COMMITTEE TRANSMITTAL

November 13, 2023

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board *Andrea West*

Subject: 2024 Project V Community Based Transit/Circulators Program Guidelines and Call for Projects

Transit Committee Meeting of November 9, 2023

Present: Directors Jones, Jung, Lopez, Nguyen, and Sarmiento
Absent: Director Do

Committee Vote

This item was passed by the Members present.

Committee Recommendations

A.   Approve proposed revisions to the Comprehensive Transportation Funding Programs guidelines for the Project V Community Based Transit Circulators Program.

B.   Authorize staff to issue the 2024 Measure M2 Community Based Transit Circulators Program call for projects.

November 9, 2023

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 2024 Project V Community-Based Transit/Circulators Program Guidelines and Call for Projects

Overview

The Measure M2 Community-Based Transit Circulators Program provides competitive funding to local jurisdictions for local transit services designed to complement regional transit services. Updated program guidelines for the 2024 call for projects are presented for review and approval. With Board of Directors approval, staff will issue the call for projects and return with project funding recommendations in spring 2024.

Recommendations

A.   Approve proposed revisions to the Comprehensive Transportation Funding Programs guidelines for the Project V Community-Based Transit Circulators Program.

B.   Authorize staff to issue the 2024 Measure M2 Community-Based Transit Circulators Program call for projects.

Background

The Measure M2 (M2) Community-Based Transit Circulators Program (Project V) is a competitive grant program, which provides funding to develop and implement local transit services. These service types include special event, local circulator, commuter rail feeder, seasonal, demand-responsive, and shared-ride hailing services that better suit local needs in areas not adequately served by regional transit and do not duplicate or compete with existing transit services.

Based on current forecasts, total revenues for Project V (through 2041) are estimated to be approximately $290 million. The 18 existing projects that have been and are currently funded through the program, along with previously funded

cancelled services, are expected to use approximately $41 million through fiscal year (FY) 2023-24. Accordingly, the Orange County Transportation Authority (OCTA) conducted a financial assessment of Project V and concluded that the program could accommodate a call for 2024. However, in order to continue providing successful services and consider new projects into the future, competitive project selection must prioritize the projects that best meet the M2 program goals.

To inform the guideline development, OCTA requested and received 18 letters of interest for 20 different services from local jurisdictions expressing interest in a future Project V call for projects. A report outlining the expressed interest was presented to the Board of Directors (Board) in August 2023. At that meeting, the Board directed staff to return with updated Comprehensive Transportation Funding Programs (CTFP) guidelines for a Project V 2024 call. OCTA also held a stakeholder workshop on October 11, 2023, to collect comments on proposed changes.

Discussion

The updated CTFP guidelines for Project V consider lessons learned from previous calls, and the requirements and program objectives of M2. Local jurisdiction comments were reviewed, considered, and incorporated as appropriate and as allowed by the M2 Ordinance.

Overall, the 2024 Project V guidelines support funding existing projects and programs first, then expansion of existing services, then entirely new Traditional services -- such as seasonal fixed route and event shuttles -- and lastly on-demand services that offer shared-ride options.

Key proposed CTFP Project V changes include the following.

- Categorized service types as "Traditional" or "on-demand (mobility)" due to distinctive project characteristics.
- Revised application scoring criteria to support 2024 call objectives.
- Clarified that local jurisdictions may be awarded for a period of up to seven years per project, with funding available starting in FY 2024-25 with all funding concluding in FY 2030-31.
- Updated the maximum allowable Project V annual funding award (from all eligible categories) based on service type and escalated on a FY basis.
    - Traditional: $592,000 for FY 2024-25
    - On-Demand: $296,000 for FY 2024-25

- Increased eligible funding cap for initial marketing costs to $80,000 and annual cap for ongoing marketing efforts to $25,000.
- Specified the minimum local match rate (from all eligible categories) as ten percent for Traditional service and capital expenses and 50 percent for on-demand service.
- Clarified the types of eligible capital, and operations and maintenance expenditures that would be allowed, and specified the criteria under which continuation/expansion of existing services would be considered.
- Specified a maximum subsidy rate of $10.81 per boarding throughout the seven-year project programming period.
- Required scheduling information to be provided by jurisdictions in General Transit Feed Specification data format.
- Emphasized competitive procurements for service providers of all transit types and required re-procurements of providers for all continuing services upon expiration of the current contract term or by June 30, 2026, whichever is earlier.
- Planning for a new service will not be considered for the 2024 call.

Project V is highly competitive due to the interest in the program and limited funding. As such, staff is recommending the prioritization of continuing to fund previously awarded successful projects. Consistent with this recommendation, planning studies will not be supported for this call cycle. Also, annual maximums and match requirements have been updated so that OCTA's support of capital and operations and maintenance are aligned with expected costs and ridership for Traditional and on-demand Project V services. On-demand services typically do not have capital and maintenance costs compared to Traditional Project V services which require higher levels of funding but can also serve more passengers in one trip. Due to the lower funding need for the on-demand services, maximum funding recommended for the on-demand services is lower. This will help OCTA support more projects than it would have been able to otherwise.

For a more detailed summary of proposed changes, Attachment A provides a table of proposed changes, and Attachment B provides a marked-up version of all proposed CTFP guidelines changes (Project V).

Next Steps

Upon Board approval of the guidelines, OCTA will notify local jurisdictions of the call's initiation and any other pertinent information. As an added resource to the local jurisdictions, staff will be hosting an application workshop on December 5, 2023. Applications will be due by January 25, 2024. Projects will be prioritized for Board consideration in spring 2024. Funding would become available to local jurisdictions for services starting on July 1, 2024. Approved and active services will be monitored quarterly, and ridership reporting is typically provided to the Board on a semi-annual basis.

Summary

Based upon Board direction, Project V guidelines for the 2024 Project V call are presented for review and approval. The staff is also seeking approval to issue a 2024 call.

Attachments

A.   2024 CTFP Guidelines Project V – Proposed Changes List
B.   Guidelines Excerpt, Draft Comprehensive Transportation Funding Programs, Chapter 6 – Community-Based Transit/Circulators Project V

Prepared by:

Adrian Salazar
Senior Transportation Funding
Analyst, M2 Local Programs
(714) 560-5363

Approved by:

Kia Mortazavi
Executive Director, Planning
(714) 560-5741

2024 CTFP Guidelines (Project V) – Proposed Changes List

No.	Chapter	Section	Page No.	Proposed Change
1	NA	Table of Contents	ii	Update to 2024 Project V Call for Projects
2	6	Program Revisions	6-1	Delete Program Revisions as the information is outdated. Information is incorporated into the Project Requirements section.
3	6	Overview	6-1	Clarify that Project V services cannot duplicate or compete with existing OC Bus services or other existing services.
4	6	General Program Objectives	6-1 to 6-2	Minor updates to objectives to emphasize financial sustainability and reliable and viable transit services.
	6	Eligible Service Categories	6-2	Establish definitions by specifying traditional Project V transit services and on-demand (mobility) services. Include footnotes describing on-demand service design.
5	6	Call Objective Priorities	6-3	Update call year and order objective priorities. Many objectives have been carried out such as continue to fund existing services, support new services, and allow for on-demand. Add new priorities to support expansion of existing services. Other call priorities are administrative objectives and include: consolidate continuing services into one grant and require competitive procurement.
6	6	Call for Projects	6-3	Remove outdated minimum performance standards. Updated footnote on performance to a cost of less than twice the per boarding subsidy consistent with January 25, 2021, Board action.
7	6	Call for Projects	6-3	Remove approximate funding allocated for the call. Funding information provided in the staff report to the Board for call issuance with up-to-date sales tax forecasts.
8	6	Applications	6-4	Updated application submittal contact information to Adrian Salazar, lead contact, for the 2024 call.
9	6	Applications	6-3	Decrease required hardcopy submittal from three (3) to one (1)
10	6	Application Process	6-3 to 6-4	Simplify application process section as many details are included in scoring criteria below (e.g., remove details for proposed and/or ongoing service and operations plan).
11	6	Application Process	6-4	Clarification requirement to demonstrate support of proposed Project V service(s) with other existing services.
12	6	Application Process	6-4 to 6-5	Include request to merge existing and or new grants, include a multi-year corresponding financial plan by year that shows the total combined revenues, expenditures, and revenue vehicle service hours by year.

No.	Chapter	Section	Page No.	Proposed Change
13	6	Application Guidelines	6-5	Ensure that all the required information listed under "application process" is included. Key elements must be clearly and concisely presented to enable timely and accurate assessment of applications.
14	6	Application Guidelines	6-6	Include statement that financial details must also include user fare subsidy paid by the City and intended for reimbursement through Project V.
15	6	Scoring Criteria	6-6	Update scoring criteria to include estimated capital, initial marketing, and continuing O&M costs; projected daily boardings with projection methodology fully presented; community outreach supporting the proposed service; and agency experience deploying comparable services.
16	6	Scoring Criteria	6-6 to 6-7	Updated operations plan section to include geocoded service area, projected annual revenue vehicle hours, ride hailing or ride request process; and ADA accommodations or comparable alternative.
17	6	Other Application Materials/Council Resolution	6-7	Clarified resolutions must include the estimated amount of matching funds to be provided by the agency.
		Other Application Materials	6-7	For operations plan expanded on required technical data needed for application including draft timetables, begin/end dates, vehicle specifications, vehicle maintenance plan, projected annual revenue vehicle hours, etc.
18	6	Other Application Materials	6-8	Add statement that OCTA is available to provide guidance upon request.
19	6	Application Review and Program Adoption	6-8	Update call year and call schedule as follows: • Board authorization to issue call: November 13, 2023 • Application submittal deadline: January 25, 2024 at 5:00 PM PST • Final adopted resolution (or minute action) deadline: Thursday, February 15, 2024 • Transit Committee/Board approval: spring 2024
20	6	Funding Information	6-9	State that FY 25 annual max funding for traditional Project V services is $592,000 and $296,000 for on-demand services to increase annually in accordance with Table 6-1. Local match for traditional Project V services is 10% and 50% for on-demand services. Add footnote to state annual maximums determined by reported costs per RVH form FY 22-23.

2024 CTFP Guidelines (Project V) – Proposed Changes List

No.	Chapter	Section	Page No.	Proposed Change
21	6	Project Participation Categories – Planning for New Service	6-10	Removed planning for new service as available option for 2024 call in order to prioritize funding continuation and expansion of existing Project V services. May consider planning studies in a future call, contingent upon future cash flow assumptions.
22	6	Project Participation Categories – Capital	6-10	Specify bus/vehicle leases/purchases apply to Traditional Project V transit or micro transit service. Include major revenue service vehicle maintenance and repairs and service vehicle wraps as eligible items.
23	6	Project Participation Categories – Initial/Start-up Marketing Costs	6-11	Include print copy, digital artwork and identity creation as eligible items. Increase funding cap from $50k to $80k. Specify that OCTA will provide M2 (OC Go) logos for all traditional Project V and micro transit services, as needed.
24	6	Project Participation Categories – Operations and Maintenance	6-11 to 6-12	Clarification of eligible items. Removal of existing OCTA-led services and other flexible and innovative transit services as eligible item due to updated allowance of on-demand services stated in Call Objective Priorities section above. Include ongoing vehicle maintenance as eligible item. Add clarification on parking leases to be reimbursed according to proportional facility usage for Project V services. Increase reimbursement for regular and ongoing marketing efforts from $15K to $25K. Reiterate agencies using contracted service provide are required to competitively procure.
23	6	Project Participation Categories – O&M	6-12 to 6-13	Include additional information for O&M and on-demand services. On-demand information includes parameters for service design. Reiterate agencies using contracted service provider are required to competitively procure.
26	6	Ineligible Categories	6-13	Update of ineligible categories including. Micro mobility services (e.g., shared bicycle, scooters) are ineligible. New expansion of existing fixed-route services is eligible for the 2024 call, thus statement removed from the ineligible category.
27	6	Project Requirements	6-14	Removed planning for new service as available option for 2024 call in order to prioritize funding continuation and expansion of existing Project V services. May consider planning studies in a future call, contingent upon future cash flow assumptions.
28	6	Project Requirements – O&M	6-14 to 6-15	Include updated cost per boarding and match rate percentages.
29	6	Project Requirements – O&M	6-15	Include minimum performance standard language.

2024 CTFP Guidelines (Project V) – Proposed Changes List

No.	Chapter	Section	Page No.	Proposed Change
30	6	Project Requirements – O&M	6-16	Include statement that OCTA will work with agencies to establish appropriate OTP and CS performance requirements.
31	6	Project Requirements – O&M	6-16	Clarification that monthly O&M costs and performance data submitted quarterly is anticipated to be provided to the OCTA Transit Committee on a semi-annual basis.
32	6	Project Requirements – O&M	6-16	Remove outdated minimum performance standards. Updated performance to a cost of less than twice the per boarding subsidy consistent with January 25, 2021, Board action.
33	6	Project Requirements – O&M	6-16	Clarify that OC ACCESS will be provided for Project V services in OCTA paratransit services areas. For Project V services that are not within OC ACCESS service area and for on-demand and ride-hailing services, the local agency will be required to provide ADA comparable services and include cost for service or a funding plan as part of the project application.
34	6	Project Requirements – O&M	6-17	Agencies receiving Project V funds are required to provide scheduling information in required format for GTFS.
35	6	Project Requirements – O&M	6-17	Ongoing or continuing services must re-bid through competitive procurement as soon as the current term expires or by June 30, 2026, whichever is earlier.
36	6	Agency Match Requirements	6-17	Include requirement that a minimum match of 50 percent is required for new on-demand services. Include excess match incentives for O&M for traditional Project V and on-demand services in addition to excess capital match incentives.
37	6	Agency Match Requirements	6-17	Updated cost per boarding subsidy consistent with January 25, 2021, Board action.
38	6	Eligibility Requirements	6-18	Update requirement for including information on ADA service.
39	6	Eligibility Requirements	6-19	Include requirement that vehicle types must have appropriate specifications and safety equipment for service type and anticipated passenger loads.
40	6	Eligibility Requirements	6-19	Include statement that project must demonstrate competitive procurement as noted under O&M in the Project Requirements section.
41	6	Reimbursements	6-19	Clarify that invoice and accompanying expense reports to be uploaded to OC Fund tracker. Update cost per boarding subsidy. Include 50 percent match for on-demand services.
42	6	Calculation of Payment	6-19 to 6-20	Update calculation of payment example with revised subsidy rate.

2024 CTFP Guidelines (Project V) – Proposed Changes List

No.	Chapter	Section	Page No.	Proposed Change
43	6	Project Cancellation	6-20	Clarify that projects deemed infeasible during the planning or implementation process will be cancelled and further expenditures will be prohibited except where necessitated to bring the current phase to a logical conclusion.
44	6	Project V Branding	6-20 to 6-21	Clarify that OC Go decals are used for fixed-route, community shuttles, seasonal services, and regular micro transit. Update M2 OC Go logo to incorporate OCTA logo. Clarify that OC Go logo is not intended to overpower local agency branding but to ensure transparency regarding local sales tax measure expenditures.
45	6	Table 6-2 Scoring Criteria	6-22	Added breakdown of scoring criteria for 2024 call, includes points possible and percentage distribution.
46	6	Exhibit 6-1 Point Breakdown & Application Checklist	6-25	Removed application breakdown and included a link to the OCTA Project V website where information will be posted. Currently being updated by staff and will be posted following call issuance.
47	6	Exhibit 6-2 Sample Resolution	6-27	Removed application breakdown and included a link to the OCTA Project V website where information will be posted. Currently being updated by staff and will be posted following call issuance.

Acronyms

ADA – Americans with Disabilities Act
Board - Board of Directors
CS - Customer Satisfaction
CTFP - Comprehensive Transportation Funding Programs
GTFS - General Transit Feed Specification
M2 – Measure M2
O&M - Operations and Maintenance
OC – Orange County
OCTA – Orange County Transportation Authority
OTP - On Time Performance
Project V - Community-Based Transit Circulators Program

Terms

Micro Transit
Fixed Route
Shared Ride-Hailing Service

GUIDELINES EXCERPT

COMPREHENSIVE TRANSPORTATION FUNDING PROGRAMS GUIDELINES

2024 CALL FOR PROJECTS

Orange County Transportation Authority

Comprehensive Transportation Funding Programs

Comprehensive Transportation Funding Programs

I. Overview

On November 6, 1990, Orange County voters approved Measure M, a 20-year half-cent local transportation sales tax. All major transportation improvement projects and programs included in the original Measure M have been completed or are currently underway.

Expected growth demands in Orange County over the next 30 years will require agencies to continue to invest in transportation infrastructure projects. A collaborative effort between County leaders and the Orange County Transportation Authority (OCTA) identified additional projects to fund through an extension of the Measure M program. Voters approved Measure M2 (M2) on November 7, 2006. Ordinance No. 3 (Ordinance) outlines all programs.

Background

A robust freeway network, high occupancy vehicle & toll lanes, a Master Plan of Arterial Highways (MPAH), extensive fixed route and demand response bus service, commuter rail, and bicycle/pedestrian facilities comprise Orange County's transportation system. Future planning efforts are considering high speed rail service as part of a statewide system. Separate agencies manage and maintain each transportation component with a common purpose: mobility.

OCTA is responsible for planning and coordination of county regional transportation components. Local agencies generally oversee construction and maintenance of roadway improvements using a combination of regional and local funding sources derived from grants and formula distributions.

The Comprehensive Transportation Funding Programs (CTFP) represents a collection of competitive grant programs offered to local agencies. OCTA administers a variety of additional funding sources including M2, state/federal gas taxes, and Transportation Development Act (TDA) revenues.

Guidelines Overview

This document provides guidelines and procedures necessary for Orange County agencies to apply for funding of transportation projects contained within the CTFP through a simplified and consistent process. Each program has a specific objective, funding source and set of selection criteria detailed in separate chapters contained within these guidelines.

Guidelines are updated on a periodic basis in coordination with local agencies working through the Technical Steering Committee (TSC) and Technical Advisory Committee (TAC). Modifications to the guidelines are discussed in detail with the local agency

representatives during the TSC and TAC meetings held to review and approve the updated guidelines.

Additionally, OCTA may add, modify, or delete non-M2 programs over time to reflect legislative action and funding availability.

II. Funding Sources

Renewed Measure M

M2 is a 30-year, multibillion-dollar program extension of the original Measure M (approved in 1990) with a new slate of planned projects and programs. These include improvements to the County freeway system, streets and roads network, expansion of the Metrolink system, more transit services for seniors and the disabled as well as funding for the cleanup of roadway storm water runoff.

OCTA shall select projects through a competitive process for the Regional Capacity Program (RCP) (Project O), the Regional Traffic Signal Synchronization Program (RTSSP) (Project P), the various transit programs (Projects S, T, V and W), and the Environmental Cleanup Program (ECP) (Project X). Each program has a specific focus and evaluation criteria as outlined in the guidelines.

OCTA shall distribute Local Fair Share (LFS) Program (Project Q) funds on a formula basis to eligible local agencies. The program receives 18 percent (18%) of Net Revenues. The formula is based upon three components:

- Fifty percent (50%) based upon population
- Twenty-five percent (25%) based upon centerline miles on the existing MPAH
- Twenty-five percent (25%) based upon local agency's share of countywide taxable sales

Projects that are wholly funded by M2 LFS revenues and/or local sources are not subject to a competitive process. However, program expenditures must maintain certain criteria as outlined in the Ordinance and M2 Eligibility Guidelines. Local agencies must conform to annual eligibility requirements in order to receive LFS funding and participate in the CTFP funding process. Key requirements include:

- Timely use of funds (expend within three years of receipt)
- Meet maintenance of effort requirements
- Use of funding on transportation activities consistent with Article XIX of the California Constitution (Article XIX)
- Include project in seven-year Capital Improvement Plan (CIP)
- Consistency with MPAH, Pavement Management Program, and Signal Synchronization Master Plan

As indicated above, M2 LFS revenues are subject to timely use of funds provisions (must be expended within three years of receipt). If an agency is unable to meet this provision, an extension of up to 24 months can be granted. Requests for extension on the timely use of M2 Fair Share revenues will be made as part of the Semi-Annual Review (SAR)

process. In addition to a written request, the agency will also submit an expenditure plan of how the funds will be expended.

State/Federal Programs

OCTA participates in state and federal transportation funding programs based on competitive and formula distributions. OCTA typically earmarks this funding for major regional transportation projects. From time to time, OCTA may set aside funding, where permitted, for use by local agencies through a competitive selection process.

Call for Projects

OCTA issues calls for projects annually or on an as needed basis. Secure revenue sources, such as M2, will provide funding opportunities on an annual basis. OCTA will update program guidelines and selection criteria periodically. OCTA may offer limited opportunity funding, such as a state-wide bond issuance or federal grants, consistent with funding source requirements. OCTA may conduct concurrent calls for projects when necessary. Detailed funding estimates, application submittal processes and due dates will be updated for each call for projects and will be included in section V of these guidelines.

III. Definitions

1. The term "agency," "agencies," "local agency" or any form thereof shall be described in Precept 2.

2. "Competitive funds" refers to funding grants received through the Comprehensive Transportation Funding Programs (CTFP).

3. The term "complete project" is inclusive of acquiring environmental documents, preliminary engineering, Right-of-Way (ROW) acquisition, construction, and construction engineering.

4. The term "cost overrun" in reference to projects awarded through the CTFP shall refer to any and all costs beyond the original estimate that are necessary to complete the approved project scope.

5. The term "encumbrance" or any variation thereof shall mean the execution of a contract or other action (e.g., city council award of a primary contract or issuance of a purchase order and Notice to Proceed (NTP)) to be funded by Net Revenues.

6. The term "escalation" or "escalate" is the inflationary adjustment, as determined by the Engineering News Record (ENR) Construction Cost Index (CCI) 20-city average, added to the application funding request (current year basis) for ROW and construction phases (see Precept 12).

7. The term "environmental mitigation" is referred to as environmental clean-up/preservation measures made as part of that project's environmental clearance.

8. For the purpose of these guidelines, the terms "excess right-of-way" and "surplus right-of-way" shall interchangeably refer to ROW acquired for a specific transportation purpose that is not needed for that purpose. ROW designation shall be acknowledged by applicant to OCTA within sixty calendar days of designation. Furthermore, surplus property plan must also be provided to OCTA at time of designation.

9. The term "Fast Track" shall refer to projects that apply for both planning and implementation phase funding in a single competitive application/call for projects.

10. The term "Fully Burdened Labor Rates" include Work Force Labor Rate (WFLR) plus overhead (see Chapter 9).

11. The term "funding grant," "grant," "project funding," "competitive funds," "project programming" shall refer to the total amount of funds approved by the Board through the CTFP competitive process.

12. The term "Gap Closure" shall refer to the construction of a roadway to its full MPAH build-out for the purpose of connecting two existing ends of that roadway by filling

in a missing segment or for completing the terminus of an MPAH roadway. This applies to increased roadway capacity only as it relates to vehicular traffic.

13. The term "implementing agency" is the agency responsible for managing the scope, cost and schedule of the proposed project as defined in the grant application.

14. The term "lead agency" shall refer to the agency responsible for the submission of the grant application.

15. The term "Master Funding Agreements" or any form thereof shall refer to cooperative funding agreements described in Precept 4.

16. The term "match rate", "local match", "local matching funds", or any variation thereof, refers to the match funding that an agency is pledging through the competitive process and disposed of through procedures in Chapter 9.

17. A "micro-purchase" is any purchase that does not exceed $2,500. For the purposes of proof of payment, only an invoice is required.

18. The term "obligate" or any variation thereof shall refer to the process of encumbering funds.

19. "OCFundtracker" refers to the online grant application and payment system used by OCTA to administer the competitive programs awarded through the CTFP. Refer to https://ocfundtracker.octa.net/.

20. "Primary Implementation (PI) Report" refers to the report required at the end of the PI phase. It is a technical report that documents the work completed during the PI phase, which contains the Before and After Study. This is a separate report from the project final report required by the M2 Ordinance, Attachment B, Section III.A.9.

21. "Operations and Maintenance (O&M) Report" refers to the report required at the conclusion of O&M phase. It is a technical report that documents the work completed during O&M phase. This is a separate report from the project final report required by the M2 Ordinance, Attachment B, Section III.A.9.

22. The term "project phase" or any form thereof shall refer to the three distinct project phases (engineering, right-of-way, and construction) OCTA funds through the CTFP. Additionally, the "engineering phase" shall include the preparation of environmental documents, preliminary engineering, and ROW engineering. The "ROW phase" shall include ROW acquisition, utility relocation and adjustment to private property as contained in the ROW agreements, private improvements taken, Temporary Construction Easements (TCE), severance damages, relocation costs that are the legal obligation of the agency, as well as loss of good will, fixtures and equipment including legal cost. The "construction phase" shall include

construction and construction engineering. A fourth phase defined as "Operations & Maintenance" applies to select programs and is described more fully in the applicable program chapter.

23. Programming for RCP (Project O) follows a sequential process related to Planning and Implementation elements as described more fully in Chapter 2. The Planning step includes environmental evaluation, planning and engineering activities. The Implementation step includes ROW and construction activities.

24. The term "project phase completion" refers to the date that the local agency has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase. The date of project phase completion will begin the 180-day requirement for the submission of a project final report as required by the M2 Ordinance, Attachment B, Section III.A.9.

25. The term "Public-Private Partnerships" is defined as direct financial contributions, sponsorships or ROW dedications for eligible program activities.

26. The term "reasonable" in reference to project phase costs shall refer to a cost that, in its nature and amount, does not exceed that which would normally be incurred under the circumstances prevailing at the time the decision was made to incur the cost. Factors that influence the reasonableness of costs: whether the cost is of a type generally recognized as ordinary and necessary for the completion of the work effort and market prices for comparable goods or services.

27. The term "savings" or "project savings" in reference to projects awarded through the CTFP are any grant funds remaining on a particular project phase after all eligible items within the approved project scope have been reimbursed.

28. "Sustainability", as it applies to capacity enhancing infrastructure projects, refers to project elements that support environmental benefits such as use of renewable or recycled resources.

29. The term "Work Force Labor Rates (WFLR)" include direct salaries plus direct fringe benefits.

30. The term "offset intersection" or "offset signal" refers to traffic signalized intersections on the MPAH that are within 2,700 feet from either direction of the project corridor. (Project P Only)

IV. Acronyms

AADT – Average Annual Daily Traffic

ACE – Arterial Capacity Enhancements

ADA – Americans with Disabilities Act of 1990

ADT – Average Daily Trips

A/E – Architectural/Engineering

APIRI – Applications Programming Interface with Referenced Implementations

ATC – Advanced Transportation Controller

ATMS – Advanced Transportation Management System

BMP – Best Management Practices

B/RVH – Boardings Divided by the Revenue Vehicle Hours

C2C – Center-to-Center Communication

CASQA – California Stormwater Quality Association

CAPPM – Cost Accounting Policies and Procedures Manual

CCI – Construction Cost Index

CCTV – Closed Circuit Television

CDS – Continuous Deflection Separator

CFS – Climate Forecast System

CE – Categorical Exclusion

CEQA – California Environmental Quality Act

CIP – Capital Improvement Program

CPI – Catchment Prioritization Index

CS – Customer Satisfaction

CSPI – Corridor System Performance Index

CTC – California Transportation Commission

CTFP – Comprehensive Transportation Funding Programs

ECAC – Environmental Cleanup Allocation Committee

ECP – Environmental Cleanup Program

EIR – Environmental Impact Report

ENR – Engineering News Record

EVP – Emergency Vehicle Preempt

FAST – Freeway Arterial/Streets Transition

FTA – Federal Transit Administration

FY – Fiscal Year

GIS – Geographic Information System

GTFS – General Transit Feed Specification

GSRD – Gross Solid Removal Device

HAWK – High-Intensity Activated Crosswalk Signaling Systems

HCM – Highway Capacity Manual

ICE – Intersection Capacity Enhancements

ICU – Intersection Capacity Utilization

ID – Identification

IRWMP – Integrated Regional Water Management Plan

ITS – Intelligent Transportation System

LFS – Local Fair Share

LID – Low-Impact Development

LOS – Level of Service

M2 – Measure M2

MG/yr – Megagrams per Year

MPAH – Master Plan of Arterial Highways

MUTCD – Manual on Uniform Traffic Control Devices

ND – Negative Declaration

NDS – National Data & Surveying Services

NEPA – National Environmental Policy Act

NTP – Notice to Proceed

O&M – Operations and Maintenance

OCTA – Orange County Transportation Authority

OCTAM – Orange County Transportation Analysis Model

OTP – On-Time Performance

PA/ED – Project Approvals/Environmental Documentation

PCI – Pavement Condition Index

PI – Primary Implementation

PSR – Project Study Report

PS&E – Plan, Specification and Estimate

PUC – Public Utilities Commission

RCP – Regional Capacity Program

RGSP – Regional Grade Separation Program

RTSSP – Regional Traffic Signal Synchronization Program

ROADS – Roadway Operations and Analysis Database System

ROW – Right-of-Way

RVH – Revenue Vehicle Hours

SAR – Semi-Annual Review

SBPAT – Structural BMP Prioritization Analysis Tool

SLPP – State-Local Partnership Program

TAC – Technical Advisory Committee

TCE – Temporary Construction Easement

TCIF – Trade Corridors Improvement Funds

TDA – Transportation Development Act

TMC – Traffic Management Center

TNC – Transportation Network Companies

TOC – Traffic Operations Center

TPC – Total Project Cost

TPI – Transportation Priority Index

TSC – Technical Steering Committee

TSP – Transit Signal Priority

UPS – Uninterruptible Power Supply

UTDF – Universal Traffic Data Format

v/c – Volume/Capacity

VMT – Vehicle Miles Traveled

WFLR – Work Force Labor Rates

WQLRI – Water Quality Load Reduction Index

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V. Precepts

The OCTA Board of Directors (Board) approved these guidelines on March 22, 2010. The guidelines subsequently have been amended and approved by the Board as needed. The purpose is to provide procedures that assist in the administration of the CTFP under M2 where other superseding documents lack specificity. OCTA, or an agent acting on the authority's behalf, shall enforce these guidelines.

1. All eligible Orange County cities and the County of Orange may participate in the M2 competitive programs and federal funding programs included in the CTFP. Other agencies (e.g., Department of Transportation or local jurisdiction) may participate on a project, however, one local agency shall be designated as the implementing agency, shall be responsible for all funding requirements associated with the project, and shall be the recipient of funds through the program.

2. To participate in the CTFP, OCTA must declare that an agency is eligible to receive M2 Net Revenues which include LFS distributions. Failure to meet minimum eligibility requirements after programming of funds will result in deferral or cancellation of funding.

3. The lead agency must execute a Master Funding Agreement with ~~the~~ OCTA. OCTA and lead agencies will periodically amend the agreement via letter to reflect funding changes through competitive calls for projects.

4. A separate cooperative funding agreement will be issued for Project V funded projects and any OCTA-led Project P (RTSSP) funded projects.

5. An agency must have a fully executed letter agreement prior to the obligation of funds. Local agencies may be granted pre-award authority for M2 funded projects. Local agencies, at their own risk, may use this pre-award authority to obligate funds for an M2 funded project prior to the programmed year. Expenditures prior to the Board approved programmed year will not be eligible for reimbursement (see Chapter 9).

6. For transit programs not covered by the letter agreement process (e.g., Projects S, V and W), pre-award authority is granted upon Board approval of the funding grant. See Precept 5 above for pre-award authority provisions.

7. Local agencies shall scope projects, prepare estimates, and conduct design in cooperation with and in accordance with the standards and procedures required by the local agencies involved with the project (e.g., Caltrans, County, state/federal resource agencies).

8. Local agencies should select consultants based upon established contract management and applicable public contracting practices, with qualification-based selection for architectural/engineering (A/E) services, and competitive bidding

environments for construction contracts in accordance with the Public Contracts Code. Agencies must meet procurement and contracting requirements of non-M2 funding sources which may exceed those identified in the CTFP.

9. Based upon funding availability, a "Call for Projects" shall be considered annually but may be issued less frequently.

10. In each call cycle, OCTA shall program projects for a three-year period, based upon an estimate of available funds.

11. OCTA will base funding grants on project cost estimates including up to 10 percent (10%) contingency for construction. During the programming process, OCTA adds an inflationary adjustment, as appropriate.

12. OCTA shall escalate project grants for years two and three for ROW and construction phases only. OCTA will base escalation rates on the ENR CCI 20-city average.

13. Match rate commitments identified by implementing agencies in the project grant application shall remain constant throughout the funded project phase. This includes projects where the programming has been escalated for future years. OCTA and implementing agencies shall not reduce match rate commitments or split the match rate by phase. Actual project contributions by the local agency or OCTA are dependent on final project costs and may not be equal to the match rate if a local agency overmatch exists. Local agency contributions may exceed the committed local match rate in the event of cost overruns. OCTA will not increase the funding grant to cover cost overruns. Ineligible expenditures cannot be considered when calculating the local match rate.

14. Where a project experiences savings, the local match percentage must be maintained.

15. OCTA shall program funds by fiscal year for each phase of a project.

16. A grant for a specific project shall be cancelled if the funds are not encumbered within the fiscal year the funds are programmed, unless the OCTA Board has granted a delay.

17. Implementing agencies may request a one-time delay not exceeding a total of 24 months per project grant. Agencies shall justify this request, receive City Council/Board of Supervisor concurrence, and seek approval of OCTA staff, the TAC, and the Board as part of the SAR process. Extension requests must be received no less than ninety (90) calendar days prior to the encumbrance deadline and are not permitted for projects that seek "fast track" grants.

18. An administrative time extension may be granted for expiring M2 funds for a project that is clearly engaged in the procurement process (advertised but not yet awarded).

19. Funds that have been encumbered shall be used in a timely fashion. For project phases, excluding ROW, funds will expire after 36 months from encumbrance. For the ROW phase, funds will expire after 36 months from the date of the first offer letter and/or, if contract services are required, 36 months from the contract NTP. Extensions up to 24 months may be granted through the SAR process. Extension requests must be received no less than ninety (90) calendar days prior to the encumbrance deadline.

20. Preliminary Engineering allocations can be programmed in two different fiscal years depending on the project schedule and when certain engineering costs will need to occur during the project development and implementation phases. Local agencies can issue a separate NTP on a single contract to ensure compliance with the timely use of funds requirement. Local agencies may also issue separate contracts for the funds programmed in different fiscal years. Local agencies are required to obligate the funds within the same fiscal year of the programming or request a delay at least 90 days prior to the obligation deadline.

21. For all construction projects awarded CTFP funds in excess of $500,000 and/or exceeding a 90-day construction period schedule, the local agency shall install and remove signage in accordance with OCTA specifications during the construction period. The implementing agency shall request OCTA furnished signage. OCTA signage specifications can be found on the [Call for Projects Website](https://www.octa.net/pdf/CTFP_PMO_M2_Awareness_Guidelines_Project_O.pdf) (https://www.octa.net/pdf/CTFP_PMO_M2_Awareness_Guidelines_Project_O.pdf). Agencies will be required to certify that these signage requirements have been met as part of the initial payment process (see Chapter 9).

22. OCTA shall reprogram funds derived from savings or project cancellation based upon final project status. An implementing agency may request to transfer 100 percent (100%) of savings of M2 funds between the phases within a project with approval from the TAC and Board. Funds can only be transferred to a phase that has already been awarded competitive funds. Such requests must be made prior to the acceptance of a final report and submitted as part of a SAR. State-Local Partnership Program (SLPP) funds are not eligible for transfer of savings. Agencies may only use savings as an aid for unanticipated cost overruns within the approved scope of work.

23. Where the actual conditions of a roadway differ from the MPAH classification (e.g., number of through lanes), OCTA shall use the actual conditions for the purposes of competitive scoring. An agency may appeal to the TAC to request that the MPAH classification be adjusted/reconsidered.

24. For the purpose of calculated Level of Service (LOS), the capacity used in the volume over capacity calculation shall be 100 percent (100%) capacity, or LOS level "E". Intersection Capacity Utilization (ICU) calculations shall use 1,700 vehicles per hour per lane with a .05 clearance interval.

25. OCTA shall consider matching fund credit(s) for an implementing agency's proposed projects current and applicable environmental clearance expenditures. OCTA will review and consider these expenditures on a case-by-case basis at the time of funding approval.

26. An approved CTFP project may be determined ineligible for funding at any time if it is found that M2 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, redevelopment programs or other dedicated local funding sources (i.e., assessment districts, community facilities districts, bonds, certificates of participation, etc.). Appeals may be made in accordance with Precept 39.

27. OCTA may fund environmental mitigation, up to 25 percent (25%) of the total eligible project cost by phase, as required for the proposed project contained in the environmental document. Participating environmental mitigation expenditures are eligible for funding under certain programs, but not all.

28. Construction Engineering, Construction Management, Materials Testing, Engineering Support and/or Project Management shall not exceed 15 percent (15%) of the total eligible project cost based upon the engineers' estimate. The cap is applied to the sum of eligible expenses, contract change orders (within the scope of work), equipment and materials (e.g., eligible traffic signal equipment). Note: For the Project X Tier I program only, local agencies may include final design.

29. Contract change orders are only eligible for reimbursement of work due to unforeseen changed conditions within the original scope of work and not exceeding 10 percent (10%) contingency provided in the application cost estimate.

30. OCTA shall evaluate "whole" projects during the initial review process. Subsequent phase application reviews shall not include prior phases in the evaluation unless locally funded and pledged as a match and are subject to OCTA verification. The criteria for ranking project applications is included in these guidelines as part of each program component chapter.

31. Projects that receive competitive CTFP funds shall not use other M2 competitive funds as a local match source. Lead agencies may request project consolidation. The TAC and Board must approve consolidation requests. OCTA shall use the weighted average match rate of the consolidated project's individual segments.

32. OCTA shall conduct a SAR of all active CTFP projects. All agencies shall participate in these sessions through a process established by OCTA. Currently, OCTA administers the SAR through OCFundtracker. OCTA's intent is to: 1) verify project schedule, 2) confirm project's continued viability, 3) discuss project changes to ensure successful and timely implementation, 4) request sufficient information from

agencies to administer the CTFP, and 5) address any potential issues with external fund sources committed as match against the competitive funds.

33. For any project experiencing cost increases exceeding 10 percent (10%) of the originally contracted amount, a revised cost estimate must be submitted to OCTA as part of the SAR process. This is applicable even if the increase is within the overall grant amount.

34. Agencies shall submit payment requests to OCTA in a timely fashion. Agencies may request an initial payment for M2 (generally up to 75 percent (75%) of programmed amount or eligible expenditures, see Chapter 9) once the funds have been encumbered. The final 25 percent (25%) of the available programmed balance will be released upon the submission of an approved final report.

35. For situations where a grant amount exceeds $2,000,000, the amount withheld pending the submittal of an approved final report shall be capped at $500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant or the contract amount, whichever is less. Should the 75 percent/25 percent (75%/25%) payment distribution ratio result in a final payment retention that exceeds $500,000, the payment percentages will be adjusted to meet the $500,000 cap until the 10 percent (10%) threshold is reached. At no time will the final payment retention be less than 10 percent (10%).

36. When a project phase is complete, an agency shall notify OCTA in writing within thirty (30) calendar days of completion. The date of project phase completion will begin the 180-day requirement for the submission of a project final report as required by the M2 Ordinance, Attachment B, Section III.A.9.

37. An agency shall provide final accounting in an approved final report format (see Chapter 9) within 180 calendar days of project phase completion. The process for untimely final reports is described in Chapter 9. Failure to provide a final accounting shall result in repayment of applicable M2 funds received for the project phase in a manner consistent with the Master Funding Agreement. Projects funded with M2 funding require a project final report within 180 calendar days of project phase completion as part of eligibility compliance. Failure to meet eligibility requirements, including submittal of final reports within 180 calendar days of project phase completion may result in suspension of all net revenues including fair share funds.

38. The payment distribution ratio referenced in Precept 35 may be modified to a reimbursement process, at the discretion of the Board, in the event that financing, or bonding is required to meet OCTA's cash flow needs.

39. Agencies may appeal to the TAC on issues that the agency and OCTA staff cannot resolve. An agency may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff. The appellant local agency must submit a

written statement which proposes an action for TAC consideration. The TSC shall recommend specific action for an appeal to the TAC. The Board shall have final approval on appeals.

40. Projects within the Coastal Zone Boundary, as a requirement of a Coast Development Permit, may be required to replace existing on-street parking on a one-for-one basis for spaces removed as a result of a roadway widening project. ROW costs to replace the existing on-street parking can be considered mitigation for coastal zone cities only (see exhibit IV-1). The mitigation activities can be covered up to 25 percent (25%) of the total eligible cost consistent with Precept 27. Jurisdictional boundaries are more fully described in the Public Resource Code, Division 20, California Coastal Act (2016) Sections 30168 & 30169. OCTA staff will work with the local agency staff during the project application process to determine eligibility of these costs and to identify any excess ROW that will require a disposal plan. OCTA and the local agency will also establish any savings that will revert back to the Measure M Program after project completion. The cost of right of-way required to replace parking should be fair and reasonable in comparison to the total cost of the project.

Exhibit IV-1
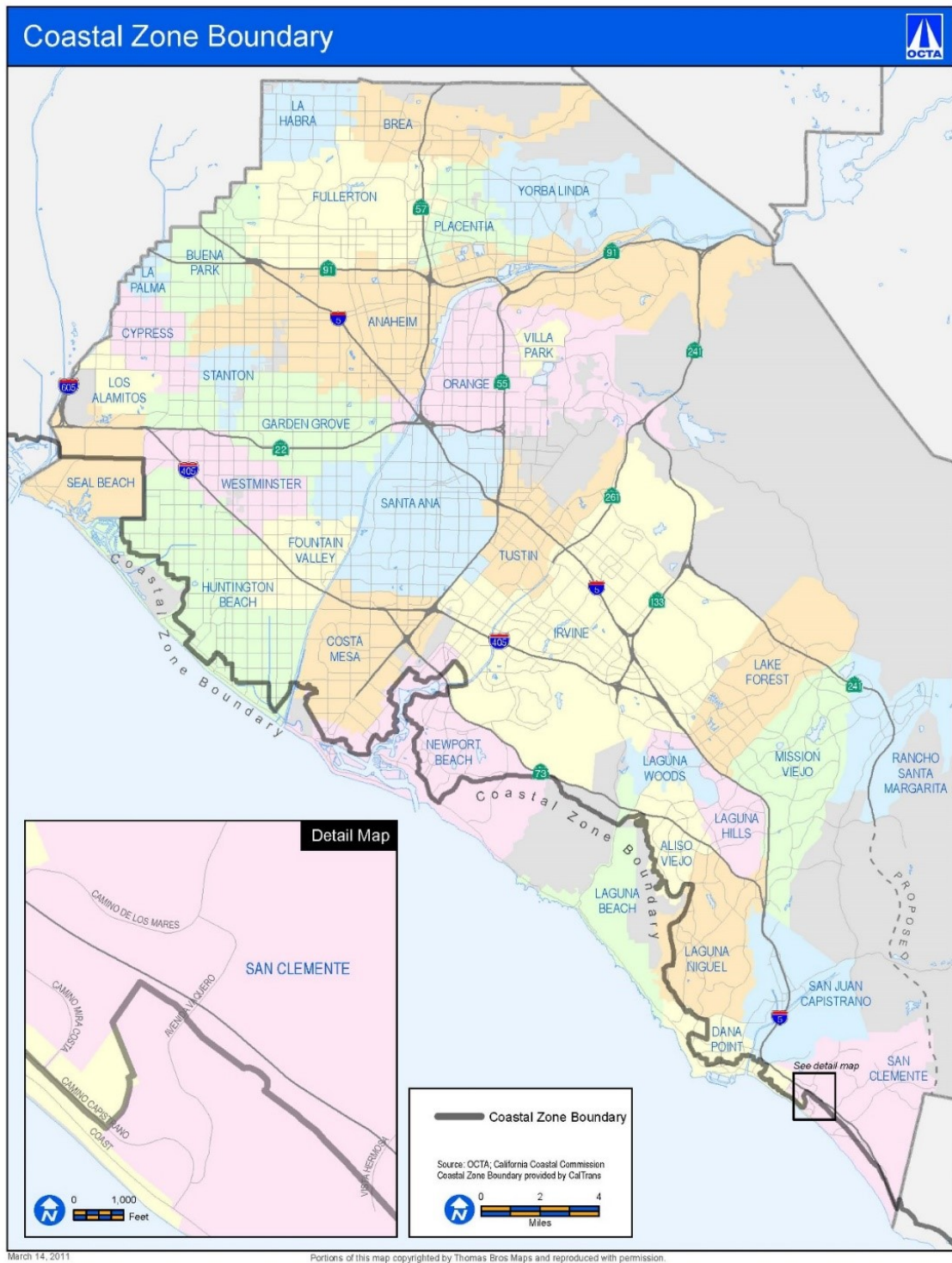
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Chapter 6 – Community-Based Transit/Circulators (Project V)

2021 Program Revisions

On January 25, 2021, the OCTA Board authorized the revision of certain Project V program requirements primarily required as a result of the coronavirus pandemic and the need to update several program requirements. These changes focused upon modifying the program's minimum performance requirements, allowing for annual subsidy escalation, and implementing recent internal audit recommendations. These changes will be fully incorporated into these Guidelines during the next Project V call for projects. However, until that time, for the latest program modifications and requirements, please refer to the January 25, 2021 staff report, which can be found at:

https://octa.legistar.com/LegislationDetail.aspx?ID=4748502&GUID=1D11B36F-02B3-4A94-9C8E-C3EE9AB6D275&Options=&Search=

Overview

The M2 ~~Project V~~ Community-Based Transit/Circulators Program, referred to as Project V, establishes a competitive process to enable local jurisdictions to develop community-based, local transit services that complement regional transit services and meet needs in areas not adequately serviced by regional transit. Project V services cannot duplicate or compete with existing OC Bus services or other existing services. Exceptions to this policy may be considered on a case-by-case basis.

Regional Transit: Regional Transit services are provided by OCTA, specifically through OC Bus routes 1 through 99 (and excluding those route sections that perform less than 10 boardings per RVH). Additional information on OCTA routes and schedules can be accessed from the OCTA website at www.octa.net.

Projects must meet specific criteria in order to compete for funding through this program. In addition, local jurisdictions will be required to demonstrate the ability to provide funding match for capital and ongoing local share of operations and maintenance (O&M) using non-OCTA resources. Public-private partnerships are encouraged but not required. However, such efforts need to be applied for by a CTFP eligible local agency. Local jurisdictions are also encouraged to partner and coordinate with each other.

General Program Objectives
- To provide community transit service that is safe, clean, and convenient.

- To encourage new, well-coordinated, flexible transportation systems customized to each community's needs.
- To develop financially sustainable local transit services that complement regional bus and rail service.
- To meet transportation needs in areas not served by regional transit with reliable and viable transit services.

Eligible Service Categories

The services currently eligible for this program generally fall into two service categories defined as Traditional Project V transit services and on-demand mobility services. These categories allow for special operating characteristics to be considered in the evaluation and administration of distinctive transit delivery models. The eligible service types under each category are as follows:

Traditional Project V transit services include the following service types:

- fixed route
- deviated fixed route
- circulators and rubber-tire
- trolleys
- point-to-point shuttle services (event parking shuttles)

On-demand (mobility) services[1] include the following service types:

- ride-hailing or transportation network companies (TNCs)
- microtransit.

Note: Emerging technology has enabled users (frequently through smart phones and app-based programs) to inform their mobility choices resulting in greater access and efficiency. To be considered for Project V funding, all on-demand services must only be provided in a shared ride platform.

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[1] On-demand services involve similar service designs and characteristics including, but not limited to:

- Based on contracted mobility providers responding to user-initiated requests for transportation (ride-hailing).
- User trips occur within a designated service area or boundary.
- May include designated user pickup/drop-off locations within a suitable distance from desired destinations.
- Users have an expectation of ridesharing where all trips may include diversions and deviations to serve other user-requested trips in an efficient and effective manner.

All Project V services must meet the Americans with Disabilities Act (ADA) requirements, which extend to ride--hailing or scheduling.

202~~4~~ Call for Projects Objective~~s~~ ~~Priorities~~ (in order)

1. To continue funding ~~previously awarded successful~~ existing projects[2] that are expiring.
2. ~~To~~To encourage and support expansion of existing projects[2] services.
~~1.~~3. To support new ~~special event or seasonal shuttle~~Traditional Project V services.
4. To allow for ~~expand~~ on-demand ~~and shared-ride~~ service~~s~~ ~~options through promoting~~provided that the user accepts a~~provide~~ shared-ride options. ~~ride-hailing services~~and micro~~transit~~.
~~2. To encourage new and evolving services that will meet Project V's performance standards by providing funding for transit planning studies.~~

Other Priorities to Promote Fiscal Responsibility:
- To consolidate continuing existing services into one grant as the project is extended.
- To engage in competitive procurements for service providers of all service types and re-procurements of service providers for all continuing existing services.

202~~4~~ Call for Projects

The 2024 Call for Projects (call) will provide community-based transit/circulators across Orange County, which meet program objectives (emphasis will be focused on 202~~4~~ call objectives). For this call, OCTA shall program projects up to a seven-year period, from fiscal year (FY) 2024~~/~~/25 and FY ~~2029~~/3030/3~~1~~. Specifics on the funding policies that apply to this call are identified in subsequent par~~a~~graphs. Each section should be read thoroughly before applying for funding. Applications should be prepared for the service type(s) that best fit the proposed projects.

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[2] ~~Previously Awarded Successful~~Existing projects are defined as previously funded ongoing Project V services, which ~~will~~ may expire and at minimu~~m~~, meet the ~~Year 3+ service performance standard of 10 B/RVH for each applicable reporting peri~~od.cost per boarding requirements.

Applications

In order for OCTA to consider a project for funding, applications will be prepared by the local agency utilizing the project application form, available electronically from OCTA. Agencies are required to submit electronic and hardcopy applications for the 2024 call by **5:00 PM PST on Thursday, January 25, 2024**. Late submittals will not be reviewed or considered. The local agency responsible for the project application must submit the application and any supporting documentation via OCFundtracker as outlined below.

A separate application package must be completed for each service category (Traditional Project V transit service or on-demand service) and uploaded to OCFundtracker (https://ocfundtracker.octa.net). **One electronic copy via file upload to OCFundtracker and one (1) unbound printed hardcopy** of each application and any supporting documentation including KMZ files, must be submitted to OCTA by the application deadline. Hardcopy application packages shall be mailed or delivered in person to:

By mail:

Adrian Salazar
Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Tel: (714) 560-5363

In person:

Orange County Transportation Authority
600 South Main Street
Orange, CA 92863-1584

Application Process

Project V allocations are determined through a competitive application process. Local agencies seeking funding must complete a formal application and provide supporting documentation that will be used to fully evaluate the project proposal. An application for any proposed service must include a detailed funding/operations plan.

The project application ~~for capital and O&M~~ shall include, at a minimum, the following information (see Scoring Criteria section for further information):

- Project need, goals and objectives.
- Project development and implementation schedule.
- Funding plan (funding needs, match funding commitment and source, operations funding assurances, passenger fare rate schedule, public-private partnership arrangements, and ADA considerations, if applicable).
- Proposed and/or ongoing service and operations plan.
- O&M facility management and vehicle storage or parking.

- KMZ file(s) of proposed service area and route boundaries, sufficient to support OCTA geocoding efforts.
- Ridership projections.
- Service Coordination Plan demonstrating support of proposed Project V service(s) with existing services such as OCTA transit services, existing Project V services, Metrolink, I-Shuttle, Anaheim Transportation Network and/or Senior Mobility Program (Project U).
- Request to merge existing and or new grants, include a multi-year corresponding financial plan by FY that shows the total combined revenues, expenditures and revenue vehicle service hours by year.
- Confirmation of competitive procurement or re-procurement plan. Services that are provided with agency employees are exempt from this requirement.
- Any additional information deemed relevant by the applicant and/or OCTA.

Complete project applications must be submitted by the established due date to be eligible for consideration.

Applications will be reviewed by OCTA for alignment and consistency with program requirements and goals. For applications completed in accordance with the program requirements, the projects will be scored, ranked, and, if score dictates, submitted to the Transit Committee and the Board for consideration and potential funding approval. The process is expected to be concluded by spring 2024.

The final approved application (including funding plan) will serve as the basis for any cooperative agreements required under the program. The approved projects will be subject to the CTFP Guidelines for project delivery requirements.

Application Guidelines

Project selection is based upon merit utilizing a series of qualitative and quantitative criteria. Candidate projects are required to submit a financial plan with sufficient data to enable adequate evaluation of the application. Each agency is provided broad latitude in formatting, content, and approach. Please ensure all required information listed under the preceding Application Process section is included. Key elements must be clearly and concisely presented to enable timely and accurate assessment of project applications.

Financial Details
Each candidate project application must include all phases through construction of facilities. The financial plan will include, at a minimum, the following information:

- Estimated project cost for each phase of development (Initial/Startup Marketing Cost to Establish Service, Capital — including equipment and vehicle acquisition, construction, if applicable, O&M, ongoing marketing, and project oversight).
- Preliminary cost estimates for O&M should be coordinated with OCTA and be based upon realistic estimates provided by applicable potential vendors.
- Funding request phase of project implementation with match funding amounts, match rate (%), and funding sources clearly identified.
- Consideration of ADA costs, if applicable.
- Demonstrated financial commitments for match funding and ongoing operations.
- User fare subsidy paid by the agency and intended for reimbursement through Project V, if applicable.
- Discussion of contingency planning for revenue shortfalls.
- Revenue projections and methodology where commercial activity is expected to support implementation and/or operations costs.
- Project readiness status.
- Realistic project schedule for each project phase.

Scoring Criteria

Specific scoring criteria will be used to evaluate the competitive program project applications. Emphasis will be placed on projects with firm financial commitments, overall project readiness, and consistency with the 2024 call objectives. In addition, projects will be evaluated based upon ridership projections, areas served, cost effectiveness, and local/regional benefits.

The formal application must include feasibility and efficacy components in order to demonstrate transportation benefits and to also ensure that selected project(s) meet the spirit and intent of M2.

Merit will be demonstrated through technical attributes and industry standard methodologies. The following data will be included and fully discussed in the application:

- Matching rate and funds.
- Level of commitment from non-applicant partners.
- Estimated capital, initial marketing, and continuing O&M costs.
- Projected daily boardings with projection methodology fully presented.
- Estimated operating cost per boarding and per RVH.
- Project readiness defined by a clear, accurate and reasonable operations plan, also includes initial operating period and service implementation startup plan for seasonal services or special event readiness.
- Community connections; connections to fixed route bus and rail.
- Projected annual visitors served by seasonal route(s).

- Community outreach supporting the proposed service.
- Agency experience deploying comparable services.

Each application can receive a maximum of 100 points. See Table 6-2 for scoring categories and percentage distribution.

Other Application Materials

Supporting documentation will be required to fully consider each project application. In addition to the information described above, local agencies will be required to submit the following materials:

Council Resolution: A council resolution or minute action authorizing request for funding consideration with a commitment of project match funding (local sources) and operating funds as shown in the funding plan. A resolution or minute action must be approved by the local agency's governing body. The resolution or minute action shall serve as the local agency's formal request for Project V funds and must state that matching funds will be provided by the agency. All project funding requests must be included in this section listed in the resolution or minute action.

At minimum, a draft resolution must be submitted with the application by the January 25th deadline. **A final adopted resolution (or minute action) must be submitted to OCTA by Thursday, February 15, 2024, to be considered for funding recommendation.** A sample resolution is included in Exhibit 6-2. Local agencies, at a minimum, must include items a-m in Exhibit 6-2.

Lease/Cost Sharing Agreements: Copies of leases, sponsorship, and/or advertising revenue documents, including appropriate vehicle specifications and safety features. Confidential agreements may be included for reference when accompanied by affidavit from city treasurer or finance director.

Project Documentation: If the proposed project has completed initial planning activities, evidence of plan approval should be included with the application. Satisfactory evidence includes project sponsor agency council or board action approval signature page, engineer-stamped site plan, or other summary information to demonstrate completion of planning phases. The applicant will be asked for detailed information only if necessary, to adequately evaluate the project application.

Operations Plan: In addition to the financial details indicated in this chapter, the operations plan submitted shall include the following technical data: a route map and geocoded service area, stop or pick up location listing, draft timetable that includes begin/end dates, frequency and cycle time, days of the week, start and end times; summary of vehicle types and specifications characteristics, speed profile, fleet size, and vehicle maintenance plan, if applicable; projected annual revenue vehicle hours;

ride-hailing or ride request process; ADA accommodations or comparable alternative; any other applicable supporting documentation.

<u>Pre-Award Activities</u>

Pre-award activities are allowable under Precept 6. A grantee may, at its own risk and without an executed OCTA cooperative agreement, obligate funds. Expenditures that are paid prior to an executed OCTA cooperative agreement, but after July 1 of the programmed FY must be identified in the grant application and must be submitted to OCTA for administrative approval prior to the implementation of the project.

OCTA staff is available to respond to applicant questions and provide guidance regarding Project V applications prior to the submittal deadline, upon request. In order to ensure the best use of M2 funds and assist eligible jurisdictions, applicants may engage in a pre-application process with OCTA staff in project planning, cost estimate development, and determination of likely projected competitiveness. Specific meeting times will be established once the call is initiated.

Application Review and Program Adoption

Applications will be reviewed by OCTA for consistency, accuracy, and concurrence. Applications determined to be complete and in accordance with program requirements and objectives will be scored, ranked, and submitted to the OCTA Transit Committee and OCTA Board for final consideration and funding approval.

The call schedule is detailed below:

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Board authorization to issue call: November 13, 2023
Application submittal deadline: Thursday, January 25, 2024 at 5:00 PM PST
Final adopted resolution (or minute action) deadline: Thursday, February 15, 2024
Transit Committee/Board approval: Spring 2024

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Funding Information

Agencies may be awarded, no more than $592,000 annually for Traditional Project V services or service expansion, based on proposed RVH[3] and no more than $296,000 for on-demand services in Year 1 of the call cycle. See Table 6-1 below for the maximum annual allocation for the 2024 call programming period. Funding will be available starting in FY 2024-25 and shall not extend beyond seven years. The minimum local match is ten percent (ten percent) for traditional Project V services and capital/equipment and fifty(50%)for on-demand services. Agencies will receive points for committing to a higher match rate. Agencies can consolidate existing continuing grants in the 2024 call to simplify project administration and can exceed the maximum annual allocations listed for continuing services, when merging multiple grants.

Table 6-1 Maximum Annual Project V Funding Allocation

Grant Year	Fiscal Year	Traditional Services	On-Demand Services
Year 1	FY 25	$592,000	$296,000
Year 2	FY 26	$610,000	$305,000
Year 3	FY 27	$628,000	$314,000
Year 4	FY 28	$647,000	$323,500
Year 5	FY 29	$665,000	$332,500
Year 6	FY 30	$685,000	$342,500
Year 7	FY 31	$705,000	$352,500

Note: FY 25 funds will be available July 1, 2024. Expenses incurred before this date will not be eligible for reimbursement.

Project Participation Categories

Transit needs may differ from one location to the next, and projects pursued under this program have significant latitude on how the challenge of ~~delivering~~ providing

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[3] OCTA uses reported costs per RVH from FY 22-23 to determine annual maximum. Agency to populate proposed operations plan in application.

community-based transit will be delivered. However, emphasis upon program 2024 call objectives is highly encouraged. The program categories listed below identify key project elements that can be pursued through Project V. The program categories eligible for funding through Project V are:

~~Planning for New Service (Up to $60,000 per agency)~~

- ~~Need for Community-Based Transit/Circulator Services meeting call objectives~~
- ~~Origin and Destination Studies~~
- ~~Surveys and Marketing Research~~
- ~~Development of Proposed Service Plans~~
- ~~Transit Coordination Studies~~

Capital – Eligible Expenditures
- Bus and vehicle leases/purchases for the purposes of providing Traditional Project V transit or microtransit services~~seasonal/special event shuttles and trolleys~~. If the purchase of vehicles is more cost efficient than a lease, justification and supporting documentation must be provided. Vehicle purchase requests will be evaluated by OCTA for approval on the basis of cost effectiveness.
- Equipment for the deployment, implementation and use of Project V-funded services, including but not limited to:
  - Bike racks
  - Dispatch/routing software
  - Communications/passenger information equipment
  - Fare collection equipment
  - Reasonable passenger amenities, generally consistent with Chapter 3 (Project W eligible items)
  - ADA equipment for vehicles
- Major revenue service vehicle maintenance and repairs (e.g., replacement of transmission, engine, etc.).
- Maintenance facilities and fueling stations required for new and/or substantially revised or modified transit service and directly related to Project V service.
- Reasonable stop improvements and amenities (generally including signage, furniture and shelters and consistent with Chapter 3 Project W eligible items) for Project V-funded service stops only.
- Service vehicle wraps (including replacement).

Note: If capital purchases (bus/vehicles, equipment, facilities, bus stop amenities, etc.) are provided with Project V funds, there is an expectation that these capital items will be used for their entire useful life and/or through the termination of the service. If termination occurs prior to the completion of the capital item's useful life and/or grant term, the local agency shall repay OCTA the same percentage of the sale price (or estimated value of the asset(s) based on straight line depreciation of the asset[s]), consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service life, where applicable.

Initial/Start-Up Marketing Costs to Establish Service – Eligible Expenditures

- Print copy, digital artwork and identity creation associated with publication, marketing, and initial deployment of service.
- Initial/Start-Up marketing costs to establish and publicize new and/or expanded services will be capped at $5080,000 (total).

Note: Initial/Start-up Marketing costs will not be subject to considered in the calculation of the O&M cost per boarding subsidy limitations outlined below. However, it costs submitted for reimbursement would still require a minimum local match of ten percent (10 percent). OCTA will provide M2 (OC Go) logo decals for all Traditional Project V transit and microtransit service vehicles, as needed.

O&M – Eligible Expenditures (Costs to Perform Service)below are subject to OCTA subsidy limitations discussed in subsequent sections.
- Seasonal, special event, fFixed route, and deviated fixed route local circulator and trolley services.
- Special event shuttle services for events that will create significant congestion.
- Approved on-demand services[4] shared ride-hailing services, and shuttle services including administration and O&M of services. (contingent on proposed service plan, anticipated service performance, consistency with 2024 call objectives, and a demonstration that ADA requirements can be met.). Additional information on on-demand services provided in subsequent paragraphs.
- Transportation services with prescribed periods (i.e., daily, weekend, seasonal, and/or special event) and spans (timeframes) of operations.
- Transportation services provided must be operated non-OCTA service providers.

-
- Existing OCTA-led services are eligible for expansion if an alternate service provider is identified.

    Expansion of existing services will only be considered if the existing service has clearly met minimum performance standards and will expire within the current call period.

-
- Ongoing vehicle maintenance (does not include capital replacement. e.g., engines, transmissions, etc.).
- Temporary off-site parking for special events subject to agreement with the property owner and approved by OCTA.
- Parking leases needed in response to expand transit services. and vehicle storage fees for service operating fleet. Proportional reimbursement for vehicle storage at agency facility or property, with OCTA approval.
- Regular and ongoing marketing efforts, including expenditures related to seasonal or special event service schedules, marketing materials such as flyers, brochures and community outreach efforts.
- Other flexible and innovative transit services contingent on the proposed service plan, anticipated service performance, and consistency with 2020 call objectives.

O&M costs are subject to OCTA cost per boarding subsidy limitations discussed in subsequent sections.

Reimbursement for regular and ongoing marketing efforts including expenditures related to seasonal or special event service schedules, marketing materials such as flyers and brochures and community outreach efforts will be capped at $15,00025,000 annually and are included as part of the O&M cost.

Agencies using a contracted service provider are required to competitively procure.

Additional Information (On-Demand Services):
- Microtransit services may provide passenger pickup and drop-off at exclusively designated locations; or include door-to-door service within the proposed service area boundary.
- Ride-hailing services primarily consist of operators who are independent contractors providing door-to-door service within the service area boundary.

- o May have implications on contracts, cost, insurance, liability, performance, operations, etc.
- Some mobility providers for shared ride-hailing services may have age restrictions for youth travel.
- Considerations for microtransit service scalability and flexible deployment are required to right-size fleet to the desired service area and travel demand volumes/patterns.
- Aagencies proposing shared ride-hailing services, use of fares and/or user limiting options are encouraged to manageconsider demand management options.
-
- Agencies using a contracted service provider are required to competitively procure.

Ineligible Categories

Project V funds may not be used for the following:

- Planning for new service (NOT AVAILABLE FOR 2024 CALL)
- Micromobility services (e.g., shared bicycle, scooters)
- Right-of-way (ROW) acquisition
- To supplantServices that duplicate or compete with existing transit services
  - o (subject to the Regional Transit definition identified in the Overview). In order to justify regional transit service is not being supplanted, local agencies must document and explain how their proposal will not compete with the regional existing transit services,. transit services. Final determination of proposal supplantingduplication of or competing with regional existing transit service will be determined by OCTA staff on a case-by-case basis.
- Fare subsidies (free shuttles are not considered subsidized fare for this program)
- Indirect costs
- OCTA led services
- New expansion of existing fixed-route services

Project Requirements

All projects funded through Project V must comply with the CTFP Guidelines, unless specifically noted in the agreement with the local agency, and must comply with applicable state and federal laws, including ADA requirements for transit services.

Planning for New Service

Cities must provide a scope of work for the proposed planning document requesting Project V funds. The scope must include project need and goals and objectives for the proposed service. OCTA transit planning staff must be included in the development and finalization of any planning documents funded through the Project V planning category. Further, draft recommendations must be provided to OCTA transit planning staff for review prior to study completion. Planning documents must include specific recommendations for community-based transit/circulator services that can be implemented within the operating subsidy provided through Project V and must consider coordination with existing services. Plans may also consider ways to eliminate duplication of service or to improve service by combining resources. Progress on planning projects must be reported to OCTA through the semi-annual review process. Agencies will be required to submit all data and planning documents to OCTA in order to receive final payment.

Capital – Project Requirements

Project V funding is available to offset the costs of purchasing or leasing vehicles, equipment and other appropriate and reasonable capital amenities as described in Chapter 3, under eligible costs. Progress on capital projects must be reported to OCTA through the CTFP semi-annual review process. Agencies must inspect vehicle(s) to ensure they meet specifications prior to final acceptance and withhold retention until warranty issues and/or final acceptance is met and approved by the local agency.

If capital purchases (bus/vehicles, equipment, facilities, bus stop amenities, etc.) are provided with Project V funds, there is an expectation that these capital items will be used for their entire useful life and/or through the termination of the service. If termination occurs prior to the completion of the capital item's useful life and/or grant term, the local agency shall repay OCTA the same percentage of the sale price (or estimated value of the asset(s) based on straight line depreciation of the asset[s]), consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service life, where applicable.

Operations and Maintenance (O&M – Project Requirements)

OCTA has established an operating reserve as part of this program that may be used to support the costs of O&M for Traditional Project V transit fixed-route, community shuttles, and on-demand and seasonal services. The operating reserve is subject to the following requirements:

- The OCTA subsidy allows awarded agencies to be reimbursed on a pro-rata basis, but not to exceed $10.81 per boarding/user or 90 percent (90 percent) of net operating

and maintenance costs[5] for Traditional services and fifty percent (50%) of net operating costs for on-demand services (after deducting fares and non-OCTA subsidies), whichever is less[6].

- Project V service shall meet the minimum performance standard,– which is a maximum cost per boarding of twice the per boarding subsidy. Upon Should the service's cost per boarding exceeding twice the per boarding subsidy as reported quarterly,– OCTA will provide written notice to the jurisdictionlocal agency and request a city council or/ Board of Supervisor's response with direction to continue, restructure, or cancel the service. Only one written notification per fiscal year will be sent to allow sufficient time for the Cityagency to make its' decision or to give service restructure. Service performance will be evaluated on a quarterly basis. For the latest OCTA Board approved Project V minimum performance standards (approved on January 25, 2021), please see the following link:

- https://octa.legistar.com/LegislationDetail.aspx?ID=4748502&GUID=1D11B36F-02B3-4A94-9C8E-C3EE9AB6D275&Options=&Search=

- The minimum performance standards for fixed-route, community shuttles, and seasonal services are calculated by dividing boardings (B) by the Revenue Vehicle Hour (B/RVH) is at a cost of less than twice the per boarding subsidy as detailed in the following table:

Minimum Performance Standards:		
Fixed-Route, Community Shuttles, and Seasonal Services		
• Year 1	• Year 2	• Year 3+
• Meet or exceed 6 B/RVH by end of Year 1[7]	• Maintain 6 B/RVH each reporting period and; • Meet or exceed 10 B/RVH by end of Year 2	• Maintain 10 B/RVH each reporting period

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[5] Net Operating Costs include regular and ongoing marketing expenses for reimbursement purposes., but no longer include Initial Marketing Costs to Establish Service.

[6] Note: Reimbursement for Planning for New Service, Capital, and Initial Marketing Costs to Establish Service are not subject to the passenger boarding/user requirementsOCTA cost per boarding subsidy limitations and canmay be reimbursed at up to 90% of total eligible capitalphase costs, depending upon the local agencies' match commitment.

[7] One year from the first day of operating the Project V funded service

- Performance standards for On-Demand shared ride-hailing or TNC services will be determined specifically for each service and may be based on ~~a~~ cost per user, cost per mile, cost per hour, or other applicable performance measure.

- ~~After Year 1, services that perform below the minimum performance standard for two or more reporting periods will be evaluated for cancellation.~~

- As part of the Project V service, local agencies must develop ~~strategies~~ methods to measure ridership satisfaction and customer satisfaction (CS) based on customer surveys and on-time performance (OTP) based upon local service objectives. ~~and must achieve an 85% on-time performance on an ongoing basis, and ridercustomer satisfaction (CS) must be 90% satisfied based on customer surveys.~~ OCTA will work with agencies to establish appropriate OTP and CS performance metrics.

- Awarded agencies must submit monthly O&M costs and ridership and fare performance data to OCTA on a quarterly basis. This information will be used to provide a report to the OCTA Transit Committee and Board, which is anticipated to be provided ~~will be provided with summarized information from these reports~~ on a semi-annual basis.

- ~~The OCTA subsidy allows awarded agencies to be reimbursed on a pro-rata basis, but not to exceed $9 per boarding/useror 90 percent (90%) of net operating and maintenance costs⁸ (after deducting fares and non-OCTA subsidies), whichever is less⁹. The $9 per boarding/user may increase annually by an OCTA-approved inflationary factor¹⁰.~~

- Consistent with federal law, ADA complementary paratransit or ADA comparable service is required for certain types of Project V-funded services.
  - For Project V-funded fixed-route services within the existing OC Access paratransit service areas, OC Access paratransit services will be provided independently with Project V-funds through OCTA Board policy.
  - For Project V-funded non-fixed route services (i.e., on-demand, ride-hailing) or fixed-route services that do not meet the criteria listed above ~~,including ride-hailing and any other services~~, the local agency will be

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⁸ ~~Net Operating Costs include Regular and ongoing marketing, but no longer include Initial Marketing Costs to Establish Service.~~

⁹ ~~Note: Reimbursement for Planning for New Service, Capital, and Initial Marketing Costs to Establish Service are not subject to the passenger boarding/user requirements and can be reimbursed at up to 90% of total eligible capital costs, depending upon the local agencies' match commitment.~~

required to provide ADA comparable services and include cost for service or a funding plan as part of the project application.

- Agencies receiving Project V funds may be required to adopt a paratransit plan prior to starting operations.
- Agencies receiving Project V funds for scheduled fixed-route services are required to provide scheduling information in the required format for General Transit Feed Specification (GTFS).
- In order to allow for market competition, new, ongoing, or continuing services must re-bid for a service contractor or service provider as soon as the current term expires or by June 30, 2026, whichever is earlier, unless the agency can provide documentation that they have gone through a competitive procurement process in FY 2022-23 or later. Project V services should be rebid through competitive procurement every three to seven years to ensure the agency is receiving the best rates. This requirement would not apply to services that are being provided by local agency staff.

Agency Match Requirements

Agencies are required to provide a minimum ten percent (10 percent) non-OCTA local match(net any fares collected) for Traditional Project V transit servicesall Project V componentsO&M and capital. A minimum match of fifty percent (50 percent) is required for new or continuing On-Demand services funded through the 2024 call. The match may be comprised of any combination of private contributions, advertising revenues, and local discretionary funds. The match must be a local agency contribution and may not be made up of in-kind services. Capital match funding commitments in excess of ten percent (10 percent)are eligible for additional points. Traditional Project V transit services O&M match funding commitments in excess of twenty percent (20%) and On-Demand services O&M match funding commitments in excess of sixty percent (60 percent) are eligible for additional points in the application. The OCTA contribution for O&M will not exceed $910.81 per boarding/user. Therefore, the actual match provided by the local agency may be greater than ten percent (10 percent) or fifty percent (50 percent) depending upon service type and ridership.

Agency match commitments will be incorporated into cooperative agreements.

Eligibility Requirements

Minimum eligibility and participation requirements must be considered before a project funding application should be submitted. Adherence to strict funding guidelines is

required by the M2 Ordinance. Additional standards have been established to provide assurance that M2 funds are spent in the most prudent and effective manner. There is no guarantee that funding will be approved during a particular call. If no acceptable project is identified during a funding cycle, a subsequent call may be scheduled at an appropriate time.

- Applicant must be eligible to receive M2 funding (established on an annual basis) to participate in this program.
- Support recommendations from OC Transit Vision, local transit planning efforts and goals of the Sustainable Communities Strategy, and 2024 call objectives.
- Supplement ~~rather than supplant~~ existing transit services (and commitments) and emphasize service to areas not served by transit.
- Proposed services may not duplicate or compete with existing transit services.
- Demonstrate availability of local share of O&M funding for the application's specific time horizon.
- Demonstration of cost reasonableness.
- Agency must have a financial plan outlining a funding strategy for ongoing O&M (maximum of seven years).
- Local agency will be required to enter into a cooperative funding agreement with OCTA.
- ~~All projects~~The project description must include information on how ~~they are~~services is meeting ADA complementary or comparable service requirements noted under O&M in the Project Requirements section above, and these costs must be included in the project application. ~~However, Meet ADA complementary or comparable service requirements noted under O&M in the Project Requirements section above. fixed-route proposed services should not include the cost of complementary paratransit service, which will be provided independently with Project V funds through Board policy. For on demand and non-fixed-route services, including ride-hailing services, the local agency will be required to provide Americans with Disabilities Act (ADA) comparable services and include within project costs in the application.~~
-
- Complete applications must be approved by the City Council/Board of Supervisors and partner jurisdictions, if applicable, as part of the submittal to OCTA to demonstrate adequate community and elected official support ~~for initial eligibility consideration~~, consistent with the resolution submittal deadline, for eligibility consideration.
- Local agencies will be required to submit ~~appropriate~~ National Transit Database data to OCTA, or local agency's operator must submit directly to the National Transit Database, if applicable.

- Proposed vehicle types must have appropriate specifications and safety equipment for service type and anticipated passenger loads.
- Must demonstrate that project meets competitive procurement requirement previously noted ~~above~~ under the O&M ~~in~~ Project Requirements section.~~.~~

Reimbursements

The ~~planning,~~ initial marketing costs to establish service, capital, and O&M phases will be administered on a reimbursement basis. I ~~Planning, i~~nitial marketing costs to establish service, capital, and O&M reimbursements will be disbursed upon review and approval of a complete invoice and accompanying expense report~~s~~ uploaded to OC Fundtracker, performance report, and consistent with cooperative funding agreement requirements and specifications.

OCTA's operating subsidy for O&M will be no more than ~~Nine~~ Ten Dollars and Eighty-One ~~c~~Cents ($~~9~~10.~~00~~81) per boarding/use~~r~~ or 90 ~~p~~ercent of net O&M costs, whichever is lower for Tradi~~t~~ional ~~p~~Project ~~V~~ transit services and Fifty Percent (50 percent) of net costs for ~~o~~On-~~d~~Demand services (after deducting fares and non-OCTA subsidies), whichever is less. Local agency matching commitment to OCTA for ongoing operating assistance will be in accordance with terms identified in the cooperative funding agreement.

Calculation of Payment

OCTA's operating subsidy will be no more than ~~Nine~~Ten Dollars and Eighty-One cents ($~~9~~10.~~00~~81) per boarding/user OR Ninety Percent (90 percent) of net O&M costs for Traditional Project V transit services, whichever is lower. An example of a payment calculation to differentiate between the two scenarios is provided as follows:

SAMPLE PAYMENT CALCULATION ASSUMPTIONS: 10% MATCH and 1,500 BOARDINGS	
Operating Cost	$23,000
Fare Revenue (deduct)	-$ 3,000
Net Operating Cost	$20,000
Agency Match (10%)	$ 2,000
Agency Reimbursement (90% of net O&M)	$18,000

or	
Operating Cost	$23,000
Fare Revenue (deduct)	-$ 3,000
Net Operating Cost	$20,000
$~~9~~ 10.81 x Boardings ($~~9~~ 10.81 x 1,500)	$~~13,500~~16,215
Agency Match	$ ~~6,500~~3,785
Agency Reimbursement ($~~9~~ 10.81 per boarding/user)	$~~13,500~~16,215

Note: In this case, the local agency would be reimbursed for the **lower,** $~~9~~10.~~00~~81 per boarding/user amount.

Project Cancellation

Projects deemed infeasible during the planning or implementation process will be cancelled and further expenditures will be prohibited except where necessitated to bring the current phase to a logical conclusion.

For vehicles or capital equipment owned by local agencies that were funded through Project V, if the service is discontinued, agencies shall repay OCTA for the vehicles or capital equipment at the same percentage of the sale price, or estimated value based on straight line depreciation of the asset(s) consistent with the Project V percentage of the initial purchase. Useful life shall be based upon OCTA's policy for service/asset life, where applicable.

Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.

Audits

All M2 payments are subject to audit. Local agencies must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined. Audits shall be conducted by the OCTA Internal Audit Department or other authorized agent either through the normal annual process or on a schedule to be determined by the OCTA Board.

Project V Branding

Projects awarded Project V funding are required to place M2 (OC GO~~o~~) decals ~~in~~ on the vehicles used for fixed-route, community shuttles, ~~and~~ seasonal services and regular microtransit. Local agencies will coordinate with OCTA in regard to the sizing, placement, and furnishing of decals. The implementing agency will be required to certify actual placement and visibility on a reasonable basis.

For all awarded services, local agencies are required to place M2 logos on marketing and related service publication materials, including software applications.

Promotion of the OC Go logo is not intended to overpower or take away from the service operated by the local agency but is intended to ensure transparency regarding the local sales tax measure expenditures.

An example of the M2 OC Go logo is shown as follows:

Table 6-2

**Community-Based Transit/Circulators (Project V)
Scoring Criteria**

Category	Points Possible	Percent
Financial Commitment		**15%**
Matching Funds	15	
Cost Effectiveness		**10%**
Estimated Operating Cost per Boarding and per RVH	7	
Supporting Documentation for Projected Costs	3	
Project Readiness		**10%**
Project Implementation Schedule and Service Startup Plan	7	
Project Feasibility or Planning Study Completed	3	
Operations Plan/Service Type		**25%**
Service Type	10	
Draft Timetable, Frequencies, Headways, and Round-Trip Cycle Times	3	
Fleet Size, Vehicle Types & Specifications	3	
Route Map and KMZ file w/ Existing Transit Service and Stop Locations	3	
Estimation of Revenue Service Hours	2	
ADA Service Plan / Paratransit Plan	2	
Contingency Plan for Revenue Shortfalls	2	
Ridership Projection		**5%**
Funding Plan		**10%**
Partnership Arrangements	4	
Service Coordination Plan	3	
Cost of ADA Services Considered/Addressed	3	
Community Benefit		**25%**
Local and Regional Benefits	20	
Documented Outreach and Community Support	5	
Total	**100**	**100%**

Exhibit 6-1

Point Breakdown & Application Checklist for Community-Based Transit/Circulators (Project V)

Scoring Criteria	
Financial Commitment	**15 Points Max.**
Capital Match Rate ≥ 50%	☐ 15
40%-49%	☐ 12
30-39%	☐ 10
20-29%	☐ 8
10-19%	☐ 4
Cost Effectiveness	**10 Points Max.**
Estimated Operating Cost per Boarding ($)	☐ ___
Project Readiness	**10 Points Max.**
Project Implementation Schedule – Estimated Opening by Fiscal Year 2021	☐ 5
Project Implementation Schedule – Estimated Opening by Fiscal Year 2022	☐ 3
Project Implementation Schedule – Estimated Opening by Fiscal Year 2023	☐ 1
Project Feasibility Study Complete	☐ 3
Planning and Environmental Complete	☐ 2
Operations Plan	**15 Points Max.**
Draft Timetable, Headways and Stop Locations Identified	☐
Route Map w/ Existing Transit Service	☐ 3
Fleet Size & Summary of Vehicle Types	☐ 3
Maintenance Facilities Identified & Service Plan Developed	☐ 3
Average Service Speed by Time Period	☐ 1
Paratransit Plan	☐ 1
Ridership Projection	**5 Points Max.**
Projected Averaged Daily Boardings (Opening Year) >1,000	☐ 5
501-1,000	☐ 3
151-500	☐ 2
50-150	☐ 1
Funding Plan	**10 Points Max.**
Partnership Arrangements	☐ 4
Service Coordination Plan	☐ 3
Cost of ADA Service Considered/Addressed	☐ 3
Service Type	**15 Points Max.**
Project Time Period Extension of Previous Successful Project V Service	☐ 15
New Special Event/Seasonal Services	☐ 13
Shared Ride-Hailing Services	☐ 10
Agency Experience	**10 Points Max.**

Special Event/Season Service	☐ 3
Shared Ride-Hailing/TNC Services	☐ 2
Fixed Route Services	☐ 1
Vanpool	☐ 1
Years in Service ≥ 4 Years	☐ 3
Years in Service ≥ 3 Years	☐ 2
Years in Service ≥ 2 Years	☐ 1
Community Benefit	**10 Points Max.**
Community Centers	☐ 1
Activity Centers	☐ 1
Tourist Attractions	☐ 1
Other (i.e. Senior Center)	☐ 1
Documented Community Support – Surveys	☐ 1
Outreach	☐ 1
Letters of Support	☐ 1
Fixed-Route Bus/Rail Connections ≥ 3	☐ 3
≥ 2	☐ 2
≥ 1	☐ 1
Total Points	Points

Point Breakdown & Application Checklist can be found on the OCTA Project V Website:

www.octa.net/programs-projects/programs/funding-programs/call-for-projects/ctfp/community-based-circulators/

Exhibit 6-2

Sample Resolution for Community-Based Transit/Circulators Program

(Project V)

Sample resolution template can be found on the OCTA Project V

Website: ~~RESOLUTION NO. XXXX~~

www.octa.net/programs-projects/programs/funding-programs/call-for-projects/ctfp/community-based-circulators/

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A RESOLUTION OF THE (GOVERNING BODY) OF THE (ADMINISTERING AGENCY) APPROVING THE SUBMITTAL OF THE (PROJECT NAME) APPLICATION TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR FUNDING UNDER THE PROJECT V COMMUNITY-BASED TRANSIT/CIRCULATORS PROGRAM

(a)   WHEREAS, the Community-Based Transit/Circulators program (Project V) establishes a competitive process to enable local jurisdictions to develop community-based local transit services that complement regional transit services and meets needs in areas not adequately serviced by regional transit and that does not duplicate or compete with existing transit services.

(b)   WHEREAS, OCTA intends to allocate Project V funds within the incorporated cities and the County; and

(c)   WHEREAS, OCTA has established the procedures and criteria for reviewing applications as identified in the Project V Guidelines; and

(d)   WHEREAS, by formal action the (GOVERNING BODY) authorizes the nomination of (PROJECT NAME), including all understanding and assurances contained therein.

(e)   WHEREAS, the (ADMINISTERING AGENCY) has been declared by the Orange County Transportation Authority (OCTA) to meet the eligibility requirements to receive revenues as part of Measure M2; and

(f)   WHEREAS, the (ADMINISTERING AGENCY) must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Renewed Measure M Ordinance eligibility requirement; and

(g)   WHEREAS, the (ADMINISTERING AGENCY) authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the OCTA Board of Directors; and

(h)   WHEREAS, the (ADMINISTERING AGENCY's) Circulation Element is consistent with the County of Orange Master Plan of Arterial Highways; and

(i)   WHEREAS, the (ADMINISTERING AGENCY) will comply where applicable with provisions of the Americans with Disabilities Act, and any other federal, state, and/or local laws, rules and/or regulations; and

(j)   WHEREAS, the (ADMINISTERING AGENCY) will consult with OCTA regarding the need for a paratransit plan prior to starting operations; and

(k)   WHEREAS, the (ADMINISTERING AGENCY) will provide matching funds for the project as required by the Project V Guidelines and shall fund its share of the project costs and any additional costs over the identified programmed amount; and

(l)   WHEREAS, the (ADMINISTERING AGENCY) will not use Measure M funds to supplant Developer Fees or other commitments; and

(m)   WHEREAS, the (ADMINISTERING AGENCY) will give OCTA's representatives access to and the right to examine all records, books, papers or documents related to the Project; and

NOW, THEREFORE, BE IT RESOLVED THAT:

The (GOVERNING BODY) hereby requests that the OCTA allocate Project V funds in the amounts specified in the (ADMINISTERING AGENCY's) application to said (ADMINISTERING AGENCY). Said funds shall be matched by funds from the (ADMINISTERING AGENCY) as required and shall be used as supplemental funding to aid the (ADMINISTERING AGENCY) in the implementation of the proposed transit service.

PASSED, APPROVED AND ADOPTED THIS [Insert Day] day of [Insert Month], [Insert Year].