



June 10, 2021

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

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

Subject: Federal Transit Administration Program of Projects for Federal Fiscal Year 2020-21, Federal Coronavirus, Response and Relief Supplemental Appropriations Act of 2021 and American Rescue Plan Act of 2021 Transit Funding

Overview

The Orange County Transportation Authority annually prepares a program of projects to secure Federal Transit Administration formula grants for capital projects, capital cost of contracting, and preventive maintenance. The federal fiscal year 2020-21 program, including amendments to prior programs, is presented for Board of Directors' review and approval. Also included are recommendations for the use of federal transit funding being provided through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and the American Rescue Plan Act of 2021.

Recommendations

- A. Approve the federal fiscal year 2020-21 Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities Program of projects, including federal and local funds, and the use of match credit for projects included in this report.
- B. Approve the five-year programming plans for Federal Transit Administration Sections 5307, 5310, 5337, and 5339.
- C. Authorize the acceptance and use of \$1.207 million in Federal Transit Administration Section 5339 Bus and Bus Facilities Competitive Program funds and \$0.386 million of local match funds for rehabilitation and renovation projects at the Orange County Transportation Authority bus facilities.

**Federal Transit Administration Program of Projects for
Federal Fiscal Year 2020-21, Federal Coronavirus, Response
and Relief Supplemental Appropriations Act of 2021 and
American Rescue Plan Act of 2021 Transit Funding**

Page 2

- D. Authorize the use of \$43.489 million in Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (Public Law 116-260) funds and \$186.658 million in American Rescue Plan Act of 2021 (Public Law 117-2) funds for bus and rail operating expenses.
- E. Authorize staff to adjust individual project funding consistent with final apportionments and eligibility determinations through the Fixing America's Surface Transportation Act, and direct staff to include updated numbers in grant and programming status reports.
- F. Authorize the Chief Executive Officer to submit the Federal Transit Administration grant applications required for the recommendations above to the Federal Transit Administration.
- G. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

Background

The Fixing America's Surface Transportation (FAST) Act provides transportation funding for federal fiscal year (FFY) 2015-16 through FFY 2019-20. On October 1, 2020, the Continuing Appropriations Act, 2021 and Other Extensions Act was enacted, which extended the FAST Act through FFY 2020-21. Under the FAST Act, the Federal Transit Administration (FTA) makes federal formula funds available through four major funding programs.

- 1) FTA Section 5307 Urbanized Area Formula Program (FTA 5307),
- 2) FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program (FTA 5310),
- 3) FTA Section 5337 State of Good Repair Program (FTA 5337), and
- 4) FTA Section 5339 Bus and Bus Facilities Program (FTA 5339).

OCTA is an eligible recipient for each of these four programs. The FTA publishes annual apportionments for each program. The Southern California Association of Governments (SCAG) then confirms the apportionments for each recipient in the SCAG region. Following that confirmation, the transit agencies are able to submit grant applications consistent with the authorized apportionment. The full apportionment for FFY 2020-21 was released by the FTA in January 2021.

The proposed selection of projects for FTA funding is based on the current policies outlined in the Capital Programming Policies (CPP) (Attachment A), federal funding rules and regulations, and the Orange County Transportation Authority's (OCTA) adopted Comprehensive Business Plan (CBP). Project descriptions for the proposed FTA program of projects (POP) are provided in Attachment B. The FTA requires agencies to have a public participation process for transit POP. OCTA satisfies this requirement through the SCAG Federal Transportation Improvement Program approval process, which includes a public hearing and meets the FTA requirement.

OCTA was awarded \$1.207 million in FTA Section 5339 Bus and Bus Facilities Competitive Program (FTA 5339) funds for rehabilitation and renovation projects at OCTA bus facilities. Those funds will also be included in this FTA POP report. In addition to the traditional FTA programs noted above, OCTA also expects to program approximately \$230 million in federal stimulus funds, which are made available through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA), Title IV of Division M, Public Law 116-260, which was signed into law on December 27, 2020, and the American Rescue Plan Act of 2021 (ARPA), Public Law 117-2, which was signed into law on March 11, 2021. Both programs are meant to support the transit industry due to the impacts from the coronavirus (COVID-19) pandemic and will be distributed through the FTA 5307 and FTA 5310 formula grant programs.

Discussion

FTA 5307

OCTA expects to receive \$60.143 million in FTA 5307 funds for FFY 2020-21. The proposed projects are consistent with the selection of projects listed in the CPP and CBP and how these funds were used in previous years. The use of funds for the projects listed below allows for the most immediate use of grant funds, thereby improving OCTA's transit program cash flow. The proposed projects/programs for these funds are also provided in Attachment C.

- Preventive maintenance (\$34.781 million),
- Capital cost of contracting (\$13.333 million), and
- Non-fixed-route paratransit operating assistance (\$12.029 million).

Changes to prior year grants are also reflected in Attachment C. The five-year programming plan for FTA 5307 projects is provided in Attachment D.

FTA 5310

OCTA expects to receive \$2.291 million in FTA 5310 Enhanced Mobility of Seniors and Individuals with Disabilities funds for FFY 2020-21. These funds are proposed to be used for the capital cost of contracting for OC ACCESS services (Attachment E), consistent with the CPP assumptions. OC ACCESS service provides enhanced curb-to-curb paratransit service for seniors and disabled in Orange County. Also, as the Consolidated Transportation Services Agency for Orange County, OCTA coordinates and provides services for seniors and disabled, which allows OCTA to utilize FTA 5310 funds for OC ACCESS services. OCTA certifies that OC ACCESS services are included in the locally developed Human Services Transportation Coordination Plan, which was approved by the Board of Directors (Board) on November 23, 2020. OCTA conducted extensive local outreach in developing this plan including contacting local providers for input, conducting surveys, and hosting interviews and meetings with stakeholders. The proposed use of funds also allows for the most immediate use of grant funds, thereby improving OCTA cash flow. In addition, changes to prior year grants and the five-year programming plan for FTA 5310 funds are provided in Attachment E. The five-year plan for these funds recommends that continued use for OC ACCESS services over the five-year period.

OCTA is currently developing the Enhanced Mobility for Senior and Disabled (EMSD) call for projects (call), which will provide funding to non-profit organizations and local public agencies to help meet the special transportation needs of seniors and individuals with disabilities. Notification of funding availability and local outreach efforts have included two workshops in April 2021, email notifications, surveys, and presentations at the January 2021 and April 2021 Senior Needs Advisory Committee meetings. The EMSD call will utilize local funds in lieu of federal funding, which allows grantees to streamline project implementation. OCTA retains the federal apportionment to support OC ACCESS service and to reduce the risk of non-compliance with federal requirements.

FTA 5337

OCTA expects to receive \$18.316 million in FTA 5337 State of Good Repair funds for FFY 2020-21. The following projects are proposed for these funds (Attachment F).

- Southern California Regional Rail Authority (SCRRA) rehabilitation (\$14.398 million),
- San Juan Creek Bridge Replacement Project (\$0.643 million),
- Metrolink Station Tactile Tile Project (\$0.316 million),
- Railroad Corridor Slope and culvert improvements (\$0.300 million), and

- OCTA bus preventive maintenance (\$2.659 million).

Each year, OCTA, as a member agency of SCRRA, is asked to fund rehabilitation projects that are required to maintain the system in a state of good repair. FTA 5337 can only be used for this type of work. Consistent with the CPP, funds are split between rail and bus based on the formula used to calculate the revenues.

A five-year programming plan for FTA 5337 projects, focusing on OCTA bus preventive maintenance and commuter rail rehabilitation projects, is provided in Attachment G. In addition, changes to prior year grants are reflected in Attachment F.

FTA 5339

OCTA expects to receive \$6.201 million in FTA 5339 bus and bus facilities funds for FFY 2020-21. The use of these funds is proposed for the Paratransit Vehicle Replacement Project and capital cost of contracting expenses (Attachment H).

There are currently 117 paratransit vehicles that are due to be replaced in FFY 2020-21, consistent with the useful life of vehicles defined by OCTA's Transit Asset Management Plan. The FFY 2020-21 funds will support the replacement of 15 vehicles, and a combination of local funds and prior grants will fund the remaining vehicles.

- Paratransit Vehicle Replacement Project (\$1.725 million), and
- Capital cost of contracting (\$4.476 million).

Changes to prior year grants are reflected in Attachment H. A five-year programming plan for FTA 5339 projects, focusing on completing the replacement of paratransit vehicles and capital cost of contracting in FFY 2020-21, is provided in Attachment I.

FTA 5339 Competitive

Staff proposes to utilize \$1.207 million in FTA 5339 Competitive funds and \$0.386 million of local match funds for rehabilitation and renovation projects at OCTA bus facilities. The projects include heating, ventilation and air conditioner replacements, and rehabilitation of a bus wash and steam cleaning areas to maintain the bus fleet. This program is essential to maintaining the OCTA facilities and rolling stock.

CRRSAA and ARPA

OCTA expects to receive \$43.489 million in CRRSAA funds and \$186.658 million in ARPA funds, with no local match required, which will support bus and rail COVID-19-related operating expenses. These funds will be distributed through the FTA 5307 and FTA 5310 formula programs. The following projects are proposed for these funds (Attachment J).

FTA 5307

- OCTA COVID-19-related operating costs (\$38.042 million in CRRSAA and \$161.194 million in ARPA),
- SCRRA COVID-19-related operating costs (\$4.351 million in CRRSAA and \$22.274 million in ARPA), and
- Anaheim Transportation Network COVID-19-related operating costs (\$0.705 million in CRRSAA and \$2.799 million in ARPA).

FTA 5310

- Capital cost of contracting and COVID-19-related operating costs for ACCESS services (\$0.391 million in CRRSAA and \$0.391 million in ARPA).

SCRRA will receive the amount of CRRSAA and ARPA funding that has been provided to Orange County based on commuter rail operations in Orange County. These funds will be used for qualifying operating expenses that are typically funded through OCTA's standard share of the SCRRA annual essential operating budget. These funds will also support costs for deep cleaning of the trains and offices. Staff will monitor the use of these funds and ensure that SCRRA assigns these funds in lieu of requesting additional subsidy from OCTA to address the OCTA share of additional subsidies due to loss of fares and other revenues supporting the service. The use of these funds aligns with the intent of CRRSAA to mitigate revenue loss due to the pandemic and ARPA to support the nation's public transportation systems as they continue to respond to the COVID-19 pandemic.

FFY 2020-21 FTA POP

The following table summarizes the recommended formula programming for the FFY 2020-21 FTA POP.

Formula Programs	Bus	Rail	Total
FTA 5307	\$ 60,143,314		\$ 60,143,314
FTA 5310	\$ 2,291,380		\$ 2,291,380
FTA 5337	\$ 2,658,762	\$15,656,815	\$ 18,315,576
FTA 5339	\$ 6,200,560		\$ 6,200,560
CRRSAA	\$ 39,138,524	\$ 4,350,630	\$ 43,489,154
ARPA	\$164,384,560	\$22,273,889	\$186,658,449
Total	\$274,817,100	\$42,281,334	\$317,098,433

Overall, the proposed POP includes \$317.098 million of FTA formula funding for transit projects, of which approximately 13 percent is for investments in rail and approximately 87 percent will be utilized for bus transit. This funding also breaks down to approximately 89 percent directed towards operating expenses and approximately 11 percent for capital projects. Directing the majority of the federal funds towards operating expenses allows for timely use of grant funds, hereby reducing pressure on local transit funds which were affected by the pandemic.

Next Steps

With Board approval, staff will initiate the programming and grant process for the projects included in this report. The changes that are requested in this report have been added to the OCTA Capital Funding Program Report in Attachment K.

Summary

Board approval is requested to program \$86.951 million in FTA formula funding for the FFY 2020-21 FTA POP, the five-year programming plan for FTA 5307, 5310, 5337, and 5339, and to adjust prior year programming. The Board is also asked to direct \$230.147 million in CRRSAA and ARPA funds to bus and rail operating costs and to confirm the use of \$1.207 million in FTA 5339 Competitive funds for bus rehabilitation and renovation projects.

Attachments

- A. Excerpt from Capital Programming Policies by Fund Source, February 2019
- B. Orange County Transportation Authority, Federal Transit Administration Program of Projects Description
- C. Program of Projects for FTA Section 5307 Funds (FFY 2018-19 through FFY 2020-21)
- D. Proposed Five-Year Programming Plan for FTA Section 5307 Funds, Urbanized Area Formula Program (FFY 2020-21 through FFY 2024-25)
- E. Program of Projects for FTA Section 5310 Funds (FFY 2019-20 through FFY 2020-21)
- F. Program of Projects for FTA Section 5337 Funds (FFY 2017-18 through FFY 2020-21)
- G. Proposed Five-Year Programming Plan for FTA Section 5337 Funds, State of Good Repair Program (FFY 2020-21 through FFY 2024-25)
- H. Program of Projects for FTA Section 5339 Funds (FFY 2019-20 through FFY 2020-21)
- I. Proposed Five-Year Programming Plan for FTA Section 5339 Funds, Bus and Bus Facilities Program (FFY 2020-21 through FFY 2024-25)
- J. Program of Projects for Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and American Rescue Plan Act of 2021 Funds
- K. Capital Funding Program Report

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