



**January 11, 2017**

**To:** Finance and Administration Committee

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

**Subject:** Fiscal Year 2016-17 First Quarter Grant Reimbursement Status Report

**Overview**

The Quarterly Grant Reimbursement Status Report summarizes grant activities for information purposes for the Orange County Transportation Authority Board of Directors. This report focuses on activity for the period of July through September 2016.

**Recommendation**

Receive and file as an information item.

**Discussion**

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

**Awarded/Executed Grant Agreements:**

During the first quarter, OCTA was awarded and executed 11 new formula and discretionary grants which are summarized below.

Federal Fiscal Year (FFY) 2015 Federal Transit Administration (FTA)  
Section 5307 Formula Grant Program:

- OCTA executed a grant agreement with FTA to secure the OCTA's FTA Section 5307 formula fund allocations for FFY 2015. The grant agreement secures \$55.4 million in federal capital and operating assistance to support

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preventative maintenance, capital cost of contracting, paratransit operating assistance, bus stop signage, and Positive Train Control.

**FFY 2016 FTA Section 5307 Formula Grant Program:**

- OCTA executed a grant agreement with FTA to secure the OCTA's FTA Section 5307 formula fund allocations for FFY 2016. The grant agreement secures \$56.3 million in federal capital and operating assistance to support preventative maintenance, capital cost of contracting, and paratransit operating assistance.

**FFY 2015 and 2016 FTA Section 5310 Enhanced Mobility for Seniors and Disabled:**

- OCTA executed an FTA grant agreement to secure \$4 million in FTA Section 5310 funds allocated to OCTA for FFY 2015 and 2016. The funds will be used to support the capital costs of contracting for ACCESS services.

**FFY 2015 and 2016 FTA Section 5337 State of Good Repair:**

- OCTA executed an FTA grant agreement to secure \$5.3 million in FTA Section 5337 funds allocated to OCTA for FFY 2015 and 2016. The funds will be used to cover preventative maintenance expenses.

**FFY 2015 and 2016 FTA Section 5339 Bus and Bus Facilities Grant Program:**

- OCTA executed a grant agreement with FTA to secure \$10.6 million in FTA Section 5339 funds. The funds will be used to support midlife overhauls and engine replacements for approximately 147 40-foot compressed natural gas (CNG) fixed-route buses serving in the OCTA fleet. The buses will be repowered with new CNG engines that are nine times cleaner than the engines they replace and will extend the useful life of OCTA buses, while increasing their mileage between potential breakdowns.

**FY 2016 Major Event Transportation Grant: Mobile Source Air Pollution Reduction Review Committee (MSRC):**

- OCTA secured \$0.7 million in grant funds awarded by the MSRC to support the operating costs of the Orange County Fair Express for the 2016 season. The express service will again serve one of the most popular fairs in the nation,

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attracting well over 1.3 million visitors, and made available for boarding at nine transit facilities throughout Orange County.

- OCTA executed a grant agreement with the MSRC to secure \$0.1 million awarded to support the direct operating cost of piloting the Angels Express Bus Service, Route 656, for the 2016 baseball season. The proposed special bus service supplemented the Angels Express rail service, and offered a convenient and attractive alternative to automobile travel to and from Angel home games for communities that do not have access to rail.

**FY 2015 Transportation Control Measure Partnership Program: MSRC**

- OCTA executed a grant agreement with the MSRC to secure \$1.6 million to purchase 463 of the 610 mobile ticketing readers for installation on OCTA fixed-route bus fleet. As directed by the OCTA Board on September 26, 2016, the grant agreement will be amended so the MSRC funds can also support other elements of the project, including the installation of the routers and software development. The amendment will provide staff with the flexibility needed to accommodate cap-and-trade funds recently awarded to the mobile ticketing project by the California State Transportation Agency through the 2016 Transit and Intercity Rail Capital Program.

**Current Grant Agreements:**

OCTA's FTA formula grant agreements total 20, and FTA discretionary grant agreements total four. The total FTA formula and discretionary grant agreements amount to \$470.4 million. The total amount reimbursed through the first quarter under these grant agreements is \$291.6 million, leaving a balance of \$178.8 million (Attachment A).

The balance (\$170.7 million) of the 20 FTA formula grant agreements will primarily fund fixed-route bus procurements, engine repowers, rideshare and vanpool programs, design and engineering for the Laguna Niguel/San Juan Capistrano passing siding project, preliminary engineering for the OC Streetcar Project, and rail rehabilitation projects.

The balance (\$8.1 million) of the four 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 a combined 42 other formula grant agreements (Attachment B) and ten other discretionary grant agreements (Attachment C).

The 42 other formula grant agreements total \$424.1 million. The total amount reimbursed through the first quarter under these other grant agreements is \$259.3 million, leaving a balance of \$164.8 million.

The ten other discretionary grant agreements total \$10 million. A total of \$0.5 million of these discretionary grant agreements has been reimbursed, leaving a balance of \$9.5 million. These other 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 formula and discretionary grants total \$904.5 million. The total amount reimbursed across all these grant agreements equals \$551.4 million, leaving a remaining balance of \$353.1 million.

**Closed Grant Agreements:**

There were two grant agreements totaling \$45.4 million that were closed out in the first quarter of fiscal year 2016-17. The remaining balance of \$1.8 million on FTA Grant CA-95-X262 has been de-obligated per FTA instruction and will be re-programmed in the FFY 2017 FTA grant for the Orange Parking Structure project. These grant agreements are summarized in Attachment D.

***Summary***

This report provides an update of the grant agreement funded activities for the first quarter of FY 2016-17, July through September 2016. 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 2016, Federal Transit Administration Formula and Discretionary Grant Agreements
- B. First Quarter Grant Reimbursement Status Report, July through September 2016, Other Formula Grant Agreements
- C. First Quarter Grant Reimbursement Status Report, July through September 2016, Other Discretionary Grant Agreements
- D. First Quarter Grant Reimbursement Status Report, July through September 2016, Closed Grant Agreements

**Prepared by:**



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