



March 14, 2019

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Low Carbon Transit Operations Program Recommendations for Fiscal Year 2018-19 Funds

Overview

Funding recommendations are presented for the Low Carbon Transit Operations Program for fiscal year 2018-19 funds that will promote transit ridership growth and reduce greenhouse gas emissions. This program is part of the state Cap-and-Trade Program.

Recommendations

- A. Approve the use of \$7,110,976 in fiscal year 2018-19 Low Carbon Transit Operations Program funding for college fare programs and travel training for Fullerton, Golden West, and Santa Ana colleges, and the purchase of zero emission buses, plus related infrastructure, and operating costs for Bravo! Main Street Rapid Bus Service.
- B. Approve Resolution 2019-018, consistent with the Low Carbon Transit Operations Program Guidelines.
- C. Authorize the Chief Executive Officer or his designee to make all necessary amendments to the Federal Transportation Improvement Program, as well as execute any necessary agreements to facilitate the above recommendations.

Background

The Low Carbon Transit Operations Program (LCTOP) provides funds to transit agencies on a formula basis to support transit operations or capital projects that reduce greenhouse gas (GHG) emissions and improve mobility, with a priority to provide benefit to disadvantaged communities.

Projects may include new or expanded bus or rail services, expanded intermodal transit facilities, equipment acquisition, including upgrade of transit vehicles to support active transportation and encourage ridership (e.g., bicycle racks on buses), fueling, maintenance, and other costs to operate new or expanded transit services or facilities, including fare discount and promotion programs. Fifty percent of the funds must benefit disadvantaged communities, as defined by the state.

For fiscal year (FY) 2018-19, the LCTOP Formula Program will provide \$147 million statewide and will continuously appropriate five percent of the annual auction proceeds in the GHG reduction fund for LCTOP. Based on the January 31, 2019 distribution letter from the State Controller's Office, the Orange County Transportation Authority's (OCTA) share is \$7,110,976.

The California Department of Transportation (Caltrans) issued updated guidelines for the 2018-19 LCTOP in January 2019 and is requesting transit agencies submit projects for Caltrans' confirmation of eligibility by March 29, 2019. Based on the Capital Programming Policies, approved by the OCTA Board of Directors (Board) on February 11, 2019, the funds are to be used for transit operations or capital for expansion of bus transit service, fare reduction programs, and other bus and commuter rail transit efforts that increase ridership and reduce GHG emissions, where 50 percent of the funds provide benefit for passengers in disadvantaged communities.

The 2017-18 LCTOP funds (\$4,787,534) were programmed towards the start-up and operating subsidy of Bravo! 529, which started service in February 2019. Prior use of LCTOP funds is provided in Attachment A.

Discussion

For FY 2018-19, staff is proposing that LCTOP funds be used for continuation and expansion of college fare programs (Fullerton, Golden West, and Santa Ana colleges), related travel training for college students, seniors, and the disabled community, and capital and operating support for the Bravo! Main Street Rapid Bus Service. The program elements are further discussed below.

Beginning in fall 2017, OCTA used LCTOP funds to provide Santa Ana College students enrolled full-time and part-time with a one-year free pass as an incentive to the students to approve a per-semester student transportation fee. The incentive was successful as the students voted to establish the per-semester student fee at \$6.75 for each full-time student and \$5.75 for each part-time student. As a result of this program, OCTA has seen significant ridership increases over the estimated ridership for this cohort before the incentive project.

Based on this success, LCTOP funds are recommended to replicate this model at other colleges including Fullerton College and Golden West College. Also, OCTA can use LCTOP to help pay the fares for the additional increased riders to keep the student contribution affordable. This effort will be combined with travel training to assist the senior and disabled community with using the fixed-route bus system. LCTOP funding for the college pass program and travel training is \$1,685,000.

OCTA recently was awarded a SB 1 (Chapter 5, Statutes of 2017) Solutions for Congested Corridors grant of \$4,330,400 towards the purchase of five zero-emission buses for Bravo! Main Street Rapid Bus Service. Staff is proposing to use an additional \$5,425,976 in LCTOP funds for the required match for the bus purchase (\$1,083,000), related bus depot upgrades and charging infrastructure installation to support battery electric buses (\$1,440,000), and operations (\$2,902,976). This will give OCTA the opportunity to test new battery electric bus technology in revenue service. Contingent on the delivery of vehicles, the service is anticipated to start in FY 2022-23. The proposed LCTOP projects are further described in Attachment B.

This recommendation is consistent with Caltrans' LCTOP Guidelines. Caltrans has requested that the Board approve submittal of the projects and execution of the certifications and assurance, and authorized agent forms through a resolution (Attachment C). The authorized agent form authorizes the Chief Executive Officer, or his designee, to sign documents on behalf of OCTA.

The revised Capital Program Funding Report is pending Board approval and is provided in Attachment D.

Next Steps

With Board approval, staff will submit a request for \$7,110,976 in FY 2018-19 LCTOP funds to Caltrans by March 28, 2019. Caltrans will finalize and submit the statewide list of FY 2018-19 projects to the State Controller's Office (SCO) in June 2019. Caltrans expects the SCO to begin releasing FY 2018-2019 funds to transit agencies for identified projects by June 30, 2019.

Summary

The Board is requested to approve the use FY 2018-19 LCTOP funds for college fare programs and travel training for Fullerton, Goldenwest, and Santa Ana colleges, and capital and operating costs associated with Bravo! Main Street Rapid Bus Service. The Board is further requested to approve a resolution authorizing submittal of the project and execution of the certifications and assurance, and authorized agent forms.

Attachments

- A. Prior Use of Low Carbon Transit Operations Program (LCTOP) Funds, Orange County Transportation Authority
- B. Orange County Transportation Authority, Low Carbon Transit Operations Program, Program of Projects Description
- C. Resolution 2019-018, Authorization for the Execution of the Certifications and Assurances, and Authorized Agent Forms for the Low Carbon Transit Operations Program and for the Execution of the Low Carbon Transit Operations Program Project:, College Fare Program and Travel Training at Fullerton, Santa Ana, and Golden West Colleges, Battery Electric Buses, Bus Depot Upgrades, and Charging Infrastructure, \$7,110,976
- D. Capital Funding Program Report

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