May 6, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Comprehensive Transportation Funding Programs – 2024 Call for Projects Programming Recommendations

Overview

The Orange County Transportation Authority issued the 2024 Measure M2 Comprehensive Transportation Funding Programs Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects in August 2023. Project Applications were due in October 2023. A list of projects recommended for funding is presented for Board of Directors' review and approval.

Recommendations

A. Approve the award of $18.72 million in 2024 Regional Capacity Program (Project O) funds to six local jurisdiction projects.

B. Approve the award of $12.89 million in 2024 Regional Traffic Signal Synchronization Program (Project P) funds to five local jurisdiction projects.

Background

The Regional Capacity Program (RCP), Project O, is the Measure M2 (M2) competitive funding program through which the Orange County Transportation Authority (OCTA) supports street and road improvement projects. The Regional Traffic Signal Synchronization Program (RTSSP), Project P, is the M2 competitive program that provides funding for regional signal synchronization projects.

Both programs are included in the Comprehensive Transportation Funding Programs (CTFP) which include all of the competitive M2 programs that provide grants to local agencies for transit, streets and roads, and environmental cleanup. These programs are subject to an annual call for projects (call) which is guided by the Board of Directors (Board)-approved CTFP guidelines. The CTFP guidelines are updated before each call and include scoring criteria that are developed in collaboration with the OCTA Technical Advisory Committee (TAC), which is comprised of representatives from the 35 local jurisdictions. The guidelines and the call are ultimately approved for release by the Board.

The CTFP guidelines for the 2024 call were approved by the Board on August 14, 2023. At that meeting, the Board also authorized the issuance of the current call. The available funding, based on the cash flow that was prepared at that time, was reported as approximately $45 million in competitive M2 funds to support regional roadway and signal synchronization projects throughout Orange County.

Discussion

RCP

OCTA received six applications requesting a total of $21.41 million in funding as further detailed in Attachment A. The applications were reviewed for eligibility, consistency, adherence to the guidelines, and overall M2 program objectives aimed at completing a balanced regional network. Applications were evaluated and ranked based on the scoring criteria identified in the guidelines. During the review process, staff worked with local jurisdictions to address technical issues such as application scoring corrections, scope of work clarifications, and refinement of final project funding requests.

Based upon these reviews and project consistency with the guidelines, staff recommends funding for all six projects, totaling $18.72 million (with inflationary adjustments as appropriate). The recommended programming amount is lower than the originally requested amount, which is the result of OCTA's detailed application review. The revised recommended grant amount reflects only the project scope components and amounts that are eligible per CTFP guidelines. Attachment B provides more detail on the programming recommendations. The recommended M2 RCP funding will support six projects in the cities of Dana Point, Garden Grove, Irvine, Laguna Niguel, Santa Ana, and Yorba Linda.

Of the six recommended projects, three will provide arterial improvement benefits with grants for the engineering, right-of-way (ROW), and/or construction phases, and three will provide intersection capacity enhancements with ROW and construction phase grants. Implementation of these projects in aggregate is anticipated to produce notable congestion relief in Orange County, while enhancing the arterial system overall.

RTSSP

OCTA received six applications requesting a total of $13.91 million in RTSSP funding. These applications were also reviewed for eligibility, consistency, and adherence to guidelines and overall program objectives. During the review process, one project application was withdrawn by the local jurisdiction, reducing the overall requested funding of this call to $13.53 million. Attachment A has more detail on the submitted projects. Staff worked with the sponsoring local jurisdictions to address technical issues of final project funding requests.

Staff recommends award of $12.89 million to fund five RTSSP projects. The revised recommended grant amount is a result of application review related to construction cost refinements and scope of work clarifications. All five of the recommended projects are anticipated to be implemented by the local jurisdictions in fiscal year 2024-25. Additional details on the RTSSP-recommended projects are provided in Attachment C.

The table below provides an overall summary of the funding recommendations:

2024 CTFP Call Summary ($ in millions)			
	RCP	RTSSP	Total
Number of Applications Recommended for Approval	6	5	11
Amount Recommended for Approval (escalated)	$18.72	$12.89	$31.61

These recommendations are consistent with the 2024 guidelines approved by the Board. As such, staff recommends programming $31.61 million for 11 projects under the RCP and RTSSP. These awards bring the total amount of M2 grants by OCTA to local agencies to more than $556 million since 2011 in support of the development of a safe, efficient, and modern roadway system. A map displaying the 2024 RCP and RTSSP recommended project awards is provided in Attachment D.

The recommendations were presented to both the OCTA Technical Steering Committee (TSC) and TAC in March 2024, and both committees voted to support staff's recommendations. The TSC and TAC asked questions related to the difference between the funding target and the awards. The committees also discussed working with staff to review the guidelines as part of the next funding cycle in response to inflationary cost pressures, maintaining an aging roadway network, and consideration for multimodal solutions. The funding target for each year's RCP and RTSSP call is established based on a cash flow estimate that considers M2 revenues and existing awards. It also assumes the continuation of annual calls into the future at a similar annual target. Any funds not awarded simply stay in the cash flow in the same program for future years. This is relevant because there appears to be a significant funding need, which may manifest within the next two to five years based on capital improvement plans submitted by the local jurisdictions. The M2 Ordinance requires M2 funds dedicated to specific projects and programs, such as the RCP and RTSSP, to be used for its voter-approved intent. The CTFP guidelines fulfill this commitment to the taxpayers. Staff will work to provide the TAC with more details on near-term anticipated projects, as well as a better understanding of the M2 voter commitments and opportunities to address some of the current issues through other means.

Next Steps

With Board approval of these recommendations, staff will initiate the execution of letter agreements between OCTA and the appropriate local jurisdictions. As these projects advance, staff will continue to monitor their status and project delivery through the semi-annual review process.

Summary

Programming recommendations that will award $31.61 million to 11 projects in M2 2024 RCP and RTSSP funds are presented for Board approval.

Attachments

A.   2024 Measure M2 Call for Projects – Applications Received
B.   2024 M2 Regional Capacity Program (Project O) Call for Projects – Programming Recommendations
C.   2024 M2 Regional Traffic Signal Synchronization Program (Project P) Call for Projects – Programming Recommendations
D.   2024 Recommended Project O & P Awards Map

Prepared by:

Adrian Salazar
Senior Transportation Funding Analyst
(714) 560-5363

Approved by:

Kia Mortazavi
Executive Director, Planning
(714) 560-5741