



COMMITTEE TRANSMITTAL

March 9, 2015

To: Members of the Board of Directors
From: ^{lw}Laurena Weinert, Clerk of the Board
Subject: Funding for Interstate 405 Express Lanes Costs

Regional Planning and Highways Committee Meeting of March 2, 2015

Present: Directors Bartlett, Donchak, Lalloway, Miller, Nelson, Spitzer,
and Ury
Absent: None

Committee Vote

This item was passed by the Members present.

Director Miller voted in opposition.

Committee Recommendation

Authorize the use of up to \$500,000 from the Orange County Unified Transportation Trust to fund costs associated with the express lanes component of the Interstate 405 improvement project.



ORANGE COUNTY TRANSPORTATION AUTHORITY

Funding for Interstate 405 Express Lanes Costs

Staff Report



March 2, 2015

To: Regional Planning and Highways Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Funding for Interstate 405 Express Lanes Costs

Overview

Per direction from the Orange County Transportation Authority Board of Directors, the Chief Executive Officer will begin discussions with the California Department of Transportation regarding the Interstate 405 improvement project which will include an express lanes facility. The Orange County Transportation Authority will incur some costs to effectively prepare and engage in those discussions and will need to fund those costs with a non-Measure M source.

Recommendation

Authorize the use of up to \$500,000 from the Orange County Unified Transportation Trust to fund costs associated with the express lanes component of the Interstate 405 improvement project.

Background

On February 9, 2015, the Orange County Transportation Authority (OCTA) Board of Directors (Board) directed the Chief Executive Officer (CEO) to engage in discussions with the California Department of Transportation (Caltrans) regarding the Interstate 405 (I-405) improvement project. The Board has also previously directed that Measure M2 (M2) funds not be used for the express lanes component of the I-405 improvement project.

Discussion

Per Board direction, the CEO will have discussions with Caltrans regarding the delivery of the I-405 Improvement project, including express lanes in the corridor. In order to properly analyze and prepare for these discussions with Caltrans, OCTA will incur costs for traffic and revenue consultants, legal fees, public outreach, staff time, and other costs that are above and beyond the scope of the M2 project. Since the Board has directed that M2 funds not be

used for the express lanes component of the project, an alternative source of funds needs to be identified.

Funds from the Orange County Unified Transportation Trust (OCUTT) are eligible to be used to fund the costs associated with preparing for the discussions with Caltrans. In the past, OCUTT has been used to provide initial funding for projects with the expectation that when project revenues become available, they will be repaid. Examples of such projects include paying for initial M2 administrative costs prior to the collection of the sales tax to initiate the Early Action Plan, buying out the non-compete clause for State Route 91, and providing a loan to the City of Placentia.

To handle the cash flow requirements for the costs associated with the express lanes portion of the I-405 Improvement project, staff recommends utilizing funds from OCUTT. If approved, staff will delineate costs associated with the express lanes component from the M2 project. Additionally, if OCTA becomes the lead agency for implementing express lanes, it could choose to payback OCUTT for these costs with future toll revenues.

Summary

Staff recommends authorizing the use of Orange County Unified Transportation Trust funds to pay for costs associated with the express lanes portion of the I-405 improvement project.

Attachment

None.

Prepared by:

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