




October 4, 2021

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: 2021 Pavement Management Relief Funding Program for Local Agencies

Overview

The Coronavirus Response and Relief Supplemental Appropriations Act appropriated funding for Highway Infrastructure Programs to mitigate revenue loss due to the coronavirus pandemic. The Orange County Transportation Authority is authorized by the California Transportation Commission to direct the utilization of a portion of these funds. Recommendations are presented to allocate a portion of these funds to local agencies for streets and roads rehabilitation and maintenance.

Recommendations

- A. Approve the 2021 Pavement Management Relief Funding program guidelines and distribution of \$10.931 million federal funding.
- B. 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 Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) appropriated \$10 billion for Highway Infrastructure Programs. The State of California was apportioned \$911.8 million, of which approximately \$364.7 million, or 40 percent, will be distributed to regional agencies through the California Transportation Commission (CTC).

The CTC further split this funding into two programs providing 50 percent to a mid-cycle State Transportation Improvement Program (STIP) and 50 percent to the CTC CRRSAA Program. The Orange County Transportation Authority's (OCTA) share from both programs is \$26.361 million. To streamline state and federal processes, the CTC delegated part of the responsibility for

program oversight for the CRRSAA regional funds to the California Department of Transportation (Caltrans) Local Assistance. OCTA was provided with \$26.361 million, including \$11.77 million in mid-cycle STIP and \$14.591 million in CTC CRRSAA regional funds. On September 27, 2021, \$3.66 million in CRRSAA Program funds and mid-cycle STIP funds were programmed by the OCTA Board of Directors (Board) to fully fund the Transit Security and Operations Center, leaving \$10.931 million in CRRSAA for programming.

The CRRSAA funds may be used for a wide variety of activities and are intended to help regional agencies continue routine maintenance and rehabilitation projects, fund operations, fund eligible surface transportation capital projects, and offset revenue losses due to the pandemic.

Periodically, OCTA has approved providing a share of state and federal funds to local agencies to assist with streets and roads rehabilitation or other related transportation projects. The specific funding that has been provided includes \$37.9 million in American Recovery and Reinvestment Act funds in 2009, \$24.5 million in State Local Partnership Program funds in 2012, and \$19.9 million in Surface Transportation Block Grant Program funds in 2014.

Discussion

Staff proposes to provide \$10.931 million to local agencies for local streets and roads rehabilitation and maintenance projects through the 2021 Pavement Management Relief Funding (PMRF) Program. While local jurisdictions may have received state and federal stimulus funds, this proposed use of CRRSAA funding for local jurisdictions would specifically support transportation needs. This would help offset the loss of Measure M2 local fair share revenues and SB 1 (Chapter 1, Statutes of 2017) Road Maintenance Rehabilitation account funds that support local streets and roads due to the economic impact from the pandemic. Also, based on the pavement management plan reports submitted by the local agencies, there is a backlog in current and projected Orange County pavement needs.

It is recommended that the funding be distributed through a formula based on population with a \$200,000 minimum guarantee. Using a population formula is consistent with how the funds are distributed throughout the State. Appendix A of the guidelines (Attachment A) provides the population calculation and the funding distribution. No local match is required for this program.

Consistent with the CTC and Caltrans Local Assistance Guidelines, the OCTA PMRF program guidelines will allow the funds to be used for street pavement preservation, preventive maintenance, rehabilitation, and reconstruction

exclusively. To streamline the processing and use of these limited funds, local agencies will be asked to limit the number of projects that are supported through this program. The PMRF program guidelines also provide information on the funding distribution, eligible expenditures, project eligibility and funding, timely use of funds, application process, program schedule, and allocation/Caltrans process, and can be found in Attachment A.

The CRRSAA funds are federal funds that flow through the CTC. There are federal and state requirements that must be met to use the funds. However, CTC and Caltrans have developed streamlined processes for these funds, and OCTA concurrence is required for the initial programming and any requested changes. With Board approval, local agencies can begin submitting project proposals to OCTA as early as November 15, 2021, for consideration at the January 2022 CTC meeting. Given that these funds are being distributed based on a formula methodology, staff will advance projects for CTC approval that meet the PMRF program guidelines and are consistent with program requirements.

Any CRRSAA funding not obligated by the local agencies by July 1, 2023 will return to OCTA to be reprogrammed through Board action to priority OCTA projects. This is to ensure 100 percent of these funds remain in the County. A city/county resolution will be required as part of the submittal. Attachment B provides the updated Capital Funding Program, which includes recommended changes pending Board approval on October 11, 2021.

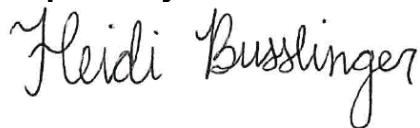
Summary

Staff is recommending that the Board approve the PMRF program guidelines and distribution of \$10.931 million in CRRSAA funding to Orange County cities and the County of Orange to help the local agencies maintain local streets and roads.

Attachments

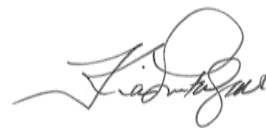
- A. 2021 Pavement Management Relief Funding Program, Program Guidelines and Procedures
- B. Capital Funding Program Report

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