

*Information
Items*



BOARD COMMITTEE TRANSMITTAL

December 10, 2012

To: Members of the Board of Directors
WK
From: Wendy Knowles, Clerk of the Board
Subject: Comprehensive Transportation Funding Programs – September 2012 Semi-Annual Review

Regional Planning and Highways Committee Meeting of December 3, 2012

Present: Directors Bates, Cavecche, Crandall, Glaab, Hansen, Herzog, and Nelson
Absent: Director Galloway

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Approve adjustments to the Comprehensive Transportation Funding Programs project allocations as presented.
- B. Approve the City of Lake Forest's Project S allocation request to shift the number of leased vans between employers.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs –
September 2012 Semi-Annual Review**

Staff Report



December 3, 2012

To: Regional Planning and Highways Committee
From: Will Kempton, Chief Executive Officer *W. Kempton*
Subject: Comprehensive Transportation Funding Programs – September 2012 Semi-Annual Review

Overview

The Orange County Transportation Authority recently completed the semi-annual review of projects funded through the Comprehensive Transportation Funding Programs. This process reviews the status of Measure M and Measure M2 grant-funded projects and provides an opportunity for local agencies to update project information, as well as request project modifications. Recommendations are presented for review and approval.

Recommendations

- A. Approve adjustments to the Comprehensive Transportation Funding Programs project allocations as presented.
- B. Approve the City of Lake Forest's Project S allocation request to shift the number of leased vans between employers.

Background

The Comprehensive Transportation Funding Programs (CTFP) is the mechanism the Orange County Transportation Authority (OCTA) uses to administer funding for road, signal, and water-quality projects throughout Orange County. The CTFP provides local agencies with a comprehensive set of guidelines for administration and delivery of various transportation projects and contains a variety of funding sources including Measure M (M1) and Measure M2 (M2) revenues, federal Regional Surface Transportation Program funds, and State-Local Partnership Program funds. Consistent with the CTFP guidelines, OCTA requires online reporting of the status of all projects and regularly meets with representatives from local agencies to review proposed project or schedule changes. This process is referred to as the semi-annual review (SAR). The goals of the SAR are to review project status, determine the continued viability of projects,

address local agency issues, and ensure timely closeout of the M1 Streets and Roads Program.

Discussion

M1 Program Summary

Since 1991, OCTA has competitively awarded more than \$684 million in M1 funds to local agencies through the CTFP. These projects were programmed for fiscal year (FY) 1992-93 through FY 2010-11. Below is a summary of CTFP allocations using M1 funds (allocations in millions):

M1 CTFP Program Summary

Project Status	Allocations (prior to SAR adjustments)	Allocations (with SAR adjustments)
Started ¹	\$ 102.4	\$ 81.0
Pending ²	87.9	95.8
Completed ³	495.5	507.3
Total Allocations	\$ 685.8	\$ 684.1

Since the last SAR, the CTFP has realized \$1.7 million in project savings. On November 9, 2012, the Board of Directors (Board) programmed an additional \$1.775 million for the Yorba Linda Boulevard Smart Street environmental mitigation, and it is included as a started allocation. Staff will continue to monitor projects on a semi-annual basis in order to identify additional savings and track the progress toward the M1 closeout. Consistent with prior Board action, the remaining M1 funds will be used to augment future M2 calls for projects.

M2 Program Summary

Since the start of M2, OCTA has issued a number of calls for projects and awarded \$113.4 million in competitive funds for the following programs: 1) M2 Regional Capacity Program (Project O), 2) Traffic Signal Synchronization Program (Project P), and 3) the Environmental Cleanup Program (Project X). Below is a summary of CTFP allocations using M2 funds (allocations in millions):

1. Started indicates that the project is underway and the funds are obligated.
 2. Pending indicates that the project work is completed and the final report submittal/approval is pending.
 3. Completed indicates that the project work is complete, final report approved, and final payment has been made.

M2 CTFP Program Summary

Project Status	Allocations (prior to SAR adjustments)	Allocations (with SAR adjustments)
Planned ⁴	\$ 99.0	\$ 77.1
Started ¹	11.8	34.9
Pending ²	-	1.2
Completed ³	-	0.2
Total Allocations ⁵	\$ 110.8	\$ 113.4

Since the last SAR, the Board has authorized an additional \$2.6 million in Project X allocations and a total of \$36.3 million of M2 projects have started, are pending completion, or are completed. Staff is working with local agencies to obligate State-Local Partnership Program funds, used to supplement the M2 call for projects, by June 30, 2013.

Project Adjustments

The September 2012 SAR adjustments are itemized in Attachment A. These adjustments include 11 transfers, two scope changes, one technical correction for M1 projects, and four delays and two scope changes for M2 projects. The Technical Advisory Committee concurred with the SAR adjustment recommendations on October 24, 2012.

Transfers

Of the 11 transfer requests, three are general requests to accommodate additional costs between project phases. The other transfer requests are related to the closeout of Smart Streets projects. In July 2009, the Board approved a change to the CTFP guidelines that allow agencies to request a transfer of 100 percent phase savings between Smart Streets phases and projects.

The cities of Anaheim and La Habra have finalized costs for the Katella Avenue and Imperial Highway Smart Street projects. Throughout the M1 program, OCTA has been committed to completing the four Smart Street corridors and has

1. Started indicates that the project is underway and the funds are obligated.
2. Pending indicates that the project work is completed and the final report submittal/approval is pending.
3. Completed indicates that the project work is complete, final report approved, and final payment has been made.
4. Planned indicates that the funds have not been obligated and/or are pending contract award.
5. Allocation increases are the result of recently approved 2012 call for projects programming recommendations.

or Master Plan of Arterial Highways (MPAH) projects for completion of other Smart Street corridors phases;. The City of Anaheim has multiple requests to transfer savings from the Brookhurst Street MPAH Project to the Katella Avenue Smart Street (\$4.4 million), from the Brookhurst Street MPAH Project to the Imperial Highway Smart Street (Santa Ana Canyon Road to Orangethrope Avenue) (\$125,974), and between project phases of the Katella Avenue Smart Street (Ninth Street to Humor Drive) (\$716,993). The City of La Habra is requesting transfers from the Imperial Highway (Los Angeles County to Harbor Boulevard) construction phase to engineering and right-of-way phases (\$1.2 million). These transfers will utilize available project savings for the completion of the Smart Street projects.

Delays

The City of Laguna Niguel requests a 24-month delay for the median runoff water quality projects on Crown Valley Parkway (Attachment B). The city council rejected bids due to higher than expected costs, and plans to incorporate additional phases into future procurements. The four delay requests from the City of Laguna Niguel received city council concurrence on June 19, 2012.

Scope Change

The County of Orange (County) is requesting a change in scope for the Cow Camp Road (Antonio Parkway to I Street) Project. Subsequent to OCTA's grant award of the project, the County discovered that the cost estimates did not include significant project components and the new estimate for the project (six lane facility) increased from \$30 million to \$60 million. The County requests a revised scope from a six lane facility to a two lane facility (Phases 1A & 1B), including grading for the six lane facility. Staff determined that the project score would not change because OCTA traffic models for new facilities assume full MPAH buildout and the County remains committed to completing this project without additional CTFP funding.

Lastly, the City of Lake Forest is requesting to shift the number of vans between employers for the Project S – Bus and Station Van Extensions allocation, approved by the Board in July 2012. The original scope for the project included the lease of two, ten passenger vans and one, 17 passenger van to Panasonic Avionics. The City's request is to shift two, ten passenger vans to Össur Americas instead of Panasonic Avionics.

Summary

The Orange County Transportation Authority has recently reviewed the status of grant-funded streets and roads projects funded through the Comprehensive Transportation Funding Programs. Staff recommends approval of the project adjustments requested by local agencies, including a scope change for the Cow Camp Road Project, and the change in leased van allocations for Project S, as requested by the City of Lake Forest. The next semi-annual review is currently scheduled for March 2013.

Attachments

- A. Comprehensive Transportation Funding Programs – September 2012 Semi-Annual Review Adjustment Requests
- B. Letter from Tim Casey, City Manager, City of Laguna Niguel - Request for Extension of Tier 1 Environmental Cleanup Program Grant Awards Runoff Elimination Program for Crown Valley Parkway Medians, Phases I-IV, dated June 22, 2012 -
- C. Letter from Ignacio G. Ochoa, P.E., Interim Director, OC Public Works - Cow Camp Road, dated June 13, 2012

Prepared by:



Paul Rumberger
Transportation Funding Analyst
(714) 560-5747

Approved by:



Kia Mortazavi
Executive Director, Planning
(714) 560-5741



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs –
September 2012 Semi-Annual Review**

Attachment A

Comprehensive Transportation Funding Programs
September 2012 Semi-Annual Review Adjustment Requests

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Original Amount	Action Request	Proposed Amount	Reason
Transfers											
ANAHEIM	03-ANAH-IIP-1016	IIP	Kraemer Blvd/La Palma Ave	C	09/10	N/A	N/A	\$ 1,425,231	\$ (17,050)	\$ 1,408,181	Reverse XFER request from September 2011 semi-annual review. XFER \$17,050 from CON to ENG.
ANAHEIM	03-ANAH-IIP-1016	IIP	Kraemer Blvd/La Palma Ave	E	05/06	N/A	N/A	\$ 383,450	\$ 17,050	\$ 400,500	
ANAHEIM	03-ANAH-MPH-1019	MPAH	Brookhurst St (Ball Rd to Katella Ave)	R	09/10	N/A	N/A	\$ 10,966,033	\$ (70,000)	\$ 10,896,033	City realized additional costs in the engineering phase. XFER \$70,000 from ROW to ENG.
ANAHEIM	03-ANAH-MPH-1019	MPAH	Brookhurst St (Ball Rd to Katella Ave)	E	09/10	N/A	N/A	\$ 504,783	\$ 70,000	\$ 574,783	
LAGUNA NIGUEL	03-LNIG-RIP-2538	RIP	Crown Valley Pkwy Widening (Forbes to I-5)	R	09/10	N/A	N/A	\$ 308,725	\$ (134,644)	\$ 174,081	City realized additional costs in the engineering phase. XFER \$134,644 from ROW to ENG.
LAGUNA NIGUEL	03-LNIG-RIP-2538	RIP	Crown Valley Pkwy Widening (Forbes to I-5)	E	06/07	N/A	N/A	\$ 300,000	\$ 134,644	\$ 434,644	
ANAHEIM	03-ANAH-MPH-1019	MPAH	Brookhurst St (Ball Rd to Katella Ave)	R	09/10	N/A	N/A	\$ 10,896,033	\$ (2,291,259)	\$ 8,604,774	XFER \$2,291,259 from 03-ANAH-MPH-1019 ROW to 03-ANAH-MPH-2004 ROW.
ANAHEIM	03-ANAH-MPH-2004	MPAH	Katella Ave (Humor Drive to Jean St)	R	08/09	N/A	N/A	\$ 8,433,197	\$ 2,291,259	\$ 10,724,456	
ANAHEIM	03-ANAH-MPH-1019	MPAH	Brookhurst St (Ball Rd to Katella Ave)	R	09/10	N/A	N/A	\$ 8,604,774	\$ (797,117)	\$ 7,807,657	XFER \$797,117 from 03-ANAH-MPH-1019 ROW to 03-ANAH-MPH-2004 CON.
ANAHEIM	03-ANAH-MPH-2004	MPAH	Katella Ave (Humor Drive to Jean St)	C	09/10	N/A	N/A	\$ 4,697,433	\$ 797,117	\$ 5,494,550	
ANAHEIM	03-ANAH-MPH-1019	MPAH	Brookhurst St (Ball Rd to Katella Ave)	R	09/10	N/A	N/A	\$ 7,807,657	\$ (1,311,074)	\$ 6,496,583	XFER \$1,311,074 from 03-ANAH-MPH-1019 ROW to 03-ANAH-MPH-2004 ENG.
ANAHEIM	03-ANAH-MPH-2004	MPAH	Katella Ave (Humor Drive to Jean St)	E	05/06	N/A	N/A	\$ 320,400	\$ 1,311,074	\$ 1,631,474	
ANAHEIM	03-ANAH-MPH-1019	MPAH	Brookhurst St (Ball Rd to Katella Ave)	R	09/10	N/A	N/A	\$ 6,496,583	\$ (125,974)	\$ 6,370,609	XFER \$125,974 from 03-ANAH-MPH-1019 ROW to 07-ANAH-MPAH-2000 ENG. Project competed through SSP.
ANAHEIM	07-ANAH-MPAH-2000	MPAH	Imperial Hwy (SAC to Orangethorpe)	E	97/98	N/A	N/A	\$ -	\$ 125,974	\$ 125,974	
ANAHEIM	97-ANAH-SSP-2007	SSP	Katella Ave (Ninth St to Humor Drive)	C	07/08	N/A	N/A	\$ 1,138,400	\$ (529,843)	\$ 608,557	XFER \$529,843 from 97-ANAH-SSP-2007 CON to ENG.
ANAHEIM	97-ANAH-SSP-2007	SSP	Katella Ave (Ninth St to Humor Drive)	E	04/05	N/A	N/A	\$ 244,070	\$ 529,843	\$ 773,913	
ANAHEIM	97-ANAH-SSP-2007	SSP	Katella Ave (Ninth St to Humor Drive)	C	07/08	N/A	N/A	\$ 608,557	\$ (187,090)	\$ 421,467	XFER \$187,090 from 97-ANAH-SSP-2007 CON to ROW.
ANAHEIM	97-ANAH-SSP-2007	SSP	Katella Ave (Ninth St to Humor Drive)	R	97/98	N/A	N/A	\$ 2,672,690	\$ 187,090	\$ 2,859,780	
LA HABRA	05-LHAB-MPAH-2608	MPAH	Imperial Hwy SSP (LAC to Harbor)	C	08/09	N/A	N/A	\$ 5,761,552	\$ (508,738)	\$ 5,252,814	XFER \$508,738 from CON to ROW.
LA HABRA	05-LHAB-MPAH-2608	MPAH	Imperial Hwy SSP (LAC to Harbor)	R	03/04	N/A	N/A	\$ 3,126,334	\$ 508,738	\$ 3,635,072	
LA HABRA	05-LHAB-MPAH-2608	MPAH	Imperial Hwy SSP (LAC to Harbor)	C	08/09	N/A	N/A	\$ 5,252,814	\$ (691,792)	\$ 4,561,022	XFER \$691,792 from CON to ENG.
LA HABRA	05-LHAB-MPAH-2608	MPAH	Imperial Hwy SSP (LAC to Harbor)	E	08/09	N/A	N/A	\$ 143,260	\$ 691,792	\$ 835,052	
Transfers - Total CTFP Allocations (11)								\$ 80,091,976	\$ 6,664,581	\$ 80,091,976	
Miscellaneous Adjustments											
IRVINE	03-IRVN-IIP-1124	IIP	Culver/Walnut Intersection	C	09/10	N/A	N/A	\$ 644,144	SCOPE REDUCTION	\$ 644,144	Reduce Scope: Remove thru lane on southeast leg of intersection. Add right turn lane (proposed as thru lane) on northwest leg of intersection. Remove thru lane on southwest leg of intersection (proposed as thru lane for northeast bound traffic). Changes in scope increased operational efficiencies of intersection. Project savings realized, therefore no reduction in allocation recommended.

**Comprehensive Transportation Funding Programs
September 2012 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Title	Phase	Current FY	Months	Proposed FY	Original Amount	Action Request	Proposed Amount	Reason
Miscellaneous Adjustments (cont.)											
LAGUNA WOODS	08-LWDS-TDM-3039	TDM	Santa Maria Ave Multi-modal Trail	C	10/11	N/A	N/A	\$ 410,000	SCOPE REDUCTION	\$ 410,000	Reduce Scope: Original scope indicated trail on both sides of Santa Maria Avenue. Due to safety concerns regarding street crossing between intersections, City extended trail on one side of the street to the intersection and continued the trail along the opposite side of the street to a major shopping center. City indicated that when application was submitted, the path of the trail was unclear. Project savings realized, therefore no reduction in allocation recommended.
COUNTY OF ORANGE	11-ORCO-ACE-3519	ACE/SLPP	Cow Camp Rd (Segment 1)	C	12/13	N/A	N/A	\$ 8,320,000	SCOPE REDUCTION	\$ 8,320,000	See staff report/County correspondence. \$4.32 million is ACE funding, \$4 million is SLPP funding.
LAKE FOREST	Transit Extensions to Metrolink	Project S	Panasonic/Ossur Americas Station Van Lease Project	I	12/13	N/A	N/A	\$ 109,928	SCOPE CHANGE	\$ 109,928	Shift two, ten passenger, vans from Panasonic Avionics to Ossur Americas.
Miscellaneous Adjustments - Total Allocations (4)								\$ 9,484,072		\$ 9,484,072	
Technical Correction											
ANAHEIM	05-ANAH-GMA-2706	GMA	Brookhurst St ITS (Falmouth to Ball)	C	08/09	24	10/11	\$ 100,000	DELAY	\$ 100,000	Correct typographical error in March 2009 Semi-annual Review. Intent was to request 24 month delay to FY 10/11 in order to match the SIP grant.
Technical Corrections - Total CTFP Allocations (1)								\$ 100,000		\$ 100,000	
Delays											
LAGUNA NIGUEL	11-LNIG-ECP-3578	ECP	Runoff Elimination for Crown Valley Pkwy Medians, Phase I	I	11/12	24	13/14	\$ 100,000	DELAY	\$ 100,000	The City Council rejected all bids for the project, will analyze the project for cost savings, and incorporate Phase V with future procurements. Received City Council concurrence on June 19, 2012.
LAGUNA NIGUEL	11-LNIG-ECP-3579	ECP	Runoff Elimination for Crown Valley Pkwy Medians, Phase II	I	11/12	24	13/14	\$ 94,598	DELAY	\$ 94,598	
LAGUNA NIGUEL	11-LNIG-ECP-3580	ECP	Runoff Elimination for Crown Valley Pkwy Medians, Phase III	I	11/12	24	13/14	\$ 94,598	DELAY	\$ 94,598	
LAGUNA NIGUEL	11-LNIG-ECP-3581	ECP	Runoff Elimination for Crown Valley Pkwy Medians, Phase IV	I	11/12	24	13/14	\$ 100,000	DELAY	\$ 100,000	
Delays - Total CTFP Allocations (4)								\$ 389,196		\$ 389,196	

ABBREVIATIONS

ACE - Arterial Capacity Enhancement Program
 BOD - Board of Directors
 C / CON - Construction
 E / ENG - Engineering
 ECP - Environmental Cleanup Program

FY - Fiscal Year
 GMA - Growth Management Area
 I - Implementation
 I-5 - Interstate 5
 IIP - Intersection Improvement Program

ITS - Intelligent Transportation Systems
 LAC - Los Angeles County
 MPH / MPAH - Master Plan of Arterial Highways
 R / ROW - Right-of-Way
 SAC - Santa Ana Canyon Road

SLPP - State Local Partnership Program
 SSP - Smart Streets Program
 TDM - Transportation Demand Management
 XFER - Transfer



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs –
September 2012 Semi-Annual Review**

Attachment B



CITY OF LAGUNA NIGUEL

30111 Crown Valley Parkway • Laguna Niguel, California 92677
Phone/949•362•4300 Fax/949•362•4340

CITY COUNCIL

Joe Brown
Gary Capata
Paul G. Glaab
Linda Lindholm
Robert Ming

June 22, 2012

Dan Phu, Section Manager
Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863

**Re: Request for Extension of Tier 1 Environmental Cleanup Program Grant Awards
Runoff Elimination Program for Crown Valley Parkway Medians, Phases I-IV**

Dear Dan:

In August 2011, the OCTA Board of Directors approved four (4) Tier 1 Environmental Cleanup Grant Awards for the City of Laguna Niguel for our Runoff Elimination Program for Crown Valley Parkway Medians, Phases I-IV. The grant awards for this project totaled \$389,196. Subsequent to notification of the grant awards, the City proceeded with the design and competitive bidding of this project.

In accordance with Chapter 2 of the Comprehensive Transportation Funding Program Guidelines, the City respectfully requests a one-time two-year extension of these grant awards. Our reasons for the extension are as follows:

- The City opened bids for this project on June 7, 2012. Based on the low bid of \$1,056,727, total project costs (including design, construction contingency and other related expenses) are now projected to be \$1,147,000. At the time of the OCTA Tier 1 Grant awards, the project cost estimate was \$791,000.
- The City received a formal bid protest against the low bidder.
- The City has a Tier 1 – Second Call for Projects – Grant Application pending for Phase V of the Crown Valley Parkway Medians Runoff Elimination Program.

In light of the above, on June 19, 2012, the Laguna Niguel City Council took the following actions: (1) Rejected all bids for this project; (2) Directed City Staff to request a one-time two-year extension of the Tier 1 Environmental Cleanup Grant Awards for the project; and (3) Elected to revisit this project after hearing the results of our Grant Application for Phase V of the project.

An extension will allow the City to: (1) Review the bid results, conduct value engineering and potentially revise the design of the project; (2) Repackage and rebid all phases of the project (I-V) if our Tier 1 – Second Call for Project – Phase V Grant Application is approved which may

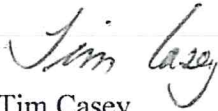
result in further economies of scale; and (3) Research other potential funding sources for the City's local match requirements to reduce the City's General Fund contribution.

A copy of the minutes from the June 19, 2012 City Council meeting will be provided under separate when available. The City will also formally request the extension in the September Semiannual Review process.

Thank you for your consideration of this request for extension of our Tier 1 Environmental Cleanup Program Grant Awards for the Runoff Elimination Program for Crown Valley Parkway Medians, Phases 1-IV.

If you have any questions or need additional information, please feel free to contact me at (949) 362-4300.

Yours truly,

A handwritten signature in cursive script that reads "Tim Casey".

Tim Casey
City Manager

Cc: Mayor and City Council
Dave Rogers, Director of Public Works/City Engineer
Nancy Palmer, City Landscape Architect/Environmental Programs Manager
Stephen Erlandson, Director of Finance



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs –
September 2012 Semi-Annual Review**

Attachment C



Jess A. Carbajal, Director
300 N. Flower Street
Santa Ana, CA

P.O. Box 4048
Santa Ana, CA 92702-4048

Telephone: (714) 834-2300
Fax: (714) 967-0896

June 13, 2012

Mr. Kia Mortazavi, Executive Director
Planning Division
Orange County Transportation Authority
550 South Main Street
Orange, California 92863-1584

RECEIVED

JUN 18 2012

PLANNING & PROGRAMMING

Subject: Cow Camp Road

Dear Mr. Mortazavi:

The Cow Camp Road (CCR) is shown on the Master Plan of Arterial Highways (MPAH) as a six-lane road from Antonio Parkway to I Street/future SR 241 Foothill Transportation Corridor – South (FTC-S) and transitions to a four-lane road from I Street/FTC-S, east to Ortega Highway. The roadway between Antonio Parkway and I Street (Segment 1) is approximately 1.2 miles, and contains two 1,400 foot bridges and would cost approximately \$60M.

The County applied for Measure M2 (M2) funds for Cow Camp Road Segment 1 (construction phase) on January 28, 2011 and was awarded \$8.3M on June 27, 2011. The application specifies a six-lane roadway between Antonio Parkway to I Street/FTC-S at a cost of \$30M.

Subsequent to the M2 funding award, the County determined that the cost of the six-lane project was \$60M and the \$30M project estimate in the M2 application was only for half-width of the six-lane roadway. The County contacted Orange County Transportation Authority (OCTA) and advised them of this discrepancy through the Combined Transportation Funding Program (CTFP) bi-annual update process so the error could be corrected. OCTA advised the County that the County would either need to build the project per the M2 application or should return the M2 funds and reapply for a lesser facility in the future.

The County has prepared an analysis of a "revised" M2 application, showing two-lanes (half-width) on Cow Camp Road between Antonio and FTC-S and rated the application per the M2 review criteria. The analysis showed that such an application would likely score at least 44 points instead of 55 points (per the awarded M2 application). Since OCTA funded the M2 project applications that scored up to 37 points, the County feels that even a revised Cow Camp Road application could have received funding had it been submitted as a two-lane facility at \$30M.

The intent of the Cow Camp Road M2 application was to seek funding for the non-developer funding contribution for the cost to build a roadway connection between Antonio Parkway and I Street/FTC-S that would improve South County mobility; provide traffic relief to Ortega Highway and Antonio Parkway; support extension of the Tesoro extension of the FTC-S; and provide the local funding match for the non-developer funding for this facility. These goals can still be

achieved by building a \$30M, two-lane roadway connections between Antonio Parkway and I Street/FTC-S.

The County would like to request OCTA's support to use the awarded M2/\$8.3M to add to the developer funding to build a roadway connection between Antonio Parkway and I Street/FTC-S. The proposed project will grade Cow Camp Road for all six-lanes, pave three-lanes, and stripe two-lanes between Antonio Parkway and I Street/FTC-S. This work will also include the completion of the storm drain system, detention basin, and water quality systems for the ultimate six-lane roadway project. Other project elements would include the relocation of the SDG&E 138 KV transmission main for the roadway; relocation of various existing RMV improvements; access to the SDG&E Sub-Station in PA-2; and dedication of the full width right-of-way.

In a future construction phase, the second half-width of the roadway between these limits can be paved and the second half-width of the 1,400 feet bridge can be built per traffic demand and funding availability.

The County is committed to carefully reviewing all components of the proposed design cost for Cow Camp Road including utility cost to identify and fund only those project costs consistent with the Measure M2 guidelines.

Without the M2 local funding match, construction of this segment of Cow Camp Road will likely be left to an implementation schedule and strategy consistent with development phasing. This approach will compromise South County mobility and will likely jeopardize the FTC-S/Tesoro extension as a timely connection of Cow Camp Road to the future SR 241 Foothill Transportation Corridor that is necessary in order to obtain funding for the FTC-S/Tesoro extension.

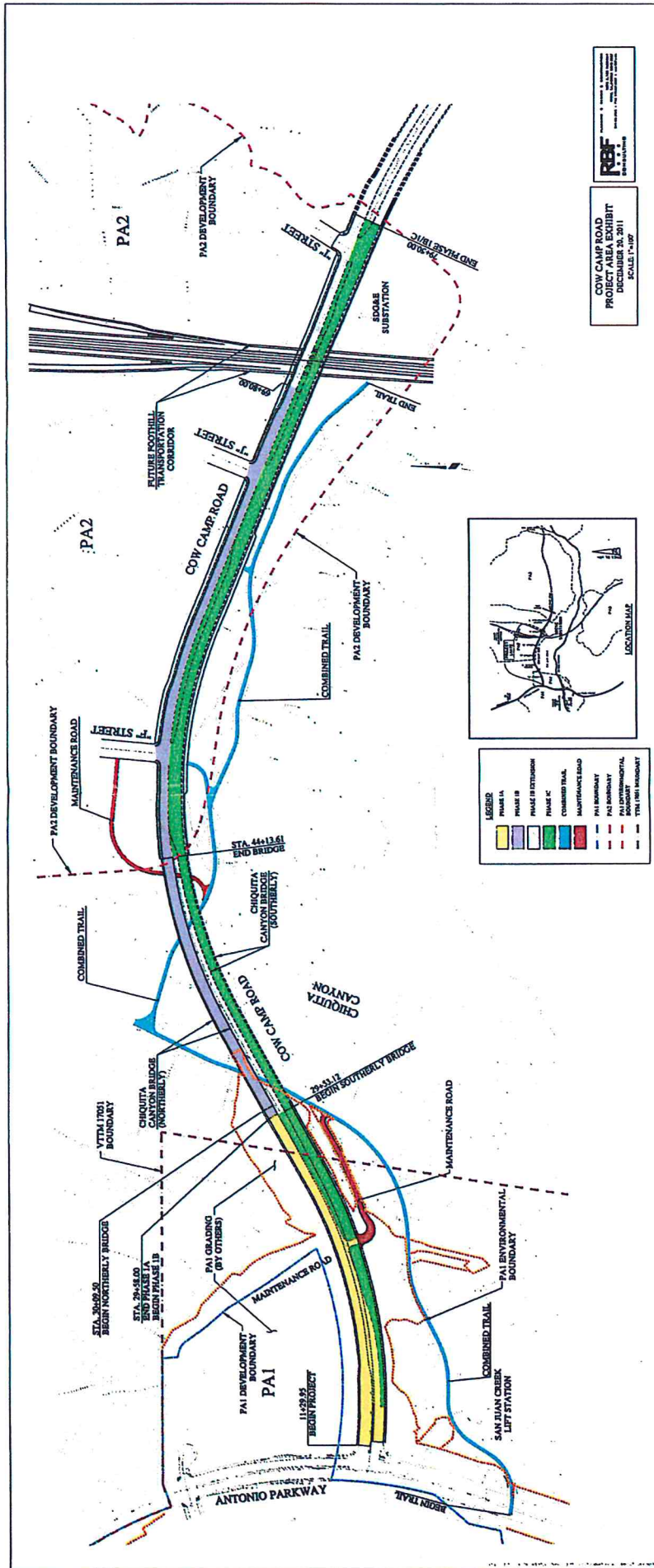
Thank you for your consideration of this request. Please call me with any questions.

Sincerely,



Ignacio G. Ochoa, P.E., Interim Director, OC Public Works

Attachments:
Cow Camp Road Project Area Exhibit





To view the entire staff report with attachments, click here:

[Countywide Pavement Management Program Guidelines and Measure M2 Eligibility Guidelines Updates](#)



BOARD COMMITTEE TRANSMITTAL

December 10, 2012

To: Members of the Board of Directors
WK
From: Wendy Knowles, Clerk of the Board
Subject: Countywide Pavement Management Program Guidelines and Measure M2 Eligibility Guidelines Updates

Regional Planning and Highways Committee Meeting of December 3, 2012

Present: Directors Bates, Cavecche, Crandall, Glaab, Hansen, Herzog, and Nelson
Absent: Director Galloway

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Approve the proposed revisions to the Countywide Pavement Management Program Guidelines.
- B. Approve the proposed revisions to the Measure M2 Eligibility Guidelines.
- C. Approve County of Orange's request to change the Pavement Management Plan submittal cycle to every odd year starting June 30, 2013.



December 3, 2012

To: Regional Planning and Highways Committee

From: Will Kempton, Chief Executive Officer

A handwritten signature in black ink, appearing to read "Will Kempton", is placed to the right of the "From:" field.

Subject: Countywide Pavement Management Program Guidelines and Measure M2 Eligibility Guidelines Updates

Overview

The Orange County Transportation Authority developed a countywide pavement management system and established Countywide Pavement Management Program Guidelines that were approved by the Board of Directors on May 24, 2010. The Measure M2 Eligibility Guidelines established requirements for local agencies to receive competitive net revenues and were approved by the Board of Directors on January 25, 2010. Updates to these guidelines are presented to the Board of Directors' for review and approval.

Recommendations

- A. Approve the proposed revisions to the Countywide Pavement Management Program Guidelines.
- B. Approve the proposed revisions to the Measure M2 Eligibility Guidelines.
- C. Approve County of Orange's request to change the Pavement Management Plan submittal cycle to every odd year starting June 30, 2013.

Background

In 2006, the Orange County Transportation Authority (OCTA) conducted a countywide assessment of existing and future pavement needs and developed guidelines to provide a consistent method of receiving comparable data, determining current future road pavement conditions, and anticipating future pavement needs. The Countywide Pavement Management Program Guidelines (PMP Guidelines) provide a consistent methodology for local agencies to report pavement conditions consistent with the policy direction

provided in Measure M2 (M2). Revisions have been made to the PMP Guidelines to reflect lessons learned since initial adoption.

In addition, the M2 Eligibility Guidelines (Eligibility Guidelines) establish annual requirements that local agencies must satisfy to be eligible for fair share and competitive grant funds. Based upon recent eligibility submittals from local jurisdictions, minor administrative adjustments are being recommended to clarify the guidelines.

Discussion

For the fiscal year 2013-14 M2 eligibility cycle, OCTA staff identified areas for improvements to the PMP Guidelines and M2 Eligibility Guidelines.

PMP Guidelines

Minor revisions to the PMP Guidelines (Attachment A) have been made to help achieve consistency in reporting of pavement information, accuracy of data collection, and incorporation of the latest changes to MicroPAVER (pavement condition tracking software). Proposed revisions are presented and discussed below.

Pavement Distress Types

The guidelines now include a comprehensive list of pavement distress types to determine field conditions, distress causes, and rehabilitation costs. Previously, the types of distresses were limited to only eight common distress types in the evaluation of pavement conditions since local jurisdictions used different pavement condition tracking software. Currently, all local jurisdictions use MicroPAVER as the pavement condition tracking software, and the software now has the ability to include all pavement distress types (Section 2.1).

Prequalification/Calibration of Inspectors

The criteria for prequalification/calibration of inspectors now require independent inspections, calculations of pavement condition indices by OCTA staff, and at least one person to be prequalified in inspection. These changes were recommended to ensure consistency, accuracy in the evaluation of pavement conditions, and clearly define parameters for prequalifying inspectors (Section 2.6).

Cost of Treatment/Backlog

The PMP Guidelines now include the requirement to provide cost of recommended treatment (Section 2.8) and the requirement to submit agency backlog by year of unfunded pavement rehabilitation, restoration, and reconstructive needs in the Pavement Management Plan (Chapter 3). This additional information will better identify pavement needs and further utilize the various reporting features of MicroPAVER software.

The proposed changes are identified in the PMP Guidelines and were presented and approved by the Technical Advisory Committee on October 24, 2012.

Eligibility Guidelines

Minor administrative clarifications were made to the Eligibility Guidelines to incorporate comments and feedback received by local agencies and OCTA staff during the fiscal year 2012-13 eligibility review cycle. The administrative changes are indicated in the revised Eligibility Guidelines (Attachment B), and include updates to incorporate the project final report templates for “net revenue” projects (Attachment B/Appendix H) that were previously approved by the Board of Directors on August 13, 2012 as part of the Comprehensive Transportation Funding Program Call for Projects. The eligibility checklist (Attachment B/Appendix D) has also been updated.

PMP Submittals

OCTA staff also received a request from the County of Orange to change the PMP submittal date from an even to an odd year cycle as described in the letter (Attachment C). The change would allow the County to follow the same PMP submittal cycle as cities that contract with the County for PMP analysis and reporting in odd numbered years. This would also help balance the workload for OCTA and County staff in even and odd years. Minor administrative updates that will improve the quality of the eligibility submittals and streamline the eligibility review process are included.

Summary

The PMP Guidelines are established to provide uniform criteria for local pavement management plans. Staff is seeking approval for an amendment to the PMP Guidelines to reflect lessons learned from recent pavement management plan submittals. The M2 Eligibility Guidelines have been modified to provide minor clarifications to the existing M2 Eligibility Guidelines. In addition, the

County of Orange will submit pavement management plans in odd numbered years to coincide with contract cities and maintain M2 eligibility.

Attachments

- A. Countywide Pavement Management Program Guidelines – December 2012
- B. Measure M2 Eligibility Guidelines
- C. Letter from Victor Valdovinos, Manager, Operations & Maintenance – County of Orange – Switch of Years that PMP Reports are Due, dated October 25, 2012

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December 10, 2012

To: Members of the Board of Directors
Will Kempton

From: Will Kempton, Chief Executive Director

Subject: Measure M1 Progress Report for the Period of July 2012 Through September 2012 and Closeout Update

Overview

Staff has prepared a Measure M1 progress report for the third quarter of 2012 for review by the Orange County Transportation Authority Board of Directors. The third quarter is for the time period of July 1 through September 30, 2012. Measure M1 closeout activities continue to proceed in a number of areas.

Recommendation

Receive and file as an information item.

Background

Local Transportation Ordinance No. 2 (Measure M [M1]) and the Traffic Improvement and Growth Management Plan became effective on April 1, 1991, following approval of a ballot measure in November 1990. Over the 20-year period in which M1 was in effect, the Orange County Transportation Authority (OCTA) received approximately \$4 billion in sales tax revenue available for projects described in the M1 Plan. Through effective project management, strategic use of bonding, and acquisition of state and federal funds, OCTA successfully fulfilled its promise to voters. OCTA managed to complete an additional freeway project and has a small remaining balance of funds.

On March 31, 2011, the collection of sales tax revenue under M1 concluded. However, there are still expenditures that remain to complete M1 commitments. In March 2011, staff outlined a recommended approach on how to wrap up M1. The report identified a plan for use of three types of M1 proceeds: those that have been committed to projects but that remain unspent (planned expenditures); those remaining funds that are over and above any current M1 obligations (remaining balance); and the interest earned on retained M1 funds until those funds are fully expended.

Discussion

M1 sales tax revenue figures continue to be monitored with the final amount still estimated to be approximately \$4.076 billion. All M1 projects have an estimated cost at completion; however, actual costs for M1 projects will not be known until all payments have been made. The current estimate for total project costs is approximately \$3.919 billion, leaving a balance of approximately \$111 million in M1 revenues. The remaining balance will be available for uses that are consistent with the M1 Traffic Improvement and Growth Management Plan.

The latest M1 schedule of revenues and expenditures summary report, as of September 30, 2012, is included as Attachment A. The numbers included in this report have additional assumptions based on oversight costs, anticipated project progress, and potential increases or decreases in scope and schedule.

Use of M1 Remaining Balance

All M1 revenues must be spent in accordance with the M1 Traffic Improvement and Growth Management Plan. Remaining balances from each M1 category will be used for projects in Measure M2 (M2) that are in the same category, and that are related to the original M1 Expenditure Plan as outlined below, and approved by the Board of Directors (Board) in prior actions. Use of the funds will be tracked similarly to grants to ensure that funds are used only for M1 intended projects.

- On March 14, 2011, the Board approved a plan to use the balance of M1 freeway funds for portions of M2's Project C – widening of Interstate 5 (I-5) between Avenida Pico and Pacific Coast Highway, and Project G - widening of State Route 57 between Katella Avenue and Lincoln Avenue. During the quarter, \$15 million of the \$30.3 million remaining balance was allocated to M2 Project C as authorized by the Board. The remaining balance of M1 freeway funds is \$15.3 million, and is planned to remain in M1 for a while longer to ensure delivery of the West County Connectors and the I-5 Gateway Project remaining items.
- On November 23, 2009, the Board approved the use of M1 streets and roads funds to be used towards future M2 call for projects. The remaining balance of M1 regional and local streets and roads funds is estimated to be \$10.5 million. This remaining balance will be applied towards streets and roads projects awarded under the Combined Transportation Funding Program (CTFP).

- The 1990 M1 Transit Program is focused on developing a backbone rail system that includes protection of right-of-way (ROW) and commuter train service to Los Angeles and Riverside counties. A key to continued delivery of this objective has been the establishment of the Commuter Urban Rail Endowment (CURE) to fund ongoing operation. The Board has previously taken action to designate remaining M1 Transit Program fund balances for Metrolink operations and for the Metrolink Service Expansion Program (MSEP). The OCTA Comprehensive Business Plan assumes that unspent M1 transit funds will be used for ongoing Metrolink operations.

Consistent with prior Board action on November 25, 2005, the M1 transit category balance will be transferred into the CURE account. The current M1 transit balance is estimated to be \$80 million. The balance will remain in M1 while transit projects move forward and final project costs are determined. All projects are anticipated to be completed by March 2014.

Interest Earnings on Funds During Closeout Phase

M1 funds continue to earn interest until fully expended; something that will continue to occur over the next couple of years, currently estimated to be through 2014. The amount of interest earned will decrease each year as projects are fulfilled and remaining payments are made. Interest earned on the M1 fund balance is an M1 revenue and will continue to be managed according to the formula set forth in the M1 Ordinance and distributed to the four M1 categories on the following, ordinance-required percentage basis: freeways – 43 percent, regional streets and roads – 11 percent, local streets and roads – 21 percent, and transit – 25 percent.

Quarterly Update on M1 Activities

An update on activities to date is included below.

Freeway Projects

The M1 freeway fund balance is approximately \$15 million. The California Department of Transportation (Caltrans) continues to work with the I-5 Gateway Project contractor to close out final construction bid item quantities and resolve outstanding construction claims. Caltrans obtained a settlement payment to close out a ROW claim with a private property. Administrative coordination is ongoing with Caltrans, Union Pacific Railroad, various utility companies, and the City of Buena Park to close out the project. Construction

activities this quarter are for the landscape project which includes a three-year plant establishment and maintenance period until April 2015.

Streets and Roads Programs

Substantial funding to cities and the County is provided by the various programs within the M1 local and regional streets and roads programs through OCTA's CTFP. The CTFP encompasses M1 streets and roads competitive programs, as well as federal sources such as the Regional Surface Transportation Program. Funds are awarded on a competitive basis within the guidelines of each program and are used to fund a wide range of transportation projects.

Since June 2012, the CTFP provided more than \$4.7 million in payments towards streets and roads projects throughout the County and closed out 39 project phases.

The current status of the program (as of September 30, 2012) is reflected in the table below. Of the \$684.1 million in total project allocations, there is a remaining balance of \$62.1 million in outstanding payments to open projects. Staff anticipates completion of the M1 competitive program by March 31, 2014.

Status	Definition	Allocations* (in millions)
Completed	Project work is complete, final report is filed, approved, and the final payment has been made	\$ 507.3
Pending	Project work has been completed and only final report submittal/approval is pending	\$ 95.8
Started	Project has begun and the funds have been obligated	\$ 81.0
	Total Project Allocations	\$ 684.1

* Includes project savings and September 30, 2012 semi-annual review adjustments which are being presented to the Board under a separate item in this agenda.

Transit Projects

As of September 30, 2012, the anticipated remaining balance of transit funds is \$80 million. The Transit Program continues with significant progress in the various programs. These include:

- **Station and Parking Improvements**

Several parking expansion projects at Metrolink stations are underway to support the MSEP.

The City of Anaheim (City) continues moving forward on the Anaheim Regional Transportation Intermodal Center (ARTIC). On July 9, 2012 the Board approved the sale of approximately 13.5 acres of real property to the City. On August 2, 2012 the City received eight bids for the construction of ARTIC. On September 11, 2012 the City awarded the construction contract to Clark Construction Group (Clark), in the amount of \$126,997,000. A groundbreaking ceremony was held on September 18, 2012. The City issued a notice to proceed to Clark on September 24, 2012. Demolition work is scheduled to begin in mid-October.

The City of Fullerton has been the lead agency for the construction of an 814-space design-build parking structure. Construction was completed and the parking structure opened on June 19, 2012. Following the completion of the structure, a project to provide alternate stairs is underway with construction planned to begin in October. The stair project will add pedestrian access to Harbor Boulevard from either side of the platforms and is expected to be completed in March 2013.

OCTA is the lead for a parking lot expansion project at the Laguna Niguel/ Mission Viejo (LN/MV) Metrolink Station. In June, 2008, OCTA acquired 1.74 acres of property formerly owned by Caltrans. This property is adjacent to and directly south of the existing parking lot at the LN/MV Metrolink Station. This property will be converted into a surface parking lot that will provide an additional 176 spaces to supplement the 284 spaces at the existing station, for a total of 460 parking spaces. OCTA expects to issue an invitation for bids in October 2012 for construction.

The City of Orange is the lead on a parking expansion project to add a parking structure to an existing surface parking lot located on Lemon Street, between Chapman Avenue and Maple Street. Conceptual plans, environmental documents, and the total cost of the project were being revised, but work continues to be stalled until resolution of loss of Redevelopment Agency funding for the project and clarification on ownership of the site is settled.

- **City-Initiated Transit Extensions to Metrolink**

Project development continued with the two Board-approved Go Local fixed-guideway projects, one for the City and the other in the cities of Garden Grove and Santa Ana. The project team from the City is nearing completion of the project's Alternatives Analysis (AA) report. An overview of the AA process was presented at a community meeting in September. In addition to the AA report, the City completed an engineering feasibility report, preliminary capital cost estimates, and ridership analysis during the reporting period. The City plans to present the AA report findings to the Anaheim City Council in early October for a selection of a locally preferred alternative (LPA). The LPA will also be presented to the OCTA Board in November.

The project team from the cities of Garden Grove and Santa Ana completed the project's draft AA and submitted the document to Federal Transit Administration for review, and is nearing completion of the project's Draft Environmental Assessment (EA)/Environmental Impact Report (EIR). The combined AA/EIR/EA report will be used to seek stakeholder and public input for the selection of a LPA.

- **MSEP**

Construction of the initial MSEP track and signal infrastructure improvements is now complete. Construction of Control Point Stadium in the City, which was added to this program in 2010, was completed this quarter and went into service on September 10, 2012. These improvements will facilitate more efficient train movements and reduce train delays.

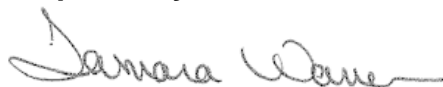
Summary

Measure M1 has concluded and fulfilled the promise of congestion relief to the voters. Remaining fund balances are being finalized and actions for closing out the program continue. The plan is to use the available balances to advance Measure M2 freeway, streets and roads, and rail projects. Further review on the closeout progress will continue to be provided with the Measure M1 quarterly updates.

Attachment

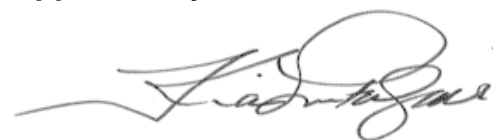
- A. Measure M1- Schedule of Revenues, Expenditures, and Changes in Fund Balance as of September 30, 2012

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ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M1 Progress Report for the Period of July 2012
Through September 2012 and Closeout Update**

Attachment A

Measure M1
Schedule of Revenues, Expenditures, and Changes in Fund Balance
as of September 30, 2012

<i>(\$ in thousands)</i>	Quarter Ended Sept 30, 2012	Year to Date Sept 30, 2012 (A)	Period from Inception through Sept 30, 2012 (B)
Revenues:			
Sales taxes	\$ -	\$ -	\$ 4,003,972
Other agencies share of Measure M1 costs:			
Project related	7,293	7,293	560,393
Non-project related	-	-	620
Interest:			
Operating:			
Project related	-	-	1,052
Non-project related	1,039	1,039	268,114
Bond proceeds	-	-	136,067
Debt service	-	-	82,054
Commercial paper	-	-	6,072
Orange County bankruptcy recovery	-	-	42,268
Capital grants	-	-	156,434
Right-of-way leases	96	96	6,104
Proceeds on sale of assets held for resale	-	-	24,575
Miscellaneous:			
Project related	-	-	26
Non-project related	-	-	776
Total revenues	<u>8,428</u>	<u>8,428</u>	<u>5,288,527</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	-	-	56,883
Professional services:			
Project related	271	271	204,033
Non-project related	16	16	35,119
Administration costs:			
Project related	273	273	22,598
Non-project related	717	717	94,855
Orange County bankruptcy loss	-	-	78,618
Other:			
Project related	18	18	1,978
Non-project related	2	2	15,956
Payments to local agencies:			
Turnback	-	-	594,009
Other	3,798	3,798	913,511
Capital outlay	8,387	8,387	2,076,502
Debt service:			
Principal payments on long-term debt	-	-	1,003,955
Interest on long-term debt and commercial paper	-	-	561,842
Total expenditures	<u>13,482</u>	<u>13,482</u>	<u>5,659,859</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,054)</u>	<u>(5,054)</u>	<u>(371,332)</u>
Other financing sources (uses):			
Transfers out:			
Project related	-	-	(383,264)
Non-project related	-	-	(5,116)
Transfers in:			
Project related	-	-	1,829
Bond proceeds	-	-	1,169,999
Advance refunding escrow	-	-	(931)
Payment to refunded bond escrow agent	-	-	(152,930)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>629,587</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ (5,054)</u>	<u>\$ (5,054)</u>	<u>\$ 258,255</u>

Measure M1
Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)
as of September 30, 2012

(\$ in thousands)	Quarter Ended Sept 30, 2012 (actual)	Year Ended Sept 30, 2012 (actual) (C.1)	Period from Inception through Sept 30, 2012 (actual) (D.1)	Period from October 1, 2012 forward (forecast) (E.1)	Total (F.1)
Tax revenues:					
Sales taxes	\$ -	\$ -	\$ 4,003,972	\$ -	\$ 4,003,972
Other agencies share of Measure M1 costs	-	-	620	-	620
Operating interest	1,039	1,039	268,114	2,307	270,421
Orange County bankruptcy recovery	-	-	20,683	-	20,683
Miscellaneous, non-project related	-	-	776	-	776
Total tax revenues	<u>1,039</u>	<u>1,039</u>	<u>4,294,165</u>	<u>2,307</u>	<u>4,296,472</u>
Administrative expenditures:					
SBOE fees	-	-	56,883	-	56,883
Professional services, non-project related	16	16	26,258	-	26,258
Administration costs, non-project related	717	717	94,855	593	95,448
Operating transfer out, non-project related	-	-	5,116	-	5,116
Orange County bankruptcy loss	-	-	29,792	-	29,792
Other, non-project related	2	2	6,856	-	6,856
Total administrative expenditures	<u>735</u>	<u>735</u>	<u>219,760</u>	<u>593</u>	<u>220,353</u>
Net tax revenues	<u>\$ 304</u>	<u>\$ 304</u>	<u>\$ 4,074,405</u>	<u>\$ 1,714</u>	<u>\$ 4,076,119</u>
<hr/>					
		(C.2)	(D.2)	(E.2)	(F.2)
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 1,169,999	\$ -	\$ 1,169,999
Interest revenue from bond proceeds	-	-	136,067	-	136,067
Interest revenue from debt service funds	-	-	82,054	-	82,054
Interest revenue from commercial paper	-	-	6,072	-	6,072
Orange County bankruptcy recovery	-	-	21,585	-	21,585
Total bond revenues	<u>-</u>	<u>-</u>	<u>1,415,777</u>	<u>-</u>	<u>1,415,777</u>
Financing expenditures and uses:					
Professional services, non-project related	-	-	8,861	-	8,861
Payment to refunded bond escrow	-	-	153,861	-	153,861
Bond debt principal	-	-	1,003,955	-	1,003,955
Bond debt interest expense	-	-	561,842	-	561,842
Orange County bankruptcy loss	-	-	48,826	-	48,826
Other, non-project related	-	-	9,100	-	9,100
Total financing expenditures and uses	<u>-</u>	<u>-</u>	<u>1,786,445</u>	<u>-</u>	<u>1,786,445</u>
Net bond revenues (debt service)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,668)</u>	<u>\$ -</u>	<u>\$ (370,668)</u>

Measure M1
Schedule of Revenues and Expenditures Summary
as of September 30, 2012

Project Description (G)	Net Tax Revenue Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance Total Net Tax Revenues to Est at Completion (L)	Variance Project Budget to Est at Completion (M)	Expenditures Quarter Ended Sept. 30, 2012 (N)	Reimbursements Quarter Ended Sept. 30, 2012 (O)	Expenditures through Sept. 30, 2012 (N)	Reimbursements through Sept. 30, 2012 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)
Freeways (43%)												
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 982,439	\$ 982,851	\$ 810,010	\$ 789,022	\$ 193,829	\$ 20,988	\$ 3,117	\$ 21	\$ 875,541	\$ 85,665	\$ 789,876	97.5%
I-5 between I-5/I-405 Interchange and San Clemente	66,758	66,766	72,862	74,962	(6,176)	(2,100)	-	-	70,294	10,358	59,936	82.3%
I-5/I-405 Interchange	87,269	87,306	72,802	73,075	14,231	(273)	-	-	98,157	25,082	73,075	100.4%
SR-55 (Costa Mesa Fwy) between I-5 and SR-91 (Riverside Fwy)	58,179	58,204	44,511	49,349	8,855	(4,838)	-	-	55,514	6,172	49,342	110.9%
SR-57 (Orange Fwy) between I-5 and Lambert Road	29,090	29,102	24,128	22,758	6,344	1,370	-	-	25,617	2,859	22,758	94.3%
SR-91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line	125,615	125,668	116,136	105,369	20,279	10,747	-	-	123,995	18,606	105,389	90.7%
SR-22 (Garden Grove Fwy) between SR-55 and Valley View St.	400,645	400,813	313,297	310,943	89,870	2,354	5,494	5,271	646,124	338,053	308,071	98.3%
Subtotal Projects	1,751,995	1,752,730	1,453,746	1,425,498	327,232	28,248	8,611	5,292	1,895,242	486,795	1,408,447	
Net (Bond Revenue)/Debt Service			311,917	311,917	(311,917)	-	-	-	311,917	-	311,917	
Total Freeways	\$ 1,751,995	\$ 1,752,730	\$ 1,765,663	\$ 1,737,415	\$ 15,315	\$ 28,248	\$ 8,611	\$ 5,292	\$ 2,207,159	\$ 486,795	\$ 1,720,364	45.1%
Regional Street and Road Projects (11%)												
Smart Streets	\$ 153,663	\$ 153,728	\$ 151,319	\$ 151,319	\$ 2,409	\$ -	\$ 1,052	\$ 200	\$ 154,386	\$ 11,939	\$ 142,457	94.1%
Regionally Significant Interchanges	89,637	89,675	89,675	89,675	-	-	-	-	73,895	146	73,749	82.2%
Intersection Improvement Program	128,053	128,107	128,107	128,107	-	-	1,455	-	108,182	1,506	106,676	83.3%
Traffic Signal Coordination	64,026	64,053	64,053	64,053	-	-	387	-	66,014	2,982	63,032	98.4%
Transportation Systems Management and Transportation Demand Management	12,805	12,811	12,811	12,811	-	-	267	-	9,468	149	9,319	72.7%
Subtotal Projects	448,184	448,374	445,965	445,965	2,409	-	3,161	200	411,955	16,702	395,253	
Net (Bond Revenue)/Debt Service			2,409	2,409	(2,409)	-	-	-	2,409	-	2,409	
Total Regional Street and Road Projects	\$ 448,184	\$ 448,374	\$ 448,374	\$ 448,374	\$ -	\$ -	\$ 3,161	\$ 200	\$ 414,364	\$ 16,702	\$ 397,662	10.4%

Measure M1
Schedule of Revenues and Expenditures Summary
as of September 30, 2012

Project Description (G)	Net Tax Revenues Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance		Expenditures Quarter Ended Sept 30, 2012 (N)	Reimbursements Quarter Ended Sept 30, 2012 (O)	Reimbursements through Sept 30, 2012 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)	
					Total Net Tax Revenues to Est at Completion (L)	Project Budget to Est at Completion (M)						
Local Street and Road Projects (21%)												
Master Plan of Arterial Highway Improvements	\$ 160,762	\$ 160,872	\$ 160,872	\$ 160,872	\$ -	\$ -	\$ 34	\$ -	\$ 133,705	\$ 99	\$ 133,606	83.1%
Streets and Roads Maintenance and Road Improvements	594,863	595,113	595,113	595,113	-	-	-	-	594,025	-	594,025	99.8%
Growth Management Area Improvements	100,000	100,000	100,000	100,000	-	-	793	-	94,083	431	93,652	93.7%
Subtotal Projects	855,625	855,985	855,985	855,985	-	-	827	-	821,813	530	821,283	
Net (Bond Revenue)/Debt Service												
Total Local Street and Road Projects	\$ 855,625	\$ 855,985	\$ 855,985	\$ 855,985	\$ -	\$ -	\$ 827	\$ -	\$ 821,813	\$ 530	\$ 821,283	21.5%
Transit Projects (25%)												
Pacific Electric Right-of-Way	\$ 19,715	\$ 19,723	\$ 15,000	\$ 14,000	\$ 5,723	\$ 1,000	\$ 20	\$ 76	\$ 17,308	\$ 3,185	\$ 14,123	94.2%
Commuter Rail	367,725	367,889	352,703	361,375	6,514	(8,672)	-	-	411,438	60,805	350,633	99.4%
High-Technology Advanced Rail Transit	446,870	447,058	428,604	440,688	6,370	(12,084)	127	1,821	455,459	145,631	309,828	72.3%
Elderly and Handicapped Fare Stabilization	20,000	20,000	20,000	20,000	-	-	-	-	20,000	-	20,000	100.0%
Transitways	164,291	164,360	146,381	126,625	37,735	19,756	1	-	162,680	36,765	125,915	86.0%
Subtotal Projects	1,018,601	1,019,030	962,688	962,688	56,342	-	148	1,897	1,066,885	246,386	820,499	
Net (Bond Revenue)/Debt Service			56,342	56,342	(66,342)	-	-	-	56,342	-	56,342	
Total Transit Projects	\$ 1,018,601	\$ 1,019,030	\$ 1,019,030	\$ 1,019,030	\$ -	\$ -	\$ 148	\$ 1,897	\$ 1,123,227	\$ 246,386	\$ 876,841	23.0%
Total Measure M1 Program	\$ 4,074,405	\$ 4,076,119	\$ 4,089,052	\$ 4,060,804	\$ 15,315	\$ 28,248	\$ 12,747	\$ 7,389	\$ 4,566,553	\$ 750,413	\$ 3,816,150	



BOARD COMMITTEE TRANSMITTAL

January 14, 2013

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board *WK*
Subject: Metrolink Ridership and Revenue Quarterly Report

Transit Committee Meeting of January 10, 2013

Present: Directors Donchak, Eastman, Jones, Nguyen, Shaw, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Receive and file as an information item.



January 10, 2013

To: Transit Committee
From: Will Kempton, Chief Executive Officer
Subject: Metrolink Ridership and Revenue Quarterly Report

Overview

The Southern California Regional Rail Authority is a five-member joint powers authority that operates the 400-mile commuter rail system known as Metrolink. A report on Metrolink ridership, revenue, and on-time performance for service in Orange County covering the first quarter of fiscal year 2012-13 is provided for Board of Directors' review.

Recommendation

Receive and file as an information item.

Background

Metrolink's five-agency membership includes the Los Angeles County Metropolitan Transportation Authority (Metro), the Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission (RCTC), the San Bernardino Associated Governments (SANBAG), and the Ventura County Transportation Commission. Metrolink operates 170 weekday trains on seven lines, serving 55 stations, and carries over 42,000 riders each weekday.

There are three lines that provide service to Orange County. The Orange County (OC) Line, running between Oceanside and Los Angeles Union Station, began in 1994, followed by the Inland Empire – Orange County (IEOC) Line, running between Oceanside and San Bernardino, in 1995, and the 91 Line, running from Riverside to Los Angeles via Fullerton, in 2002. The three lines serving Orange County provide a total of 54 trains (19 OC Line, 16 IEOC Line, nine 91 Line, and ten intra-county trains) each weekday, serving 11 Orange County stations and carrying an average of nearly 16,000 daily passengers.

In 2006, the OC and IEOC lines began offering service on weekends, year-round. In February 2010, due to budget constraints, weekend service was

scaled back by nearly 50 percent. Seasonal weekend service (July through October) was implemented in 2010 and 2011, when demand and ridership typically increase. Due to numerous passenger requests and to provide additional capacity, year-round expanded weekend service resumed in the first quarter of fiscal year (FY) 2012-13. The OC Line weekend service is funded by OCTA and Metro. The IEOC Line weekend service is funded by OCTA, RCTC, and SANBAG.

The Rail 2 Rail Program, which began in 2003, allows Metrolink monthly pass holders the option of riding Amtrak Pacific Surfliner trains at no additional charge, provided that the passholder travels within the stations identified on the monthly pass. In Orange County, a valid Metrolink ticket or pass also permits free transfers to local OCTA bus routes that directly serve a Metrolink station, including StationLink.

Discussion

This report provides an update on weekday and weekend ridership, revenue, and on-time performance for the first quarter (July, August, September) of FY 2012-13. The analysis includes a quarter-to-quarter comparison, in addition to the year-over-year comparison.

Ridership and Revenue

Total Ridership and Revenue

The total FY 2012-13 first quarter ridership (weekday and weekend) for the three Metrolink lines serving Orange County, including Rail 2 Rail passengers, has increased by 6.4 percent compared to the same quarter last year, and increased by 4 percent from the previous quarter. Passenger fare revenues of more than \$7.8 million are 11.4 percent higher than the same quarter last year, and 6.4 percent higher than the previous quarter.

Systemwide Metrolink ridership is 1 percent higher than the first quarter of FY 2011-12, and systemwide revenue has decreased by 0.9 percent. Detailed ridership and revenue data by route for the three lines serving Orange County is included in Attachment A.

Weekday Ridership

Combined average weekday ridership on the OC, IEOC, and 91 lines during this period was 15,877 passengers, including Rail 2 Rail. This represents an increase of 5.5 percent compared to the same quarter last year, and a decrease of 2.8 percent compared to the previous quarter. Ridership has grown on all three lines: OC Line up 6.5 percent, IEOC Line up 10.5 percent, and 91 Line up 6.3 percent, compared to the same quarter last year, but has also diminished

slightly compared to last quarter. Average weekday ridership is shown in the table below.

Quarter	OC Line	IEOC Line	91 Line	Rail 2 Rail	Total
FY 2011-12/First Quarter (Q1)	7,481	3,728	2,304	1,542	15,055
FY 2011-12/Fourth Quarter (Q4)	8,163	4,241	2,584	1,354	16,342
FY 2012-13/Q1	7,969	4,121	2,448	1,339	15,877
FY 2012-13/Q1 vs FY 2011-12/Q1	6.5%	10.5%	6.3%	-13.1%	5.5%
FY 2012-13/Q1 vs FY 2011-12/Q4	-2.4%	-2.8%	-5.3%	-1.1%	-2.8%

On May 9, 2011, the OCTA Board of Directors (Board) approved a revised Metrolink Service Expansion Program (MSEP) service rollout schedule consisting of six weekday intra-county trips between the Fullerton Transportation Center and Laguna Niguel/Mission Viejo (LN/MV) Metrolink Station. The six new intra-county trains were implemented in July 2011 on a trial basis, along with a new one-day pass called "OC Link," which allows unlimited trips on local OCTA bus routes and Metrolink trains within Orange County for a flat rate of \$7 or \$6 for seniors and disabled.

Two of the six evening MSEP trains are used to serve sporting events in Anaheim, including the Anaheim Ducks (Ducks) and the Los Angeles Angels of Anaheim (Angels) home games, and are timed to coordinate with game schedules. In July 2012, a new peak period roundtrip was added on the IEOC Line, which also provided the equipment and crew necessary to add four additional intra-county trips between the Fullerton Transportation Center and LN/MV Metrolink Station during the late morning and mid-day hours, for a total of ten MSEP trains.

Despite the launch of the OC Link day pass and extensive marketing efforts, ridership on the intra-county MSEP trains remains lower than desired. During the first full year of operation, the six evening MSEP trains averaged 28 passengers per train, though ridership increased to an average of 246 passengers per train on nights the trains served Angels games.

Over the next several months, OCTA will work with its partners at Metrolink, RCTC, and the Burlington Northern Santa Fe (BNSF) Railway to further refine redeployment options to increase ridership, with a goal of implementing an initial set of schedule changes during the April 2013 Metrolink service change.

Weekend Ridership

Orange County weekend service was increased in July 2012. The OC Line weekend service increased from two round trips to four round trips, and all trips were extended to serve Oceanside. The IEOC Line increased from one round

trip to two round trips between San Bernardino to Oceanside. Weekend trains will operate year-round at these service levels, providing more travel options for Metrolink passengers. Combined average weekend ridership on the OC and IEOC lines during this period was 6,680 passengers. This represents an increase of 29 percent compared to the same quarter last year, and a 178.7 percent increase over the previous quarter, during which there were reduced service levels. Average weekend ridership year over year on the OC Line was up 54.5 percent on Saturday and 32.3 percent on Sunday. Average Saturday ridership on the IEOC Line is up 12.5 percent over the same quarter last year, and the Sunday ridership on the IEOC Line is up 21 percent.

OCTA promoted two weekend events in Orange County during the first quarter of 2012. The most notable was San Clemente's 2012 Ocean Festival on July 21 and 22, which caused ridership on the OC and IEOC lines to reach 9,165 boardings, compared to the typical average of 6,122 July weekend passengers, an increase of approximately 50 percent. The Orange International Street Fair, which took place the weekend of September 1, 2012, was also promoted by OCTA as a Metrolink destination. On Labor Day weekend, the OC and IEOC lines served 7,308 total riders, compared to an average of 5,649 on adjacent weekends, an increase of approximately 30 percent. These special promotions account for some of the increased ridership between the current and prior quarter.

Average weekend ridership is shown in the table below.

Quarter	OC Line (Saturday)	OC Line (Sunday)	IEOC Line (Saturday)	IEOC Line (Sunday)	Total
FY 2011-12/Q1	1,268	1,149	1,664	1,098	5,179
FY 2011-12/Q4	896	666	514	321	2,397
FY 2012-13/Q1	1,959	1,520	1,873	1,328	6,680
FY 2012-13/Q1 vs FY 2011-12/Q1	54.5%	32.3%	12.5%	21.0%	29.0%
FY 2012-13/Q1 vs FY 2011-12/Q4	118.6%	128.3%	264.5%	314.2%	178.7%

Revenue

Passenger fare revenue covers roughly half of Metrolink operating expenses, with the remainder covered by member agency subsidies. First quarter revenue, compared to last year, increased by 11.9 percent on the OC Line, 13.4 percent on the IEOC Line, and 6 percent on the 91 Line. Total FY 2012-13 first quarter revenue for the three Orange County lines increased by 11.4 percent compared to the same quarter last year, and increased by 6.4 percent compared to the previous quarter.

Revenue is displayed in the table below.

Quarter	OC Line	IEOC Line	91 Line	Total
FY 2011-12/Q1	\$ 4,402,000	\$ 1,611,000	\$ 1,017,000	\$ 7,030,000
FY 2011-12/Q4	\$ 4,603,246	\$ 1,698,967	\$ 1,060,723	\$ 7,362,936
FY 2012-13/Q1	\$ 4,927,985	\$ 1,826,176	\$ 1,078,475	\$ 7,832,636
FY 2012-13/Q1 vs FY 2011-12/Q1	11.9%	13.4%	6.0%	11.4%
FY 2012-13/Q1 vs FY 2011-12/Q4	7.1%	7.5%	1.7%	6.4%

On-Time Performance

On-time performance is an integral component of providing quality service. A Metrolink train is considered to be on time if it arrives within five minutes of the scheduled arrival at its end point. Metrolink’s on-time performance goal is 95 percent.

Trains can be delayed for a variety of reasons, including equipment issues, unscheduled delays (or “meets”) with other trains, delays from other operators utilizing the same tracks, construction or track maintenance, and incidents. In May 2012, the BNSF Railway began track maintenance which impacted on-time performance on a number of OC and 91 line trains. The construction ended in early August 2012. As previously noted, expanded weekend service began in July 2012, and first quarter on-time performance was low due to scheduling issues. Low weekend on-time performance was addressed with the schedule adjustments as part of the October 2012 Metrolink service change.

Weekday On-Time Performance

Percentage of Weekday Trains Arriving Within Five Minutes of Scheduled Time*			
Month	OC Line	IEOC Line	91 Line
July	86.6 %	89.3 %	82 %
August	92.4 %	93.3 %	95.7 %
September	97.3 %	95.2 %	96.5 %
Total Average Orange County On-Time Performance: 92 percent			

* Systemwide average on-time performance for the first quarter is 94.4 percent, including the Antelope Valley, IEOC, OC, Riverside, San Bernardino, Ventura County, and 91 lines.

Weekend On-Time Performance

Percentage of Weekend Trains Arriving Within Five Minutes of Scheduled Time*			
Month	OC Line	IEOC Line	91 Line
July	50 %	55.9 %	N/A
August	62.5 %	56.3 %	N/A
September	69.3 %	87.5 %	N/A
Total Average Orange County On-Time Performance: 63.6 percent			

* Systemwide average on-time performance for the first quarter is 86.2 percent, including the Antelope Valley, IEOC, OC, and San Bernardino lines.

Angels Express

On April 2, 2012, OCTA began the second year of operation of special Metrolink service to provide additional public transit access to and from Angels weekday home games at Angel Stadium, located adjacent to the Anaheim Metrolink Station. Service was provided primarily on the OC Line, and this year OCTA expanded service to the IEOC Line for Friday night games. On April 19, 2012, the Mobile Source Air Pollution Reduction Review Committee awarded OCTA \$234,669 in competitive grant funds to support the direct operating costs of 50 games served. The trains, dubbed *Angels Express*, served 25 games in the first quarter of FY 2012-13 with a total of nearly 19,000 boardings. Total ridership for the 2012 season was 37,896; an increase in ridership year over year of 84 percent.

Summary

This report provides an update on Orange County commuter rail ridership, revenue, and on-time performance for the first quarter of FY 2012-13. Total average weekday ridership in Orange County is up 5.5 percent versus last year, while average weekend ridership has grown by 29 percent. First quarter revenue has increased on all three lines compared to the same quarter last year. Average weekday on-time performance is 92 percent.

Attachment

A. Metrolink Ridership and Revenue

Prepared by:



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Approved by:



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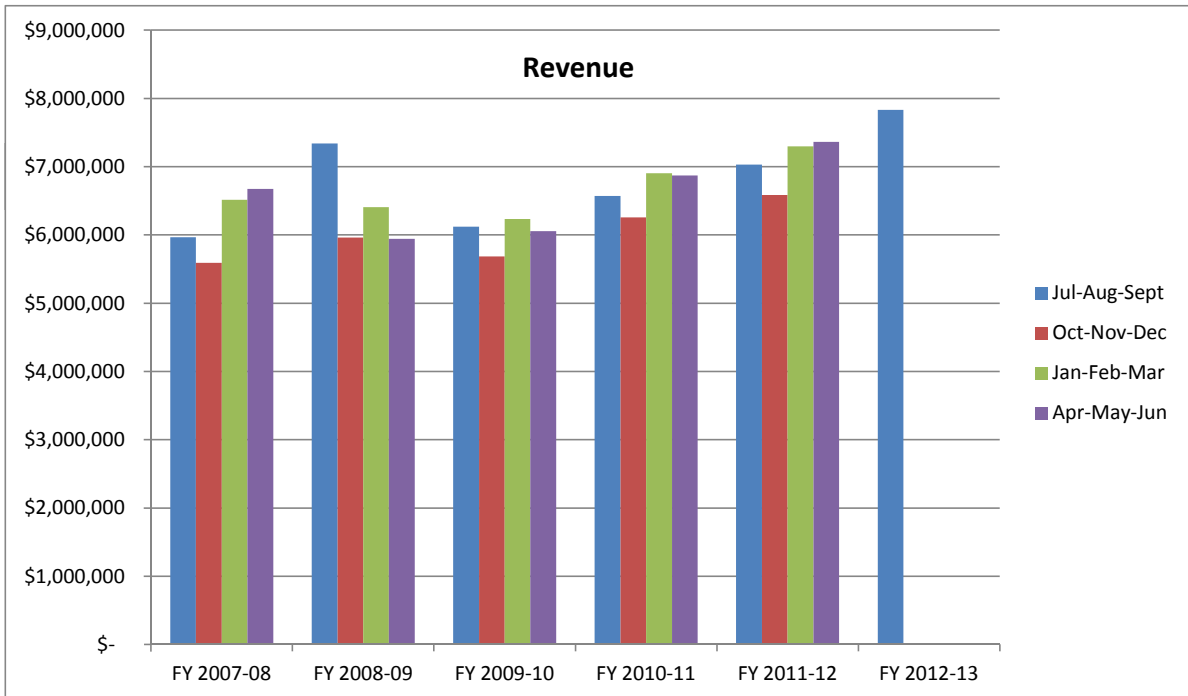
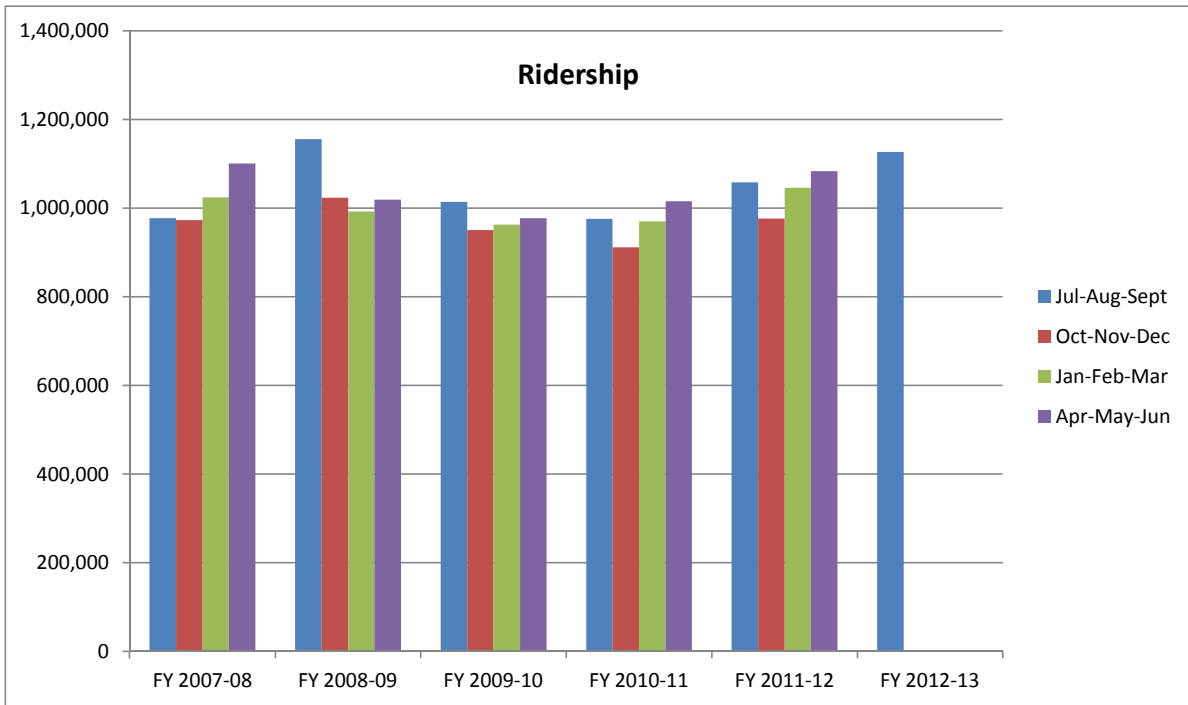


ORANGE COUNTY TRANSPORTATION AUTHORITY

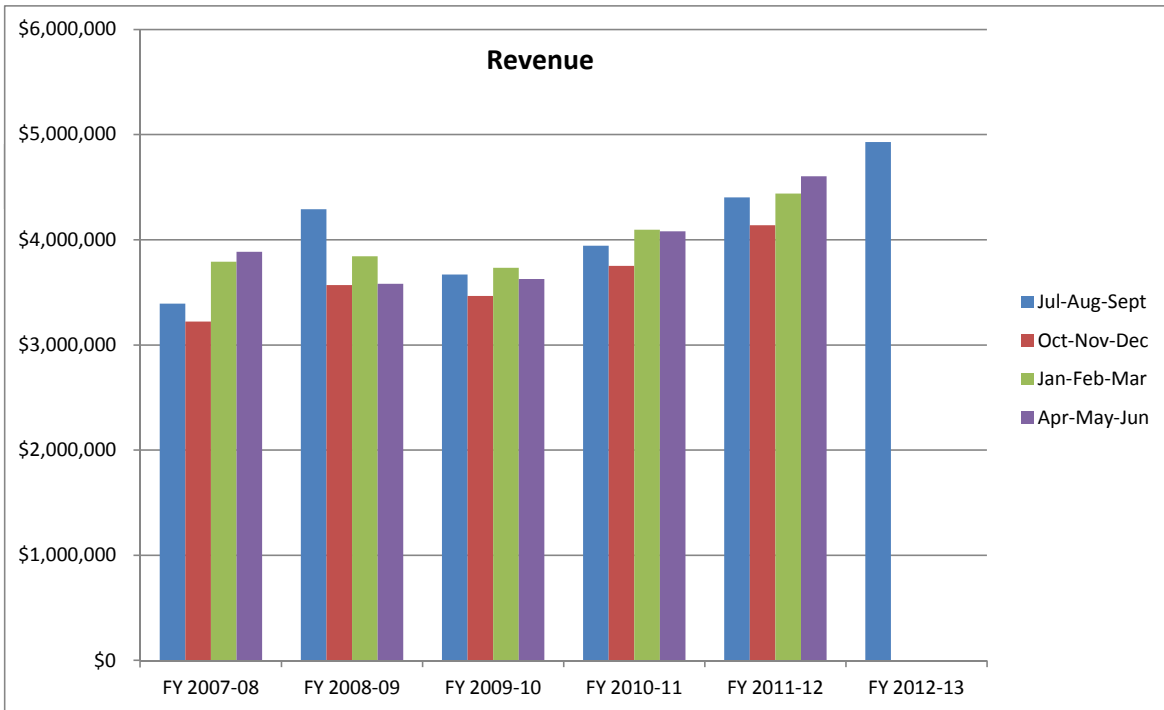
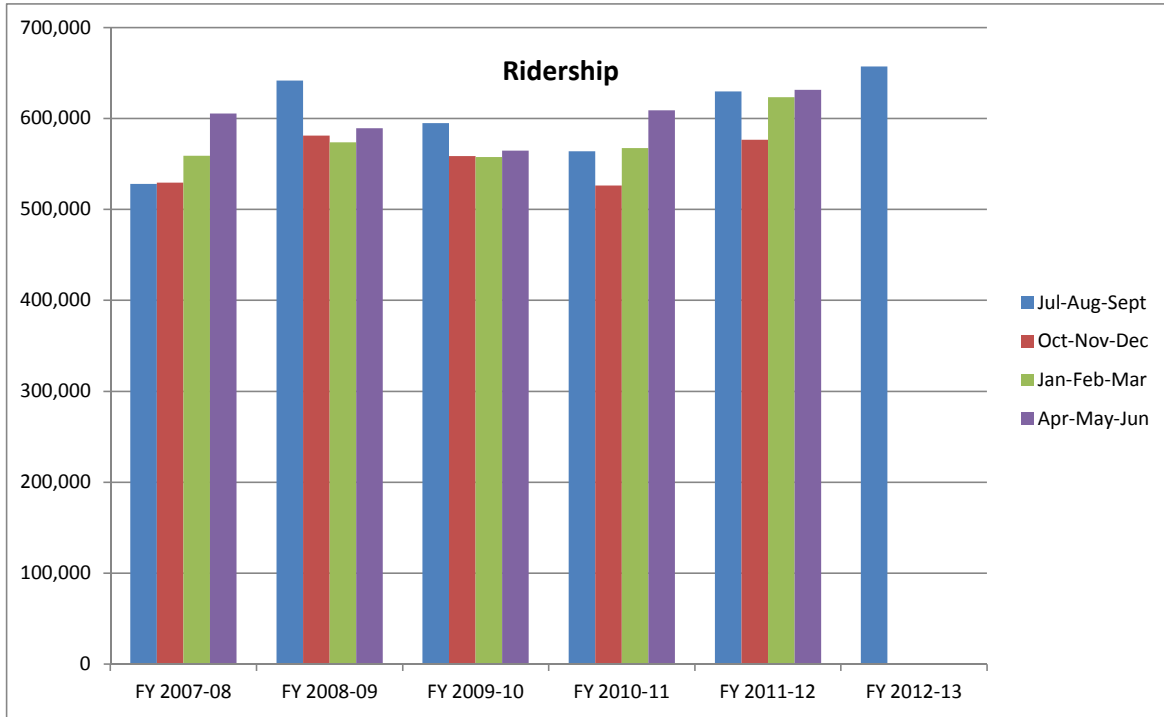
Metrolink Ridership and Revenue Quarterly Report

Attachment A

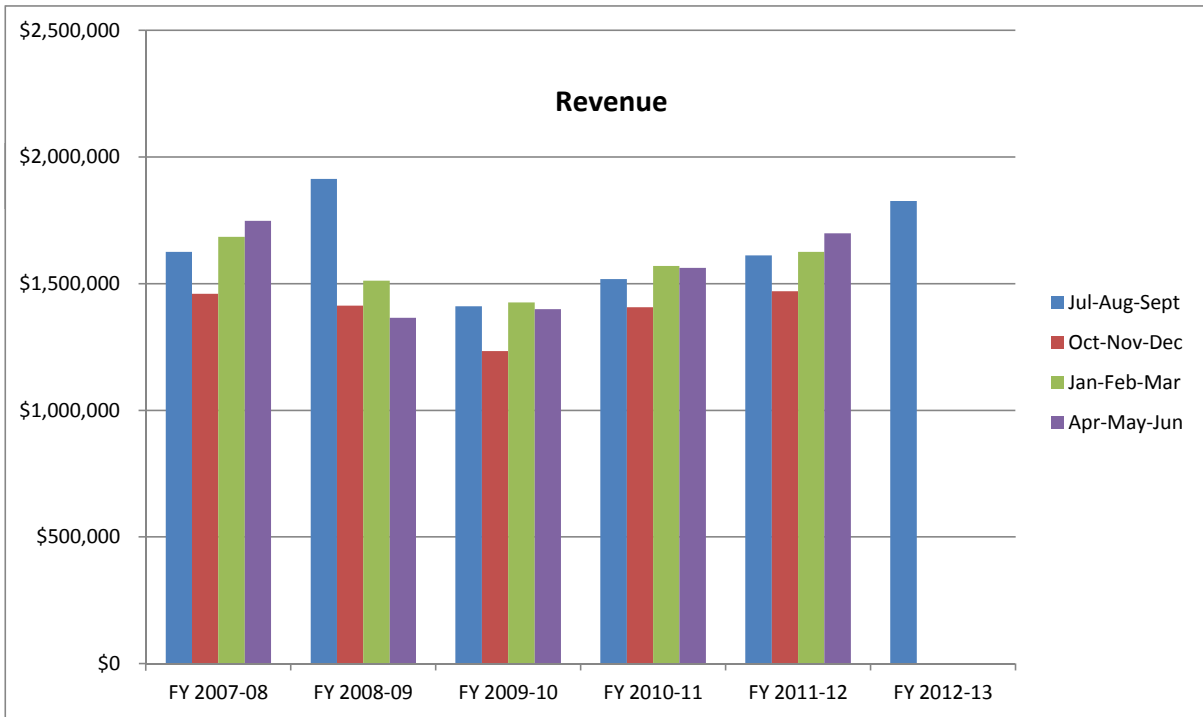
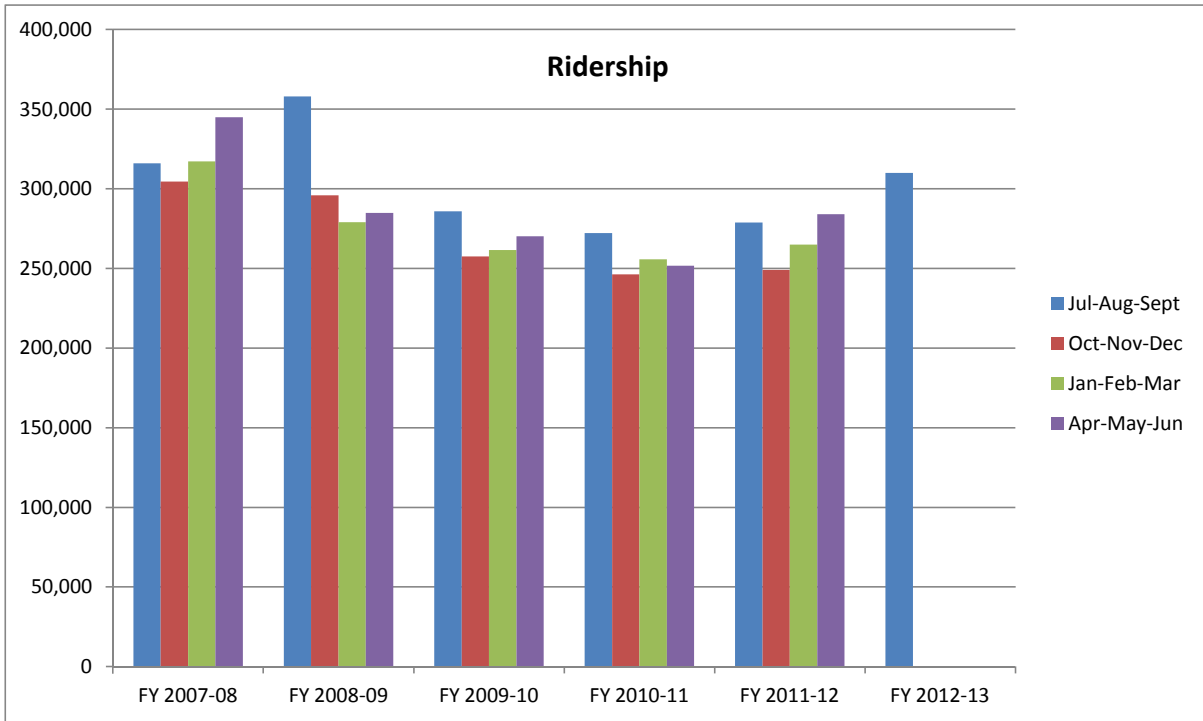
Three Lines Serving Orange County



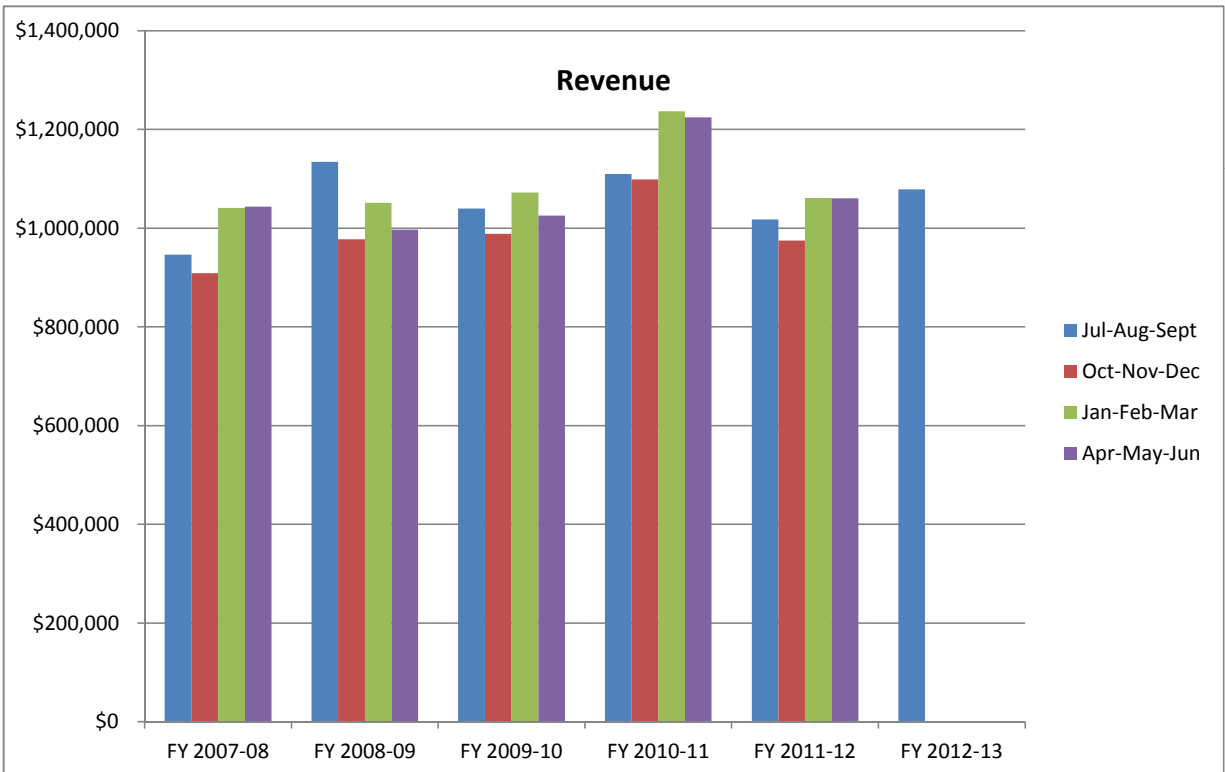
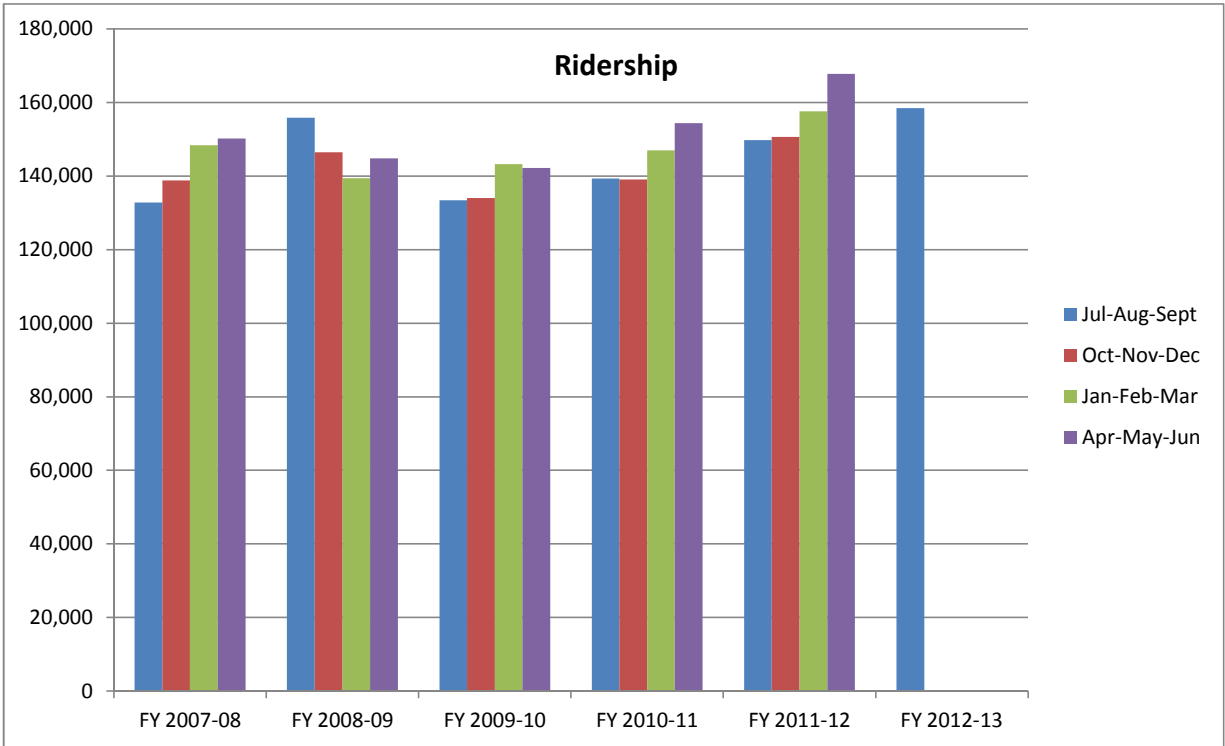
Metrolink - Orange County Line



Metrolink - Inland Empire-Orange County Line



Metrolink - 91 Line





To view the entire staff report with attachments, click here:

[Fourth Quarter 2012 Debt and Investment Report](#)



January 28, 2013

To: Members of the Board of Directors
From: Will Kempton, Chief Executive Officer
Subject: Fourth Quarter 2012 Debt and Investment Report

Overview

The California Government Code authorizes the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the investment activity for the period. This investment report covers the fourth quarter of 2012, October through December, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

Receive and file the Quarterly Investment Report prepared by the Treasurer as an information item.

Discussion

The Treasurer is currently managing the Orange County Transportation Authority's (OCTA) investment portfolio totaling \$1.09 billion as of December 31, 2012. The portfolio is divided into three managed portfolios: the liquid portfolio for immediate cash needs, bond proceeds portfolio to meet Measure M2 (M2) transportation program needs, and the short-term portfolio for future budgeted expenditures. In addition to these portfolios, OCTA has funds invested in debt service reserve funds for the 91 Express Lanes.

OCTA's debt portfolio had an outstanding principal balance of \$533 million as of December 31, 2012. Approximately 71 percent of the outstanding balance is comprised of M2 debt and 29 percent is associated with the 91 Express Lanes program.

Economic Summary: The Federal Open Market Committee (Fed) announced in December that they would continue to purchase \$40 billion worth of Agency mortgage-backed securities in addition to \$45 billion worth of Treasury securities each month. More importantly, the Fed shifted from a calendar-date

rate guidance to forward guidance based on specific economic variables. The Fed indicated that rather than speculating that rates will rise in 2015, it has targeted 6.5 percent unemployment and 2.5 percent inflation as potential triggers for rate increases.

The economy grew at an annual rate of 3.1 percent in the third quarter, strengthening from the 1.3 percent growth rate in the second quarter. The unemployment rate finished the year at 7.8 percent and the average jobless rate for 2012 was the lowest in four years at 8.1 percent. Stronger employment numbers have translated to an improving housing market, rising durable goods orders, and increased auto sales.

Debt Portfolio Activity: The outstanding balances for each of OCTA's debt securities are presented in Attachment A. During the quarter, the Board of Directors authorized staff to terminate the JP Morgan interest rate swap if certain parameters were met. The swap can be terminated if the termination price negotiated with JP Morgan is at the mid-market level minus five basis points (not to exceed \$8 million) or if the termination value drops below \$7 million. OCTA and its swap advisor, Public Financial Management, Inc., have been monitoring the financial markets and negotiating with JP Morgan since mid-December 2012. As of December 31, 2012, the swap remains outstanding.

Investment Portfolio Activity: During the quarter, OCTA transferred \$50 million to the short-term portfolio investment managers (\$12.5 million each). These funds will not be required in the immediate future. With this transfer, OCTA will be able to take advantage of higher returns in the one to two year maturity range and increase portfolio diversification.

Investment Portfolio Compliance: On November 28, 2012, Moody's downgraded Hewlett-Packard from A3 to Baa1, resulting in the issuer falling below the minimum credit rating requirement of the OCTA's investment policy. The Treasurer reviewed the positions and instructed the two investment managers to liquidate the respective holdings.

OCTA continues its policy of reviewing the contents of the investment portfolio on a daily basis to ensure compliance. Attachment B provides a comparison of the portfolio holdings as of December 31, 2012, to the diversification guidelines of the policy.

Investment Portfolio Performance Versus Selected Benchmarks: OCTA's investment managers provide OCTA and its financial advisor, Sperry Capital, with monthly performance reports. The investment managers' performance

reports calculate monthly total rates of return based upon the market value of the portfolios they manage at the beginning of the month versus the market value at the end of the month. The market value of the portfolio at the end of the month includes the actual value of the portfolio based upon prevailing market conditions as well as the interest income accrued during the month.

OCTA has calculated the total returns for each of the investment managers for short-term operating monies and has compared the returns to specific benchmarks as shown in Attachment C. Attachment D contains an annualized total return performance comparison by investment manager for the previous two years. Attachment E provides a two-year yield comparison between the short-term portfolio managers, the Orange County Investment Pool, and the Local Agency Investment Fund.

The returns for OCTA's short-term operating monies are compared to the Merrill Lynch 1-3 year Treasury Index benchmark. The Merrill Lynch 1-3 year Treasury Index is one of the most commonly used short-term fixed income benchmarks. Each of the four managers invests in a combination of securities that all conform to OCTA's 2012 Annual Investment Policy. For the quarter ending December 31, 2012, the weighted average total return for OCTA's short-term portfolio was 0.10 percent, 7 basis points above the benchmark return of 0.03 percent. For the 12-month period ending December 31, 2012, the portfolio's return totaled 1.12 percent, 69 basis points above the benchmark return of 0.43 percent for the same period.

The returns for OCTA's bond proceeds portfolio are compared to a customized benchmark comprised of treasury securities that match the projected draw schedule. Each of the two managers invest in a combination of securities that all conform to OCTA's 2012 Annual Investment Policy. For the quarter ending December 31, 2012, the weighted average total return for OCTA's bond proceeds portfolio was 0.07 percent, 5 basis points above the benchmark return of 0.02 percent. For the 12-month period ending December 31, 2012, the portfolio's return totaled 0.40 percent, 31 basis points above the benchmark return of 0.09 percent for the same period.

Corporate medium-term notes and asset-backed securities were the leading contributors to fixed income investment performance during 2012. Early cost cutting by private companies and modest growth led to stronger balance sheets across many industries. The portfolio managers capitalized on the stronger markets by adding securities across multiple industries effectively reducing risk and benefiting from stronger growth. The majority of OCTA's portfolio, 61 percent, remains in treasury and agency securities that are very liquid due to continued high demand.

Investment Portfolios: A summary of each investment manager's investment diversification, performance, and maturity schedule is provided in Attachment F. These summaries provide a tool for analyzing the different returns for each manager.

A complete listing of all securities is provided in Attachment G. Each portfolio contains a description of the security, maturity date, book value, market value, and current yield provided by the custodial bank.

Cash Availability for the Next Six Months: OCTA has reviewed the cash requirements for the next six months. It has been determined that the liquid and the short-term portfolios can fund all projected expenditures during the next six months.

Summary

As required under the California Government Code, the Orange County Transportation Authority is submitting its quarterly debt and investment report to the Board of Directors. The investment report summarizes the Orange County Transportation Authority's Treasury activities for the period October 2012 through December 2012.

Attachments

- A. Orange County Transportation Authority Outstanding Debt December 31, 2012.
- B. Orange County Transportation Authority Investment Policy Compliance December 31, 2012.
- C. Orange County Transportation Authority Short-term Portfolio Performance Review Quarter Ending December 31, 2012.
- D. Orange County Transportation Authority Short-term Portfolio Performance December 31, 2012.
- E. Orange County Transportation Authority Comparative Yield Performance December 31, 2012.
- F. Investment Manager Diversification and Maturity Schedules December 31, 2012.
- G. Orange County Transportation Authority Portfolio Listing as of December 31, 2012.

Prepared by:



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Treasury/Public Finance
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Approved by:



Kenneth Phipps
Executive Director,
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To view the entire staff report with attachments, click here:

[Anaheim Rapid Connection Locally Preferred Alternative Concurrence and Funding Plan Adjustment](#)



BOARD COMMITTEE TRANSMITTAL

January 28, 2013

To: Members of the Board of Directors
From: Wendy Knowles, ^{WK} Clerk of the Board
Subject: Anaheim Rapid Connection Locally Preferred Alternative
Concurrence and Funding Plan Adjustment

Transit Committee Meeting of January 10, 2013

Present: Directors Donchak, Eastman, Jones, Nguyen, Shaw, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Concur with the City of Anaheim's adoption of the Streetcar Alternative as the locally preferred alternative.
- B. Authorize the Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement No. C-1-3115 between the Orange County Transportation Authority and City of Anaheim to reduce the funding plan for project development activities and preliminary engineering for the Anaheim Rapid Connection project from \$18,535,000 to \$13,352,000.



January 10, 2013

To: Transit Committee

From: Will Kempton, Chief Executive Officer

Subject: Anaheim Rapid Connection Locally Preferred Alternative Concurrence and Funding Plan Adjustment

Overview

The City of Anaheim has completed the Anaheim Rapid Connection Draft Alternatives Analysis Report, and the Anaheim City Council has adopted the Streetcar Alternative as the locally preferred alternative. Staff seeks concurrence on the locally preferred alternative and requests authorization to execute an amendment to Cooperative Agreement No. C-1-3115 to reduce the project's funding plan for project development and preliminary engineering based upon the locally preferred alternative selection.

Recommendations

- A. Concur with the City of Anaheim's adoption of the Streetcar Alternative as the locally preferred alternative.
- B. Authorize the Chief Executive Officer to execute Amendment No. 1 to Cooperative Agreement No. C-1-3115 between the Orange County Transportation Authority and City of Anaheim to reduce the funding plan for project development activities and preliminary engineering for the Anaheim Rapid Connection project from \$18,535,000 to \$13,352,000.

Background

In February 2006, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the Measure M2 Project S Transit Extensions to Metrolink (Program), previously known as Go Local, to help broaden the reach of the Metrolink system by providing a link between stations and major destinations. The Program is a competitive process in which local jurisdictions take the lead in defining, planning, and implementing transit extensions that branch from Metrolink stations to outlying communities and activity centers. As reference, a history of significant OCTA Board policy decisions pertaining to the development of the Program is included in Attachment A. In 2008, as part of Step One of the Program, the City of Anaheim (City) proposed the Anaheim

Rapid Connection (ARC), an east-west, high-capacity transit connection between the Anaheim Regional Transportation Intermodal Center (ARTIC), the Platinum Triangle, and The Anaheim Resort district. The purpose of the ARC project is to substantially increase transit ridership to, from, and within the five-square mile study area containing ARTIC, the mixed-use Platinum Triangle development area, and The Anaheim Resort. ARC would allow residents, workers, and visitors to travel to and from ARTIC, where transfers could be easily made to and from Metrolink, Amtrak, local fixed-route bus, bus rapid transit, and future high-speed rail. ARC would also improve transit service for short trips within the study area, allowing riders that arrive by car to park once and circulate by transit. By offering a service that is convenient and frequent, ARC will attract additional riders to transit, support planned growth, and enhance livability within the study area, the City, Orange County, and Southern California.

In May 2008, following review of the initial concept report, the ARC project was determined to meet Board-approved criteria, and the OCTA Board awarded \$5.9 million for additional planning, including an alternatives analysis (AA) report, conceptual engineering, and state and federal environmental clearance. The City and OCTA then entered into a cooperative agreement that outlined key milestones, including the City's adoption of the locally preferred alternative (LPA) that required Board concurrence.

Following this award, the City utilized a screening framework developed around the goals of the ARC project and community input, and initiated a combined AA and environmental impact report/environmental impact statement for two primary build alternatives: bus and elevated fixed-guideway. Substantial development activities were completed for these alternatives, including the preparation of conceptual engineering, environmental analysis, and cost estimates.

In an effort to further develop the Program, in September 2010, the OCTA Board approved the Program's funding guidelines and issued a call for projects for preliminary engineering (PE) activities. An application from the City was received requesting Program funding for PE of an elevated fixed-guideway alternative. The application was reviewed by staff, consistent with Board-approved criteria, and the Board subsequently awarded funding for further development of the elevated fixed-guideway in the amount of \$18,535,000, as defined in Cooperative Agreement No. C-1-3115 (Attachment B). The funding is comprised of 80 percent Federal Transit Administration (FTA) Section 5307 funds, ten percent Measure M2 Project S funds, and ten percent local City match. The funding award also included funds for the City to complete additional FTA

project development activities required prior to requesting approval to begin PE from the FTA.

As project development activities advanced, there was ongoing review and refinement of the project alternatives and corresponding cost estimates. Upon review of the cost estimate for the elevated fixed-guideway and an initial evaluation of the potential competitiveness of the elevated fixed-guideway within the federal New Starts funding program, project staff from OCTA, FTA, and the City agreed, with general support of the approach from the OCTA Board, that an additional alternative should be added to the AA process that would be more cost effective and still meet the goals and objectives of the study and Program. Subsequently, a third alternative, an at-grade streetcar, was added to the AA. A brief description of the three build alternatives that were evaluated as part of the AA is included in Attachment C.

Discussion

The AA describes and evaluates alternatives to provide an east-west transit connection between ARTIC and major employment, residential, sports, entertainment, and convention activity centers in the Platinum Triangle and The Anaheim Resort district. An executive summary of the AA describes the project's purpose and need, the AA study process, and the evaluation of the alternatives based upon conceptual-level engineering and related technical analysis (Attachment D). The AA was prepared by the City in coordination with OCTA. OCTA staff worked closely with FTA and the City to ensure that all planning activities for the ARC project were consistent with federal funding eligibility requirements. Specifically, FTA was engaged in the review and comment of key project deliverables. Also, FTA was involved in the development of the ARC project's ridership model to ensure that the model accurately captured the unique visitor travel market within the transit corridor.

The AA analyzed the alternatives based on a set of evaluation criteria used by FTA to consider project viability, including mobility benefits and impacts, environmental effects, economic development and land use support, and cost and cost-effectiveness. The AA found that the elevated fixed-guideway offers the highest speed and thus attracts the greatest ridership; however, the elevated fixed-guideway alternative is the most costly to build and to operate. It would also be costly to extend the system, add or expand stations, or increase frequency as transit demand grows over time. The ridership demand in this transit corridor is expected to vary over time, with higher demand at certain times of the year, or when there are special events. The elevated fixed-guideway's lack of flexibility to respond to varying levels of demand and growth over time is considered to be a major drawback that the enhanced bus and streetcar alternatives do not face.

Compared to the enhanced bus, the Streetcar Alternative offers a fixed-guideway system that makes it far more visible to the user and particularly to the visitor who is unfamiliar with the system. Based upon studies of similar streetcar projects nationwide, the visibility of tracks in the street and more prominent stations are likely to attract greater ridership. The permanence of tracks and stations also means that the Streetcar Alternative would have a greater positive impact on land use and economic development.

The AA recommends the Streetcar Alternative for consideration as the LPA based on the following:

- The Streetcar Alternative would attract and serve a larger base of internal trips, primarily due to the Convention and Clementine station locations being more pedestrian-friendly and better located to serve internal trips than similar stations identified for the other alternatives. A significant share of ridership is anticipated to come from The Anaheim Resort district employees and guests, meeting the identified project goals, purpose, and need.
- The Streetcar Alternative would have no major environmental impacts, (minimal noise, vibration, visual, aesthetic, and environmental justice impacts), a higher level of total benefits, and would provide significant emissions reductions over no-build conditions.
- The Streetcar Alternative would provide the strongest support for City land use and economic development policies and plans as it is easily integrated into pedestrian-oriented development, providing a high level of support for mixed-use development and strong future pedestrian connectivity with stations located on study area sidewalks.
- The Streetcar Alternative capital cost is less than half the cost of the elevated fixed-guideway and more aligns with the potential funding sources available for project delivery. It would have a more competitive FTA cost-effectiveness rating, and the operating and maintenance costs could be locally funded by a combination of funding resources such as Anaheim Tourism Improvement District transportation funds, sponsorship, retail, and farebox. This modal option, increasingly supported by FTA, has been shown to be successful in encouraging auto drivers to use transit and developers to build transit-oriented projects.

The City hosted a public workshop on September 12, 2012, to present the results of the AA to the public. A similar presentation was made to the OCTA Board on October 5, 2012. Based upon the AA, City staff recommended that

the Streetcar Alternative be selected as the LPA. In October 2012, the City Council (Council) held a workshop on the ARC project and AA. The Council subsequently selected the Streetcar Alternative as the LPA.

Funding Plan Adjustment

After the Council's adoption of the Streetcar Alternative as the LPA, OCTA received a letter from the City requesting an amendment to Cooperative Agreement No. C-1-3115 to reduce the overall funding for subsequent phases of the project development, from \$18,535,000 to \$13,352,000. This reduction is the result of further refinement of the project and prudent planning on behalf of the City. At the time OCTA entered into the cooperative agreement with the City for project development and PE, the cost estimate for an elevated fixed-guideway was assumed as part of the City's Program application. The cost for conducting PE activities for a streetcar is \$6,683,000 less than for an elevated fixed-guideway.

Of this cost reduction, the City is requesting that \$1,500,000 be reallocated to further project development activities, including state and federal environmental clearance and preparing the necessary funding applications for federal funding for the Streetcar Alternative. Prior to OCTA, FTA, and the City agreeing to add the Streetcar Alternative to the AA, there were sufficient funds available through the existing cooperative agreement between OCTA and the City to complete both the combined AA and environmental clearance for the two build alternatives, bus and elevated fixed-guideway. However, adding a third alternative necessitated those remaining funds be focused on completing the AA and performing additional public outreach. Reallocating the \$1,500,000 to project development from PE would result in an overall reduction in the cooperative agreement from \$18,535,000 to \$13,352,000. A summary of the existing funding plan and the proposed new funding plan, delineated by funding source and project phase, is included as Attachment E.

Next Steps

Following the Board's concurrence with the LPA, the City will continue with preparation of the state and federal environmental documents and advanced conceptual engineering plans in 2013, followed by a request to FTA to initiate PE in 2014. Final design and construction is anticipated between 2015 and 2018, with opening of the system in 2018.

These future phases (final design, right-of-way acquisition, and construction) are currently unfunded. The Board direction to date is that this project, as well as the Santa Ana/Garden Grove Fixed-Guideway Project, pursues FTA New Starts funding. Both of these projects are included in the M2020 Plan and the

M2020 Plan of Finance approved by the Board in September 2012 and November 2012, respectively. The M2020 Plan of Finance includes both the current Board direction to pursue FTA New Starts as well as an alternate scenario to potentially advance the ARC Project and the Santa Ana/Garden Grove Fixed-Guideway Project through other federal and local funding sources, excluding New Starts. Future Board direction will be required to determine funding and appropriate governance structure for delivery of future phases. The previous chairman of the Board established an Ad Hoc committee to explore the opportunities for combining the two projects. The Ad Hoc committee met on November 19, 2012, to review the opportunities and challenges with combining the two projects. Staff is currently underway with a full analysis and will update the Committee and Board following completion.

Summary

The City completed the AA and adopted the Streetcar Alternative as the LPA. Staff is seeking Board concurrence on the Streetcar Alternative adoption for the ARC project. The Streetcar Alternative will be studied further through the state and federal environmental clearance processes and PE activities. Additionally, the City is requesting a funding plan adjustment to reduce overall funding for project development activities and PE from \$18,535,000 to \$13,352,000, including a reallocation of \$1,500,000 from PE to project development.

Attachments

- A. Go Local Fixed-Guideway Program: Summary of Key Board of Directors Policy Decisions
- B. City of Anaheim, Cooperative Agreement No. C-1-3115 Fact Sheet
- C. Overview of Anaheim Rapid Connection Alternatives Considered
- D. Anaheim Rapid Connection Alternatives Analysis Report Executive Summary
- E. Existing and Revised Anaheim Funding Plan (C-1-3115)

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January 28, 2013

To: Members of the Board of Directors 
From: Will Kempton, Chief Executive Officer
Subject: Measure M2 Environmental Mitigation Program Update

Overview

Measure M2 includes a program to deliver comprehensive mitigation for the environmental impacts of the freeway projects in exchange for streamlined project approvals from the state and federal resources agencies. To date, the program has acquired a number of open space properties and has provided grants to restore open space properties to facilitate implementation of projects. A report on status, upcoming activities, and next steps is presented.

Recommendation

Receive and file as an information item.

Background

Measure M2 (M2) includes an innovative environmental mitigation program. Under this program, M2 freeway project impacts are addressed through a consolidated plan rather than a piecemeal project-by-project effort. In exchange, the state and federal resources agencies (consisting of the California Department of Fish and Game [CDFG] and the United States Fish and Wildlife Service [USFWS]) agreed to fast-track the permitting process and entered into a master agreement for the M2 freeway projects. The goal of the program is to deliver more effective mitigation while supporting faster delivery of M2 freeway improvements.

The Environmental Mitigation Program (Mitigation Program) was launched in fall 2007 with the creation of the Environmental Oversight Committee (EOC). The EOC provides guidance on program design and funding recommendations for consideration and approval by the Board of Directors (Board). The EOC consists of representatives of the Orange County Transportation Authority (OCTA) Board, resources agencies, environmental stakeholders, and public members

as called for in the M2 Ordinance. Director Patricia Bates chairs the EOC and Board Chair Gregory Winterbottom is also a member of the EOC.

During the initial years of the program, OCTA entered into an agreement with the California Department of Transportation, CDFG, and USFWS to establish the roles and responsibilities of the respective agencies. This was followed by the development of policies by the Board to guide implementation, which include:

- Use of a science-based approach to identify and prioritize mitigation areas
- Investing in both acquisition and restoration to address diverse mitigation needs
- Use of a voluntary acquisition process and offers based on an appraisal of the selected properties
- Accounting for long-term property management and maintenance costs in the evaluation of property acquisitions or restoration
- Consideration of public access as a co-benefit in the property acquisition criteria, as well as in the restoration project selection criteria
- Planning for transition of the functional responsibility of the long-term management and maintenance to an agency or entity other than OCTA

The current estimated revenue forecast for this program is approximately \$300 million over the life of the sales tax measure. To date, OCTA has committed approximately \$100 million of the program revenue towards a number of major activities, including:

- Acquisition of five open space properties totaling approximately 946 acres
- Funding for 11 habitat restoration projects
- Funding for interim and long-term land management efforts
- Preparation of the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) and associated environmental impact report/environmental impact statement (EIR/EIS)
- Debt financing for the early property acquisition

As a result of the OCTA commitment to this program and collaborative work with the resources agencies and environmental stakeholders, OCTA has been able to advance the M2 freeway projects and has either completed or is actively engaged in the design or construction phases of nine freeway widening projects.

Discussion

The next major milestones for the Mitigation Program involve the completion of the NCCP/HCP, adoption of Resource Management Plans (RMPs), completion of the remaining property acquisition/restoration efforts, and decisions on future funding priorities.

The NCCP/HCP will identify conservation and mitigation measures and will outline the long-term management requirements of the acquisition properties. Furthermore, this process will identify the mitigation that is needed to satisfy the Army Corps of Engineers and the State Water Resources Control Board regulatory permitting processes related to jurisdictional waters and wetlands. These permits are separate but equally important in facilitating the delivery of the M2 freeway projects.

An EIR/EIS is also being prepared for the NCCP/HCP. Staff will seek Board action to release the draft NCCP/HCP and associated EIR/EIS during the first quarter of 2013, at which time the public will have an opportunity to comment on the draft NCCP/HCP.

In conjunction with the preparation of the NCCP/HCP, RMPs are also being developed to preserve the biological resources of the acquired properties while allowing for compatible public access and passive recreational use. The RMPs are intended to provide guidance for the ongoing protection and preservation of the natural resources found within each acquired property while addressing fire protection issues, accommodating safe public access, as well as passive recreational use of the acquired properties. The RMPs will outline the management and monitoring criteria for each property. Concurrent with this process, revenues will need to be set aside to address the long-term management of the acquired properties.

OCTA has worked closely with the resources agencies towards the acquisition of approximately 946 acres of open space, as well as grants for 11 restoration projects. Currently, two properties are under consideration for acquisition, and there will be an upcoming call for restoration projects targeted at watershed areas related to the freeway projects. With the culmination of these efforts, OCTA will be well positioned to meet the mitigation goals of the NCCP/HCP.

Summary

Measure M2 includes an Environmental Mitigation Program that provides funding for programmatic mitigation to off-set impacts of the 13 freeway projects. To expedite the delivery of the freeway projects, this program was initiated in 2007 to implement early project mitigation through property acquisition and habitat restoration. The program will be administered through a Natural Community Conservation Plan/Habitat Conservation Plan that is in the final stages of completion. Overviews of the progress to date and the upcoming milestones are discussed for Board of Directors' review and information.

Attachment

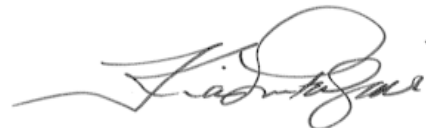
- A. Renewed Measure M Transportation Investment Plan

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RENEWED MEASURE M

Transportation Investment Plan

Approved by voters on November 7, 2006



As amended on November 9, 2012

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Freeway Projects Overview

Every day, traffic backs up somewhere on the Orange County freeway system. And, every day, freeway traffic seems to get a little worse.

In the past decade, Orange County has made major strides in re-building our aging freeway system. But there is still an enormous amount of work that needs to be done to make the freeway system work well. You see the need for improvement every time you drive on an Orange County freeway.

Forty-three percent of net revenues from the Renewed Measure M Transportation Investment Plan is dedicated to improving Orange County freeways, the largest portion of the 30-year transportation plan.

SR-91 is the Centerpiece

Making the troubled Riverside/Artesia Freeway (SR-91) work again is the centerpiece of the Renewed Measure M Freeway program. The fix on the SR-91 will require new lanes, new bridges, new overpasses, and, in the Santa Ana Canyon portion of the freeway, a diversion of drivers to the Foothill Corridor (SR-241) so the rest of the Orange County freeway system can work more effectively.

And there's more to the freeway program than the fix of SR-91 — much more. More than \$1 billion is earmarked for Interstate 5 in South County. More than \$800 million is slated to upgrade the San Diego Freeway (I-405) between Irvine and the Los Angeles County line. Another significant investment is planned on the congested Costa Mesa Freeway (SR-55). And needed projects designed to relieve traffic chokepoints are planned for almost every Orange County freeway.

To make any freeway system work, bottlenecks at interchanges also have to be fixed. The notorious Orange Crush Interchange — where the Santa Ana Freeway (I-5) meets the Orange Freeway (SR-57) and

the Garden Grove Freeway (SR-22) in a traffic tangle near Angel Stadium — is in need of a major face lift. And the intersection of Interstate 5 and the Costa Mesa Freeway (SR-55) is also slated for major repair.

Pays Big Dividends

Local investment in freeways also pays big dividends in the search for other needed freeway dollars. Because of state and federal matching rules, Orange County's local investment in freeway projects acts as a magnet for state and federal transportation dollars — pulling more freeway construction dollars into the county and allowing more traffic-reducing freeway projects to be built sooner.

Innovative Environmental Mitigation

A minimum of \$243.5 million will be available, subject to a Master Agreement, to provide for comprehensive, rather than piecemeal, mitigation of the environmental impacts of freeway improvements. Using a proactive, innovative approach, the Master Agreement negotiated between the Orange County Local Transportation Authority and state and federal resource agencies will provide higher-value environmental benefits such as habitat protection, wildlife corridors and resource preservation in exchange for streamlined project approvals for the freeway program as a whole.

Freeway projects will also be planned, designed and constructed with consideration for their aesthetic, historic and environmental impacts on nearby properties and communities using such elements as parkway style designs, locally native landscaping, sound reduction and aesthetic treatments that complement the surroundings.

