



**October 23, 2023**

**To:** Members of the Board of Directors

**From:** Darrell E. Johnson, Chief Executive Officer 

**Subject:** SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Claims for Fiscal Year 2023-24

**Overview**

The Orange County Transportation Authority is eligible to receive funding from the SB 1 State of Good Repair Program that is funded by the Transportation Improvement Fee on vehicle registrations. Funding recommendations for fiscal year 2023-24 were approved by the Board of Directors on August 14, 2023. Upon approval of the statewide list of fiscal year 2023-24 projects by the California Department of Transportation, the Orange County Transportation Authority must file claims on a quarterly basis to receive the funding.

**Recommendation**

Authorize the filing of SB 1 State of Good Repair claims, in the amount of \$6,877,180, or up to the actual allocation published by the State Controller's Office, to fund capital projects approved by the Orange County Transportation Authority Board of Directors.

**Background**

The State of Good Repair (SGR) Program is funded by a portion of the Transportation Improvement Fee on vehicle registrations. The State Controller's Office (SCO) annually publishes estimates of SGR funding levels in January, with revised estimates provided in August of each year. SGR funds are expected to be allocated quarterly beginning November 2023, upon receipt of the approved recipients from the California Department of Transportation and filing of claims by the Orange County Transportation Authority (OCTA).

**Discussion**

In February 2023, the SCO estimated that OCTA would receive \$6,885,695 of SGR funds for fiscal year (FY) 2023-24. On August 14, 2023, the OCTA Board

of Directors (Board) approved the FY 2023-24 SB 1 SGR Program recommendations, directing the funds for the following projects:

- San Clemente Track Protection Project (\$2.5 million)
- Facilities upgrades, modifications, and replacement projects (\$1.704 million)
- Installation of battery-electric chargers at the Santa Ana Bus Base (\$1.5 million)
- Security gates at the Anaheim, Garden Grove, and Santa Ana Bus Bases (\$832,000)
- Heating-ventilation unit replacement at the Santa Ana Bus Base (\$350,000)

In August 2023, the SCO published a revised FY 2023-24 SGR estimate for OCTA in the amount of \$6,877,180. The SCO anticipates releasing FY 2023-24 funds to transit agencies beginning November 2023. OCTA will then be able to submit claims to receive these funds on a quarterly basis.

***Summary***

The SGR Program provides funding for transit capital projects or services to maintain or repair a transit operator's existing transit vehicle fleet or transit facilities that improve existing transit services. Staff recommends the Board authorize filing of claims to receive the SGR funds.

***Attachment***

None.

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