




**April 2, 2018**

**To:** Regional Planning and Highways Committee  
**From:** Darrell E. Johnson, Chief Executive Officer   
**Subject:** 2018 State Transportation Improvement Program Update

### **Overview**

On March 21, 2018, the California Transportation Commission approved the final 2018 State Transportation Improvement Program, which includes several changes to the Orange County Transportation Authority's State Transportation Improvement Program submittal. An update on the changes is provided.

### **Recommendations**

- A. Authorize the use of up to \$7.372 million in Surface Transportation Block Grant funds for the Interstate 5 improvements from Interstate 405 to State Route 55.
- B. Authorize an exchange of Measure M2 funds between three segments of the Interstate 5 Improvement Project.
  - Decrease Measure M2 funds by \$11 million for the Interstate 5 improvements from Alicia Parkway to El Toro Road,
  - Increase Measure M2 funds by \$9.1 million for Interstate 5 improvements from State Route 73 to Oso Parkway, and
  - Add Measure M2 funds for \$1.9 million for the Interstate 5 improvements from State Route 73 to El Toro Road Landscaping.
- C. Direct staff to work with the California Transportation Commission to deliver projects based on the existing project schedules.
- 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 State Transportation Improvement Program (STIP) is a major source of funding for transportation improvements throughout the State of California. Every two years, state transportation revenues are forecasted and programmed for the subsequent five-year period.

The Orange County Transportation Authority (OCTA) is responsible for the development and programming of the five-year STIP, which is submitted to the California Transportation Commission (CTC) for approval and adoption. The CTC provided OCTA with an initial target of \$236.707 million for programming between fiscal years (FY) 2018-19 and FY 2023-24. Based on Board of Directors (Board) action from September 11, 2017, OCTA submitted a request for \$267.873 million in STIP funding to support seven Measure M2 (M2) projects and OCTA planning activities. This request was approximately \$31.166 million over Orange County's STIP share target and included a request to advance funding from future STIP cycles to fulfil OCTA early project delivery goals.

### ***Discussion***

The CTC approved the 2018 STIP on March 21, 2018, which decreased OCTA's STIP request from \$267.873 million to \$260.501 million. However, CTC's recommendation exceeded the Orange County programming target of \$236.707 million by \$23.794 million.

<b>Project</b>	<b>2018 STIP (\$ millions)</b>	<b>STIP Year</b>
I-5 Improvements from SR-73 to Oso Parkway (Segment 1)	\$73.735	2018-19
I-5 Improvements from Alicia Parkway to El Toro Road (Segment 3)	\$69.911	2022-23
I-5 Improvements from SR-73 to El Toro Road Landscaping	\$6.000	2022-23
I-5 Improvements from I-405 to SR-55	\$12.628	2022-23
SR-55 OC Central Corridor Improvements from I-405 to I-5	\$80.000	2021-22
SR-57 Truck Climbing Lane Phase 1 – Lambert Road Interchange Improvements	\$9.000	2018-19
SR-57 Truck Climbing Lane Phase 2 – Lambert Road to the Los Angeles County Line	\$4.000	2020-21
Planning, Programming, and Monitoring Activities	\$5.177	Varies
<b>Total:</b>	<b>\$260.501</b>	

I-5 – Interstate 5

SR-73 – State Route 73

I-405 – Interstate 405

SR-55 – State Route 55

SR-57 – State Route 57

This is the first STIP cycle in more than ten years which allowed advancement of future STIP cycle funds to be used for preconstruction activities, enabled due to passage of SB 1 (Chapter 5, Statutes of 2017).

OCTA's request for STIP funding was based on project delivery time lines that exceeded CTC funding targets derived from funding availability. With respect to the I-5 Widening Project between SR-73 and El Toro Road, OCTA was successful in receiving most of the funding requested for the earliest project phase, the I-5 Improvement Project from SR-73 to Oso Parkway (Segment 1), but had to reduce STIP funding by \$11 million to stay within the CTC funding limits in the early years. This adjustment requires a transfer of local funds from Alicia Parkway to El Toro Road (Segment 3) to Segment 1 and programming a portion of the STIP funds for the future landscaping project which occurs later.

STIP funding for the I-5 Improvement Project from Alicia Parkway to El Toro Road (Segment 3), and the SR-55 Orange County Central Corridor improvements from I-405 to I-5, is being provided in the last two years of the STIP, which is later than requested. Staff will work with CTC to find methods to keep these projects on schedule, including use of a statutory process where OCTA implements the project with local funds and is reimbursed by the state.

As part of the 2018 STIP process, OCTA pursued funding for the design phase of the I-5 Project from I-405 to SR-55. This is an M2 project that to date has been funded through the environmental phase as part of the Next 10 Plan. However, given congestion considerations and project readiness status, staff nominated this project to receive design funding since it aligned with STIP funding availability windows and positioned OCTA to avoid future cost escalation exposures. This project is nearing final approval, with final environmental clearance expected in November 2018. OCTA requested \$20 million for the design phase work and received \$12.628 million. Staff is recommending the use of \$7.372 million in federal Surface Transportation Block Grant Program funds. This is consistent with the Board-adopted Capital Programming Policies which directs these funds to support Next 10 projects.

Lastly, OCTA was also successful in advancing the funding schedule for the SR-57 Truck Climbing Lane Phase 1 – Lambert Road Interchange Project. This advancement was critical to better position this project for consideration of SB 1, Trade Corridor Enhancement Program funds.

Funding and programming adjustments, along with other minor adjustments, are detailed in Attachment A. The CTC project listing, including total funding by project, is listed in Attachment B, and the initial OCTA STIP submittal is provided in Attachment C. Project descriptions are provided in Attachment D.

A Capital Funding Program detailing the changes to projects is provided as Attachment E.


***Summary***

The CTC approved changes to OCTA's 2018 STIP, which results in the need for additional funding for the I-5 improvements from I-405 to SR-55, and the exchange of M2 funds between project segments for the I-5 Widening Project, between SR-73 and El Toro Road.

***Attachments***

- A. Individual Changes to Projects Submitted for the 2018 STIP
- B. 2018 STIP CTC Approved Projects
- C. 2018 STIP OCTA Submitted Projects
- D. 2018 State Transportation Improvement Program, Project Descriptions
- E. Capital Funding Program Report

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