



June 4, 2018

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Comprehensive Transportation Funding Programs – 2018 Project O and Project P – Call for Projects Programming Recommendations

Overview

The Orange County Transportation Authority issued the 2018 annual Measure M2 Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects in August 2017. This call for projects made available approximately \$40 million in Measure M2 competitive grant funding for streets and roads projects countywide. A list of projects recommended for funding is presented for review and approval.

Recommendations

- A. Approve the award of \$32 million in 2018 Regional Capacity Program funds to 11 local agency projects.
- B. Approve the award of \$8.9 million in 2018 Regional Traffic Signal Synchronization Program funds to six projects.
- C. Authorize the Chief Executive Officer, or designee, to accept \$6.85 million in Local Partnership Program competitive grant funds and execute any required agreements or amendments with the State of California, the California Transportation Commission, and the California Department of Transportation to facilitate the recommendations above.
- D. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program to facilitate the recommendations above.

Background

The Regional Capacity Program (RCP), Project O, is the Measure M2 (M2) competitive funding program through which the Orange County Transportation Authority (OCTA) supports streets and roads capital projects. The Regional Traffic Signal Synchronization Program (RTSSP), Project P, is the M2 competitive program which provides funding for signal synchronization projects. Both programs are included in the Comprehensive Transportation Funding Programs (CTFP). The CTFP allocates funds through a competitive call for projects (call) based on a common set of guidelines and scoring criteria that are developed in collaboration with the Technical Advisory Committee (TAC), which includes representatives from all 35 local jurisdictions, and is approved by the OCTA Board of Directors (Board). The CTFP may include state and federal sources as well, and in this case it includes recently approved SB 1 (Chapter 5, Statutes of 2017) Local Partnership Program (LPP) funds to support RTSSP projects.

On August 14, 2017, the Board authorized staff to issue the current call making available \$40 million, with \$32 million identified for RCP projects and \$8 million identified for RTSSP projects.

Discussion

RCP

The CTFP allocates funds through a competitive process using a common set of guidelines and scoring criteria. The guidelines for the 2018 call were approved by the Board on August 14, 2017. The guidelines establish a two-tiered funding approach to prioritize high scoring RCP projects, with funding availability for both small (less than \$5 million) and large (greater than \$5 million) projects. The first tier is for projects scoring 50 points or higher, and the second tier is for projects scoring below 50 points. Within Tier 1, two categories were established as shown below:

Total Funds Available	Tier 1 Category 1 <i>Projects requesting</i> <\$5 million (60%)	Tier 1 Category 2 <i>Projects requesting</i> >\$5 million (40%)
\$32 million	\$19.2 million	\$12.8 million

If all Project O funds are not allocated in Tier 1, remaining funding consideration is given to projects in Tier 2 (i.e., projects scoring less than 50 points). This consideration occurs during each call process and is done on a case-by-case basis. It should also be noted that there is no approved funding split between small and large projects in Tier 2.

On October 20, 2017, OCTA received 12 applications requesting a total of \$39.4 million in RCP funding. All applications were reviewed for eligibility, consistency, and adherence to the guidelines and overall program objectives. The applications were evaluated and ranked as per the scoring criteria identified in the guidelines. During the review process, staff worked with local agencies to address technical issues such as project scopes, excess right-of-way, and project costs.

Based upon the evaluation of the applications, staff prepared final RCP funding recommendations per the tiered funding approach outlined in the CTFP Guidelines. The recommendations were presented to the TAC on April 25, 2018, and were approved as presented. Therefore, staff's recommendation is to program the entire \$32 million allocated by the Board in order to fund the 11 RCP projects identified in Attachment A.

RTSSP

The RTSSP is a significant competitive funding source for corridor-based signal synchronization along Orange County arterials. Funding is typically provided for a three-year period that includes implementation and two years of funding for ongoing maintenance and monitoring in order to keep investments in optimal condition.

On October 20, 2017, OCTA received seven applications requesting a total of \$16.5 million in RTSSP funding. Applicants were encouraged to act as lead agencies for proposed projects. However, applicants can also request that OCTA act as lead agency. The latter approach is considered where corridors are complex, have multiple jurisdictions, and where regional agency assistance adds value to the project. During this funding cycle, OCTA was asked to lead five projects. One project was referred back to the applicant as a city-led project given the project scale. All applications were reviewed for eligibility, consistency, and adherence to the guidelines and program objectives. The applications were then evaluated and ranked per the scoring criteria identified in the guidelines.

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During the application review process, staff worked with local agencies to address technical issues such as project corridor limits, eligible equipment/upgrades, and unit cost items.

During this call, the state also released an SB 1 LPP call. In order to fully maximize and leverage resources for Orange County, OCTA submitted an SB 1 LPP grant application, which included all OCTA-led signal synchronization projects that were identified during the call. These projects included the following corridors:

- Katella Avenue/Villa Park Road/Santiago Canyon Road;
- Main Street;
- Los Alisos Boulevard; and
- Garden Grove Boulevard.

On May 16, 2018, the California Transportation Commission awarded OCTA \$6.85 million in SB 1 LPP grant funds for the projects identified above. Based upon this award, staff has prepared final funding recommendations, which are identified in Attachment B per the funding approach outlined in the CTFP Guidelines. Although the Board only authorized \$8 million for the 2018 RTSSP call, staff's recommendation is to program \$8.9 million. By programming an additional \$900,699 (primarily from past project savings) in M2 RTSSP funds, OCTA is able to secure an additional \$6.85 million in SB 1 LPP funds for additional projects. Therefore, the final funding provided will be \$15.7 million in M2 Project P (RTSSP) and SB 1 funds combined.

Project O and Project P Recommendations Summary

The table below provides an overall summary of staff's funding recommendations. These programming recommendations were reviewed and approved by the Technical Steering Committee at their meeting on March 14, 2018, and the TAC on April 25, 2018.

2018 CTFP Call for Projects RCP Summary

	RCP	RTSSP	Total
Number of Applications Recommended for Approval	11	6	17
Amount Recommended for Approval (escalated)	\$32,000,000	\$8,900,699	\$40,900,699

Note: SB1 LPP funding for RTSSP Projects is \$6.85 million not shown in table.

Further, the recommendations presented in this staff report are consistent with the 2018 guidelines approved by the Board. Therefore, staff recommends programming \$40.90 million for 17 projects under the M2 RCP and RTSSP programs.

If approved by the Board, these new projects will be incorporated into master funding agreements between OCTA and appropriate local agencies. Staff will then monitor project status, implementation, and delivery through the semi-annual review process. Also, in order to access SB 1 LPP grant funds, the OCTA Board must accept the grant and execute a program supplement agreement with the California Department of Transportation.

Summary

Proposed programming recommendations for projects in the RCP and RTSSP have been developed by staff. Funding for 17 projects totaling \$40,900,699 in M2 funds (including OCTA-led RTSSP projects) is accounted for in the fiscal year 2018-19 budget. Staff is seeking Board approval of the programming recommendations presented.

Attachments

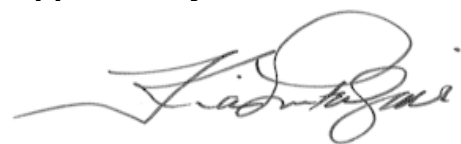
- A. 2018 M2 RCP Call for Projects, Programming Recommendations
- B. 2018 M2 RTSSP Call for Projects, Programming Recommendations

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