



# CITY COUNCIL AGENDA REPORT

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MEETING DATE: JUNE 21, 2011

ITEM NUMBER: \_\_\_\_\_

**SUBJECT:** RENEWED MEASURE M ELIGIBILITY

**DATE:** JUNE 9, 2011

**FROM:** PUBLIC SERVICES DEPARTMENT/ADMINISTRATION DIVISION

**PRESENTATION BY:** PETER NAGHAVI, DIRECTOR, DEPARTMENT OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ALMA REYES, MANAGEMENT ANALYST  
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## **RECOMMENDATION:**

1. Approve the City's Maintenance of Effort (MOE) for the Fiscal Year 2011-12 (Attachment 1);
2. Approve the City's Seven-Year Capital Improvement Program (CIP) for the Fiscal Year 2011-12 through Fiscal Year 2017-18 (Attachment 2); and
3. Adopt the Resolution for Master Plan of Arterial Highway Conformance (Attachment 3).

## **BACKGROUND:**

In November 2006, Orange County voters passed a "Renewed Measure M, Transportation Ordinance and Investment Plan." This Ordinance, also known as M2, is an extension of the original Measure M (1991-2011) and provides for the implementation of the Orange County Transportation Investment Plan, which will result in countywide transportation improvements for freeways, highways, local streets and roads, bus and rail transit, transportation-related water quality ("Environmental Cleanup"), and transit service for seniors and disabled persons. The improvements will be funded by the continuation of the one-half of one percent (1/2%) transaction and use tax over a thirty-year period. The County of Orange Board of Supervisors designated the Orange County Transportation Authority (OCTA) as the local transportation authority responsible for administering the revenue from the Renewed Measure M, which will end in 2041.

All Orange County cities are eligible for Fair Share Funding, based on population, number of existing Master Plan of Arterial Highways centerline miles, and taxable sales. In Fiscal Year 2011-12, the City of Costa Mesa is estimated to receive approximately \$1.8 million in Fair Share funds once OCTA eligibility requirements are met. This is also known as "Measure M Turn Back" funds. Fulfilling these eligibility requirements will also allow the City to qualify for competitive funding allocations and grant opportunities.

## **ANALYSIS:**

In order to qualify to receive “Renewed Measure M” funding, the City must meet the following requirements for the Fiscal Year 2011-2012:

**Maintenance of Effort (MOE)** – Each jurisdiction is required to document and assure that it is maintaining a minimum level of funding for annual street and road expenditures from sources other than Renewed Measure M funds, and that the Renewed Measure M funds are used to supplement, and not replace or supplant, other revenues used for street and road improvements.

**Seven-Year Capital Improvement Program (CIP)** – Each jurisdiction is required to prepare a Seven-Year CIP and update it annually. The CIP is an extensive list of projects anticipated to meet and maintain the adopted traffic Level of Service (LOS) and Performance Standards, as well as to maintain a satisfactory driving surface. All projects applying for competitive Measure M or other types of grants will need to be on the Seven-Year CIP list.

**Pavement Management Program (PMP)** – Each jurisdiction must adopt and update a PMP biennially consistent with the Renewed Measure M requirements, and use the format approved by OCTA. The PMP identifies the condition, maintenance, and rehabilitation of local streets, roads, and highways. The document identifies, inventories, and assesses the current road conditions, the needed improvements, and the estimated costs.

**Resolution of Master Plan of Arterial Highways (MPAH) Conformance** – Every odd-numbered year, OCTA requires jurisdictions to adopt a resolution attesting that no unilateral reduction in lanes has been made on any City arterials appearing on OCTA’s MPAH. The City has adopted a uniform setback ordinance to preserve right-of-way consistent with the master plan’s arterial highway classification. To protect the integrity of the system, the City has also adopted provisions for the limitation of access to arterial highways.

The approval and submittal of the attached documents will enable the City to meet the Measure M eligibility requirements for Fiscal Year 2011-2012.

## **ALTERNATIVES CONSIDERED:**

Without the approval and submittal of the above-listed requirements to OCTA, the City will not be eligible for any funding from the County’s Renewed Measure M one-half percent sales tax initiative. Elimination of any projects from the Seven-Year CIP may jeopardize possible future grant funding of that particular project, should grant funding become available.

## **FISCAL REVIEW:**

The City’s Assistant Finance Director has prepared the MOE form and has signed the form certifying that the City of Costa Mesa has budgeted and will meet the MOE requirement for the Fiscal Year 2011-12.

**LEGAL REVIEW:**

There is no legal review required for this report.

**CONCLUSION:**

The City of Costa Mesa, like other Orange County cities, is required to annually adopt and/or approve certain items in order to remain eligible for grant funds from the Renewed Measure M. Accordingly, staff recommends that the City Council approve the proposed Maintenance of Effort (MOE), the Seven-Year Capital Improvement Program (CIP), and Resolution certifying compliance with OCTA's Master Plan of Arterial Highways.

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Department of Public Services

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RAJA SETHURAMAN, MANAGER  
Transportation Services

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LARRY HURST  
Interim Finance Director

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ALMA REYES  
Management Analyst

DISTRIBUTION: Chief Executive Officer  
City Attorney  
Interim Director of Finance  
City Clerk  
Staff

ATTACHMENTS: 1 - [Maintenance of Effort FY 2011-12](#)  
2 - [Seven-Year Capital Improvement Schedule - Fiscal Years 2011-12 through 2017-18](#)  
3 - [Resolution Master Plan of Arterial Highways Conformance](#)