



ORANGE COUNTY TRANSPORTATION AUTHORITY

# Combined Transportation Funding Programs

**2007 GUIDELINES**



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## Funding Policies

The 2007 Call for Projects (call) will be the final call for the current Measure M (M1) program. This call will provide approximately \$40.9 million in four funding programs for streets and roads improvements across the county through the end of M1, March 31, 2011.

Historically, the Orange County Transportation Authority (OCTA) has not over-programmed in any specific program because a subsequent call could utilize any funding capacity made available by cancellations and project savings. **However, this is the last M1 call and no such safety net will exist.** In order to fulfill the obligations of M1, the available funding programs will be programmed to estimated revenues. Generally, any remaining revenues, resulting from savings, cancellations, or delay will be utilized to further fund the development activities for the renewed Measure M (M2) programs. Details for each program are detailed in their respective chapters.

The following are policies for projects approved for funding.

1. All eligible Orange County cities and the County of Orange may participate in the Measure M Streets and Roads Funding Programs and federal funding programs included in the Combined Transportation Funding Programs (CTFP).
2. To participate in the CTFP, an agency must have been declared eligible to receive Measure M turnback funds. The agency's General Plan Circulation Element must be consistent with the Master Plan of Arterial Highways, and the agency must meet all other conditions of the OCTA Measure M Growth Management Program. In addition, the agency must execute a master funding agreement with the Orange County Transportation Authority (OCTA). Agreements will be amended periodically to reflect project schedules and funding changes made to Exhibit A through semi-annual adjustments and competitive calls for projects.
3. Local jurisdictions shall scope projects, prepare estimates, and conduct design in cooperation and in accordance with the standards and procedures required by the jurisdictions involved with the project (e.g., City, Caltrans, County).
4. The selection of consultants should be consistent with established contract management procedures with appropriate weighting for professional services, as well as competitive bidding environments.
5. In the past, based on funding availability and project readiness, a call was considered biennially for Tier I and Tier II projects. **However, the two-tiered approach is NOT applicable to the 2007 Call for Projects. All project**

**applications submitted during this call will be subject to terms under Tier I only.**

6. Projects shall be programmed based on an estimate of funds available for a three-year period. Projects will be approved and programmed for funds in Tier I only as referenced above. Tier I is intended for projects that have environmental clearance or are exempt.
7. Approved funding allocations for Tier I projects will be based on project cost estimates<sup>1</sup> and then escalated by OCTA. The rate for the current fiscal year is based on the OCTA and California Department of Transportation (Caltrans) standard escalation rate. Rates for future years shall be used for planning purposes only.
8. The scope, schedule, or the limits of approved Tier I projects shall not be changed unless the changes are approved by the Technical Advisory Committee (TAC) and the OCTA Board of Directors. All changes require approval prior to the lead agency proceeding with the change.
9. **An agency's allocation for a specific project shall lapse if a contract is not awarded for that specific project within the fiscal year those funds are programmed.** The current M1 expiration on March 31, 2011 creates a clear and reasonable date by which projects must have a contract awarded encumbering the funds.
10. Funds allocated by OCTA to a project that are not used by that project upon completion will be utilized to further fund the development activities of M2. Since funding is programmed on a project phase basis, up to a maximum of 50 percent of the savings from one project phase can be used on another project phase that has or is encountering cost overruns. The specific development activities are detailed in the specific program chapters.
11. OCTA shall consider matching fund credit(s) for expenditures incurred after January 1, 2002, for environmental clearance for the project. These credits will be reviewed and considered on a case-by-case basis.
12. Match rate commitments identified in the project grant application shall remain constant throughout the project. Match rate commitments may not be reduced for any reason. The calculated match rate cannot be split by phase. The match percentage approved with the application applies to the project as a whole.

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<sup>1</sup> Cost estimates can include up to a 10 percent contingency.

13. An approved CTFP project may be determined ineligible for funding at any time if it is found that Measure M funding has replaced all or a portion of funds or commitments that were to be provided by other sources such as: development conditions of approval, development deposits, fee programs, or redevelopment programs or other local funding sources (i.e. assessment districts, community facilities districts, bonds, certificates of participation, gas tax, general fund, etc.). Appeals may be made in accordance with the Appeals section discussed later in this chapter.
14. Environmental mitigation will be allowed only as required for the proposed roadway improvement and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 50 percent of the total eligible project costs.
15. Ranking of projects will be based on "whole projects." A "whole project" is defined as being the right-of-way and construction phases. The criteria for ranking the project applications are included in this manual as part of each program chapter.
16. Projects approved for competitive CTFP program funding may not compete for funding in another CTFP program with the following exception: Approved Smart Street-funded projects are eligible for funding under the MPAH program.
17. OCTA shall conduct a semi-annual review of all active CTFP projects. All agencies are required to participate in these sessions. Projects will be reviewed to: 1) review project schedule 2) determine project's continued viability, and 3) discuss any changes.
18. Agencies shall submit payment requests to OCTA in a timely fashion. Agencies may request an initial payment once a contract has been awarded or right-of-way activities are initiated. OCTA will work with jurisdictions to ensure the timeliness of final reports in the following ways:
  - a. Require jurisdictions to notify OCTA of the "project completion date." This notification can be done by either filing a copy of the recorded "notice of completion" within 30 days of the recorded date or by submitting a statement of final payment accompanied by a copy of the final invoice within 30 days of the issuance of the final payment.
  - b. Require all jurisdictions to file a final report within 180 days of "project completion date" submitted above in action "a."
  - c. Issue a "reminder notice" to the public works directors and/or TAC representatives 90 days after the "project completion date" to remind jurisdictions that the final report is due in 90 days. This "reminder notice"

should also include an offer from OCTA to assist in preparation of the final report by using consultant services. The fee for this assistance will be charged against the project final 10 percent payment.

- d. Issue a “final notice” to the public works directors or TAC representatives with a copy to jurisdictions management and Finance Director if the final report or a request for an extension has not been received within 180 days of the “project completion date”. This “final notice” should inform the jurisdictions that in the case that no response to this notice is received by OCTA within 30 days, consultant services would be contracted by OCTA to prepare the final report on behalf of the jurisdiction. The fee for this preparation will be charged against the project final 10 percent payment.
  - e. Require all requests for extension for the final report to be reviewed and approved by the TSC and the TAC.
  - f. Require OCTA to issue the final 10 percent payment to jurisdictions within 60 days of the receipt of satisfactory report and all related supporting documentation.
19. If an agency cancels a project, funds for that project shall be used for M2 development. If funds have been expended for the project, the agency shall also be responsible for the repayment of funds to OCTA.

Additionally, the following guidelines will apply to all agencies for all projects included in the CTFP:

### **Time Extensions**

Time extensions may be granted for special circumstances that are beyond the control of the implementing agency. A formal request for a time extension should be presented to OCTA at the earliest possible moment or at a semi-annual review but no later than June 30 of the fiscal year in which the project is programmed.

The cities/county may request a one-time delay of up to 24 months. Jurisdictions will be required to justify this request and seek approval of staff, TSC, and the TAC as part of the semi-annual review process. A second delay request may only be awarded by obtaining the council-approved, revised Capital Improvement Program (CIP) that indicates the project revised program year. The second delay request requires review by the staff, TSC, and TAC approval.

Any further delay beyond the second delay request would require a direct request for approval from the OCTA Board of Directors. This request will be reviewed by staff and

presented to the TAC for their recommendation. The OCTA Board of Directors will have the final approval of the request.

**Again, local agencies are reminded that Measure M funds must be encumbered by March 31, 2011.**

In light of statewide concern for project delivery of STP-funding projects (RSTP and AHRP), early submittal of required documentation to Caltrans Local Assistance is strongly advised. All requests should be submitted, in a complete package, to Caltrans no later than April 15<sup>th</sup> of the year in which funds are programmed.

### Appeals

Appeals may be made to the TAC, through the TSC, on issues that cannot be resolved by the local agency and OCTA staff. An appeal can be filed by submitting a brief written statement of the facts and circumstances to OCTA staff. All appeals must include a proposed action to correct the situation. Appeals will be presented to the TAC, through the TSC, for a specific recommendation. The OCTA Board of Directors will have the final approval on any appeal.

### Applications

Applications for the call for projects must be submitted to OCTA on or before Friday, February 29, 2008. One hard copy of each complete application package as outlined in Chapter 12 must be submitted. The evaluation criteria for the CTFP are included as part of each program chapter.



**Background**

In the 1980s, local jurisdictions in Orange County had only limited sources for funding transportation projects. Local cities and the County had to rely on their own sources of funding or the State and Federal government to make transportation improvements. There were some exceptions to these conditions such as the Arterial Highway Financing Program and the Orange County Unified Transportation Trust Fund (both are now discontinued).

With the 1990s came substantial new transportation funding sources in Orange County. In June 1990, the voters of California approved Proposition 111, which increased the excise tax on gas initially by 5 cents with a 1-cent annual increase for the next 4 years. Local agencies benefit by subventions they receive from this tax. Orange County local jurisdictions will be able to use their subventions as matching funds for the funding programs contained in this manual.

Less than six months after the passage of Proposition 111, Orange County voters approved a one-half percent sales tax increase to fund transportation projects in Orange County. This sales tax is known as Measure M - The Revised Traffic Improvement and Growth Management Ordinance. Approximately \$3.1 billion (in 1988 dollars) is expected to be generated from Measure M over 20 years, with 32 percent earmarked for street and road improvements.

In 2000, the Transportation Congestion Relief Program was enacted and committed \$4.9 billion to fund 141 specific projects with a local match requirement. Almost all the projects committed to are completed and the program is scheduled to sunset next fiscal year.

Proposition 42, passed in 2002, formalized the use of gasoline sales tax revenues for transportation. This legislation allocated 40 percent of the revenue to the State Transportation Investment Program, 40 percent to local governments and 20 percent to the Public Transit Account.

Voters also approved Proposition 1B: Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. This measure authorizes the state to sell general obligation bonds to fund transportation projects to relieve congestion, improve the movement of goods, improve air quality, and enhance the safety and security of the transportation system. The bond money will be available for expenditure by various state agencies and for grants to local agencies and transit operators upon appropriation by the Legislature:

- ***Congestion Reduction, Highway and Local Road Improvements***—\$11.3 billion—for capital improvements to reduce congestion and increase capacity on state highways, local roads, and public transit for grants available to locally funded transportation projects, as well as for projects to rehabilitate state highways and local roads.

- **Public Transportation**—\$4 billion—to make capital improvements to local transit services and the state’s intercity rail service. These improvements would include purchasing buses and rail cars, as well as making safety enhancements to existing transit facilities.
- **Goods Movement and Air Quality**—\$3.2 billion—for projects to improve the movement of goods—through the ports, on the state highway and rail systems, and between California and Mexico—and for projects to improve air quality by reducing emissions related to goods movement and replacing or retrofitting school buses.
- **Safety and Security**—\$1.5 billion—for projects to increase protection against a security threat or improve disaster response capabilities on transit systems; as well as for grants to improve the safety of rail crossings to seismically retrofit local bridges, ramps, and overpasses; and to improve security and disaster planning in publicly owned ports, harbors, and ferry terminals.

In November 2006, Orange County voters approved a ballot measure to renew the one-half percent sales tax to fund transportation projects in Orange County. This renewal is known as: Renewed Measure M, Transportation Investment Plan and is referred to as M2.

Federal funding for transportation was established through the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991, continued in TEA-21 in 1998, and in 2005, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). SAFETEA-LU authorizes the Federal surface transportation programs for highways, highway safety, and transit for the 5-year period 2005-2009. These acts provide significant funding for transportation.

Local agencies must follow specific rules and procedures to obtain these funds. The Orange County Transportation Authority (OCTA) has made an effort to make the combined transportation funding process as simple as possible.

## Procedures Manual Overview

This procedures manual provides the guidelines and procedures necessary for Orange County agencies to apply for funding for streets and road projects. Only the funding programs in bold text represent programs that are open for application during this call. The funding programs contained in this manual are:

### Measure M Streets and Roads Programs

Smart Streets Program . . . . .	(SSP)
Regional Interchange Program . . . . .	(RIP)
<b>Intersection Improvement Program . . . . .</b>	<b>(IIP)</b>
<b>Signal Improvement Program . . . . .</b>	<b>(SIP)</b>
<b>Transportation Demand Management Program . . . . .</b>	<b>(TDM)</b>
Master Plan of Arterial Highways Program . . . . .	(MPAH)
Growth Management Areas Program . . . . .	(GMA)

### Reauthorized Federal Transportation Equity Act

Arterial Highway Rehabilitation Program . . . . .	(AHRP)
Regional Surface Transportation Program . . . . .	(RSTP)

## Arterial Highway Rehabilitation Program (AHRP)

The AHRP predecessor Arterial Highway Financing Program (AHFP) was established in 1958 as a means of facilitating development of an orderly system of arterial highways throughout Orange County in accordance with a countywide Master Plan of Arterial Highways (MPAH). The program was established by the Board of Supervisors resolution in cooperation with the Orange County Division, League of California Cities. Since the inception of the program through fiscal year 1992-93, the Orange County Environmental Management Agency administered this program. Through Board of Supervisors action, administration of this program was shifted to the Orange County Transportation Authority beginning with fiscal year 1993-94.

The County's AHFP program was discontinued after the County of Orange declared bankruptcy in December 1994. The AHRP is a new program devoted to regional pavement rehabilitation needs countywide. This program is intended to provide broad guidelines to enable and facilitate a variety of future funding sources. The current source is federal RSTP funds.

**Measure M Streets and Roads Programs**

Orange County's one-half percent sales tax for transportation improvements, Measure M, was approved by the voters on November 6, 1990. The revenue generated from this tax is administered by OCTA. Funding is distributed into four categories based on the percentages established in the sales tax ordinance.

***Distribution of Measure M Revenue***

43 percent to Freeway Projects
25 percent to Transit Projects
21 percent to Local Streets and Roads Projects
11 percent to Regional Streets and Roads Projects

Throughout the life span of Measure M, improvements and capacity enhancements have been made to all Orange County freeways and expansion of commuter rail service is underway. A portion of the revenue allocated for Local Streets and Roads (14.6 percent) is given directly to the cities and County as turnback funds.

The amount of turnback funds to be received by a jurisdiction is based on a combination of population, taxable sales, and miles of roadway included on the Master Plan of Arterial Highways. These turnback funds can be used as matching funds for all programs discussed in this manual.<sup>3</sup>

Measure M provides funding for streets and roads improvements from the Regional Streets and Roads component, as well as the Local Streets and Roads component. The Regional component is allocated 11 percent of the revenues generated from the one-half percent sales tax annually. Five programs are included in this component:

Smart Streets Program . . . . .(SSP)  
Regional Interchange Program . . . . .(RIP)  
Intersection Improvement Program . . . . .(IIP)  
Signal Improvement Program . . . . .(SIP)  
Transportation Demand Management . . . . . (TDM)

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<sup>3</sup> Matching fund requirements are discussed in detail in subsequent chapters.

In 1997, the Local Streets and Roads component, governing the Growth Management Areas Program (GMA) and the Master Plan of Arterial Highways Program (MPAH) were amended to reflect changes to the program allocations. Once the \$100 million cap on the GMA program was reached, the excess revenues were redirected to the MPAH program, and the MPAH program \$100 million cap was removed. Further, up to \$30 million in the MPAH program was set aside to fund Smart Street Program projects on a case-by-case basis.

### **Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)**

Federal funding for transportation was reauthorized in August 2005. This is a five-year program, which will end in fiscal year 2008-09. It is anticipated that a subsequent surface transportation bill will be authorized in fiscal year 2008-09. It is further anticipated that the future act will continue the approach of providing flexible programs.

The current act includes the following eligible improvement categories:

#### Highways -

- Surface Transportation
- Equity Bonus
- National Highway System
- Interstate Maintenance
- Bridges
- Congestion Mitigation/Air Quality Improvements
- High Priority Projects
- National Corridor Infrastructure Improvement Program
- Projects of National and Regional Significance
- Metropolitan Planning
- Coordinated Border Infrastructure
- Transportation Improvements

#### Transit –

- Urbanized Area Formula
- New Starts
- Fixed Guideway Modernization
- Discretionary bus
- JobsAccess/Reverse Commute
- Non-Urbanized Area Formula
- Metropolitan Planning
- Elderly and Disabled Operating Assistance

- New Freedoms
- State Planning

## Safety –

- Highway Safety Improvement Program
- Safe Routes to School

OCTA receives annual apportionment from the Surface Transportation Program (STP). The STP provides funding for a wide variety of transportation projects or improvements. Such items include (but are not limited to):

- Construction, reconstruction, and rehabilitation
- Safety improvements
- Capital and operating costs for traffic management and control
- Carpool and vanpool projects

For the five-year period, from FY 2004 to FY 2009, Orange County local agencies' share of STP funds will be subdivided into two programs. One-half of the STP funds are sub-allocated for roadway rehabilitation projects under the Arterial Highway Rehabilitation Program (AHRP), and the other half is dedicated to arterial widening, interchanges, grade separation projects and at grade rail crossing safety enhancements, and is collectively called Regional Surface Transportation Program (RSTP). OCTA is responsible for the programming of all STP funds (AHRP and RSTP) in consultation with local agencies.

The 2004 Call for Projects included \$150 million of RSTP funds, including a \$30 million set aside for grade separation projects. The \$120 million balance was programmed to AHRP, MPAH and RIP.

AHRP	\$	86,747,868
MPAH	\$	31,550,710
RIP	\$	1,691,422
<b>TOTAL</b>	<b>\$</b>	<b>119,990,000</b>

**No RSTP funds are available for the current 2007 call.**

## Program Administration

This manual devotes a chapter to each of the streets and roads funding programs administered by OCTA. The chapters detail eligible expenditures, ineligible expenditures, program requirements, and additional information needed when applying for funds. Each

chapter should be read thoroughly before applying for funding. Applications should be prepared as required by the program(s) that "best fits" the proposed project.

In some cases, a candidate project may be eligible for funding from more than one program. If that is the case, OCTA will determine what sources of funds will be used to fund the project, should it be approved. Funds may be allocated from more than one program.

The amount of funds available for the Measure M programs are based on estimates of future revenues that will be generated from each source. Over the next three years (FY 2008/09 to FY 2010/11), it is estimated that approximately \$40.9 million will be available for transportation funding programs (Exhibit 1-1). The current Measure M sunsets in March 2011. These funds will be programmed to be consistent with Technical Steering Committee, Technical Advisory Committee, and OCTA Board of Directors (Board)-adopted policies.

Applications will be prepared by the local agency responsible for project implementation. OCTA will require that applications be received by February 29, 2008. Once project applications are received, they will be reviewed and ranked using evaluation criteria developed for each program.

In general, these criteria include (not in priority order):

- Safety
- Agency priority
- Project readiness
- Cost-effectiveness
- Transportation system significance
- MPAH classification
- Multi-jurisdictional continuity and/or coordination
- Inclusion in an adopted seven-year capital improvement program
- Growth Management Area support
- Local agency support
- Specific requirements included in the funding program

Once applications are reviewed and ranked, a recommended funding program will be developed by OCTA staff and the TAC. The TAC may also consider intangible issues in the formation of project priority lists. The OCTA Board will approve projects and funding allocations. Cities awarded projects are required to award contracts or obligate funds in the fiscal year in which funding is programmed. Disbursement of Measure M funds and processing of payment requests will be administered by OCTA while Caltrans is responsible for RSTP/AHRP payments.

Local agencies will be notified which projects have been programmed and from what sources after the OCTA Board takes action. This entire application/approval process is illustrated in Exhibit 1-2.

The remainder of this manual describes each program, the application process, procedures for requesting funds, and the requirements of these programs. Appendix A provides a list of OCTA staff members to contact should your agency have any questions regarding this manual or any information contained herewith.



**Exhibit 1-1****Orange County Combined Transportation Funding Programs  
Fund Estimates**

<b>Programs</b>	<b>Total Program Allocations</b>	<b>Forecasted Revenues at Completion <sup>1</sup></b>	<b>Difference (Forecast vs. Programmed)</b>
Growth Management Areas	\$ 91,360,290	\$ 100,000,000	\$ 8,639,710
Intersection Improvements	\$ 111,316,600	\$ 134,830,000	\$ 23,513,400
Master Plan Arterial Hwys	\$ 139,434,645	\$ 147,203,000	\$ 7,768,355
Regional Interchanges	\$93,929,161	\$ 94,381,000	\$ 451,839
Signal Improvements <sup>2</sup>	\$ 57,884,457	\$ 67,415,000	\$ 9,530,543
Smart Streets <sup>3</sup>	\$ 185,184,359	\$ 189,392,000	\$ 4,207,641
Transportation Demand Mgmt	\$ 10,216,731	\$ 13,483,000	\$ 3,266,269
<b>SUB-TOTAL</b>	<b>\$ 689,326,243</b>	<b>\$ 746,704,000</b>	<b>\$ 57,377,757</b>
RSTP	\$ 119,990,000	\$ 120,000,000	\$ 10,000
<b>TOTAL</b>	<b>\$ 809,316,243</b>	<b>\$ 866,704,000</b>	<b>\$ 57,387,757</b>

1. The forecasted revenues were taken from the COC quarterly report.

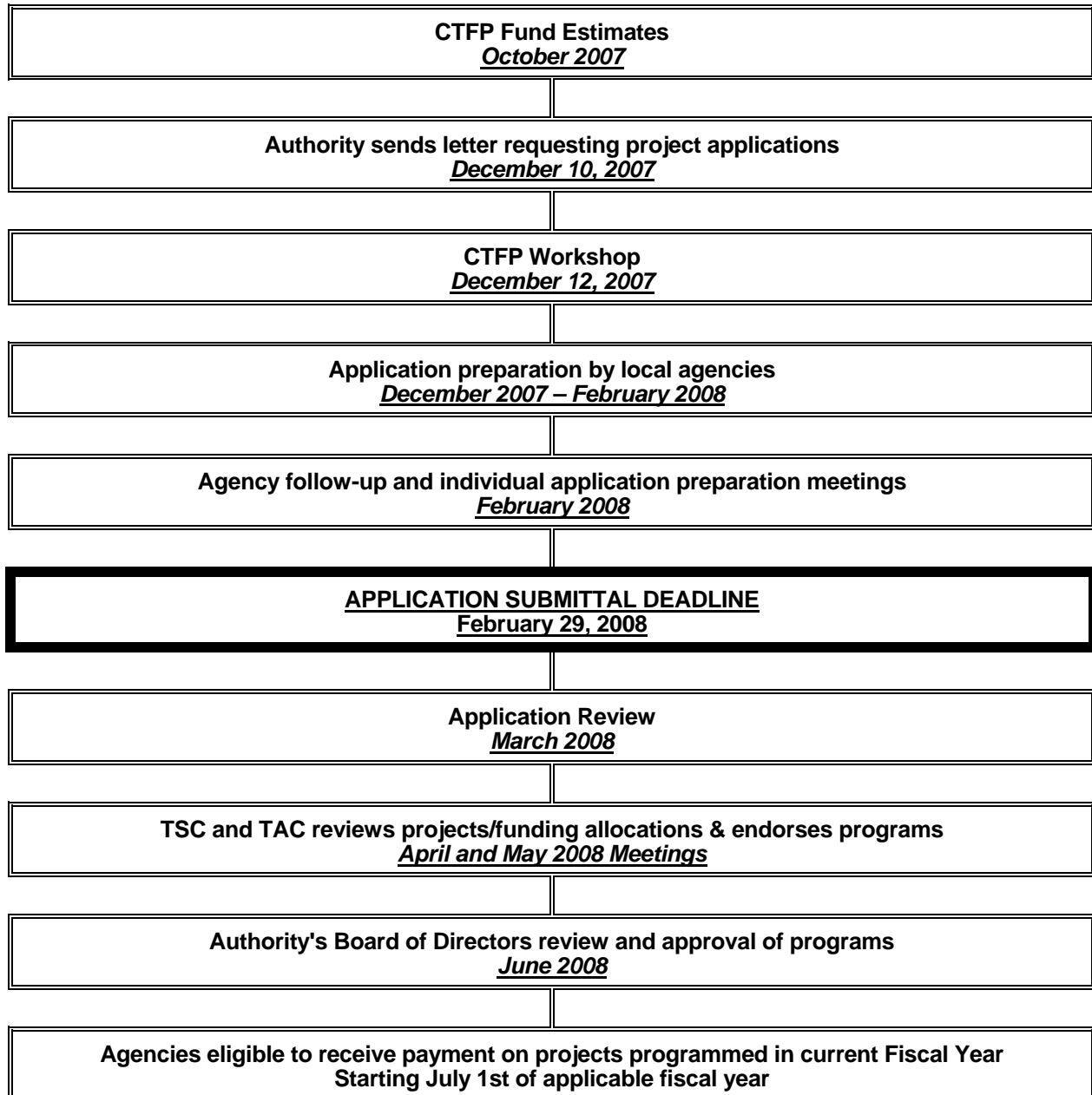
2. Approximately \$5.5M will be available to local agencies. The difference will fund corridor projects.

3. The SSP-forecasted revenues include \$30M that was previously set aside from the MPAH; the SSP program allocations include the recent additions to the Imperial Highway (Brea) and Imperial Highway (Anaheim) projects.

**Available for 2007 Call for Projects**

<b>Programs</b>	<b>Total Funding Targets</b>
Growth Management Areas	\$ 8,639,710
Intersection Improvements	\$ 23,513,400
Signal Improvements	\$ 5,530,543
Transportation Demand Management	\$ 3,266,269
<b>TOTAL</b>	<b>\$ 40,949,922</b>

**Exhibit 1-2**  
**Combined Transportation Funding Programs**  
**Project Application/Approval Process**



## **Eligibility Process Overview**

To apply for the Combined Transportation Funding Programs (CTFP), local agencies must fulfill a two-step eligibility process. These steps have been established to ensure that improvements are consistent with regional plans. Under previous county funding programs (e.g., AHFP, OCUTT) agencies had to meet similar requirements to be considered for funding. A process reflecting the eligibility criteria found in Measure M has been approved by the cities and county. Eligibility packages are due to OCTA by June 30 of each year.

### ***Eligibility Process – Step 1***

Agencies must be deemed eligible to receive Measure M turnback funds by OCTA. An eligibility package of information is distributed to local agencies annually. A brief list of requirements is presented below:

- Adoption of a Growth Management Program
- Adoption of a seven-year Capital Improvement Program
- Adoption of a General Plan Circulation Element which does not preclude implementation of the MPAH
- Adoption of a local Pavement Management Program
- Adoption of a local Transportation Demand Management Ordinance
- Satisfied Maintenance of Effort requirements
- Approved Agreement to expend funds within three years of receipt

The Measure M Growth Management Program Preparation Manual outlining the turnback requirements in detail is updated each year and should be referenced when your agency is preparing items to meet these requirements. Submission of the Capital Improvement Program is completed through an on-line database application. A manual and workshop is developed for local agency staff to prepare them for the annual eligibility process. Both the manual and workshop information is available on OCTA's website, and a link is forwarded to all local agencies. However, if an agency has any questions they should contact OCTA. Contact information is provided in Appendix A.

### ***Eligibility Process – Step 2***

- (A) The agency's General Plan Circulation Element must be consistent with the County's MPAH. In order for an agency's Circulation Element to be consistent with the County's MPAH, it shall have a planned-carrying capacity equivalent to the MPAH for all MPAH links within the agency's jurisdiction.

"Planned capacity" shall be measured by the number of through lanes on each arterial highway as shown on the local circulation element. Agencies shall not be inconsistent as a result of existing capacity limitations on arterials which are not yet constructed to the circulation element design.

- (B) The agency must also submit a resolution attesting that no unilateral reduction in lanes has been made on any MPAH arterials.

### **MPAH Consistency Review and Amendment Process**

Through a transfer agreement with the County of Orange, the OCTA assumed responsibility for administering the MPAH starting in mid-1995. As the administrator, OCTA is responsible for maintaining the integrity of the MPAH through coordination with cities and the County, including determination of city and County consistency with the MPAH. In order to provide a mechanism to communicate MPAH policies and procedures, the *Guidance for the Administration of the Master Plan of Arterial Highways* has been prepared to assist OCTA, the County, and the cities of Orange County in maintaining the MPAH as a vital component of transportation planning in Orange County. The *Guidance* document outlines the MPAH consistency review and amendment process in detail. Contact information for OCTA staff assigned to MPAH administration may be found in Appendix

## Exhibit 2-1

### SAMPLE RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY/COUNTY OF \_\_\_\_\_  
CONCERNING THE STATUS OF THE CIRCULATION ELEMENT  
FOR THE CITY/COUNTY OF \_\_\_\_\_

WHEREAS, the City/County of \_\_\_\_\_ desires to maintain and improve the streets within its jurisdiction, including those arterials contained in the Master Plan of Arterial Highways (MPAH), and

WHEREAS, the City/County of \_\_\_\_\_ has endorsed a definition of and a purpose for, determining consistency of the City's Traffic Circulation Plan with the MPAH, and

WHEREAS, the City/County has adopted a General Plan Circulation Element which does not preclude implementation of the MPAH within its jurisdiction, and

WHEREAS, the City/County has adopted a resolution informing the Orange County Transportation Authority (OCTA) that the City's/County's Circulation Element is in conformance with the Master Plan of Arterial Highways and whether any changes to any arterial highways of said Circulation Element have been adopted by the City/County during Fiscal Years 20\_\_ and 20\_\_

WHEREAS, the City/County is required to send annually to the OCTA all recommended changes to the City/County Circulation Element and the County Master Plan of Arterial Highways for the purpose of re-qualifying for participation in Measure M Streets and Road Programs.

NOW, THEREFORE, BE IT RESOLVED THAT the City/County of \_\_\_\_\_ does hereby inform the OCTA that:

- a) The arterial highway portion of the City/County Circulation Element of the City is in conformance with the County Master Plan of Arterial Highways.
- b) The City/County attests that no unilateral reduction in through lanes has been made on any MPAH arterials during Fiscal Years 20\_\_ and 20\_\_.
- c) The City/County has adopted a uniform setback ordinance providing for the preservation of right-of-way consistent with the MPAH arterial highway classification.
- d) The City/County has adopted provisions for the limitation of access to arterial highways in order to protect the integrity of the system.

## Program Consolidation

The Measure M Streets and Roads Programs will be combined into one application review and allocation process. The sources of funds will be part of the Combined Transportation Funding Programs contained in this manual. The consolidation of programs will help eliminate confusion among the various requirements and allow the greatest flexibility for programming projects.

## Tiering

The structure of the funding programs will be based on a two-tiered approach. This two-tiered approach is part of a five-year cycle. **NOTE: The two-tiered approach is NOT applicable to the 2007 Call for Projects. All project applications submitted during this call will be subject to terms under Tier I only.**

**Tier I** Encompasses the first two years of the five-year cycle. It is intended for only "project ready" projects, meaning projects which have environmental clearance or are exempt. No cost increases, other than escalation, are allowed for a project approved for funding in Tier I. Project schedules will be subject to the timely use guidelines.

**Tier II** Refers to the last three years of the five-year cycle. Projects which are underway with environmental clearance or are expected to have clearance before year five are programmed in Tier II. Since accurate cost estimates are difficult to calculate for projects planned for more than one or two years in the future, amendments up to 15 percent, based on a sliding scale, above the project's escalated original cost estimate are acceptable. Project schedules will also be allowed to be extended or accelerated within reasonable time frames. Special circumstances may also be appealed.

## Project Readiness

In past years, regardless of status, projects were programmed in Tier I or Tier II based upon their anticipated delivery schedule. In cases involving large or complex projects, this schedule was often impacted by environmental processes. The environmental process would negatively impact the project schedule and result in delays in subsequent project phases. Recently, more emphasis has been placed on maintaining the timely delivery of projects, especially at the State level. Assembly Bill (AB) 1012, which was signed into law in 1999, established firm deadlines on federal funds. Under AB 1012, if funds are not obligated in a timely fashion they are lost to the county and reprogrammed for other projects in the State.

In an effort to better utilize project funding and maintain project schedules, programming of funding for CTFP under the tiered approach has been revised. In general, to receive funding for right of way or construction phases, a project must either have:

1. Approved environmental clearance (CEQA for Measure M programs, NEPA for federally funded programs) or;
2. Be categorically or statutorily exempt under CEQA or NEPA (as applicable).

Exceptions to these rules may be considered if it is confirmed that environmental clearance will be issued prior to the scheduled start of right of way or construction. Under no circumstance will right of way or construction phases be approved for Tier I funding until environmental clearance has been approved.

In sum, Tier I will be comprised of projects that are ready to begin right of way and construction activities. Tier II will be for design activities or for right of way or construction phases if the project is underway with environmental clearance.

### ***Project Cost Escalation***

Approved projects in years two and three, for this application cycle, will be escalated by OCTA and will not affect proposed match rates. Escalation rates for future years will be based on OCTA and Caltrans standard escalation rates and **shall be used for planning purposes only**. The current escalation rates for FY 2007-08 are:

3.0 % for Right-of-way  
3.0 % for Construction

Each March, OCTA shall validate the escalation rate that will be used for projects programmed in the next fiscal year beginning on July 1<sup>st</sup>. Agencies should be aware that the rate established by OCTA each March may be greater or less than the “planning” rate used when projects were originally approved for funding.

When agencies are preparing applications, **all cost estimates are to be in current year dollars (FY 2008 non-escalated)**. OCTA will review each cost estimate thoroughly and will escalate costs based on the year the project is programmed. For example, the construction phase of a project is stated in current dollars as \$250,000. If it is programmed for year three (FY 2010-11), it will be escalated by the OCTA by 3.0 percent annually bringing the new (escalated) total to \$265,225.

### ***Tier I Policy***

- Funds programmed for Tier I projects are final once approved by OCTA. No additional funds will be allocated to the project.

- Projects must have approved environmental clearance to be allocated funding for right of way and construction activities. Final Design can be programmed, but payment will not be released until OCTA receives confirmation of environmental clearance.
- Agencies with Tier I projects are responsible for:
  - any costs exceeding the programmed amount
  - maintaining the project schedule
  - maintaining the project scope
- An agency's allocation will lapse if the construction contract or consultant contract is not awarded within the fiscal year programmed. If an agency is unable to award a contract within the approved fiscal year, the agency may request a delay as part of the semi-annual review. Each agency is required to abide by the Time Extension Policy outlined in the CTFP Guidelines (see page 3-5). Generally, circumstances beyond the agency's control will be considered valid reasons. If the agency and OCTA do not agree on the decision, or if the agency's request does not fall within OCTA staff's authority for administrative amendments, the issue will be presented to the TAC and Board for review and approval.
- As stated above, an agency's allocation is based on the project's cost as programmed in Tier I. **If project costs escalate beyond original estimates and the agency is unable to cover additional costs, a request to reduce the project scope or limits will be considered where feasible.** All requests for changes in scope and limits must be submitted to OCTA in advance of the change. This request will be evaluated on a case-by-case basis and must be approved by the TAC and OCTA Board of Directors prior to initiation of the change by the lead agency. The agency must submit a letter to OCTA no later than June 30<sup>th</sup> of the year in which funds are programmed stating the reasons for cost increases, a proposal for project scope or limit reduction, and an explanation of why approval of their request is warranted. The review process is similar to the appeals process mentioned above.

#### ***Tier II Policy (NOT APPLICABLE TO 2007 CALL FOR PROJECTS)***

In order for a Tier II project to move into Tier I, it must have environmental clearance or be an exempt project. During each new programming cycle, projects programmed in Tier II, which DO NOT have environmental clearance, AND clearance has been delayed for one year or more from the original schedule, shall require re-affirmation by the TAC and OCTA. This review will determine the project's continued viability and ability to be delivered in a timely fashion. Funding may be postponed or withdrawn if a project cannot demonstrate continued progress.

Once the project moves to Tier I, the programmed amount will then be set at a certain level and only the standard escalation will be allowed.



***Tier I and II Commitments***

OCTA expects that a project that has been approved for funding under any phase (design, right of way, or construction) will be completed (i.e. constructed or built) and open to the public as described in the application or as amended by the TAC and OCTA. Should a project not be completed, the lead agency will be responsible for the repayment of all expended CTFP funds. Those funds will be returned to the CTFP for future use consistent with adopted programming policies.

***Project Advancements***

Agencies wishing to advance a project by one fiscal year or more may request project advancement. The agency must demonstrate that a contract will be awarded or that funds will be obligated in the year which funds are requested to be advanced to. If an agency wishes to advance a project from Tier II to Tier I, the project must meet the same requirements as a Tier I project (e.g., materials reports, preliminary design, environmental clearance, etc.). In addition, the allocation will be de-escalated according to the original escalation rate.

Requests can be submitted at any time during the fiscal year or as part of the semi-annual review process. All advancements will be reviewed by the TAC and approved by the OCTA Board. If approved, the agency and project will be required to meet the new fiscal year award or obligation deadline.

Should OCTA be unable to accommodate an advancement request for a project funded through Measure M, due to cash flow constraints, the agency may still move forward with the project using local funding. The lead agency must receive authorization/approval from OCTA prior to beginning work. The lead agency may subsequently seek reimbursement of CTFP funds in the fiscal year in which funds are programmed. Reimbursement shall follow the standard CTFP process described in Chapter 13.

***Growth Management Areas (GMA) Projects***

Projects funded through the GMA Program must follow the procedures that are outlined in Chapter 11. It should be noted that amendments to GMA projects require GMA elected official action **prior** to submitting a request to OCTA through the semi-annual process. Local agencies should refer to Chapter 11 for a detailed discussion of the amendment process.

***Semi-Annual Review***

OCTA staff will conduct a comprehensive review of CTFP projects on a semi-annual basis to determine the status of projects. These review meetings are usually scheduled to occur in September and March of each year.

Projects are reviewed to:

1. Update project cost estimates
2. Review the project delivery schedule
3. Determine the project's continued viability
4. Provide an overall picture of the Combined Transportation Funding Programs

Prior to each review meeting, OCTA staff will distribute a list of active projects to each local agency, respectively. Each agency will be contacted and asked to participate in the upcoming review where each agency's project schedules, cost estimates, and scope will be reviewed. Agencies will be given the opportunity to request program changes (e.g., delaying and advancing funds from one fiscal year to another) and each adjustment will be considered on a case-by-case basis. The agency should be prepared to explain any changes and provide all necessary supporting documentation. Generally, the local agency is responsible for the implementation of the projects as approved by OCTA, but consideration will be given for circumstances beyond their control that affect scope, cost or schedule.

Based on the semi-annual meetings, OCTA staff will develop and present recommendations for project adjustments to the TSC and TAC. Requests for project changes (delays, advancements, Tier II increase, scope modifications) will be considered on an individual basis. The following action plan has been developed for the semi-annual review process:

- Require jurisdictions to submit status reports, project worksheets, and supporting documentation to OCTA for all project adjustments.
- Require local agencies to abide by **Time Extension Policy**:
  - Agencies may request a one-time delay of up to 24 months. Jurisdictions will be required to justify this request and seek approval of OCTA staff, Technical Steering Committee (TSC), and the Technical Advisory Committee (TAC) as part of the semi-annual review process.
  - A second delay request may only be awarded by obtaining the council approved revised Capital Improvement Program (CIP) that indicates the project's revised program year. The second delay request will still require the OCTA staff review and the TSC and TAC approval.
  - Any further delay beyond the second delay request would require a direct request for approval from the OCTA Board of Directors. The OCTA Board of Directors will have the final approval of the Agency's request.

### Smart Street Program Overview

The 1982 *High-Flow Arterial Concept Feasibility Study* indicated that substantial improvements in travel time, number of stops, fuel consumption, and vehicle emissions can be achieved through the implementation of a high-flow arterial or Smart Street concept. This concept seeks to improve roadway traffic capacity and smooth traffic flow on selected roadway corridors through measures such as traffic signal coordination, bus turnouts, parking restrictions, intersection improvements, and additional travel lanes. The Smart Street concept will reduce traffic congestion in Orange County and complement the highway system.

A follow-up study in 1984, the *Superstreet Program for Orange County*, identified a network consisting of approximately 220 miles on 21 designated Smart Streets. This network of Smart Streets reflects both existing and future transportation needs in Orange County. Exhibit 4-1 is an illustration of that network. Beach Boulevard was selected in 1984 as the first designated Smart Street in Orange County.

In 1992, the Superstreet network was re-defined and re-named the Smart Street network. Given the level of costs associated with these improvements and the philosophy of corridor-wide improvements, the TAC and Board decided to limit the funds from this program to no more than the four streets currently underway. In March 1993, the OCTA TAC and Board of Directors determined that the following Smart Street corridors would be considered for funding:

- Beach Boulevard (Pacific Coast Highway to Imperial Highway)
- Imperial Highway (Los Angeles County to Santa Ana Canyon Road)
- Katella Avenue (I-605 to SR-55)
- Moulton Parkway (Main Street in Santa Ana to Del Prado in Dana Point)

### Final Call for Projects

Funding adjustments have been approved by the OCTA Board for projects in active Smart Street Corridors. The revenue projected to be available at the end of Measure M is \$189.4 million, which includes savings from completed projects and \$30 million of MPAH “earmarked” funds. The current remaining balance at the end of the program is estimated to be \$4.2 million with an anticipated un-programmed need of at least \$12 million for the remaining SSP segments. This shortfall is proposed to be addressed by programming the remaining MPAH balance to the SSP. MPAH funds are not intended in any way to supplant existing City Commitments to these projects. Projects that are found to do so will be required to repay the funds.

## Implementation Plans

The Beach Boulevard Smart Street implementation plan was completed by OCTA in July 1993. Implementation plans for Katella Avenue, Imperial Highway, and Moulton Parkway were completed in June 1996 by the corridor cities and the County. The implementation plans were used as a guide in the allocation of all remaining Measure M Smart Street Program funds. The plans included priorities, project descriptions, costs, funding plans, and schedules. In order to maintain a corridor approach for improvements, Smart Street segments are generally defined as:

- Smart Street to Smart Street (of the 21 Smart Streets)
- Smart Street to Freeway
- Freeway to Freeway

Implementation plans also included a phasing plan of improvements by segment and identified funding sources, including developer obligations and fee programs. In addition, plans included a description of agency responsibilities by segment and phase. All local jurisdictions along each Smart Street corridor have provided resolutions from their City Council or Board to signify adoption of their implementation plan.

The OCTA Board of Directors approved the Smart Street funding allocations in February 1997, authorized an advance funding program, and initiated a Measure M amendment process that subsequently removed the spending cap of \$100 million from the MPAH Program and directed GMA revenues in excess of the \$100 million program cap to the MPAH program. The Board further “earmarked” \$30 million of these additional MPAH revenues for approved Smart Street activities. The Board also adopted a preclusion and payback policy that stated:

- I. After July 1, 1997, any city that withdraws from the program, fails to start activities the first year funding is available, or fails to begin the final phase of construction the last year funds are made available **without OCTA approval** will:
  - A. Be found to have precluded implementation of the MPAH and will be ineligible for future Measure M funds, and
  - B. Repay OCTA for Smart Street expenditures for right of way or construction made in that city.
- II. If any agency within a Smart Street corridor drops out after February 24, 1997, all 100 percent of Smart Street funding for the entire corridor will cease. Activities that are currently underway will be evaluated by the city and OCTA to determine

an appropriate termination point. Future projects in the other cities may be eligible for other Measure M funding.

III. The project schedule adopted by OCTA will serve as a planning tool. Project schedules and cash flows will be evaluated as part of the CTFP semi-annual reviews to determine appropriate adjustments. Projects will be accelerated if additional funds become available.

IV. There will be no penalty to a city that withdraws from the Smart Street Program due to cost increases beyond their control that cannot be funded, thus making a non-viable project. However, consistent with Article II, all 100 percent Smart Street funding for the corridor will cease.

### **Eligible Expenditures**

Only Beach Boulevard, Imperial Highway, Katella Avenue, and Moulton Parkway will be considered as potentially eligible to receive funds under this program. Exhibit 4-2 illustrates the Smart Street network including the remaining 17 designated Smart Streets. Although funding under the Smart Street Program has been fully programmed, the remaining 17 streets are eligible for all other CTFP programs based upon respective program guidelines.

Eligible expenditures include:

- Design
- Right-of-Way
- Construction Activities including:
  - Signal coordination
  - Bus turnouts
  - Intersection improvements (i.e., widening, providing additional turn lanes)
  - Mid-block improvements (i.e., additional through lanes, restriping)
  - Grade separations
  - Pedestrian over/under crossings
  - Channelization (medians)
  - Bike lanes (striping only)
  - Aesthetic improvements, including landscaping (up to 25 percent of construction costs)
- Construction Engineering (up to 15 percent of construction costs)

**Potentially Eligible Items**

Storm drains/catch basins  
Soundwalls and other noise mitigation

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 50 percent of the total eligible project costs.

Longitudinal storm drains are eligible for program participation when, in the opinion of the TAC, the storm drain is an incidental part (cost is less than 50 percent of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 25 percent of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts are eligible for funding under the Smart Street Program.

Soundwalls are eligible only if they are required as part of the environmental clearance for the proposed project. Program participation for soundwalls shall not exceed 50 percent of the total eligible project costs.

**Ineligible Expenditures**

Given the variety of improvements that are allowed in the Smart Street Program, ineligible expenditures are not listed. However, any expenditure not directly associated with the goals and/or requirements of the Smart Street concept will not be funded (e.g., improvements beyond what is required and street rehabilitation). OCTA will review all expenditures on a case-by-case basis to determine the necessity of the proposed improvements for the implementation of the Smart Street Program.

**Requirements**

The intent of this program is to relieve congestion on heavily traveled arterial roadways throughout Orange County, thereby reducing congestion countywide and complementing Orange County's freeway system. Many of the designated Smart Streets cross numerous jurisdictional boundaries. Coordination among agencies is essential to maintain the intent and goals established for the Smart Street network. Construction on Beach Boulevard is near completion and feasibility and environmental studies for three other designated Smart Streets have been completed.

### Procedures

Design, right-of-way, and construction activities must be consistent with the recommended improvements identified in the feasibility and environmental studies. Due to the limited funding from this program, improvements that do not achieve the recommended Smart Street improvements may be ineligible. However, special circumstances may exist where improvements may not achieve feasibility or environmental study recommendations. These will be reviewed by the TAC and OCTA on a case-by-case basis.

Once the funding allocations are made, agencies along the corridor may proceed with right-of-way and construction activities for the Smart Street. Final design and construction must be in accordance with local jurisdiction policies or regulations. If the project is on a state highway, final design and construction must follow Caltrans' procedures and guidelines.

It should be noted that allocation of funds for one segment of a project does not guarantee funding for the remaining segments. As with other CTFP programs, regular project status checks and adjustments will be accommodated through the semi-annual review process. Additional status checks will be necessary prior the start of all subsequent phases and in the event of significant new information.

**Orange County Smart Street Network**  
**Exhibit 4-1**

<b>SMART STREET</b>	<b>LIMITS</b>
<b>Beach Boulevard</b> <sup>1</sup>	Pacific Coast Highway (SR-1) to Imperial Highway (SR-90)
<b>Imperial Highway</b> <sup>1</sup>	Beach Boulevard (SR-39) to Santa Ana Canyon Road
<b>Katella Avenue</b> <sup>1</sup>	San Gabriel River Freeway (I-605) to Costa Mesa Freeway (SR-55)
<b>Moulton Parkway</b> <sup>1</sup>	(Edinger Avenue/Irvine Center Drive/Moulton Parkway/ Street of the Golden Lantern) Main Street in Santa Ana to Pacific Coast Highway (SR-1)
<b>Harbor Boulevard</b>	Imperial Highway (SR-90) to Costa Mesa Freeway (SR-55) extended
<b>Jamboree Road</b>	Irvine Boulevard to Corona Del Mar Freeway (SR-73)
<b>Laguna Canyon</b>	Laguna Freeway (SR-133) to Imperial Highway (SR-90)
<b>Tustin Avenue/Rose Drive</b>	Riverside Freeway (SR-91) to Imperial Highway (SR-90)
<b>Pacific Coast Highway</b>	Warner Avenue to Freeway Terminus in Dana Point (near Street of the Golden Lantern)
<b>Valley View Street</b>	Garden Grove Freeway (SR-22) to Riverside Freeway (SR-91)
<b>Warner Avenue</b>	Pacific Coast Highway (SR-1) to Harbor Boulevard
<b>Bolsa Chica Road</b>	Warner Avenue to San Diego (I-405)/Garden Grove (SR-22) Freeways
<b>Adams Avenue</b>	Beach Boulevard (SR-39) to Harbor Boulevard
<b>Newport Boulevard</b>	Pacific Coast Highway (SR-1) to Industrial Way (southern terminus of Costa Mesa Freeway (SR-55))
<b>MacArthur Boulevard</b>	Pacific Coast Highway (SR-1) to San Joaquin Hills Corridor (SR-73)

<sup>1</sup> Smart Street corridor currently eligible for funding within the Smart Street Program.



<b>El Toro Road</b>	Laguna Canyon Road (SR-133) to Foothill Transportation Corridor (SR-241)
<b>Crown Valley Parkway</b>	Pacific Coast Highway (SR-1) to Foothill Transportation Corridor (SR-241)
<b>Orangethorpe Avenue</b>	Beach Boulevard (SR-39) to Imperial Highway (SR-39)
<b>State College Boulevard</b>	Riverside Freeway (SR-91) to Imperial Highway (SR-90)
<b>Irvine Boulevard</b>	Costa Mesa Freeway (SR-55) to El Toro Road
<b>Bolsa Avenue/First Street</b>	Bolsa Chica Road to Santa Ana Freeway (I-5)

# Orange County Smart Streets



## Regional Interchange Program Overview

The Regional Interchange Program (RIP) funds projects that improve eligible interchanges throughout Orange County. Coordination of interchange projects with other freeway enhancement projects is encouraged to provide for the most effective use of program funds. Transitway interchanges with local streets were also eligible for funding through this program.

The RIP has a current program balance of approximately \$451,839. This does not provide sufficient capacity to include the program in the call. The remaining program funds are recommended to be used for M2 program development and to augment the first M2 call.

**The following text is offered for projects that are currently programmed in the RIP.**

### Eligible Expenditures

All freeway interchanges with arterial highways are eligible under this program. An eligible interchange can also be a combination of ramps at the junction of a freeway and an arterial highway, or the junction of a freeway or state highway with another freeway or state highway, for the purpose of reducing or eliminating traffic conflicts, to improve safety and increase traffic capacity. Regional Interchange Projects may include the element of the facility serving the access and exit points to the freeway including the improvements recommended for smooth traffic flow and benefiting the transition between the arterial and the freeway. Judgment will be based on the concept of the project so that logical limits can be defined. Improvements to over- or under-crossings (which are a part of an interchange) must have a direct benefit for access to the freeway mainline. Additionally, all transitway to arterial highway interchanges are also eligible. Expenditures that can be funded through the Regional Interchange Program include:

- Design (plans, specifications, and estimates)
- Right-of-way
- Construction activities including:
  - approaches/exits/ramps
  - signals (traffic, ramp meters)
  - widening
  - restriping (HOV bi-pass and mixed flow)
  - bridge structures
- Construction Engineering (up to 15 percent of construction costs)
- Aesthetic improvements, including landscaping (up to 25 percent of construction costs)

### Ineligible Expenditures

Items that are not eligible under the Regional Interchange Program are:

- Project Study Report
- Project Report
- Any Environmental Documentation

### Potentially Eligible Expenditures

- Environmental Mitigation
- Soundwalls

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 50 percent of the total eligible project costs.

Soundwalls are eligible only if they are required as part of the environmental clearance for the proposed project. Program participation for soundwalls shall not exceed 50 percent of the total eligible project costs.

### Requirements

#### Level of Service

This program is intended to focus on the most congested interchanges in Orange County. Therefore, only interchanges that meet the following conditions will be eligible for funding under this program:

1. have an existing or projected (within five years) peak period level of service of "D" or worse (ICU calculation of 0.80 or greater) **AND**
2. With the proposed improvement, improve the level of service (as identified in #1 above) by ½ of a service level (0.05 in ICU calculation) **or** to a new level of service of "D" or better.

## Matching Funds

Local agencies will be required to provide a minimum of 50 percent in matching funds. However, other expenditures incurred by the agency may also be used as a credit toward the match requirements. Local agency expenditures that can count as credit include:

- Right-of-way
- Project Study Report
- Project Report
- Environmental Documentation

A minimum total match of 50 percent (made through either credit or matching funds) must be submitted by the agency. For example, if an agency spent \$500,000 acquiring right-of-way, and then applies for funding of the construction phase that costs \$1 million, the total amount spent on right-of-way can be used as matching fund credits on the application. A combination of both credit and funds may also be used. Measure M freeway funds cannot be used as a match for this program. However, Measure M turnback and GMA funds may be used to fulfill the match requirement.

To receive credit for local agency expenditures, **supporting documents must be submitted with the application**. The supporting documents must clearly indicate that the agency spent funds on the applied for project. Such documents may include copies of invoices, bills, staff reports, and council resolutions.

## Developer Funds

Combined Transportation Funding Program funds cannot be substituted for developer funds. If development is related to the need for the interchange improvements, it will then be the agency's responsibility to ensure the developer pay its fair share of the improvement. Given this, right-of-way, which is donated or dedicated, cannot be used as a credit for matching funds. In addition, improvements that are the developer's responsibility cannot be substituted for Combined Transportation Funding Programs funds.

## Caltrans Coordination

Coordination with Caltrans will be essential for most, if not all, of the projects submitted for this program. Agencies should therefore establish contacts at Caltrans District 12 Office (Project Development Branch) to ensure that candidate projects have been reviewed and approved by Caltrans. All other affected jurisdictions should be consulted as well.

**Agencies submitting projects for this program must have confirmation from Caltrans that the proposed improvement is consistent with other freeway improvements.**

Caltrans is not eligible to submit applications or receive payment under this program. Only cities or the County may submit applications and receive funds. This program was designed to benefit local jurisdictions. However, the Orange County Transportation Authority wants to ensure that Caltrans facilities are not negatively affected.

Applications should be submitted so that interchange projects are done in conjunction with construction of other freeway improvements whenever possible. However, if the interchange project can be done in advance of the freeway project, verification and/or supporting documentation must be submitted showing the interchange improvement has merit for advanced construction and that it will be compatible with the freeway design and operation. Additionally, the interchange improvements should take into account the ultimate freeway improvements if the interchange is to be improved in advance.

### **Regional Surface Transportation Program (RSTP)-Funded Projects**

**No RSTP funds are currently available to fund new streets and roads projects. The following text is offered for programs currently receiving RSTP.**

Projects that will be awarded funding are still subject to following both OCTA and Caltrans guidelines. Because RSTP funds come from federal sources, additional steps are required to ensure proper receipt of funds.

- First, projects once approved by OCTA will be administered by Caltrans Local Assistance. They will require additional information and review of projects. It is imperative that local agencies contact Caltrans once funding is approved.
- Second, before agencies can begin work, projects must be included in the Regional Transportation Improvement Program (RTIP). OCTA will be responsible for including projects on the RTIP, but agencies should contact OCTA to ensure that this action has taken place.
- Third, an agency must have an approved FNM-76 or E-76 form. Caltrans Local Assistance is responsible for processing this form. Any activity undertaken by the local agency prior to approval of the FNM-76 form will not be reimbursed.

## Intersection Improvement Program Overview

A substantial benefit to the motorist can be gained from improvements to roadway intersections. The Intersection Improvement Program (IIP) will provide funds for many of Orange County's most congested intersections. A minimum of 100 intersections was promised in the Measure M voter information pamphlet and to date OCTA has funded 171 IIP projects; 117 are complete.

The IIP has a current programmable balance of approximately \$23.5 million. This is the largest balance of any of the CTFP programs. Given that OCTA has exceeded the 100 intersection goal, the current project cap of \$2.5 million is raised \$500,000 to \$3 million.

For the purposes of the Intersection Improvement Program, the limits of an intersection shall be defined as the area that includes all necessary (or planned) through lanes, turn pockets, and associated transitions required for the intersection.

However, to facilitate the closeout of M1, these projects will be held to the M1 close-out date and must be under construction by 2011. There will be no exceptions. Any remaining revenues made available by cancellation, savings, or delay will be utilized for M2 development activities or to augment the first M2 call for projects.

## Eligible Expenditures

Arterial street intersections where both streets are contained on the MPAH are eligible under this program. Eligible expenditures include:

- Design (plans, specifications, and estimates)
- Right-of-way
- Construction Activities such as:
  - widening
  - traffic signals
  - bus turnouts (if part of the intersection improvements)
  - bike lanes (striping only)
  - Cross gutter elimination if it improves traffic flow/capacity
- Construction Engineering (up to 15 percent of construction costs)
- Aesthetic Improvements, including landscaping (up to 25 percent of construction costs)
- Grade Separation Projects (street to street)

**Potentially Eligible Items**

- Environmental Mitigation
- Storm drains/catch basins
- Soundwalls

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 50 percent of the total eligible project costs.

Longitudinal storm drains are eligible for program participation when, in the opinion of the TAC, the storm drain is an incidental part (cost is less than 50 percent of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 25 percent of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in Intersection Improvement Program funding.

Soundwalls are eligible only if they are required as part of the environmental clearance for the proposed project. Program participation for soundwalls shall not exceed 50 percent of the total eligible project costs.

Smart Street intersection improvements on Imperial Highway, Beach Boulevard, Katella Avenue, and Moulton Parkway, which are not part of the street's Implementation Plan nor funded under the Smart Street Program are eligible for Intersection Improvement Program funds. In addition, other designated Smart Streets are eligible for funding under the Intersection Improvement Program.

**Ineligible Expenditures**

Items that are not eligible under the Intersection Improvement Program are:

- Environmental Documentation
- Project Report

**Requirements****Level of Service**

This program is intended to focus on the most congested intersections in Orange County. Therefore, only intersections that meet the following conditions will be eligible for funding under this program:



1. Have an existing or projected (within five years) peak period level of service of “D” or worse (ICU calculation of 0.80 or greater) **AND**
2. With the proposed improvement, improve the level of service (as identified in #1 above) by ½ of a service level (0.05 decrease in the V/C ratio based on ICU calculations) **or** to a new level of service of “D” or better.

### Maximum Funding Allocation

To date, approximately 171 intersections have been approved for funding. Based on this achievement and in recognition of projects that may not have been feasible with former funding limit, the maximum funding is increased to \$3 million per intersection. This limit encourages re-examination of improvement opportunities and still ensures that a large number of projects may be funded.

### Match Requirement

Consistent with most other competitive funding programs, the IIP will require a minimum of 20 percent matching funds, including credits for local agencies expenditures. Measure M Turnback and GMA funds may be used as a match source.

To receive credit for local agency expenditures, **supporting documents must be submitted with the application.** The supporting documents must clearly indicate that the agency spent funds on the project being applied for. Such documents may include copies of invoices, bills, staff reports, and council resolutions.

**REVISED Point Breakdown for Intersection Improvement Program**  
**Maximum Points = 100**

Facility Usage		Points	20	Facility Importance		Points	30
ADT				Transportation Significance			
range**		Points	15	range (Max = 8)		points	5
70+	thousand		15	CMP = Congestion Management Program Network			5
65 - 69	thousand		14	M = Major			4
60 - 64	thousand		13	P = Primary			3
55 - 59	thousand		12	S = Secondary			2
50 - 54	thousand		11	C = Commuter			1
45 - 49	thousand		10	MPAH Assessment		points	10
40 - 44	thousand		9	Existing Hot Spot			10
35 - 39	thousand		7	Future Hot Spot			7
30 - 34	thousand		6	Congested Route			5
25 - 29	thousand		4	Other Route			3
20 - 25	thousand		3	Overall Agency Priority			
< 20	thousand		1	range		points	10
** TOTAL ADT of the two intersecting streets				1			10
Current Project Readiness				2			8
range			5	3			6
CON: with completed E + D + R			5	4			4
CON: with completed E + R			4.5	5			2
CON: with completed E + D			4	Safety			
CON: with completed E			3.5	characteristics (i.e.)		points	5
CON - underway/future E			3	bike lanes/bus turnouts			5
ROW: with completed E + D			2.5	lowers density			3
ROW: with completed E			2	channels traffic			1
ROW - underway/future E			1.5	lowers accident rates			3
DES: with completed E			1	grade separations			5
DES - underway/future E			0.5	Benefit:		Points	30
Economic Effectiveness		Points	15	LOS Improvement			
Cost Benefit (Total \$/user)				Calculation: Existing LOS Imp. x Existing LOS Starting Pt.			
range*		points	10	Existing/5 Year LOS Improvement			
<10			10	range		points	5
11-20			8	>.25			5
21-30			6	.2-.24			4
31-50			4	.15-.19			3
51-75			2	.10-.14			2
76-100			1	.05-.09			1
>100			0	<.05			0
* = total cost / average ADT				Existing/ 5 Year LOS Starting Point			
Matching Funds (local match/project cost)				range		points	6
range		points	5	1.10 +			6
45+	%		5	1.00 - 1.09			5
39 - 44	%		4	.95 - .99			4
33 - 38	%		3	.90 - .94			3
27 - 32	%		2	.85 - .89			2
21 - 26	%		1	.80 - .84			1
Ordinance Requirements		Points	5	< .80			0
Is it listed on CIP?				Legend for Project Readiness			
range		points	1	E = Environmental			
yes			1	D = Design			
no			0	R = Right of Way			
GMA Support (\$)				Grand Total:		100	
range		points	2				
>1			2				
1			1				
0			0				
Other Support (\$)							
range		points	2				
2 or more			2				
1			1				

**Signal Improvement Program Overview**

In Orange County, 34 cities, the County of Orange, and Caltrans operate and maintain traffic signal systems. Given the numerous agencies involved, traffic signal improvements benefiting regional traffic have been hindered in the past. The Signal Improvement Program has a current balance of \$9,530,543 and provides funding for improvements that lead to better operation and management of signal systems and traffic congestion relief.

The Signal Improvement Program will provide approximately \$5.5 million of competitive funding for the 2007 Call for Projects. An additional \$4 million of available funding will be directed to Signal Synchronization demonstration projects. Because of the limited amount of funds available, a cap of \$250,000 per project has been established. Agencies with projects in excess of this cap will be required to fund excess project costs or separate elements into distinct viable projects that can be funded within this limit.

**Eligible Expenditures:**

## Signal Coordination

- Timing
  - Design (new or 3+ years since funded)
  - Equipment such as interconnect, controllers, software (new or 5+ years since funded)
  - Construction Engineering (up to 15 percent of construction costs)
- System Detection (new or 5+ years since funded)
  - CCTV's
  - Inductive Loops
  - Video Imaging Detection Systems (VIDS)
  - Other detection systems
- Expert Systems (such as decision support systems or adaptive control systems)
  - System Communication links (i.e., between master systems / traffic operations centers)
  - Modification of existing traffic signal (i.e., conversion to protective/permission signals)

**Potentially Eligible Expenditures:**

- Demonstration Projects
  - New technology
  - New application of technology

- New institutional arrangements
- Emergency vehicle signal preemption systems, devices or hardware
  - Equipment at the intersection only (Vehicle equipment remains ineligible)

All projects will require an evaluation of stated objectives.

### Ineligible Expenditures:

- Isolated Traffic Signals
- New traffic signal hardware (pole, mast arms, lights, electrical, signs, etc.)\*
- Motorist Information Services (such as changeable message signs, trailblazers, highway advisory radio, etc.)
- Feasibility Studies

\* Equipment necessary for the coordination of the signal to adjacent signals such as the controller, interconnect, timing plans, etc., are eligible expenditures.

### Requirements:

All Orange County cities and the County of Orange are eligible participants in this program. Caltrans facilities are eligible for this program, but Caltrans cannot act as the lead agency. Agencies will be required to provide a minimum of 20 percent matching funds for eligible project expenditures. Matching funds may include, but are not limited to: local sources, Measure M Turnback, GMA funds and private sources.

For a project to be eligible for this program, it must also meet the following requirements:

1. Must be included on the County's Master Plan of Arterial Highways
2. Must be multi-jurisdictional (i.e., includes other city, County or Caltrans systems) **or** include a minimum of 6 signals or cover a distance of 2 miles, whichever is less, **or** provide improved safety
3. New signal(s) shall be coordinated with adjacent system as part of proposed project
4. May not have received Signal Improvement Program funds in the past, or be more than 3 years since the project has received Signal Improvement Program funds

**Final Report Submittal**

The nature of the signal improvement projects requires some of the design work such as, timing plans, etc., to be performed during the construction phase, making it difficult for the agencies to maintain separate accounting for design, construction, and construction engineering.

Agencies may submit a consolidated final report for the design and construction phase without a requirement to adhere to individual subtotals for the design and construction allocation amounts, but rather to the overall total.

The CTFP allocations including matching funds requirements related to these allocations remain unchanged.

**REVISED Point Breakdown for the Signal Improvement Program**  
**Maximum Points = 100**

Facility Usage	Points	20	Facility Importance	Points	20
ADT			Transportation Significance		
range	points	15	range	points	5
40+ thousand		15	CMP = CMP Network		5
35 - 39 thousand		10	M = Major		4
30 - 34 thousand		9	P = Primary		3
25 - 29 thousand		7	S = Secondary		2
20 - 24 thousand		6	C = Commuter		1
15 - 19 thousand		4	(For network/system projects, transportation significance =		
10 - 14 thousand		2	average classification of routes)		
<10		1			
(For network/system projects, average link ADT is used)			MPAH Assessment		
Project Readiness			range	points	5
range	points	5	Existing Hot Spot		5
Construction - with completed design		5	Future Hot Spot		4
Construction - with design underway		4	Congested Route		3
Design - with completed feasibility study		3	Other Route		1
Design - no completed feasibility study		2			
Feasibility		1	Overall Agency Priority		
			range	points	10
D = design; F = feasibility study			1		10
			2		8
			3		6
			4		4
			5		2
<b>Economic Effectiveness</b>	<b>Points</b>	<b>25</b>	<b>Benefit</b>	<b>Points</b>	<b>30</b>
Cost Benefit; <u>Corridor Project</u> (Total\$/user)			Improvement Characteristics:	points (maximum)	10
range	points	10	- Multijurisdictional Boundaries		5
0 - 3		10	- Updated/New Timing Plans		5
4 - 7		8	- Gap Closures		4
8 - 11		7	- New System Interties (system to system)		4
12 - 19		6	- New Detection/Surveillance		3
20 - 39		5	- New Comm. Links (between field devices/signals)		3
40 - 59		4	- Upgrade/replacement of equipment		3
60 - 79		3			
80 - 99		2	Delay Reduction (ADTx# SignalsxFactor)/1000	points	20
100+		1	100+		20
<b>OR</b>			90 - 99		18
Cost Benefit; <u>Network Project</u> (Total \$/user)			80 - 89		16
range	points	10	70 - 79		14
0 - .5		10	60 - 69		12
.6 - .9		8	50 - 59		10
1 - 1.4		7	40 - 49		8
1.5 - 1.9		6	30 - 39		6
2 - 2.9		5	20 - 29		4
3 - 5		4	10 - 19		2
6 - 10		3			
11 - 15		2	<b>Ordinance Requirements</b>	<b>Points</b>	<b>5</b>
16+		1	CIP Listed/Capital Budgeted		
<b>AND</b>			range	points	1
Matching Funds (local match/project cost)			yes		1
range	points	15	no		0
55+ %		15	GMA Support (\$)		
50 - 54 %		13	range	points	2
45 - 49 %		12	> 1		2
40 - 44 %		11	1		1
35 - 39 %		8	0		0
30 - 34 %		6	Other Agency Support (\$)		
25 - 29 %		4	range	points	2
21 - 24 %		1	2 or more		2
20 %		0	1		1
			<b>Grand Total</b>	<b>100</b>	

\* Points in these categories are cumulative up to maximum.

**Transportation Demand Management Program Overview**

The Authority makes funds available to local jurisdictions through the Measure M Transportation Demand Management (TDM) program for transportation control measure implementation efforts. Priority will be given to those projects that implement control measures that result in quantifiable reductions in vehicle trips and vehicle miles traveled. In addition, consideration may be given to alternative fuel projects that also reduce air pollution in a cost-effective manner. The TDM program is also established to leverage other sources of funding such as AB 2766, Environmental Enhancement and Mitigation, Overall Work Program, and Petroleum Violation Escrow Account programs for similar types of projects.

The TDM program is estimated to have a \$3.3 million balance available for programming during this call. A potential slate of candidate projects may be identified during the Transportation Development Act (TDA) call for projects, which is currently underway and anticipated to be complete by November 2007. If there are projects with scores of 50 points or higher that are not ultimately funded through the TDA call due to funding constraints, the TDM program will auto-fund these projects.

The auto-funded projects must match the TDA program criteria. In order to facilitate this action the previous project cap of \$250,000 will be raised to \$500,000 to be consistent with TDA guidelines.

This program will only be included in the call if the potential slate of auto-funded projects is not able to utilize the full \$3.3 million currently available.

**Eligible Projects**

As reflected above, reduction in vehicle miles traveled (VMT) is the primary goal of the program; therefore, a VMT calculation or estimate should be included with the project submittal.

Include, but are not limited to new / start-up projects in the following areas:

- Park-and-Ride Facilities
- Rideshare (new services/programs)
- Shuttle and Vanpool Services where none exist (traditional and alternative fuels)
- Bicycle Trails (can also include supporting facilities and amenities)

**Ineligible Projects:**

- Continuation or Additional Phases of Existing Projects
- Auto Use Restriction Programs
- Transportation Management Area (TMA) Programs
- Telecommuting Programs
- Marketing Programs
- Signal Coordination
- Capacity Enhancing Projects
- Replacement Vehicles
- Maintenance Activities
- Studies
- Projects that do not directly result in a reduction of vehicle trips

**Eligible Expenditures:**

- Program Development
- Program Implementation and Monitoring
- Facility Design and Construction (and any associated right of way, if applicable)
- Capital Expenditures (e.g., shuttle, carpool, vanpool purchases)
- Staff costs for Program Development, Implementation, and Monitoring
- Overhead (up to 30 percent payroll, including fringe benefits)

A ten percent contingency will be allowed, excluding staff costs.

**Ineligible Expenditures:**

- Ongoing operational costs after the first year
- Ongoing maintenance costs
- Ongoing staffing costs
- Public Awareness (promotion) activities
- Replacement of existing amenities (i.e., vehicles, bike racks, rehabilitation)

**Ongoing Costs**

In many cases, projects will have ongoing operational costs. For these ongoing costs, the TDM program will provide funding for operations of new services for the first year. The lead agency will be responsible for funding operations beyond the initial start-up



year. No existing ongoing operational or maintenance costs will be supported by this program.

### **Proposal Evaluation**

There will be a competitive approach to proposal evaluation. No local match is required; however, candidate projects that include a local match or contribution shall receive additional consideration. Agencies should be able to identify direct, long-term benefits of the project and demonstrate independent financial capability to support the project once it has been put into place. The TDM program ranking criteria will give a lower rank to a project if this ongoing support is not demonstrated by the lead agency in the application. Projects that cannot demonstrate ongoing support will be penalized.

Candidate projects submitted for funding under the TDM program should include a detailed statement of objectives and scope of work, a description of the project organization, a work element, a schedule of deliverables and demonstration of an on-going commitment to the project. Application forms for this additional information are provided in Chapter 12 of the Combined Transportation Funding Programs Procedures Manual.

**REVISED Point Breakdown for Transportation Demand Management Program**  
**Maximum Points = 100**

<b>Vehicle Trip Replaced</b>	<b>Points:</b>	<b>35</b>	<b>Project Description</b>	<b>25</b>
Complements System			Origin/Destination	
Category	points	20	(1/4 mile proximity)	points (maximum) 20
Severely congested corridor (peak F)	20		Employment Center	7
Congested corridor (peak E)	15		Transportation Center	6
Constrained corridor (peak D)	10		Residential Area	6
Alternative corridor (peak C or better)	5		Other Activity Center	4
			Retail	4
Vehicle Trip Replaced			Entertainment Complex	4
range	points	15		
Commute	10		In Regional Plan**	
Leisure/Recreation	7		Range	points 5
Shopping	5		Yes	5
Work time (errand/lunch)	3		No	0
*points are cumulative				
<b>Financial Considerations</b>	<b>Points</b>	<b>25</b>	<b>Local Relevance</b>	<b>Points: 10</b>
Cost Benefit *			Agency Priority	
range	points	10	Range	points 10
< 25	10		1	10
26 - 50	8		2	8
51 - 100	6		3	6
101 - 200	4		4	4
> 200	2		5	2
Matching Funds			<b>Ordinance Requirements</b>	<b>Points 5</b>
Range (%)	points	10	GMA Support (\$)	
25% +	10		range	points 2
20 - 24	8		> 1	2
15 - 19	6		0	0
10 - 14	4		Other Agency Support (>10%)	points 2
5 - 9	2		> 1	2
< 5	0		1	1
Source of funding for ongoing operations/maintenance			0	0
range	points	5	CIP Listed/Capital Budgeted	
yes	5		range	points 1
no	0		yes	1
			no	0

\* = (total cost/number of users)/100

\*\* CBSP, Park and Ride, Transit Center

**Grant Total 100**

The following text is offered as reference **ONLY** for projects currently in the MPAH program.

### Master Plan of Arterial Highways Program Overview

The Master Plan of Arterial Highways (MPAH) represents the countywide arterial network required to meet present and future traffic demand. This program is designed to provide a funding source that will aid in the build-out of the MPAH.

Funding for this type of improvement is derived from two sources: Measure M under the MPAH program and funding from the federal Regional Surface Transportation Program (RSTP).

Currently there is a \$7.7 million balance in the MPAH program. The average cost of an MPAH project is \$1.1 million, and these projects generally require several years to implement. Given the lengthy time generally required for these types of projects and further understanding that more easily implemented projects have been completed or are underway, the remaining \$7.7 million of MPAH is directed toward the outstanding Smart Street Program segments.

On February 24, 1997, the OCTA Board of Directors approved funding for Smart Street Improvements on Imperial Highway, Katella Avenue and Moulton Parkway. The TAC has previously approved use of MPAH funds for a portion of these improvements. As a result, these projects are **not subject to the 50 percent match rate**.

This strategy will ensure the funds are used in a timely manner consistent with the goal of closing out M1.

### Eligible Expenditures

The following general types of projects will be eligible under this program. These projects are:

- Gap closures
- Widening
- New roadways

For each of these projects the following expenditures will be eligible:

- Design (plans, specifications, and estimates)
- Right-of-way
- Construction

- Construction Engineering (up to 15 percent of construction costs)
- Aesthetic improvements, including landscaping (up to 25 percent of construction costs)

### Potentially Eligible Items

- Environmental Mitigation
- Storm drains/catch basins
- Soundwalls

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 50 percent of the total eligible project costs.

Longitudinal storm drains are eligible for program participation when, in the opinion of the TAC, the storm drain is an incidental part (cost is less than 50 percent of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 25 percent of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in MPAH Program funding.

Soundwalls are eligible only if they are required as part of the environmental clearance for the proposed project. Program participation for soundwalls shall not exceed 50 percent of the total eligible project costs.

### Ineligible Expenditures

Items that are not eligible under the MPAH Program are:

- Rehabilitation
- Reconstruction
- Project Report
- Environmental Documentation
- Grade Separation Projects (street to street)

### Requirements

#### *Level of Service*

This program is intended to provide congestion relief and complete missing links on the Master Plan of Arterial Highways. Given the level of investment needed to accomplish

this effort, funding will be focused on the most critical needs. Therefore, only facilities that meet the following conditions will be eligible for funding under this program:

### Existing Facilities

1. Have an existing or projected (within five years) of service of "D" ( 0.80 or greater) or worse **AND**
2. With the proposed improvement, improve the level of service (as identified in #1 above) by  $\frac{1}{2}$  of a service level (0.05 decrease in V/C ratio based on ICU calculations) or more or to a new level of service of "C".

### New Facilities

3. Parallel or complementary roadways with an existing or projected (within five years) peak period level of service of "D" (0.80 or greater) or worse **AND**
4. With the proposed improvement, improve the level of service (as identified in #1 above) by  $\frac{1}{2}$  of a service level (0.05 decrease in V/C ratio based on ICU calculations) or to a new level of service of "C" on those parallel or complementary facilities.

### **Project Eligibility**

Projects submitted for this program must be on the MPAH. Streets or roads that are not contained on the MPAH are ineligible to participate in this program. If an agency is uncertain whether a candidate project is located on the MPAH, confirmation from OCTA should be requested. Smart Street segments on Imperial Highway, Beach Boulevard, Katella Avenue, and Moulton Parkway, which are not funded under the Smart Street Program, are eligible for MPAH funding. In addition, other designated Smart Streets are eligible for funding under the MPAH program.

### **Matching Funds**

Agencies will also be required to provide a minimum of 50 percent matching funds for each candidate project approved under Measure M. Measure M Turnback and GMA funds may be used as a match source. Expenditures incurred after January 1, 2002, by the agency for the environmental clearance may also be used as a credit toward the match requirements. A combination of both credit and funds may also be used. A total match of 50 percent made either through credit or matching funds must be provided by the agency.

To receive credit for local agency expenditures, **supporting documents must be submitted with the application.** The supporting documents must clearly indicate that the

agency spent funds on the project described in the application. Such documents may include copies of invoices, bills, staff reports, and council resolutions.

### **Application Process**

The agency must complete and submit the application forms contained in this manual. Chapter 12 of this manual outlines the processes and procedures involved in applying for Measure M funds.

### **Evaluation Criteria**

Evaluation criteria for the MPAH Program are included as Exhibit 9-1.

### **Regional Surface Transportation Program (RSTP)-Funded Projects**

**In this cycle, no additional projects will be awarded RSTP funds.**

**The following text is offered as reference for projects currently in the MPAH program.**

Because RSTP funds come from federal sources, additional steps are required to ensure proper receipt of funds.

- First, projects once approved by OCTA will be administered by Caltrans Local Assistance. They will require additional information and review of projects. It is imperative that local agencies contact Caltrans once funding is approved.
- Second, before agencies can begin work, projects must be included in the Regional Transportation Improvement Program (RTIP). OCTA will be responsible for including projects on the RTIP, but agencies should contact OCTA to ensure that this action has taken place.
- Third, an agency must have an approved E-76 or FNM-76 form. Caltrans Local Assistance is responsible for processing this form. Any activity undertaken by the local agency prior to approval of the E-76 or FNM-76 form will not be reimbursed.

**This call does not include the Arterial Highway Rehabilitation Program; the following text is included as reference only.**

### **Arterial Highway Rehabilitation Program Overview**

The Arterial Highway Rehabilitation Program (AHRP) has been developed to address long-term pavement maintenance in Orange County. Specifically, the AHRP is designed to fund pavement rehabilitation projects on Master Plan of Arterial Highway (MPAH) arterial roadways throughout Orange County.

### **Eligible Expenditures**

The following general type of projects will be eligible under this program:

- Overlay
- Rehabilitation
- Reconstruction

For each of these projects the following expenditures will be eligible:<sup>9</sup>

- Design Engineering
- Construction
- Construction Engineering
- Bike lanes (striping only, must be on the Master Plan of County-wide Bikeways)
- Bus Turnouts (resurfacing only, must be on an OCTA route)
- PCC Bus Pads
- Replacement of parking lanes, curbs, , gutters, catch basins, and minor profile revisions (i.e., curb to curb) as required by project.
- Use of alternative materials such as rubberized asphalt, PCC, etc.
- Construction or modification of curb ramps within the limits of the project as necessary to satisfy ADA requirements.

### **Potentially Eligible Expenditures**

Items that are potentially eligible under AHRP are:

- Sidewalks if mandated for ADA type improvement/upgrade and only up to 5 percent of the total construction costs.

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<sup>9</sup> For federally funded projects, expenditures prior to approval of the E-76 form will not be eligible.

## Ineligible Expenditures

Items that are not eligible under AHRP are:

- Landscaping
- New parking lanes, new curb and gutter
- Utility adjustments that do not have prior rights
- Materials Report or other planning activity
- Environmental Documentation
- Retroactive Design Engineering
- Expenditures incurred prior to E-76 approval for the respective project phase.

Slurry seals or overlays with a depth of less than 1.2 inches (0.10') are considered routine maintenance and shall not be eligible.

## Requirements

### *Project Eligibility*

Projects submitted for this program must be on the MPAH. Streets or roads that are not on the MPAH are ineligible to participate in this program. In addition, only those arterials designated by local agencies' Pavement Management Plans (PMP) as having a Pavement Condition Index (PCI) of 74 or less in accordance with the following table shall be eligible for funding. Thickness may be adjusted for rubberized asphalt according to industry and standard practices.

### Pavement Condition Assessment Standards

Condition Category	Thresholds	Treatment
Very Good	86-100	None proposed
Good	75-85	Slurry Seal
Fair	60-74	Thin Overlay
Poor	41-59	Thick Overlay
Very Poor	0-40	Reconstruction

### *Matching Funds*

Agencies will be required to provide 50 percent matching funds for each candidate project. STP or Measure M Competitive Streets and Roads funds may not be used as matching funds. Measure M turnback funds can be used as matching funds for any phase. Projects will be limited to a maximum total funding amount of \$400,000. This cap provides an opportunity to fund more projects given the limited resources. Additional matching funds



may be pledged as a means to develop a more competitive project. Merger of contiguous corridor improvements may be considered after approval of the project priority list.

### ***Engineering and Inspection Costs***

Engineering and inspection costs will be limited to a maximum of 15 percent of the total construction, and general overhead shall not exceed 30 percent of payroll and fringe benefits.

### **Application Process**

Federal funds will be available as designated in the call for projects. Tier I and Tier II projects are eligible for funding under the AHRP program for during the fiscal years included in the call for projects (FYs 2005-06 through 2006-07).

Agencies will be required to complete and submit application materials provided by OCTA. In addition, detailed cost estimates, field survey evaluation documentation, pavement condition indices from respective PMP's, and a council resolution authorizing the application will be required at the time of submittal.

Cooperative project development is encouraged. Projects located within neighboring jurisdictions require letters of support from the affected agency (ies).

### **Additional Requirements**

Because AHRP funds may come from federal sources additional steps are required to ensure proper receipt of funds.

1. Projects once approved by OCTA will be administered by Caltrans Local Assistance. They will require additional information and review of projects. It is imperative that local agencies contact Caltrans once funding is approved.
2. OCTA staff and Cities will jointly explore, on a case-by-case basis, the possibility of a funds exchange with Gas Tax or Measure M funds.
3. Projects must be included in the Regional Transportation Improvement Program (RTIP) before agencies can begin work. OCTA will be responsible for including projects in the RTIP; however, it is the agencies responsibility to contact OCTA to ensure that this action has taken place.
4. An agency must receive an "Authorization to Proceed" (an approved E-76 form from Caltrans). Caltrans Local Assistance is responsible for processing this form. Any activity undertaken by the local agency prior to approval of the E-76 form will not be reimbursed.

## Growth Management Areas Program Overview

The Growth Management Areas (GMA) Program is designed to blend both local and regional planning perspectives and traffic control techniques. Through this program, funds will be provided for projects that benefit a GMA. Because GMA's include several jurisdictions, priority should be given to projects that benefit the greatest number of jurisdictions within a GMA. The focus of this program will be on addressing the cumulative regional traffic impacts of development not addressed by specific project mitigation and existing system deficiencies.

Annually, 3.2 percent of net sales tax revenues or \$5 million (whichever is less) will be allocated for the GMA program. This allocation, however, cannot exceed \$100 million over the 20-year life span of the sales tax ordinance. Exhibit 11-1 shows the 11 GMA's for Orange County.

The final Call for Projects for Measure M1 will allow funding for the last **three** years of the program (FY 2008/09 – 2010/11). This final call may represent a good opportunity for local agencies to prepare for the upcoming renewed Measure M (M2) funding programs. In addition, \$550,000 will be allocated for studies that will quantify current and future transportation needs. OCTA will coordinate the effort and will deduct funding proportionately from each GMA. Since this is the last M1 call, flexibility will be allowed for GMA's to assign their balances to another GMA. The re-assignment must be presented to the TSC and TAC with unanimous support from the impacted GMA elected officials.

## Eligible Projects

To allow for the greatest extent or variety of applications from the GMA's, numerous types of improvements will be eligible for this program. These improvements include, but are not limited to:

- Intersection Improvements
- Signal Coordination
- Traffic Management Systems
- Arterial Highway Improvements
- Signal Preemption (intersection devices only)

All of these improvements should benefit the GMA as a whole, or at a minimum, more than one jurisdiction. One agency alone should not be the sole beneficiary of these

improvements. Emphasis should also be placed on projects that address existing deficiencies. The intent of the GMA program is to address current traffic deficiencies.

The following is a list of eligible expenditures for each area:

### **Eligible Expenditures**

#### ***Intersection Improvements***

- Design (plans, specifications, and estimates)
- Right-of-way
- Construction
- Construction Engineering (up to 15 percent of construction costs)

#### ***Signal Coordination***

- Interconnect systems to link arterials
- Expansion to tie into a coordinated system
- Signal timing
- Traffic signal detectors
- Equipment/modifications to create an "open" system
- Design (plans, specifications, and estimates)
- Construction
- Construction Engineering (up to 15 percent of construction costs)

#### ***Traffic Management Systems***

- Hardware (pavement sensors, communications cable, programs to run the computer)
- Design (plans, specifications, and estimates)
- Construction
- Construction Engineering (up to 15 percent of construction costs)

#### ***Arterial Highway Improvements***

- Design (plans, specifications, and estimates)
- Right-of-way
- Construction activities including:
  - Signal coordination
  - Bus turnouts
  - Intersection improvements
  - Mid-block improvements (widening)

- Gap closures
- Grade separations
- Pedestrian over/under crossings
- Channelization (medians)
- Construction Engineering (up to 15 percent of construction costs)

### Potentially Eligible Items

- Bicycle and Pedestrian Facilities
- Signal Preemption as required at rail crossings and fire stations
- Environmental Mitigation (shall not exceed 50 percent of the total eligible improvement costs)
- Storm drains/catch basins
- Chain link fence (for widening only)
- Retaining walls (for widening only)
- Traffic signal relocation

Bicycle and pedestrian facilities such as disabled access improvements related to transportation facilities (including accessibility enhancements to bus stops such as wheelchair ramps and curb cuts), sidewalks, pedestrian walkways, bikeways and bikeway facility amenities will be potentially eligible at the discretion of the GMA.

Environmental mitigation will be allowed only as required for the proposed roadway improvement, and only as contained in the environmental document. Program participation in environmental mitigation shall not exceed 50 percent of the total eligible project costs.

Longitudinal storm drains are eligible for program participation when, in the opinion of the TAC, the storm drain is an incidental part (cost is less than 50 percent of the total eligible improvement cost) of an eligible improvement. Program participation shall not exceed 25 percent of the cost of storm drain longitudinal/parallel and main lines. Storm drain inlets, connectors, laterals and cross culverts shall have full participation in GMA Program funding.

Soundwalls are eligible only if they are required as part of the environmental clearance for the proposed project and are funded in coordination with an approved Measure M MPAH project. Program participation for soundwalls shall not exceed 50 percent of the total eligible project costs.

## Ineligible Expenditures

Due to the variety of improvements allowed under this program, the only specifically ineligible expenditures will be vehicle signal preemption devices and expenditures that:

- Do not have a direct transportation related benefit (e.g., landscaping, soundwalls),
- Are maintenance (e.g., rehabilitation, reconstruction)

Each application will be reviewed on a case-by-case basis to determine the eligibility of the proposed expenditures for each project. However, it should be noted that items of work not contained on the list of eligible expenditures (above), may not receive funding.

## Requirements

The Measure M Ordinance contains specific requirements that have to be upheld by both the Orange County Transportation Authority and the GMA's. Below is a summary of those requirements:

### **OCTA**

OCTA shall consider a regional, county-wide balance in the allocation of GMA funds and shall allocate funds to those jurisdictions that perform the work. Factors to be considered include:

- Regional (GMA wide) significance/benefit
- Amount of matching funds (not required)
- Existence of a development traffic mitigation fee program

### **GMA's**

Jurisdictions within each GMA shall participate in inter-jurisdictional planning forums. GMA elected officials are required to meet at least once per fiscal year (between July 1 and June 30).

The GMA forums shall recommend to the Authority a list of GMA improvement projects. All local agency programming schedule adjustments for projects funded through the GMA program must be reviewed and approved by the GMA forum prior to submittal to OCTA.

## GMA Project Development

GMA's are responsible for project development. The inter-jurisdictional planning forums should review and discuss potential GMA projects prior to developing a prioritized list of

projects for GMA funding. Each GMA shall establish a priority number for each project. This priority number should be developed regardless of fiscal year, and based on GMA need. GMA projects should be evaluated and prioritized based upon the intent of the program and should include such items as: project readiness, merit, GMA-wide benefit, cost-effectiveness, and transportation system significance. GMA's may jointly fund projects located in other GMA's where multi-GMA benefits can be clearly established.

This program has been structured so that a "target" amount of funds for each GMA will be provided for planning purposes. This "target" will be the estimated revenue for that GMA over a five-year period based on the number of build-out MPAH lane miles contained in that GMA as a percentage of total MPAH lane miles in Orange County and the projected revenue earned from the Measure M sales tax.

GMA's are encouraged to consider the full three-year period as they develop their project lists. GMA's have the flexibility to advance or defer all or part of each fiscal year's funding as long as the recommended allocations do not exceed the cumulative fiscal year funding "target" for each GMA. The purpose of a three-year fully allocated program is to allow GMA's to fund larger projects during those fiscal years when projects are ready for implementation. The Authority shall attempt to meet each GMA's recommended program depending upon adequate cash flow and projected revenue.

### **Application Requirements**

Chapter 12 of this manual outlines the process and procedures to be followed when applying for Combined Transportation Program funds.

#### ***GMA Priority List Form***

GMA's should use the GMA priority list form to describe their recommended program. GMA projects should be ranked in priority order (this is a separate ranking from all other project applications, which are ranked without consideration to program). All GMA applications are required to have this form included in their application submittal. As with the other CTFP programs, GMA project allocations shall be reviewed by the TAC and presented to the Board of Directors for final approval every two years.

#### ***Matching Funds***

GMA funds may be used to meet the match requirements of the other Measure M Streets and Roads programs provided the submitted project has regional significance and meets the GMA Program requirements as specified above. Should a project with GMA matching funds not compete well in the other programs, the GMA may either select the next most highly ranked project on the GMA priority list for GMA funding or allow funding to remain as a placeholder for future opportunities.

**GMA Project Amendments**

Amendments to currently programmed projects require both GMA and OCTA approval. All amendments are to be reviewed and approved by the GMA prior to submittal to OCTA. OCTA will not make adjustments until such action has occurred. Therefore, GMA's are encouraged to review projects with their elected officials prior to each semi-annual review.

Amendments to projects must comply with the following procedures:

***Funding Increases***

Increased funding for an approved project or phase must have GMA elected officials' approval. Reallocation of project funding to new projects or project phases must have GMA elected officials' approval. All increases must be within the GMA target amount of funds.

***Schedule Changes***

Technical staff can approve schedule adjustments of six months or less (this will require approval by a majority of representatives). After the initial request, additional adjustments would require elected official approval. Elected official action is also required for longer schedule adjustments.

***Scope Changes***

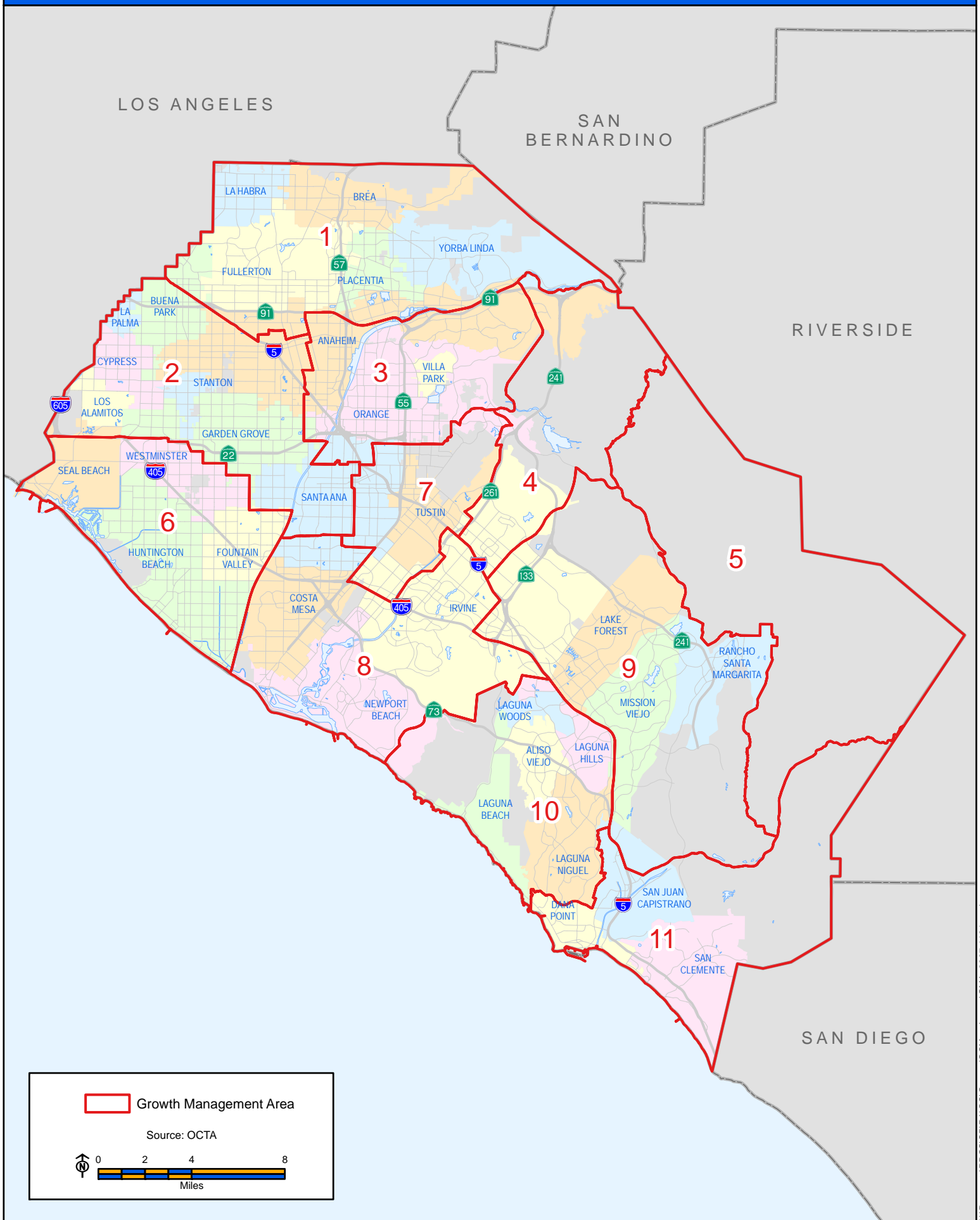
Significant scope changes (such as extending project limits and increases in project costs that exceed the original programmed amount) require elected officials' approval. Minor scope changes (such as reduction in project limits and cost increases that do not exceed original allocation) require technical staff approval. All amendments to GMA projects and programs will be accommodated by OCTA through either the semi-annual review process or the next call for projects, whichever occurs first. The designated lead agency for the project will be responsible for providing information to their GMA administrator for consideration in addition to providing a status report at semi-annual review meetings. All requests must be consistent with the action taken by their GMA. Tier II projects **will not** be eligible for Tier II cost increases since it will be the responsibility of the GMA to identify appropriate project allocations.

**Exhibit 11-1**

**GMA MAP**



# Growth Management Areas



**Project Submittal**

On December 10, 2007, the Orange County Transportation Authority will issue a call for Combined Transportation Funding Projects. To be considered for participation in the 2007 Call for Projects, each Agency must complete and submit an application package by **5:00 p.m., Friday, February 29, 2008**. A separate application package must be completed for each individual project.

**One copy** of each application should be mailed or delivered to:

Orange County Transportation Authority  
550 South Main Street  
P.O. Box 14184  
Orange, California 92863-1584

Attn: Jennifer Bergener  
Manager, Capital and Local Programs

**Application Review and Program Adoption**

- (1) OCTA staff will conduct a preliminary review of all applications for completeness and accuracy, request supplemental (i.e., plans, aerial/strip maps, CEQA forms) information for projects that appear to rank well during initial staff evaluations, and then prepare a recommended program for the Technical Steering Committee (TSC). In addition, OCTA may hire a consultant(s) to verify information within individual applications such as, but not limited to, project scope, cost estimates, ADT and Level of Service (LOS) information. These applications will be selected through a random process.
- (2) The TSC will receive and evaluate the project applications and funding allocations.
- (3) Based on recommendations from the TSC, a program will be presented to the Technical Advisory Committee (TAC) for their review and endorsement.
- (4) Recommendations from the TAC will be presented to the OCTA Board of Directors, who will approve projects for funding under the CTFP.
- (5) OCTA shall distribute copies of the approved program to all participating local jurisdictions with any qualifying conditions stipulated for the jurisdiction's funded project(s).

**Recommended Project Guidelines**

The following are recommended guidelines that will be used in reviewing the scope of project applications. Any application that does not meet these minimum guidelines should include an explanation of why the guidelines cannot be met.

1. The travel lane width should be no less than 11 feet (12 feet if adjacent to a raised median or other obstruction) for all arterial highways.
2. For divided roadways, the minimum median width should be no less than 10 feet to allow for turning movements.
3. Arterial highways that are designated for uses in addition to automobile travel (e.g., bicycle, pedestrian, parking) should provide additional right-of-way consistent with local jurisdiction standards to facilitate such uses.
4. An eight-lane roadway should provide for a continuous median, protected dual or single left-turn pockets as warranted at signalized intersections, single left-turn pockets at non-signalized intersections, and a right-turn lane at signalized intersections where determined necessary by traffic volumes. Right-of-way for a free right-turn lane should be provided at locations warranted by traffic demand.
5. A six-lane divided roadway should provide a continuous median, protected dual or single left-turn pockets as warranted by existing traffic at all signalized intersections, and single left-turn pockets at non-signalized intersections. A dedicated right-turn option lane should also be provided as warranted by traffic demand.
6. A four-lane divided roadway should provide a continuous median, protected dual or single left-turn pockets at all signalized intersections, and a left-turn pocket at all non-signalized intersections. A right-turn lane should also be provided as warranted by traffic demand.
7. A four-lane undivided roadway shall provide for a single left-turn pocket at all intersections as warranted by traffic demand.

## Application Instructions

A single application should be submitted for all phases of a project which may require funding within the next three years, FY 2008-09 to FY 2010-11. **If funding is requested under multiple programs for a single project (i.e., SIP and GMA) a separate application must be prepared for each request (i.e., one application for SIP and another for GMA).** Final applications MUST be submitted in electronic and hard copy format.

**Note: The two-tiered approach is NOT applicable to the 2007 Call for Projects. All project applications submitted during this call will be subject to terms under Tier I only (FY 2008-09 through FY 2010-11).**

## Checklist Guide

Since each funding program has slightly different application requirements, an "Internal Application Checklist Guide" has been provided. The checklist guide identifies the basic forms and documentation required for each of the programs, by phase, for both Tier I and Tier II project submittals. In addition, items required at the time of project submittal are differentiated from supplemental items due later. The appropriate checklist should be provided as a cover sheet for **each** application submitted. For any items that are required for the candidate project or program that are missing or incomplete, an explanation should be included in a cover letter with the application. In addition to this checklist guide, please review the **Attachments/Additional Information** section of Chapter 12 for a description of supplementary documentation which may be required to support your agency's project application in specific cases.

## Attachments

### ***"Priority List of Projects" Form - CTFP Application***

Agencies must submit a "Priority List of Projects" with their application submittals. This document is created within the CTFP Application.

### ***"Project Cost Estimate" Form***

Include a separate attachment listing all expenditures and costs for the project. Accurate unit prices and a detailed description of work, including design, will be critical when the candidate project is reviewed; particularly for Tier I project submittals. For example, design applications should include major tasks that will be performed. ROW should list the parcels or square feet along with appraisal work. Construction should include a listing of biddable items. The anticipated disbursement of costs (e.g., Agency, Other,

Non-Eligible) must also be completed. Agencies should reference the program from which funding is expected to be allocated when completing this portion of the form. Each of the funding programs described in this manual may have differing matching fund requirements.

For the **TDM program**, project applicants should show sources of funds, direct costs, in-kind contributions, labor costs, and equipment to be purchased **by task or by activity**. Identify a continuing funding source to meet on-going administrative, operational, or maintenance costs for the project.

If more than one project phase is requested to be funded, a separate project cost estimate form is to be completed for each phase, or each phase must be clearly indicated and a subtotal prepared on this form. Separate forms should also be prepared if funding for project phases is being requested over multiple fiscal years.

### ***"Sample Resolution" Form***

This resolution must be approved by the local jurisdiction's governing body. It provides a formal request for Combined Transportation Funding Program funds and states that matching funds will be provided by the agency, if necessary. All project requests must be included in this resolution.

### ***"CEQA Compliance" Form***

This form must be completed for applicable projects.

### ***"GMA Priority List" Form***

This GMA form must be included in all GMA project applications. The GMA priority list form should be completed in a manner similar to the standard priority list form. The GMA number, host agency for the GMA, contact person from the host agency, and phone number should be listed on the top portion of the form. Proposed projects should be listed in overall priority order regardless of fiscal year and should include the following: agency name, project or street name, project description or project limits, project phase, GMA funds to be allocated to the project as approved by the GMA elected officials, fiscal year when funds will be expended, and tier designation. The elected official chairperson for the GMA must sign the form at the bottom.

**Additional Information**

The following documentation should be included with your completed project application:

- A. If a project includes more than one jurisdiction and is being submitted as a joint application, one agency shall act as lead agency and must provide a resolution of support from the other agency.
- B. Letters of support for the candidate project (not required).
- C. Geotechnical/materials reports for all applicable candidate projects (e.g., widening, intersection improvement, new roadway). For Tier I projects, the reports should contain sufficient detail for an accurate assessment of improvements needed and costs, since funding will be jeopardized if a project is unable to meet proposed schedule and costs.
- D. When preliminary plans are applicable for a project, the plans (1"=40' preferred) should include:
  - 1. Existing and proposed right-of-way (include plat maps and legal descriptions for proposed acquisitions).
  - 2. Agency boundaries, dimensions and station numbers.
  - 3. Existing and proposed project features such as: pavement width and edge of pavement, curb, gutter and sidewalk, raised median, driveway reconstruction, signal pole locations, etc.
  - 4. Typical sections.
  - 5. Proposed striping.
  - 6. Structural sections per the materials report.
  - 7. Proposed traffic signals, storm drains, bridges, railroad crossing, safety lighting, etc.
- E. If requesting funds for traffic signals, include a traffic signal warrant(s) prepared by Traffic City Engineer or City Engineer.
- F. If the project includes construction, relocation, alteration or widening of any railroad crossing or facility, include a copy of the letter of intent sent to the railroad, a copy of which must be sent to the Public Utilities Commission (PUC). Any project including work of interest to a railroad will not be considered for eligibility until the railroad and PUC have been notified.

- G. If the project is proposed as a staged project and additional funds will be necessary in subsequent calls for projects, the preliminary project statement should be accompanied with a complete preliminary estimate and schedule for the completion of the entire project.
- H. If the project is proposed as a safety improvement, provide justifying accident data for the past three years and show the expected decrease.

Internal Application  
Checklist Guide

**Smart Street Projects**

This Program is fully allocated.



Internal Application  
Checklist Guide

**Regional Interchange Program**

This Program is fully allocated.

Items designated with a ○ are due at time of project submittal.  
Items designated with a O are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

## Internal Application Checklist Guide

- Applications Are Being Accepted for **Three** Years FY 2008/09 through 2010/11

### **Intersection Improvement Program**

#### **TIER I**

##### **Final Design (PS&E):**

- CTFP Application
- Project Description
  - specify in detail the tasks to be included in the PS&E.
- Cost Estimate Form
- Gen. Application Sample Resolution

##### **Right of Way:**

- CTFP Application
- Project Description detail (include plat maps and legal descriptions for proposed acquisitions)
- Cost Estimate Form
  - break-out by parcel
- Gen. Application Sample Resolution
- CEQA Compliance Form
- Preliminary Plans

##### **Construction:**

- CTFP Application
- Project Description detail
- Cost Estimate Form
- Gen. Application Sample Resolution
- CEQA Compliance Form
- Project Development Documents such as:
  - Project Report
  - Environmental
  - Materials Report
- Preliminary Plans

Items designated with a ○ are due at time of project submittal.

Items designated with a ● are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

## Internal Application Checklist Guide

- Applications Are Being Accepted for **Three** Years FY 2008/09 through 2010/11

### **Signal Improvement Program**

#### TIER I

##### **All Phases:**

- o CTFP Application
- o Project Description detail
- o Cost Estimate Form
- o Gen. Application Sample Resolution
- o 8.5" x 11" map showing the proposed signal improvements, project limits, and existing system
- O Traffic Signal Warrants (as applicable)

Items designated with a o are due at time of project submittal.

Items designated with a O are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

## Internal Application Checklist Guide

- Applications Are Being Accepted for **Three** Years FY 2008/09 through 2010/11

### **TDM Program**

#### TIER I

#### **All Phases:**

- o CTFP Application
- o Project Description detail\*
- o Cost Estimate Form
- o Gen. Application Sample Resolution
- o CEQA Compliance Form (if applicable)

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\* For the TDM program, applicants must provide additional project information with the "Project Description" detail. This additional information includes: statement of objectives, scope of work, description of project organization, and schedule of deliverables. Refer to Instructions in Chapter 12 for completion of "Project Description" Form.

Items designated with a o are due at time of project submittal.  
Items designated with a O are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

Internal Application  
Checklist Guide

**Master Plan of Arterial Highways (MPAH) Program**

This Program is fully allocated.

Items designated with a ◦ are due at time of project submittal.  
Items designated with a ○ are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

Internal Application  
Checklist Guide

**Arterial Highways Rehabilitation Program**

This Program is fully allocated.

Items designated with a ◦ are due at time of project submittal.  
Items designated with a ○ are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

Internal Application  
Checklist Guide

- Applications Are Being Accepted for **Three** Years FY 2008/09 through 2010/11

**Growth Management Areas Program**

TIER I

**All Phases:**

- o CTFP Application
- o Project Description detail
- o Cost Estimate Form
- o Gen. Application Sample Resolution
- o GMA Priority List Form
- o CEQA Compliance Form (if applicable)

Items designated with a o are due at time of project submittal.

Items designated with a O are due after first application review (top projects only). OCTA staff will contact you regarding those projects that will require this additional information

## Procedures For Receiving Funds

The consultant contract, right-of-way acquisition process, or construction contract for approved projects under Tier I must be awarded by June 30<sup>th</sup> of the fiscal year funds are programmed with the exception of FY 2010-11. Contracts for projects programmed in FY 2010-11 must be awarded by March 31, 2011. In regards to design and construction contracts, award shall be the “primary” contract, or the contracts with the largest dollar amount associated with the work. Right-of-way activities shall be considered awarded once the first appraisal or offer is conducted. Once work is initiated, the local agency can undertake the process for receiving payment of CTFP funds.<sup>10</sup>

Funds will be released through two payments. The initial payment will constitute 90 percent of the contract award or programmed amount, whichever is less. The final payment will be disbursed after approval of the final report.

### ***90 Percent Payment***

Once the contract has been awarded, the Agency shall submit the following documents to the Project Administrator:

- A. Your request for Transportation Program funds must include a Certification from the Public Works Director in letter format stating the following:
  - 1. The project is designed to city/county and other participating jurisdictions’ (e.g., Caltrans) standards (if applicable)
  - 2. The project contract has been awarded
  - 3. The total cost of the contract based on the award
  - 4. The city/county has committed matching funds to the project (if required)
  - 5. Right-of-way was acquired in conformance with city/county procedures (if applicable)
  - 6. All required environmental documentation is complete and certified (if applicable)
  - 7. A Final report and payment request will be submitted in a timely fashion.
  - 8. An updated project schedule.

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<sup>10</sup> RSTP and LSTP funds will undertake a separate process. Local agencies must contact Caltrans Local Streets and Roads for reimbursement.



- B. A Minute Order, Agency Resolution, or other Council/Board Action showing award of the contract and the contract amount must be submitted with your funding request. Exhibit 13-1 is a sample resolution. **No Combined Transportation Funding Program funds will be disbursed until these items are received.**
- C. Certification of PS&E (Exhibit 13-2) signed by the Agency Engineer. This will certify that the local agency has properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.
- D. A Revised Cost Estimate in the form provided with the application package.
- E. An invoice for the lesser amount of either 90 percent of the program project allocation or the contract amount.
- F. For Right-of-way, also submit:
  - 1. Copy of appraiser's bill for completion of work.
  - 2. Copy of written offer(s).
  - 3. Council/Board action to start project (i.e., minute order, resolution, budget action).
  - 4. Order of immediate possession (if applicable).
- G. For Measure M Informational Signs, information regarding the fabrication and installation of the "Funded By" signs should be submitted. Removal costs will be reimbursed at the time of Final Payment.

### ***Availability of Funds***

The funds allocated by OCTA for each project will be available on July 1 of the fiscal year for which the project was programmed. After bids are opened and a contractor is selected, the final allocation will be the lesser amount of the original allocation or the revised project cost estimate.

Once the construction/consultant contract is awarded, or the right-of-way process is underway, your agency may request 90 percent of the Measure M allocation. Examples of calculating the initial funding request are described below.

Example A - **Contract** is awarded for less than the estimated construction cost.

Given:

\$200,000 = Total Combined Transportation Funds programmed for Project X

\$200,000 = Estimated construction cost

\$160,000 = Construction contract award

Calculations:

90 percent of contract amount =  $\$160,000 \times 0.9 = \underline{\$144,000}$ .

Example B - **Contract** is awarded for more than the estimated construction cost.

Given:

\$200,000 = Total Combined Transportation Funds programmed for Project Y

\$200,000 = Estimated construction cost

\$280,000 = Construction contract award

Calculations:

Construction costs = \$280,000

Since this amount exceeds \$200,000 programmed, need to adjust down to \$200,000.

90 percent of contract amount =  $\$200,000 \times 0.9 = \underline{\$180,000}$ .

## Cancellation of Project

If a local agency decides to cancel a project, for whatever reason, the agency shall notify OCTA as soon as possible thereafter. Funds for the canceled project will revert back to the program from which they originated. If funds which have been programmed have also been expended for the project, the lead agency shall be responsible for the repayment of funds to OCTA. Those funds will also revert back to the original CTFP program.

## Notice of Completion

After the project has been completed, a Notice of Completion shall be submitted to OCTA.

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## Final Report

The Final Report **must** be submitted to the Orange County Transportation Authority within 180 days after acceptance of the improvements, study, or project (i.e., Notice of Completion) by the city council/County Board or within three years from the date in which funds were originally programmed.

Your request for Final Transportation Program funds **must** include, in addition to documentation for Initial Payment, a Certification from the Public Works Director, and the following documentation:

1. Certified Notice of Completion (with official seal and/or signatures)
2. Revised Cost Estimate
3. City Invoice
4. Supportive material (i.e., invoices or accounting records, budget excerpts) for Agency Forces' (Or Others) work cited in the Final Report
5. Project Expenditures Certification
6. Before and after pictures of the project in question

**NOTE: Agencies may be asked to provide supporting documentation (e.g. contract invoices, accounting records) for the entire project before a final payment is approved.**

### ***Form of Report:***

The local agency should prepare a Final Report for the project in the form of Exhibit 13-3 for construction projects, Exhibit 13-4 for right-of-way projects, and Exhibit 13-5 for all other types of projects.

General lump sum pay items, appraisal cost, design and construction engineering should be distributed in the same ratio as the total right-of-way acquisition or construction costs.

### ***Delinquent Final Report:***

OCTA will work with jurisdictions to ensure the timeliness of final reports by utilizing the following procedures:

- Require jurisdictions to notify OCTA of the “project completion date”. This notification can be done by either filing a copy of the recorded “notice of

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completion” within 30 days of the recorded date or by submitting a statement of final payment accompanied by a copy of the final invoice within 30 days of the issuance of the final payment.

- Require all jurisdictions to file a final report within 180 days of “project completion date” submitted above in action “a”.
- Issue a “reminder notice” to the public works directors or TAC representatives 90 days after the “project completion date” to remind jurisdictions that the final report is due in 90 days. This “reminder notice” should also include an offer from OCTA to assist in preparation of the final report by using consultant services. The fee for this assistance will be charged against the project final 10 percent payment.
- Issue a “final notice” to the public works directors or TAC representatives with a copy to jurisdictions management and Finance Director if the final report or a request for an extension has not been received within 180 days of the “project completion date”. This “final notice” should inform the jurisdictions that in the case that no response to this notice is received by OCTA within 30 days, consultant services would be contracted by OCTA to prepare the final report on behalf of the jurisdiction. The fee for this preparation will be charged against the project final 10 percent payment.
- Require all requests for extension for the final report to be reviewed and approved by the TSC and the TAC.
- Require OCTA to issue the final 10 percent payment to jurisdictions within 60 days of the receipt of the final report and all related supporting documentation.

## Final Payment

The remaining balance, approximately 10 percent in Combined Transportation Program funds, will be released when the project is completed and a Final Report on the project is accepted by OCTA. The balance is determined based on final costs for Combined Transportation Funding Programs eligible expenditures as stated in the program from where funds were programmed. Prior to submitting the report, review the section in this manual discussing the final report process.

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Measure M informational “Funded By” sign removal costs should be requested in the Final Report. Note: Costs associated with the Measure M informational signs (fabrication, installation and removal) are reimbursed by OCTA and do not count against a project’s programmed funds.

### ***Project Cost Changes***

If the contract price is lower than the amount programmed and additional items and/or change orders were needed during construction/study, additional funding, up to the allocation programmed, may be approved when the final report for the project is filed. Up to 50 percent of the savings from one project phase can be used on another project phase which has or is encountering cost overruns. The remaining savings shall be returned to the program of origin. OCTA and the auditor will review these reports to determine: 1) the reason for the change order(s), 2) the items eligible for reimbursement, and 3) the original scope of the project. The lead agency should provide information supporting the need for the change orders in the final report. Changes in project limits for construction projects are not eligible for reimbursement.

### ***Excess Right of Way***

For agencies that received CTFP funds for the project right-of-way phase, the disposal process for excess land will be by the mutual agreement of OCTA and the lead agency. Prior to the disposal process, the lead agency shall notify OCTA at the time the land is declared excess to the transportation improvement. Excess land sold by the lead agency will be in accordance with Government Code, Article 8, Surplus Land, Section 54220-54232, et. Seg., and proceeds from the sale shall be returned to the program of origin for future use.

### ***Audit***

Once the final report is submitted to OCTA, an audit will be conducted on the project. Both a “desk” audit and a field audit may be conducted by OCTA or by an auditing firm. The cost estimate forms submitted with the project applications (revised where appropriate), your project accounting records and the final report will be the primary items used for the audit. Separate records must be maintained for your projects (i.e., expenditures, interest) to ensure compliance. Only Combined Transportation Funding Programs’ eligible items listed on your cost estimate form will be reimbursed.

### **Project Advancement**

Agencies wishing to advance a project by one fiscal year or more may request project advancement. The agency must demonstrate that a contract will be awarded or that

funds will be obligated in the year which funds are requested to be advanced to. If an agency wishes to advance a project from Tier II to Tier I, the project must meet the same requirements as a Tier I project (e.g., materials reports, preliminary design, environmental clearance, etc.). In addition, the allocation will be de-escalated according to the original escalation rate.

Requests can be submitted at any time during the fiscal year or as part of the semi-annual review process. All advancements will be reviewed by the TAC and submitted for approval to the OCTA Board. If approved, the agency and project will be required to meet the new fiscal year award or obligation deadline.

Should OCTA be unable to accommodate an advancement request for a project funded through Measure M, due to cash flow constraints, the agency may still move forward with the project using local funding. The lead agency must receive authorization/approval from OCTA prior to beginning work. The lead agency may subsequently seek reimbursement of CTFP funds in the fiscal year in which funds are programmed. An agency may begin work for an approved CTFP project prior to the fiscal year for which it is programmed.

### ***Local Agency Project Advancement***

A second option is called Local Agency Project Advancement (LAPA). With this option, the local agency may begin work on any approved CTFP project prior to the fiscal year funds are programmed. The eligible expenses will then be reimbursed to the local agency at the beginning of the fiscal year that the project's funds were programmed (up to the programmed amount or contract value, whichever is less). In order to be eligible for consideration under LAPA the OCTA must be notified that the local agency intends to proceed with the project prior to the project's start-up.

### ***Eligibility***

Any local jurisdiction may apply to receive Measure M project payments in advance of the program year under the following conditions:

- The project is programmed in Tier I or has completed environmental clearance if programmed in Tier II.
- Reimbursement will be for only those funds and phases programmed.
- The local jurisdiction is currently eligible and must maintain eligibility under the Measure M Ordinance (up to and including the year funds are programmed).

- The following information must be provided to OCTA prior to beginning work on the project.
  - 1) Project Schedule
  - 2) Statement from the Public Works Director stating:
    - A) Environmental Clearance is completed
    - B) Right of Way acquired according to proper procedures (if applicable)
    - C) PS&E Certification to jurisdictional standards (if applicable)
  - 3) Final Engineers Estimate
- OCTA must give authorization for the project initiation before agency begins work.

### ***Reimbursement***

Reimbursement for a project will not be released prior to July 1st of the year funds are programmed. If the project has been completed prior to July 1st of the fiscal year in which the funds are programmed, reimbursement will be in a single payment. However, that payment will not be released until after receipt and approval of the Final Report as discussed above. If the project has not yet been completed, then 90 percent of the project's cost can be reimbursed in accordance with the terms and limitations discussed above.

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**Exhibit 13-1**  
**SAMPLE AGENCY RESOLUTION**  
**REQUESTING FUNDS FOR APPROVED PROJECT**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL/BOARD OF THE CITY/COUNTY OF \_\_\_\_\_ REQUESTING THE ORANGE COUNTY TRANSPORTATION AUTHORITY TO ALLOCATE COMBINED TRANSPORTATION PROGRAM FUNDS FOR \_\_\_\_\_ STREET BETWEEN \_\_\_\_\_ AND \_\_\_\_\_.

WHEREAS, the Orange County Transportation Authority approved a Combined Transportation Funding Program (CTFP) for fiscal year \_\_\_\_\_; and

WHEREAS, the program includes \$\_\_\_\_\_ in fiscal year \_\_\_\_\_ (year) for a \_\_\_\_\_ (type) project on \_\_\_\_\_ Street between \_\_\_\_\_ (limit) and \_\_\_\_\_ (limit); and

WHEREAS, the City/County of \_\_\_\_\_ has adopted a General Plan Circulation Element which does not preclude implementation of the MPAH within its jurisdiction, and

NOW, THEREFORE, BE IT RESOLVED that the City/County of \_\_\_\_\_, hereby requests the Orange County Transportation Authority allocate \$\_\_\_\_\_ of CTFP funds from the \_\_\_\_\_ Program for construction of said project to the City/County. This request is in conformance with the CTFP allocation process and does not exceed ninety (90) percent of the programmed amount or ninety (90) percent of the construction contract.

BE IT FURTHER RESOLVED that the City/County of \_\_\_\_\_, agrees to fund its share of the improvement costs of the above indicated fiscal year and any additional costs over the identified programmed amount.

BE IT FURTHER RESOLVED, that the City/County of \_\_\_\_\_, has awarded the contract for the project on \_\_\_\_\_, 20\_\_\_\_ for \$ \_\_\_\_\_.



BE IT FURTHER RESOLVED, that the City/County of \_\_\_\_\_ has: 1) designed the project improvements, and 2) completed required preparatory work in accordance with the standards required by the City/County and other affected jurisdictions involved with said project.

BE IT FURTHER RESOLVED, that the remaining ten (10) percent in CTFP funds will be transferred to the City/County of \_\_\_\_\_ when construction is completed and a Final Report on the project is accepted by the Orange County Transportation Authority. The City/County of \_\_\_\_\_ agrees to submit the final report to the Orange County Transportation Authority within one hundred twenty (120) days after the City's acceptance of the improvements.

PASSED AND ADOPTED BY THE CITY COUNCIL/COUNTY BOARD OF THE CITY/COUNTY OF \_\_\_\_\_ AT A REGULAR MEETING HELD ON \_\_\_\_\_.

MAYOR/CHAIRMAN OF THE CITY/COUNTY OF \_\_\_\_\_

ATTEST:

\_\_\_\_\_

CITY/COUNTY CLERK OF THE CITY/COUNTY OF \_\_\_\_\_

**Exhibit 13-2****PLANS, SPECIFICATIONS, AND ESTIMATE CERTIFICATION**

The City/County of \_\_\_\_\_ hereby certifies in connection with Project No. \_\_\_\_\_, \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_, that:

1. All proposed work is within existing right-of-way and no additional right-of-way is necessary.
2. Existing improvements (check which apply):

No building improvement or utility conflicts in the right-of-way area.

The following improvements do exist in the right-of-way area but will be removed before the contractor enters to perform the construction:

\_\_\_\_\_  
Utilities which have prior rights and will require relocation are as follows:

3. Plans and Specifications for subject project have been properly prepared and approved in accordance with authorized procedures.
4. The division of costs as shown in the Engineer's Estimate has been based on the Transportation Funding Program scope of work as approved by the Orange County Transportation Authority.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
City Engineer

**Exhibit 13-3**

**FINAL REPORT**

**CITY OF** \_\_\_\_\_

**PROJECT NUMBER** \_\_\_\_\_

**FINAL REPORT FOR IMPROVEMENT OF**

\_\_\_\_\_  
(Street or Road Name)

Type of Improvement: \_\_\_\_\_

Description of Work Performed:

Length in Miles: \_\_\_\_\_

Contractor: \_\_\_\_\_

Engineer in Charge: \_\_\_\_\_

\_\_\_\_\_  
Public Works Director

Date Work Began: \_\_\_\_\_

Date Work Completed: \_\_\_\_\_

---

**CONTRACT COST**

<u>Item No.</u>	<u>Item of Work</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total Amount</u>
---------------------	---------------------	-----------------	-----------------------	-------------------------

TOTAL CONTRACT COST:

**EXTRA WORK AND CHANGE ORDERS\***

<u>Item No.</u>	<u>Item of Work</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total Amount</u>
---------------------	---------------------	-----------------	-----------------------	-------------------------

TOTAL EXTRA WORK:

**WORK BY LOCAL AGENCY FORCES**  
(and/or OTHERS)

Construction and Engineering

Labor  
Equipment  
Materials, supplies and others

Overhead at allowable rate up to 30%  
of payroll and fringe benefits

TOTAL WORK BY LOCAL  
AGENCY (OR OTHERS)

TOTAL COST OF PROJECT

\* Note: Unless a change to the original project is approved by the TAC, these expenditures are ineligible for Transportation Program funds.

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**DIVISION OF COSTS**

	CTFP FUNDS	LOCAL AGENCY FUNDS	OTHER FUNDS*	TOTAL AMOUNT
	_____	_____	_____	_____
Contract Cost				
Extra Work & Change Orders				
Work by Local Agency Forces (and/or others)	_____	_____	_____	_____
	=====	=====	=====	=====

---

**REMARKS**

(Give explanation for any changes in work from approved plans or for any additional or extra work done. Also, explain any major variation from estimated quantities.)

---

PICTURES

Before

After

Before

After

---

**PROJECT EXPENDITURES CERTIFICATION**

I hereby certify that the above is a true and correct statement of the work performed and costs incurred on the above project.

---

Date

---

Signed

---

Title



**Exhibit 13-4**

AGENCY \_\_\_\_\_  
 PROJECT NO. \_\_\_\_\_  
 FINAL REPORT OF RIGHT-OF-WAY ACQUISITION FOR

\_\_\_\_\_  
 (Street Name and Limits)

Official Responsible for Acquisition \_\_\_\_\_

Title \_\_\_\_\_

Total Width of Street Right-of-Way \_\_\_\_\_ Length in Miles \_\_\_\_\_

Date Work Began \_\_\_\_\_

Date Work Completed \_\_\_\_\_

	CTFP	AGENCY	OTHER	TOTAL
Budgeted	\$	\$	\$	\$
Expended				
Unexpended	\$	\$	\$	\$

**SUMMARY OF EXPENDITURES**

Payment to property owners \$  
 Value paid - including damages  
 Relocation costs  
 Operating expenses  
 Other costs (Describe)

TOTAL COST \$

I hereby certify that the above is a true and correct statement of the transactions and expenditures of funds incurred on the above project.

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Signed

\_\_\_\_\_  
 Title

---

**SUMMARY OF RIGHT-OF-WAY ACQUISITION**

Parcel Number	<u>CTFP FUNDS</u>	<u>AGENCY MATCHING FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL AMOUNT</u>
	<hr/>	<hr/>	<hr/>	<hr/>
	\$	\$	\$	\$

Provide the following information for each parcel:

ASSESSOR'S PARCEL NUMBER:

A

Grantor:

Grantor's Address:

Description of Parcel Obtained:

Value Paid for Land

\$ B

Relocation Costs

C

Operating Expenses (Itemize)

D

Moving or Restoring Improvements

E

CREDITS

F

TOTAL

\$

Appraised Value

\$ G

Explanation:

H

**RIGHT-OF-WAY DEFINITIONS**

- A. Assessor's Parcel Number
- B. Value paid for land - any compensation made for obtaining required land, including value of any improvements made in lieu of cash payments.
- C. Relocation assistance payments made pursuant to state law.
- D. Operating expenses - expenses incurred in obtaining required land including court costs in condemnation proceedings, the cost of title searches and reports, the salaries, transportation, and expenses of right-of-way agents. Includes necessary maintenance of property and buildings prior to construction.
- E. Moving or restoring improvements - the cost removing, demolishing, moving, resettling and altering obstructing utilities, buildings, structures and other improvements. This only applies where payment is not made to owner (in appraised value) for having work done.
- F. Credits - value received for disposition of all surplus land, buildings, etc., together with any income from rental of property.
- G. Appraised value of property from appraisal report.
- H. Explanation - indicate whether property acquired through negotiation or court decision. Explain fully the costs and credits. Explain fully if value paid for land and improvement exceeds appraised value.

**Exhibit 13-5**

**FINAL REPORT**

**CITY/COUNTY OF** \_\_\_\_\_

**PROJECT NO.** \_\_\_\_\_

**FINAL REPORT FOR IMPROVEMENT OF**

\_\_\_\_\_  
(Project Name)

Type of Improvement: \_\_\_\_\_

Description of Work Performed:

Date Work Began: \_\_\_\_\_

Date Work Completed: \_\_\_\_\_

---

**CONTRACT COST**

<u>Description of Work/Task</u>	<u>Unit Price</u>	<u>Total Amount</u>
---------------------------------	-----------------------	-------------------------

TOTAL CONTRACT COST:

**EXTRA WORK AND CONTRACT AMENDMENTS\***

<u>Description of Work/Task</u>	<u>Unit Price</u>	<u>Total Amount</u>
---------------------------------	-----------------------	-------------------------

TOTAL EXTRA WORK:

\* Note: Unless a change to the original project is approved by the TAC, these expenditures are ineligible for Combined Transportation Program funds.

---

**WORK BY LOCAL AGENCY FORCES  
(and/or OTHERS)**

Labor  
Equipment  
Materials, supplies and others

Overhead at allowable rate up to 30%  
of payroll and fringe benefits

TOTAL WORK BY LOCAL  
AGENCY (OR OTHERS)

TOTAL COST OF PROJECT

**DIVISION OF COSTS**

	CTFP FUNDS	LOCAL AGENCY FUNDS	OTHER FUNDS	TOTAL AMOUNT
	_____	_____	_____	_____
Contract Cost				
Extra Work & Contract Amendments				
Work by Local Agency Forces (and/or others)	_____	_____	_____	_____
	=====	=====	=====	=====

---

**REMARKS**

Give explanation for any changes in work from approved scope or for any additional or extra work done.

---

**PROJECT EXPENDITURES CERTIFICATION**

I hereby certify that the above is a true and correct statement of the work performed and costs incurred on the above project.

---

Date

---

Signed

---

Title



## **Audit Process Overview**

At the closeout of all CTFP approved projects, before the final payment is processed, a “desk” and/or field audit may be performed to ensure that CTFP policies and procedures were followed. This audit will be performed by Authority staff or an auditor retained by the Authority within one year of the Authority receiving the final report for a project. If possible, it will occur simultaneously with the Measure M “turnback” audit. All programs, including the AHRP, will require an audit of project expenditures. Only CTFP eligible items listed on a project’s cost estimate form will be reimbursed.

The project information on file at OCTA will serve as the preliminary source of information for each audit. If necessary, additional information may be requested of local jurisdictions. The local agency may also be requested to participate in a field review of the completed project. Consequently, accurate records detailing specific expenditures for each CTFP project must be maintained by local jurisdictions. These records must show that proper accounting and cash management procedures were followed, the project was completed in accordance with the application, and that all records and documentation related to the project were adequately maintained. Consistent with the Measure M ordinance, local jurisdictions must also establish a separate fund accounting system for Measure M funds transactions and expenditures.

Local jurisdictions must cooperate with OCTA or its agent during the audit process and comply with the recommendations of the Measure M financial and compliance audits. Project records must be maintained for five (5) years after project completion.

## **Records Requirements for Audit Compliance**

A description of the required records is given below. The Orange County Transportation Authority will notify your agency of the audit results. Any discrepancies in, or noncompliance with, Transportation Funding Programs policies and procedures will be discussed with each agency to determine the necessary actions to resolve issues. A closeout letter will be sent upon verification of compliance signifying that no further funds will be disbursed for the project.

### ***Contracts***

For all contract expenses the following records must be maintained:

1. The original executed contract
2. Evidence of the competitive bid procedures and selection criteria used
3. All contractor invoices received
4. All contract change order documents
5. Proof of payment to contractors

6. Project "as built" or other final plans
7. Sign-off on completion by Local Agency (letter of acceptance)

***Materials and other***

For all materials and other miscellaneous expenses charged to the Combined Transportation Funding Programs project, the following records must be maintained:

1. Original invoice and purchase order
2. Proof of delivery
3. Evidence of reasonableness of price, if total cost of purchase is over \$1,000
4. Proof of payment

***Direct labor***

For all direct labor charged to a project, including engineering labor, the following records must be maintained:

1. Summary time sheets showing total time charged to the project by the different individuals working on it
2. Individual time sheets or time cards showing the total time worked by the individual for each period (day, week, etc.) and the different tasks to which the individual's time was charged
3. Personnel files showing the individuals' pay rates
4. Payroll reports showing the computations of paychecks for the applicable periods

***Equipment***

Equipment rental charges related to a project shall be documented by the following records:

1. Vendor's or local agency's invoice showing hours, rate, and type of equipment and location of rented equipment
2. Evidence of quotes obtained to determine best rate. (Documented phone quotes are acceptable)
3. Documentation of project need for equipment

***Local agency force work***

For all work performed by local agency forces and the decision that local agency forces could perform the work more cost effectively or timely than a contractor must be documented.

**Overview**

In November 1990, voters in Orange County approved Measure M, a half-cent sales tax for transportation improvements. Over the 20-year life of Measure M, it will be important for the public to see noticeable improvements made possible by Measure M funds. One way of calling attention to Measure M projects is through informational or "funded by" signs.

Many other counties that have transportation sales tax measures have developed signs for locally funded projects. OCTA staff contacted a number of counties that "advertise" their local transportation sales tax projects through "funded by" signs. In every case, the counties thought these signs were an important tool for promoting the benefits of their sales tax measure. Authority staff believes it is appropriate that Orange County establish a program for installing these informational signs at all Measure M project sites.

Since every local agency will benefit from increased public awareness of the benefits of the Measure M Program, the installation of informational signs will be a mandatory component of the project funding process. OCTA will pay for all costs associated with the fabrication, manufacturing, installation, delivery, and removal of two Measure M funding signs. Local agencies will be responsible for installation, maintenance, and removal of the signs at the project site.

**Procedures and Responsibilities*****Sign Fabrication, Installation and Removal***

The Measure M informational signs are designed to be read and understood easily by passing motorists. The signs are intended to help the public identify the use of Measure M funds. Two signs will be placed near the limits of the project, one each in both directions of travel. The basic design will contain the OCTA Measure M logo. OCTA will arrange for the fabrication and delivery, of the Measure M project informational signs.

Local jurisdictions will install the signs prior to the start of construction and remove the signs one month after completion of the project.

***Processing Invoices***

OCTA will pay for all costs associated with the fabrication, installation, and removal of two Measure M project informational signs. Local jurisdictions will include sign installation costs in their initial 90 percent payment request. Removal costs will be documented in the final report as a line item expenditure for reimbursement.

***Agency Responsibilities***

OCTA, as the agency responsible for administering Measure M revenues, will pay for all costs associated with the fabrication, installation, and removal of the two Measure M informational signs. For accounting purposes, these costs will be considered a construction cost and charged to Measure M.

**Eligible Projects**

Eligible projects include those approved under:

- Smart Street Program
- Regional Interchange Program
- Intersection Improvement Program
- Signal Improvement Program
- Transportation Demand Management Program
- Master Plan of Arterial Highways Program
- Growth Management Areas Program

OCTA responsibilities for the informational sign program are as follows:

1. Provide funding for the design, fabrication, installation, and removal of two informational signs per project. Projects that have extended lengths or limits may have more than two signs, however this will be considered on a case-by-case basis.
2. Develop the design, fabricate the signs and deliver two signs per project to local agencies.

**Local Agencies**

As the lead agencies for Measure M projects, local agencies will be responsible for the following:

1. Assume responsibility for installation, repair and maintenance of all signs during construction.
2. After project completion, arrange for removal and recycling of the signs.
3. Notify OCTA if more than two signs will be necessary for a project. OCTA will review these requests on a case-by-case basis.
4. Invoice OCTA for all sign installation and removal expenditures.

**Location and Display**

1. Ensure that the signs are installed near the limits of the project. Signs will be placed in both directions of traffic
2. In placing the signs, consideration should be given to clear visibility of vehicles and pedestrians.
3. Upon completion of construction, the signs shall remain on display for a period of at least 30 days.

**Measure M Informational Signs**  
**Project Information Form**

**1. Local Agency Information**

Agency: \_\_\_\_\_ Date: \_\_\_\_\_

Agency Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Number of Signs \_\_\_\_\_

Delivery Address \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(If more than two signs are requested, please identify the proposed locations on a simple project location map.)

**2. Project Status**

Beginning Construction Date (Month, Date, Year): \_\_\_\_\_

Ending Construction Date (Month, Year): \_\_\_\_\_

<b><u>Topic</u></b>	<b><u>OCTA Contact</u></b>	<b><u>Phone Number</u></b>
Program Management	Jennifer Bergener	(714) 560-5673
Measure M Eligibility Requirements	Tresa Oliveri	(714) 560-5374
CTFP Guidelines	Monica Giron	(714) 560-5905
MPAH Consistency	Wendy Garcia	(714) 560-5738