



November 9, 2007

To: Members of the Board of Directors

From: Arthur T. Leahy, Chief Executive Officer

Subject: Proposition 1B Trade Corridor Improvement Fund Project Submissions

Overview

On November 7, 2006, California voters passed Proposition 1B, which provided \$19.9 billion for investment in transportation infrastructure. Proposition 1B established the Trade Corridor Improvement Fund, which dedicated \$2 billion for investment in goods movement projects throughout the state. Project nominations are anticipated to be due to the California Transportation Commission on November 26, 2007. Recommended project submissions are presented for Board of Directors review and approval.

Recommendations

- A. Authorize the Chief Executive Officer to submit project nominations to the California Transportation Commission for the Trade Corridor Improvement Fund established by the passage of Proposition 1B.
- B. Authorize the Chief Executive Officer to commit local matching funds as proposed.
- C. Direct staff to update the Southern California Trade Corridor Improvement Fund Consensus Working Group project list to reflect Orange County's priority projects based on Board of Directors action on Recommendation A.
- D. Authorize staff to process all necessary amendments to the Regional Federal Transportation Improvement Program and the State Transportation Improvement Program as required and execute any necessary agreements to facilitate the above actions.

Background

In November 2006, voters passed Proposition 1B, a \$19.9 billion transportation bond initiative. Proposition 1B established the Trade Corridor Improvement Fund (TCIF), which specifies that \$2 billion of the \$19.9 billion be used for goods movement projects throughout the state. The TCIF funds will be distributed through a competitive process by the California Transportation Commission (CTC). The CTC has released a draft program schedule that calls for adoption of the program guidelines at their November 7, 2007, meeting and the submittal of project nominations by November 26, 2007.

In anticipation of its role in the TCIF allocation process, the CTC convened statewide meetings to discuss the possible allocation process. Additionally, staff has been working as part of the Southern California Consensus TCIF Working Group (Working Group) to garner regional support and consensus on the goods movements needs and priorities for the region. The Working Group has been utilizing each agencies candidate list of projects to define a balanced regional program of projects.

The Working Group recently had an opportunity to address the Secretary of Business, Transportation and Housing (BT&H), Dale Bonner, at one of eight statewide stakeholders meetings. The Working Group presented a consensus based program of projects for the Los Angeles to Inland Empire Corridor, which includes Orange County. The program of projects was developed based on each agencies' candidate list and took into consideration the projects ability to start construction by 2013, each agencies capacity to provide at least a 50 percent match, and an ongoing consensus position of an 85 percent funds distribution for Southern California. The last assumption is based on the number of containers moving through Southern California. The list included seven projects for Orange County as presented Attachment A.

Discussion

On October 22, 2007, a preliminary list of TCIF projects was presented to the Board of Directors (Board) (Attachment B). Since that time, the BT&H and the CTC have further defined the program criteria and the candidate list has been refined. Staff has updated the project delivery schedules and consulted with each of the cities in which projects are located to determine their priorities. This process has resulted in a revised project list. The revised candidate list of projects includes seven grade separations on the Alameda Corridor East (ACE) and one key freeway project

on the Riverside Freeway (State Route 91) westbound, between the Orange Freeway (State Route 57) and the Santa Ana Freeway (Interstate 5). These projects are the most likely to compete well in the TCIF program and represent priority projects for both OCTA and the cities in which they are located. Project listings, descriptions, estimated project cost, and TCIF funding share are included in Attachment C.

The previous candidate list of projects, presented to the Board on October 22, 2007, included seven grade separation projects along the Los Angeles to San Diego (LOSSAN) Corridor, south of Fullerton. These projects are not included in the revised candidate list of projects. The CTC and BT&H, as well as the California Legislature, have strongly emphasized the importance of goods movements capacity. The grade separations along the LOSSAN corridor do not carry the volume of freight, compared to ACE, that would enable them to compete well for TCIF funds. Staff will continue to seek alternate funding sources for these grade separations.

The previous candidate list also included 11 grade separations along ACE and three key freeway projects. When considering TCIF program criteria, specifically deliverability by 2013, matching fund requirements, likely available apportionment, and weighing in city priorities, four additional grade separations and two freeway projects were removed from the list. Although all of these projects would provide benefit to goods movement, the deliverability and matching funds requirements make them less competitive in the TCIF program.

Proposed Matching Funds

The authorizing legislation for Proposition 1B included language that requires a dollar for dollar match except for border access improvements. The legislation further states that the CTC may consider giving priority to projects that provide higher match rates, and CTC has stated that match will be a factor in project evaluation. Staff has reviewed the available funding sources and recommends that the Orange County Transportation Authority (OCTA) put forth at least a 50 percent match on each of the projects. This would require a total match commitment of \$240.95 million by OCTA and \$14.3 million of federal funds already secured by the City of Fullerton to match \$213.64 million of TCIF funds, for a total program of \$468.9 million.

The Board previously approved the use of \$49 million of federal Regional Surface Transportation Funding Program for a countywide grade separation program. These funds are now being proposed to be utilized as match for the

TCIF program. Staff has reviewed and received concurrence for this recommendation from the Technical Advisory Committee.

The remaining match, \$191.95 million is proposed to come from either the 2008 State Transportation Improvement Program (STIP) or Renewed Measure M. The CTC and BT&H have not yet determined if STIP will be an eligible source of match for the TCIF program. Once a determination has been made, staff will return to the Board with a final recommendation. Staff will continue to seek alternate funding sources such as STIP priority use of local dollars.

Next Steps

With Board approval, staff will submit the proposed project nominations to the CTC on November 26, 2007, as required by the proposed CTC schedule. Once the CTC has taken action on TCIF program, staff will return to the Board with an update. Additionally, staff will continue to seek alternate funding sources for the projects not selected for submission to the CTC through the TCIF program.

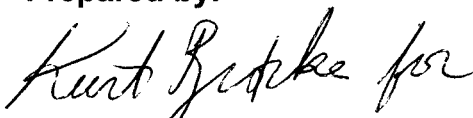
Summary

Proposition 1B made available \$2 billion for investment in goods movement infrastructure. Staff, in concert with other transportation commissions and authorities in the region, has identified a candidate list of projects. Staff is requesting Board approval to submit a priority list of projects for consideration for funding through the TCIF program. In total, staff is proposing to submit eight projects requesting \$213.64 million in TCIF funds to be matched by \$240.95 million from OCTA and \$14.3 million from the City of Fullerton.

Attachments

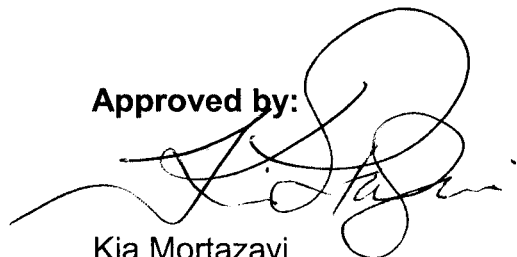
- A. Southern California Consensus TCIF Working Group Candidate List of Projects – Orange County
- B. Preliminary Trade Corridor Improvement Fund Candidate Project List
- C. Proposed Trade Corridor Improvement Fund Project Submissions

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**Southern California Consensus TCIF Working Group
Candidate List of Projects - Orange County**

ROUTE / CORRIDOR	MODE	PROJECT DESCRIPTION	2007 Cost (millions)	TCIF Amount Request (millions)	Required Match (not yet committed)
91	Highway	Add a lane on westbound SR-91 between SR-55 connector & Tustin Avenue interchange	\$ 95.00	\$ 47.50	\$ 47.50
ACE	Grade Sep	Placentia Avenue Undercrossing (Placentia & Fullerton)	\$ 29.87	\$ 14.94	\$ 14.94
ACE	Grade Sep	Kraemer Boulevard Undercrossing (Placentia)	\$ 45.92	\$ 22.96	\$ 22.96
ACE	Grade Sep	Orangethorpe Avenue Overcrossing (Placentia & Anaheim)	\$ 83.96	\$ 41.98	\$ 41.98
ACE	Grade Sep	Tustin Avenue/Rose Drive Overcrossing (Placentia & Anaheim)	\$ 63.40	\$ 31.70	\$ 31.70
ACE	Grade Sep	Lakeview Avenue Overcrossing (Placentia & Anaheim)	\$ 54.53	\$ 27.27	\$ 27.27
ACE	Grade Sep	State College Boulevard (Fullerton)	\$ 54.59	\$ 27.30	\$ 27.30
		Total	\$ 427.27	\$ 213.64	\$ 213.64

Preliminary Prioritized Trade Corridor Improvement Fund Candidate Project List

ROUTE / CORRIDOR	MODE	PROJECT DESCRIPTION	Estimated Total Project Cost (millions)	Goods Movement & TCIF Potential*	Project Readiness / Start of Construction	Goods Movement Action Plan (GMAP)	Project Study Report Complete	Project Study Report and Environmental Document in Progress	Project Study Report and Environmental Document Complete	Plans, Specifications & Estimates in Progress	Required Match based on 50%	Match Running Total
ACE	Grade Sep	State College Boulevard (Fullerton)	\$ 54.59	High	1/1/2010		X	X	X	X	\$ 27.30	\$ 27.30
ACE	Grade Sep	Placentia Avenue Undercrossing (Placentia & Fullerton)	\$ 29.87	High	5/1/2010	X	X	X	X	X	\$ 14.94	\$ 42.23
91	Hwy	Connecting existing auxiliary lane through interchange on westbound SR-91 between SR-57 & I-5 with intelligent transportation systems elements	\$ 72.00	High	6/1/2012		X	X				
ACE	Grade Sep	Kraemer Boulevard Undercrossing (Placentia)	\$ 45.92	Medium	2/1/2010	X	X	X			\$ 36.00	\$ 78.23
ACE	Grade Sep	Tustin Avenue/Rose Drive Overcrossing (Placentia & Anaheim)	\$ 63.40	Medium	4/1/2010	X	X	X			\$ 22.96	\$ 101.19
ACE	Grade Sep	Orangethrope Avenue Overcrossing (Placentia & Anaheim)	\$ 83.96	Medium	11/1/2010	X	X	X			\$ 31.70	\$ 132.89
ACE	Grade Sep	Lakeview Avenue Overcrossing (Placentia & Anaheim)	\$ 54.53	Medium	7/1/2011	X	X	X			\$ 41.98	\$ 174.87
91	Hwy	Add a lane on westbound SR-91 between SR-55 connector & Tustin Avenue interchange	\$ 95.00	Medium	9/1/2012		X	X			\$ 47.50	\$ 249.64
57	Hwy	Add northbound truck climb lane from Lambert Road to the Los Angeles County line	\$ 156.60	Medium	2/1/2013		X	X			\$ 78.30	\$ 327.94
ACE	Grade Sep	Jefferson Street Overcrossing (Placentia & Anaheim)	\$ 37.13	Medium	2/1/2013	X	X	X			\$ 18.57	\$ 346.50
ACE	Grade Sep	Richfield Road Crossing (Placentia)	\$ 77.60	Medium	10/1/2013	X	X	X			\$ 38.80	\$ 385.30
ACE	Grade Sep	Raymond Avenue (Fullerton)	\$ 64.63	Medium	12/1/2013						\$ 32.32	\$ 417.62
ACE	Grade Sep	Van Buren Avenue Overcrossing (Placentia)	\$ 41.30	Medium	1/1/2014	X	X	X			\$ 20.65	\$ 438.27
ACE	Grade Sep	Kellogg Drive Undercrossing (Anaheim)	\$ 57.62	Medium	7/1/2015	X	X	X			\$ 28.81	\$ 467.08
LOSSAN	Grade Sep	Sand Canyon Avenue (Irvine)	\$ 27.56	Low	12/1/2010		X	X	X		\$ 13.78	\$ 480.86
LOSSAN	Grade Sep	Red Hill Avenue (Tustin)	\$ 88.90	Low	12/1/2013						\$ 44.45	\$ 525.31
LOSSAN	Grade Sep	State College Boulevard (Anaheim)	\$ 72.01	Low	12/1/2013						\$ 36.01	\$ 561.31
LOSSAN	Grade Sep	17th Street (Santa Ana)	\$ 65.52	Low	12/1/2013						\$ 32.76	\$ 594.07
LOSSAN	Grade Sep	Grand Avenue (Santa Ana)	\$ 46.01	Low	12/1/2013						\$ 23.01	\$ 617.08
LOSSAN	Grade Sep	Santa Ana Boulevard (Santa Ana)	\$ 58.93	Low	12/1/2013						\$ 29.47	\$ 646.54
LOSSAN	Grade Sep	Ball Road (Anaheim)	\$ 61.16	Low	12/1/2013						\$ 30.58	\$ 677.12
TOTAL - ALL Projects			\$ 1,354.24									

* Represents each projects potential to provide benefit to goods movement and fit within early TCIF program guidelines

Proposed Trade Corridor Improvement Fund Project Submissions

ROUTE / CORRIDOR	MODE	PROJECT DESCRIPTION	Estimated Total Project Cost (millions)	Proposed TCIF Share	Proposed Match 50%	Goods Movement & TCIF Potential*	Project Readiness / Start of Construction	Goods Movement Action Plan (GMAP)	Project Study Report Complete	Project Study and Environmental Document in Progress	Project Study Report and Environmental Document Complete	Plans, Specifications & Estimates in Progress	Match Source
ACE	Grade Sep	State College Boulevard (Fullerton)	\$ 54,590	\$ 27,295	\$ 27,295	High	1/1/2010		X	X	X	X	STIP/City
91	Hwy	Connecting existing auxiliary lane through interchange on westbound SR-91 between SR-57 & I-5 with intelligent transportation systems elements	\$ 72,000	\$ 36,000	\$ 36,000	High	6/1/2012		X	X			STIP
ACE	Grade Sep	Placentia Avenue Undercrossing (Placentia & Fullerton)	\$ 29,870	\$ 14,935	\$ 14,935	High	5/1/2010	X	X	X	X	X	STIP
ACE	Grade Sep	Kraemer Boulevard Undercrossing (Placentia)	\$ 45,920	\$ 22,960	\$ 22,960	Medium	2/1/2010	X	X	X			STIP
ACE	Grade Sep	Orangethrope Avenue Overcrossing (Placentia & Anaheim)	\$ 83,960	\$ 41,980	\$ 41,980	Medium	11/1/2010	X	X	X			STIP
ACE	Grade Sep	Tustin Avenue/Rose Drive Overcrossing (Placentia & Anaheim)	\$ 63,400	\$ 31,700	\$ 31,700	Medium	4/1/2010	X	X	X			STIP
ACE	Grade Sep	Lakeview Avenue Overcrossing (Placentia & Anaheim)	\$ 54,530	\$ 27,265	\$ 27,265	Medium	7/1/2011	X	X	X			STIP
ACE	Grade Sep	Raymond Avenue (Fullerton)	\$ 64,630	\$ 11,505	\$ 53,125	Medium	12/1/2013						STIP/RSTP
TOTAL - ALL PROJECTS			\$ 468,900	\$ 213,640	\$ 255,260								

