



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
June 21, 2022

TOPIC: Measure M2 Funding Eligibility 2022 Renewal

AGENDA TITLE

Adopt a Resolution to Maintain Measure M2 Funding Eligibility by Approving a Pavement Management Plan Update

RECOMMENDED ACTION

Adopt a Resolution confirming the status and providing an update of the Pavement Management Plan (PMP) per Orange County Transportation Authority (OCTA) 2022-23 Measure M2 Eligibility Requirements.

DISCUSSION

In November 1990, Orange County voters approved Measure M, a one-half cent sales tax increase for 20 years, to fund transportation projects in Orange County. Sixteen years later, in November 2006, the voters approved the renewal of Measure M, referred to as M2, for an additional thirty years, effective in April 2011. The net revenues generated by M2 contribute to two types of grant funding: Local Fair Share (LFS) and Competitive. All Orange County cities are eligible for LFS funding which is distributed on a formula-based allocation determined by population, number of existing Master Plan of Arterial Highways centerline miles, and taxable sales. Under the competitive component of M2 funding, Cities must compete and demonstrate support of regional transportation to successfully qualify for grant monies. Fulfilling M2 eligibility requirements also allows the City to qualify for other regional competitive OC Go M2 grant funding opportunities.

The Orange County Transportation Authority (OCTA) determines annual eligibility for M2 funds based upon specific criteria that cities must meet prior to June 30 of every year. In order to maintain M2 eligibility for Fiscal Year 2022-23 (FY 22-23), the City must update, and adopt via resolution, a Pavement Management Plan (PMP) biennially (Exhibit 1). The PMP is the City's strategic plan to manage the preservation, rehabilitation, and maintenance of paved roads by analyzing pavement life cycles, assessing overall system performance costs, and determining alternative strategies and necessary costs to improve paved roads (Exhibit 2). A copy of the PMP with a certification must be submitted to OCTA by June 30, 2022.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with the action.

FISCAL IMPACT

There is no fiscal impact at this time. The recommended actions will maintain the City's eligibility to receive Measure M2 funds. Upon meeting OCTA eligibility requirements, the City of Santa Ana is anticipated to receive an estimated \$5.7 million in LFS funds and approximately \$825,000 in M2 competitive funds for FY 2022-23.

If the recommended action is not taken, the City will lose Measure M2 local fair share revenue and eligibility to apply for various future OCTA comprehensive funding programs.

EXHIBIT(S)

1. Resolution – Pavement Management Plan
2. 2022 Pavement Management Plan may be reviewed at:
<https://storage.googleapis.com/proudcity/santaanaca/uploads/2022/06/Draft-2022-Pavement-Plan-R2.pdf>

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager