



**December 13, 2017**

**To:** Finance and Administration Committee

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

**Subject:** Fiscal Year 2017-18 First Quarter Grant Reimbursement Status Report

### **Overview**

The Quarterly Grant Reimbursement Status Report summarizes grant activities for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the period of July through September 2017.

### **Recommendation**

Receive and file as an information item.

### **Discussion**

The Orange County Transportation Authority (OCTA) has secured grant funding from federal and state grant agencies to deliver programs, projects, and services to improve mobility in Orange County. The use of these funds is consistent with capital programming policies approved by the OCTA's Board of Directors (Board). The Quarterly Grant Reimbursement Status Report summarizes awarded/executed, current, and closed grant agreements.

Awarded/Executed Grant Agreements:

During the first quarter, OCTA awarded/executed four formula grants and one discretionary grant which are summarized below.

Fiscal Year (FY) 2012-13 – FY 2016-17 Section 5307 Flexible Funding Programs, Congestion Mitigation and Air Quality Program (CMAQ): Federal Transit Administration (FTA)

OCTA executed a grant agreement with the FTA to secure \$31.6 million in federal formula flex funds. These are CMAQ funds that are transferred from Federal Highway Administration (FHWA) to FTA for transit related grants. The total amount of the formula flex funds is a cumulative amount from multiple program years that range from FY 2012-13 to FY 2016-17. These funds will be used to

support construction costs for the Orange Parking Structure and Laguna Niguel-San Juan Capistrano Rail Passing Siding. In addition, funds will also support design work for the OC Streetcar.

FY 2012-13 and FY 2013-14 Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities: FTA and California Department of Transportation (Caltrans)

OCTA executed an agreement with Caltrans to secure \$0.6 million in federal competitive funds. These federal funds provide grant opportunities for local public agencies and non-profit organizations to help meet the special transportation needs of seniors and individuals with disabilities. As authorized by the OCTA Board, these funds will be used to develop and implement a Mobility Management Program that includes a Travel Training Program and Specialized Transportation Services Information and Referral Project. Toll credits will be used to meet the 20 percent local match and OCTA anticipates grant funds will cover program costs for 24 to 36 months.

FY 2015-16 Proposition 1B Transit System Safety, Security, & Disaster Response Account, California Transit Security Grant Program, California Transit Assistance Fund (CTSGP-CTAF): California Office of Emergency Services (Cal OES)

OCTA received approval from the Cal OES to secure \$3.5 million in CTSCP-CTAF grant funds to support eligible transit system safety, security, and disaster response projects. The projects include; Raymond Avenue Grade Separation, OCTA Transit Security & Operations Center, and video surveillance system upgrades at OCTA bases. The projects were selected based on several factors, including program eligibility, project readiness, overall funding need, and expenditure within the grant performance periods, which end on March 31, 2019.

FY 2016-17 Low Carbon Transit Operations Program (LCTOP): Caltrans

OCTA executed an agreement with Caltrans to secure \$1.7 million in LCTOP formula funds. As authorized by the Board, these funds will be utilized towards the purchase of 557 bicycle racks and a bus pass pilot program for Santa Ana College.

FY 2016-17 & FY 2017-18 Major Event Transportation Grant: Mobile Source Air Pollution Reduction Review Committee (MSRC)

OCTA secured \$0.5 million in grant funds awarded by the MSRC to support the direct operating costs of the Angels Express service for the FY 2016-17 and FY 2017-18 baseball seasons. OCTA will partner with the Angels Baseball and the Southern California Regional Rail Authority to provide express Metrolink rail

service to serve all weekday evening home games that start at 7:07 PM. The in-kind local match contribution will be provided in the form of OCTA staff time, marketing costs, fare and admission discounts, and farebox revenue as allowed by the grant program.

**Current Grant Agreements:**

OCTA's FTA formula grant agreements total 14, and FTA discretionary grant agreements total three. The total FTA formula and discretionary grant agreements amount to \$329.2 million. The total amount reimbursed through the first quarter under these grant agreements is \$270.2 million, leaving a balance of \$59 million (Attachment A).

The 14 FTA formula grant agreements have a total federal amount of \$311.3 million. A total of \$259.3 million has been reimbursed, leaving a balance of \$52 million. The balance of these 14 FTA formula grant agreements will primarily fund the OC Streetcar, Orange Parking Structure, fixed-route bus procurements, rideshare and vanpool programs, the Laguna Niguel/San Juan Capistrano passing siding project and rail rehabilitation projects.

The three FTA discretionary grant agreements have a total federal amount of \$17.9 million. A total of \$10.9 million has been reimbursed, leaving a balance of \$7 million. The balance of these three FTA discretionary grant agreements will primarily fund a new control point at 4<sup>th</sup> Street on the OCTA-owned railroad right-of-way (ROW), as well as slope stabilization improvements on the railroad ROW from the City of Laguna Niguel to the City of Lake Forest. The balance will also fund security camera surveillance systems for commuter rail stations located in the cities of Anaheim, Laguna Niguel/Mission Viejo, Orange, and Placentia.

OCTA also has 50 state and FHWA formula grant agreements (Attachment B) and ten state discretionary grant agreements (Attachment C).

The 50 state and FHWA formula grant agreements total \$388.7 million. The total amount reimbursed through the first quarter under these other grant agreements is \$266 million, leaving a balance of \$122.7 million.

The ten state discretionary grant agreements total \$4.7 million. A total of \$0.2 million of these discretionary grant agreements has been reimbursed, leaving a balance of \$4.5 million. These state discretionary grant agreements have a defined grant expiration date. Project expenses must be fully paid and reimbursed prior to the grant agreement expiration date. Staff anticipates each of the remaining balances to be fully reimbursed prior to the grant agreement expiration date.

Combined, the state and FHWA formula and discretionary grants total \$393.4 million. The total amount reimbursed across all these grant agreements equals \$266.2 million, leaving a remaining balance of \$127.2 million.

**Grant Agreements Pending Close-out:**

There are five grant agreements totaling \$93.6 million which are pending close-out in the first quarter of FY 2017-18. All invoices for these grant agreements have been submitted to the external funding agency for reimbursement and OCTA is pending final payment and/or approval of close-out documentation. OCTA Board approved reprogramming \$0.4 million of remaining funds from the Sand Canyon Grade Separation Project to the San Juan Creek Bridge Project on July 2017. These grant agreements are summarized in Attachment D.

**Closed Grant Agreements:**

There are five grant agreements totaling \$13.6 million that were closed out in the first quarter of FY 2017-18. OCTA's participating eligible costs related to the Proposition 1B State Local Partnership Program (SLPP) funded projects were lower than anticipated totaling \$2 million. Therefore, OCTA sought the maximum SLPP funds available and this 5-year funding program has reached its sunset. These grant agreements are summarized in Attachment E.

***Summary***

This report provides an update of the grant agreement funded activities for the first quarter of FY 2017-18, July through September 2017. Staff recommends this report be received and filed as an information item.

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***Attachments***

- A. First Quarter Grant Reimbursement Status Report, July through September 2017, Federal Transit Administration Formula and Discretionary Grant Agreements
- B. First Quarter Grant Reimbursement Status Report, July through September 2017, State and Federal Highway Administration Formula Grant Agreements
- C. First Quarter Grant Reimbursement Status Report, July through September 2017, State Discretionary Grant Agreements
- D. First Quarter Grant Reimbursement Status Report, July through September 2017, Grant Agreements Pending Close-out
- E. First Quarter Grant Reimbursement Status Report, July through September 2017, Closed Grant Agreements

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