



CITY COUNCIL AGENDA REPORT

MEETING DATE: 6/20/2023

DEPARTMENT: Public Works

SUBJECT:

ANNUAL RENEWED MEASURE M ("M2") ELIGIBILITY SUBMITTAL TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY

RECOMMENDED ACTION(S):

1. Approve the Renewed Measure M ("M2") Seven-Year Capital Improvement Program for Fiscal Years 2023-24 through 2029-2030.
 2. Adopt a Resolution entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, CONCERNING THE STATUS AND UPDATE OF THE CIRCULATION ELEMENT, AND THE MITIGATION FEE PROGRAM FOR THE MEASURE M ("M2") PROGRAM.
 3. Adopt a Resolution entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, CONCERNING THE STATUS AND UPDATE OF THE PAVEMENT MANAGEMENT PLAN FOR THE MEASURE M ("M2") PROGRAM.
 4. Adopt a Resolution entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, CONCERNING THE UPDATE OF THE LOCAL SIGNAL SYNCHRONIZATION PLAN FOR THE MEASURE M ("M2") PROGRAM.
 5. Authorize the Director of Public Works to forward all eligibility requirements including the approved Renewed Measure M ("M2") Seven-Year Capital Improvement Program to the Orange County Transportation Authority ("OCTA").
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EXECUTIVE SUMMARY:

The Orange County Transportation Authority ("OCTA") requires each city to satisfy certain requirements to remain eligible for Local Fair Share and competitive grants through the Renewed Measure M ("M2") program. Required eligibility documentation includes City Council approval of an updated Seven-Year Capital Improvement Program ("CIP"). In addition to the annual approval of the City's M2 Seven-Year CIP, other elements of the eligibility packet are

required on a biennial or triennial basis. This year, adoption of a resolution attesting to the consistency of the City's General Plan Circulation Element with the County Master Plan of Arterial Highways ("MPAH"), confirmation of the City's existing transportation mitigation fee programs, and submittal of the City's updated citywide pavement management program report and the local signal synchronization plan.

The City uses M2 Funds for certain roadway improvements to meet senior transportation needs and other programs that mitigate the environmental impact of transportation and promote mobility within the City. The City anticipates receiving approximately \$16,100,000 over the next seven years from the OCTA Measure M2 Fair Share program, which the City utilizes to fund the annual street resurfacing and slurry seal projects. The recommended actions are in accordance with OCTA's compliance requirements and qualifies the City to receive Measure M2 Local Fair Share and competitive grant funding.

Staff recommends the City Council approve the M2 Seven-Year CIP (Attachment 1); the adoption of a resolution confirming the City's Circulation Element and Mitigation Fee Program (Attachment 2); the adoption of a resolution confirming the Pavement Management Plan (Attachment 4); and, the adoption of a resolution (Attachment 5) confirming the Local Signal Synchronization Plan (Attachment 6) in conformance with M2 requirements. Staff also recommends authorizing the Public Works Director to forward all eligibility requirements to OCTA. The recommended actions would ensure the City retains eligibility for funding under the M2 program and could continue participating in OCTA's Combined Transportation Funding Program. Additionally, the M2 Seven-Year CIP document, Pavement Management Plan, and Local Signal Synchronization Plan attached to this report satisfy OCTA's requirements to maintain program eligibility.

BACKGROUND:

Measure M2 (also known as "OC Go") is a 30-year, 1/2-cent sales tax program for transportation improvement projects. M2 is an extension of the original Measure M (approved in 1990) with a new slate of planned projects and programs. OCTA administers the proceeds from M2 sales tax, including apportionment to local jurisdictions for street maintenance and improvements. The proportional, or "Fair Share," of sales tax money for eligible jurisdictions is distributed based on population, miles of existing MPAH roadways, and taxable sales. The new slate of planned M2 projects includes improvements to public transportation infrastructure, including freeways, arterial roadways, and environmental cleanup projects. To receive funding from the OCTA's "Fair Share" or competitive grant programs, local jurisdictions must prepare and submit a M2 eligibility packet.

Annual approval of the M2 Seven-Year CIP for Fiscal Years 2023-24 through 2029-30 is a necessary component of the City's eligibility packet to OCTA.

DISCUSSION:

Each year, OCTA determines whether a local jurisdiction is eligible to receive M2 funds. To be deemed eligible, the City annually prepares and submits a packet that contains the following elements:

- Evidence of compliance with the conditions and requirements of the Orange County Congestion Management Program ("CMP")
- Adopted Capital Improvement Program ("CIP")
- Evidence of participation in OCTA traffic forums
- Adopted and maintained Local Signal Synchronization Plan ("LSSP")
- Adopted and biennially updated Pavement Management Plan ("PMP")
- Adopted General Plan Circulation Element consistent with the MPAH
- Satisfaction of Maintenance of Effort requirements
- Agreement to expend all Local Fair Share revenues received through M2 within three years of receipt
- Adopted Expenditure Report, provided annually to OCTA

The M2 Seven-Year CIP (Attachment 1) prepared by staff is consistent with projects identified in the City's proposed Seven-Year CIP (FY 2023-30). Generally, these include street resurfacing and slurry seal programs, traffic signal synchronization projects, and intersection improvements. The submittal of the M2 Seven-Year CIP does not commit the City to funding the identified improvements. However, projects must be included in the M2 Seven-Year CIP to be eligible to receive M2 funding. Staff updates this document every year to allow for changes based on City Council priorities.

In addition to the annual approval of the City's M2 Seven-Year CIP, other elements of the eligibility packet are required on a biennial or triennial basis. OCTA requires the City Council to adopt a resolution attesting that the City's General Plan Circulation Element remains consistent with the Orange County MPAH (Attachment 2). This Resolution also certifies that the City has a Mitigation Fee Program that assesses traffic impacts of new development.

This year, OCTA requires the City to prepare an updated Pavement Management Plan ("PMP"), which outlines the processes in place for the planning, preventative maintenance, and repair of the City's roadways (Attachment 3). To create a record of approval, the City must adopt a Resolution confirming that the PMP is approved and in conformance with M2 requirements (Attachment 4). The City's PMP was updated in June 2023 and indicates the

current pavement improvement budget as outlined in the Seven-Year CIP (\$31 million) will keep the City in the “Good” category. The seven-year PMP utilizes Measure M2 Fairshare, Road Maintenance Rehab Account (“SB1”), and one-time funds identified to preserve the pavement condition throughout the City. The PCI is projected to increase from 77 to 80 in the first year of the PMP and increase to a PCI of 85 over the seven-year period based on the City’s funding projections.

Triennially, OCTA requires the City Council to adopt a resolution (Attachment 5) approving the City’s updated Local Signal Synchronization Plan (“LSSP”). The City’s LSSP (Attachment 6) is a three-year plan identifying traffic signal synchronization, street routes, and traffic signals to be improved, including all elements of the Regional Signal Synchronization Network located within the City. The LSSP includes goals consistent with those outlined as part of OCTA’s Regional Traffic Signal Synchronization Master Plan, including signal synchronization across jurisdictions. The City updated the LSSP in spring 2023 and the document includes a three-year outlook for Fiscal Years 2023-24 through 2025-26. On May 1, 2023, staff presented the LSSP to the Traffic and Parking Commission for its information.

Staff recommends the City Council approve the M2 Seven-Year CIP (Attachment 1); the adoption of a resolution confirming the City’s Circulation Element and Mitigation Fee Program (Attachment 2); the adoption of a resolution confirming the Pavement Management Plan (Attachment 4); and, the adoption of a resolution confirming the Local Signal Synchronization Plan (Attachment 5) in conformance with M2 requirements. Staff also recommends authorizing the Director of Public Works/City Engineer to forward all eligibility requirements to OCTA. The recommended actions would ensure the City retains eligibility for funding under the M2 program and could continue participating in OCTA’s Combined Transportation Funding Programs. The attached M2 Seven-Year CIP document, PMP, and LSSP provided with this report satisfy OCTA’s requirements to maintain program eligibility, and staff also recommends the City Council approve these documents.

FISCAL IMPACT:

There is a positive fiscal impact associated with the recommended actions. The City anticipates receiving approximately \$16,100,000 from the OCTA Measure M2 Fair Share program to fund the City’s annual street resurfacing and slurry seal projects over the next seven years. The City would also be eligible to compete for CTFP project funding for the projects identified in the M2 Seven-Year CIP.

ATTACHMENTS:

1. Measure M2 Seven-Year Capital Improvement Program (CIP)
2. Resolution for MPAH and Circulation Mitigation
3. Pavement Management Plan (PMP)
4. Resolution for Pavement Management Plan
5. Resolution for Local Signal Synchronization Plan
6. Local Signal Synchronization Plan (LSSP)

Initiated By: Christine Groves, Senior Management Analyst

Submitted By: Thomas Wheeler, P.E., Director of Public Works/City Engineer

Approved By: Debra Rose, City Manager