



**March 12, 2020**

**To:** Transit Committee

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

**Subject:** Low Carbon Transit Operations Program Recommendations for Fiscal Year 2019-20 Funds

### **Overview**

Funding recommendations are presented for the Low Carbon Transit Operations Program for fiscal year 2019-20 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 Resolution No. 2020-002 authorizing the use of \$7,130,042 in fiscal year 2019-20 Low Carbon Transit Operations Program funding, and the use of \$7,111,592 in fiscal year 2018-19 funds for bus and commuter rail projects.
- B. Approve the use of \$812,976, currently programmed to Bravo! Main Street Operations for the Bravo! 529 Rapid Bus Service Start-Up and Operations Project.
- C. Approve the use of all unprogrammed Low Carbon Transit Operations Program interest from prior years through fiscal year 2019-20 for the Bravo! 529 Rapid Bus Service Start-up and Operations Project.
- D. Authorize staff to make all necessary amendments to the Federal Transportation Improvement Program, as well as execute any necessary agreements to facilitate the recommendations above.

### **Background**

The California Department of Transportation (Caltrans) 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.

The February 14, 2020, distribution letter from the State Controller's Office (SCO) for fiscal year (FY) 2019-20 has notified all eligible transit operators that the LCTOP Formula Program will provide \$146 million statewide, and the Orange County Transportation Authority's (OCTA) share is \$7,130,042. Caltrans is requesting transit agencies to submit projects for consideration for FY 2019-20 funds on April 8, 2020.

Based on the Capital Programming Policies (CPP) 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. LCTOP funds from previous funding cycles have been used for fare programs, travel training, bicycle racks on buses, bus purchases, and bus and commuter rail operations.

### ***Discussion***

#### **FY 2019-20 LCTOP**

For FY 2019-20, staff is proposing that the \$7,130,042 in FY 2019-20 LCTOP funds be used for the following program elements that are further described in Attachment A:

- Ten battery-electric buses: \$2,594,886
- Bravo! 529 Rapid Bus Service Start-Up and Operations Project: \$1,470,913
- Discounted Age-Based Fare Program: \$2,000,000
- College Pass Program: \$749,243
- Travel training: \$315,000

These projects and programs are consistent with LCTOP Guidelines and the OCTA CPP is expected to reduce GHG emissions and automobile vehicle miles traveled.

#### **Prior LCTOP Funds**

For FY 2018-19, staff is proposing changes to use funds earlier than they would have been used if they remained on the Bravo! Main Street Service, which is not scheduled to start until FY 2022-23. The proposed projects/programs for these funds are listed below and further described in Attachment A:

Project	Prior FY 2018-19 LCTOP	Proposed FY 2018-19 LCTOP	Difference +(-)
College Pass Program	\$990,000	\$990,000	\$0
Travel Training	\$685,000	\$685,000	\$0
Metrolink Service Expansion	\$2,100,000	\$2,100,000	\$0
Battery Electric Bus	\$2,523,000	\$2,523,000	\$0
Bravo! Main Street Operations	\$812,796	\$0	(\$812,976)
Bravo! 529 Rapid Bus Service Start-Up and Operations Project	\$0	\$812,976	\$812,976
	\$7,111,592	\$7,111,592	\$0

Interest accrued by LCTOP funds can be used for approved LCTOP projects. As of January 31, 2020, the estimated unprogrammed interest was \$288,392. This interest, along with any additional future interest earned from the current programming years through the FY 2019-20 LCTOP program year, is proposed to be used for the Bravo! 529 Rapid Bus Service Start-Up and Operations Project. That project is eligible for additional LCTOP funds and can use those funds immediately.

Consistent with Caltrans' LCTOP Guidelines, the Board is requested to approve submittal of the projects and execution of the certifications and assurances, and authorized agent forms through a resolution (Attachment B). 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 C.

#### Next Steps

With Board approval, staff will submit the Board resolution to Caltrans for \$7,130,042 in FY 2019-20 LCTOP funds, amending the use of \$7,111,592 in FY 2018-19 LCTOP funds to Caltrans. The use of LCTOP funds is subject to approval by both Caltrans and the California Air Resources Board. Caltrans expects the SCO to begin releasing FY 2019-20 funds to transit agencies for identified projects by June 30, 2020.

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***Summary***

The Board is requested to approve a resolution authorizing the use of FY 2018-19 and FY 2019-20 LCTOP funds for transit projects. The Board is further requested to approve the use of unprogrammed interest accrued from LCTOP funds for the Bravo! 529 Rapid Bus Service Start-up and Operations Project.

***Attachments***

- A. Orange County Transportation Authority, Low Carbon Transit Operations Program – Projects Description
- B. Resolution 2020-002, 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 Projects: \$7,130,042 in Fiscal Year 2019-20 Funds for Ten Battery-Electric Buses; Bravo! 529 Rapid Bus Service Operations; Discounted Age-Based Fare Program; New College Pass Programs; and Travel Training; \$7,111,592 in Fiscal Year 2018-19 Funds for Metrolink Service Expansion; Battery-Electric Buses; Bus Depot Upgrades and Charging Infrastructure; Travel Training, College Pass Program; Bravo! Main Street Operations
- C. Capital Funding Program Report

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