

RESOLUTION 2022-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SANTA ANA AUTHORIZING A REQUEST FOR
ESCALATION ADJUSTMENT BY THE ORANGE COUNTY
TRANSPORTATION AUTHORITY TO THE MEASURE M2
ALLOCATION FOR THE WARNER AVENUE
IMPROVEMENTS PROJECT

WHEREAS, the Orange County Transportation Authority (OCTA) conducted the 2020 call for projects under the Measure M2 Regional Capacity Program (RCP); and

WHEREAS, the City of Santa Ana received an M2 allocation (Measure M2 Competitive ACE funds) in the amount of \$7,494,000 from OCTA to fund the Warner Avenue Improvements Project from Oak Street to Standard Avenue; and

WHEREAS, the City of Santa Ana committed to providing a minimum of 25% in matching funds for the Warner Avenue Improvements Project from Oak Street to Standard Avenue; and

WHEREAS, the City of Santa Ana established fiscal year 2018/19 as the program year to commence the right-of-way phase for the above project; and

WHEREAS, the City of Santa Ana has experienced increase cost for right-of-way acquisition due to real estate inflation. The COVID-19 pandemic and various new state and federal guidelines developed during this challenging time (especially the eviction moratorium from April 2020 to September 2021) have created many uncertainties. Low interest rates, high rents, and working from home have helped intensify housing market demand, escalate market value of over 25% in Orange County, and diminish housing inventory for sale and lease.

WHEREAS, OCTA approved a temporary policy change for eligible RCP and RTSSP projects that were impacted by the extraordinary cost increases of inflation, which would allow local agencies to request adjustments to eligible right-of-way and construction allocations consistent with the Engineering News Record Construction Cost Index, based on the actual 20-city average, for fiscal years 2020-21, 2021-22, and 2022-23.

WHEREAS, the OCTA temporary policy change requires agencies to request authorization from their governing bodies to apply for an escalation adjustment to the original M2 allocation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Ana as follows:

Section 1. The Executive Director of Public Works, or his or her designee, is hereby authorized to request an escalation adjustment in the amount of \$1,582,364 for the Warner Avenue Improvements Project, which if approved by the OCTA Board of Directors, would result in a revised M2 allocation of \$9,076,364. Said funds, if approved, shall be matched by funds from the City at the same 25% level, resulting in an additional City funding need of \$527,455 which will be funded through State/Local Funds.

Section 2. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution

ADOPTED this ____ day of _____, 2022.

Vicente Sarmiento
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

By: John M. Funk
John M. Funk
Chief Assistant City Attorney

AYES: Councilmembers _____

NOES: Councilmembers _____

ABSTAIN: Councilmembers _____

NOT PRESENT: Councilmembers _____

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, _____, Clerk of the Council, do hereby attest to and certify the attached Resolution No. 2022-____ to be the original Resolution adopted by the City Council of the City of Santa Ana on _____, 2022.

Date: _____

Clerk of the Council
City of Santa Ana