



January 12, 2017

To: Transit Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Transit Projects Programming Revisions

Overview

The Orange County Transportation Authority uses various state, federal, and local fund sources to fund transit capital projects. Additional funds for the Southern California Regional Rail Authority's rehabilitation budget and specific project-level funding revisions for transit projects are presented for the Board of Directors' approval.

Recommendations

- A. Authorize an overall increase in project funding from \$34.2 million to \$39.756 million for the Laguna Niguel to San Juan Capistrano Passing Siding Project, which includes the following funding:
 - Use of \$3 million in Transit Intercity Rail Capital Program funds.
 - Use of \$2.556 million in additional Congestion Mitigation and Air Quality Improvement Program funds.
- B. Approve Resolution 2017-001, authorizing the Chief Executive Officer to file and execute agreements, certifications and assurances for the Laguna Niguel to San Juan Capistrano passing siding, consistent with the Transit Intercity Rail Capital Program Guidelines.
- C. Authorize the following changes for Federal Transit Administration funding:
 - Use of \$1.348 million in additional Federal Transit Administration Section 5337 State of Good Repair funds towards the Southern California Regional Rail Authority rehabilitation budget.

- Reprogram up to \$22.786 million of Federal Transit Administration Section 5307 Urbanized Area Formula Program funds from Preventive Maintenance to purchase 40-foot alternative fuel replacement buses in federal fiscal year 2016-17 to offset local transit funds.
 - Reprogram up to \$6.086 million in Federal Transit Administration Section 5307 Urbanized Area Formula Program funds from Preventive Maintenance to Capital Cost of Contracting in federal fiscal year 2016-17 to cover increases due to annual inflation built into the contract.
 - Reprogram up to \$0.960 million in Federal Transit Administration Section 5309 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users Earmark funds from video surveillance systems at Metrolink Stations to video surveillance systems upgrades at Santa Ana and Garden Grove bases.
- D. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, and execute or amend all necessary agreements to facilitate the above actions.

Background

The Orange County Transportation Authority (OCTA) programs federal, state, and local funds in order to deliver OCTA transit projects that are consistent with the Board of Directors (Board)-approved Capital Programming Policies. As project details are refined, costs may change and funding adjustments may be required. Programming and revenue changes are updated periodically to reflect latest cost information and are included in this report. The programming changes in this item are related to three funding sources. Backgrounds on the affected funding sources are provided below.

On December 4, 2015, President Obama signed the Fixing America's Surface Transportation (FAST) Act into law for the period of federal fiscal year (FFY) 2015-16 through FFY 2019-20. Under the FAST Act, the Federal Transit Administration (FTA) makes federal formula funds available and distribute to transit agencies. On September 12, 2016, the OCTA Board approved the FTA Sections 5307, 5310, 5337, and 5339 Program of Projects (POP) for FFY 2016-17 (2017 FTA POP).

The State Transit and Intercity Rail Capital Program (TIRCP) was created by SB 862 (Chapter 36, Statutes of 2014) to provide grants from the Greenhouse Gas Reduction Fund to support capital and operational investments that will modernize, improve, and integrate bus and rail transit. On August 16, 2016, the California State Transit Agency (CalSTA) awarded \$3 million to the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency, including for the Laguna Niguel to San Juan Capistrano passing siding project.

The Southern California Regional Rail Authority (SCRRA) is responsible for maintaining rail network assets in a state of good repair. For fiscal year (FY) 2016-17, SCCRA budgeted approximately \$103 million for rehabilitation, of which OCTA's contribution was \$6.442 million. On November 18, 2016, the SCRRA Board approved a budget amendment totaling \$49.203 million in additional funding to support various track and structure rehabilitation projects across the Metrolink system. OCTA's share of this change is \$1.348 million.

Discussion

Project Updates

Laguna Niguel to San Juan Capistrano Passing Siding Project

OCTA completed the 90 percent design for the Laguna Niguel to San Juan Capistrano Passing Siding Project. Based on the preliminary design, the project is currently funded with \$25.274 million in state and federal funds. The 90 percent design estimate indicates that the project will require an additional \$5.556 million. The cost increase is due to the optimization of control points, changes in retaining wall (type, height, and length), the replacement of Bridge 194.6, and updating the budget to meet OCTA standard support costs. The removal of Control Point Avery will optimize the dispatching of trains by reducing the number of control points that are in close proximity to the project area. In addition, the project will replace a railroad bridge over a culvert, which was not included in the previous estimate. Construction costs for track, signals, retaining wall, design, and construction management support costs were all underestimated in the preliminary design. The total estimated project cost at 90 percent design is now \$30.830 million. Further explanation of the cost change drivers are included in the Rail Programs and Facilities Engineering Quarterly Report that will be presented to the Transit Committee on January 12, 2017, and to the Board on January 23, 2017 in conjunction with this item.

In August 2016, LOSSAN applied for TIRCP funds and was awarded \$3 million. To secure the \$3 million in TIRCP funding awarded by CalSTA, staff is requesting the OCTA Board accept the grant award for use towards the Laguna Niguel to San Juan Capistrano Passing Siding Project. A Board resolution that would authorize OCTA to accept the TIRCP grant is provided as Attachment A.

In addition, staff is recommending the use of an additional \$2.556 million in Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for the increased costs realized during the design. The use of CMAQ funds for the project is consistent with the Board-approved Capital Programming Policies, which allows for the use of CMAQ funds for rail and bus transit capital projects. This will increase the total CMAQ contribution to the project from \$19.971 million to \$22.347 million. This use was not included in OCTA's FY 2016-17 Obligation Authority Plan, approved by the Board on August 8, 2016, but there were subsequent project closeouts that have resulted in CMAQ savings which are now available for this project.

The combination of the \$3 million in TIRCP and \$2.556 million in CMAQ will provide the funding needed to advance the project. Attachment B provides additional details on this project and all the projects included in this report.

FY 2016-17 SCRRA Rehabilitation

The SCRRA is requesting an additional \$1.348 million in FTA Section 5337 State of Good Repair funds to be used towards the FY 2016-17 SCRRA Rehabilitation Budget. The additional funds will be used towards the following projects:

- River Subdivision Track projects (\$0.837 million): Includes replacing the track leads into Los Angeles Union Station, and replacing railroad ties and turn outs along the Los Angeles River. The conditions of the tracks have continued to steadily degrade and will reach unsafe operating conditions within the next 18 months. The original adopted SCCRA budget did not include funding for the project. To avoid further degradation and unsafe conditions SCRRA is requesting additional funds to deliver this project.
- Los Angeles Union Station (LAUS) Canopies Project (\$0.511 million): Includes replacing deteriorated platform canopies in LAUS. The FY 2016-17 adopted budget included rehabilitation of two of the five platform canopy structures at LAUS. In the course of bid solicitation, SCRRA found that original estimates did not take into account railroad specific requirements, and that performing rehabilitation work on only two platforms would be far more expensive per platform than completing all five. SCRRA is requesting the additional funding to rehabilitate all platform

canopies at the same time to reduce the total cost of rehabilitating all the canopies in the future.

The additional \$1.348 million will increase OCTA's contributions to the Metrolink budget from \$6.442 million to \$7.790 million for FY 2016-17. These FTA funds come from funds already planned for future SCRRA rehabilitation.

2017 FTA POP Update

The Board approved the 2017 FTA POP and programmed FTA Section 5307 funds to Preventive Maintenance, Non-Fixed Route Paratransit Operations Assistance, Capital Cost of Contracting and Commuter Rail projects.

Staff recommends the Board approve reprogramming \$28.872 million in FTA Section 5307 funds from FFY 2016-17 from Preventive Maintenance to purchase 40-foot alternative fuel replacement buses in the amount of \$22.786 million in FFY 2016-17 and Capital Cost of Contracting in the amount of \$6.085 million in FFY 2016-17.

In previous FYs, OCTA used CMAQ funds to purchase alternative fuel replacement buses, and the FTA Section 5307 funds were programmed for Preventive Maintenance. However, an excess of funds were programmed for Preventive Maintenance over the current need, which allows the transfer of FTA Section 5307 funds in FFY 2016-17. The use of the FTA Section 5307 funds proposed for the alternative fuel replacement buses will offset local funds previously programmed to the project, making these local funds available for transit operations and allowing for a timely expenditure of the federal dollars. In addition, the higher proportion of new buses in the fleet reduces the need for Preventive Maintenance funds, while the Capital Cost of Contracting increases due to annual inflation built into the contract. These uses are consistent with OCTA's Capital Programming Policies.

Video Surveillance Systems (VSS) Upgrades at Santa Ana and Garden Grove Bases

The VSS at Metrolink stations is currently funded with FTA Section 5309 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users Earmark grants, matched with Commuter Rail Endowment funds. The FTA monitors grants closely to ensure that funds are expended in a timely manner and has agreed, in order to use the funds in the older grant expeditiously, that \$0.960 million in FTA Section 5309 funds matched with \$0.240 million in Proposition 1B Transit System Safety, Security and Disaster Response Account (TSSSDRA) funds can be reprogrammed to VSS upgrades at the Santa Ana and Garden Grove bases. This project is currently funded entirely with TSSSDRA funds and \$0.960 million of these TSSSDRA funds are replaced by the

FTA grant and will be reprogrammed in a separate Board item. In this item, staff is requesting Board approval for reprogramming the FTA Section 5309 funds.

FTA Section 5337 Funding for FFY 2014-15

The FTA Section 5337 funding approved for FFY 2014-15 included \$6.857 million for OCTA's share of the SCRRA Fare Collection System Upgrade Project. To allow the Ventura County Transportation Commission (VCTC) to exchange federal funds for local operating funds for VCTC's share of Metrolink service, OCTA entered into a Letter Agreement with VCTC that allowed VCTC to program \$6.857 million in VCTC's FTA Section 5337 apportionment for OCTA's share of the SCRRA Fare Collection System Upgrade Project. In exchange, OCTA will provide \$6.857 million in OCTA FTA Section 5337 apportionment to the Los Angeles County Metropolitan Transportation Authority (LA Metro). LA Metro will provide \$6.857 million in local funds to SCRRA for VCTC's share of Metrolink operations. This exchange of federal and local funds is revenue neutral to OCTA, and no funds are passed through OCTA. The exchange is also consistent with prior Board action allowing OCTA to loan and borrow apportionment, as necessary, to preserve funding for Orange County projects.

Project details and the proposed programming changes for the projects discussed above, and in the rest of this report, are included in Attachment B.

An updated Capital Funding Program reflecting the recommended changes is included as Attachment C.

Summary

OCTA is seeking Board approval to use and reprogram TIRCP, CMAQ, and FTA funds for transit projects. In addition, SCRRA is requesting additional OCTA contributions towards rehabilitation projects across the Metrolink rail network.

Attachments

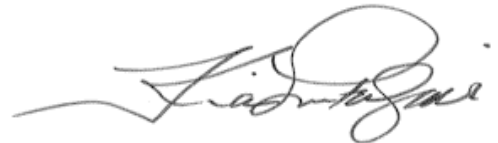
- A. Resolution No. 2017-001 of the Orange County Transportation Authority - 2016 Transit and Intercity Rail Capital Program Authorization for Laguna Niguel to San Juan Capistrano Passing Siding
- B. Transit Programming Updates Project Descriptions
- C. Capital Funding Program Report

Prepared by:



Louis Zhao
Section Manager, Transit and Local
Transportation Programming
(714) 560-5494

Approved by:



Kia Mortazavi
Executive Director, Planning
(714) 560-5741