



**June 14, 2018**

**To:** Transit Committee

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

**Subject:** 2018 Measure M2 Community-Based Transit Circulators  
(Project V) Call for Projects Programming Recommendations

### **Overview**

The Orange County Transportation Authority issued the 2018 Measure M2 Project V call for projects for community-based transit circulators on February 12, 2018. Applications have been received and scored consistent with the Board of Director's approved Comprehensive Transportation Fund Programs Project V Guidelines. Projects recommended for funding are presented for review and approval.

### **Recommendations**

- A. Approve programming recommendations for Project V funding, in an amount not to exceed \$5,153,664, plus inflationary adjustments, for five local agency projects submitted under capital and operating reserve categories.
- B. Approve programming recommendations for Project V funding, in an amount not to exceed \$1,649,700, plus inflationary adjustments, for the City of San Clemente's Rideshare Beta Test Expansion Program, contingent upon receipt of ridership and usage documentation. If this documentation is not provided by August 2018, and it is not consistent with the Orange County Transportation Authority's minimum performance requirements, direct staff to return with an update and revised programming recommendation.
- C. Direct staff to work with the City of Laguna Niguel on route and operational refinements and return at a later date with a final recommendation on the City of Laguna Niguel's proposed Project V service, if appropriate.
- D. Authorize staff to execute cooperative funding agreements with appropriate local agencies.

### ***Background***

The Community-Based Transit/Circulator Program (Project V) under Measure M provides funding to jurisdictions seeking to implement local transit services (i.e., community-based circulators, shuttles, bus trolleys, and demand-responsive services) that complement regional bus and rail service while also meeting local needs in areas not adequately served by regional transit. Project V provides funding opportunities for bus and vehicle leases/purchases, associated bus stop improvements, maintenance facilities for new service, seasonal/special event and demand responsive transit services, as well as parking leases for seasonal and special event services.

In early 2018, staff requested letters of interest from local agencies to determine if there was sufficient interest to support a 2018 call for projects (call). Based upon these efforts, it was apparent that there was strong support for a 2018 call. Therefore, on February 12, 2018, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved revised Comprehensive Transportation Funding Programs (CTFP) Project V Guidelines (Guidelines) and directed staff to issue a 2018 call. The call opened on February 12, 2018 (for an amount not to exceed \$12 million), and closed on March 23, 2018.

### ***Discussion***

On March 23, 2018, six local agencies submitted seven Project V applications, requesting total funding of approximately \$9.3 million. Project applications consisted of requests for capital and operating reserve funding to support special events, weekend, seasonal, and year-round/on-demand services. Applications were reviewed for eligibility, consistency, adherence to the Guidelines, and overall program objectives.

All project submittals met the intent of Project V and also committed to at least ten percent local match rates. However, two applications presented unique consideration factors, which are discussed below.

#### **City of San Clemente's (San Clemente) Rideshare Beta Test Program**

San Clemente requested to expand its current Rideshare Beta Test Program for an additional three years. However, both San Clemente and OCTA have had great difficulty in securing performance data from the third-party vendor providing the current service. Therefore, staff's recommendation is to approve San Clemente's programming request of \$1,649,700, for a three-year extension

of the program, contingent upon receipt of ridership and usage documentation. This data will need to be provided to OCTA prior to August 2018. If the data is not provided or is not in compliance with OCTA's minimum performance requirements, staff will return with a revised programming recommendation for this allocation, which could focus upon modifying the program to integrate it with the OC Flex Program.

#### **The Laguna Niguel Trolley**

The City of Laguna Niguel (Laguna Niguel) applied to initiate trolley service to several key destinations within Laguna Niguel. However, given that Laguna Niguel's application required additional technical refinements (which were unable to be completed within the timeframe of the call), the infrequent call cycle of Project V, and the fact that OCTA will be initiating its upcoming OC Flex service within Laguna Niguel, staff is requesting Board direction to continue working with Laguna Niguel to develop appropriate route and operational refinements. Staff will return to the Board at a later date with specific recommendations for Laguna Niguel's proposed project, if appropriate.

The remaining five applications are being recommended for programming without restriction. In total, \$5,153,664, plus inflationary adjustments, is requested to be made available to support the programming recommendations. If the Board approves Recommendation B, and San Clemente is able to provide requested performance data prior to August 2018, total programming recommendations would increase to \$6,803,364 (Attachment A). Attachment B provides more details on proposed services and their descriptions.

It should be noted that funds awarded under the operations and maintenance reserve category are subject to minimum performance requirements identified in the CTFP Guidelines, including quarterly reporting of ridership performance and productivity. In addition, operating reserves are also limited to three to five years for this call.

#### **Next Steps**

If the programming recommendations identified in Attachment A are approved by the Board, staff will develop cooperative agreements between OCTA and appropriate local agencies, which would allow OCTA to reimburse appropriate local agencies for program costs, per the Board-approved CTFP Guidelines. Staff will also continue to monitor project status and project delivery through the semi-annual review process and quarterly ridership updates, and keep the

Board apprised of program performance. The next quarterly report that will be provided on Project V programs is scheduled to be presented to the Board in summer 2018.

***Summary***

Proposed programming recommendations for the 2018 Project V call have been developed by staff. Funding for up to six projects, at up to \$6,803,364 (plus inflationary adjustments), for capital grants in Project V funds is being recommended for Board approval, subject to a contingency for San Clemente's Beta Rideshare Test Program Expansion. Staff is also seeking direction to continue working with Laguna Niguel in order to further refine their proposed operations plan and to potentially return with a recommendation at a later date. Authorization is also requested to execute cooperative agreements with appropriate local agencies to support proposed programming recommendations, if approved by the Board.

***Attachments***


- A. 2018 Measure M2 Community Based Transit Circulators (Project V) Call for Projects, Programming Recommendations
- B. 2018 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects, Proposed Service Descriptions

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