



CITY COUNCIL AGENDA REPORT

MEETING DATE: FEBRUARY 21, 2017

ITEM NUMBER: **NB-1**

SUBJECT: AGREEMENTS FOR THE COMMUNITY BASED TRANSIT CIRCULATORS PROJECT

DATE: FEBRUARY 10, 2017

FROM: PUBLIC SERVICES DEPARTMENT - TRANSPORTATION SERVICES DIVISION

PRESENTATION BY: RAJA SETHURAMAN, PUBLIC SERVICES DIRECTOR

**FOR FURTHER INFORMATION CONTACT: RAJA SETHURAMAN, PUBLIC SERVICES DIRECTOR
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RECOMMENDATIONS:

1. Approve Cooperative Agreement No. C-6-1482 (Attachment 1) between the Orange County Transportation Authority (OCTA) and the City of Costa Mesa for Project V - Community-Based Transit Circulators Project.
2. Approve Subrecipient Agreement (Attachment 2) with the Anaheim Transportation Network (ATN) as the transit service provider to administer, operate, maintain, and manage the Project.
3. Authorize the City Manager and the City Clerk to execute the agreements and future amendments, as needed.
4. Approve Budget Adjustment BA 17-009 (Attachment 3) in the amount of \$571,580 recognizing Measure M2 funds awarded for the project.

BACKGROUND:

In November 2006, the Orange County voters passed the Renewed Measure "M" Program (Measure M2), extending the half-cent sales tax for the next 30 years, beginning in the year 2011. Funds from this sales tax are proposed to fund a wide range of improvements to Orange County freeways, arterials, and transit systems.

Measure M2 includes the Project V - Community-Based Transit Circulator Program which provides funding for local jurisdictions to develop local bus transit services such as community-based circulators, shuttles, and bus trolleys that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. On November 23, 2015, the OCTA Board of Directors approved the 2016 Call for Projects for this program which can allocate up to \$20 million in Measure M2 funds to local agencies.

The City of Costa Mesa submitted a grant funding application in response to this Call for Projects. A brief description of this proposed service is included as Attachment 4. The City Council, at their regular meeting on March 15, 2016, unanimously approved the submittal of a grant application. The Council report and approved resolution are included as Attachment 5.

The OCTA Board of Directors at their June 13, 2016 meeting, approved the City's grant funding application. The total project cost over seven (7) years of the proposed transit service is \$3,100,709, of which \$2,790,638 is funded by the Project V Program. The City's match requirement is 10 percent, or \$310,071.

ANALYSIS:

The City, in partnership with Travel Costa Mesa, will work with the Anaheim Transportation Network (ATN) to provide this service. ATN currently provides the service between South Coast Plaza and area hotels to the Anaheim Regional Transportation Intermodal Center (ARTIC) and Disneyland. The proposed midday service will expand on this program and market to the larger Costa Mesa community. The midday service will be provided by two (2), 30-passenger CNG buses with an approximate 15-minute headway schedule between 10:30 a.m. and 2:30 p.m. The combined service will meet several objectives:

- Provide connection between major Orange County destinations, including major shopping centers and hotels in Costa Mesa, ARTIC (Metrolink station), and Disneyland.
- Provide local circulation within the City of Costa Mesa boundaries to reduce auto trips.
- Comply with General Plan policies that encourage and support strategies to increase transit usage.

The attached Cooperative Agreement defines the roles and responsibilities of the City and OCTA relating to the funding of this project and documents the eligibility requirements. The attached Subrecipient Agreement with the Anaheim Transportation Network defines the obligations and requirements of ATN to provide transit service in compliance with grant requirements, and the City's role in invoicing OCTA and reimbursing ATN for their services. The City anticipates that the service will be initiated in Spring 2017.

Staff requests City Council's approval of these agreements and authorization for the City Manager and City Clerk to execute them as well as any future amendments.

The approved OCTA grant in the amount of \$2,790,638 is for capital and operations/maintenance costs of the project over a period of seven (7) years. The attached Budget Adjustment BA 17-009 recognizes the first year funding appropriation in the amount of \$571,580. Staff requests City Council's approval of this budget adjustment.

ALTERNATIVES CONSIDERED:

One alternative considered is to not approve the agreements. This alternative would result in the City losing the grant funding.

FISCAL REVIEW:

The match funding will be derived from several resources, including the City of Costa Mesa, Travel Costa Mesa, the Anaheim Transportation Network, and South Coast Plaza.

LEGAL REVIEW:

The City Attorney's office has reviewed and approved the agreements as to form.

CONCLUSION:

The Public Services Department was successful in capturing grant funding from the OCTA Measure "M2" - Project V Program. The awarded project will expand on the existing shuttle program between South Coast Plaza and area hotels to Anaheim Regional Transportation Intermodal Center and Disneyland, by adding a midday shuttle service between the South Coast Metro area and CAMP/LAB.

Staff requests approval of the attached cooperative agreement with OCTA and a Subrecipient Agreement with Anaheim Transportation Network (ATN) for the new transit service. Staff also requests City Council's authorization for the City Manager to execute the agreement and future amendments and the approval of the budget adjustment to recognize Measure M2 grant funding.

RAJA SETHURAMAN

Public Services Director

ATTACHMENTS: [1 – Cooperative Agreement C-6-1482 with OCTA](#)
[2 – Subrecipient Agreement with ATN](#)
[3 – Budget Adjustment BA 17-0009](#)
[4 – Proposed Community Based Transit Circulator](#)
[5 – Staff Report and City Council Resolution of 03-15-16](#)

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