

Evaluative Criteria Framework to Guide the 2018 RTIP Development

In selecting projects to submit for funding through the 2018 State Transportation Improvement Program (STIP), staff used the Evaluative Criteria Framework. The framework was approved at the September 2017 Board meeting. The framework was applied as follows:

1. Sustain Measure M and other Pre-Measure M/LRTP Priorities and Schedules

Staff evaluated Metro's existing priorities as established in the LRTP, Measure R and Measure M expenditure plans to identify project schedules that coincide with the STIP programming and allocation constraints. The 2018 STIP includes funds in each of five years, FY 2018-19 through 2022-23. This step of the review consisted mainly of identifying projects ready either for:

- 1) pre-development funding only, such that they might compete for future cycle SB-1 or other discretionary programs for construction funds; or
- 2) funding through construction.

Many of Metro's projects satisfy this criterion and have project phases underway within the 5-year STIP program, including all of the projects proposed in the 2018 RTIP.

2. Match competitiveness of Projects to New/Expanded Programs Criteria

STIP funding is relatively flexible. Eligibility is broad in the STIP program, and all projects identified in the first step of review were deemed eligible, however, the guidelines contain a number of points which staff took into consideration when identifying projects.

Firstly, projects deleted through the 2016 STIP are the first priority for funding from the 2018 STIP, and for Los Angeles County, these include:

- SR-138 Segment 6
- SR-138 Segment 13.

Secondly, performance information requirements established with the adoption of the 2016 STIP Guidelines places emphasis on projects which reduce greenhouse gas emissions, as well as other measures including efficiency and effectiveness. In building the program for the 2018 STIP, staff sought a modally balanced submittal to help ensure acceptable results for the performance reporting requirements. The inclusion of the bus acquisition projects and the East San Fernando Valley support the performance goals within the STIP.

Additional consideration is required to ensure all projects proposed are eligible for the mix of state and federal funds sources for the State Highway Account which funds the STIP. Beginning with the 2018 STIP Fund Estimate Public Transportation Account funds are no

longer available for the STIP. Therefore, staff analyzed all transit projects to determine whether they were eligible for either fuel excise tax funds protected by Article 19 (dedicated right-of-way, infrastructure only, no rolling stock) or federal funds. Projects not clearly eligible for federal funds or Article 19 state funds were screened out.

3. Certainty (Formula) vs. Risk (Competitive/Discretionary)

With the limited availability of formula funds, staff focused on the strategic use of STIP formula funds on projects that are less likely to compete well in discretionary programs and those that have a low tolerance for risk. Additionally, Caltrans applies a reduced Indirect Cost Rate Proposal (ICRP) for work they perform when that work is paid for by state dollars. Thus, staff also sought strategic programming opportunities that would achieve cost savings on the (ICRP) applied by Caltrans for projects on the state highway system. For the projects included in the RTIP, the following rationale was applied:

- State Route 71 had an existing funding gap due to the cancellation of the FASTLANES grants. In response to the funding gap, staff committed to looking at SB 1 funding sources to fully fund this project. Based on the project's relative potential to compete for state discretionary programs, the significant risk to the existing funding commitment of repurposed federal earmarks, and the opportunity to secure ICRP savings, staff identified the SR 71 as an ideal candidate for STIP formula funds.
- The delivery of the SR 138 Segments 4, 6, and 13 are dependent on the availability of state funds, as there are no explicit funding commitments for these segments identified in Measure M. Lacking the potential to put forward any local match reduces the ability of these projects to seek funds through other SB 1 discretionary grant programs. Funding these projects with STIP formula funds makes it possible to complete the remaining segments of the SR 138 with certainty while securing a reduced ICRP rate for Caltrans support activities.
- The East San Fernando Valley Transit Corridor Project had a funding gap as a result of the state's cancellation of the Traffic Congestion Relief Program (TCRP), which STIP formula funds provide opportunity to address. Additionally, this project assumes a large share of non-Measure M dollars, and thus is expected to compete in other SB 1 funding programs. Therefore, using formula funds for a portion of the non-Measure M share of the project cost offsets some of the risks associated with aiming to complete the projects non-Measure M funding entirely through discretionary grants.
- The Bus Acquisition projects are essential to Metro's overall bus fleet management strategy, and Metro's ability to maintain our fleet in a state of good repair. Any risk to the forecasted replacement schedule would have an impact on maintaining operating schedules and delivering bus service. These projects are best suited for the certainty afforded by formula funding sources.

With regard to the Advance Project Development Element (APDE) formula funds, staff sought opportunities to initiate project development work that could help support future SB 1 discretionary program candidate projects. The I-605/I-5 Interchange Improvements Project, I-605/SR-91 Interchange Improvements Project, and the I-710 Early Action Project/Shoemaker each had eligible phases of work within the 2018 STIP timeframe. In addition, with Caltrans performing the project development work, Metro is able to secure a reduced ICRP for these activities.

4. Geographic Balance

Including the Bus Acquisition project, the RTIP program funds projects in all of the nine subregions. The projects by subregion are as follows:

Gateway Cities:

- I-605/I-5 Interchange Improvements
- I-710 Early Action Project/Shoemaker
- I-605/SR-91 Interchange Improvements

North County:

- SR-138 Segment 6
- SR-138 Segment 13
- SR-138 Segment 4

San Fernando Valley:

- East San Fernando Valley Transit Corridor

San Gabriel Valley:

- SR-71

South Bay:

- I-405 Crenshaw Blvd. Ramp Improvement (Also included in the Measure R Expenditure Plan)

Arroyo Verdugo, Central Los Angeles, Gateway Cities, Las Virgenes/Malibu San Fernando Valley, San Gabriel Valley, South Bay, and Westside Cities:

- Bus Acquisition 1
- Bus Acquisition 2

5. Consistency with Board policies and directives

The projects identified for funding in the 2018 STIP are consistent with Board policies and directives. STIP funds are part of the state and federal funds assumed in the development of the Measure M Expenditure Plan. STIP funds as part of the funding plans of the Measure M projects will help to keep the projects fully funded and deliverable in a timely manner.

6. Consistency with Metro Long Range Transportation Plan and Southern California Association of Governments (SCAG) Regional Transportation Plan (RTP)

All of the projects identified for STIP funding are Measure M, Measure R and/or LRTP projects. Each project is consistent with the priorities set forth in the Metro LRTP and is included in the SCAG RTP.