



**December 2, 2019**

**To:** Regional Planning and Highways Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** Comprehensive Transportation Funding Programs Semi-Annual Review – September 2019

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is placed over the "From:" line of the memo.

### **Overview**

The Orange County Transportation Authority has completed the September 2019 semi-annual review of projects funded through the Comprehensive Transportation Funding Programs. This process regularly reviews the status of Measure M2 grant-funded projects and provides an opportunity for local agencies to update project information and request project modifications, as well as a mechanism for the Orange County Transportation Authority to ensure timely progress on grant-funded projects. Recommended project adjustments are presented for review and approval.

### **Recommendation**

Approve the requested adjustments to Comprehensive Transportation Funding Programs projects and Local Fair Share Program funds.

### **Background**

The Comprehensive Transportation Funding Programs (CTFP) is the mechanism which the Orange County Transportation Authority (OCTA) uses to administer funding for street, road, signal, transit, and water quality projects. The CTFP contains a variety of funding programs and sources, including Measure M2 (M2) revenues, State-Local Partnership Program funds, and Local Partnership Program funds. The CTFP provides local agencies with a comprehensive set of guidelines for administration and delivery of various transportation funding grants.

Since the inception of M2, OCTA has made \$501 million (including approximately \$38 million in state and federal funds) competitively available to support 668 project phases. Previous changes to this original allocation amount reflect an estimated reduction in programming of approximately \$4.5 million, resulting in a total revised allocation of approximately \$497 million.

As of the publishing of this report, 341 project phases have been completed (including four phases during this semi-annual review period), 211 project phases are considered currently active, including approximately 86 project phases which are pending (meaning that work is completed, and final submittals are pending and/or need to be finalized), and 66 are planned, which means the local agency has not awarded a contract or started work. For reference, the table below provides a snapshot summary of the current status of all 668 project phases, including cancelled phases.

M2 CTFP Summary Table				
Project Status	March 2019 Semi-Annual Review		September 2019 Semi-Annual Review	
	Project Phases	Allocation (after adjustments)	Project Phases	Allocations (after adjustments) <sup>1</sup>
Planned <sup>2</sup>	69	\$ 64.2	66	\$ 33.7
Started <sup>3</sup>	128	\$183.4	125	\$204.2
Pending <sup>4</sup>	73	\$ 60.4	86	\$ 54.1
Completed <sup>5</sup>	337	\$154.8	341	\$166.9
Cancelled <sup>6</sup>	39	\$ 22.7	50	\$ 37.9
Total	646	\$485.5	668	\$496.8

1. Subject to change pending final reconciliation.

2. Planned - indicates that funds have not been obligated and/or are pending contract award.

3. Started - indicates that the phase is underway, and funds are obligated.

4. Pending - indicates that phase work is completed, and final report submittal/approval is pending.

5. Completed - indicates that phase work is complete, final report is approved, and final payment has been made.

6. Cancelled - indicates that the phase work will not be completed, and project savings will be returned to the program

\* Note: the project phase and allocations listed above are subject to frequent and regular changes due primarily to project status updates, final reconciliations, and project closeout processes.

Twice annually, OCTA meets with representatives from local agencies, as needed, to review the status of all active and pending project phases to review any local agency proposed changes. This process is known as the M2 semi-annual review process. Its goals are to review project status, determine the continued viability of projects, address local agency concerns, confirm availability of local match funds, and ensure timely closeout of all projects funded through the CTFP.

### **Discussion**

As part of the semi-annual review process, local agencies can request any of the following five types of project adjustments:

- Delays – local agencies can request a one-time delay of up to 24 months to obligate funds,
- Timely use of funds extensions – once obligated, funds expire 36 months from the contract award date. Local agencies can request a one-time extension of up to 24 months,

- Scope changes – local agencies may request minor scope changes to projects if they can assure OCTA that the project benefits as committed to in the initial application can still be delivered,
- Transfers – local agencies may request to transfer up to 100 percent of project savings to subsequent project phases within a project as long as the subsequent phase has been awarded M2 competitive funds,
- Cancellation – local agencies may request to cancel projects for any reason. Cancelled projects are eligible to reapply for M2 funds upon resolution of the issues that led to the original project cancellation.

During the September 2019 semi-annual review, proposed adjustments included two timely-use of funds extensions for CTFP projects, nine timely-use of funds extensions for the Local Fair Share Program, four scope changes, and one project transfer. Adjustments are itemized in Attachment A and are described further in Attachment B.

Local agencies identified several reasons for this semi-annual review cycle's requested project adjustments, which included the following:

- Extensions (delays in obtaining permits/project complexities and contract phasing coordination),
- Scope changes (enhanced project benefits, equipment changes to better facilitate project delivery, inability to secure timely approvals/permits, and route modifications to enhance efficiency and ridership), and
- Transfers (project savings from an earlier project phase).

Based upon staff review of the September 2019 semi-annual review proposed project adjustments, the proposed changes are consistent with prior semi-annual review requests and are also appropriate from a CTFP administration perspective. These changes have also been reviewed and approved by the OCTA Technical Advisory Committee. As such, Board of Directors (Board) approval of these proposed adjustments is recommended. Upon Board approval, staff will monitor the implementation of these proposed changes through both its normal project administration and future semi-annual reviews, which are conducted and reported to the Board biannually.

### ***Summary***

During the September 2019 semi-annual review process, OCTA reviewed the status of all active project phases funded through the M2 CTFP, and staff is recommending approval of all project adjustments requested by local agencies for this semi-annual review cycle. The next semi-annual review is scheduled for March 2020.

***Attachments***


- A. Comprehensive Transportation Funding Programs, September 2019 Semi-Annual Review Adjustment Requests
- B. Comprehensive Transportation Funding Programs, September 2019 Semi-Annual Review Adjustment Request Descriptions

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