the quarterly reporting affect the workload and how will it be applied as this is an additional workload for both OCTA and the local jurisdiction?

Answer: OCTA originally proposed progress payment submissions on a quarterly basis. Based on TSC feedback, the submittal frequency was reduced to a semi-annual basis. Progress payment must be submitted no later than February 15th and August 15th.

DEFINITIONS

5. **Questions:** Can OCTA add examples to clarify the term "betterment"?

Answer: OCTA added examples to the definition of "betterment" and included additional examples in Chapter 7 – Regional Capacity Program. Examples include gates, minor parking lot restriping, and underground utilities.

- 6. Question:** The proposed revisions to the term “construction engineering” removed design services, which were previously included under “construction support.” Can OCTA add design services back into the definition?

Answer: Design services were inadvertently removed when the term was revised. They have been added back into the definition of “construction engineering.”

- 7. Question:** Can OCTA add examples to clarify the term “cost overrun”?

Answer: A new section titled “Cost Overruns” was added to Chapter 2 – Project Programming. This section includes examples for additional clarification. Examples include increases in construction, material, or equipment costs above original estimates, labor cost increases, budget shortfalls due to underestimated costs at the time of application, expenses resulting from project delays or extended schedules, unforeseen site conditions, and general market-driven cost escalation following programming approval.

- 8. Question:** For the term “escalation,” can OCTA add examples since jurisdictions may apply cost escalation differently?

Answer: Written guidance and a table example of the escalation methodology were added to the Project Cost Escalation section of Chapter 2 – Project Programming. The included calculation example is shown below:

For example:

The three-year funding period for the 2026 call for projects corresponds to the following fiscal years:

- Year 1: FY 2026-27
- Year 2: FY 2027-28
- Year 3: FY 2028-29

If a jurisdiction submits a project funding request with right-of-way programmed (or anticipated to start) in Year 1 (FY 2026-27) and construction programmed in Year 3 (FY 2028-29), the escalation will only apply to the construction phase. OCTA will escalate the construction costs by the CCI-based adjustment factor beginning in Year 2 (FY 2027-28) of the funding cycle and continue compounding through Year 3. Refer to the table below for an example.

Escalation Adjustment Factor, CCI = 2.8%*			
2026 Call Year	Fiscal Year (FY)	Adjustment	Escalation %
1	FY26/27	$(1.028)^0 = 1.00$	100.0%
2	FY27/28	$(1.028)^1 = 1.028$	102.8%
3	FY28/29	$(1.028)^2 = 1.0568$	105.7%

*Example based on January 2026 ENR CCI 20-City Average.

2026 Call - Project Cost Escalation							
Phase	M2 Request (A)	Programming Year (B)	Programmed FY	Escalation %	FY 26/27 (= A x B)	FY 27/28 (= A x B)	FY 28/29 (= A x B)
ROW	\$ 2,500,000	1	FY 26/27	100.0%	\$ 2,500,000		-
Construction	\$ 800,000	3	FY 28/29	105.7%		-	\$ 845,427

If a local jurisdiction requests a delay to the project schedule after funding has been awarded by the Board, the project will not be escalated beyond the escalation amount associated with the original approved schedule.



PRECEPTS

- 9. Question:** For Precept 11 (contingency allowance), what documentation will be needed to support a request for higher contingency? Can OCTA add examples of supporting documentation?

Answer: Examples of the supporting documentation were added within the “Project Cost Estimate” Form section of the Chapter 7 – Regional Capacity Program. Examples include documentation that identifies specific project risks that justify the increase, potential scope changes, and any uncertainties in right of way or construction that could justify exceeding the 10 percent threshold.

- 10. Question:** Precepts 20 and 21 (timely use of funds) were revised to state that “work must be carried out” within 36 months of encumbrance. The phrase “work must be expended” was clearer. Can OCTA further refine this language?

Answer: Precepts 20 and 21 were revised to state that “work must be carried out” within 36 months of encumbrance. The prior phrase, “work must be expended,” caused confusion regarding whether eligibility was based on when project work was performed or when costs were incurred. As a result, some costs for eligible project-related work completed before the expenditure deadline were deemed ineligible because the costs were incurred after the deadline, making them the responsibility of the local jurisdiction. The revised language clarifies that project work must be completed within the established timely use of funds deadline, consistent with program requirements.

- 11. Question:** For Precept 23 (OCTA branding), can OCTA add examples of the minimum requirements?

Answer: OCTA’s internal marketing team created a webpage with guidance on the following:

- Guidelines for Funding Recipients,
- Medial Releases and Written Communications
- Public Events and Speaking Engagements
- Measure M Boilerplate
- The Logo
- Using the Logo – including the EPS and PNG files
- Logo Misuse
- Social Media Guidelines

The webpage can be found at the following link: <https://www.octa.net/about/about-octa/measure-m-branding-and-media-guidelines>.



12. Question: For Precept 37 (initial payment and progress payment process), reducing the initial payment amount to 20% is significant. Can OCTA consider a 50% initial payment amount?

Answer: OCTA understands the importance of ensuring local jurisdictions have sufficient cash flow to initiate and advance projects. Staff originally recommended a 20 percent initial payment based on actual expenditure data, which showed that, on average, jurisdictions expended approximately 18 percent for Project O and 15 percent for Project P during the first six months of project activity.

After considering local jurisdiction cash flow needs, staff increased the proposed initial payment to 30 percent. This provides additional upfront funding while maintaining the benefits of the proposed progress payment process. After the initial six months of work, jurisdictions would be able to submit a progress payment request based on actual project progress and incurred costs and receive payment for that work, allowing them to retain the initial payment for cash-flow purposes. The initial payment and progress payments combined could reimburse agencies up to 90 percent before project closeout.

Increasing the initial payment to 50 percent may exceed typical early project expenditures and reduce the benefit of tying payments to project progress and supporting documentation. The proposed 30 percent initial payment provides a balanced approach that supports agency cash flow while improving documentation, accountability, and consistency across grant amounts.

The new progress payment process is also intended to benefit local jurisdictions by allowing OCTA to review supporting documentation earlier in the project life cycle, rather than waiting until closeout when records may be harder to locate and project staff may have changed. This earlier review provides jurisdictions with an opportunity to identify and address documentation issues sooner, reducing the risk of costs being questioned or deemed ineligible at the end of the project. For engineering phases, progress payments can help identify potential eligibility concerns during design, before certain ineligible elements advance too far. For construction phases, they allow invoices, prior rights documentation and project records to be reviewed while they are still readily available and contractors/vendors remain accessible to answer questions or correct invoices. For right-of-way phases, earlier review can help identify missing or incomplete documentation before closeout, which is especially important given the challenges jurisdictions have noted in compiling required right-of-way documentation later in the process such as parcel maps, offer letters, final escrow documents and appraisals. Overall, the process is intended to improve communication, reduce closeout issues, and support more complete and timely reimbursement requests.

13. Question: For Precept 37 (initial payment and progress payment process), will the guidelines state how long OCTA will take to complete its review of progress payment requests?



Answer: The guidelines have been updated to include a 180-day timeframe for OCTA's review of final payments. This requirement is intended to hold OCTA accountable for completing final payment reviews in a timely manner, while providing greater clarity and predictability in the payment review process. Adjustments to the timeframe will be considered after this new process has been implemented and data can be collected on actual turnaround times.

- 14. Question:** For Precept 42 (appeal process), it may be problematic to use a fixed dollar amount as the minimum threshold because some agencies may have smaller grants. Can the proposed language be revised to state "\$100,000 or 10 percent, whichever is less"?

Answer: The proposed appeals language was revised to include a 10 percent minimum threshold to account for smaller dollar amount grants that would not meet the \$100,000 minimum.

CHAPTER 2 – PROJECT PROGRAMMING

SEQUENTIAL PROGRAMMING PROCESS – RCP

- 15. Question:** For Fast Track approach requests (seeking funds for planning and implementation phases at the same time), the proposed language states that "jurisdictions may be asked to provide justification for the request." Was the use of "may" intentional, or should the language state "must"?

Answer: The use of "may" is intentional, as certain projects may require coordination with Caltrans.

PROJECT COST ESCALATION

- 16. Question:** If there is a delay request for a project, does the escalation factor also change?

Answer: Projects will not be escalated beyond the escalation amount associated with the original programming schedule approved by the Board. Clarifying language was added to the proposed guideline revisions.

TIMELY USE OF FUNDS

- 17. Question:** How does OCTA define "incurred"?

Answer: Revisions were made as part of Precepts 20 and 21 (timely use of funds), and those revisions were also applied to this section.

- 18. Question:** For the RCP and RTSSP project phases, does the time to expend the funds start from the time of application or from encumbrance?

Answer: The timeframe to expend funds begins at the time of encumbrance.



SEMI-ANNUAL REVIEW

19. Question: For administrative delays, can OCTA add “calendar days” to the proposed revised language?

Answer: The proposed language was revised to specify that administrative delay requests and proof of advertisement must be received by OCTA no less than 30 “calendar days” prior to the award deadline.

OCTA BRANDING

20. Question: Can additional context and background be added regarding OCTA branding requirements?

Answer: The proposed language was further refined to add additional context, and the link to the OCTA branding webpage was added. The webpage can be found at the following link: <https://www.octa.net/about/about-octa/measure-m-branding-and-media-guidelines>.

CHAPTER 7 – REGIONAL CAPACITY PROGRAM (RCP OR PROJECT O)

APPLICATION REVIEW PROCESS

21. Question: Can the required travel lane width be reduced to 10.5 feet, while maintaining a 12-foot requirement when the lane is adjacent to a raised median or other obstruction to accommodate buses and trucks?

Answer: OCTA considered the TSC’s recommendation to reduce the minimum requirement without additional justification to 10 ½ feet. After further review by OCTA’s Transit Planning and Transit Operations, the standard minimum travel lane width for arterial highways should be 11 feet as travel lanes regularly used by transit vehicles, including outside curb lanes where buses operate, should be no less than 12 feet in width. Despite this, funding for proposed travel lane widths less than 11 feet will still be considered with additional justification and approval by OCTA Transit Planning.

FUNDING

22. Question: Can a local jurisdiction obtain OCTA approval of eligible and ineligible costs during the design phase, before submitting an application for construction?

Answer: OCTA may provide a contingent approval; however, it can be difficult as things may change by the time a local jurisdiction submits a construction application. Prior authorization of eligible costs for right of way, construction, and primary implementation would still be required following Board approval to fund the recommended project.

POTENTIALLY ELIGIBLE ITEMS



23. Question: Should aesthetic improvements and landscaping be treated as separate eligible funding categories, with separate limits, so that landscaping costs do not reduce the amount available for other aesthetic improvements?

Answer: Historically, the 10% threshold for aesthetic improvements has not been an issue. OCTA recognizes that some projects may have larger landscaping components, particularly in highly visible corridors or areas with jurisdictional design standards. The reason enhanced landscaping is grouped with aesthetic improvements is not to diminish its value, but because it functions as an enhancement beyond the core transportation improvement. The intent of the M2 RCP program is to prioritize transportation benefits such as congestion relief, operational improvements, and arterial performance. The 10% limitation helps preserve that focus while still allowing a reasonable amount of funding for project-related aesthetic features.

24. Question: Can enhanced landscaping be added as part of the potentially eligible items?

Answer: Enhanced landscaping has been added as a potentially eligible item. However, it will be included within the single 10% threshold for aesthetic improvements. One aesthetic improvement category keeps the guidelines clear, consistent, and easier to administer.

25. Question: Regarding the eligibility of storm drain systems being contingent upon a hydrology report, not all projects require a hydrology report. Does the proposed language mean that local jurisdictions will now be required to prepare a hydrology report for storm drains to be eligible?

Answer: The intent of the proposed language is not to add work for local jurisdictions. Rather, OCTA is attempting to add a safeguard to prevent M2 funds from paying for regional storm drain projects. Based on TSC feedback, the proposed language was revised to allow storm drain systems to be eligible as required for the MPAH road improvement. Eligibility is limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement. OCTA may request supporting documentation from the local jurisdiction to demonstrate that the storm drain improvements are required due to the MPAH roadway improvement and are not part of a separate regional storm drain project or broader drainage system improvement.

INELIGIBLE ITEMS

26. Question: Should enhanced landscaping be listed as an eligible expense, since some enhanced landscaping features are important to the overall aesthetics of local jurisdictions?

Answer: Enhanced landscaping has been moved to the “Potentially Eligible” section of the guidelines and is subject to the 10% threshold. The “Ineligible Items” section has also been revised to clarify that “statues, ornaments, fountains, or similar items” are not eligible, consistent with past practice.



CHAPTER 8 – REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM (RTSSP OR PROJECT P)

INELIGIBLE ITEMS

27. Question: Caltrans has recently updated its requirements for poles in high-wind areas. Can poles be considered an eligible item?

Answer: No, the intent of the program is to synchronize traffic signals not to support State mandates required for local jurisdiction infrastructure.

CHAPTER 9 – ENVIRONMENTAL CLEANUP PROGRAM AND CHAPTER 10 – REIMBURSEMENTS AND REPORTING

There were no questions for Chapter 9 – Environmental Cleanup Program

PROCEDURES FOR RECEIVING FUNDS

28. Question: The proposed progress payment submittal deadline may be problematic for certain agencies, as March through June is budget season for most local jurisdictions, and December is year end. It may also be confusing for local jurisdictions to remember when to submit their progress payments.

Answer: The revised language now states that progress payments must be submitted no later than February 15th and August 15th for all jurisdictions.

TIMELY M2 PROJECT FINAL REPORTS

29. Question: How should the local jurisdiction notify OCTA and who should they notify when a project or project phase has been completed?

Answer: Local jurisdiction should email OCTA at M2ProjectFinalReport@octa.net when they complete a project phase. This new email address has also been added within the guidelines, specifically for this purpose.

APPEAL PROCESS

30. Question: What is the timeframe for local jurisdictions to submit an appeal? The proposed language should include a timeframe to prevent appeals from being submitted for issues that occurred years ago. Can staff look into adding a timeframe, perhaps within two semi-annual review cycles?

Answer: The proposed language was revised to include a timeframe of two semi-annual reviews cycles following OCTA's payment determination.

31. Question: Can staff further refine the proposed language to clearly define the role of the TSC in the appeal process?



Answer: The proposed language was revised to state that the TSC will review the appeal and make a recommendation to the TAC to approve the appeal as presented, deny the appeal, or partially approve the appeal. The proposed language was further revised to clarify that the Board has the ultimate decision-making authority on the appeal and that the TAC makes its recommendation to the Board.

INITIAL PAYMENT REQUEST

32. Question: Under Initial Invoice, it may be problematic for local jurisdictions to provide a city council budget allocation when the jurisdiction decides to use in-house workforces to complete the project phase. Will OCTA accept another type of documentation?

Answer: The language was revised to state that a confirmation memo from the local jurisdiction is acceptable. The existing language was also moved from the invoice requirement section to the documentation requirement section for decisions to use local agency forces.

33. Question: Under the Project and PS&E Certification Form, what is the “materials report”?

Answer: The materials report was removed from the guidelines because it is not a required document for the reimbursement process.

34. Question: Under Documentation of Contract Award, at what point are you looking for the documents to be certified?

Answer: OCTA is looking for documentation showing that a contract was awarded or that council action was taken. In this instance, OCTA would require a certified minute order, rather than a council agenda or draft minute order.

PROGRESS PAYMENT

35. Question: Under the Project Payment Form, the proposed language states that lump sum submissions will not be accepted. However, certain items are bid as lump sums, and it may not make sense or may be difficult to itemize those costs. Can staff add “as applicable” to the proposed language?

Answer: The proposed language was revised to include “as applicable.” The revised language now states that lump sum submissions, as applicable, will not be accepted and will be returned to the local jurisdiction for revisions, and the payment request will be removed from the queue.

36. Question: The proposed language states that progress payments must be signed and certified by the project manager. However, the project manager may not have signing authority to pay or certify costs in some jurisdictions; that authority may belong to someone from the finance department or someone at a higher level than the project manager. Can the language be revised to align with the revisions made under the Project and PS&E Certification Form?



Answer: The proposed language was revised to state that the Public Works Director or an appropriate authorized equivalent must sign and certify that the costs listed on the progress payment form are true and accurate.



2027 Comprehensive Transportation Funding Programs Guidelines Updates and Call Issuance

July 22, 2026



Overview

- ❖ Background
- ❖ 2027 Regional Capacity Program (Project O) and Regional Traffic Signal Synchronization Program (Project P) Call Dates
- ❖ Project O Updates
- ❖ Project P Updates
- ❖ Broader Updates
- ❖ Next Steps



Background

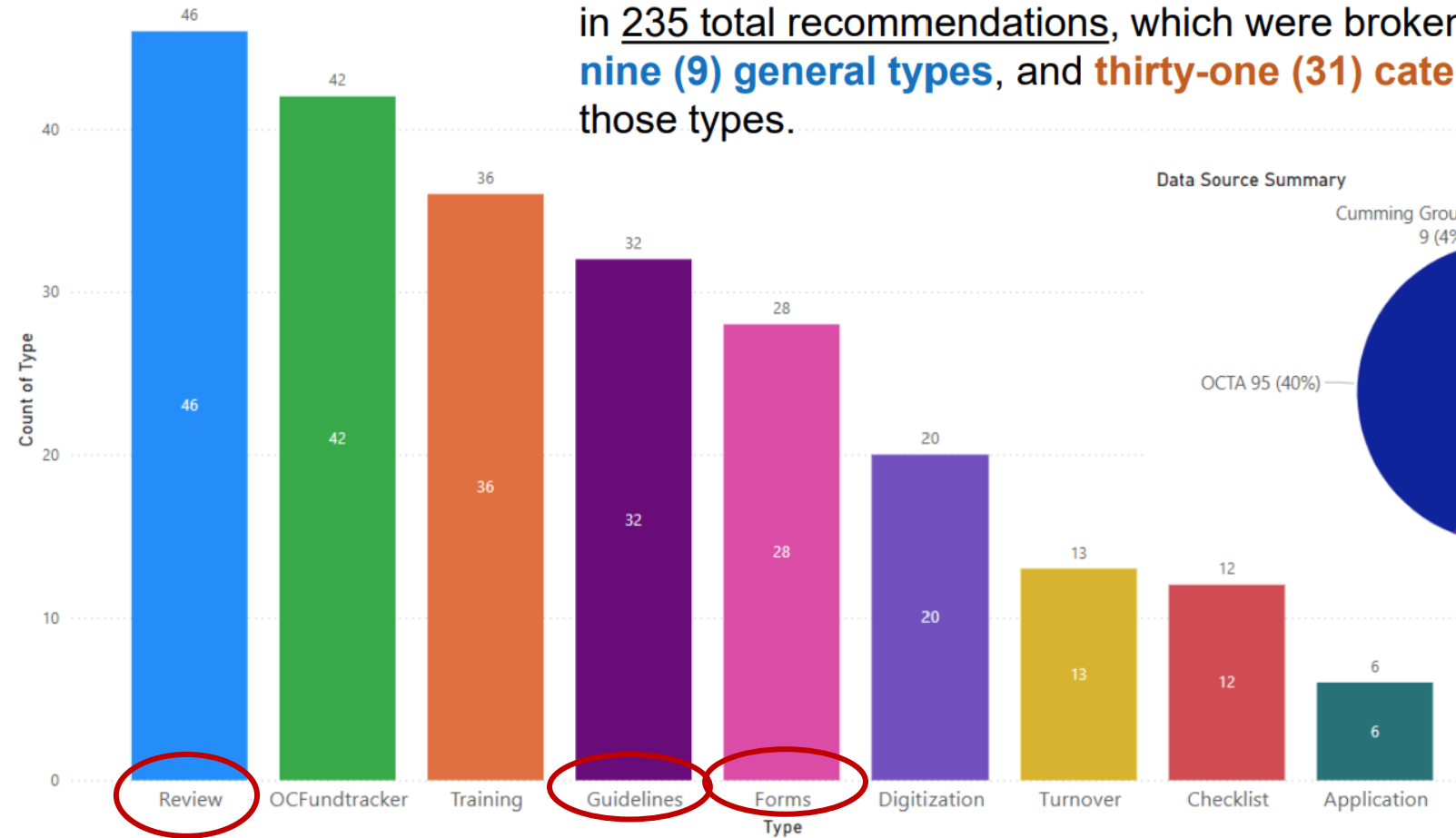
- Independent Consultant Recommendations
 - Streamlining recommendations
- OCTA Board of Directors (Board) Direction
 - 2025 M2 Triennial Performance Assessment
- Technical Steering Committee (TSC) Feedback
 - Five working sessions which began in March 2026
- Standard Call Related Updates
 - Yearly review of the CTFP guidelines

CTFP – Comprehensive Transportation Funding Programs



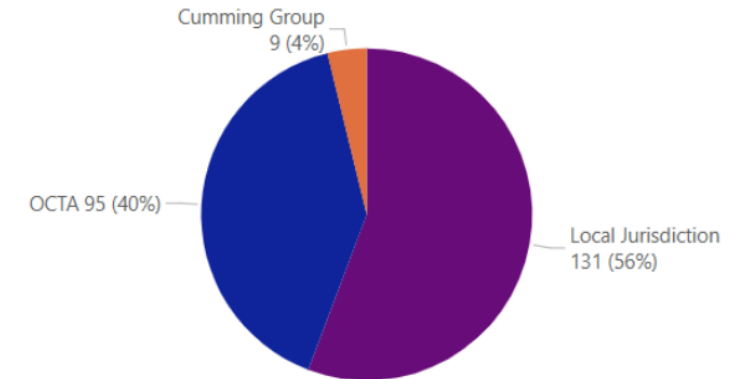
Independent Consultant Recommendations

Types Summary



The data synthesized from the survey and interviews resulted in 235 total recommendations, which were broken down into **nine (9) general types**, and **thirty-one (31) categories** within those types.

Data Source Summary





Feedback Received

- Type: Review
 - Improvements to the general review process, sequencing, and communication dynamics
 - Process and communication alignment – align jurisdictions and OCTA on expected process and timelines
 - Ineligibility review process – mitigate circular review process
 - Progress payments – more frequent interim payments outside of the initial and final payment requests
 - Review sequencing – review eligible versus ineligible items earlier on in the project
- Type: Forms
 - Identify overlap and/or duplications on forms
 - Consolidate forms so that the same information is not required multiple times in different places
 - Potentially create new forms, if possible, and/or request revisions as needed
- Type: Guidelines
 - Identify the most frequent and challenging review items that are open to interpretation
 - Collaboratively create new language that provides a clear determination for the item
 - Add examples in parallel with new language that illustrates specific requirements



2027 O and P Call Schedule

- Board authorization to issue the call: September 14, 2026
- Funding Target: \$41 million for Project O and \$19 million for Project P
- Funding available: July 1, 2027
- Modeling requests for new facilities: October 8, 2026
- Draft applications due for Project P “route” projects: October 23, 2026
- **Application submittal deadline: November 19, 2026**
- TSC/TAC programming recommendations: March/April 2027
- Board approval of programming recommendations: May/June 2027

TAC - Technical Advisory Committee



Project O Updates

Potentially Eligible Items

- Enhanced landscaping is now eligible within the standard 10% limit
- Grading within the project roadway is eligible (including rough grading)

Selection Criteria

- Unless the project is a New Facility or Extension, projects with a level of service better than "C" or .70 v/c ratio will not be considered

- Aesthetic improvements, including landscaping and enhanced landscaping within the project ROW, are eligible for (eligible improvements up to 10 percent (10%) of the construction grant costs, subject to match requirements provided costs are reasonable for the transportation benefit.)

CTFP Guidelines (Red-lined version), page 7-16

- Roadway Grading within the ROW is eligible. (inclusive of any TCEs and/or ROW agreement related improvements) should not exceed a depth for normal roadway excavation (e.g., structural section). However, additional grading will be considered on a case-by-case basis. Agencies must shall provide supporting documentation (e.g., soils reports, ROW agreements) to justify the additional grading, if seeking reimbursement for this component.

CTFP Guidelines (Red-lined version), page 7-36

If during the competitive process, it is determined that additional programming capacity exists after all eligible projects with LOS "D" have been funded, a consideration of projects with a minimum LOS "C" (.71 v/c) may be undertaken. Such consideration will be at the discretion of OCTA. Projects with a LOS better than "C" (.70 v/c) will not be considered. Unless the project is a New Facility/Extension, projects with a LOS better than "C" (.70 v/c) will not be considered.

CTFP Guidelines (Red-lined version), page 7-28



Project O Updates

Ineligible Items

- Removed enhanced landscaping
- Statues, ornaments, fountains or similar remain ineligible
- General street maintenance

- ~~Enhanced landscaping, aesthetics and gateway treatments (Statues, ornaments, and fountains or similar) landscaping that exceeds that necessary for normal erosion control and ornamental hardscape)~~

CTFP Guidelines (Red-lined version), page 7-18

- Street improvements and maintenance activities (e.g., curb and gutter, pavement rehabilitation/restoration, sidewalk reconstruction, or full catch-basin replacement/construction) are not eligible, unless surface repairs are required to restore a funded RCP project area to pre-construction conditions.

CTFP Guidelines (Red-lined version), page 7-19

Simplified Calculations

- Percentage calculations are now based on the grant amount
 - Environmental Mitigation
 - Soundwalls

For example:

Grant Amount: \$100,000

Soundwalls: 20% threshold

\$100,000 x 20% = \$20,000 eligible for Soundwalls



Project O Updates

Project Cost Estimates

- Requests for a higher contingency (more than the 10% maximum) in right of way and construction phases with supporting justification will be considered

Storm Drains

- Storm drain systems required for the MPAH road improvement are eligible
- Removed percentage limitations
- Improvements that are part of a separate regional storm drain project are not eligible

Construction ~~cost estimates must should~~ include a listing of all bid items, including ~~a maximum up to~~ 10 percent (10%) ~~allowance for~~ contingency ~~y~~ and a maximum 20 percent (20%) of ~~the~~ M2 grant ~~allowance~~ for construction support, subject to match requirements. ~~Local jurisdictions may request a higher contingency with supporting documentation identifying the specific risk that justify the increase. This includes identifying project risks, potential scope changes, and any uncertainties in ROW or construction that could justify exceeding the 10 percent (10%) threshold.~~

CTFP Guidelines (Red-lined version), page 7-8

~~Storm drains systems required for the MPAH road improvement are eligible. Eligibility is limited to storm drain improvements that are necessary as a direct result of the MPAH roadway enhancement and are needed to support the delivery of the roadway improvement. OCTA may request supporting documentation from the local jurisdiction to demonstrate that the storm drain improvements are required due to the MPAH roadway improvement and are not part of a separate regional storm drain project or broader drainage system improvement.~~

~~M2 funds shall not supplant developer funding (see Precept 5). Longitudinal storm drains are eligible for program participation when the storm drain is an incidental part (cost is less than 25 percent (25%) of the total eligible construction cost) of an eligible improvement. Program participation shall not exceed 10 percent (10%) of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in ACE Program funding. Storm drains outside standard project area MPAH ROW widths are not eligible, excluding catch basins within reasonable distance and in general proximity to a project intersection (e.g., within ten feet of the curb return). Catch basins and drainage systems extending into adjacent areas (including public streets) shall not be eligible past the first catch basin designated by aforementioned criteria.~~

CTFP Guidelines (Red-lined version), page 7-17



Roadway Lane Width

1. The travel lane width should be no less than 11 feet unless reviewed and approved by Transit Planning (12 feet if adjacent to a raised median or other obstruction) for all arterial highways.

CTFP Guidelines (Red-lined version), page 7-13

5.2.1 Lane Widths

A traffic lane used by buses should be wide enough to permit adequate maneuvering space for pulling into and out of bus stops, turning corners and to avoid sideswipe accidents, but not too wide so that motorists perceive the width as two lanes and attempt to pass buses. Since the maximum bus width including mirrors of OCTA's current bus fleet is 10'-6", the minimum lane width (including the gutter) should be 12 feet.

Depending on the presence of on-street parking or bicycle facilities, the outside lane width can vary but the available width for a bus should be 12 feet. **Table 5** lists the outside lane width for various roadway configurations, including the typical minimum width allowed. The width of the outside lane as it approaches a bus stop should not exceed 14 feet to avoid vehicles behind a stopping bus attempting to pass in the same lane.

More spacing information is covered in Section 5.1.6 Clearance Requirements for Bus Stops.

Table 5: Recommended Outside Lane Widths for Bus Routes

On-Street Parking?	Bike Facility?	Outside Lane Width
No	No	Minimum of 12 feet (including gutter)
Yes	No	19-20 feet including 7-8-foot parking lane
No	Class II Bike Lane Buffered Bike Lane	16-20 feet including 4 to 8-foot Class II or buffered bike lane (Refer to Section 5.3 for more information regarding bicycle facilities and bus stops)
	Sharrows	14-16 feet (> 16 feet should consider a dedicated bike facility)

OCTA Transit Supportive Design Guidelines. 2021. page 77.
<https://www.octa.net/pdf/OCTATransit-SupportiveDesignGuidelines.pdf>

Recommended lane widths based on street type

MF Multimodal Freeway Corridor • 12 ft	MC Movement Corridor • 11ft on roads with target speed of 40mph or less • 12 ft on higher speed roads	ML Mixed Land Use Corridor/Hub • 11ft on roads with target speed of 40mph or less • 12 ft on higher speed roads
BP Industrial/Business Park Street • 11ft on roads with target speed of 40mph or less • 12 ft on higher speed roads	NM Neighborhood Main Street • 10-11 ft wide • 11ft if designated truck or bus route	DS Downtown Street • 10ft wide • 11ft if designated truck or bus route
AL Alley • No lane markings, however need to ensure minimum roadway cross-section of 20ft for emergency access	RS Residential Street • 10 feet where lane markings present • If no lane markings, ensure minimum roadway cross-section of 20ft for emergency access	SS Shared Street • No lane markings, however need to ensure minimum roadway cross-section of 20ft for emergency access

Orange County Complete Streets Initiative Design Handbook. Orange County Council of Governments (OCCOG). 2016. page 210. <https://www.occg.com/occg-complete-streets>



Project P Updates

Funding Estimates

- Project funding cap was revised from \$75,000 per signal and \$250,000 per project corridor mile to **\$84,000** per signal and **\$280,000** per project corridor mile

The RTSSP targets over 2,000 intersections across Orange County for coordinated operations. Because of the limited amount of funds available for the RTSSP, a project cap of ~~\$84,000~~ ~~\$75,000~~ per signal or ~~\$280,000~~ ~~\$250,000~~ per project corridor mile included as part of each project (whichever is higher) has been established for this call for projects. Note that offset signals will not be counted towards the total number of signals on the project for purposes of calculating the project cap.

CTFP Guidelines (Red-lined version), page 8-2

Primary Implementation Phase

- Grant period of the PI phase was revised from one year to **three years**, followed by a subsequent O&M phase

5. Projects Selected will be programmed after July 1 of the programmed year (July 1 – June 30). The date of encumbrance of each phase will be determined by contractual documents (e.g. fully executed contract, NTP, etc.). Local agencies are encouraged to issue a separate NTP when combining contracts for both the PI and O&M phases. NTP requirements should be identified in the initial contract/agreement to avoid obligation of both phases at the same time.

CTFP Guidelines (Red-lined version), page 8-3

PI – Primary Implementation
O&M – Operations and monitoring



Countywide Baseline Project

- Removed application points and additional incentives for participation in the Baseline project

~~10. Applications with full participation of agencies and signals in the OCTA Countywide Signal Synchronization Baseline Project (Baseline Project) may elect to waive data collection, timing development, and timing implementation tasks in their application. A waiver will only be accepted if all participating agencies (excluding Caltrans) execute a cooperative agreement with OCTA by no later than the date the funding recommendations are presented to the TSC, as these tasks will be covered in the Baseline Project. Note that "Before" and "After" studies and tasks in the O&M phase will still be required as part of Project P.~~

CTFP Guidelines (Red-lined version), page 8-3

- Developing and implementing new signal synchronization timing parameters based on current travel patterns, and federal and state traffic signal timing mandates and guidance, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD). ~~These tasks may be waived if **ALL** the applicants (excluding Caltrans) and all of their respective project signals are participating in the Baseline Project.~~ All timing development (including data collection) and implementation for Caltrans intersection(s) included in the project will be the responsibility of the applicant. Funding/effort is allowed as part of the application.

CTFP Guidelines (Red-lined version), page 8-7

Transportation Significance	Points: 25
Inclusion of offset signals within 2700'	Points
90% or above	10
50 – 89%	5
< 50%	0
OR	
Participation in the Baseline Project	10

CTFP Guidelines (Red-lined version), page 8-24



Broader Changes

The proposed guidelines include **216 total revisions**.

Broader changes to improve the payment and grant administration for all the programs primarily fall into four main areas:

- Roles and Responsibilities
- Inclusion of M2 Ordinance References
- Payment Process Streamlining Improvements
- Definitions, Precepts, and Administrative Clarifications



Roles and Responsibilities

OCTA

- **Grant administrator**
- Administers and oversees the funding program, including providing guidance, ensuring consistency with the M2 Ordinance and program requirements, reviewing payment requests in a timely manner, and processing payments in coordination with Finance and Administration.

Local Jurisdictions

- **Project manager**
- Responsible for delivering the projects that receive funding. Includes managing the approved scope, schedule, and budget; maintaining required documentation; meeting M2 eligibility requirements; and addressing costs beyond the approved grant amount.

TAC and TSC

- **Local jurisdiction technical representative**
- TAC provides technical input on CTFP-related matters, while TSC helps review programming recommendations and provides direction on more complex technical or policy issues before items advance to TAC. Responsible for communicating information discussed at meetings with appropriate agency staff.

Inclusion of M2 Ordinance References

- A new appendix was added to include excerpts from the M2 Ordinance
- Links to the M2 Ordinance were added for reference
- M2 Ordinance references were added throughout the guidelines

Chapter 12 Appendix: M2 Ordinance References

Project O – Regional Capacity Program

- Attachment A, Streets and Roads Projects, page 18



18

Streets and Roads Projects

Regional Capacity Program

Project O

Regional Capacity Program

Description:
This program, in combination with local matching funds, provides a funding source to complete the Orange County Master Plan of Arterial Highways (MPAH). The program also provides for intersection improvements and other projects to help improve street operations and reduce congestion. The program allocates funds through a competitive process and targets projects that help traffic the most by considering factors such as degree of congestion relief, cost effectiveness, project readiness, etc.

Local jurisdictions must provide a dollar-for-dollar match to qualify for funding, but can be rewarded with lower match requirements if they give priority to other key objectives, such as better road maintenance and regional signal synchronization.

Roughly 1,000 miles of new street lanes remain to be completed, mostly in the form of widening existing streets to their ultimate planned width. Completion of the system will result in a more even traffic flow and efficient system.

Another element of this program is funding for construction of railroad over or underpass grade separations where high volume streets are impacted by freight trains along the Burlington Northern Santa Fe railroad in northern Orange County.

Cost:
The estimated cost for these street improvement projects is \$1,132.8 million.

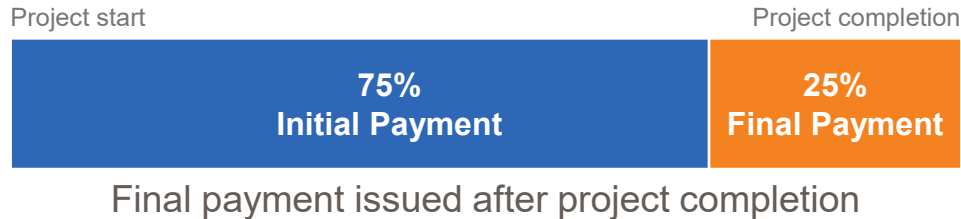


Payment Process Streamlining Improvements

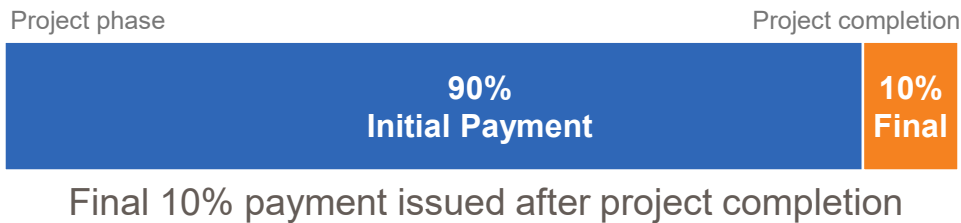
Current Payment Process

Payment structure varies by grant amount

Grant under \$2 million



Grant over \$2 million

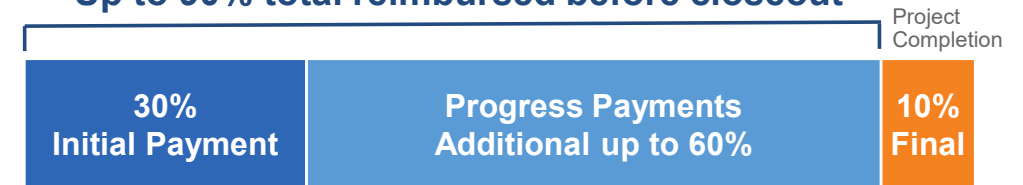


Proposed Progress Payment Process

One standardized process for all grants

All Grants

Up to 90% total reimbursed before closeout



Final 10% payment issued after project completion

Semi-annual progress payment submittals required



Payment Structure: Initial and Progress Payments

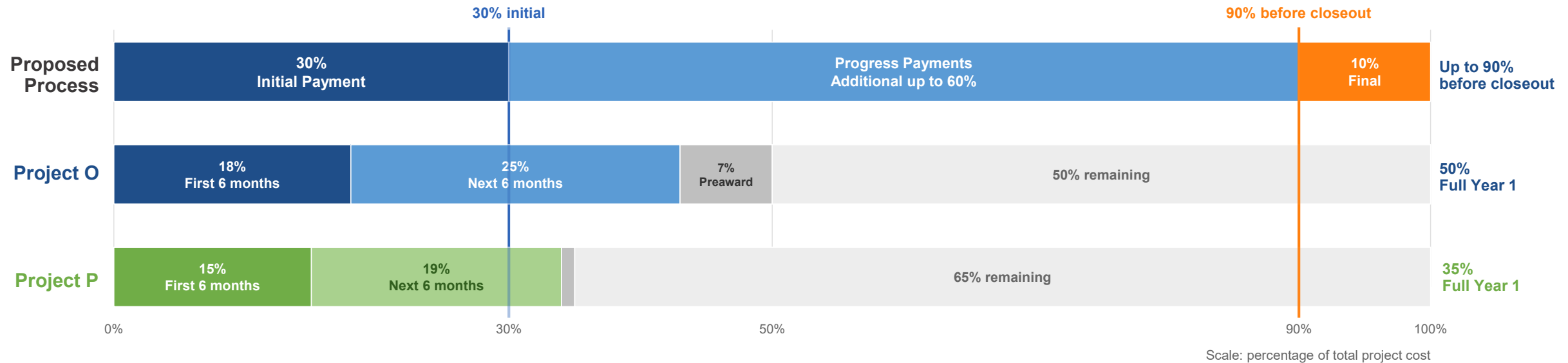
No.	Project	Fund	Phase	M2 Allocation	Total Expended in Year 1	Project Total Cost	Q1 % of Total Project Expended	Q2 % of Total Project Expended	Q3 % of Total Project Expended	Q4 % of Total Project Expended	% of Total Project Costs Expended in Year 1
1	O	ICE	ENG	\$ 19,565	\$ 23,699.00	\$ 61,840.00	0%	0%	0%	38%	38%
2	O	ACE	ENG	\$ 156,450	\$ 3,033.75	\$ 256,258.99	0%	0%	1%	1%	1%
3	O	ICE	ENG	\$ 194,047	\$ 48,439.20	\$ 537,672.94	0%	0%	0%	9%	9%
4	O	ICE	CON	\$ 209,954	\$ 64,86.90	\$ 96,676.35	67%	0%	0%	0%	67%
5	O	ICE	CON	\$ 691,828	\$ 252,666.75	\$ 764,036.86	0%	0%	0%	33%	33%
6	O	ACE	ENG	\$ 922,000	\$ 523,342.73	\$ 1,567,291.00	7%	4%	3%	20%	33%
7	O	ACE	CON	\$ 1,730,560	\$ 1,767,774.66	\$ 3,461,060.07	0%	13%	11%	27%	51%
8	O	ACE	ROW	\$ 1,937,250	\$ 1,997,000.00	\$ 1,997,000.00	13%	0%	0%	0%	100%
9	O	ACE	CON	\$ 10,000,000	\$ 33,695,379.65	\$ 49,729,057.01	15%	14%	17%	13%	68%
10	O	ACE	ROW	\$ 10,563,632	\$ 498,647.78	\$ 11,750,437.45	1%	2%	1%	1%	4%
11	O	ICE	CON	\$ 613,814	\$ 629,246.19	\$ 789,047.91	0%	4%	20%	55%	80%
12	O	ICE	CON	\$ 1,022,531	\$ 1,071,584.55	\$ 1,219,143.99	0%	3%	34%	51%	88%
13	O	ICE	CON	\$ 444,249	\$ 543,426.00	\$ 571,586.66	90%	5%	0%	0%	95%
14	O	ACE	CON	\$ 14,778,770	\$ 20,293,269.65	\$ 72,786,442.39	4%	11%	6%	7%	28%
					Average % Project O Expended per Quarter		14%	4%	7%	18%	50%
No.	Project	Fund	Phase	M2 Allocation	Total Expended in Year 1	Project Total Cost	Q1 % of Total Project Expended	Q2 % of Total Project Expended	Q3 % of Total Project Expended	Q4 % of Total Project Expended	% of Total Project Costs Expended in Year 1
1	P	RTSSP	IMP	\$ 212,800	\$ 197,005.96	\$ 314,832.17	27%	5%	31%	0%	63%
2	P	RTSSP	IMP	\$ 519,000	\$ 371,526.19	\$ 559,454.96	10%	12%	17%	21%	66%
3	P	RTSSP	IMP	\$ 2,547,918	\$ 12,060.00	\$ 3,181,786.23	0%	0%	0%	0.38%	0.38%
4	P	RTSSP	IMP	\$ 546,750	\$ 59,178.10	\$ 604,155.13	0%	0%	0%	10%	10%
5	P	RTSSP	IMP	\$ 1,209,160	\$ 381,864.38	\$ 1,120,792.66	19%	0%	15%	0%	34%
					Average % Project P Expended per Quarter		12%	6%	16%	7%	35%

Note: Full Year 1 may include preaward costs, so six-month figures may not sum exactly to Full Year 1.



Payment Structure: Initial and Progress Payments

Proposed Process Compared with Year 1 Expenditure Averages



Key Takeaways

- The first six months are generally below the proposed 30% initial payment.
- Six months later, jurisdictions can request additional reimbursement based on progress.
- Initial + progress payments can reach up to 90% before closeout.



Payment Process Streamlining Improvements

OCTA will disburse grant funds through a progress payment process. To receive any payment, the local jurisdiction must submit a payment request via QCFundtracker. The local jurisdiction may elect to receive an initial payment of up to thirty percent (30%) of the total grant amount, followed by progress payment requests, or may elect to proceed directly with progress payment requests. In all cases, the local jurisdiction shall submit progress payment requests on a semi-annual basis. Unless otherwise determined by a separate cooperative agreement, progress payments must be submitted no later than February 15th and August 15th. If the 15th falls on a weekend, the progress payment is due the following Monday.

All payments issued, including any initial payment and subsequent progress payments, shall cumulatively be reimbursed for up to ninety percent (90%) of the total grant amount, unless otherwise determined by a separate cooperative agreement. The final retention payment will be issued within sixty (60) days following OCTA's receipt and approval of a complete and accurate Final CTFP Expenditure Report.

CTFP Guidelines (Red-lined version), page 10-1 and 10-2



Payment Process Streamlining Improvements

Each progress payment request must include the following:

1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs paid during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount
2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions, as applicable, will not be accepted and will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The Public Works Director or appropriate authorized equivalent must sign and certify that the costs listed are true and accurate.
3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form.

Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.

If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.



Definitions, Precepts and Administrative Clarifications

- Definitions are being added or refined
 - Approved invoice, betterment, construction engineering, micro-purchases, etc.
- Reinforce key funding principles
 - M2 Funds may not be used to replace committed developer funding
 - OCTA will not increase approved grant amounts to cover cost overruns and
 - Ineligible expenditures cannot be counted towards local match
- M2 Acknowledgment
 - New precept to promote consistent recognition of voter-approved M2 funding
 - Measure M Branding and Media Guidelines webpage:
<https://www.octa.net/about/about-octa/measure-m-branding-and-media-guidelines>
- Precepts
 - Pre-authorization for construction and PI phases
 - Appeal process for CTFP payments determination only if the disputed amount is at least \$100,000 or 10% of the grant, whichever is less



M2 Acknowledgement

<https://www.octa.net/about/about-octa/measure-m-branding-and-media-guidelines>



GETTING AROUND

PROGRAMS & PROJECTS

NEWS

ABOUT

CONTACT

Translate



Measure M Branding and Media Guidelines



Administered by the Orange County Transportation Authority (OCTA), Measure M-funded programs and projects must adhere to the following guidelines for all media and materials, including branding and logo placement requirements, boilerplate language, media releases and social media communications.

Guidelines for Funding Recipients

To acknowledge funding support, include the Measure M boilerplate language and *Funded by OCTA* logo on all outreach and public-facing materials, including but not limited to:

- Press releases
- Media advisories
- Printed collateral
- Event invitations
- Project and program websites

As appropriate throughout the life of the project, distribute news releases and organize press events at key milestones, including:

- Grant award announcements
- Program launch events
- Operational milestones



Media Releases and Written Communications

Include the Measure M boilerplate language and *Funded by OCTA* logo on all media releases and written communications, as applicable.

Messaging should connect Measure M investments to community benefits and emphasize OCTA's accountability to voters and stewardship of public funds.

Public Events and Speaking Engagements

When participating in media interviews, public meetings or speaking engagements, acknowledge OCTA as a funding source and highlight community benefits associated with the project.

Use clear, community-focused and transparent communication that reinforces OCTA's stewardship of Measure M funds and accountability to Orange County voters.

Social Media Guidelines

Tag @GoOCTA on Instagram and Facebook.

For updates on projects and programs, including Measure M, visit: [Contact Us](#)

Connect with OCTA on Social Media

Facebook: <https://www.facebook.com/goOCTA>

Instagram: <https://www.instagram.com/goocta>

Measure M Boilerplate

Measure M is Orange County's voter-approved half-cent sales tax that funds a balanced transportation system through freeway, street, transit and environmental improvements. Delivered by OCTA with independent taxpayer oversight, Measure M enhances safety, expands travel options and keeps Orange County moving.

Learn more at [octa.net/MeasureM](https://www.octa.net/MeasureM).

The Logo

Display the *Funded by OCTA* logo on all Measure M-funded projects, communications and public-facing events. Include appropriate visual recognition in materials including, but not limited to:

- Signage
- Digital and printed collateral
- Presentations
- Event materials
- Project and program websites
- On-site displays

The *Funded by OCTA* logo should be displayed in a manner that maximizes visibility and adheres to the approved design and color specifications.

Using the Logo

Ensure the logo has sufficient contrast with the background to maximize visibility and readability. When placing images, text, or multiple logos together, maintain clear space around the logo equal to at least the height of the "OC" within the logo.

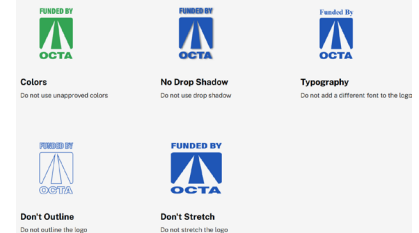
- Use EPS files for printed materials.
- Use PNG files for digital and screen-viewing applications.

[DOWNLOAD THE LOGOS](#)



Logo Misuse (What Not to Do)

Do not alter or misuse the *Funded by OCTA* logo in any way, including the examples shown below.





Pre-Authorization of Eligible Expenses

6. The local jurisdiction must have a fully executed letter agreement prior to the ~~obligation reimbursement~~ of funds. ~~Local agencies may be granted pre-award authority for M2 funded projects.~~ Local jurisdictions, at their own risk, may ~~use this pre-award authority to~~ obligate funds for an M2 funded project prior to the programmed year. Expenditures actualized prior to the Board approval ~~programmed year of the grant~~ will not be eligible for reimbursement (see Chapter 10 9). ~~Unless an advancement is approved, reimbursements will be released in the programmed year. Board approval of a project does not guarantee the eligibility of all items. For construction phases, the local jurisdiction must have OCTA's written confirmation of eligible and ineligible costs and staff approval to proceed prior to obligating any funds through contract award. For PI phases, the lead jurisdiction must have OCTA's written confirmation of eligible and ineligible costs, as well as written approval to proceed, prior to issuing any construction-related Notice to Proceed, Task Order, and/or construction contract.~~

CTFP Guidelines (Red-lined version), page XXIV



Pre-Authorization Process





Appeal Process

- Appeal process for disputed amount of **at least \$100,000 or 10% of the grant, whichever is less**

- Appeals must be submitted as part of the semi-annual review (SAR)
- Local jurisdictions must submit its appeal request no later than the second SAR cycle following OCTA's payment determination

- Local jurisdictions may file an appeal by submitting a brief written statement of facts and circumstances including references to applicable CTFP Guidelines

- TAC shall designate the TSC to receive and review the appeal
- TSC shall consider the appeal along with information provided, any known precedent or past practices, CTFP guidelines and the Ordinance

- TSC shall make a recommendation to the TAC to approve appeal as presented, deny the appeal or partially approve the appeal
- Denied appeals shall not be submitted for Board consideration

- Depending on the findings and consistency with the Ordinance, staff shall include the recommendation as part of the subsequent SAR staff report
- **Board shall have final approval authority of the appeal**



Next Steps

- Board approval of the CTFP Guidelines revisions and authorization to issue the call on September 14, 2026
- 2027 O and P Call Workshop: September 16, 2026
- Update CTFP payment forms, contingent on Board approval
 - Local Programs will revise CTFP Expenditure Report forms based on 2027 guidelines
 - Review updated forms with the TSC in the October/November 2026 timeframe
- Conduct workshops and develop training materials for local jurisdictions
 - Following TSC review of updated payment forms, Local Programs will offer multiple opportunities for training
- Prioritize reimbursements over 24 months old
 - Complete OCTA review and communicate closeout findings by calendar year-end 2026

Questions?

CTFP PAYMENT FORMS REVIEW SCHEDULE

OCTOBER 14, 2026 – TSC

- ❖ OCTA written authorization
- ❖ Project and PS&E Certification Form
- ❖ Contract Cost Summary Form
- ❖ Initial Payment Form

NOVEMBER 11, 2026 – TSC

- ❖ Progress Payment Form
- ❖ No Cost Form
- ❖ M2 Project Final Report Form

DECEMBER 9, 2026 - TSC

- ❖ Final TSC review of CTFP payment forms



TECHNICAL ADVISORY COMMITTEE MEETING LOCAL ASSISTANCE UPDATE

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July 22, 2026

TECHNICAL ADVISORY COMMITTEE MEETING LOCAL ASSISTANCE UPDATE

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7	Clean California Local Grant Program (CCLGP)
8	Highway Safety Improvement Program (HSIP)
9	Disadvantaged Business Enterprise Program (DBE)
10	DBE/QAP Annual Forms
11	PED Extensions
12	Title VI
13	References and Training Opportunities
14	D12 Local Assistance Staff Assignments



Federal Fiscal Year 25/26

- Federal Fiscal Year Reminders, please ensure:
 - Exhibit 9-C: Local Agency ADA Annual Certification Form has been submitted for project receiving CON authorizations within FFY 25/26.
 - QAP has been updated in the past 5 years if a project will be receiving federal CON funds this year.
 - Most recent version of LAPM and LAPG Exhibits are being used when submitting documentation.

E-76 Obligation Deadlines – FFY 25/26

- E-76 deadlines for federal-aid projects with funds programmed to be obligated this FFY 25/26 are summarized below:
 - FTA Transfers:
 - FTA Transfer requests must be submitted from the District to DLA HQ by July 21, 2026.
 - E-76 Deadlines:
 - Request for Authorization (RFA) packages must be submitted from the Districts to DLA HQ by August 10, 2026.
- Please continue sharing these deadlines with your team and work with your assigned Local Assistance Area Engineer (LAAE) to ensure these deadlines are met. If there is a potential for a project with funds programmed this FY 25/26 to not meet these deadlines, please notify your LAAE as soon as possible to determine a project delivery action plan.

Inactive Invoices

- Deadline to submit inactive invoices for this quarter is **Aug 21st, 2026**. Please work with your assigned Local Assistance Area Engineer if you have any outstanding inactive invoices this quarter.
- New inactive quarter will begin on **Oct 1st, 2026**.
- Deadline to submit inactive invoices for next quarter is **Nov 20st, 2026**.
- Reminder letters will soon be sent out for the current quarter.
- Inactivity may prevent E-76s from being processed.
- The official inactive list can be viewed here:
 - <https://dot.ca.gov/programs/local-assistance/about-local-assistance/project-management-oversight/inactive-projects>
- If you have questions or issues with submitting invoices, please contact your assigned Local Assistance Area Engineer for further assistance.

CTC Meetings

- The [2026 CTC Meeting Schedule](#) has been posted on the [CTC Meeting Webpage](#).
- Next CTC Meetings:
 - August 20 – 21, 2026 – San Diego
 - October 15 – 16, 2026 – Central Valley
- Next deadlines to submit allocations and time extensions to District 12 Local Assistance (see the [2026 CTC Preparation Calendar](#)):
 - Mon, Jun 22 for August CTC Meeting. (Past)
 - Mon, Aug 17 for October CTC Meeting.



Active Transportation Program (ATP)

- ATP Cycle 8 – Applications now under review.
- FY25/26 Q4 ATP Reporting Period – Begins: July 1st, 2026 – Ends: July 15th, 2026
 - Please submit project reports through CalSMART in a timely manner. Automatic reminders are sent to agencies periodically for active projects.
 - Corrections may be needed after a project report submission. Please submit corrections in a timely manner (typically by the end of the month of that reporting period).
 - Reporting Training video and resources available on the [Caltrans ATP Reporting Webpage](#).
- Active Transportation Resource Center (ATRC):
 - **New*** [Count Methodology Guide](#)
 - Projects Allocated for CON or CON/NI after the March 2026 CTC Meeting will follow this new guidance.
 - Sign-up for the [ATRC Mailing List](#) for Monthly Updates.
- Please contact your Local Assistance Area Engineer with any questions.

Highway Bridge Program (HBP)

- New financially constrained programming lists for HBP projects have been finalized in March and have been submitted to MPOs for FTIP amendment. Programming lists were distributed to local agencies and will be posted on the [HBP Listings - Orange](#) webpage pending ADA-remediation.
- EPSP now open for HBP projects with programming within FFY 29/30. Please reach out to request an EPSP if your project is ready to advance and authorize in this current FFY 25/26.
- New pilot [LAPG 6-A HBP Application and 6-D Cost/Schedule Change Request forms](#) are now available on the Caltrans HBP webpage and should be used moving forward.
- High-Cost Agreement (HCA) status – Based on the current funding outlook of high-cost programming, the earliest federal funds can be programmed in a High-Cost Agreement is in FFY 29/30. Funding capacity may change depending on the next federal transportation act. Local Advance Construction (AC) for high-cost programming is still optional.
- Information may be subject to change. For additional information and guidance, please see Caltrans HBP webpage: <https://dot.ca.gov/programs/local-assistance/fed-and-state-programs/highway-bridge-program>.

Clean California Local Grant Program (CCLGP)

- Clean California Local Grant Program will allow additional time extensions for Cycle 1 and Cycle 2 projects.
 - Cycle 1 projects are eligible for the following:
 - Completion of construction and all reimbursable work by September 30, 2026.
 - Completion of project closeout by February 1, 2027.
 - Cycle 2 projects are eligible for the following:
 - Completion of construction and all reimbursable work by September 30, 2027.
 - Completion of project closeout by February 1, 2028.
- Please see the Clean CA webpage for more info and program guidelines:
<https://cleancalifornia.dot.ca.gov/local-grant-program>.

Highway Safety Improvement Program (HSIP)

- HSIP Cycle 13:
 - Call for Projects – Wednesday, July 1, 2026
 - Application Deadline – Monday, November 2, 2026
 - Call for Projects Webinar hosted by Caltrans and FHWA – Tuesday, July 21, 2026 (9 AM – 11 AM)
 - Information & Registration: [Local HSIP Cycle 13 Call for Projects Webinar](#)

Disadvantaged Business Enterprise Program (DBE)

DBE Program Suspension

- [Caltrans Office Bulletin #25-07 R2: Suspension of Disadvantaged Business Enterprise \(DBE\) Program:](#)
 - In response to the [Disadvantaged Business Enterprise Program \(DBE\) Interim Final Rule \(IFR\)](#) published on October 3, 2025, which addresses amendments to 49 CFR Parts 23 and 26 concerning the Airport Concessions DBE and DBE Program, the DBE Program is suspended effective October 3, 2025.
 - October 3, 2025, DBE Contract Goal Setting, Counting, along with DBE monitoring and compliance, is suspended.
- A Caltrans Advisory on DBE Program IFR webinar was hosted by DLA OCR/LCC to discuss significant changes resulting from the DBE IFR. The webinar recording, presentation file, and additional information can be found at the [relevant CALTAP webinar posting](#).
- Supplemental Resources to the DBE IFR: [IFR Frequently Asked Questions](#) published U.S. Department of Transportation December 2025 and [Webinar Recording: Caltrans Advisory on DBE Program IFR](#) produced by CA Local Technical Assistance Program October 2025.

DBE Reevaluation

- On March 2, 2026, the California Unified Certification Program (CUCP) issued reevaluation notices to firms certified as a Disadvantaged Business Enterprise (DBE) in California prior to October 2, 2025. All certifying agencies in the CUCP will reevaluate the DBE's they originally certified. The Caltrans Office of Civil Rights (OCR) is responsible for reevaluating over 3,200 DBE firms and is available to provide technical assistance throughout this process.
- OCR is hosting a series of webinars to assist DBE firms with the reevaluation process. Visit the bottom of the Caltrans [DBE Reevaluation](#) webpage for dates and times. For inquiries regarding technical assistance or the DBE reevaluation process, please [email](#) the Caltrans Office of Civil Rights at DBE.Evaluation@dot.ca.gov
- For any general questions about the IFR and the DBE Program, please contact DBE.compliance@dot.ca.gov or (916) 324-0990. Please contact your assigned Local Assistance Area Engineer with any other questions or for further assistance.

DBE/QAP Annual Forms

- [LAPM Exhibit 9-C: Local Agency ADA Annual Certification Form](#) will continue to be collected on an annual basis with Caltrans D12 Local Assistance prior to processing Federal Fund Request for Authorization (E76).
 - LAPM Exhibit 9-C is unaffected by the DBE IFR and due to Caltrans D12 Local Assistance by June 30 of each year.
- Quality Assurance Program (QAP) is required to be updated and approved every 5 years by Caltrans Materials Engineering and Testing Services (METS).
 - Submit to Caltrans D12 Local Assistance to commence approval process.
 - [QAP Template](#), published December 2025 can be utilized to amend existing agency QAP.
- If you have questions or issues with submitting DBE/QAP forms, please contact your assigned Local Assistance Area Engineer for further assistance.

PED Extension

- New way to request extensions for Project End Dates (PED).
 - Entirely online and replaces old E-76 system.
 - Link: <https://app.smartsheet.com/b/form/dd8ec43edae54b8aad35159cacec011a>
- Work done after a PED cannot be reimbursed!
- More info, helpful tools, and a report listing upcoming PED expirations can be found here: <https://dot.ca.gov/programs/local-assistance/projects/projects-with-expiring-end-dates>

Title VI

- Civil Rights Act of 1964 prohibits discrimination by recipient of Federal assistance on the basis of race, color, and national origin, including the denial of meaningful access for limited English proficient (LEP) Persons.
- Requirements include but are not limited to:
 - Title VI nondiscrimination statement
 - Assurances (as part of the Master Agreement and Program Supplement Agreement.
 - Designation of a Title VI Coordinator.
 - Complaint Procedures.
 - Data Collection.
 - Training.
 - Dissemination of Information.
 - Contracts and Agreements.
 - Environmental Justice.
 - Public Hearings and Meetings.
 - Right of Way activities.
 - Construction contract compliance.
 - Monitoring.
- Caltrans has also recently updated our webpage on [Filing a Complaint](#), where guidance is provided to local agencies on how to process Title VI complaints.
- Title VI Branch Website: <https://dot.ca.gov/programs/civil-rights/title-vi>

References and Training Opportunities

- Caltrans Local Assistance Webpage:
 - <https://dot.ca.gov/programs/local-assistance>
- California LTAP training:
 - <https://caltap.org/training.aspx>
- Local Assistance Blog/DLA Training Programs (website undergoing maintenance):
 - <https://www.localassistanceblog.com/>
 - <https://www.localassistanceblog.com/local-assistance-training/>
- Local Assistance Procedures Manual (LAPM):
 - <https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm>
- Local Assistance Program Guidelines (LAPG):
 - <https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-program-guidelines-lapg>

CALTRANS DISTRICT 12 LOCAL ASSISTANCE

Helping our partners deliver local transportation projects



CALTRANS DIVISION OF
LOCAL ASSISTANCE

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*On Rotation

**On Assignment

Program Coordinator

A&E (Vonranzow)
ATP (K. Nguyen, Beshay Tadrous backup)
Clean California (Vonranzow, Lawhead backup)
CPFCDs (K. Nguyen, Lawhead backup)
CRRSAA (Faraz)
CTC (K. Nguyen, Beshay Tadrous backup)
CWA (Vonranzow)
DBE (Gomez-Cruz, Vonranzow backup)
Competitive Grants (Movasat, K. Nguyen backup)
Earmark Repurposing (K. Nguyen, Lawhead backup)
ER (Movasat)
FTA (Bozorgchami)
HBP (Gomez-Cruz, Beshay Tadrous backup)
HSIP (K. Nguyen, Bozorgchami backup)
Inactive (Movasat, Bozorgchami backup)
LTCAP (K. Nguyen, Lawhead backup)
OCCSP (K. Nguyen, Lawhead backup)
PED (Bozorgchami)
PLBP (K. Nguyen)
SB1 (Faraz, Vonranzow backup)
STIP (Faraz, Vonranzow backup)
Title VI (Vonranzow)
Training (Lawhead)
UEI (Vonranzow)

Local Agencies

Aliso Viejo (Beshay Tadrous)
Anaheim (Vonranzow)
Brea (Beshay Tadrous)
Buena Park (Faraz)
Caltrans (Faraz)
Costa Mesa (Bozorgchami)
Cypress (Vonranzow)
Dana Point (Bozorgchami)
Fountain Valley (Gomez-Cruz)

Fullerton (Beshay Tadrous)
Garden Grove (Vonranzow)
Huntington Beach (Gomez-Cruz)
Irvine (Movasat)
Laguna Beach (Faraz)
Laguna Hills (Beshay Tadrous)
Laguna Niguel (Bozorgchami)
Laguna Woods (Bozorgchami)
La Habra (Beshay Tadrous)

Lake Forest (Movasat)
La Palma (Beshay Tadrous)
Los Alamitos (Bozorgchami)
Mission Viejo (Movasat)
Newport Beach (Vonranzow)
Orange (Vonranzow)
Orange County (Gomez-Cruz)
Placentia (Faraz)
Rancho Santa Margarita (Gomez-Cruz)

San Clemente (Bozorgchami)
San Juan Capistrano (Beshay Tadrous)
Santa Ana (Movasat)
Seal Beach (Vonranzow)
Stanton (Movasat)
Tustin (Bozorgchami)
Villa Park (Gomez-Cruz)
Westminster (Movasat)
Yorba Linda (Faraz)

Regional Agencies

OCTA (Faraz)
TCA (Faraz)

Mail Submissions to: 1750 E. 4th St. Suite 100 Santa Ana, CA 92705



AGENDA

*Technical Advisory Committee
Attachment*

Correspondence



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OCTA Board Items of Interest

- **Monday, April 27, 2026**

Item #9: State Legislative Status Report

Item #10: Federal Legislative Status Report

Item #19: Measure M2 Quarterly Progress Report for the Period of October 2025 through December 2025

Item #20: Measure M2 Ten-Year Review Report and Action Plan

Item #21: 15 Years of Measure M2

- **Monday, May 11, 2026**

Item #8: Proposed Response to 2025-2026 Orange County Grand Jury Report, "Connecting Orange County to LAX: Evaluating Transportation Options"

Item #9: 2026 Board of Directors and Chief Executive Officer Initiatives and Action Plan - First Quarter Progress Report

Item #10: Cooperative Agreement No. C250331 with the California Department of Transportation to fund the Construction of the State Route 74 Ortega Highway Gap Closure and Multimodal Improvement Project

Item #12: Draft 2026 State Route 91 Implementation Plan

- **Tuesday, May 26, 2026**

Item #8: State Legislative Status Report

Item #9: Federal Legislative Status Report

Item #11: Consultant Selection for the Los Angeles 2028 Olympics Transportation Service Plan and Capital Needs Assessment

Item #12: Approve Cooperative Agreements with the City of Irvine for Proposition 116 Replacement Funds and OC ACCESS Services

Item #13: Acceptance of Grant Awards from the Mobile Source Air Pollution Reduction Review Committee and the Federal Transit Administration

Item #19: Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2025

Item #20: Orange County Local Transportation Authority Report on Compliance with the Measure M2 Ordinance, Year Ended June 30, 2025

Item #21: Independent Accountants' Report on Applying Agreed-Upon Procedures, City of Buena Park

Item #22: Independent Accountants' Report on Applying Agreed-Upon Procedures, City of Huntington Beach

- **Monday, June 8, 2026**

Item #2: Public Hearing on Orange County Transportation Authority's Fiscal Year 2026-27 Budget and Personnel and Salary Resolution

Item #9: Regional Planning Update

Item #10: Consultant Selection for the Move OC Active Transportation Plan

Item #11: 2026 State Transportation Improvement Program Update

Item #12: Capital Programming Update



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Item #13: Amendment to Cooperative Agreement with the California Department of Transportation for the State Route 91 Improvement Project Between State Route 55 and Lakeview Avenue

Item #14: Amendment to Agreement for Additional Design Services for State Route 91 Improvement Project Between La Palma Avenue and State Route 55

Item #18: Measure M2 Environmental Mitigation Program Update

Item #19: Measure M2 Quarterly Progress Report for the Period of January 2026 through March 2026

Item #20: Comprehensive Transportation Funding Programs Semi-Annual Review – March 2026

Item #21: Comprehensive Transportation Funding Programs – 2026 Call for Projects Programming Recommendations

Item #22: Initial 405 Express Lanes Excess Toll Revenue Expenditure Plan

Item #23: Update on the Interstate 5 El Toro Road Interchange Improvement Project

- **Monday, June 22, 2026**

Item #3: Measure M2 Taxpayer Oversight Committee New Member Recruitment and Lottery

Item #13: State Legislative Status Report

Item #14: Federal Legislative Status Report

Item #15: Proposed Schedule for the Orange County Transportation Authority's 2027-28 State and Federal Legislative Platforms

Item #18: 2026 Enhanced Mobility for Seniors and Individuals with Disabilities Program and Call for Projects

Item #20: Amendments to Cooperative Agreements with Agencies Participating in the Senior Mobility Program

Item #23: August 2026 OC Bus Service Change

Item #27: Term Sheet Agreement with the City of Newport Beach for the Potential Relocation of the Newport Transportation Center

Item #28: Amendment to the Agreement for the Newport Transportation Center Relocation Feasibility Study

Item #29: Newport Transportation Center Relocation Feasibility Study Update



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Technical Advisory Committee
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Announcements by Email

- REMINDER: M2 Eligibility Workshop Tomorrow, April 14th at 10:00am, sent on 4/13/2026
- EMSD 5.6.26 Workshop Registration Notice, *sent on 4/20/2026*
- 2026 OCTA Pavement Management Training, *sent on 4/23/2026*
- REMINDER: 2026 Measure M2 ECP Tier 1 Call Closes Next Thursday, May 7th, *sent on 4/30/2026*
- May 13, 2026 OCTA Technical Steering Committee Agenda and Meeting Information, *sent on 5/8/2026*
- REMINDER: 2026 OCTA Pavement Management Training, Begins Tue 5/19, *sent on 5/11/2026*
- MSRC Zero-Emission Transit Bus Incentive Program Solicitation Notice, *sent on 5/20/2026*
- May 27, 2026 OCTA Technical Steering Committee Agenda and Meeting Information, *sent on 5/22/2026*
- June 10, 2026 OCTA Technical Steering Committee Cancellation Notice and Meeting Schedule Update, *sent on 6/8/2026*
- June 24, 2026 OCTA Technical Steering Committee Agenda and Meeting Information, *sent on 6/18/2026*
- 2026 EMSD Call for Projects Official Release Notice, *sent on 6/24/2026*
- July 8, 2026 OCTA Technical Steering Committee Cancellation Notice, *sent on 6/25/2026*
- Advance Notice for July 22, 2026 OCTA Technical Advisory Committee Meeting - No Teleconference Option, *sent on 7/9/2026*