



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: JULY 19, 2011

ITEM NUMBER: \_\_\_\_

**SUBJECT:** COMBINED TRANSPORTATION FUNDING PROGRAM APPLICATIONS

**DATE:** JULY 7, 2011

**FROM:** PUBLIC SERVICES DEPARTMENT - TRANSPORTATION SERVICES DIVISION

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

**FOR FURTHER INFORMATION CONTACT:** RAJA SETHURAMAN, TRANSPORTATION SERVICES MANAGER, 714-754-5032

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## **RECOMMENDATION:**

1. Approve the Orange County Transportation Authority (OCTA) Master Funding Agreement No. C-1-2757 and Letter Agreement No. 1 for Measure M2 Comprehensive Transportation Funding Programs (CTFP) (Attachment 1); and
2. Authorize the Mayor and City Clerk to execute the Agreements.

## **BACKGROUND:**

In November 1990, Orange County voters approved Measure M, a 20-year, half-cent local transportation sales tax. All major transportation improvement projects and programs included in this original Measure M have been completed or are currently underway. With the Measure M program, the City of Costa Mesa has been successful in securing approximately \$80 million in Measure "M" funds under the Combined Transportation Funding Program (CTFP) and turnback revenues.

In November 2006, the Orange County voters passed the Renewed Measure "M" program, extending the half-cent sales tax for the next 30 years, beginning in the year 2011. Funds from this sales tax are proposed to fund a wide range of improvements on Orange County freeways, arterials, and transit systems.

In November 2010, the OCTA Board of Directors approved guidelines for the CTFP program and subsequently authorized the first "Call for Projects" under the Renewed Measure "M" program. The 2010 Call for Projects was issued for the Regional Capacity Program (RCP) providing approximately \$56 million for roadway improvements across Orange County.

In January 2011, the City of Costa Mesa submitted for a total of 10 projects for Measure M2 funding under this "Call for Projects."

## **ANALYSIS:**

OCTA reviewed the submitted applications from all agencies over the past four months. Of the 10 projects submitted by the City of Costa Mesa, OCTA selected eight (8) projects for Measure M2 grants through a competitive process, for approximately \$5.3 million in funding. The projects selected for funding along with approved phases and funding amounts are listed below. Detailed descriptions of the approved projects are included in Attachment 2.

• Harbor Boulevard – Adams Avenue (Right-of-way and Construction)	\$3,264,000
• Harbor Boulevard – Wilson Street (Construction)	\$273,000
• Fairview Road – Wilson Street (Design)	\$231,750
• Baker Street - Bear Street (Construction)	\$181,500
• Harbor Boulevard (Law Court to Sunflower Avenue) (Right-of-way and Construction)	\$1,078,800
• Harbor Boulevard – Victoria Street (Design)	\$50,213
• Bristol Street – Baker Street (Design)	\$90,000
• Harbor Boulevard – Gisler Avenue (Design)	<u>\$115,875</u>

**TOTAL GRANTS SECURED** **\$5,285,138**

The required matching funds for the above projects will be derived from the Traffic Impact Fee account, Air Quality Management District funds, and Home Ranch Development funds. No City general funds will be used on these project grant funds. The above projects are important components of the City of Costa Mesa’s General Plan Circulation Element and are intended to improve traffic operations at major intersections to address existing traffic conditions as well as future development needs.

In order to secure the approved Measure M2 grants, OCTA requires that the attached Agreements are approved by the City Council. The Agreements assign responsibilities to agencies for the administration of grant funding and are acceptable to staff. Therefore, staff requests City Council approval of the Agreements, and requests authorization for the Mayor and City Clerk to execute them.

**ALTERNATIVES CONSIDERED:**

One alternative considered is to not approve the Agreements. This will result in cancellation of approved Measure M2 grants.

**FISCAL REVIEW:**

The approval of Funding Agreements has no fiscal impact. The required matching funds for the above projects will be derived from the Traffic Impact Fee account, Air Quality Management District funds, and Home Ranch Development funds. No City general funds will be used on these project grant funds.

**LEGAL REVIEW:**

The City Attorney has reviewed and approved the Agreements as to form.

**CONCLUSION:**

The City of Costa Mesa submitted 10 applications for consideration of grant funding under the Renewed Measure M program and received approval on eight projects. A total of \$5.3 million was secured with this “Call for Projects.” OCTA requires City Council approval of attached Agreements prior to granting the approved Measure M2 funds. This same agreement is requested from every agency in Orange County awarded with Measure M2 funds. Staff requests City Council approval of Agreements and authorization for the Mayor and City Clerk to execute them.

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**RAJA SETHURAMAN**  
Transportation Services Manager

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**PETER NAGHAVI**  
Director, Department of Public Services

ATTACHMENTS: 1 - [Master Funding Agreement No. C-1-2757 and Letter Agreement No. 1 to Agreement No. C-1-2757](#)  
2 - [Approved Measure M2 Projects](#)

DISTRIBUTION: Chief Executive Officer  
Interim Assistant Chief Executive Officer  
City Attorney  
City Clerk  
Interim Development Services Director  
Director of Public Services  
Staff  
File

7-19-11 M2 Agreements Report

7/6/11

8:30 a.m.