



Measure M Taxpayer Oversight Committee
550 S. Main Street, Orange CA, Room 08
June 14, 2016 @ 6:00 p.m.

AGENDA

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Subcommittee Selection**
- 4. Approval of Minutes/Attendance Report for April 12, 2016**
- 5. Action Items**
 - A. M2 Quarterly Revenue & Expenditure Report (Mar. 16)
Receive and File – Sean Murdock, Director, Finance and Administration
 - B. Updated Taxpayer Oversight Committee Mission Statement and Policies and Procedures
 - C. Change Taxpayer Oversight Committee Meeting Time
- 6. Presentation Items**
 - A. Comprehensive Transportation Funding Programs Semi-Annual Review
Presentation - Sam Kaur, Section Manager Local Programs
 - B. Comprehensive Transportation Funding Programs Programming Recommendations
Presentation - Sam Kaur, Section Manager Local Programs
 - C. I-405 Preliminary Finance Plan
Presentation - Andrew Oftelie, Executive Director, Finance and Administration
- 7. OCTA Staff Updates (5 minutes each)**
 - Performance Assessment - Tamara Warren, Measure M Program Manager, Planning
 - Recently Opened Measure M Projects - Jim Beil, Exec. Director, Capital Programs
 - Project V - Kia Mortazavi, Executive Director, Planning
 - Sales Tax Update - Andrew Oftelie, Executive Director, Finance and Administration
 - Other
- 8. Annual Eligibility Review Subcommittee Report**
- 9. Audit Subcommittee Report**
- 10. Environmental Oversight Committee Report**
- 11. Committee Member Reports**
- 12. Public Comments***
- 13. Adjournment**

The next meeting will be held on August 9, 2016

*Public Comments: At this time, members of the public may address the Taxpayer Oversight Committee (TOC) regarding any items within the subject matter jurisdiction of the TOC, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per person, unless different time limits are set by the Chairman, subject to the approval of the TOC.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.



Measure M Taxpayer Oversight Committee

INFORMATION ITEMS

<u>Staff Report Title</u>	<u>Board Meeting Date</u>
1. Fiscal Year 2016-17 Measure M2 Eligibility Guidelines Update	April 11, 2016
2. Taxpayer Oversight Committee Measure M Annual Public Hearing Results and Compliance Findings	April 25, 2016
3. Capital Programs Division - Third Quarter Fiscal Year 2016-16 Capital Action Plan Performance Metrics	May 9, 2016
4. Measure M2 Eligibility Review Recommendations for Fiscal Year 2014-15 Expenditure Reports	
5. Rail Programs and Facilities Engineering Quarterly Report	May 23, 2016
6. Taxpayer Oversight Committee New Member Recruitment and Lottery	June 13, 2016
7. Capital Programming Update	
8. Measure M2 Quarterly Progress Report for the Period of January 2016 Through March 2016	

*Public Comments: At this time, members of the public may address the Taxpayers Oversight Committee (TOC) regarding any items within the subject matter jurisdiction of the TOC, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to five (5) minutes per person and 20 minutes for all comments, unless different time limits are set by the Chairman, subject to the approval of the TOC.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Measure M
Taxpayer Oversight Committee
Orange County Transportation Authority
600 S. Main Street, Orange CA, Room 103/4
April 12, 2016
6:00 p.m.

AGENDA

Committee Members Present:

Eric Woolery, Orange County Auditor-Controller, Co-Chairman
Narinder “Nindy” Mahal, First District Representative
Anthony Villa, First District Representative
Margie Drilling, Second District Representative
Alan Dubin, Second District Representative
Terre Duensing, Third District Representative, Co-Chairman
Dr. Ron Randolph, Third District Representative
Guita Sharifi, Fifth District Representative

Committee Member(s) Absent:

Cynthia Hall, Fourth District Representative
Sony Soegiarto, Fourth District Representative
Nilima Gupta, Fifth District Representative

Orange County Transportation Authority Staff Present:

Jim Beil, Executive Director, Capital Programs
Marissa Espino, Community Relations Officer
Janice Kadlec, Public Reporter Specialist
Kia Mortazavi, Executive Director, Planning
Andrew Oftelie, Executive Director, Finance & Administration
Alice Rogan, Strategic Communications Manager, External Affairs
Tamara Warren, Program Manager, M Program Management Office
Dana Weimiller, Manager, Community Transportation Services

1. Welcome

Chairman Eric Woolery welcomed every one to the Orange County Transportation Authority (OCTA) Taxpayer Oversight Committee (TOC) meeting at 6:00 p.m.

2. Pledge of Allegiance

Anthony Villa led the Pledge of Allegiance to the Flag.

3. Measure M Annual Public Hearing

a. Overview of Taxpayer Oversight Committee

Terre Duensing gave an overview of TOC responsibilities. TOC members introduced themselves. Ms. Duensing also provided an overview of Measure M1 and Measure M2 as it pertains to the TOC.

b. Review of the 2015 Taxpayer Oversight Committee Actions

Eric Woolery described the responsibilities of the TOC. Activities for the past year included: Review of FY 2015 Local Transportation Authority (LTA) Audit Results, review of Measure M Quarterly Revenue and Expenditures Forecast Summary Report, monitoring the closeout of Measure M1, and approving an amendment to Measure M2 investment program.

c. Local Eligibility Subcommittee Report

Terre Duensing, Chair of the Annual Eligibility Subcommittee, provided a review of the subcommittee's responsibilities and findings. All cities were reviewed and found to be in compliance.

d. Audit Subcommittee Report

Eric Woolery, Chair of the Audit Subcommittee, introduced the Audit Subcommittee members and reviewed their responsibilities and findings.

e. Public Comments

Blake Montero, resident of Placentia, said he feels Measure M funds are having a negative impact on his city. He said the City of Placentia is building a parking structure for the new Metrolink station, and in order to do this, the city plans to borrow funds from the city's general fund. He is concerned the money will be taken away from other more critical operations.

f. Adjournment of Annual Public Hearing

The Measure M Taxpayer Oversight Committee Annual Public Hearing adjourned at 6:20 p.m.

4. Approval of the Minutes/Attendance Report for February 9, 2016

A motion was made by Anthony Villa, seconded by Dr. Ron Randolph, and carried unanimously to approve the February 9, 2016 TOC Minutes/Attendance report as presented.

5. Action Items

A. 2015 Measure M Annual Hearing Follow-Up and Compliance Findings

Eric Woolery, Orange County Auditor-Controller and Chairman, said based upon the Measure M Annual Hearing, the 2014/15 LTA Financial Audit results and other information to date, the TOC finds Orange County Transportation Authority (OCTA) in compliance with the Measure M1 and Measure M2 ordinances for 2015.

A motion was made by Dr. Ron Randolph, seconded by Guita Sharifi, and carried unanimously to approve that OCTA proceeded in accordance with the M1 and M2 ordinances for 2015.

B. Local Jurisdictions 2014/15 Expenditure Reports – Eligibility Findings

Terre Duensing, Annual Eligibility Review (AER) Subcommittee Chair, reported Measure M2 Ordinance requires all local jurisdictions to satisfy eligibility requirements annually to receive Measure M2 funds. As a part of the FY 2015/16 eligibility review the TOC AER subcommittee reviewed the FY 2014/15 expenditure reports for 35 local jurisdictions.

The AER subcommittee recommends approval of the 34 local jurisdictions and the County of Orange's annual expenditure reports and find them eligible to receive Measure M2 revenues for FY 2015/16. The AER subcommittee also recommends the County of Orange's Senior Non-Emergency Medical Transportation Program and the cities of Newport Beach and San Juan Capistrano be considered for audit next year by the TOC Audit Committee. The AER subcommittee recommends OCTA communicate the concerns of the committee and work with local jurisdictions at workshops next year regarding administration costs. Upon approval, recommendations by the TOC to the OCTA staff will be presented to the Regional Planning and Highways Committee on May 2, 2016 and OCTA Board of Directors for approval on May 9, 2016.

A motion was made by Eric Woolery, seconded by Anthony Villa, and carried unanimously to approve the Local Jurisdictions 2014/15 Expenditure Reports – Eligibility Findings by the AER Subcommittee.

6. Presentation Items

A. Sales Tax Forecast Methodology

Andrew Oftelie reported on the updated methodology for forecasting sales tax.

Narinder Mahal asked what changed in the forecast – the original forecast was \$24 billion, versus the \$15 billion received. Andrew explained the forecasts did not predict the recession of 2008/9/10. The higher forecast was projected when Measure M was originally approved, but the recession happened before the actual collection of revenues.

Margie Drilling said OCTA has done a good job and so far the projects have not been impacted by the lower revenue. Andrew said OCTA's Measure M 2020 Plan predicted all the projects will be delivered. But, the Measure M 2020 Plan has not been updated with the new lower forecast. OCTA is preparing a new Plan that anticipates delivery of all the projects with funding from different sources beyond the Measure M sales tax revenue.

B. OC Streetcar Update

Jim Beil gave an Update on the OC Streetcar Project.

Margie Drilling asked if there are any public review/meetings during the design process. Jim explained the project has already passed the environmental process where public meetings took place; there is a stakeholder group that meets on the project and there will be designs showed of the station locations along the route in coming months.

Dr. Ron Randolph asked if all streetcars are powered by overhead lines. Jim said the current design includes overhead wires.

Guita Sharifi asked if the maintenance of the system is funded by Measure M. Jim Beil explained that most of the maintenance and operational expenses largely comes from Measure M, but the cities of Garden Grove and Santa Ana have also agreed to contribute monies. Guita Sharifi asked if there would be enough revenue to offset the costs. Jim Beil said revenues will be minimal, but the revenues should be better than for the buses.

Eric Woolery asked if the County's plans to update the buildings in the civic center area would impact the scheduling. Jim Beil said OCTA has worked with the County and there should be no impacts.

Margie Drilling asked what are the anticipated hours of operations. Terry Nash of HNTB, who was in attendance as a public member but is also part of the OC Streetcar design team, said the streetcar will generally operate 20 hours a day, 5am to 1am with 10 minute frequency during peak times and 15 minute frequency non-peak times.

Dr. Ron Randolph asked if it is designed to work in isolation or are there plans to spread out throughout the county. Jim said the OCTA Board has called for a Harbor Corridor Transit Study from Westminster Boulevard into Fullerton.

7. OCTA Staff Updates

- I-405 Update – Jim Beil and Andrew Oftelie presented a brief update on the I-405 project.

Guita Sharifi asked if matching funds were needed for the government loan. Andrew Oftelie said the government will only loan up to one-third of the project amount.

- M2 Senior Mobility Program Guidelines – Dana Weimiller gave an update regarding City of Santa Ana audit findings and updated program guidelines as it pertains to the Measure M2 Senior Mobility Program.

Margie Drilling asked if one would need to go to the individual cities to see their plan or do you request it from OCTA. Dana Weimiller said the cities will be providing their plans to OCTA and will be presented to the Board near the end of May.

- State Transportation Improvement Program (STIP) Update – Kia Mortazavi provided an update on the funding picture for OCTA Projects.

Guita Sharifi asked if the state will ever back-pay money for projects. Kia said yes. There are different arrangements that can be made for advancing projects.

8. Audit Subcommittee Report

Eric Woolery reported the Audit Subcommittee met earlier in the evening and reviewed the TOC Mission Statement, TOC Responsibilities and Operation Practices, Objectives and Procedures. The subcommittee ratified the changes and will be presented at the next meeting for review and approval. The subcommittee also selected cities for FY 2016 Agreement Upon Procedures and reviewed the Measure M2 Ordinance Matrix.

Eric Woolery asked if the City of Placentia could be added to the list of cities for review next year. A motion was made by Eric Woolery, seconded by Margie Drilling and approved unanimously to add the City of Placentia to the list of cities for review next year.

Janet Sutter asked when the last time the City of Placentia was audited. Eric Woolery said 2013, but he wanted to include them based on the public comment made tonight.

9. Environmental Oversight Committee (EOC) Report

There was nothing further to report.

10. Committee Member Reports

Margie Drilling asked for current status on the landscape project for the West County Connectors. Landscaping has been put on hold due to drought conditions, but there have been news stories about how northern California has been doing well. Jim Beil said the Governor's Drought State of Emergency is still in effect. Caltrans owns the state highways and is responsible for maintenance. Caltrans indicated that we need to wait until a November timeframe before continuing landscape management.

Staff Liaison Update

Alice Rogan said Measure M requires OCTA to provide an Annual Progress Report to the public. We are now doing more interactive, engaging ways to

provide the report. Alice handed out the Updated Measure M Ordinance. She also updated the committee on the current recruitment process.

Guita Sharifi asked if the Annual Progress Report can be shared on social media. Marissa said yes and she could provide the link.

11. Public Comments

There were no additional Public Comments.

12. Adjournment

The Measure M Taxpayer Oversight Committee meeting adjourned at 7:26 p.m. The next meeting will be held on June 14, 2016

Taxpayer Oversight Committee

Fiscal Year 2015-2016

Attendance Record



X = Present E = Excused Absence * = Absence Pending Approval U = Unexcused Absence -- = Resigned

Meeting Date	7-Jul	11-Aug	8-Sep	13-Oct	10-Nov	8-Dec	12-Jan	9-Feb	8-Mar	12-Apr	10-May	14-Jun
Margie Drilling		X	E		X			X		X		
Alan Dubin		X	X		X			X		X		
Terre Duensing		X	X		X			X		X		
Nilima Gupta		X	E		E			X		*		
Cynthia Hall		X	X		X			X		*		
Nindy Mahal		X	X		X			X		X		
Ronald Randolph		X	X		X			X		X		
Guita Sharifi		X	X		E			X		X		
Sony Soegiarto		X	X		X			X		*		
Anthony Villa		X	X		X			X		X		
Eric Woolery		X	X		E			E		X		

Absences Pending Approval

Meeting Date

April 12, 2016

April 12, 2016

April 12, 2016

Name

Nilima Gupta

Cynthia Hall

Sony Soegiarto

Reason

Personal

Sick

Out of town on business

Action Items

Measure M2
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of March 31, 2016
(Unaudited)

(\$ in thousands)	Quarter Ended Mar 31, 2016	Year to Date Mar 31, 2016	Period from Inception to Mar 31, 2016
	(A)	(A)	(B)
Revenues:			
Sales taxes	\$ 76,419	\$ 225,870	\$ 1,375,242
Other agencies' share of Measure M2 costs:			
Project related	39,824	63,841	446,794
Non-project related	59	73	438
Interest:			
Operating:			
Project related	-	-	2
Non-project related	(2,782)	400	11,431
Bond proceeds	7,018	9,431	35,997
Debt service	14	19	63
Commercial paper	-	-	393
Right-of-way leases	28	91	795
Miscellaneous:			
Project related	71	71	269
Non-project related	-	-	7
Total revenues	<u>120,651</u>	<u>299,796</u>	<u>1,871,431</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	878	2,637	14,954
Professional services:			
Project related	10,946	26,372	249,005
Non-project related	461	1,102	14,030
Administration costs:			
Project related	2,165	6,494	42,507
Non-project related :			
Salaries and Benefits	771	2,313	17,388
Other	1,114	3,342	25,301
Other:			
Project related	97	157	1,560
Non-project related	10	43	3,725
Payments to local agencies:			
Project related	26,477	75,889	578,407
Capital outlay:			
Project related	21,854	54,761	512,014
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	7,210	7,210	27,085
Interest on long-term debt and commercial paper	10,799	21,606	115,530
Total expenditures	<u>82,782</u>	<u>201,926</u>	<u>1,601,537</u>
Excess (deficiency) of revenues over (under) expenditures	<u>37,869</u>	<u>97,870</u>	<u>269,894</u>
Other financing sources (uses):			
Transfers out:			
Project related	(3,179)	(4,185)	(16,226)
Transfers in:			
Project related	6,997	20,647	72,451
Non-project related	(6,997)	(20,647)	9,030
Bond proceeds	-	-	358,593
Total other financing sources (uses)	<u>(3,179)</u>	<u>(4,185)</u>	<u>423,848</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 34,690</u>	<u>\$ 93,685</u>	<u>\$ 693,742</u>

Measure M2
Schedule of Calculations of Net Revenues and Net Bond Revenues (Debt Service)
as of March 31, 2016
(Unaudited)

(\$ in thousands)	Quarter Ended Mar 31, 2016 (actual)	Year to Date Mar 31, 2016 (actual)	Period from Inception through Mar 31, 2016 (actual)	Period from April 1, 2016 through March 31, 2041 (forecast)	Total
	(C.1)	(D.1)	(E.1)	(F.1)	
Revenues:					
Sales taxes	\$ 76,419	\$ 225,870	\$ 1,375,242	\$ 13,434,802	\$ 14,810,044
Operating interest	(2,782)	400	11,431	225,040	236,471
Subtotal	<u>73,637</u>	<u>226,270</u>	<u>1,386,673</u>	<u>13,659,842</u>	<u>15,046,515</u>
Other agencies share of M2 costs	59	73	438	-	438
Miscellaneous	-	-	7	-	7
Total revenues	<u>73,696</u>	<u>226,343</u>	<u>1,387,118</u>	<u>13,659,842</u>	<u>15,046,960</u>
Administrative expenditures:					
SBOE fees	878	2,637	14,954	201,603	216,557
Professional services	461	1,102	10,254	91,685	101,939
Administration costs :					
Salaries and Benefits	771	2,313	17,388	134,326	151,714
Other	1,114	3,342	25,301	253,543	278,844
Other	10	43	3,725	23,149	26,874
Capital outlay	-	-	31	-	31
Environmental cleanup	3,759	7,651	16,213	268,696	284,909
Total expenditures	<u>6,993</u>	<u>17,088</u>	<u>87,866</u>	<u>973,003</u>	<u>1,060,869</u>
Net revenues	<u>\$ 66,703</u>	<u>\$ 209,255</u>	<u>\$ 1,299,252</u>	<u>\$ 12,686,839</u>	<u>\$ 13,986,091</u>
		(C.2)	(D.2)	(E.2)	(F.2)
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 358,593	\$ 2,000,000	\$ 2,358,593
Interest revenue from bond proceeds	7,018	9,431	35,997	25,760	61,757
Interest revenue from debt service funds	14	19	63	54	117
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>7,032</u>	<u>9,450</u>	<u>395,046</u>	<u>2,025,814</u>	<u>2,420,860</u>
Financing expenditures and uses:					
Professional services	-	-	3,776	17,020	20,796
Bond debt principal	7,210	7,210	27,085	2,242,636	2,269,721
Bond debt and other interest expense	10,799	21,606	115,530	1,507,609	1,623,139
Total financing expenditures and uses	<u>18,009</u>	<u>28,816</u>	<u>146,391</u>	<u>3,767,265</u>	<u>3,913,656</u>
Net bond revenues (debt service)	<u>\$ (10,977)</u>	<u>\$ (19,366)</u>	<u>\$ 248,655</u>	<u>\$ (1,741,451)</u>	<u>\$ (1,492,796)</u>

Measure M2
Schedule of Revenues and Expenditures Summary
as of March 31, 2016
(Unaudited)

Project	Description	Net Revenues through Mar 31, 2016	Total Net Revenues	Expenditures through Mar 31, 2016	Reimbursements through Mar 31, 2016	Net M2 Cost
(G)	(H)	(I)	(J)	(K)	(L)	
	(\$ in thousands)					
Freeways (43% of Net Revenues)						
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 51,209	\$ 551,264	\$ 3,107	\$ 166	\$ 2,941
B	I-5 Santa Ana/SR-55 to El Toro	32,709	352,105	4,163	1,897	2,266
C	I-5 San Diego/South of El Toro	68,317	735,409	74,125	23,659	50,466
D	I-5 Santa Ana/San Diego Interchange Upgrades	28,111	302,608	1,779	527	1,252
E	SR-22 Garden Grove Freeway Access Improvements	13,075	140,748	4	-	4
F	SR-55 Costa Mesa Freeway Improvements	39,879	429,282	7,391	23	7,368
G	SR-57 Orange Freeway Improvements	28,187	303,430	45,049	10,300	34,749
H	SR-91 Improvements from I-5 to SR-57	15,254	164,206	30,098	573	29,525
I	SR-91 Improvements from SR-57 to SR-55	45,381	488,513	14,586	1,308	13,278
J	SR-91 Improvements from SR-55 to County Line	38,375	413,096	6,927	5,294	1,633
K	I-405 Improvements between I-605 to SR-55	116,890	1,258,288	43,998	3,192	40,806
L	I-405 Improvements between SR-55 to I-5	34,834	374,976	4,831	1,681	3,150
M	I-605 Freeway Access Improvements	2,179	23,458	620	16	604
N	All Freeway Service Patrol	16,344	175,935	133	-	133
	Freeway Mitigation	27,934	300,701	44,896	1,688	43,208
	Subtotal Projects	558,678	6,014,019	281,707	50,324	231,383
	Net (Bond Revenue)/Debt Service	-	-	30,328	-	30,328
	Total Freeways	\$ 558,678	\$ 6,014,019	\$ 312,035	\$ 50,324	\$ 261,711
	%					27.7%
Street and Roads Projects (32% of Net Revenues)						
O	Regional Capacity Program	\$ 129,927	\$ 1,398,627	\$ 559,043	\$ 314,344	\$ 244,699
P	Regional Traffic Signal Synchronization Program	51,969	559,426	19,110	1,257	17,853
Q	Local Fair Share Program	233,865	2,517,496	220,508	77	220,431
	Subtotal Projects	415,761	4,475,549	798,661	315,678	482,983
	Net (Bond Revenue)/Debt Service	-	-	33,686	-	33,686
	Total Street and Roads Projects	\$ 415,761	\$ 4,475,549	\$ 832,347	\$ 315,678	\$ 516,669
	%					54.6%

Measure M2
Schedule of Revenues and Expenditures Summary
as of March 31, 2016
(Unaudited)

Project	Description	Net Revenues through Mar 31, 2016 (G)	Total Net Revenues (H)	Expenditures through Mar 31, 2016 (I)	Reimbursements through Mar 31, 2016 (J)	Net M2 Cost (K)
	(\$ in thousands)					
Transit Projects (25% of Net Revenues)						
R	High Frequency Metrolink Service	\$ 129,581	\$ 1,394,905	\$ 160,446	\$ 91,013	\$ 69,433
S	Transit Extensions to Metrolink	114,694	1,234,648	5,749	1,822	3,927
T	Metrolink Gateways	6,641	71,486	98,214	60,956	37,258
U	Expand Mobility Choices for Seniors and Persons with Disabilities	45,052	484,970	36,831	88	36,743
V	Community Based Transit/Circulators	25,978	279,648	1,856	112	1,744
W	Safe Transit Stops	2,867	30,866	42	26	16
	Subtotal Projects	324,813	3,496,523	303,138	154,017	149,121
	Net (Bond Revenue)/Debt Service	-	-	18,839	-	18,839
	Total Transit Projects	\$ 324,813	\$ 3,496,523	\$ 321,977	\$ 154,017	\$ 167,960
	%					17.7%

Measure M2 Program

\$ 1,299,252 \$ 13,986,091 \$ 1,466,359 \$ 520,019 \$ 946,340

Project	Description	Revenues through Mar 31, 2016 (G)	Total Revenues (H.1)	Expenditures through Mar 31, 2016 (I)	Reimbursements through Mar 31, 2016 (J)	Net M2 Cost (K)
	(\$ in thousands)					
Environmental Cleanup (2% of Revenues)						
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 27,733	\$ 300,930	\$ 16,213	\$ 292	\$ 15,921
	Net (Bond Revenue)/Debt Service	-	-	-	-	-
	Total Environmental Cleanup	\$ 27,733	\$ 300,930	\$ 16,213	\$ 292	\$ 15,921
	%					1.1%

Taxpayer Safeguards and Audits

Collect Sales Taxes (1.5% of Sales Taxes)	\$ 20,629	\$ 222,151	\$ 14,954	\$ -	\$ 14,954
%					1.1%
Oversight and Annual Audits (1% of Revenues)	\$ 13,867	\$ 150,465	\$ 17,388	\$ 3,521	\$ 13,867
%					1.0%

Measure M

Taxpayers Oversight Committee

Mission Statement

The Mission of the Taxpayers Oversight Committee (TOC) is to ensure Measure M is being implemented as outlined by the Measure M Ordinances approved by the voters of Orange County.

General Duties

The Taxpayer Oversight Committee (TOC) has been established to provide an enhanced level of accountability for expenditure of sales tax revenues generated under the Measure M Ordinance. The Committee helps to ensure that there is adherence to all voter mandates identified in Measure M Ordinances ~~No. 1 and~~ No. 2.

The Mission of the TOC is to ensure Measure M is being implemented as outlined by the Ordinances and approved by the voters of Orange County. The TOC reviews expenditures in sufficient detail to ensure that all expenditures made or forecasted are in compliance with the provisions of Measure M. The TOC ensures that all projects defined under Measure M are proceeding in accordance with the plan, and that amendments are made in accordance with the plan, and obtaining taxpayer approval if required.

Measure M incorporates annual independent audits, budgetary safeguards, and performance reporting by all recipients of Measure M funds.

The TOC has developed policies and procedures sufficient to carry out its mission. In addition to reviewing the annual audits and other agency performance reports, the TOC holds public hearings annually to determine if the OCLTA is proceeding in accordance to plan, and the Chairman will annually certify such compliance.

Measure M Taxpayers Oversight Committee

Responsibilities, Operating Practices, Objectives and Procedures

Background

The ~~Renewed~~ Measure M (M2) is the ~~continuation~~ successor of the Traffic Improvement and Growth Management Plan (M1) initially approved by Orange County voters in November 1990. The combined measures raise the sale tax in Orange County by one-half cent for a total period of 50 years to alleviate traffic congestion. Approximately \$4.2 billion ~~is estimated to be~~ was raised under the original Measure M and approximately \$~~4.2-0.15~~ billion is anticipated under ~~the renewed Measure MM2 from 2011 - 2041~~. The Measure M Program is administered by the Orange County Transportation Authority (OCTA) and funds specific voter-approved transportation projects for freeway improvements, local street and road improvements and rail and transit program specified in the initial plan, and the Renewed Measure M Transportation Ordinance and Investment Plan (Plan) ~~the renewed plan~~.

In order to ensure that the programs and projects undertaken are those approved by the voters, Measure M incorporates a set of strong taxpayer safeguards to ensure that promises made in the Plan are kept. They include an annual independent audit and report to the taxpayers; ongoing monitoring and review of spending by an independent taxpayer oversight committee; requirement for full public review and update of the Plan every 10 years; voter approval for any major changes to the Plan; strong penalties for any misuse of funds and a strict limit of no more than one percent for administrative expenses.

Measure M requires that an independent Taxpayer Oversight Committee (TOC) ensure the integrity of the measures ~~by acting as watchdog over the expenditures specified in the revised Traffic Improvement and Growth Management Plan~~.

The annual audits, and annual reports detailing project progress, will be made available to the Orange County taxpayers every year. The TOC can raise fiscal issues, ask tough questions, and the TOC Chair must independently certify, on an annual basis, that transportation dollars have been spent strictly according to the ~~Renewed Measure M Investment Plan~~.

These and other important taxpayer safeguards are all designed to insure the integrity of the voter authorized plans. Each is focused on one goal: guaranteeing that new transportation dollars are devoted to solving Orange County's traffic problems and that no transportation dollars are diverted to anything else.

Responsibilities

The Taxpayers Oversight Committee (TOC) is hereby charged with the following duties and responsibilities:

Based upon the policies previously adopted by the original Measure M Citizens Oversight Committee in 1991, ~~and revised by the TOC in 2007~~, the TOC shall update such procedural rules and regulations as are necessary to govern the conduct of TOC meetings, including, but not limited to, those governing the calling, noticing and location of the TOC meeting, as well as TOC quorum requirements and voting procedures. The TOC may select its own officers, including, but not limited to, a TOC co-chairman who will be the primary spokesman for the TOC. The rules and regulations shall outline responsibilities ~~to both common and unique to M1 and M2~~.

Responsibilities ~~Common to M1 and M2~~:

- The TOC shall approve, by 2/3 vote, any amendments proposed by the Authority to the ~~Expenditure~~ Plan or any portions of the Plan which could change the funding categories, programs or projects identified on page ~~18 of the M1 Plan and~~ page 31 of the ~~M2~~ Plan.
- The TOC shall hold an annual public hearing to determine whether the Authority is proceeding in accordance with the Plans. In addition, the TOC may issue reports, from time to time, on the progress of the transportation projects described in the Plan.
- The Chair shall annually certify whether the Revenues have been spent in compliance with the Plans.
- Except as otherwise provided by the Ordinance, the Taxpayers ~~Oversight~~ Committee may contract, through the Authority, for independent analysis or examination of issues within the TOC's purview, ~~including a performance audit of the Authority. The TOC may also, through the Authority, hire staff to assist the TOC in discharging its duties here under or for other assistance as it determines to be necessary.~~
- The TOC may submit a written request to the Authority to explain any perceived deviations from the Plan. The Authority's chairman must respond to such request, in writing, within sixty (60) days after receipt of the same.

~~M1 Responsibilities:~~

- ~~• The TOC shall review the growth management plan for each jurisdiction solely to determine if the plan prepared and certified by each jurisdiction includes the elements specified in the countywide Growth Management Program.~~
- ~~• The TOC shall use a checklist to determine if the Growth Management Program; has:~~
 - ~~a. Specified traffic level of services standard;~~
 - ~~b. Adopted planning standards for the fire, police, library, flood control, parks and open space, and other locally determined needs;~~

- ~~c. Adopted a development mitigation program;~~
- ~~d. Adopted a development phasing program;~~
- ~~e. Developed a seven year capital improvement program;~~
- ~~f. Participated in inter jurisdictional planning forums;~~
- ~~g. Addressed a balancing of housing options and job opportunities;~~
- ~~h. Adopted a transportation systems management ordinance.~~

~~A Growth Management Element as required by the Growth Management Program shall be adopted by each local jurisdiction in accordance with the provisions of the California Government Code which governs procedures for adopting elements of a general plan. Neither the Authority's nor TOC's review here under shall include a determination as to the adequacy of such Growth Management Elements and Components thereof. Each jurisdiction shall determine the adequacy of its Growth Management Element, and any legal challenge to such adequacy shall be brought against such jurisdiction in accordance with the provisions of statutes and cases law governing legal challenges to the adequacy of general plan elements.~~

~~Once the TOC has reviewed the growth management, it shall forward its findings to the Authority. If the Authority determines that the checklist is fulfilled, and the requirements of the Policy Resolutions and the Ordinance are met, the Retail Tax Revenues shall be allocated to the jurisdiction pursuant to the Ordinance.~~

~~The TOC shall place on each jurisdiction's development of a seven year capital improvement program and shall ensure that all expenditures proposed in a jurisdiction's seven year capital improvement program conform with the transportation purpose identified in the Policy Resolution No. 3.~~

M2 Responsibilities

- The TOC shall receive and review the following documents submitted by each Eligible Jurisdiction:
 - 1. Congestion Management Program;
 - 2. Mitigation Fee Program;
 - 3. Expenditure Report
 - 4. Local Traffic Signal Synchronization Plan; and
 - 5. Pavement Management Plan.
- The TOC shall receive and review the performance assessment conducted by the authority at least once every three years to review the performance of the authority in carrying out the purposes of the M2 Ordinance.

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MEASURE M
TAXPAYERS OVERSIGHT COMMITTEE
A Committee of
THE ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
COMMITTEE OPERATION POLICIES AND PROCEDURES

ADOPTED: JUNE 11, 1991
REVISED: August 12, 2008
REVISED: June 14, 2016

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COMMITTEE PURPOSE

Local Transportation Ordinance Nos. 2 and 3 empowered the independent Taxpayers Oversight Committee (TOC), with a Chairman elected by all Orange County voters, to guarantee that all funds generated by Measure M would be used only for specified transportation purposes. In order to eliminate redundancy and to facilitate the transition, Ordinance #3 also specified that the TOC could assume the Responsibilities of the COC that was established under Ordinance #2.

COMMITTEE OPERATING POLICY

The TOC shall conduct its operations in the context of two basic policies:

Independence

The ~~Taxpayers Oversight Committee~~ **TOC**, recognizing its responsibility to the citizens of Orange County, shall conduct its operations in a manner to ensure its independence.

Timeliness

Recognizing that the development and implementation of THE PLAN is a complex effort involving many agencies and jurisdictions and that, in such an undertaking, unnecessary delays in taking decisions and actions inevitably result in the wasting of scarce resources; the Committee shall make every effort to anticipate events which might require Committee action and to expedite the required action to the end that no required TOC reviews and approvals are unnecessarily delayed.

OPERATING PROCEDURES

Data Gathering

The TOC requires two basic categories of data:

GENERAL:

- Operating policies and procedures of the LTA that relate to the allocation and recording the expenditure of Measure M funds.

SPECIFIC:

- The Measure M Quarterly Revenue and Expenditure Report.
- Project Plans: These are the plans describing the Freeway, Regional Street and Road, Local Street and Road, and Transit projects to be undertaken by the Local Transportation Authority and funded, at least in part, by Measure M sales tax revenues. The TOC requires general project description, timeliness, and funding plans for each.
- ~~Local Jurisdiction Growth Management Plans: These are the plans to be prepared by each jurisdiction in accordance with the Checklist for Countywide Traffic Improvement and Growth Management Plan Compliance.~~

The TOC shall be provided both categories of data in a timely fashion through the Local Transportation Authority staff; the Office of External Affairs having been established as the principal point of contact.

The LTA staff has the responsibility to provide the TOC with the following:

- Copies of all relevant Measure M staff reports submitted to the Local Transportation Authority.
 - All LTA agendas, staff reports and minutes are available for members to review online.
 - Staff will provide additional reports as requested by committee members.
- Formal notification of any action anticipated, or taken, by the LTA which might not be in accordance with THE PLAN.

Review and Evaluation

The TOC has formed two subcommittees in order to help perform the responsibilities of the Committee – an Audit Subcommittee and an Annual Eligibility Review Committee:

Audit Subcommittee

In the broadest sense, the ~~Taxpayers Oversight Committee~~ TOC shall undertake such financial and performance audits as it considers necessary to ensure that the overall administrative policies and procedures of the LTA, with respect to the use of Measure M funds, are proper and the recording thereof is adequate and proper. To this end, an Audit Subcommittee of the TOC has been established to conduct the required audits in accordance with agreed-upon policies and procedures.

Findings, conclusions, and recommendations of the Audit Subcommittee will be submitted to the full TOC for final action as required.

Annual Eligibility Review (AER) Subcommittee

The AER Subcommittee shall receive and review the following documents submitted by each Eligible Jurisdiction:

1. Congestion Management Program;
2. Mitigation Fee Program;
3. Expenditure Report
4. Local Traffic Signal Synchronization Plan; and
5. Pavement Management Plan.

Findings, conclusions, and recommendations of the AER Subcommittee will be submitted to the full TOC for final action as required.

When determined to require TOC action, specific items will be assigned, immediately upon receipt of the pertinent data, to individual committee members of subcommittees of the whole Committee as appropriate, for review and evaluation. The assignees (individuals or subcommittees) will conduct the required review and evaluation and present findings, conclusions and recommendations to the whole Committee at its next regularly scheduled meeting.

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In its role as a representative of the Citizens of Orange County, the TOC may, on occasion, review and forward its position to the LTA on any Measure M issue requiring resolution between the LTA and third parties.

Whole Committee

Regular meetings of the TOC are held on the second Tuesday of every other month. ~~Special~~ Additional meetings of the whole Committee may be convened if required to ensure timely processing.

Committee meetings are conducted in accordance with Robert's Rules of Order.

If and when circumstances dictate, as provided by Section V.E. of Policy Resolution No. 1 of Ordinance No. 2, the Committee will contract through the LTA for the services of outside consultants for independent analysis or examination of issues within its purview.

Under M2

- The TOC shall receive and review the performance assessment conducted by the ~~A~~ authority at least once every three years to review the performance of the authority in carrying out the purposes of the M2 Ordinance
 - The TOC shall participate in the review of the audit scope and the selection of the consultant to perform the audit.

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- The TOC shall be presented with the 10-Year Comprehensive Program Review results and recommendations.

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Committee Findings, Conclusions, and Recommendations

Upon hearing the results of each specific item review and evaluation, the whole Committee will develop its statement of findings, conclusions, and recommendations to be forwarded to the Local Transportation Authority.

In the event an amendment to THE PLAN is involved, a 2/3 vote is required.

In all other cases, a simple majority vote is required.

Upon request of the preparer, minority reports may be forwarded with the Committee report.

Presentation Items



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs Semi-
Annual Review – March 2016**

Staff Report



June 6, 2016

To: Regional Planning and Highways Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Comprehensive Transportation Funding Programs Semi-Annual Review – March 2016

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 M2 grant-funded projects and provides an opportunity for local agencies to update project information and request project modifications. Recommended project adjustments are presented for review and approval.

Recommendation

Approve adjustments to the Comprehensive Transportation Funding Program projects and Local Fair Share funds.

Background

The Comprehensive Transportation Funding Programs (CTFP) is the method the Orange County Transportation Authority (OCTA) uses to administer funding for street, road, signal, transit, and water quality projects. The CTFP contains a variety of funding programs and sources, including Measure M2 (M2) revenues and State-Local Partnership Program funds. The CTFP provides local agencies with a comprehensive set of guidelines for administration and delivery of various transportation funding grants. Consistent with the CTFP Guidelines, OCTA staff meets with representatives from local agencies to review the status of projects and proposed changes. This process is commonly referred to as the semi-annual review (SAR). The goals of the SAR are to review the project status, determine the continued viability of projects, address local agency concerns, confirm the availability of local match funds, and to ensure timely closeout of all projects funded under the CTFP.

Discussion

The March 2016 SAR adjustments are itemized in Attachment A and described in Attachment B. The adjustments include six cancellations, nine delays, two timely-use of funds extension requests for local fair share (LFS) funds, 16 timely-use of funds extension requests for CTFP projects, six scope changes, and two transfers.

OCTA staff has identified several reasons for timely-use of funds extensions and other requested changes that include: encroachment permits required from the California Department of Transportation, unanticipated utility conflicts, and additional coordination needed between contractors and participating agencies.

Since the start of M2, OCTA has issued a number of calls for projects and awarded \$296.7 million in competitive funds for the following programs:

- M2 Regional Capacity Program (Project O)
- Traffic Signal Synchronization Program (Project P)
- Environmental Cleanup Program (Project X)
- Community-Based Transit/Circulators (Project V)
- Safe Transit Stops (Project W)

Below is a summary of the CTFP allocations using M2 funds, comparing the last SAR changes with the proposed changes in the March 2016 SAR.

M2 CTFP Summary				
Project Status	September 2015		March 2016	
	Project Phases	Allocations ¹	Project Phases	Allocations ¹ (after adjustments)
Planned ²	120	\$86.2	119	\$69.1
Started ³	200	\$155.4	152	\$140.8
Pending ⁴	41	\$24.8	59	\$41.1
Completed ⁵	98	\$30.3	125	\$38.1
Total Allocations	459	\$296.7	455	\$289.1

1. Allocations in millions, pending Board of Directors approval of the March 2016 SAR.

2. Planned - indicates that funds have not been obligated and/or are pending contract award.

3. Started - indicates that the project is underway and funds are obligated.

4. Pending - indicates that the project work is completed and the final report submittal/approval is pending.

5. Completed - indicates that the project work is complete, final report approved, and final payment has been made.

This SAR captures over \$73,875 in project cost savings and \$7,520,152 in project cancellations. Local agencies completed 27 project phases between September 2015 and March 2016.

Summary

OCTA has recently reviewed the status of grant-funded streets and roads projects funded through the CTFP. Staff recommends approval of the project adjustments requested by local agencies, including six cancellations, nine delays, two timely-use of funds extension requests for LFS funds, 16 timely-use of funds extension requests for CTFP projects, six scope changes, and two transfers. The next SAR is scheduled for September 2016.

Attachments

- A. Comprehensive Transportation Funding Programs (CTFP) – March 2016 Semi-Annual Review Adjustment Requests
- B. Comprehensive Transportation Funding Programs – March 2016 Semi-Annual Review Adjustment Request Descriptions

Prepared by:



Sam Kaur
Section Manager, Measure M2 Local
Programs
(714) 560-5673

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs Semi-
Annual Review – March 2016**

Attachment A

Comprehensive Transportation Funding Programs (CTFP)
 March 2016 Semi-Annual Review Adjustment Requests

Cancellation Request(s)

Agency	Project Number	Project	Project Title	Phase	Current FY	Current Allocation	Proposed Allocation
Dana Point	13-DPNT-ECP-3676	X	San Juan Creek LO1502 Trash Removal/Dry Weather Diversion	CON	FY 2015-16	\$ 470,236	\$ -
Fullerton	13-FULL-ACE-3652	O	Bastanchury Road (Harbor Boulevard to Fairway Isles Drive)	CON	FY 2015-16	\$ 1,806,637	\$ -
Laguna Beach	14-LBCH-ICE-3719	O	South Coast Highway/Broadway (SR-1/SR-133)	ROW	FY 2015-16	\$ 127,500	\$ -
Laguna Beach	14-LBCH-ICE-3719	O	South Coast Highway/Broadway (SR-1/SR-133)	CON	FY 2015-16	\$ 495,360	\$ -
San Juan Capistrano	13-SJCP-ACE-3657	O	Ortega Highway Improvement Project	ENG	FY 2013-14	\$ 1,050,000	\$ 109,381
San Juan Capistrano	14-SJCP-ACE-3723	O	Ortega Highway Improvement Project	ROW	FY 2016-17	\$ 3,679,800	\$ -
Total Phase Allocations (6)						\$ 7,629,533	
Total Cancellation(s)						\$ 7,520,152	

FY- Fiscal year

CON - Construction

ROW - Right-of-way

ENG - Engineering

SR-1/SR-133 - State Route 1/State Route 133

Comprehensive Transportation Funding Programs (CTFP)
March 2016 Semi-Annual Review Adjustment Requests

Delay Request(s)									
Agency	Project Number	Project	Project Title	Phase	Current FY	Current Allocation	Proposed Delay	Proposed FY	
Anaheim	14-ANAH-ACE-3711	O	Brookhurst Street (I-5 to SR-91)	CON	FY 2015-16	\$ 4,754,131	24 Months	FY 2017-18	
Anaheim	15-ANAH-ECP-3797	X	Green Alley Bio-Infiltration Project	CON	FY 2015-16	\$ 200,000	24 Months	FY 2017-18	
Anaheim	15-ANAH-ICE-3762	O	State College Boulevard and La Palma Avenue Intersection	CON	FY 2015-16	\$ 2,189,239	24 Months	FY 2017-18	
Fullerton	15-FULL-TSP-3769	P	Malvern Avenue/Chapman Avenue Corridor	PI	FY 2015-16	\$ 2,075,104	24 Months	FY 2017-18	
Fullerton	15-FULL-TSP-3769	P	Malvern Avenue/Chapman Avenue Corridor	O&M	FY 2016-17	\$ 127,200	24 Months	FY 2018-19	
Huntington Beach	15-HBCH-ACE-3770	O	Atlanta Avenue Widening	CON	FY 2015-16	\$ 1,200,000	24 Months	FY 2017-18	
OCTA	14-OCTA-TSP-3704	P	Bristol Street Traffic Signal Synchronization Project	O&M	FY 2015-16	\$ 78,720	12 Months	FY 2016-17	
OCTA	14-OCTA-TSP-3709	P	La Paz Road Signal Synchronization Project	O&M	FY 2015-16	\$ 44,160	12 Months	FY 2016-17	
Yorba Linda	15-YLND-ACE-3789	O	Bastanchury Road (Prospect Avenue to Imperial Highway)	CON	FY 2015-16	\$ 385,000	24 Months	FY 2017-18	
Delay(s) - Total Phase Allocations (9)						\$ 11,053,554			

FY - Fiscal year

I-5 - Interstate 5

SR-91 - State Route 91

CON - Construction

PI - Primary implementation

O&M - Operations and maintenance

Comprehensive Transportation Funding Programs (CTFP)
March 2016 Semi-Annual Review Adjustment Requests

Timely-Use of Funds Extension Request(s) - CTFP								
Agency	Project Number	Project	Project Title	Phase	Current FY	Current Allocation	Proposed Time Extension (in Months)	Proposed Expenditure Deadline
Anaheim	11-ANAH-FST-9000	O	Katella Avenue from Manchester Avenue to Anaheim Way	CON	FY 2012-13	\$ 1,360,044	24 Months	April 2018
County of Orange	13-ORCO-ACE-3655	O	La Pata Avenue Phase II	CON	FY 2013-14	\$10,000,000	24 Months	December 2018
OCTA	12-OCTA-TSP-3603	P	Ball Road	PI	FY 2012-13	\$ 606,136	24 Months	June 2018
OCTA	12-OCTA-TSP-3603	P	Ball Road	O&M	FY 2013-14	\$ 127,280	24 Months	June 2018
OCTA	12-OCTA-TSP-3615	P	Lake Forest Drive	O&M	FY 2013-14	\$ 10,704	24 Months	May 2018
OCTA	12-OCTA-TSP-3616	P	Pacific Park/Oso Parkway	PI	FY 2012-13	\$ 465,756	24 Months	April 2018
OCTA	12-OCTA-TSP-3616	P	Pacific Park/Oso Parkway	O&M	FY 2013-14	\$ 24,466	24 Months	April 2018
OCTA	12-OCTA-TSP-3618	P	Los Alisos Boulevard	PI	FY 2012-13	\$ 309,261	24 Months	May 2018
OCTA	12-OCTA-TSP-3618	P	Los Alisos Boulevard	O&M	FY 2013-14	\$ 23,356	24 Months	May 2018
OCTA	12-OCTA-TSP-3622	P	Santa Margarita Parkway	PI	FY 2012-13	\$ 300,051	24 Months	June 2018
OCTA	12-OCTA-TSP-3622	P	Santa Margarita Parkway	O&M	FY 2013-14	\$ 11,861	24 Months	June 2018
OCTA	12-OCTA-TSP-3625	P	Edinger Avenue	PI	FY 2012-13	\$ 694,600	24 Months	June 2018
OCTA	12-OCTA-TSP-3625	P	Edinger Avenue	O&M	FY 2013-14	\$ 59,200	24 Months	June 2018
OCTA	12-OCTA-TSP-3626	P	First Street/Bolsa Avenue	PI	FY 2012-13	\$ 903,200	24 Months	May 2018
OCTA	12-OCTA-TSP-3626	P	First Street/Bolsa Avenue	O&M	FY 2013-14	\$ 76,800	24 Months	May 2018
Orange	13-ORNG-ICE-3656	O	Lincoln Avenue/Tustin Street Intersection Widening	ENG	FY 2013-14	\$ 105,000	24 Months	July 2018
CTFP Timely-Use of Funds Extension(s) - Total Phase Allocations (16)						\$15,077,715		

FY - Fiscal year

CON - Construction

OCTA - Orange County Transportation Authority

PI - Primary implementation

O&M - Operations and maintenance

ENG - Engineering

Comprehensive Transportation Funding Programs (CTFP)
March 2016 Semi-Annual Review Adjustment Requests

Timely-Use of Funds Extension Request(s) - LFS							
Agency	Project Number	Project	Project Title	Phase	Current FY	Proposed Allocation Extension	Proposed Time Extension
Santa Ana	N/A	Q	Several City Projects	N/A	FY 2013-14	\$ 296,564	12 Months
Yorba Linda	N/A	Q	Several City Projects	N/A	FY 2013-14	\$ 290,256	24 Months
LFS-Timely Use of Funds Extension(s) - Total Phase Allocations (2)						\$ 586,820	

LFS - Local Fair Share

FY - Fiscal year

N/A - Not Applicable

Comprehensive Transportation Funding Programs (CTFP)
 March 2016 Semi-Annual Review Adjustment Requests

Scope Change Request(s)						
Agency	Project Number	Project	Project Title	Phase	Current FY	Current Allocation
Brea	14-BREA-TSP-3702	P	Birch Street/Rose Drive Corridor	PI	FY 15/16	\$ 617,110
County of Orange	14-ORCO-ECP-3756	X	Catch Basin Screens Phase IV	CON	FY 14/15	\$ 200,000
Fullerton	15-FULL-TSP-3769	P	Malvern Avenue/Chapman Avenue Corridor	PI	FY 15/16	\$ 2,075,104
OCTA	15-OCTA-TSP-3783	P	Chapman Avenue Corridor	PI	FY 15/16	\$ 2,188,844
Orange	14-ORNG-ICE-3721	O	Lincoln Avenue and Tustin Street Intersection Widening	CON	FY 15/16	\$ 368,640
Tustin	14-TUST-ECP-3741	X	Biofiltration Retrofit - Edinger/Redhill/Valencia/ Kensington Park	CON	FY 14/15	\$ 1,200,000
Scope Change(s) - Total Phase Allocations (6)						\$ 6,649,698

FY - Fiscal year

PI - Primary implementation

CON - Construction

Comprehensive Transportation Funding Programs (CTFP)
March 2016 Semi-Annual Review Adjustment Requests

Transfer Request(s)									
Agency	Project No.	Project Number	Project Title	Phase	Current FY	Current Allocation	Transfer Amount	Proposed Allocation	
Orange	14-ORNG-ICE-3721	O	Lincoln Avenue and Tustin Street Intersection Widening	ROW	FY 2014-15	\$ 67,500	\$ (62,250)	\$ 5,250	
Orange	14-ORNG-ICE-3721	O	Lincoln Avenue and Tustin Street Intersection Widening	CON	FY 2015-16	\$ 368,640	\$ 62,250	\$ 430,890	
Orange	14-ORNG-ICE-3722	O	Katella Avenue and Wanda Road Intersection Widening	ROW	FY 2014-15	\$ 120,000	\$ (16,974)	\$ 103,026	
Orange	14-ORNG-ICE-3722	O	Katella Avenue and Wanda Road Intersection Widening	CON	FY 2015-16	\$ 583,680	\$ 16,974	\$ 600,654	
Transfer Request(s) - Total Phase Allocations (4)						\$ 1,139,820	\$ -	\$ 1,139,820	

FY - Fiscal year

ROW - Right-of-way

CON - Construction



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Comprehensive Transportation Funding Programs Semi-
Annual Review – March 2016**

Attachment B

**Comprehensive Transportation Funding Programs
March 2016 Semi-Annual Review Adjustment Request Descriptions**

Cancellations

The City of Dana Point (Dana Point) was awarded \$470,236 for the construction of the San Juan Creek LO1SO2 Trash Removal/Dry Weather Diversion Project (13-DPNT-ECP-3676). The Orange County Transportation Authority (OCTA) Board of Directors (Board) previously approved a 24-month delay request since additional agencies had a vested interest in the project, as well as a minor scope change that involved a more feasible and cost-effective treatment for future operation and maintenance costs. Dana Point is requesting to cancel the project since the city is unable to reach consensus on the fiscal responsibility for cost sharing of the project operation and maintenance, and plans to reapply when cost allocations have been determined amongst their partners.

The City of Fullerton (Fullerton) was awarded \$1,806,637 for construction of the Bastanchury Road – Harbor Boulevard to Fairway Isles Drive Project (13-FULL-ACE-3652). Construction plans were submitted to the Army Corps of Engineers (Corps) for comments, and many of the details for the new retaining walls will need to be revised. In addition, the Corps has relocated the original borrow site which will require an additional review from the Department of Fish and Game and Regional Water Quality Board. Fullerton will not be able to award the project contract within the current year of programming (fiscal year {FY} 2015-16). Fullerton's intent is to re-apply for construction funding once the final construction documents are in conformance with the Corps' requirements.

The City of Laguna Beach was awarded \$127,500 for right-of-way (ROW), and \$495,360 for construction (14-LBCH-ICE-3719) of the South Coast Highway/Broadway Project. The city has decided not to proceed with this project as they are unable to meet the California Department of Transportation (Caltrans) requirements without further narrowing of sidewalk and increasing the ROW acquisition area.

The City of San Juan Capistrano was awarded \$1,050,000 for engineering (13-SJCP-ACE-3657), and \$3,679,800 for ROW (14-SJCP-ACE-3723) for the Ortega Highway Project, between Calle Entradero and the east city limits. The cancellation request is made based on the final action taken by the city council at the January 5, 2016, meeting that directed staff not to proceed with the project. A small portion of the Measure M2 funds (\$109,381) will be used to pay for the eligible expenditures incurred during the engineering phase.

Comprehensive Transportation Funding Programs March 2016 Semi-Annual Review Adjustment Request Descriptions

Delays

The City of Anaheim (Anaheim) is requesting a 24-month delay on the following three projects:

- Brookhurst Street from Interstate 5 to State Route 91 Project (14-ANAH-ACE-3711) was awarded \$4,754,131 in FY 2015-16 for the construction phase. The project is currently in the ROW acquisition/relocation phase, and the city has acquired 19 full takes and seven partial takes.

There are four partial takes remaining in the procurement process to complete the ROW acquisitions. The project is currently in the design phase, and the delay provides the city with additional time to complete design and ROW.

- Green Alley Bio-Infiltration Project (15-ANAH-ECP-3755) was awarded \$200,000 in FY 2015-16 for the construction phase. The project is currently in the design phase, and the delay will allow sufficient time for the city to award construction of this project.
- State College Boulevard and La Palma Avenue Project (15-ANAH-ICE-3762) was awarded \$2,189,239 in FY 2015-16 for the construction phase. The project is currently in the design phase, and the delay provides the city with time to complete design and ROW. The city is currently working to acquire six partial takes and plans to begin construction within 24 months.

Fullerton is requesting a 24-month delay on the implementation and operation and maintenance phases of the Malvern Avenue/Chapman Avenue Corridor Project (15-FULL-TSP-3769). On February 16, 2016, the city awarded a contract to provide professional traffic engineering consultant services for design, system integration, construction management, and ongoing monitoring/maintenance services. The delay will provide the city with sufficient time to award a construction contract.

The City of Huntington Beach is requesting a 24-month delay on the construction of the Atlanta Avenue Widening Project, between Huntington Street and Delaware Street (15-ANAH-ACE-3770). The street widening project requires the acquisition of additional public ROW from an adjacent mobile home park. The project is currently delayed until the city is able to come to an agreement with the park owner. The delay will provide the city sufficient time to either complete negotiations with the park owner or acquire the necessary easements through the condemnation process.

OCTA, as an administrative lead agency for the cities of Costa Mesa, Newport Beach, and Santa Ana, is requesting a 12-month delay on the operations and maintenance phase of the Bristol Street Traffic Signal Synchronization Project (TSSP) from State Route 22 ramps to Jamboree Road (14-OCTA-TSP-3704) due to anticipated administrative delays

Comprehensive Transportation Funding Programs March 2016 Semi-Annual Review Adjustment Request Descriptions

in closing out the primary implementation phase that will affect the start of the operations and maintenance phase.

OCTA, as an administrative lead agency for the cities of Aliso Viejo, Laguna Hills, Laguna Niguel, and Mission Viejo, is requesting a 12-month delay on the operations and maintenance phase of the La Paz Road TSSP from Olympiad Road to Crown Valley Parkway (14-OCTA-TSP-3709) due to anticipated administrative delays in closing out the primary implementation phase that will affect the start of the operations and maintenance phase.

The City of Yorba Linda (Yorba Linda) is requesting a 24-month delay on the construction phase of Bastanchury Road – Prospect Avenue to Imperial Highway (15-YLND-ACE-3789). Currently, there are two utility poles that need to be relocated prior to the construction of the proposed improvements. Yorba Linda has initiated the relocation request. The delay will provide sufficient time to complete utility relocations and award a construction contract.

Local Fair Share Timely-Use of Funds Extensions

The City of Santa Ana (Santa Ana) received \$657,540 of local fair share (LFS) funds on November 19, 2013, and is requesting a one-time 12-month timely-use of funds extension of \$296,564 at this time. These funds must be expended by November 19, 2017. The extension will provide the city the ability to expend the funds on specific projects beyond the initial expenditures deadline.

The City of Yorba Linda (Yorba Linda) received \$891,779 of LFS funds in FY 2013-14, and is requesting a one-time 24-month timely-use of funds extension of \$290,256 at this time. These funds were disbursed in two separate installments: \$146,222 was disbursed on September 4, 2013, and must be expended by September 4, 2018; \$144,034 was disbursed on November 19, 2013, and must be expended by November 19, 2018. Yorba Linda plans to use the LFS funds mentioned above for specific projects within the extended time frame.

Timely-Use of Funds Extensions

Once obligated, the Comprehensive Transportation Funding Programs (CTFP) funds expire 36 months from the contract award date. Per precept 20 in the 2015 CTFP Guidelines, local agencies may request extensions up to 24 months through the semi-annual review (SAR). During this SAR cycle, four agencies submitted 16 timely-use of funds extension requests for CTFP projects.

Anaheim is requesting a 24-month timely-use of funds extension for the construction phase of Katella Avenue from Manchester Avenue to Anaheim Way (11-ANAH-FST-9000) from April 2016 to April 2018. The additional time will help the city to resolve outstanding payments to the contractor and complete project closeout.

Comprehensive Transportation Funding Programs March 2016 Semi-Annual Review Adjustment Request Descriptions

The County of Orange is requesting a 24-month timely-use of funds extension for the construction phase of La Pata Avenue Phase II, between Ortega Highway and north boundary of Prima Deshecha landfill (13-ORCO-ACE-3655) from December 2016 to December 2018. This extension will provide sufficient time to complete construction, issue payments to the contractor, and complete project closeout.

OCTA, as an administrative lead agency for the cities of Aliso Viejo, Anaheim, Buena Park, Fountain Valley, Huntington Beach, Lake Forest, Laguna Hills, Mission Viejo, Orange, Rancho Santa Margarita, Santa Ana, Tustin, Westminster, and the County of Orange (County) is requesting 24-month timely-use of funds extension for the following projects:

- Primary implementation and maintenance phases of Ball Road Project from Holder Street to Tustin Street (12-OCTA-TSP-3603) until June 2018.
- Maintenance phase of Lake Forest Drive from Laguna Canyon Road to Rockfield Boulevard (12-OCTA-TSP-3615) until May 2018.
- Primary implementation and maintenance phases of Pacific Park/Oso Project from Aliso Viejo Parkway to State Route 241 (12-OCTA-TSP-3616) until April 2018.
- Primary implementation and maintenance phases of Los Alisos Boulevard from Paseo de Valencia to Altissima (12-OCTA-TSP-3618) until May 2018.
- Primary implementation and maintenance phases of Santa Margarita Parkway from El Toro Road to Plano Trabuco Road (12-OCTA-TSP-3622) until June 2018.
- Primary implementation and maintenance phases of Edinger Avenue Project from Bolsa Chica Street to State Route 55 (12-OCTA-TSP-3625) until June 2018.
- Primary implementation and maintenance phases of First Street/Bolsa Avenue Project from Edwards Street to Newport Avenue (12-OCTA-TSP-3626) until May 2018.

OCTA has experienced delays with the Caltrans encroachment permit approval process, unanticipated utility conflicts, and additional coordination needed between participating agencies and contractors. The additional time will provide OCTA with sufficient time to complete and closeout the projects.

The City of Orange (Orange) is requesting a 24-month timely-use of funds extension for engineering of Lincoln Avenue and Tustin Street Intersection Widening Project (13-ORNG-ICE-3656), from July 2016 to July 2018. Orange has experienced delays with obtaining an encroachment permit approval from Caltrans. This extension will provide sufficient time for Orange to obtain the encroachment permit from Caltrans.

Comprehensive Transportation Funding Programs March 2016 Semi-Annual Review Adjustment Request Descriptions

Scope Change

During this SAR, six agencies are requesting a scope changes.

The City of Brea was awarded \$617,110 for the primary implementation of Birch Street and Rose Drive Corridor (14-BREA-TSP-3702). The proposed closed-circuit television (CCTV) cameras at Birch Street/Kraemer Boulevard and Birch Street/Brea Boulevard have been provided by other city projects. Instead, the city would like to install new CCTV cameras at Birch Street/South Associated Road and Birch Street/Valencia Boulevard. No additional funding is requested as part of the scope change.

The County was awarded \$200,000 for the construction of Catch Basin Screens Phase IV (14-ORCO-ECP-3756). The County originally proposed 350 connector pipe screen (CPS) units. However, only 315 CPS units were installed due to increased retrofit costs on non-conformance standard catch basin sizes. The waterways and pollutants originally identified in the project application remain the same, and no additional funding is being requested as part of the scope change.

Fullerton was awarded \$2,075,104 for the implementation phase of Malvern Avenue and Chapman Avenue Corridor (15-FULL-TSP-3769). Fullerton is requesting a scope change relative to the fiber communications layout along the project corridor. The proposed scope change involves a reconfiguration of the communications network into a communication backbone ring in case of construction activity or component failure. The scope change will involve installing the new 2" conduit and additional fiber optic cable along the project corridor between Malvern Avenue/Euclid Street and Malvern Avenue/ Woods Avenue. New fiber optic cable will be installed in existing conduit from Malvern Avenue/ Woods Avenue to connect to existing fiber at Chapman Avenue/Highland Avenue. No additional funding is requested as part of the scope change.

Orange was awarded \$368,640 for the construction of the Lincoln Avenue and Tustin Street Intersection Widening Project (14-ORNG-ICE-3721). Orange is requesting a scope change since Orange has decided not to proceed with ROW acquisition. The scope change includes constructing three-foot wide stamped concrete raised island median, removing the bus turnout, and an increase in unit and quantity cost for rehabilitating failing pavement areas.

OCTA was awarded \$2,188,844 for the primary implementation of the Chapman Avenue Corridor (15-OCTA-TSP-3783). The original application included ethernet switches, uninterruptible power supply, and a control upgrade as part of the intersection improvements. However, upon field review, it was discovered that these items were no longer necessary because they were provided as part of another city project. OCTA is requesting a scope change to use cost savings to allow a participating agency, Orange, to purchase one video detection system, three cabinet patch panels,

Comprehensive Transportation Funding Programs

March 2016 Semi-Annual Review Adjustment Request Descriptions

two 6E pullboxes, and three CCTV camera systems. No additional funding is requested as part of the scope change, and the installation of these components will enhance the overall benefit of the project.

The City of Tustin (Tustin) was awarded \$1,200,000 for the Biofiltration Retrofit – Edinger/Redhill/Valencia/Kensington Project (14-TUST-ECP-3741). Tustin originally proposed to install 29 modular wetland units at catch basins located within the Tustin Legacy. Due to underground utilities conflicts, 14 locations were discovered to be ineligible to install a unit. Therefore, the 14 units were installed in other locations within the Tustin Legacy. In addition, Tustin installed 32 modular wetlands instead of the originally proposed 29. The waterways and pollutants originally identified in the project application remain the same, and no change in the allocation amount is being requested.

Transfers

Orange is requesting two transfers for the following projects: Lincoln Avenue and Tustin Street Intersection Widening Project (14-ORNG-ICE-3721). Orange is requesting to transfer cost savings of \$62,250 from ROW phase to the construction phase as a result of a project scope change and increase in construction cost items.


For the Katella Avenue and Wanda Road Intersection Widening Project (14-ORNG-ICE-3722), Orange is requesting to transfer cost savings of \$16,974 from the ROW phase to the construction phase.



COMMITTEE TRANSMITTAL

April 11, 2016

To: Members of the Board of Directors

From:  Laurena Weinert, Clerk of the Board

Subject: Measure M2 Comprehensive Transportation Funding Programs -
2016 Call for Projects Programming Recommendations

Regional Planning and Highways Committee Meeting of April 4, 2016

Present: Directors Bartlett, Do, Donchak, Lalloway, Miller, Nelson, Spitzer,
and Ury

Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Approve programming \$38 million in Regional Capacity Program funds to 19 local agency projects.
- B. Approve programming \$12.43 million in Regional Traffic Signal Synchronization Program funds to seven local agency projects.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Comprehensive Transportation Funding
Programs - 2016 Call for Projects Programming
Recommendations**

Staff Report



April 4, 2016

To: Regional Planning and Highways Committee

From: Darrell Johnson, Chief Executive Officer *Jenneth Priza for*

Subject: Measure M2 Comprehensive Transportation Funding Programs - 2016 Call for Projects Programming Recommendations

Overview

The Orange County Transportation Authority issued the 2016 Measure M2 Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects in August 2015. This competitive call for projects provides grant funding for streets and roads projects countywide. A priority list of projects recommended for funding is presented for review and approval.

Recommendations

- A. Approve programming \$38 million in Regional Capacity Program funds to 19 local agency projects.
- B. Approve programming \$12.43 million in Regional Traffic Signal Synchronization Program funds to seven local agency projects.

Background

The Regional Capacity Program (RCP), Project O, is the Measure M2 (M2) competitive funding program through which the Orange County Transportation Authority (OCTA) provides funding for streets and roads capital projects. The Regional Traffic Signal Synchronization Program (RTSSP), Project P, is the M2 Program that provides funding for multi-jurisdictional signal synchronization projects. Both programs are administered through the Comprehensive Transportation Funding Programs (CTFP), which allocates funds through a competitive process based on a common set of guidelines and scoring criteria approved by the OCTA Board of Directors (Board). On August 10, 2015, the Board authorized staff to issue a call for projects (call), making available approximately \$38 million in RCP funding and \$12 million in RTSSP funding.

Discussion

On October 23, 2015, OCTA received 27 applications requesting \$80 million in RCP funding, and 13 applications requesting \$15.6 million in RTSSP funding. Applications were reviewed for eligibility, consistency, and adherence to guidelines and program objectives. Staff worked with local agencies to address technical issues related to excess right-of-way (ROW), construction unit costs, and project scopes. Brief program descriptions and recommendations are provided below.

RCP

The RCP provides funds for capital improvements to congested streets, roads, intersections, and interchanges. The RCP is made up of three individual program categories which provide improvements to the network:

- The Arterial Capacity Enhancements (ACE) improvement category focuses on arterial corridor improvements (primarily mid-block or between intersections) that complement freeway improvement initiatives underway.
- The Intersection Capacity Enhancements (ICE) improvement category provides funding for operational and capacity improvements at intersecting Master Plan of Arterial Highways roadways.
- The Freeway Arterial/Street Transitions (FAST) focuses upon street to freeway interchanges.

The CTFP guidelines require a minimum starting level of service (LOS) of 0.81 for a project to be eligible for consideration, but grants provisional eligibility to projects that have a starting LOS of 0.71, dependent on availability of funding. For the 2016 call, programming capacity is not available to fund projects with a LOS that fell between 0.71 and 0.80.

As part of the 2016 call for projects, the City of Santa Ana (City) requested \$17.8 million for the Warner Avenue Widening (Main to Oak) Project for the ROW phase. This request for ROW funding is unprecedented in the history of CTFP competitive grant programs and, if awarded, would consume approximately 46 percent of the funds available through this call for one project.

OCTA staff requested that the City bifurcate the project into ICE (intersection ROW valued at \$12.6 million) and ACE (mid-block ROW valued at \$5.2 million) categories because the project encompasses both types of improvements. This will allow for a request that is better scaled with the other project requests.

Measure M2 Comprehensive Transportation Funding Programs - Page 3 2016 Call for Projects Programming Recommendations

Staff presented this issue, as well as all the technical project scores, to the Technical Steering Committee (TSC) and Technical Advisory Committee (TAC) in February 2016. Based on the existing guidelines, the TSC believed that the City's overall project met the technical criteria, but that the funding request created a policy issue that is not within the purview of the TSC. Therefore, the TSC and TAC did not have the authority to request that the City bifurcate this project, and the technical recommendation to the Board reflected \$17.8 million in CTFP funds for this project.

Based on the policy issue raised by the City's request, staff is recommending that the Board approve CTFP funds for the ROW within the ACE category (\$5.2 million) for Warner Avenue Widening Project at this time. The City may apply for the ROW within the ICE category through the next call for projects. OCTA anticipates issuing the next call for projects (\$12.6 million) by August 2016.

Staff recommends programming approximately \$38 million to fund 19 projects through the ACE, ICE, and FAST categories. The details of projects recommended and not recommended for RCP funding are shown in Attachment A. The staff recommendation allows for all requested projects with a LOS of 0.81 or above to be funded in this call.

RTSSP

The RTSSP is a significant funding source for multi-agency, corridor-based signal synchronization along Orange County streets and roads. Funding is provided for a three-year period that includes the implementation of signal synchronization, as well as a limited amount of funding for ongoing maintenance and monitoring to keep the investments in optimal condition. A total of 13 project applications requesting \$15.6 million were received for this program. As noted previously, the Board authorized \$12 million in funding for the 2016 call cycle. Staff recommends programming \$12.43 million to fund the seven highest scoring projects. The additional \$430,000 will be reduced from the funding amount for the 2017 call for projects. All of the recommended projects will be implemented in fiscal year 2016-17. The details of projects recommended for funding for the RTSSP are shown in Attachment B.

The table below provides an overall summary of the funding recommendations:

2016 CTFP Call for Projects Summary (\$ in millions)			
	RCP	RTSSP	Total
Number of Applications Recommended for Approval	19	7	26
Amount Recommended for Approval (escalated)	\$38	\$12.43	\$50.43

Next Steps

Once approved, the new projects will be incorporated into the master funding agreement between OCTA and all local agencies. Staff will continue to monitor project status and project delivery through the semi-annual review process, and will provide reports to the Board.

Summary

Proposed programming recommendations for projects in the RCP and RTSSP have been developed by staff. Funding for 26 projects totaling \$50.43 million in M2 funds is proposed. Staff is seeking TSC approval of the programming recommendations presented.

Attachments

- A. 2016 Measure M2 Regional Capacity Program Call for Projects – Programming Recommendations
- B. 2016 Measure M2 Regional Traffic Signal Synchronization Program Call for Projects - Programming Recommendation

Prepared by:



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Approved by:



Kia Mortazavi
Executive Director, Planning
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ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Comprehensive Transportation Funding
Programs - 2016 Call for Projects Programming
Recommendations**

Attachment A

2016 Measure M2 Regional Capacity Program Call for Projects - Programming Recommendations

AGENCY	PROJECT	FUND	ENG	ROW	CON	TOTAL REQUEST	EXISTING LOS	SCORE
Costa Mesa	Newport Boulevard Widening from 19th Street to Superior Avenue	ACE	281,250			281,250	1.30	69
Orange County	Oso Parkway and Antonio Parkway Intersection Improvements	ICE			792,669	792,669	0.81	60
* Santa Ana	Warner Avenue Improvements and Widening (Main Street to Oak Street)	ACE		5,200,000		5,200,000	1.01	59
Irvine	University Drive Widening (MacArthur Boulevard to Campus Drive)	ACE			4,104,971	4,104,971	0.88	58
Anaheim	Lincoln Avenue Widening from Harbor Boulevard to West Street	ACE		10,174,241		10,174,241	1.22	55
Mission Viejo	Alicia Parkway and Marguerite Parkway Intersection	ICE	19,565		252,424	271,989	0.81	53
** Irvine	Jamboree Road Widening (600 feet north of Main Street to Barranca Parkway)	ACE	801,000			801,000	0.88	53
La Palma	La Palma Avenue/Del Amo Boulevard over Coyote Creek Bridge	ACE	975,000			975,000	1.12	51
Tustin	Newport Avenue and SR-55 NB Ramps/Del Amo Avenue Modification	ICE	8,670		108,668	117,338	1.01	51
Irvine	University Drive/Ridgeline Drive/Rosa Drew Lane Intersection Improvements	ICE		127,163		127,163	1.01	50
Santa Ana	Bristol Street and Memory Lane Intersection Widening	ICE	67,500			67,500	0.88	47
La Habra	Whittier Boulevard and Hacienda Road Intersection Improvements	ICE			1,230,548	1,230,548	0.86	43
Mission Viejo	Marguerite Parkway and Santa Margarita Parkway Intersection	ICE	10,236		133,062	143,298	0.82	42
Tustin	Red Hill Ave Widening (Dyer Road/Barranca Parkway to Edinger Avenue)	ACE			6,000,000	6,000,000	0.84	42
Tustin	El Camino Real and Jamboree Road Modification	ICE	5,362		65,757	71,119	0.97	41
Costa Mesa	Wilson Street Widening from College Avenue to Fairview Road	ACE	281,250			281,250	0.96	41
Brea	SR-57 & Lambert Road Interchange Improvements	FAST		5,929,200		5,929,200	0.90	41
Santa Ana	Warner Avenue and Flower Street Intersection Improvements	ICE	6,750			6,750	0.83	35
*** Orange	Tustin Avenue and Meats Avenue Intersection Right Turn Lane Addition	ICE		1,424,713		1,424,713	0.82	35
						38,000,000		

* Project recommended for funding for ACE portion of ROW Only.

** Applicant requested fast track funding for ROW and construction phases. Staff recommends Engineering funding only at this time due to project readiness.

*** CTFP Request amount is reduced by \$375,287 and City committed to provide additional matching funds.

UNFUNDED (Below minimum existing congestion threshold and beyond available programming capacity)

Laguna Hills	Paseo De Valencia Widening	ACE					0.66	
Costa Mesa	Fairview Road at Wilson Street Intersection Widening ROW	ICE					0.73	
Mission Viejo	Los Alisos Boulevard and Santa Margarita Parkway Intersection	ICE					0.76	
Anaheim	Lincoln Avenue Widening - East Street to Evergreen Street	ACE					0.80	
UNFUNDED (Project withdrawn by applicant or recommend resubmittal in future call)								
Los Alamitos	Los Alamitos Boulevard Gap Closure	ACE						
Newport Beach	Old Newport Boulevard and Pacific Coast Highway Intersection Improvement	ICE						
Mission Viejo	Felipe Road and Oso Parkway Intersection	ICE						
Irvine	Sand Canyon Avenue/Marine Way Intersection Improvement	ICE						

Acronyms

ENG - engineering phase	NB - northbound
ROW - right-of-way	SR-57 - State Route 57
CON - construction phase	CTFP - Comprehensive Transportation Funding Programs
LOS - level of service	
ACE - arterial capacity enhancements	
ICE - intersection capacity enhancements	
SR-55 - State Route 55	



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Comprehensive Transportation Funding
Programs - 2016 Call for Projects Programming
Recommendations**

Attachment B

2016 Measure M2 Regional Traffic Synchronization Program Call for Projects - Programming Recommendation

AGENCY	PROJECT	FUND	TOTAL REQUEST	SCORE	CUMULATIVE
Anaheim	Brookhurst Street TSS (Commonwealth Avenue to Pacific Coast Highway)	RTSSP	\$ 2,895,884	88	\$ 2,895,884
Anaheim	Magnolia Avenue TSS (Commonwealth Avenue to Banning)	RTSSP	\$ 2,711,694	83	\$ 5,607,578
* Mission Viejo	Marguerite Parkway Corridor Signal Synchronization	RTSSP	\$ 759,232	78	\$ 6,366,810
Costa Mesa	Fairview Road Signal Synchronization	RTSSP	\$ 1,695,150	67	\$ 8,061,960
Lake Forest	El Toro Road Traffic Signal Synchronization	RTSSP	\$ 1,112,447	60	\$ 9,174,407
Irvine	Irvine Center Drive/Edinger Avenue Signal Synchronization	RTSSP	\$ 1,824,000	58	\$ 10,998,407
Irvine	Von Karman Avenue/Tustin Ranch Road Signal Synchronization	RTSSP	\$ 1,439,980	57	\$ 12,438,387
			\$ 12,438,387		

* City provided justification for the proposed enhancements and budget revision is no longer needed as previously reflected in the TSC report.

UNFUNDED (Beyond available programming capacity)				
Fullerton	Gilbert Street/Idaho Street Corridor RTSSP	RTSSP	\$ 1,093,448	50
Costa Mesa	Fair Drive Signal Synchronization	RTSSP	\$ 387,076	37
Costa Mesa	Bear Street Signal Synchronization	RTSSP	\$ 473,522	36
Mission Viejo	Olympiad Road - Felipe Road Corridor	RTSSP	\$ 632,912	30
San Clemente	Camino Vera Cruz	RTSSP	\$ 429,044	29
Costa Mesa	Anton Boulevard Signal Synchronization	RTSSP	\$ 237,752	20

Applicant requested fast track funding for ROW and construction phases. Staff recommends Engineering funding only at this time due to project readiness.

Acronyms

TSS - Traffic Signal Synchronization
RTSSP - Regional Traffic Signal Synchronization Program
TSC - Technical Steering Committee



COMMITTEE TRANSMITTAL

May 23, 2016

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Interstate 405 Improvement Project Initial Toll Policy and Preliminary Finance Plan

Finance and Administration Committee Meeting of May 11, 2016

Present: Directors Hennessey, Jones, Katapodis, Miller, Pulido, Spitzer, and Steel

Absent: Director Do

Committee Vote

Committee Chairman Spitzer took a roll call vote for the motion made by Director Pulido, seconded by Board Vice Chairman Hennessey, and following the roll call vote, declared passed 6-1.

Director Miller voted in opposition.

Committee Recommendations

- A. Approve the initial 405 Express Lanes Toll Policy.
- B. Approve the preliminary Interstate 405 Improvement Project Finance Plan.
- C. Allocate approximately \$10 million in internal funds to cover short-term, reimbursable project development costs.
- D. Reimburse the Orange County Unified Transportation Trust Fund for prior funding for project development.
- E. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, and execute or amend all necessary agreements to facilitate the above actions.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Staff Report



May 11, 2016

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Interstate 405 Improvement Project Initial Toll Policy and Preliminary Finance Plan

Overview

The Orange County Transportation Authority continues implementation of the Interstate 405 Improvement Project between State Route 73 and Interstate 605. For the express lanes portion of the project, assumptions and options for the initial toll policy and finance plan were approved by the Board of Directors on October 12, 2015. These assumptions and options were used to develop an investment-grade Traffic and Revenue Study. In addition, express lanes capital, operating, and maintenance costs, as well as estimated non-toll revenue and leakage have been projected. This information, along with current Measure M sales tax revenue forecasts, an updated project cost estimate, and interest rate projections have formed the basis for initial toll policy and preliminary finance plan recommendations.

Recommendations

- A. Approve the initial 405 Express Lanes Toll Policy.
- B. Approve the preliminary Interstate 405 Improvement Project Finance Plan.
- C. Allocate approximately \$10 million in internal funds to cover short-term, reimbursable project development costs.
- D. Reimburse the Orange County Unified Transportation Trust Fund for prior funding for project development.
- E. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, and execute or amend all necessary agreements to facilitate the above actions.

Background

The Interstate 405 (I-405) between State Route 73 (SR-73) and Interstate 605 (I-605) carries between 257,000 and 370,000 Average Daily Traffic. Both the general-purpose (GP) and high-occupancy vehicle (HOV) lanes are severely congested during peak hours, and it is anticipated traffic will increase approximately 30 percent by 2040. Since 2005, the Orange County Transportation Authority (OCTA) has been working on developing improvement options for this corridor.

The I-405 Improvement Project (Project) includes adding one GP lane in each direction of I-405 from Euclid Street to I-605, consistent with Measure M2 Project K, and adding an additional lane in each direction that would combine with the existing HOV lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605.

Funding for the express lanes component of the Project will come primarily from customers paying tolls when they choose to use the lanes in exchange for travel timesavings. Tolls will be the primary source of funding for the express lanes with non-recourse financing.

On April 27, 2015, the Board of Directors (Board) approved preliminary terms and conditions negotiated with California Department of Transportation (Caltrans) to establish roles and responsibilities related to project delivery, funding, and financing of the Project (Attachment A). The Board also directed staff to develop an initial toll policy for the express lanes and a preliminary finance plan for the Project.

On June 25, 2015, the Board Chairman created an Interstate 405 Toll Policy and Financial Plan Ad Hoc Committee (Ad Hoc) to guide the development of the toll policy and finance plan. Since then, the Ad Hoc has met and forwarded the following information to the OCTA Finance and Administration (F&A) Committee and the Board for consideration:

- Information concerning a Transportation Infrastructure Investment and Innovation Act (TIFIA) loan
- Assumptions and options for the development of an initial toll policy and a preliminary finance plan
- Investment-grade Traffic and Revenue (T&R) Study (Stantec presentation)

On April 20, 2016, the OCTA F&A Committee held a special two-hour workshop with Stantec to review T&R Study findings. Additional information was presented at the April 27, 2016, F&A Committee meeting which focused on:

- Assumptions related to 405 Express Lanes operations and maintenance costs (O&M), non-toll revenue and leakage developed by Parsons/HNTB (Attachment B) and,
- Initial financing observations from Sperry Capital Inc., OCTA's financial advisor (Attachment C)

Discussion

On October 12, 2015, the Board approved assumptions and options for the express lanes portion of the Project. These included pricing and toll adjustment methodologies, hours of operation, access points, non-toll revenues, prohibited vehicles, discounts/exemptions, toll collection methodology, and enforcement approaches.

Approved toll policy goals include:

- Provide express lanes customers with a safe, reliable, predictable commute
- Optimize throughput at free-flow speeds
- Increase average vehicle occupancy
- Balance capacity and demand to serve customers who pay tolls as well as people who rideshare or use transit
- Generate sufficient revenue to sustain the financial viability of the 405 Express Lanes
- Ensure all covenants in the financing documents are met
- Ensure any potential net excess toll revenues are used for I-405 corridor improvements

Options for Analysis

The OCTA/Caltrans preliminary terms and conditions specify the 405 Express Lanes are to open with an HOV2+ free policy for no less than three years subject to the results of the T&R Study and pending further funding considerations. The following six options were analyzed by Stantec:

- Option A HOV2+ free all day
- Option B HOV2+ free non-peak, HOV3+ 50 percent in peak
- Option B1 HOV2+ free non-peak, HOV3+ free all day

- Option C HOV3+ 50 percent in peak
- Option C1 HOV3+ free all day
- Option D Greater revenues (for rating agencies)

Currently, the peak is being defined as follows:

Weekdays 6:00 AM to 10:00 AM and 3:00 PM to 8:00 PM

Weekends 1:00 PM to 6:00 PM

Stantec's work has resulted in projections of traffic and gross potential toll revenue.

In addition to Stantec's T&R Study, Parsons/HNTB has provided assumptions related to non-toll revenue (account and violation fees), O&M costs, violations and leakage (the dollar value of trips evading a toll including pursuable violations, non-pursuable violations, and HOV status mis-declaration). These findings are based on OCTA's 91 Express Lanes experience, as well as information gathered by Parsons/HNTB from other express lanes facilities throughout the country. The formulas below illustrate how net revenues available for debt service were calculated.

- Net Revenues Available for O&M =

(Gross Potential Toll Revenue - Leakage) + (Non-Toll Revenue), and
- Net Revenues Available for Debt Service =

(Net Revenues Available for O&M) – (O&M Costs)

Initial Financing Observations

Once net revenues available for debt service were calculated, Sperry Capital, OCTA's financial advisor, projected financing results assuming TIFIA or toll bond financing. Attachment C summarizes initial financing observations. As the toll policy options move from A to C, the potential for financing improves. Option A offers the least potential for financing, and Option C offers the greatest potential for financing.

Key Findings – Options Comparison

Option A – HOV2+ Free All Day

An Option A toll policy results in express lanes traffic where approximately three out of every four trips, about 75 percent, are non-toll paying HOV trips. This option supports goals to optimize throughput and increase average vehicle occupancy; however, it results in operational and financial deficiencies.

On the operational side, there is projected to be peak-period congestion and queuing in the single-lane confluence areas at the northern and southern sections of the express lanes. With this toll policy, express lanes customers could not be assured of a reliable or free-flow trip. In addition, there are not enough toll paying customers to generate sufficient revenue to finance the Project. For these operational and financial reasons, Option A is not recommended.

Option B – HOV2+ Free Non-Peak, HOV3+ 50 Percent in Peak

Option B maintains the existing HOV2+ occupancy requirement for all but peak hours. HOV3+ vehicles pay 50 percent of the posted toll in the peak. Under this policy, by 2030, HOV trips represent about a third of all trips in the express lanes. This option generates more toll revenue than Option A and may be financeable with TIFIA and/or toll road revenue bonds.

Option B1 – HOV2+ Free Non-Peak, HOV3+ Free All Day

Option B1 is a variation of Option B. HOV3+ vehicles can use the express lanes at no charge all day. As a result, of this policy, by 2030, almost half of all express lanes trips are HOVs. This option incentivizes HOV traffic but generates less revenue than Options B and C. This option may be financeable with TIFIA and/or toll road revenue bonds.

Option C – HOV3+ 50 Percent in Peak

This option is most similar to the toll policy of the 91 Express Lanes where HOV3+ vehicles pay 50 percent of the posted toll in the peak hours. This option generates more revenue than other options, but results in fewer express lanes trips. Under this option, just under 20 percent of all trips are HOVs. This is the best option in terms of revenue generation and potential Project financing. Option C is financeable with TIFIA and/or toll bonds.

Option C1 – HOV3+ Free All Day

Option C1 is a variation of Option C. HOV3+ vehicles can use the express lanes at no charge all day. It was analyzed to determine whether offering HOV3+ carpoolers free trips all day – including peak hours – would incentivize

HOV traffic. Under this option, nearly 30 percent of trips would be HOV trips – more than Option C. This option generates more revenue than Options A, B, or B1, but less than C. Option C1 is likely financeable with TIFIA and/or toll bonds.

Outreach

To gather feedback on the Stantec T&R Study results and Parsons/HNTB assumptions related to express lanes operations, maintenance, non-toll revenue and leakage, as well as share Sperry Capital's initial financing observations, staff has involved technical teams from the Federal Highway Administration (FHWA) and Caltrans. Staff has held three workshops with these partners to gather input and insights and share Project information. In addition, staff has hosted two corridor city steering committee meetings to share information and answer questions. Based on the technical work and outreach, an initial toll policy for inclusion in the preliminary finance plan is being recommended.

Initial Toll Policy Recommendation

Staff is proposing the Board adopt a hybrid option as an initial toll policy that offers a balanced approach to meet the toll policy goals. Hybrid Option B1/C1 includes:

- Use of Option B1 from opening through the first 3.5 years
 - HOV2+ free non-peak, pays toll in peak
 - HOV3+ free all day
- Use of Option C1 for the balance of the finance plan term
 - HOV2+ pays toll all day
 - HOV3+ free all day

This toll policy is designed to fulfill the commitment to offer HOV2 carpoolers free trips for a minimum of three years of operation. It also would serve to:

- Offer customers a safe, reliable, predictable trip
- Support throughput at free-flow speeds
- Encourage HOV trips and increase average vehicle occupancy
- Balance capacity between toll paying customers and those who rideshare or use transit
- Provide sufficient revenue to sustain the viability of the express lanes
- Provide flexibility so that covenants in financing documents can be met

Should this toll policy be approved, two-plus carpoolers would use existing HOV lanes for the duration of the design and construction of the Project (approximately seven years). In addition, two-plus carpoolers would be eligible to use the express lanes for free during non-peak hours, including shoulder hours, for another three and one-half years.

Should Caltrans change the State of California occupancy requirements for HOV lanes from HOV2+ to HOV3+ to address HOV lane degradation, it is recommended the express lanes follow suit at that time. This would mean the 405 Express Lanes would adopt an HOV3+ minimum occupancy requirement for free or discounted trips. This is anticipated and very likely as the Southern California Association of Governments Regional Transportation Plan includes this policy change, although the actual conversion year is uncertain.

Trigger Point for Defining Peak

The rationale for recommending the hybrid Option B1/C1 is that, during the ramp-up period, there should be capacity during shoulder hours – those hours slightly before and after peak hours – to accommodate HOV2+ free traffic. To ensure the shoulder hour volumes do not become congested, it is recommended the Board adopt a trigger point to re-define the peak should volumes begin to approach maximum optimal capacity.

Over time, it is assumed volumes will continue to grow in the hours that straddle the peak i.e. weekdays 5:00 AM to 6:00 AM or 2:00 PM to 3:00 PM. A proposed trigger to change these hours from non-peak to peak would mirror the toll adjustment methodology approved by the Board for peak hours. Hourly traffic volumes would be monitored, and when volumes are at or above 92 percent of optimal maximum capacity (3,400 vehicles per hour per direction), they are flagged. If this occurs more than six times within a 12-week rolling period, the hour would be identified as a peak toll hour and priced at a rate to manage congestion and ensure a free-flow trip.

The initial 405 Express Lanes toll policy recommendation – based on previously approved assumptions and the recommended hybrid B1/C1 toll policy option is included as Attachment D.

Preliminary Finance Plan

A toll policy is required prior to opening the express lanes to develop the finance plan for the entire Project. However, both this toll policy recommendation, as well as the finance plan, should be viewed as preliminary and could be subject to change as the Project advances.

A number of variables could arise that would require staff to return to the Board with updated recommendations. For example, for the purposes of the preliminary finance plan, a Project cost estimate of \$1.9 billion is being used. This is based on a recently completed FHWA Cost Estimate Review plus contingencies for unassigned risk. The Project cost estimate may change once the design-build proposals are received. Contract award is scheduled for Fall 2016, but funding needs to be in place prior to the issuance of the final Notice to Proceed.

For Project cost estimate of \$1.9 billion, the TIFIA loan request will total approximately \$627 million, equal to 33 percent of the eligible Project costs. The TIFIA loan, along with Measure M funds, state funds, and federal funds will provide the sources of funds for the Project. TIFIA is a federal credit program for eligible surface transportation projects of regional or national significance under which the United States Department of Transportation (USDOT) may provide credit assistance. A TIFIA loan provides many benefits and could substantially reduce the costs associated with obtaining financing for the Project.

State funding for the Project, provided by Caltrans, is \$82 million. The federal funds include \$35 million from Surface Transportation Program (renamed under the FAST Act to Surface Transportation Block Grant), \$1.13 million from Interstate Maintenance Discretionary Program, \$8.528 million from High Priority Projects earmarks from the Transportation Equity Act for the 21st Century and Safe, Accountable, Flexible, Efficient, Transportation Equity Act: a Legacy for Users, and \$990,000 from 2006 appropriations bill earmarks. The table below shows the source of the funds for the Project:

Source of Funds	Amount
Measure M Pay As You Go Funds/Bonds	\$ 1,145,352,000
Federal Funds	45,648,000
State Funds	82,000,000
TIFIA Loan	627,000,000
Total Sources	\$1,900,000,000

The Board recently approved a new forecasting approach for Measure M sales tax collections. This new approach estimated that approximately \$1.24 billion would be available for the GP lanes component of the Project. Under the preliminary financing plan highlighted above, the full \$1.24 billion would not be required. The ability to borrow 33 percent of the eligible Project costs for the TIFIA program would lessen the requirement from the Measure M Program.

The Measure M Ordinance approved by Orange County voters in 2006 states that “pay as you go” financing is the preferred method of financing transportation improvements and operations. However, OCTA may use bond financing as an alternative method if the scope of planned expenditures makes “pay as you go” financing unfeasible. Given the cost of the I-405 GP lanes and the amount of Measure M revenues received to date and projected to be received by fiscal year 2023, OCTA will issue Measure M sales tax revenue bonds over the next several years to fund the GP lanes component of the Project. Pay as you go funds will be used during the first few years of construction.

It is recommended that 405 Express Lanes revenue solely secure the TIFIA loan. Measure M funds would not be pledged to repay the amounts borrowed under the TIFIA loan. This approach has been modeled in the financing scenario included in Attachment E and is financially sustainable based upon the assumptions included to date. If the full amount of a TIFIA loan is not received, OCTA could issue toll road revenue bonds, secured by toll road revenues, to assist in funding the Project.

Internally Borrowed Funds

In March 2015, the Board authorized the use of up to \$500,000 from the Orange County Unified Transportation Trust (OCUTT) fund to pay for the costs associated with the express lanes component of the Project until receipt of state funding. The amount borrowed from OCUTT totals approximately \$350,000, which includes interest owed. OCTA has received some of the state funding for the Project and, therefore, is recommending repaying the outstanding balance owed to OCUTT.

State funding is received on a reimbursement basis. To handle cash flow requirements for the costs associated with the express lanes portion of the Project, it is recommended that the Board authorize the use of up to \$10 million for short-term funding needs. This is not an additional contribution to the Project, it simply serves as a bridge loan for cash flow purposes. Once all state funds have been received, this short-term funding need will no longer be required.

Finance Related Next Steps

On March 24, 2016, the USDOT notified OCTA that its Letter of Interest for the TIFIA loan met the requirements for TIFIA participation and was ready to advance to the next phase. The next phase includes an in-depth creditworthiness review of OCTA and the Project by the USDOT. The creditworthiness review involves an evaluation of the preliminary finance plan and the feasibility of the anticipated pledged revenue stream. This

creditworthiness review will require an indicative rating. If approved by the Board, OCTA will submit the preliminary finance plan, which includes the initial toll policy, to Standard and Poor's (S&P) for an indicative credit rating.

Following the completion of USDOT's in-depth review of OCTA's creditworthiness, including the receipt of an indicative credit rating from S&P, and a \$100,000 fee, the USDOT will ask OCTA to provide an oral presentation on the Project and its preliminary finance plan. Once USDOT completes a final successful review after OCTA's oral presentation, the USDOT will then invite OCTA to submit a formal TIFIA loan application. A request to submit an application does not guarantee that OCTA will receive TIFIA credit assistance, which remains subject to final approval by the Secretary of the USDOT.

Summary

The Orange County Transportation Authority is advancing the I-405 Improvement Project. An initial toll policy is being recommended for the express lanes portion of the project along with a preliminary finance plan for the entire project.

Attachments

- A. I-405 Project Implementation (Alternative 3) Preliminary OCTA/Caltrans Agreement on Terms as of April 16, 2015
- B. 405 Express Lanes Finance Plan Assumptions (Parsons /HNTB)
- C. Initial Financing Observations (Sperry Capital Inc. April 2016)
- D. 405 Express Lanes Toll Policy
- E. Interstate 405 Improvement Project - Preliminary Finance Plan, May 2016

Prepared by:

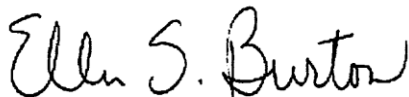


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ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Attachment A

**I-405 Project Implementation (Alternative 3)
Preliminary OCTA/Caltrans Agreement on Terms
As of
April 16, 2015**

1. Project Delivery

- a. OCTA is lead agency for procuring the design-build "db" contractor and/or toll systems integrator, as well as the provider of toll collection services for the project.
- b. Project delivery will be based on pending legislation & AB 401.
- c. Current implementation Co-Op for the db phase of the project can proceed followed by an agreement consistent with tolling authorization "Operating Toll Agreement".

2. Project Funding & Financing

- a. OCTA is responsible for developing the overall funding/financing plan for the project, including use of Measure M2 funds for the GP lanes. OCTA shall be the issuer of any indebtedness and shall be the borrower under any TIFIA loan. While OCTA is responsible for development of the overall funding/financing plan, OCTA will share information concerning the plan with Caltrans during the development process.
- b. Parties agree to seek additional State and Federal discretionary grant opportunities for the tolled portion of the project.
- c. Caltrans will provide \$82 million to be programmed in FY 2015/16 to be used towards constructing the project (Caltrans Preferred Alternative).
- d. OCTA will pursue TIFIA funding with due consideration for related requirements and project schedule considerations.
- e. Operating Toll Agreement (including tolling authority) with the state will extend a minimum of five years beyond the initial bonding period/term required for financing. If toll revenues are found to be insufficient to cover all costs for operations, maintenance, and financing requirements, and refinancing of the debt is required, the Operating Toll Agreement can be extended additional years (beyond the existing 5 years) to provide an extended financing term.

3. Operations

- a. OCTA operates or shall retain a private operator to operate the toll collection facilities.
- b. The facility to open with a HOV2+ free policy for no less than 3 years.¹
- c. Caltrans & OCTA recognize performance/operational and financial triggers will be established to switch to HOV3+ or if state implements a 3+ policy on state highways through changes to State law or through the administrative process.
- d. Parties agree there will be an exemption for ILEVs (such as customers with "green sticker".) However, customers will be required to pre-register their vehicles as is the policy on the SR 91 Express Lanes. There will be an agreed upon cap on number of such vehicles.
- e. The parties agree that 55 - 60 mph¹ is an appropriate target speed.

¹ Subject to results of the I-405 Traffic and Revenue study to be completed at a later date and further additional funding considerations.

- f. The parties agree that continuous access may be detrimental to financial and operational requirements of managed lanes based upon current technology, enforcement and safety considerations, however, consideration of continuous access should not be precluded in the future.
- g. Tolls shall be collected electronically and use congestion pricing to manage demand.
- h. OCTA decides on toll policies and agrees to toll lanes performance measures as will be outlined in the Operating Toll Agreement. The Parties agree that a goal of the Project should be to increase the Average Vehicle Occupancy of the Corridor.

4. Net Excess Revenues (after payment of O&M on the managed lanes including toll collection costs, debt service for obligations payable from tolls, funding of debt and project reserves, and required repayment of TIFIA loan)

The parties agree that development of an Expenditure Plan will be developed in partnership between each agency and consistent with the following terms below:

- a. The Parties shall develop a multiyear expenditure plan for use of Net Excess Revenues within the Corridor. This expenditure plan shall cover a period of either ten years or the full term of all financing used to construct or repair any portion of the toll facility project, whichever is longer. The Expenditure Plan shall be updated annually.
 - i. OCTA's Board of Directors shall review and adopt the expenditure plan and each update.
- b. Net Excess Revenues shall be used for projects that maintain or improve the safety, operation, or travel reliability of any transportation mode in the corridor, or provide or improve travel options in the corridor.
- c. General Purpose lanes capital and preventive maintenance and operational improvements are eligible expense and will be included in the annual Expenditure Plan in compliance with Federal law.
- d. The use of net excess revenue to pay for projects in the Expenditure Plan will not result in reducing SHOPP funds targets available to the County.
- e. Similar to the SR 91 Express Lanes, the Parties agree that OCTA will be responsible for implementing all projects required for the operation and maintenance of the Project tolled express lanes and associated toll collection facilities. Caltrans will be responsible for implementing non-toll related projects on the State Highway System that are funded from Net Excess Toll revenue.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Attachment B



405 Express Lanes Finance Plan Assumptions

Non-Toll Revenue

Operating Costs

Violations

Net Revenue Before Debt Service

Net Revenue Available for Operations & Maintenance (O&M)

	Gross Potential Toll Revenue*	(GPTR)
-	Dollar Value of Trips Not Paying Toll	(also known as leakage)
+	<u>Non-Toll Revenue**</u>	(NTR)
	Net Revenue Available for O&M	

* GPTR = (Trips x Toll)

**Non-Toll Revenue = Account, violation, and other fees

Net Revenue Available for Debt Service

Net Revenue Available for O&M

- (Operating + Maintenance)

Net Revenue Available for Debt Service*

* If debt service and debt service coverage ratios are met, and operating and major maintenance reserves are fully funded, there could be net excess revenues available for transportation improvements within the I-405 corridor.

91 Express Lanes vs. 405 Express Lanes

91 Express Lanes

- 20 years of operating history
- Stable finances
- 10 miles each direction
- Single ingress/egress
- 3+ HOV travel at discount
- 3+ occupancy declaration lane



405 Express Lanes

- No operating history
- Ramp-up risk
- 14 miles each direction
- Multiple ingress/egress points
- HOV definition not resolved yet
- No 3+ declaration lane. Switchable transponder for occupancy declaration

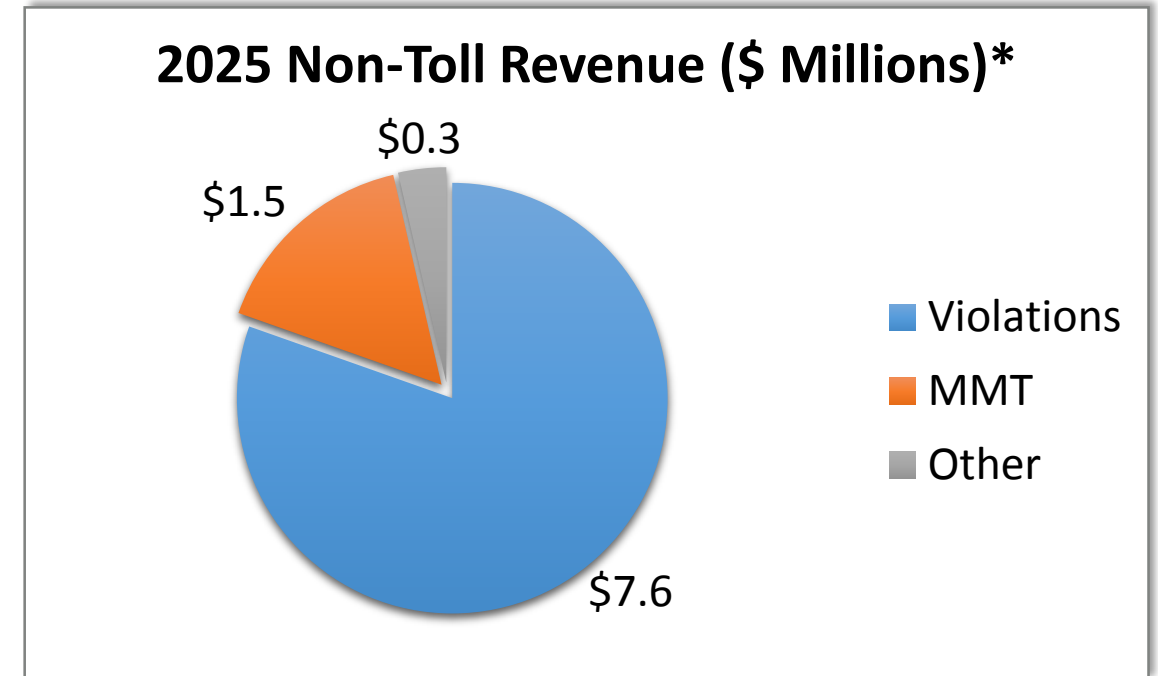


General Assumptions / Approach

- Based on Stantec projections, escalated 2% per year
- Used “average transactions per trip” estimates
- Benchmarks were from 91 Express Lanes (91 EL) and other projects
- Assumed:
 - 3-year “ramp up” period
 - 90% of trips by other agency transponder accounts
 - 90% of accounts credit card / ACH replenishment
 - Average monthly trips per account mirrors 91 EL

Non-Toll Revenue Assumptions / Approach

- Most non-toll revenue:
 - Monthly Minimum Toll (MMT) fees
 - Violation fines
- Assumptions mirror 91 EL:
 - Percent of accounts paying MMT
 - Collectability of violation fines
 - Other fees*



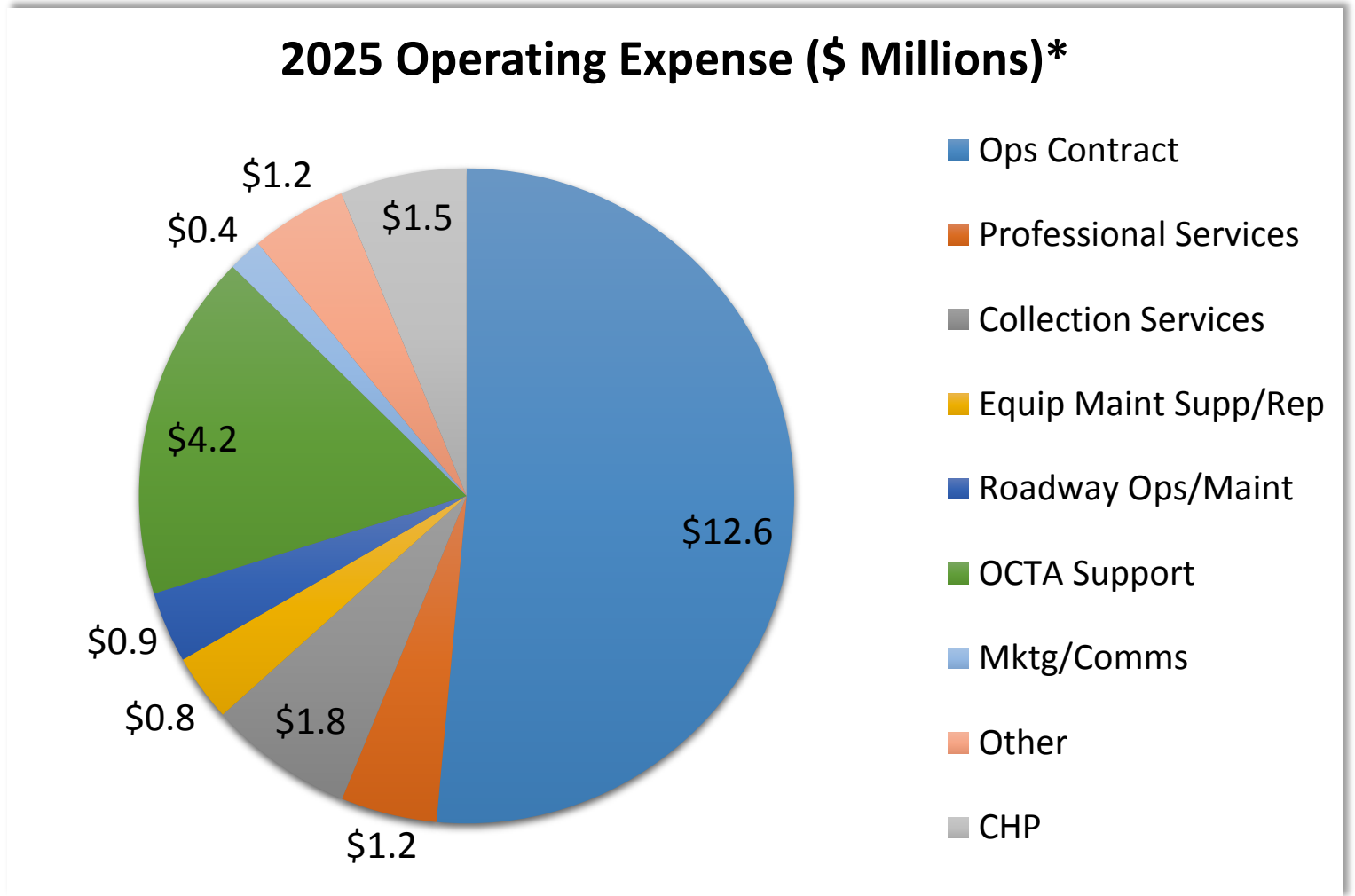
* Option B

- Non-toll fees, fines held constant to 2028
 - Post 2028, assume a percentage of GPTR

* Other fees: Convenience plan, account deactivation, non-sufficient funds, plate read fees

Operating Expense - Major Categories

- Operations Contract
- OCTA Support Services
- Professional Services
- Collection Services
- Equipment Maintenance Supplies and Repairs
- Roadway Operations & Maintenance
- CHP services
- Marketing/Communications



Operating Expense Assumption / Approach

- Based on stand-alone 405 Express Lanes operations
- Assumes operating contract similar to 91 EL
- For some expenses, used 91 EL as a baseline, eg:
 - 10 miles for 91 EL and 14 miles for 405 EL = 1.4 x relationship
- Other costs based on Program Management Consultant (PMC) analysis

Operating Expense Assumptions/Approach

- Customer Service Center (CSC)/Back Office (BOS) and roadway toll systems included at anticipated market cost
 - Based on full-functionality, state-of-art system and recent PMC experience
 - Adjusted for system size
- Reduced certain expenses first year, eg:
 - Year 1 CSC/BOS system maintenance expected to be capitalized
 - Collections expense delayed due to lag in violation processing
- Additional CHP enforcement first three years
- Operating contract escalation at 3%
- General expense escalation at 2%

Leakage Assumptions/Approach

- Three categories of leakage:
 - **Pursuable violation** - No valid FasTrak® account, able to pursue violation through DMV record
 - **Non-pursuable violation**- No valid FasTrak® account, unable to pursue (paper plate, blocked plate)
 - **HOV status mis-declaration** – Valid FasTrak® account, declaring as HOV when not a valid HOV*
- Number of FasTrak® account violation percentages based on 91 EL and other EL experiences
- Mis-declaration percentage assumptions based on other EL experience

* For free or discounted trip. Mis-declaration violations are non-pursuable through the DMV process.

Leakage Assumptions/Approach

- No valid FasTrak® account violations assumptions
 - Year 1 – 6% pursuable, 6% non-pursuable
 - Year 2 – 4.5% pursuable, 4.5% non-pursuable
 - Year 3 – 3% pursuable, 3% non-pursuable
- Mis-declaration assumption 20% of HOV trips year 1; reducing to 10% in year 3*
- Assume aggressive enforcement reduces violations to steady state in three years
- When viewed as % of GPTR, after ramp-up (2025), gross leakage % ranges from a low of 9.2% (Option C) to a high of 37.4% (Option A)
- After ramp-up (2025), gross leakage is more than offset by non-toll revenue for all options except Option A

* Percent of inaccurate HOV declarations

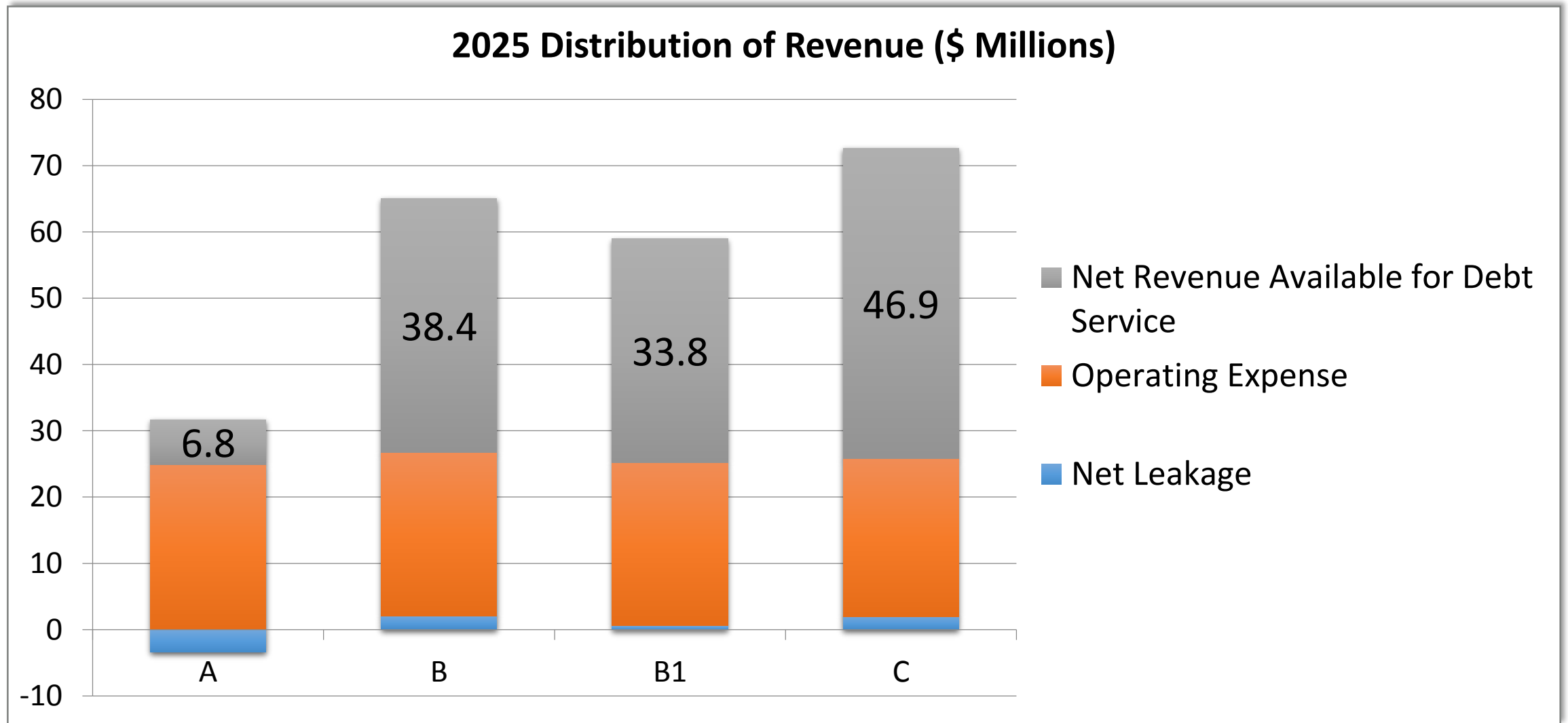
Net Revenue Before Debt Service Results From First Three Years

FY 2023 (1/2 year)				
	A	B	BI	C
Gross Toll Revenue	\$10,065,726	\$16,201,120	\$14,469,408	\$18,358,731
Leakage	(\$7,795,724)	(\$3,496,301)	(\$4,029,879)	(\$2,839,291)
NTR	\$3,194,664	\$3,227,384	\$3,155,708	\$2,880,102
Revenue Subtotal	\$5,464,666	\$15,932,204	\$13,595,236	\$18,399,542
O&M	\$9,160,489	\$9,003,389	\$8,999,233	\$8,700,723
Net Revenue	(\$3,695,823)	\$6,928,815	\$4,596,004	\$9,698,819

FY 2024				
	A	B	BI	C
Gross Toll Revenue	\$25,199,722	\$41,991,968	\$37,372,935	\$47,491,784
Leakage	(\$15,883,102)	(\$7,691,254)	(\$8,825,506)	(\$6,355,269)
NTR	\$9,500,948	\$9,515,520	\$9,339,562	\$8,467,243
Revenue Subtotal	\$18,817,568	\$43,816,234	\$37,886,991	\$49,603,757
O&M	\$24,188,269	\$23,937,281	\$23,888,158	\$23,144,216
Net Revenue	(\$5,370,701)	\$19,878,952	\$13,998,833	\$26,459,541

FY 2025				
	A	B	BI	C
Gross Toll Revenue	\$35,050,966	\$60,949,721	\$57,918,082	\$68,798,826
Leakage	(\$13,141,173)	(\$7,336,149)	(\$8,814,523)	(\$6,332,781)
NTR	\$9,732,054	\$9,442,042	\$9,365,875	\$8,302,973
Revenue Subtotal	\$31,641,847	\$63,055,615	\$58,469,435	\$70,769,019
O&M	\$24,869,642	\$24,634,673	\$24,637,910	\$23,821,406
Net Revenue	\$6,772,205	\$38,420,942	\$33,831,524	\$46,947,612

Distribution of GPTR - 2025



Summary

- Operationally, the 405 EL are different than the 91 EL and neighboring EL
- The definition of non or discounted toll (HOV2+ vs. HOV3+) significantly impacts revenue and leakage.
- The higher the percentage of non-toll or discounted trips, the lower the revenue and the higher risk of leakage from mis-declarations
- Operating expenses do not fluctuate significantly between options
- Option A significantly underperforms other options
 - Lower revenue
 - Higher leakage
 - Less net revenue available for debt service
- Option C produces maximum Net Revenue Available for Debt Service



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Attachment C

Initial Financing Observations

Sperry Capital Inc.
April 2016



Historical and Current Market Rates

30yr U.S. Treasury Bond Yield



- Since April 2010, 30yr U.S. Treasury (UST) averaged 3.36%
- Over the last year, 30yr UST averaged 2.88%
- As of April 21, 2016, 30yr UST yield was 2.68%

Source: Federal Reserve System H. 15 Selected Interest Rates (Daily)

BBB- Rating a Reality for 405 Express Lanes Debt

- Construction completion risk, schedule and budget
- Traffic demand characteristics
 - Ramp-up risk
- Toll policy, legal and political flexibility to increase tolls if required
- Adequate reserves for Operations and Maintenance (O&M) and Major Maintenance
- Debt structure
 - Level or Ascending Debt Service
- Debt Service Coverage Ratio (DSCR)
 - Estimated Minimum DSCR of 1.30x for TIFIA Loan
 - Estimated Minimum DSCR of 1.75x for Toll Revenue Bonds

TIFIA vs Toll Revenue Bonds (based on BBB- ratings)

	TIFIA Loan	Toll Revenue Bonds
Interest Rate	UST + 1 basis point	Benchmark + Credit Spread
Interest Costs Begin	At Fund Disbursement	At Financial Close
Financing Amount	33% of Eligible Costs	Limited to Net Revenues
Debt Service Reserve Fund (DSRF)	Funded after completion (as early as 2023)	Funded at Financial Close (2017)
Principal Deferral Potential	YES	NO
Debt Maturity	35 years after completion	30 - 35 years after Financial Close
Debt Capacity Based on FY Net Revenues	2028	2024
Estimated Minimum Debt Service Coverage Ratio (DSCR)	1.30x	1.75x
Accreted Interest	YES	NO
Capitalized Interest	NO	YES

Components of Toll Revenue Bond Issuance

- A project fund need of approximately \$400 million results in a \$712 million toll revenue bond issuance

Par Amount	\$712.2 Million
Deposit to 405 Express Lanes Project Fund	\$398.1 Million
Capitalized Interest during Construction	\$257.8 Million
DSRF	\$48.3 Million
Costs of Issuance	\$8.0 Million

- Capitalized interest during construction is an expensive and significant component of any toll revenue bond financing option

Financing Objectives

- Successfully Finance the I-405 Improvement Project, including the 405 Express Lanes
- Minimize financing costs
- Obtain Non-Recourse Investment Grade Ratings for the 405 Express Lanes
- Maintain Measure M2 Flexibility and Bond Ratings
- Utilize Conservative Debt Structures
- Preserve Options for TIFIA Loan and/or Toll Revenue Bonds
- Stand Alone Financing for 405 Express Lanes

Assumptions

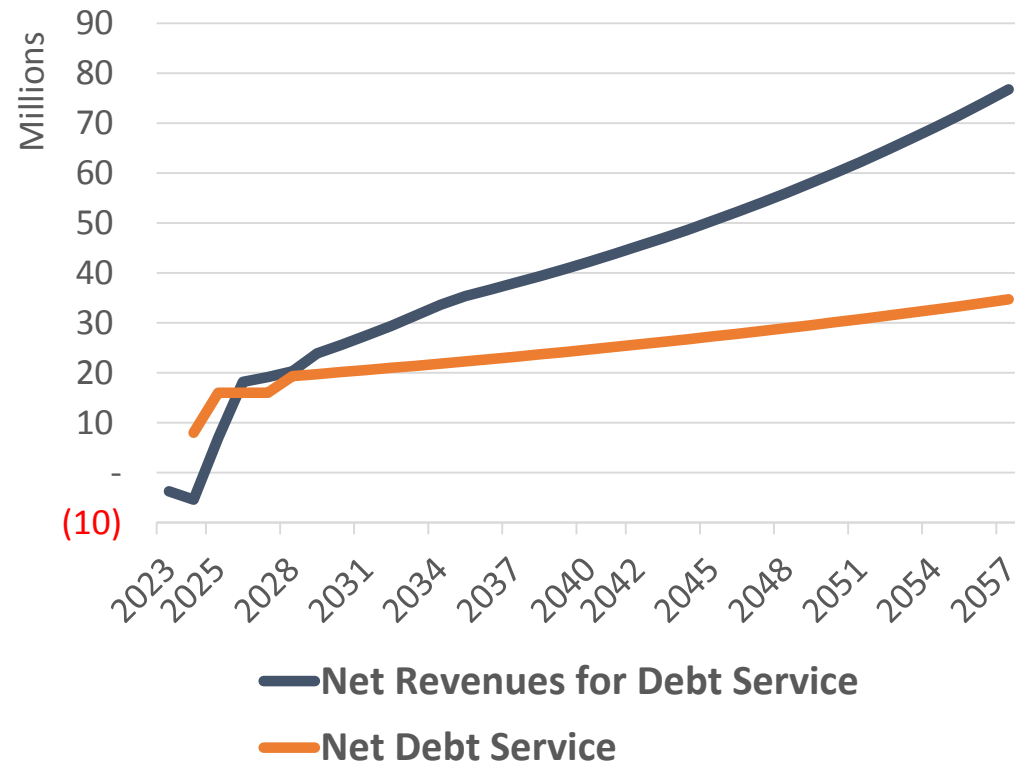
- Stantec gross potential toll revenue and transaction forecasts (March 31, 2016) escalated at 2% per year
- Parsons/HNTB projected O&M expenses, non-toll revenues and leakage (April 2016)
- Interest rates as of March 30, 2016 + 75 basis points
- Structured to minimum debt service coverage ratio
 - TIFIA – 1.30x
 - Toll Revenue Bonds – 1.75x
- Ascending debt structure at 2% growth annually
- DSRF; maximum annual debt service required
- O&M and Major Maintenance reserves are funded with net toll revenues after debt service payments

Option A: Initial Cash Flow Pro Forma (\$ millions)

COLUMN	A	B	C = A + B	D	E	F = C + D + E	G	H = F + G
Fiscal Year Ending	Gross Potential Toll Revenues ¹	Leakage ²	Net Toll Revenues	Non-Toll Revenues ²	DSRF Earnings ³	Gross Revenues	O&M ²	Net Revenues For Debt Service
2023	10.1	(7.8)	2.3	3.2	0.0	5.5	(9.2)	(3.7)
2024	25.2	(15.9)	9.3	9.5	0.0	18.8	(24.2)	(5.4)
2025	35.1	(13.1)	21.9	9.7	0.2	31.9	(24.9)	7.0
2026	45.8	(11.6)	34.2	9.2	0.2	43.7	(25.5)	18.2
2027	47.8	(11.8)	35.9	9.2	0.2	45.4	(26.2)	19.2
2028	49.9	(12.1)	37.8	9.2	0.2	47.2	(26.9)	20.3

1. Per Stantec March 31, 2016, escalated at 2% from \$2015
2. Per Parsons/HNTB on April 11, 2016
3. Represents interest earnings in USTs

Option A: TIFIA



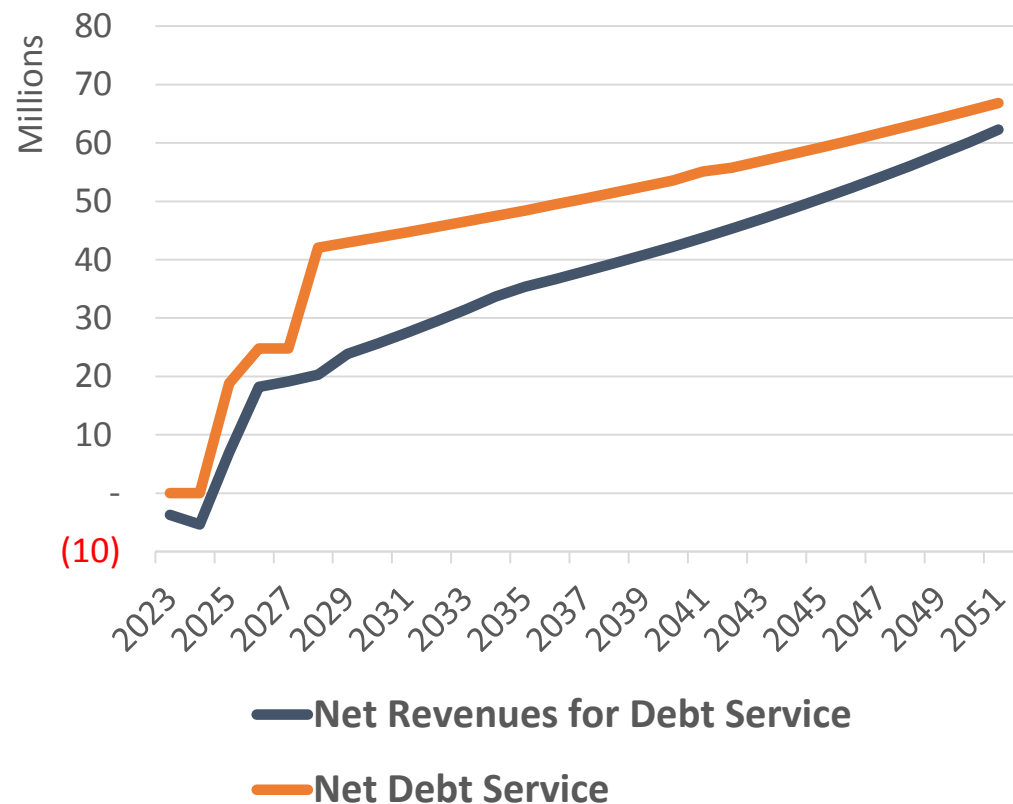
Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	(3.7)	-	N/A
2024	(5.4)	8.0	N/A
2025	7.0	16.0	0.44x
2026	18.2	16.0	1.14x
2027	19.2	16.0	1.20x
2028	20.3	19.4	1.05x
2029	23.9	19.7	1.21x
2030	25.6	20.2	1.27x
2031	27.5	20.6	1.34x
2032	29.4	21.0	1.40x
2033	31.5	21.4	1.47x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option A: Toll Revenue Bonds



Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	(3.7)	-	-
2024	(5.4)	-	-
2025	7.0	18.8	0.37x
2026	18.2	24.8	0.73x
2027	19.2	24.8	0.77x
2028	20.3	42.1	0.48x
2029	23.9	42.9	0.56x
2030	25.6	43.8	0.59x
2031	27.5	44.7	0.62x
2032	29.4	45.6	0.65x
2033	31.5	46.5	0.68x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

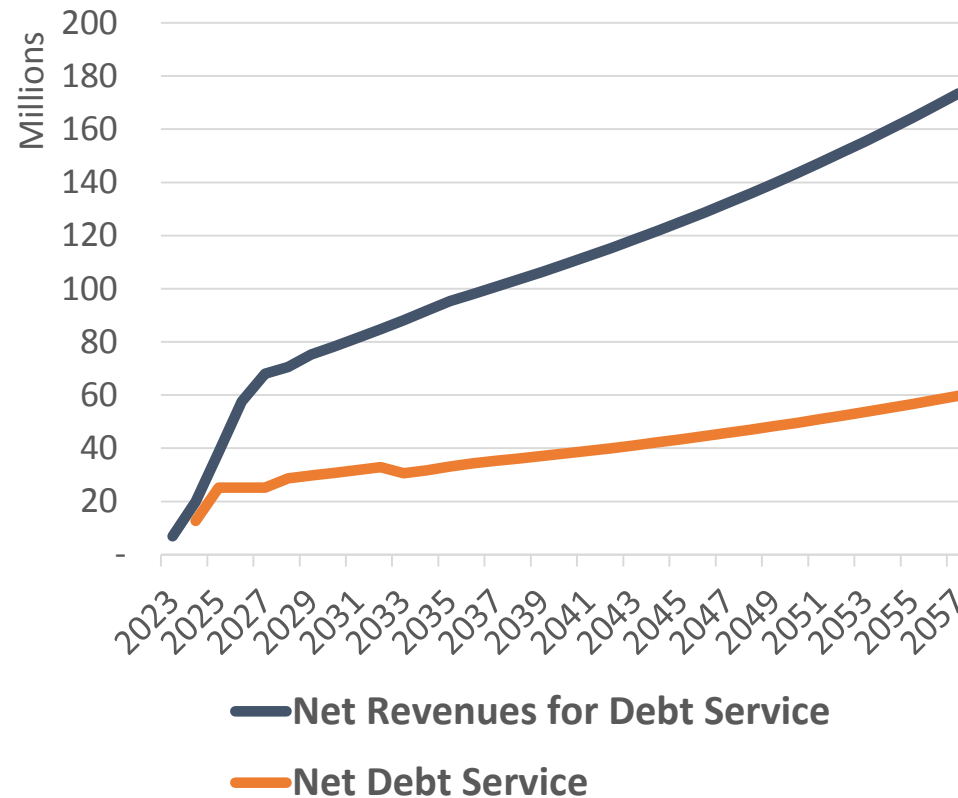
DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option B: Initial Cash Flow Pro Forma (\$ millions)

COLUMN	A	B	C = A + B	D	E	F = C + D + E	G	H = F + G
Fiscal Year Ending	Gross Potential Toll Revenues ¹	Leakage ²	Net Toll Revenues	Non-Toll Revenues ²	DSRF Earnings ³	Gross Revenues	O&M ²	Net Revenues For Debt Service
2023	16.2	(3.5)	12.7	3.2	0.0	15.9	(9.0)	6.9
2024	42.0	(7.7)	34.3	9.5	0.0	43.8	(23.9)	19.9
2025	60.9	(7.3)	53.6	9.4	0.2	63.2	(24.6)	38.6
2026	81.2	(7.3)	74.0	8.9	0.2	83.0	(25.3)	57.6
2027	93.6	(8.4)	85.2	8.8	0.2	94.2	(26.2)	68.0
2028	97.0	(8.7)	88.4	8.8	0.2	97.3	(26.7)	70.6

1. Per Stantec March 31, 2016, escalated at 2% from \$2015
2. Per Parsons/HNTB on April 11, 2016
3. Represents interest earnings in USTs

Option B: TIFIA



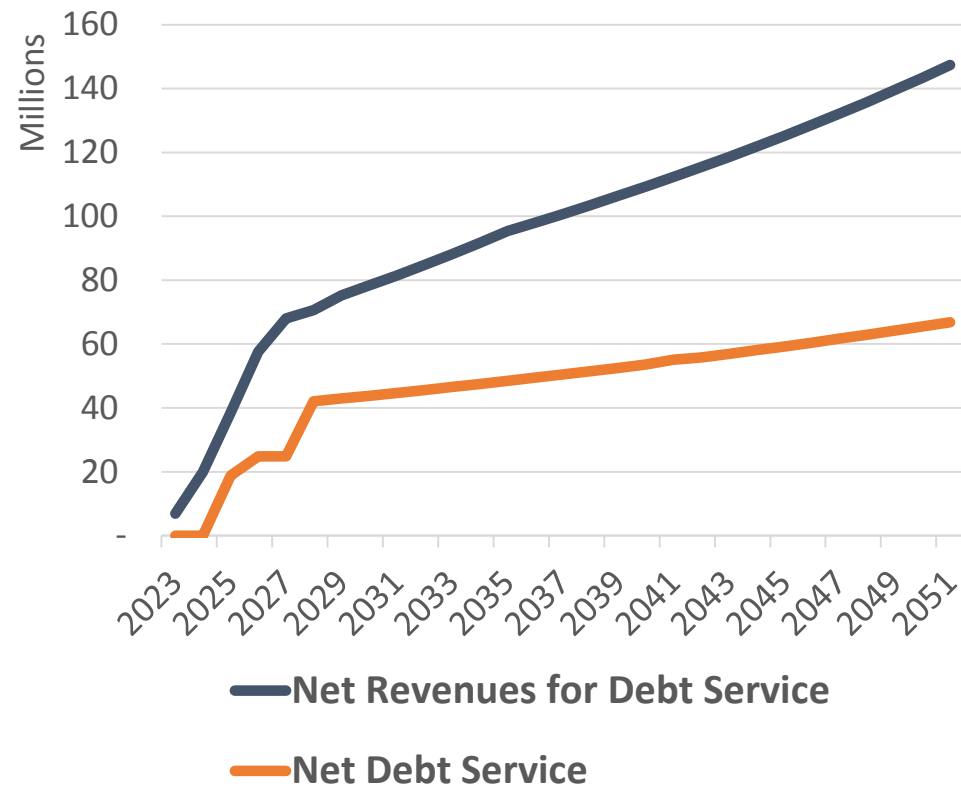
Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	6.9	-	-
2024	19.9	12.6	1.58x
2025	38.6	25.2	1.53x
2026	57.6	25.2	2.29x
2027	68.0	25.2	2.70x
2028	70.6	28.7	2.46x
2029	75.3	29.7	2.53x
2030	78.3	30.7	2.55x
2031	81.5	31.8	2.56x
2032	84.8	32.9	2.58x
2033	88.2	30.6	2.88x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option B: Toll Revenue Bonds



Project fund is \$398 M.....

Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	6.9	-	-
2024	19.9	-	-
2025	38.6	18.8	2.05x
2026	57.6	24.8	2.32x
2027	68.0	24.8	2.74x
2028	70.6	42.1	1.68x
2029	75.3	42.9	1.75x
2030	78.3	43.8	1.79x
2031	81.5	44.7	1.82x
2032	84.8	45.6	1.86x
2033	88.2	46.5	1.90x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

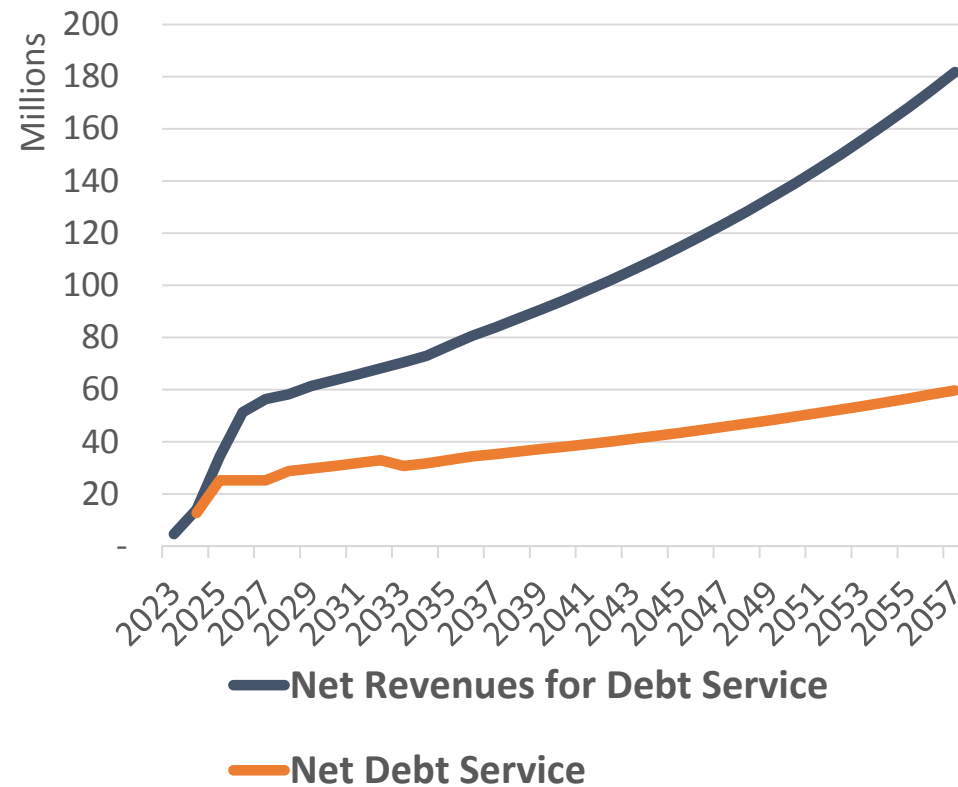
DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option B1: Initial Cash Flow Pro Forma (\$ millions)

COLUMN	A	B	C = A + B	D	E	F = C + D + E	G	H = F + G
Fiscal Year Ending	Gross Potential Toll Revenues ¹	Leakage ²	Net Toll Revenues	Non-Toll Revenues ²	DSRF Earnings ³	Gross Revenues	O&M ²	Net Revenues For Debt Service
2023	14.5	(4.0)	10.4	3.2	0.0	13.6	(9.0)	4.6
2024	37.4	(8.8)	28.5	9.3	0.0	37.9	(23.9)	14.0
2025	57.9	(8.8)	49.1	9.4	0.2	58.6	(24.6)	34.0
2026	75.8	(8.4)	67.4	8.8	0.2	76.4	(25.3)	51.0
2027	82.4	(9.2)	73.2	8.8	0.2	82.2	(26.1)	56.1
2028	85.2	(9.5)	75.6	8.8	0.2	84.6	(26.7)	57.9

1. Per Stantec March 31, 2016, escalated at 2% from \$2015
2. Per Parsons/HNTB on April 11, 2016
3. Represents interest earnings in USTs

Option B1: TIFIA



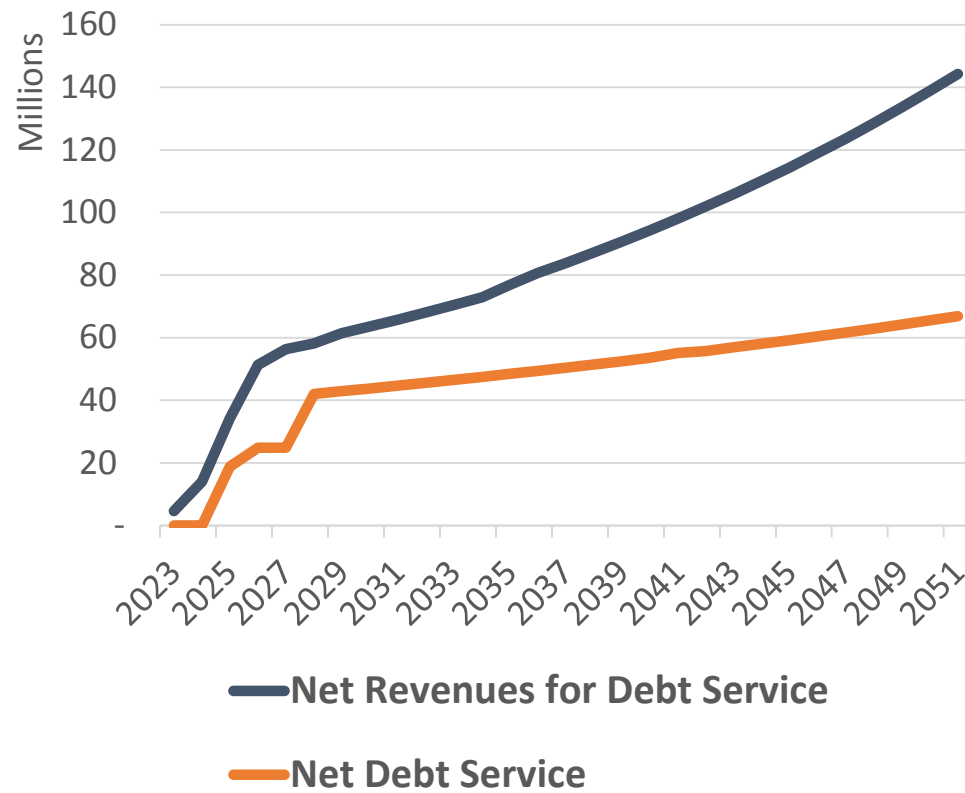
Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	4.6	-	-
2024	14.0	12.6	1.11x
2025	34.0	25.2	1.35x
2026	51.0	25.2	2.02x
2027	56.1	25.2	2.22x
2028	57.9	28.7	2.02x
2029	61.4	29.7	2.07x
2030	63.6	30.7	2.07x
2031	65.8	31.8	2.07x
2032	68.1	32.9	2.07x
2033	70.5	30.6	2.30x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option B1: Toll Revenue Bonds



Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	4.6	-	-
2024	14.0	-	-
2025	34.0	18.8	1.81x
2026	51.0	24.8	2.06x
2027	56.1	24.8	2.26x
2028	57.9	42.1	1.38x
2029	61.4	42.9	1.43x
2030	63.6	43.8	1.45x
2031	65.8	44.7	1.47x
2032	68.1	45.6	1.49x
2033	70.5	46.5	1.51x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

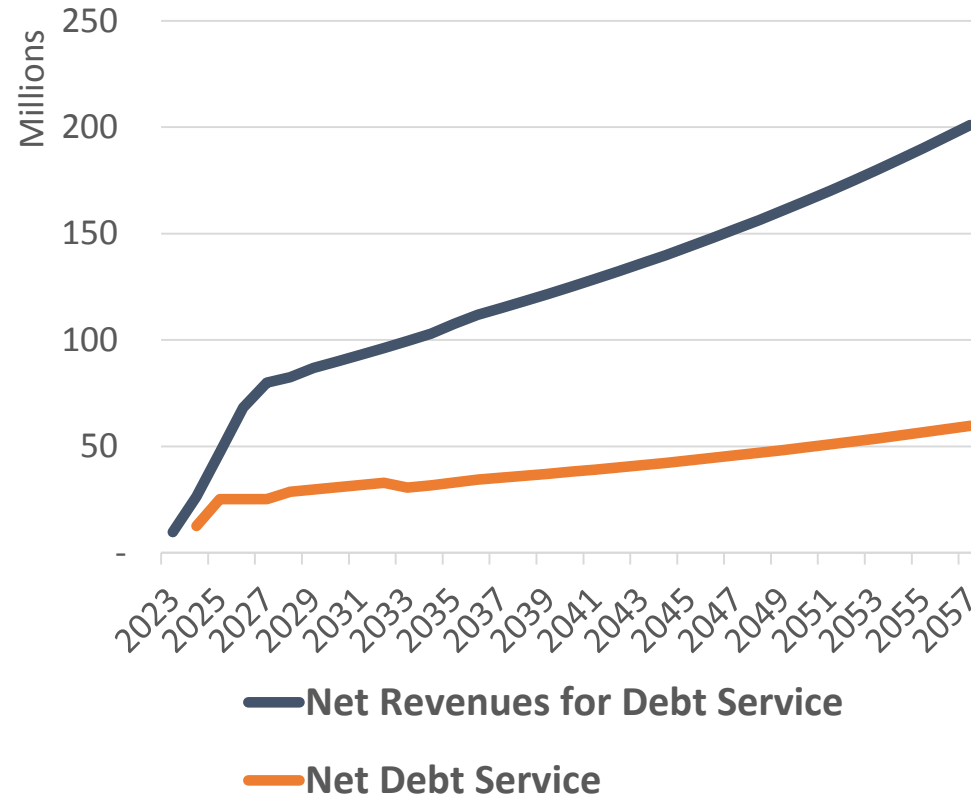
DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option C: Initial Cash Flow Pro Forma (\$ millions)

COLUMN	A	B	C = A + B	D	E	F = C + D + E	G	H = F + G
Fiscal Year Ending	Gross Potential Toll Revenues ¹	Leakage ²	Net Toll Revenues	Non-Toll Revenues ²	DSRF Earnings ³	Gross Revenues	O&M ²	Net Revenues For Debt Service
2023	18.4	(2.8)	15.5	2.9	0.0	18.4	(8.7)	9.7
2024	47.5	(6.4)	41.1	8.5	0.0	49.6	(23.1)	26.5
2025	68.8	(6.3)	62.5	8.3	0.2	70.9	(23.8)	47.1
2026	91.4	(6.5)	84.9	7.7	0.2	92.8	(24.6)	68.2
2027	104.9	(7.5)	97.4	7.7	0.2	105.3	(25.4)	79.9
2028	108.4	(7.8)	100.6	7.7	0.2	108.5	(25.9)	82.5

1. Per Stantec March 31, 2016, escalated at 2% from \$2015
2. Per Parsons/HNTB on April 11, 2016
3. Represents interest earnings in USTs

Option C: TIFIA



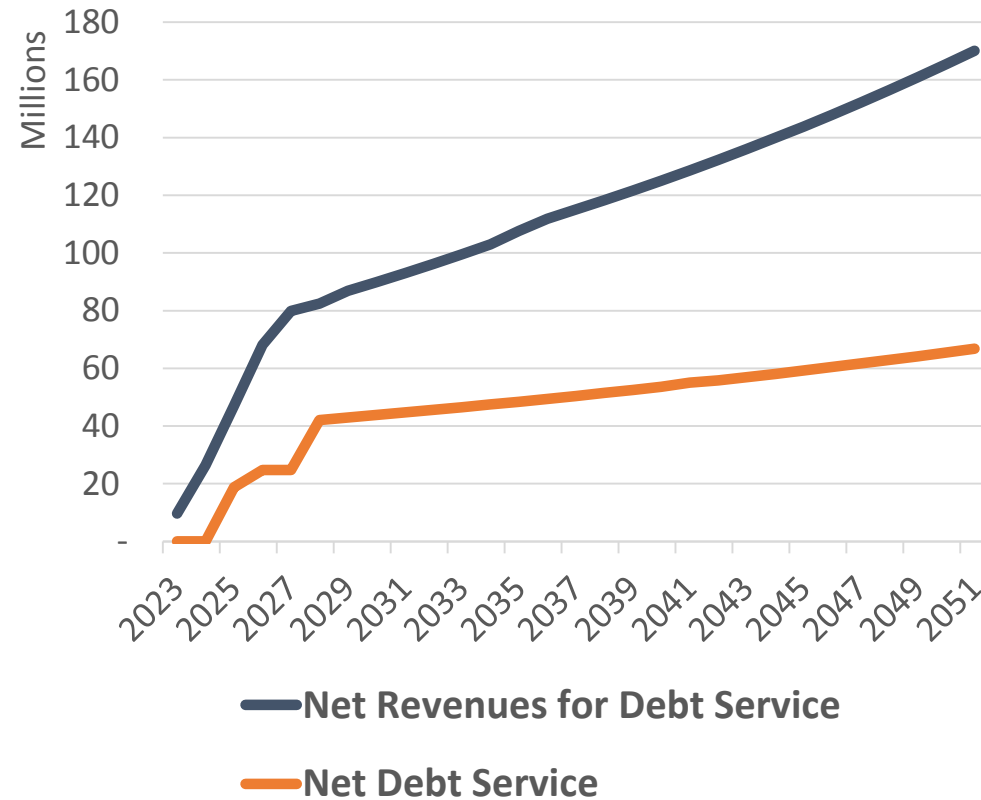
Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	9.7	-	-
2024	26.4	12.6	2.10x
2025	47.1	25.2	1.87x
2026	68.2	25.2	2.70x
2027	79.9	25.2	3.17x
2028	82.5	28.7	2.87x
2029	86.9	29.7	2.93x
2030	89.9	30.7	2.93x
2031	93.0	31.8	2.93x
2032	96.2	32.9	2.93x
2033	99.5	30.6	3.25x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Option C: Toll Revenue Bonds



Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	9.7	-	-
2024	26.4	-	-
2025	47.1	18.8	2.51x
2026	68.2	24.8	2.75x
2027	79.9	24.8	3.22x
2028	82.5	42.1	1.96x
2029	86.9	42.9	2.03x
2030	89.9	43.8	2.05x
2031	93.0	44.7	2.08x
2032	96.2	45.6	2.11x
2033	99.5	46.5	2.14x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Initial Financing Observations

- Toll Policy and Finance Plan are *preliminary*, subject to:
 - DB contract award
 - Obtaining two investment grade ratings
 - Interest rates at Financial Close

Initial Financing Observations (continued)

Investment Grade?	Option A	Option B	Option B1	Option C
Yes				Yes
Maybe		Maybe	Maybe	
No	No			

- Option A does not achieve OCTA financing objectives without a sizeable liquidity reserve
- Options B and B1 provide greater certainty than Option A
- Option C reasonably allows OCTA to achieve its financing objectives while preserving the 405 Express Lanes financial flexibility
- The initial analyses completed have not been stress tested by rating agencies, TIFIA or Toll Revenue Bond investors

Sperry Capital Inc.
Three Harbor Drive, Suite 101, Sausalito, California 94965





ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Attachment D



405 Express Lanes Toll Policy

Adopted (date)

Goals

- Provide express lanes customers with a safe, reliable, congestion-free commute.
- Optimize throughput at free-flow speeds.
- Increase average vehicle occupancy.
- Balance capacity and demand to serve customers who pay tolls as well as people who rideshare or use transit.
- Generate sufficient revenue to sustain the financial viability of the 405 Express Lanes.
- Ensure all covenants in the financing documents are met.
- Ensure any potential net excess toll revenues are used for Interstate 405 corridor improvements.¹

Definitions

Exhibit I, “Definitions”, clarifies terms used in this 405 Express Lanes Toll Policy.

Peak Hours

Currently peak hours have been designated as Monday through Friday from 6:00 a.m. to 10:00 a.m. and 3:00 p.m. to 8:00 p.m. and on weekends from 1:00 p.m. to 6:00 p.m. However, over time, the peak period traffic volumes may spread to hours that straddle the peak hours. To adjust for growth in the peak, hourly volumes will be monitored and, if within a 12-week rolling period, volumes reach or exceed 92 percent of maximum optimal capacity of 3,400 vehicles per direction more than six times, that hour will be designated a Peak hour and a

¹ After debt service, debt service coverage ratios, and reserves are met and as allowable by statute.

base toll rate will be applied as designated by OCTA's Traffic and Revenue consultant. This rate shall be sufficient to meet the goals of the toll policy. That hour would then be subject to peak hour monitoring and toll pricing.

The toll adjustment goals for peak hours are to: a) reduce the likelihood of congestion by diverting traffic to other hours with available capacity; b) maintain free flow travel speed in the 405 Express Lanes; c) maintain travel time savings; d) accommodate projected growth in travel demand and; e) ensure that the toll road generates sufficient revenue to effectively operate the toll lanes and maintain a strong debt service position.

The toll for use of the 405 Express Lanes during a Peak hour shall be determined as follows:

1. Hourly, day, and directional traffic volumes will be continually monitored on a rolling 12 consecutive week period basis. The review period of 12 weeks may be reduced to a shorter period during times of abnormal travel patterns in the I-405 corridor. Such abnormal traffic patterns shall include, but are not limited to, initial opening of the 405 Express Lanes and times of construction along I-405 or adjacent freeways or feeder routes.
2. Hourly, day, and directional traffic volumes of 3,128 or more will be flagged for further review.
3. If the hourly, day, and directional traffic volume is Consistently at a level of Peak then the toll rate for that hour, day, and direction may be increased.
4. The toll for that hour, day, and direction shall be increased, based on the average vehicle volume of the flagged hour, day, and direction identified per Section 2 above, as follows:
 - (a) if the average flagged vehicle volume is 3,300 or more then the toll shall be increased by \$1.00.
 - (b) if the average flagged vehicle volume is between 3,200 and 3,299 then the toll shall be increased by \$0.75.
 - (c) if the average flagged vehicle volume is less than 3,200 then the toll shall not be changed.

Six months after a toll increase, the most recent 12 consecutive weeks (excluding weeks with a Holiday or a major traffic anomaly caused by an accident or incident) shall be reviewed for the hour, day, and direction that the toll was increased. If the traffic volume is less than or equal to 2,720 vehicles per hour, day, and direction in six or more of the weeks then the traffic volumes for that hour, day, and direction for the 12 consecutive weeks shall be averaged. If the

average traffic volume is less than or equal to 2,720 then the toll shall be reduced by \$0.50 to stimulate demand and encourage 405 Express Lanes use.

OCTA's Board of Directors and customers will be informed of a toll adjustment 10 or more days prior to that toll adjustment becoming effective.

Non-Peak Hours

All Non-Peak hours will generally remained at fixed levels within a broad band of categories, increasing annually by the Inflation Factor at the beginning of each Fiscal Year. Vehicle volumes increasing from one category to the next would subject the toll rates to increase; the categories for the express lanes are roughly defined as follows:

- Category A 0 to 800 vehicles
- Category B 801 to 1600 vehicles
- Category C 1601 to 2400 vehicles
- Category D 2401 to 2800 vehicles
- Category E 2801 to 3000 vehicles

Toll rates will be adopted for each category reflecting the time savings value to the driver as traffic moves into the next level of congestion.

All tolls shall be rounded up or down to the nearest 5-cent increment.

Discounts

Vehicles with three or more persons (HOV3+), motorcycles, disabled plates and disabled veteran plates are permitted to ride free in the 405 Express Lanes during all hours. Inherently low emission vehicles (ILEVs) are permitted to ride free or at a discount in the 405 Express Lanes during all hours. Existing state law related to ILEVs travelling in high occupancy vehicle and high occupancy toll lanes expires January 1, 2019. It is unknown whether this legislation will be renewed or changed. OCTA's 405 Express Lanes toll policy will comply with state law as it evolves. However, consistent with the terms and conditions agreed to with the California Department of Transportation (April 16, 2015), OCTA will seek authorization to cap the number of ILEVs at a rate sufficient to meet toll policy goals.

For the first 3-1/2 years after opening, vehicles with two persons (HOV2) will ride free in the 405 Express Lanes during Non-Peak hours. From that point on, HOV2 will pay the full toll during all hours. (Note: Should the State of California policy related to minimum occupancy requirements for carpool lanes change from HOV2+ to HOV3+ within the first 3-1/2 years after opening of the 405 Express Lanes, HOV2 would pay the full 405 Express Lanes toll during all hours.)

Financing Requirements

OCTA shall charge and collect tolls that generate enough revenue to maintain the Debt Service Coverage Ratio at a level sufficient to qualify for external financing. OCTA recognizes that it must maintain a strong debt service position in order to satisfy the existing bond covenants.

Holiday Toll Schedules

Holiday toll schedules shall apply and will be developed as opening day nears. Holiday toll schedules shall be adjusted by the Inflation Factor at the beginning of each fiscal year in a similar fashion as with Non-Peak hours.

Exhibit I

Definitions

Cash Available for Debt Service – for any Period, the excess, if any, computed on a cash basis, of:

(1) the amount of 405 Express Lanes cash receipts during such Period from whatever source, including, without limitation, toll receipts, transponder revenues, amounts paid to OCTA under the Facility Agreements, and investment earnings, *excluding*:

- proceeds of insurance,
- proceeds of the debt service letter of credit or other amounts held in or disbursed from the payment account, the debt service reserve account, the coverage account and the major maintenance reserve account, and
- the proceeds of any Additional Senior Bonds or Subordinated Bonds, *over*

(2) All Operating and Maintenance Costs incurred during such Period and not deducted in the computation of Cash Available for Debt Service in a prior Period. In computing Operating and Maintenance Costs for any Period, an appropriate prorating will be made for expenditures such as insurance premiums and taxes that would be prorated if the computation were to be made in accordance with GAAP.

Consistently – Any six weeks of twelve consecutive weeks, excluding any week that includes a Holiday or major traffic pattern anomaly caused by an accident or incident.

Debt Service – for any Period, all payments of principal, interest, premiums (if any), fees and other amounts made (including by way of prepayment) or required to be made by OCTA during such Period under the Bond Documents (debt service payments related to OCTA's internal subordinated debt borrowings are to be excluded from these calculations). In computing Debt Service for any Period prior to the issuance of the new bonds, OCTA will give pro forma effect to the transactions contemplated by the Bond Documents and the use of proceeds of the new bonds. In computing Debt Service for any prospective Period, OCTA will estimate in good faith such payments on the basis of reasonable assumptions. Such assumptions will include the absence of any waivers of or amendments to any agreements and the absence of any optional or extraordinary mandatory redemption of the bonds.

Debt Service Coverage Ratio – for any Period, the ratio of Cash Available for Debt Service for such Period to Debt Service for such Period.

Fiscal Year – July 1 to June 30

Holiday – Any of the following holidays that occur or are recognized any day between Monday through Friday: New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving and Christmas.

Inflation Factor – The inflation factor shall be the same as reflected in the 405 Express Lanes Operating Agreement effective at the time.

Maximum Optimal Capacity – 3,400 vehicles per hour, per day, per direction in the 405 Express Lanes facility

Non-Peak – Hourly period that is not a Peak hour.

Operating and Maintenance Costs – all reasonable and necessary expenses of administering, managing, maintaining and operating the 405 Express Lanes and in accordance with the Bond Documents and the Facility Agreements.

Period – the most recent twelve complete months.

Peak – Hourly period, per day, and per direction with traffic volume use which meets or exceeds the Trigger Point.

Trigger Point – 92 percent or more of Maximum Optimal Capacity (3,128 or more vehicles per hour, per day, and per direction).

Week – 12:00 a.m. Sunday to 11:59 p.m. the following Saturday.

Exhibit II Toll Policy Decision Process Congestion Management Pricing in Peak

Definitions / Detail

Monitor hourly, day of week and directional traffic for last 12 consecutive weeks (exclude days/hours with holidays, major incidents, and accidents)

Flag hours when traffic volume is 3,128 or more vehicles per hour, per day, per direction. Determine if this occurs six or more times in the 12-week period.

Average the traffic volume for the flagged hours.

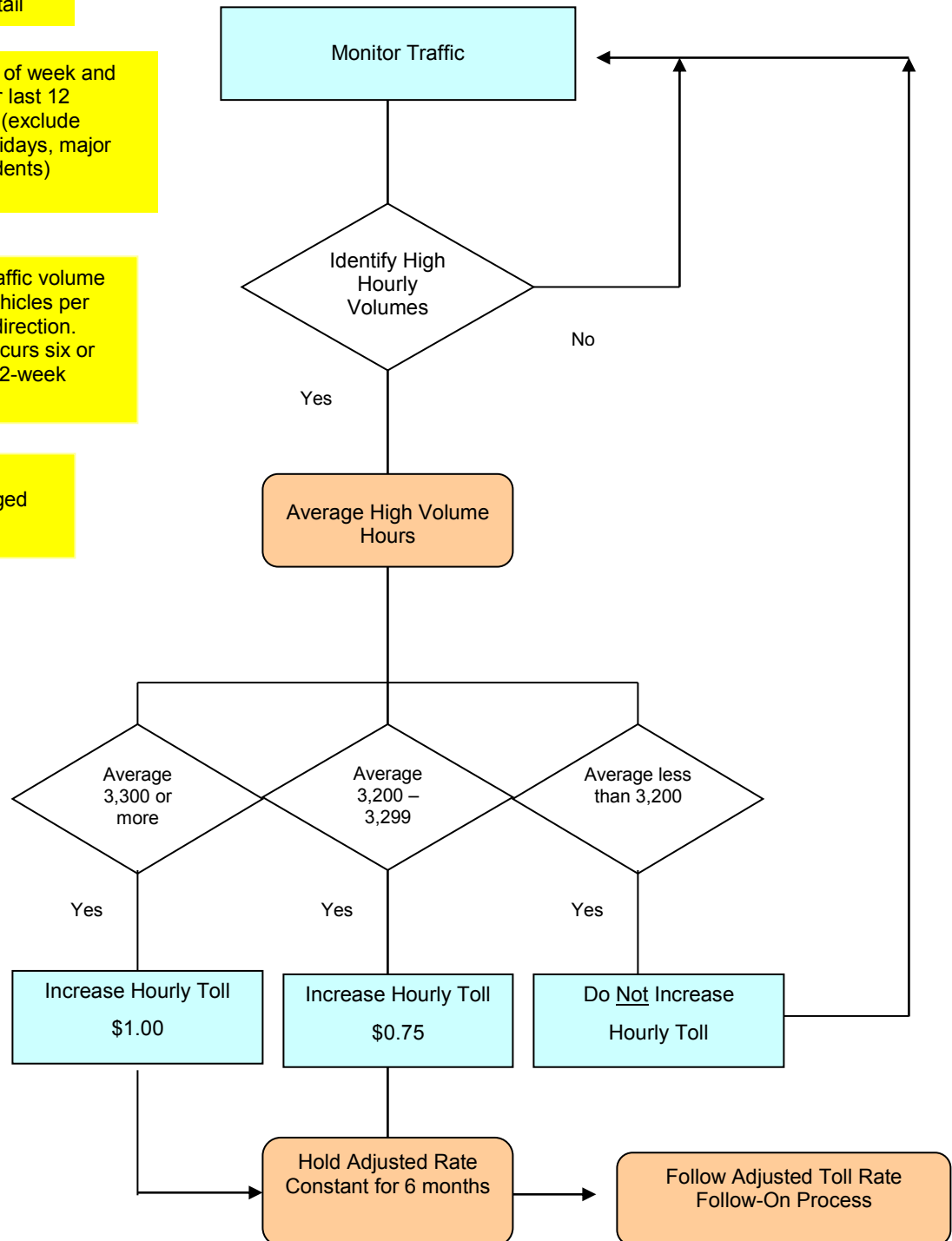


Exhibit III Adjusted Toll Rate Follow-On Process (Peak Adjusted Rates Only)

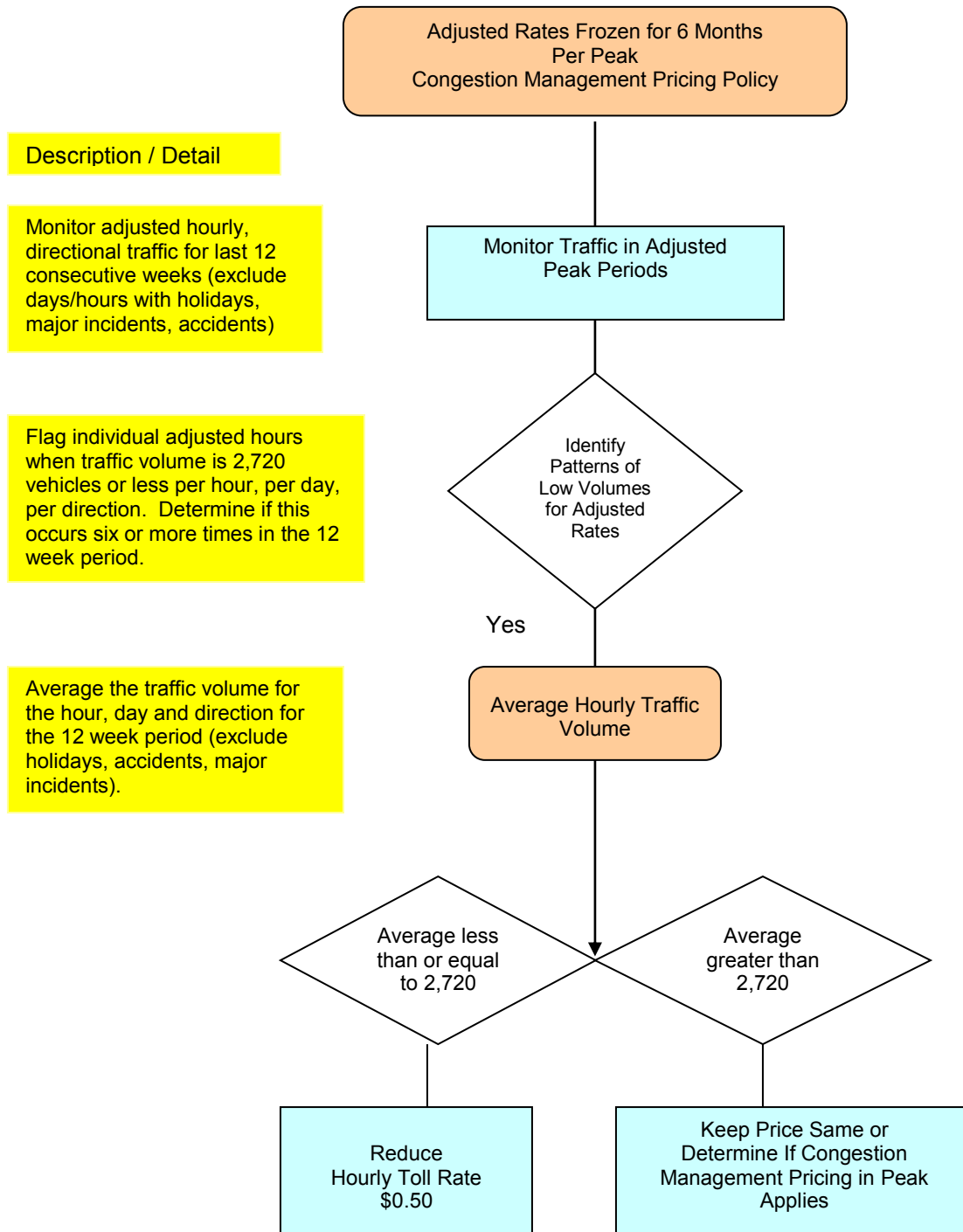
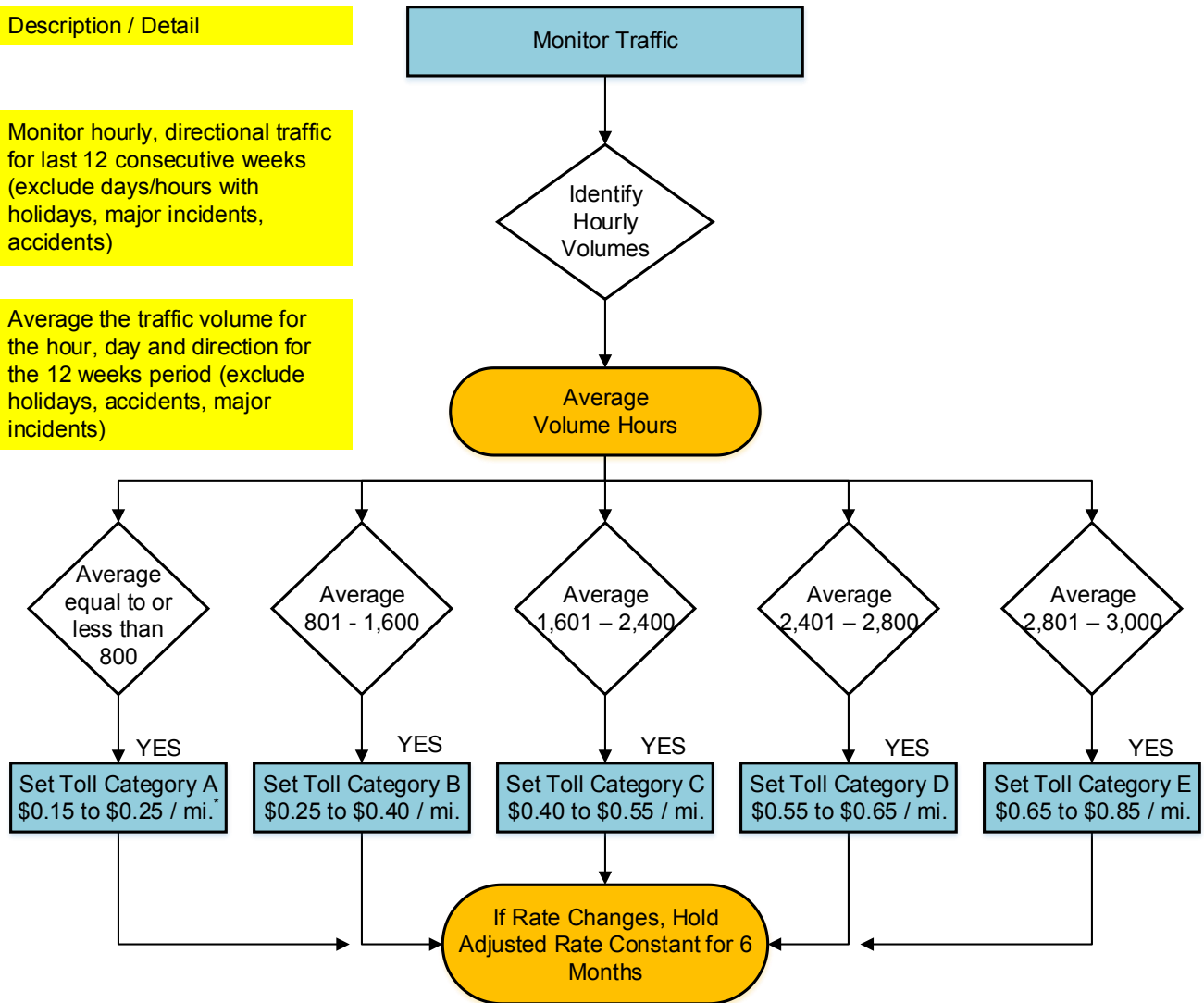


Exhibit IV Toll Policy Decision Process Non-Peak Hours

Description / Detail

Monitor hourly, directional traffic for last 12 consecutive weeks (exclude days/hours with holidays, major incidents, accidents)

Average the traffic volume for the hour, day and direction for the 12 weeks period (exclude holidays, accidents, major incidents)



* All toll pricing ranges are in costs per mile.

Exhibit V
405 Express Lanes Toll Schedules

Toll schedules will be developed as 405 Express Lanes opening day nears. This includes both regular and holiday toll schedules.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Attachment E

**Interstate 405 Improvement Project
Preliminary Finance Plan
May 2016**

Summary

The I-405 Improvement Project (405 Project) will add one general purpose (GP) lane to the I-405 from Euclid Street north to the I-605 interchange at the Los Angeles County line in each direction and add a tolled express lane in each direction from the SR-73 in Costa Mesa north to the SR-22 that will combine with the existing HOV lane to create two Express Lanes in each direction in the I-405 median. The new tolled express lanes will be combined with the existing HOV lanes to create the 405 Express Lanes (two 405 Express Lanes in each direction) in the I-405 median from SR-73 to I-605. The 405 Express Lanes will include single lanes connecting to/from the SR-73 to the I-405 at the southern end of the 405 Express Lanes and to/from the I-605 and the SR-22 at the northern end of the 405 Express Lanes. The 405 Project will provide two additional intermediate access points along the approximately 14-mile 405 Express Lanes.

The 405 Project will be funded with local sales tax Measure M2 (M2) funding, state and federal funding, and the proceeds of non-recourse toll revenue-backed obligations using a direct Transportation Infrastructure Finance and Innovation Act (TIFIA) loan and/or toll revenue bonds. The 405 Project's capital cost estimate is \$1.9 billion with 75 percent being attributed to the GP lanes and 25 percent to the 405 Express Lanes. The table below shows the sources of the funds for the 405 Project:

<u>Sources of Funds</u>	<u>Amount</u>
M2 Pay As You Go Funds/Bonds	\$ 1,145,352,000
Federal Funds	45,648,000
State Funds	82,000,000
<u>TIFIA Loan</u>	<u>627,000,000</u>
Total Sources	\$ 1,900,000,000

For an estimated project cost amount of \$1.9 billion, the TIFIA loan request will total approximately \$627 million, equal to 33 percent of the eligible project costs. The pledged source of revenues for the TIFIA loan is 405 Express Lanes revenues. M2 funds would not be pledged to repay the amounts borrowed under the TIFIA loan. This approach has been modeled and is financially sustainable based upon the assumptions included to date. If the full amount of a TIFIA loan is not received, OCTA could issue toll road revenue bonds, secured by toll road revenues, to assist with the funding of the project.

Assumptions

The following assumptions are included in the financial models for the 405 Project:

- Capital cost estimate is \$1.9 billion with 75 percent being attributed to the GP lanes and 25 percent to the 405 Express Lanes,
- Five and half year construction period,
- Opening date for 405 Express Lanes is January 1, 2023,
- Stantec's gross potential toll revenues projections (March 2016) for the 405 Express Lanes is escalated by two percent per year,
- Parsons and HNTB projections (April 2016) for the 405 Express Lanes for operating and maintenance, non-toll revenues, and leakage,
- TIFIA loan request equal to 33 percent of the eligible project expenses,
- 405 Express Lanes financing transaction structured with the following minimum debt service coverage ratios – 1.30 times for TIFIA loan and 1.75 times for toll road revenue bonds,
- Up to \$1.242 million available in M2 funds for the GP lanes,
- Interest rates from March 30, 2016 (30-Treasury Bond at 2.60 percent) plus 75 basis points, and
- BBB- credit ratings for the 405 Express Lanes.

Tolling Options

Traffic and revenue projections were prepared for the following Options:

- A: HOV2+ free all day
- B: HOV2+ free non-peak and HOV3+ 50 percent during peak
- B1: HOV2+ free non-peak and HOV3+ free all day
- C: HOV3+ 50 percent during peak
- C1: HOV3+ free all day
- D: Greater revenue option for rating agencies (currently being prepared)
- B/C: Option B for the first three and a half years and Option C thereafter
- B1/C1: Option B1 for the first three and a half years and Option C1 thereafter

405 Project

The preliminary finance plan for the 405 Project includes five sources of funds:

- M2 sales tax pay as you go funds - the M2 Ordinance approved by Orange County voters states that “pay as you go” financing is the preferred method of financing transportation improvements and operations. However, OCTA may use bond financing as an alternative method if the scope of planned expenditures makes “pay as you go” financing unfeasible. Given, the cost of the I-405 general-purpose lanes, and the amount of M2 revenues received to date and projected to be received by FY 2023, OCTA will have to

issue M2 sales tax revenue bonds over the next several years to fund the GP lanes project based on current estimates. Pay as you go funds will be used for the first few years of construction.

- OCTA will contribute proceeds from the periodic issuance (currently expected in FY 2019 and FY 2021) of M2 sales tax revenue bonds.
- \$82 million contribution in state funds from Caltrans.
- \$45.6 million of federal grants - the federal grants include \$35 million from Surface Transportation Program (renamed under the FAST Act to Surface Transportation Block Grant), \$1.13 million from Interstate Maintenance Discretionary (IMD) Program, \$8.528 million from High Priority Projects earmarks from TEA-21 and SAFETEA-LU, and \$990,000 from 2006 appropriations bill earmarks.
- OCTA will request to enter into a \$627 million TIFIA loan which will be based on 33% of eligible project costs secured by future pledged 405 Express Lanes net toll revenues (OCTA submitted a Letter of Interest to the United States Department of Transportation (USDOT) in February 2016). TIFIA is a federal credit program for eligible surface transportation projects of regional or national significance under which the USDOT may provide credit assistance. A TIFIA loan provides many benefits and could substantially reduce the costs associated with obtaining financing for the 405 Project

The sources of funds will be used on the following expenditures:

Design-Build Costs	\$ 1,300,000,000
Right of Way, Utilities, Support, and Other Costs	500,000,000
<u>Project Contingency</u>	<u>100,000,000</u>
Total Uses	\$ 1,900,000,000

The Board of Directors approved a new forecasting approach for M2 sales tax collections in March 2016. This new approach estimated that approximately \$1.24 billion would be available for the general-purpose lanes project for the I-405, Project K. Under this preliminary financing plan, the full \$1.24 billion would not be required. The ability to borrow 33 percent of the eligible project costs for the TIFIA program would lessen the requirement from the M2 program.

Exhibit 1 provides an annual projection of the sources and uses for the 405 Project. The sources include a combined line item for M2 sales tax pay as you go funds and M2 sales tax revenue bonds. It is estimated that the first debt issuance will not be required until FY 2019. M2 pay as you go funds will be used over the next several years for project expenditures. OCTA has a long standing history of successfully issuing and repaying its debt obligations for large capital projects and delivering capital improvement projects. OCTA has issued and repaid over \$1.0 billion of its Measure M (M1) Sales Tax Revenue Bonds. OCTA currently has \$332.7 million in M2 Sales Tax Revenue Bonds outstanding, which are rated Aa1, AA+, and AA+ by Moody's, Standard & Poor's, and Fitch Ratings, respectively.

405 Express Lanes

The 405 Express Lanes will be utilizing a congestion management pricing system for operation of the lanes. To determine the associated traffic and revenue projections, OCTA hired Stantec to complete an Investment Grade Traffic and Revenue Study. Based upon input from OCTA, Stantec modeled Options A, B, B1 and C. In addition to these Options, C1 and a hybrid of B1 and C1 were also modeled.

In addition to Stantec, OCTA is also using Parsons/HNTB to forecast non-toll revenues (account and violation fees), operations and maintenance costs, violations and leakage calculations (the dollar value of trips evading a toll including pursuable violations, non-pursuable violations and HOV status mis-declaration). These projections from Stantec and Parson/HNTB were used to calculate net revenues available for debt service.

Net revenues available for debt are defined as gross potential toll revenues (transactions charged at 100 percent of the prevailing toll rate) minus leakage plus non-toll revenues minus operating and maintenance costs. Once net revenues available for debt service were projected, OCTA's financial advisor Sperry Capital determined which Options could potentially achieve investment grade ratings and be financially sustainable using two separate financing alternatives. Sperry Capital modeled scenarios solely with TIFIA loan proceeds and other scenarios solely with toll road revenue bonds.

Using a financial model that incorporated interest rate assumptions from March 30, 2016 (30-Treasury Bond at 2.60 percent) plus a 75 basis point buffer, Sperry Capital determined that Options C, C1, B/C, and B1/C1 could achieve investment grade ratings.

The cash flow for Option B1/C1, which is the staff recommended Option, is attached as Exhibit 2. This Exhibit shows the financing under a TIFIA loan borrowing of \$627 million. Debt service coverage ratios are provided in the far right column and show strong coverage ratios throughout the term of the debt with the exception of the first year.

If OCTA does not receive the requested TIFIA loan amount, OCTA could issue 405 Express Lanes BBB-rated tax-exempt senior lien toll revenue bonds secured by net toll revenues. This pivot point could be made up to three to four months prior to the anticipated financial closing date.

**I-405 Improvement Project
Annual Sources and Uses
Preliminary Draft
May 2016
(\$ in Millions)**

Fiscal Year		Through 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total										
<u>Sources of Funds</u>																						
M2 Pay as You Go Funds/Bond Proceeds	\$	8.45	\$	34.82	\$	56.07	\$	134.37	\$	187.18	\$	285.15	\$	249.92	\$	131.98	\$	51.92	\$	5.50	\$	1,145.35
Federal Funds		3.54		3.32		2.90		1.70		6.03		11.60		10.52		4.82		1.13		0.08		45.65
Caltrans Contribution		0.25		2.43		5.99		4.10		12.28		22.81		20.76		10.00		3.07		0.30		82.00
TIFIA Loan (Repaid With Toll Revenues)		-		-		58.01		69.04		101.21		157.40		138.50		72.30		27.64		2.90		627.00
Total	\$	12.24	\$	40.57	\$	122.96	\$	209.21	\$	306.70	\$	476.96	\$	419.71	\$	219.11	\$	83.75	\$	8.79	\$	1,900.00
<u>Uses of Funds</u>																						
Project Expenditures		12.24		40.57		122.96		209.21		306.70		476.96		419.71		219.11		83.75		8.79		1,900.00
Total	\$	12.24	\$	40.57	\$	122.96	\$	209.21	\$	306.70	\$	476.96	\$	419.71	\$	219.11	\$	83.75	\$	8.79	\$	1,900.00

Orange County Transportation Authority
2017 TIFIA Loan
Base Case
Option B1/C1

Period	Period Ending	Gross Potential Toll Revenues ¹	Leakage ²	Net Toll Revenues	Non-Toll Revenues ³	Transfer from DSRA ⁴	O&M ⁵	TIFIA Servicing Fee	Net Revenues Available for Debt Service	Net Debt Service	Debt Service Coverage Ratio
1	6/30/2017	-	-	-	-	-	-	-	-	-	-
2	6/30/2018	-	-	-	-	-	-	-	-	-	-
3	6/30/2019	-	-	-	-	-	-	-	-	-	-
4	6/30/2020	-	-	-	-	-	-	-	-	-	-
5	6/30/2021	-	-	-	-	-	-	-	-	-	-
6	6/30/2022	-	-	-	-	-	-	-	-	-	-
7	6/30/2023	14,228,046	(4,036,581)	10,191,465	3,096,588	-	(8,819,838)	(13,500)	4,454,715	-	-
8	6/30/2024	36,750,292	(8,836,503)	27,913,789	9,169,232	-	(23,110,378)	(14,000)	13,958,643	(12,605,970)	1.11x
9	6/30/2025	56,952,638	(8,811,739)	48,140,900	9,202,302	452,029	(23,829,570)	(14,000)	33,951,661	(25,211,940)	1.35x
10	6/30/2026	74,532,830	(8,411,678)	66,121,152	8,683,048	452,029	(24,374,545)	(14,500)	50,867,184	(25,211,940)	2.02x
11	6/30/2027	81,554,289	(6,601,929)	74,952,359	7,584,549	452,029	(24,112,259)	(14,500)	58,862,179	(25,211,940)	2.33x
12	6/30/2028	89,238,160	(7,271,984)	81,966,175	8,299,149	452,029	(24,942,630)	(15,000)	65,759,724	(28,713,200)	2.29x
13	6/30/2029	97,344,546	(7,986,451)	89,358,095	9,053,043	452,029	(25,628,552)	(15,000)	73,219,615	(29,704,125)	2.46x
14	6/30/2030	105,894,267	(8,747,859)	97,146,408	9,848,167	452,029	(26,333,337)	(15,500)	81,097,766	(30,728,670)	2.64x
15	6/30/2031	109,434,358	(9,103,950)	100,330,408	10,177,395	452,029	(27,057,504)	(16,000)	83,886,328	(31,787,411)	2.64x
16	6/30/2032	113,091,898	(9,475,621)	103,616,278	10,517,547	452,029	(27,801,586)	(16,000)	86,768,268	(32,880,823)	2.64x
17	6/30/2033	116,873,390	(9,864,001)	107,009,389	10,869,225	452,029	(28,566,129)	(16,500)	89,748,014	(30,639,812)	2.93x
18	6/30/2034	120,779,844	(10,269,420)	110,510,424	11,232,525	452,029	(29,351,698)	(17,000)	92,826,281	(31,657,994)	2.93x
19	6/30/2035	125,415,446	(10,561,744)	114,853,702	11,663,636	452,029	(30,158,869)	(17,000)	96,793,498	(33,076,385)	2.93x
20	6/30/2036	129,806,213	(10,796,895)	119,009,318	12,071,978	452,029	(30,988,238)	(17,500)	100,527,586	(34,369,733)	2.92x
21	6/30/2037	133,654,580	(11,095,520)	122,559,061	12,429,876	452,029	(31,840,415)	(18,000)	103,582,551	(35,268,900)	2.94x
22	6/30/2038	137,615,999	(11,402,423)	126,213,576	12,798,288	452,029	(32,716,026)	(18,000)	106,729,867	(36,191,491)	2.95x
23	6/30/2039	141,695,279	(11,717,925)	129,977,354	13,177,661	452,029	(33,615,717)	(18,500)	109,972,828	(37,138,245)	2.96x
24	6/30/2040	145,895,810	(12,042,174)	133,853,636	13,568,310	452,029	(34,540,149)	(19,000)	113,314,826	(38,108,819)	2.97x
25	6/30/2041	150,221,071	(12,375,757)	137,845,314	13,970,560	452,029	(35,490,003)	(19,500)	116,758,399	(39,047,728)	2.99x
26	6/30/2042	154,672,932	(12,718,493)	141,954,439	14,384,583	452,029	(36,465,978)	(19,500)	120,305,572	(40,037,976)	3.00x
27	6/30/2043	159,258,448	(13,070,997)	146,187,452	14,811,036	452,029	(37,468,793)	(20,000)	123,961,724	(41,119,437)	3.01x
28	6/30/2044	163,979,723	(13,433,353)	150,546,370	15,250,114	452,029	(38,499,185)	(20,500)	127,728,829	(42,230,217)	3.02x
29	6/30/2045	168,840,636	(13,805,832)	155,034,804	15,702,179	452,029	(39,557,912)	(21,000)	131,610,100	(43,371,314)	3.03x
30	6/30/2046	173,845,174	(14,188,812)	159,656,362	16,167,601	452,029	(40,645,755)	(21,500)	135,608,738	(44,541,626)	3.04x
31	6/30/2047	178,999,319	(14,582,533)	164,416,786	16,646,937	452,029	(41,763,513)	(21,500)	139,730,739	(45,744,901)	3.05x
32	6/30/2048	184,305,469	(14,987,341)	169,318,128	17,140,409	452,029	(42,912,010)	(22,000)	143,976,556	(46,979,742)	3.06x
33	6/30/2049	189,769,912	(15,403,702)	174,366,209	17,648,602	452,029	(44,092,090)	(22,500)	148,352,250	(48,247,633)	3.07x
34	6/30/2050	195,395,209	(15,831,518)	179,563,691	18,171,754	452,029	(45,304,622)	(23,000)	152,859,852	(49,549,895)	3.08x
35	6/30/2051	201,185,929	(16,271,251)	184,914,678	18,710,291	452,029	(46,550,500)	(23,500)	157,502,999	(50,886,700)	3.10x
36	6/30/2052	207,150,927	(16,723,676)	190,427,251	19,265,036	452,029	(47,830,638)	(24,000)	162,289,678	(52,260,055)	3.11x
37	6/30/2053	213,291,029	(17,188,649)	196,102,380	19,836,066	452,029	(49,145,981)	(24,500)	167,219,994	(53,669,802)	3.12x
38	6/30/2054	219,613,357	(17,666,849)	201,946,508	20,424,042	452,029	(50,497,495)	(25,000)	172,300,084	(55,117,618)	3.13x
39	6/30/2055	226,123,134	(18,158,358)	207,964,776	21,029,451	452,029	(51,886,176)	(25,500)	177,534,580	(56,603,998)	3.14x
40	6/30/2056	232,827,979	(18,664,012)	214,163,967	21,653,002	452,029	(53,313,046)	(26,000)	182,929,952	(58,131,241)	3.15x
41	6/30/2057	239,728,946	(19,183,621)	220,545,326	22,294,792	452,029	(54,779,155)	(26,500)	188,486,492	(59,699,445)	3.16x
42	6/30/2058	246,836,253	(19,718,161)	227,118,092	22,955,772	452,029	(56,285,582)	(27,000)	194,213,311	(61,311,330)	3.17x
TOTAL		5,336,803,331	(451,007,310)	4,885,796,021	509,504,745	15,368,993	(1,300,275,876)	(702,500)	4,109,691,384	(1,407,058,056)	

Notes

- 1 Per Stantec April 28, 2016, escalated at 2% from \$2015.
- 2 Per Parsons/HNTB on April 29, 2016
- 3 Per Parsons/HNTB on April 29, 2016 for FY2023-2026, afterwards 9.3% of GPTR
- 4 Represents interest earnings at UST
- 5 Per Parsons/HNTB on April 29, 2016 for FY2023-2028, afterwards escalated at 2.75% annually



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

PowerPoint

Interstate 405 Improvement Project

Initial Toll Policy and Preliminary Finance Plan

Background

- I-405 carries 257,000 – 370,000 Average Daily Traffic*
- Regular and high-occupancy vehicle (HOV) lanes congested in peak hours
- Traffic growth of about 30% expected by 2040
- Project more than 11 years in development
- Final Environmental Impact Report approved March 2015
 - Adds one General Purpose lane each direction
 - Fulfills promise to voters by delivering Measure M Project K
 - Adds one Express Lane each direction**
 - Paid for with user fees / tolls
 - Reconstructs 18 bridges

Description	Direction	New lanes
General Purpose	Northbound	1
General Purpose	Southbound	1
Express Lane	Northbound	1
Express Lane	Southbound	1
Total New Lanes	Both directions	4

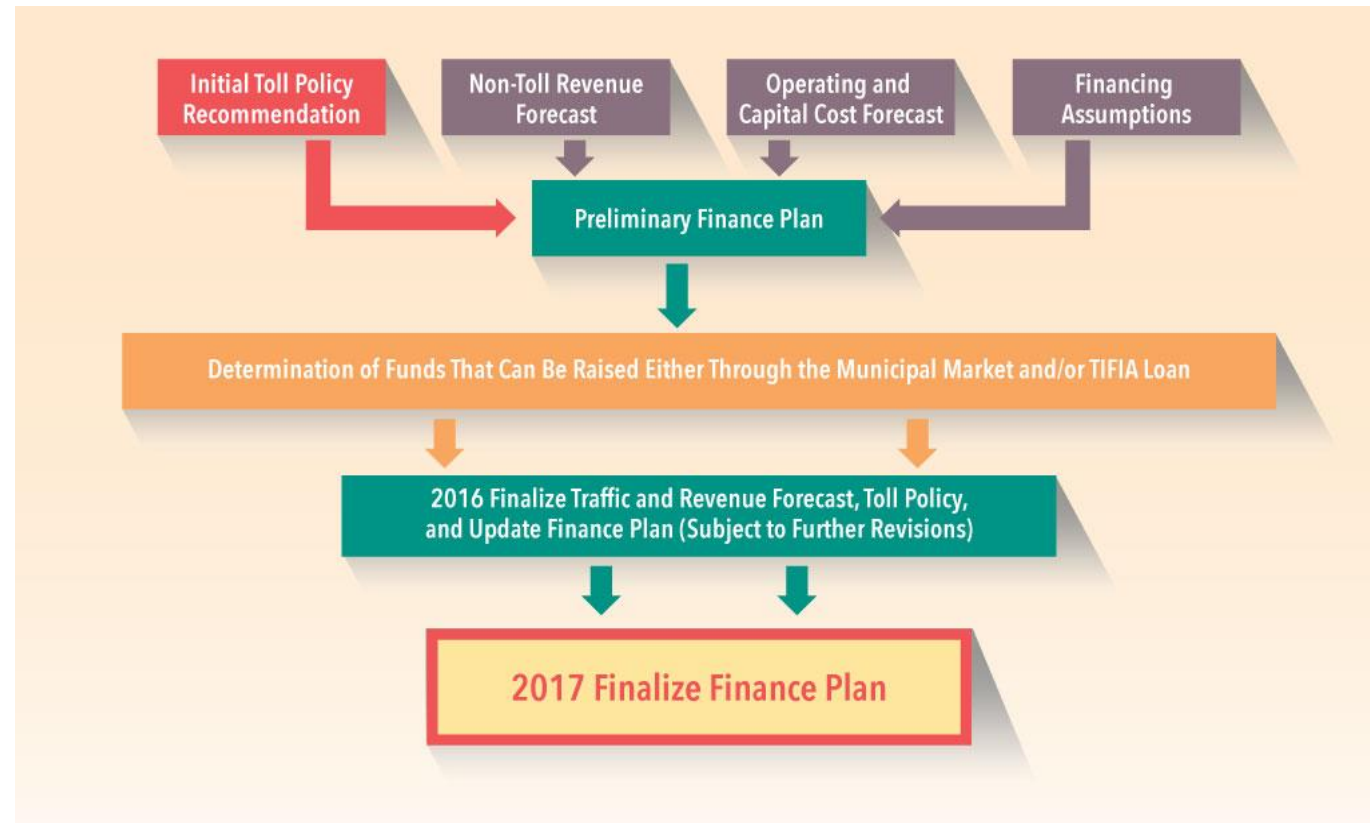
* Represents traffic in 2009 - From Final Environmental Impact Report

** The one new Express Lane is combined with the existing high-occupancy vehicle lane to form a two-lane each direction Express Lanes facility.

Getting to Finance Plan

Projections / estimates:

- ✓ Traffic and Revenue Study
- ✓ Operations & Maintenance Costs
- ✓ Non-Toll Revenue
- ✓ Violations
- ✓ Leakage
- ✓ Net Revenue Available for Debt Service
- ✓ Project Cost*



* Current estimate based on Federal Highway Administration Cost Estimate Review (April 28, 2016) plus contingency for unassigned risk. Project cost is not finalized until the design-build contract is awarded.

Board / Stakeholder Involvement –Toll Policy and Finance Plan Development*

- 3 Board of Director presentations
- 6 Board of Director Committee meetings
 - TIFIA Letter of Interest / I-405 Financing Updates
 - Assumptions and Options for Toll Policy Development
 - Traffic & Revenue Study Workshop
 - Operations/Maintenance/Non-Toll Revenue/Leakage Assumptions
 - Initial Financing Options
- 3 Federal Highway Administration/Caltrans Partners meetings
- 1 Caltrans toll policy meeting
- 2 Corridor City Technical Steering Committee meetings/workshops
- Digital communications to public stakeholder database

Approved by Board October 12, 2015

Description	Action
Toll Policy Goals	Approved
Pricing Methodology	Time of Day, One Hour Static Variable
Peak Toll Adjustments	OCTA 91 Express Lanes (91 EL)
Non-Peak Toll Adjustments	Riverside County Transportation Commission 91 EL
Hours of Operation	24/7
Access Points	Intermediate Access
Non-Toll Revenue: Account Fees, Violations	OCTA 91 EL
Enforcement Approach	Manual and Automated
Prohibited Vehicles, Discounts, Exemptions	Large trucks (over 10,000 pounds) and towed trailers
Toll Collection	Title 21-Compliant Transponder (monitor technology improvements)
Toll Policy Options for Analysis	Four*

* Plus two sensitivity analyses were modeled.

Adopted Toll Policy Goals and Options

- Provide Express Lanes customers with a safe, reliable, predictable commute.
- Optimize throughput at free flow speeds.
- Increase average vehicle occupancy.
- Balance capacity and demand to serve customers who pay tolls as well as people who rideshare or use transit.
- Generate sufficient revenue to sustain the financial viability of the 405 Express Lanes.
- Ensure all covenants in the financing documents are met.
- Ensure any potential net excess toll revenues are used for Interstate 405 corridor improvements.*

A	B	B1 (sensitivity analysis)	C	C1 (sensitivity analysis)	D
HOV2+ Free All Day	HOV2+ Free Non-Peak, HOV3+ 50% Peak	HOV2+ Free Non-Peak, HOV3+ Free All Day	HOV3+ 50% Peak	HOV3+ Free All Day	**

* Assumes debt service coverage ratios and reserve requirements are met

**Greater revenues (for rating agencies)

Initial Financing Observations

- Lower TIFIA loan rate provides OCTA greater flexibility*
 - Minimizes borrowing costs
 - 1.3x debt coverage ratio allows greater flexibility in toll policy
 - Interest starts with each loan disbursement and accretes over time
 - Accreted interest is added to TIFIA loan repayment obligation
 - “Patient” lender provides potential for principal deferral
 - TIFIA has experience / expertise in toll facilities
- Toll revenue bonds provide a secondary financing option
 - Option is more expensive and reduces flexibility in toll policy
 - Capitalized interest during construction may exceed \$250 million
 - Capitalized interest cost is added to toll revenue bond issuance amount
 - 1.75x debt coverage ratio required

* TIFIA = Transportation Infrastructure Finance and Innovation Act

Proposal to Better Achieve Goals

Create a B1/C1 “Hybrid” Option

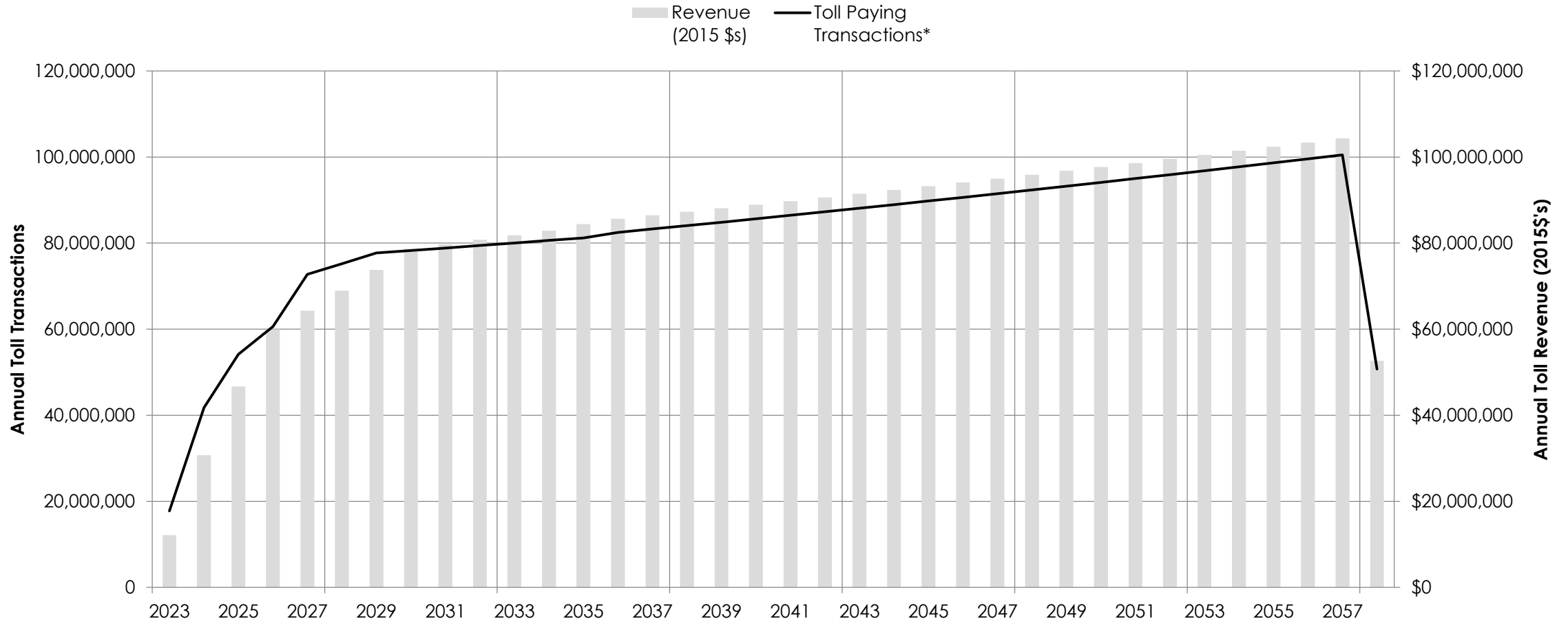
- Use Option B1 for initial 3.5 years – HOV2 free in non-peak*, HOV3+ free all day
- Use Option C1 for balance of financing – HOV3+ free all day**

* If State occupancy requirements for HOV lanes change from HOV2+ to HOV3+ in off-peak hours, the 405 Express Lanes would adopt this policy.

** Option C1 was analyzed to determine how HOV3+ free in peak hours performed.

Hybrid B1/C1- Traffic and Revenue Forecast

OCTA I-405 Express Lanes T&R Forecast



Hybrid B1/C1 – Toll Rates By Segment 2025

2025 TOLL													
Northbound	Dist	AM0	AM1	AM2	AM3	AM4	MD	PM1	PM2	PM3	PM4	PM5	NT
405N NB HOT DC	0.36	\$ 0.14	\$ 0.23	\$ 0.50	\$ 0.39	\$ 0.29	\$ 0.21	\$ 1.70	\$ 0.72	\$ 1.88	\$ 1.88	\$ 0.20	\$ 0.06
605 NB HOT DC	1.43	\$ 0.21	\$ 0.36	\$ 0.50	\$ 0.46	\$ 0.50	\$ 0.48	\$ 0.68	\$ 0.61	\$ 0.71	\$ 0.78	\$ 0.43	\$ 0.23
22-605	2.02	\$ 0.50	\$ 0.87	\$ 1.01	\$ 1.01	\$ 1.01	\$ 0.85	\$ 1.15	\$ 1.11	\$ 1.21	\$ 1.25	\$ 0.81	\$ 0.34
22 NB HOT DC	0.65	\$ 0.13	\$ 0.19	\$ 0.16	\$ 0.19	\$ 0.18	\$ 0.14	\$ 0.16	\$ 0.14	\$ 0.26	\$ 0.26	\$ 0.16	\$ 0.10
Bolsa-22	3.14	\$ 0.64	\$ 0.94	\$ 1.26	\$ 1.26	\$ 1.32	\$ 1.10	\$ 1.60	\$ 1.57	\$ 1.32	\$ 1.41	\$ 1.04	\$ 0.50
Magnolia-Bolsa	3.11	\$ 0.59	\$ 0.78	\$ 1.15	\$ 1.09	\$ 1.18	\$ 1.03	\$ 1.71	\$ 1.56	\$ 1.56	\$ 1.56	\$ 1.31	\$ 0.50
73-Magnolia	4.24	\$ 0.81	\$ 1.06	\$ 1.70	\$ 1.70	\$ 1.82	\$ 2.12	\$ 3.05	\$ 2.46	\$ 2.30	\$ 3.05	\$ 2.97	\$ 0.68
73 NB HOT DC	0.74	\$ 0.11	\$ 0.19	\$ 0.26	\$ 0.30	\$ 0.31	\$ 0.31	\$ 1.04	\$ 0.54	\$ 0.52	\$ 0.59	\$ 1.49	\$ 0.11
405S NB HOT DC	0.28	\$ 0.06	\$ 0.08	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.18	\$ 0.35	\$ 0.17	\$ 0.45	\$ 0.83	\$ 0.25	\$ 0.04
Full Length Toll	13.14	\$ 2.74	\$ 3.96	\$ 5.72	\$ 5.56	\$ 5.74	\$ 5.49	\$ 9.56	\$ 7.58	\$ 8.72	\$ 9.99	\$ 6.57	\$ 2.13
Southbound	Dist	AM0	AM1	AM2	AM3	AM4	MD	PM1	PM2	PM3	PM4	PM5	NT
405S SB HOT DC	0.36	\$ 0.06	\$ 0.14	\$ 0.21	\$ 0.36	\$ 0.25	\$ 0.21	\$ 0.26	\$ 0.25	\$ 0.36	\$ 0.27	\$ 0.16	\$ 0.06
605 SB HOT DC	1.43	\$ 0.21	\$ 0.61	\$ 0.57	\$ 0.64	\$ 0.57	\$ 0.54	\$ 0.36	\$ 0.43	\$ 0.50	\$ 0.54	\$ 0.36	\$ 0.23
605-22	2.02	\$ 0.39	\$ 0.81	\$ 0.91	\$ 1.19	\$ 1.05	\$ 0.91	\$ 0.91	\$ 0.93	\$ 1.01	\$ 0.97	\$ 0.71	\$ 0.34
22 SB HOT DC	0.65	\$ 0.10	\$ 0.10	\$ 0.19	\$ 0.12	\$ 0.10	\$ 0.14	\$ 0.19	\$ 0.16	\$ 0.18	\$ 0.13	\$ 0.16	\$ 0.10
22-Bolsa	3.14	\$ 0.57	\$ 1.16	\$ 1.10	\$ 1.66	\$ 1.63	\$ 1.22	\$ 1.10	\$ 1.26	\$ 1.26	\$ 1.41	\$ 0.94	\$ 0.50
Bolsa-Magnolia	3.11	\$ 0.53	\$ 1.49	\$ 1.15	\$ 1.71	\$ 1.77	\$ 1.21	\$ 1.00	\$ 1.34	\$ 1.18	\$ 1.34	\$ 0.78	\$ 0.50
Magnolia-73	4.24	\$ 0.67	\$ 1.91	\$ 2.46	\$ 2.67	\$ 2.42	\$ 1.48	\$ 1.36	\$ 1.70	\$ 1.48	\$ 1.48	\$ 1.05	\$ 0.68
73 SB HOT DC	0.74	\$ 0.11	\$ 0.37	\$ 0.48	\$ 0.52	\$ 0.46	\$ 0.24	\$ 0.26	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.19	\$ 0.11
405S SB HOT DC	0.28	\$ 0.06	\$ 0.14	\$ 0.16	\$ 0.21	\$ 0.18	\$ 0.12	\$ 0.08	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.07	\$ 0.04
Full Length Toll	13.14	\$ 2.27	\$ 5.65	\$ 5.98	\$ 7.80	\$ 7.31	\$ 5.17	\$ 4.70	\$ 5.57	\$ 5.39	\$ 5.58	\$ 3.71	\$ 2.13

AM0	5-6am	PM1	3-4pm
AM1	6-7am	PM2	4-5pm
AM2	7-8am	PM3	5-6pm
AM3	8-9am	PM4	6-7pm
AM4	9-10am	PM5	7-8pm
MD	10am-3pm	NT	8pm-5am

Hybrid B1/C1 – Toll Rates By Segment 2035

2035 TOLL													
Northbound	Dist	AM0	AM1	AM2	AM3	AM4	MD	PM1	PM2	PM3	PM4	PM5	NT
405N NB HOT DC	0.36	\$ 0.14	\$ 0.54	\$ 1.43	\$ 0.90	\$ 0.90	\$ 0.19	\$ 2.69	\$ 1.79	\$ 2.87	\$ 2.60	\$ 0.32	\$ 0.06
605 NB HOT DC	1.43	\$ 0.23	\$ 0.47	\$ 0.66	\$ 0.64	\$ 0.64	\$ 0.47	\$ 0.74	\$ 0.64	\$ 0.71	\$ 0.78	\$ 0.44	\$ 0.21
22-605	2.02	\$ 0.52	\$ 0.97	\$ 1.13	\$ 1.07	\$ 1.05	\$ 0.87	\$ 1.13	\$ 1.17	\$ 1.13	\$ 1.21	\$ 0.85	\$ 0.30
22 NB HOT DC	0.65	\$ 0.16	\$ 0.24	\$ 0.19	\$ 0.20	\$ 0.21	\$ 0.14	\$ 0.16	\$ 0.17	\$ 0.27	\$ 0.24	\$ 0.19	\$ 0.10
Bolsa-22	3.14	\$ 0.63	\$ 1.10	\$ 1.44	\$ 1.35	\$ 1.35	\$ 1.10	\$ 1.51	\$ 1.51	\$ 1.45	\$ 1.41	\$ 1.10	\$ 0.47
Magnolia-Bolsa	3.11	\$ 0.62	\$ 0.93	\$ 1.34	\$ 1.31	\$ 1.18	\$ 1.12	\$ 1.62	\$ 1.49	\$ 1.60	\$ 1.62	\$ 1.24	\$ 0.47
73-Magnolia	4.24	\$ 0.81	\$ 1.19	\$ 1.82	\$ 1.82	\$ 1.82	\$ 1.91	\$ 2.76	\$ 2.42	\$ 2.72	\$ 2.97	\$ 2.67	\$ 0.64
73 NB HOT DC	0.74	\$ 0.11	\$ 0.20	\$ 0.32	\$ 0.33	\$ 0.36	\$ 0.36	\$ 1.56	\$ 0.74	\$ 0.79	\$ 1.11	\$ 2.04	\$ 0.11
405S NB HOT DC	0.28	\$ 0.06	\$ 0.08	\$ 0.11	\$ 0.12	\$ 0.11	\$ 0.12	\$ 0.49	\$ 0.17	\$ 0.19	\$ 0.69	\$ 0.19	\$ 0.05
Full Length Toll	13.14	\$ 2.77	\$ 4.81	\$ 7.28	\$ 6.56	\$ 6.41	\$ 5.31	\$ 10.18	\$ 8.54	\$ 9.96	\$ 10.50	\$ 6.38	\$ 1.99
Southbound	Dist	AM0	AM1	AM2	AM3	AM4	MD	PM1	PM2	PM3	PM4	PM5	NT
405N SB HOT DC	0.36	\$ 0.07	\$ 0.14	\$ 0.20	\$ 0.72	\$ 0.28	\$ 0.18	\$ 0.27	\$ 0.29	\$ 0.90	\$ 0.36	\$ 0.16	\$ 0.06
605 SB HOT DC	1.43	\$ 0.24	\$ 0.60	\$ 0.47	\$ 0.64	\$ 0.63	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.63	\$ 0.47	\$ 0.21
605-22	2.02	\$ 0.38	\$ 0.85	\$ 0.93	\$ 1.07	\$ 1.07	\$ 0.87	\$ 0.97	\$ 1.03	\$ 1.07	\$ 1.07	\$ 0.81	\$ 0.30
22 SB HOT DC	0.65	\$ 0.08	\$ 0.10	\$ 0.17	\$ 0.12	\$ 0.10	\$ 0.13	\$ 0.17	\$ 0.14	\$ 0.17	\$ 0.13	\$ 0.15	\$ 0.10
22-Bolsa	3.14	\$ 0.53	\$ 1.26	\$ 1.19	\$ 1.60	\$ 1.60	\$ 1.22	\$ 1.29	\$ 1.41	\$ 1.44	\$ 1.35	\$ 1.04	\$ 0.47
Bolsa-Magnolia	3.11	\$ 0.53	\$ 1.68	\$ 1.18	\$ 1.65	\$ 1.87	\$ 1.28	\$ 1.24	\$ 1.49	\$ 1.37	\$ 1.43	\$ 0.93	\$ 0.47
Magnolia-73	4.24	\$ 0.76	\$ 2.21	\$ 2.38	\$ 2.63	\$ 2.50	\$ 1.57	\$ 1.61	\$ 1.82	\$ 1.70	\$ 1.70	\$ 1.19	\$ 0.64
73 SB HOT DC	0.74	\$ 0.11	\$ 0.41	\$ 0.59	\$ 0.67	\$ 0.56	\$ 0.28	\$ 0.30	\$ 0.32	\$ 0.30	\$ 0.30	\$ 0.21	\$ 0.11
405S SB HOT DC	0.28	\$ 0.05	\$ 0.14	\$ 0.14	\$ 0.17	\$ 0.16	\$ 0.10	\$ 0.10	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.08	\$ 0.05
Full Length Toll	13.14	\$ 2.33	\$ 6.28	\$ 6.02	\$ 7.84	\$ 7.48	\$ 5.22	\$ 5.48	\$ 6.16	\$ 6.58	\$ 6.02	\$ 4.21	\$ 1.99

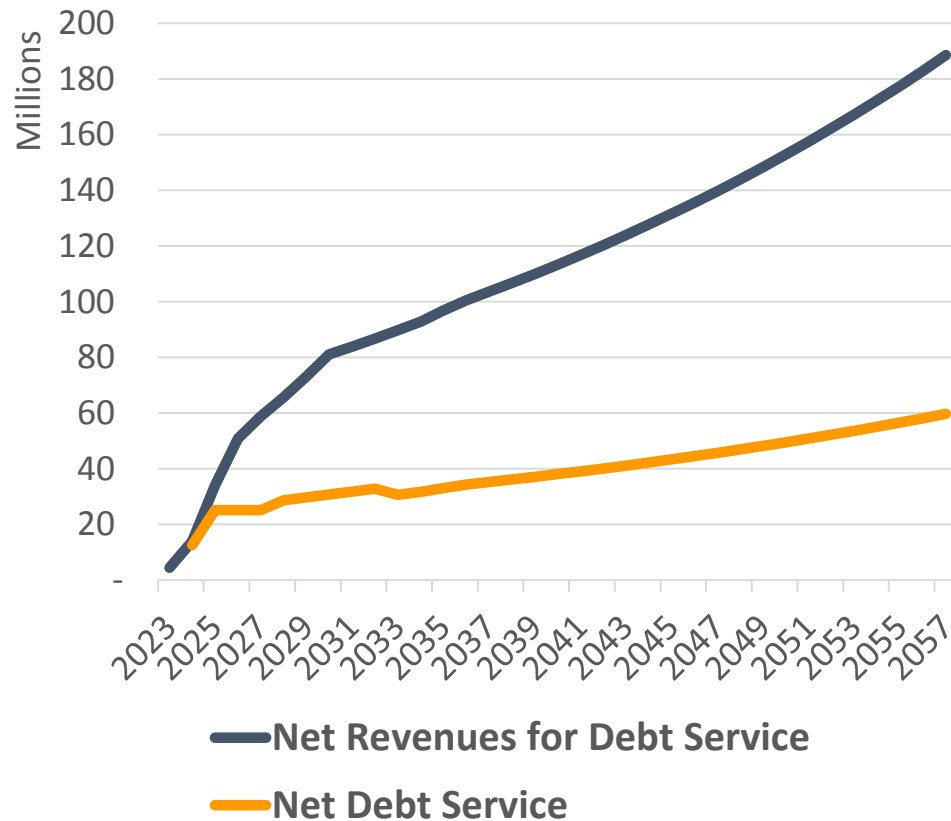
AM0	5-6am	PM1	3-4pm
AM1	6-7am	PM2	4-5pm
AM2	7-8am	PM3	5-6pm
AM3	8-9am	PM4	6-7pm
AM4	9-10am	PM5	7-8pm
MD	10am-3pm	NT	8pm-5am

Hybrid B1/C1- Initial Cash Flow Pro Forma (\$ millions)

COLUMN	A	B	C = A + B	D	E	F = C + D + E	G	H = F + G
Fiscal Year Ending	Gross Potential Toll Revenues ¹	Leakage ²	Net Toll Revenues	Non-Toll Revenues ²	DSRF Earnings ³	Gross Revenues	O&M ²	Net Revenues For Debt Service
2023	14.2	(4.0)	10.2	3.1	0.0	13.3	(8.8)	4.5
2024	36.8	(8.8)	27.9	9.2	0.0	37.1	(23.1)	14.0
2025	57.0	(8.8)	48.1	9.2	0.2	57.5	(23.8)	33.7
2026	74.5	(8.4)	66.1	8.7	0.2	75.0	(24.4)	50.6
2027	81.6	(6.6)	75.0	7.6	0.2	82.7	(24.1)	58.6
2028	89.2	(7.3)	82.0	8.3	0.2	90.4	(24.9)	65.5

1. Per Stantec April 28, 2016, escalated at 2% from \$2015
2. Per Parsons/HNTB on April 29, 2016
3. Represents interest earnings in USTs

Hybrid B1/C1 - TIFIA



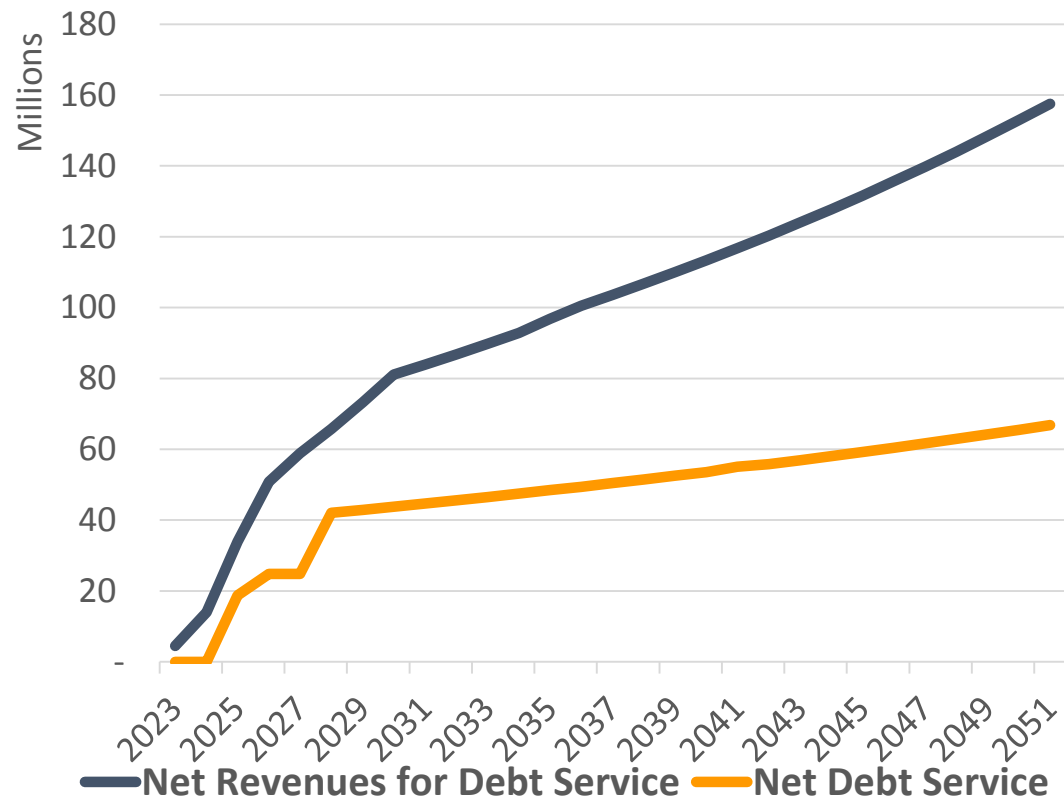
Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	4.5	-	-
2024	14.0	12.6	1.11x
2025	33.7	25.2	1.34x
2026	50.6	25.2	2.01x
2027	58.6	25.2	2.32x
2028	65.5	28.7	2.28x
2029	73.2	29.7	2.46x
2030	81.1	30.7	2.64x
2031	83.9	31.8	2.64x
2032	86.8	32.9	2.64x
2033	89.7	30.6	2.93x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Hybrid B1/C1 - Toll Revenue Bonds



Fiscal Year Ending	Net Revenues for Debt Service	Net Debt Service	DSCR
2023	4.5	-	-
2024	14.0	-	-
2025	33.7	18.8	1.79x
2026	50.6	24.8	2.04x
2027	58.6	24.8	2.36x
2028	65.5	42.1	1.56x
2029	73.2	42.9	1.71x
2030	81.1	43.8	1.85x
2031	83.9	44.7	1.88x
2032	86.8	45.6	1.90x
2033	89.7	46.5	1.93x

Net revenues for debt service and net debt service provided in \$ millions.

DSCR below TIFIA/Toll Revenue Bonds minimum DSCR highlighted in red

DSCR equal to TIFIA/Toll Revenue Bonds minimum DSCR highlighted in yellow

Initial Financing Observations - TIFIA

Investment Grade?	Option A	Option B	Option B1	Option C	Option C1	Hybrid Option B1/C1
Yes				Yes	Yes	Yes
Maybe		Maybe	Maybe			
No	No					

- Option A does not achieve OCTA financing objectives without a sizeable liquidity reserve
- Options B and B1 provide greater certainty than Option A
- Options C and the B1/C1 hybrid reasonably allow OCTA to achieve its financing objectives while preserving the 405 Express Lanes financial flexibility
- The initial analyses completed have not been stress tested by rating agencies, TIFIA or Toll Revenue Bond investors

Hybrid Option Results

Balanced approach:

- ✓ Fulfills Board of Director goal to offer HOV2 free for initial three years
- ✓ Offers customers a safe, reliable, predictable trip
- ✓ Supports throughput at free-flow speeds
- ✓ Designed to increase average vehicle occupancy
- ✓ Is balanced to serve toll paying customers and people who rideshare or use transit
- ✓ Should provide sufficient revenue to sustain 405 Express Lanes financial viability
- ✓ Should provide flexibility so that all covenants in financing documents can be met

Other - Peak and Non-Peak

- **Current Peak Definition:**
 - Weekdays: 6-10 AM and 3-8 PM
 - Weekends: 1 PM to 6 PM
- **Non-Peak Definition:**
 - Weekdays: Midday, 10 AM to 3 PM and evenings/overnight 8 PM to 6 AM
 - Weekends: Anytime except 1 PM to 6 PM
- **To adjust for growth in peak, adopt trigger point to redefine peak:**
 - Monitor non-peak hours for rolling 12-week period
 - If volumes exceed 3,128 vehicles per direction per hour, six or more times, flag and re-define that hour as “peak” and adopt peak toll policy for that hour

* 3,128 represents 92% of maximum optimal capacity of 3,400 vehicles per hour per direction

Project Funding Proposal

- Updated Project Cost Estimate is \$1.9 billion*
- Assumes full TIFIA support
- Toll road revenues provide the sole source of pledge for the TIFIA loan

Source of Funds	Amount
Measure M2 (Pay/Go, Bonds)	\$ 1,145,352,000
Federal Revenues	45,648,000
State Funds	82,000,000
TIFIA Loan (33% of Total Cost)	627,000,000
Total Sources	\$ 1,900,000,000

* Current estimate based on Federal Highway Administration Cost Estimate Review (April 28, 2016) plus contingency for unassigned risk. Project cost is not finalized until the design-build contract is awarded.

Recommendations

- Approve the initial 405 Express Lanes Toll Policy:
 - Use the B1/C1 hybrid option
 - Include trigger points to address growth in peak periods
- Adopt the preliminary Interstate 405 Improvement Project Finance Plan
- Allocate approximately \$10 million in internal funds to cover short-term, reimbursable project development costs
- Reimburse OCUTT for prior funding for project development*
- Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, and execute or amend all necessary agreements to facilitate the above actions

* OCUTT = Orange County Unified Transportation Trust Fund

Next Steps

We Are Here →

Description	Schedule
Federal Highway Cost Estimate Review	End of April 2016
Initial Toll Policy and Preliminary Finance Plan	May 2016
California Transportation Commission AB 194 Application Approval	May 2016
OCTA – Caltrans Operating Toll Agreement	June/July 2016
TIFIA: Indicative Credit Rating	June 2016
TIFIA: Application	August 2016
Design-Build Contractor Award	November 2016
Design-Build Contractor Notice to Proceed No. 1	January 2017
TIFIA: Loan Approval	March 2017
Design-Build Contractor Notice to Proceed No. 2	May 2017



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Supplemental Info - Letters

Building Industry Association of Southern California, Inc.
ORANGE COUNTY CHAPTER



May 11, 2016

Todd Spitzer, Chairman
OCTA Finance and Administration Committee
550 South Main Street
Orange, CA 92868

Dear Chairman Todd Spitzer:

The Building Industry Association of Southern California, Orange County Chapter (BIA/OC) is a non-profit trade association of over 1,100 companies employing over 100,000 people affiliated with the home building industry. The Orange County Chapter represents the largest member base within BIA Southern California. Our mission is to champion housing as the foundation of vibrant and sustainable communities.

It is well documented that the population in our County will increase. Over the next 25 years, the Southern California Association of Governments (SCAG) predicts a population increase of over 400,000 residents in Orange County. Accordingly, we applaud OCTA for the Agency's long term planning efforts to improve mobility through important projects such as the I-405 widening.

As our industry is well aware, proactive planning and foresight is necessary to achieve sound infrastructure solutions as our County continues to grow. We encourage the OCTA Finance and Administration Committee to take the next step in that process for the I-405 at your meeting today.

As always, we remain a resource on important issues that are related to the well-being of our local communities.

Thank you for your time and thoughtful consideration.

Respectfully,

Michael Balsamo
Chief Executive Officer

PRESIDENT
JIM YATES
RANCHO MISSION VIEJO

VICE PRESIDENT
PHIL BODEM
TAYLOR MORRISON

TREASURER
MIKE GARTLAN
KB HOME

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STARKEY COMMUNICATIONS

CHIEF EXECUTIVE OFFICER
MICHAEL BALSAMO

24 Executive Park, Suite 100
Irvine, California 92614
949.553.9500 | biaoc.com

May 13, 2016

Honorable Lori Donchak
Chairman of the Board
Orange County Transportation Authority
550 S. Main Street
Orange, CA 92868

RE: Interstate 405 Improvement Project Initial Toll Policy and Preliminary Finance Plan

Chair Donchak,

I am writing to express Orange County Business Council's (OCBC) strong support for the Interstate 405 Improvement Project Initial Toll Policy and Preliminary Finance Plan that has been recommended by the Finance and Administration Committee. The plan that has been recommended to your board is consistent the policy principles set forth by OCBC in the initial deliberations on Project K Preferred Alternative 3 with regards to occupancy options, maximum throughput, financial viability, and local control.

The plan that was approved by the committee on a 6-1 vote, ensures maximum throughput while maintaining the ability to ensure necessary levels of revenue to cover construction and operational costs. Known the Hybrid B1/C1 project, OCTA proposes that for the first 3.5 years, single drivers pay a toll at all times on the express lanes, two or more riders drive free during non-peak hours, and three or more riders drive free all day. OCBC views this as a balanced approach that will satisfy the requirements of stakeholders throughout the corridor.

Of paramount importance to OCBC is local control on I-405. OCBC asserts that OCTA is the agency best suited to implement the I-405 Improvement Project and the plan approved by the Finance and Administration Committee. **OCBC urges your board to approve the Hybrid B1/C1 plan to expedite construction.** Thank you for your thoughtful consideration.

Sincerely,



Bryan Starr
Senior Vice President

Cc. OCTA Board of Directors
Darrell Johnson, Chief Executive Officer, OCTA



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Interstate 405 Improvement Project Initial Toll Policy and
Preliminary Finance Plan**

Supplemental Info - Proposed Options

405 Express Lanes Proposed Toll Policy Options

								Hybrid Option	
								First 3.5 Years	Balance of Finance Plan Term
Vehicle Occupancy	Peak & Non-Peak*	A HOV2+ Free All Day	B HOV2+ Free Non-Peak HOV3+ 50% Peak	B1 HOV2+ Free Non-Peak HOV3+ Free Peak	C HOV3+ 50% in Peak	C1 HOV3+ Free All Day	D **	B1 HOV2+ Free Non-Peak HOV3+ Free Peak	C1 HOV3+ Free All Day
HOV2	Peak	Free	Full Toll	Full Toll	Full Toll	Full Toll	Full Toll	Full Toll	Full Toll
	Non-Peak	Free	Free	Free	Full Toll	Full Toll	Full Toll	Free	Full Toll
HOV3+	Peak	Free	50% Toll	Free	50% Toll	Free	50% Toll	Free	Free
	Non-Peak	Free	Free	Free	Free	Free	Free	Free	Free

*Peak/Non-Peak:

Weekday Peak - 6 AM to 10 AM and 3 PM to 8 PM

Weekend Peak - 1 PM to 6 PM

Weekday Non-Peak – 10 AM to 3 PM and 8 PM overnight to 6 AM

Weekend Non-Peak – All times except for 1 PM to 6 PM

**Option D is for rating agencies – sensitivity using higher toll rates

Staff Update Items



ORANGE COUNTY TRANSPORTATION AUTHORITY

**2016 Measure M2 Community-Based Transit Circulators
(Project V) Call for Projects Programming
Recommendations for Capital and Planning Grants**

Staff Report



June 9, 2016

To: Transit Committee

From: Darrell Johnson, Chief Executive Officer

Subject: 2016 Measure M2 Community-Based Transit Circulators (Project V)
Call for Projects Programming Recommendations for Capital and
Planning Grants

Overview

The Orange County Transportation Authority issued the 2016 Measure M2 Project V call for projects for community-based transit circulators in November 2015. Applications have been received and scored consistent with the Project V Guidelines. Projects recommended for funding are presented for review and approval.

Recommendations

- A. Approve the programming recommendations for Project V funding, in an amount not-to-exceed \$26,711,659, plus inflationary adjustments, for 17 local agency projects submitted under the capital and operating reserve categories.
- B. Approve the programming recommendations for Project V funding, in an amount not-to-exceed \$323,780, for seven local agency projects submitted under the planning category.
- C. Authorize the Chief Executive Officer to negotiate and execute agreements for rolling stock on behalf of the cities of Irvine, La Habra, Mission Viejo, and Westminster and direct staff to return to the Board of Directors with the procurement strategies for service providers.
- D. Authorize staff to execute cooperative funding agreements with the local agencies.

Background

The Community-Based Transit/Circulators Program (Project V) is a competitive program under Measure M2 (M2) that provides funding to develop and implement local bus transit services, such as community-based circulators, shuttles, and bus trolleys that complement regional bus and rail services and meet local needs in areas not adequately served by regional transit. This is a competitive program that provides funding for bus and vehicle leases/purchases, associated bus stop improvements, maintenance facilities for new service, seasonal and special event services, as well as parking leases for seasonal and special event services.

On November 23, 2015, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the revised Project V Guidelines and directed staff to issue a call for projects (call). In addition to the capital cost and operating reserves, the revised guidelines also included funding for the planning category. The planning grants will help local agencies explore transit demand, determine feasibility and ridership, and prepare service plans to provide local transit services in the future.

The programming period for this call is from fiscal year (FY) 2016-17 to FY 2022-23, spanning seven years, which corresponds with the useful life of the typical community circulator vehicle. Through 2023, approximately \$65 million of Project V proportional M2 revenue is available after deducting \$9 million in commitments provided in the 2013 call.

Discussion

On February 29, 2016, 14 local agencies submitted 17 applications, requesting \$29,157,409, under the capital and operating reserve category to provide Project V services including special events, and weekend, seasonal, and year-round services. In addition, OCTA received seven applications under the planning grants category for local agency projects to explore options for local transit services. Applications were reviewed for eligibility, consistency, and adherence to the guidelines and program objectives.

All of the project submittals meet the intent of Project V. Therefore, in order to maximize the benefits of community-based transit services, staff is recommending that the Board approve all projects submitted under the 2016 call. An exception to the seven-year grant period is the City of San Clemente's (City) innovative demand-responsive rideshare proposal that is further described below.

2016 Measure M2 Community-Based Transit Circulators (Project V) Page 3

Call for Projects Programming Recommendations for Capital and Planning Grants

The City submitted an application to provide demand-responsive rideshare services for the existing customers of OCTA routes 191 and 193. As included in the 2016 OC Bus Service Plan, routes 191 and 193 will be terminated in October 2016. The City requested \$3,360,150 to operate a demand-responsive rideshare service for seven years. Since this is the first time for funding and deployment of a transit project of this nature in Orange County, staff is recommending support of this concept as a pilot program for two years, providing \$914,400 in M2 funds, plus the City's matching funds. OCTA staff will work with the City's staff to establish the performance measures and scope of services for this project. Depending on the success of this program, staff will provide a report to the OCTA Board and make recommendations to continue or discontinue this pilot program in future.

The cities of Irvine, La Habra, Mission Viejo, and Westminster requested OCTA to operate the proposed services. OCTA staff will need to consider and evaluate options to implement these services and return to the Board with the procurement strategies for service providers. OCTA staff is recommending that the Board authorize the Chief Executive Officer to negotiate and execute agreements for rolling stock on behalf of the cities of Irvine, La Habra, Mission Viejo, and Westminster.

The local agencies are required to provide a minimum of ten percent local match. All projects are competitive and are being recommended for funding as outlined in Attachment A and Attachment B.

Staff is recommending \$26,711,659, plus inflationary adjustments for capital and operating reserve category, and \$323,780 for planning grants. Funds identified under the operating reserve category (Attachment A) are subject to the minimum performance requirements identified in the guidelines, including quarterly reporting of ridership performance and productivity. Participation in the operating reserve is limited to the useful life of the capital purchase with Project V funds, subject to meeting performance requirements.

The high-scoring projects identified in Attachment A are seasonal, event, and commuter services. These types of services normally have higher ridership and can be more cost-effective. The other projects are five days a week, community circulators, and may require additional marketing efforts to generate the target ridership.

Next Steps

Once approved, OCTA staff will process the associated master funding agreements between OCTA and all local agencies to receive and expend the

2016 Measure M2 Community-Based Transit Circulators (Project V) Page 4
Call for Projects Programming Recommendations for Capital and Planning Grants

M2 funds, per the Board-approved guidelines. In addition, staff will work with the County of Orange, and the cities of Mission Viejo and San Clemente to expedite timely implementation of the proposed projects identified in Attachment A. Staff will also continue to monitor project status and project delivery through the semi-annual review process and quarterly ridership, and keep the Board apprised, as appropriate.

Summary

Proposed programming recommendations for projects in Project V have been developed by staff. Funding for 17 projects, up to \$26,711,659, plus inflationary adjustments for capital grants, and \$323,780 for planning grants in M2 funds is being recommended. This collaborative effort will allow local agencies to provide community-circulator transit services tailored to local needs, and will help minimize impacts from service elimination on routes 82, 191, and 193. Staff is seeking approval for the programming recommendations presented.

Attachments

- A. 2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects - Programming Recommendations for Capital Grants
- B. 2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects - Programming Recommendations for Planning Grants
- C. 2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects By Local Agency

Prepared by:



Sam Kaur
Manager, Measure M Local Programs
(714) 560-5673

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

**2016 Measure M2 Community-Based Transit Circulators
(Project V) Call for Projects Programming
Recommendations for Capital and Planning Grants**

Attachment A

**2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects
Programming Recommendations for Capital Grants**

Agency	Project	Capital	Operating Reserve	Total Allocation	Score	Match Rate
Dana Point	Dana Point PCH Trolley	\$ -	\$ 905,968.00	\$ 905,968.00	72	11%
Irvine	Irvine iShuttle Route W - Tustin Station - IBC West	\$ 543,345.00	\$ 2,168,913.00	\$ 2,712,258.00	66	11%
La Habra	La Habra Special Event Shuttle Service	\$ -	\$ 96,810.00	\$ 96,810.00	65	10%
Newport Beach	Balboa Peninsula Trolley	\$ 507,871.00	\$ 177,583.00	\$ 685,454.00	64	12%
Irvine	Irvine iShuttle Route E - Irvine Station - East	\$ 543,345.00	\$ 2,162,639.00	\$ 2,705,984.00	64	11%
San Clemente	San Clemente Summer Trolley	\$ 525,100.00	\$ 656,293.00	\$ 1,181,393.00	62	11%
Anaheim	ARTIC/Center - City Anaheim Circulator	\$ 193,600.00	\$ 951,756.00	\$ 1,145,356.00	62	11%
Cost Mesa	Local Circulator from Costa Mesa to Anaheim	\$ 201,737.00	\$ 2,588,901.00	\$ 2,790,638.00	61	10%
Huntington Beach	Seasonal Local Transit Service	\$ 145,739.00	\$ 772,031.00	\$ 917,770.00	55	10%
Orange County	Orange County RanchRide	\$ -	\$ 2,041,547.00	\$ 2,041,547.00	52	10%
Laguna Beach	Residential Trolley Service	\$ 373,500.00	\$ 1,593,900.00	\$ 1,967,400.00	51	10%
San Clemente	San Clemente Rideshare Services	\$ -	\$ 914,400.00	\$ 914,400.00	49	10%
Mission Viejo	Mission Viejo Local Transit Circulator	\$ 475,300.00	\$ 2,857,579.00	\$ 3,332,879.00	49	14%
Westminster	Little Saigon Local Circulator	\$ 550,000.00	\$ 3,138,214.00	\$ 3,688,214.00	42	10%
Lake Forest	Shuttle Service between train station and Panasonic	\$ -	\$ 1,226,862.00	\$ 1,226,862.00	40	10%
San Juan Capistrano	Summer Trolley Service	\$ 49,522.00	\$ 45,964.00	\$ 95,486.00	37	38%
Lake Forest	Shuttle Service between train Station and Oakley	\$ -	\$ 303,240.00	\$ 303,240.00	28	24%
Total Allocation				\$ 26,711,659		

PCH - Pacific Coast Highway

IBC - Irvine Business Center

ARTIC - Anaheim Regional Transportation Intermodal Center



ORANGE COUNTY TRANSPORTATION AUTHORITY

**2016 Measure M2 Community-Based Transit Circulators
(Project V) Call for Projects Programming
Recommendations for Capital and Planning Grants**

Attachment B

**2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects
Programming Recommendations for Planning Grants**

Agency	Project	Amount	Match Rate
Fountain Valley	Planning study to determine feasibility of implementing a transit circulator within the City of Fountain Valley using Go-Local Step Two Study.	\$ 45,000.00	10%
Garden Grove	Planning study to determine ridership demand and feasibility for expansion of Westminster Little Saigon Circulator.	\$ 49,280.00	12%
Laguna Niguel	Planning study to determine number of vehicles and service required to provide local transit circulator.	\$ 49,500.00	10%
Mission Viejo	Planning for two routes connecting to senior centers, activity centers, Metrolink Station, and other locations.	\$ 45,000.00	10%
Placentia	Planning study to determine feasibility to operate special event and a transit circulator within the City of Placentia.	\$ 45,000.00	10%
Rancho Santa Margarita	Planning study to explore options for Antonio Parkway Circulator.	\$ 45,000.00	10%
Tustin	Planning study to determine feasibility of implementing a transit circulator within the City of Tustin.	\$ 45,000.00	10%
Total Allocation		\$ 323,780.00	



ORANGE COUNTY TRANSPORTATION AUTHORITY

**2016 Measure M2 Community-Based Transit Circulators
(Project V) Call for Projects Programming
Recommendations for Capital and Planning Grants**

Attachment C

**2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects
By Local Agency**

	Project Name	Proposed Service Description	Service Type	Service Details
1	Anaheim ARTIC – Ctr City Local Community Circulator	The City of Anaheim is proposing to operate a local community circulator connecting the Anaheim Regional Transportation Intermodal Center (ARTIC) to Downtown (Ctr City) Anaheim. This service will provide connections at ARTIC, Medical Centers, Anaheim City Hall, St. Joseph Heritage Medical, L3- Interstate Electronics Corporation, Disney Travel, Disney College Internship Program, Anaheim Packing House, Platinum Triangle, Senior centers and stadium crossing. The service will operate Monday through Friday during commute hours and occasionally on Fridays and Saturdays to serve evening events.	Commuter and Special Events	<ul style="list-style-type: none"> Start Date: January 2017 Service Frequency: Every 30 minutes Service Days: 255 days a year (Monday through Friday) and Special Events
2	Costa Mesa Local Circulator	The City of Costa Mesa is proposing to operate a local community circulator connecting the City of Costa Mesa to the City of Anaheim Resort Area. This service will have various stops in Costa Mesa such as Sheraton Park Hotel, Grand Plaza, Hilton Costa Mesa, Crowne Plaza, South Coast Plaza and in Anaheim at ARTIC and Disneyland.	Local Circulator	<ul style="list-style-type: none"> Start Date: March 2017 Service Frequency: Every 15 minutes Service Days: 365 days a year
3	County of Orange Ranch Ride Service	The County is Orange is proposing to provide local community transit circulator service connecting Metrolink Stations at San Juan Capistrano and Laguna Niguel/Mission Viejo, Saddleback Community College, The Shops at Mission Viejo, Mission Hospital and downtown San Juan Capistrano. Additional special event services will be provided connecting Sendero residential areas to the recreation center and commercial areas as well as the Esencia recreation centers and Ladera commercial centers.	Local Circulator and Special Event Service	<ul style="list-style-type: none"> Start Date: October 2016 Service Frequency: Every 15 minutes Service Days: Monday through Friday and Special Events
4	Dana Point PCH Summer and Special Event Trolley	Dana Point is expanding their current Pacific Coast Highway Trolley Service including adding stops at Costco, Ralphs and Albertsons Shopping Center, Senior Center and Community Center, providing connections to cities of San Juan Capistrano and Laguna Niguel. New stop locations have been added to fill the service gaps of OCTA Route 187 and 191 that will no longer be in service.	Seasonal Service	<ul style="list-style-type: none"> Start Date: June 2017 Service Frequency: 15 minutes Service Days: Monday through Sundays during the Summer
5	Huntington Beach Seasonal Trolley	The City of Huntington Beach is proposing to operate seasonal local transit service that will both supplement current Orange County Transportation Authority (OCTA) services by providing additional connection opportunities to existing routes and provide local circulation connecting many of the City's key destinations and target communities. The service will operate for approximately 12-14 hours per day.	Seasonal Service	<ul style="list-style-type: none"> Start Date: May 2017 Service Frequency: Every 30 minutes Service Days: Weekend Service - 112 days per year

**2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects
By Local Agency**

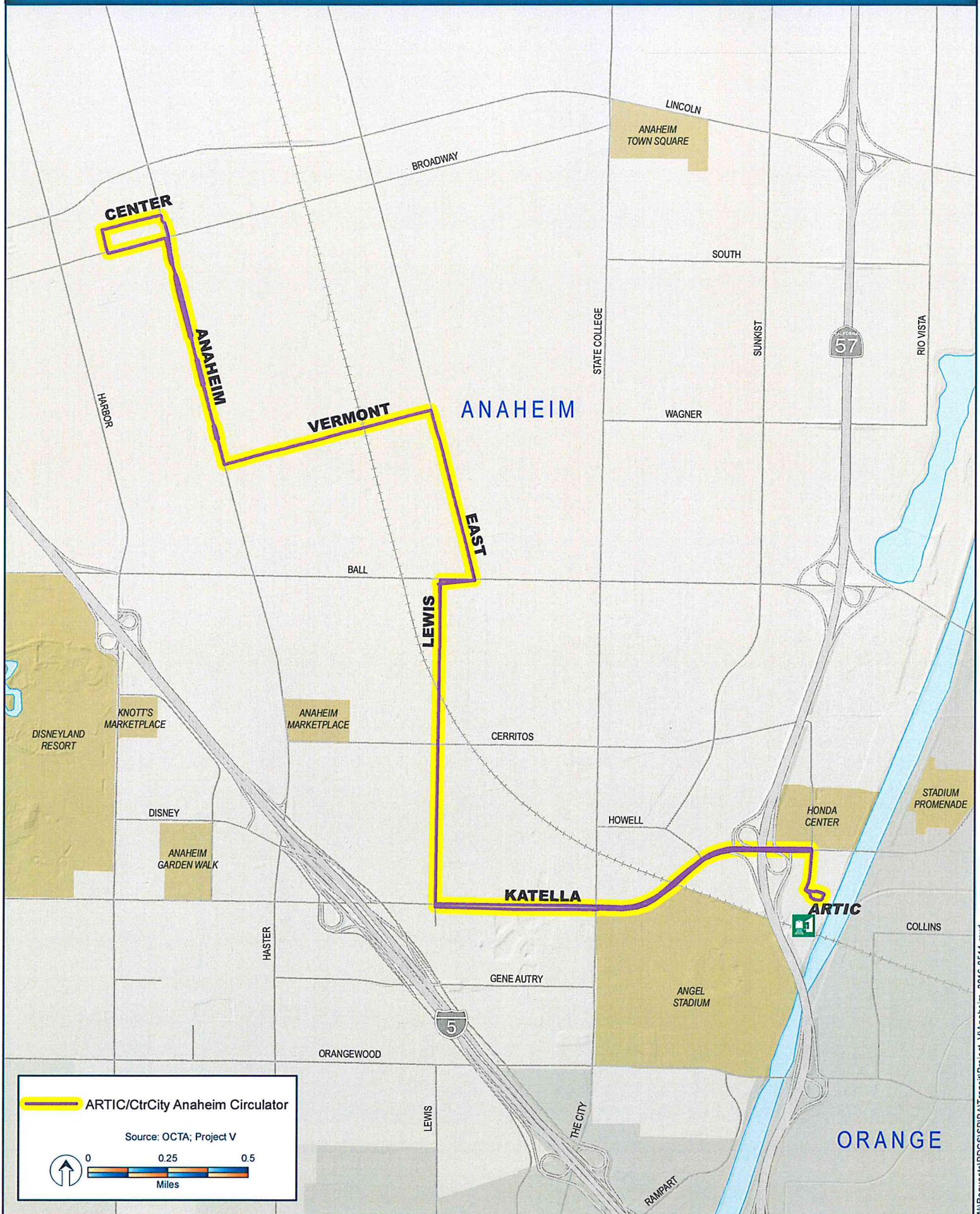
	Project Name	Proposed Service Description	Service Type	Service Details
6	Irvine iShuttle Route E - Irvine Metrolink Station East	The City of Irvine is proposing to add a new iShuttle route connecting Irvine Metrolink Station to the employment centers, retail centers and residential areas to the east and south of the station with the stops along Muirlands, Bake, Research, Irvine Center Drive and in Los Olivos. The new route will serve the commuters five days a week during the peak periods.	Commuter Service	<ul style="list-style-type: none"> • Start Date: July 2017 • Service Frequency: Every 15 minutes • Service Days: 255 days a year (Monday through Friday)
7	Irvine iShuttle Route W from Tustin Station – Irvine Business Complex West	The City of Irvine is proposing to add a new iShuttle route connecting Tustin Metrolink Station to the employment centers, retail centers, schools and residential units in the western part of the Irvine Business Complex (IBC) with the stops along Armstrong and Gillette Avenues, Barranca, Deere, Alton, McGaw and Reynolds. The new route will serve the commuters five days a week during the peak periods.	Commuter Service	<ul style="list-style-type: none"> • Start Date: July 2017 • Service Frequency: Every 15 minutes • Service Days: 5 days a week (Monday – Friday)
8	La Habra Special Event Shuttle Services	The City of La Habra is proposing to implement special event services from offsite parking locations at Sonora High School, La Habra High School and The Market Place. Services will be provided for four events: Annual Corn Festival, Annual La Fiesta, Annual Tamale Festival and Annual Citrus Fair.	Special Event Services	<ul style="list-style-type: none"> • Start Date: August 2016 • Service Frequency: Every 20 minutes • Service Days: 2-3 days a week (Friday – Sunday)
9	Laguna Beach Trolley	The City of Laguna Beach is proposing to operate year-round weekend residential trolley service that supplements the City's weekend trolley service along Coast Highway. Proposed routes will interconnect and meet at the Transit Depot on 20-30 minute intervals connecting to OCTA Routes 1 and 89 and the City's "Coastal" and "Canyon" routes during the summer festival season. The special event services will be provided for President's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Patriots Day Parade, Taste of Laguna, Rotary Car Show, Oak Street Halloween Festival, KX93.5 Fall Concert, Sawdust Winter Fantasy, Montage Holiday Tree Lighting, and Hospitality Night.	Year Round and Seasonal Service	<ul style="list-style-type: none"> • Start Date: June 2017 • Service Frequency: Every 20-30 minutes • Service Days: 365 days a year
10	Lake Forest Shuttle Service between Train Station and Oakley	The City of Lake Forest is proposing to provide a shuttle service between Metrolink Train Station and Oakley. This service will be provided for 252 days of the year during the commute hours in the morning and afternoon.	Commuter Shuttle Service	<ul style="list-style-type: none"> • Start Date: June 2017 • Service Frequency: Every 15 minutes • Service Days: 252 days a year

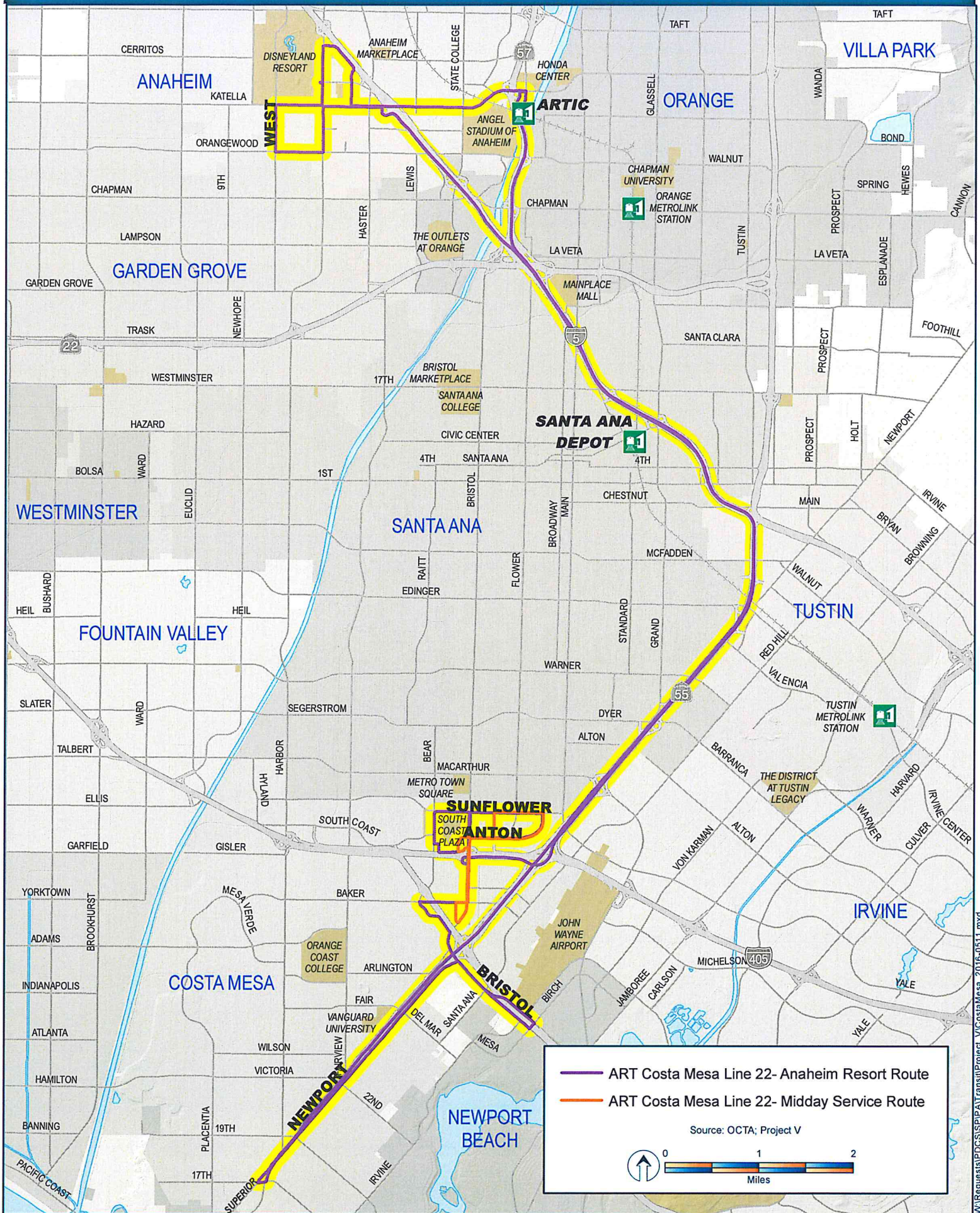
**2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects
By Local Agency**

	Project Name	Proposed Service Description	Service Type	Service Details
11	Lake Forest Shuttle Service between Train Station and Panasonic	The City of Lake Forest is proposing to provide a shuttle service between Metrolink Train Station and Panasonic Avionics. This service will be provided for 251 days of the year during the commute hours in the morning and afternoon.	Commuter Shuttle Service	<ul style="list-style-type: none"> • Start Date: June 2017 • Service Frequency: Every 15 minutes • Service Days: 251 days a year
12	Mission Viejo Local Circulator	The City of Mission Viejo is proposing to operate a local community circulator that connects Laguna Niguel/Mission Viejo Metrolink Station, The Shops at Mission Viejo, Mission Hospital, Saddleback College, residential areas, community center and Capistrano Valley High School. This service will operate for approximately 12 hours a day during the week Monday through Friday.	Local Circulator	<ul style="list-style-type: none"> • Start Date: October 2016 • Service Frequency: Every 45 minutes • Service Days: 255 days a year (Monday through Friday)
13	Newport Beach Balboa Peninsula Trolley Service	The City of Newport Beach is proposing to operate summer and special events trolley services within the City providing connections at Hoag Hospital, Balboa Pier on the Balboa Peninsula via Pacific Coast Highway, Newport Boulevard, and Balboa Boulevard. This service will operate during the summer weekends on Saturdays and Sundays for approximately 10 hours day and will also provide special event service on 4 th of July.	Seasonal Service	<ul style="list-style-type: none"> • Start Date: May 2017 • Service Frequency: Every 15 minutes • Service Days: 4th of July Special event service and summer weekends (Saturday-Sunday).
14	San Clemente Rideshare Service	The City of San Clemente is proposing to implement a year-round rideshare program. The proposed service will provide transit services for existing riders of OCTA routes 191 and 193. Special events services will also be provided for OceanFest at the San Clemente Pier during a weekend in July, Fiesta Music Festival in August and Classic Car Show in June.	Year Round, On-Demand	<ul style="list-style-type: none"> • Start Date: October 2016 • Service Frequency: Varies • Service Days: 365 days a year
15	San Clemente Trolley Service	The City of San Clemente is proposing to operate summer weekends and special events trolley services connecting the new Outlets, San Clemente Pier, Metrolink Station, El Camino Real and Avenida Del Mar. This service will operate during the summer weekends on Fridays, Saturdays and Sundays for approximately 10 hours day and will also provide special event service on 4 th of July, Memorial Day and Labor Day.	Seasonal and Special Event service	<ul style="list-style-type: none"> • Start Date: May 2017 • Service Frequency: Every 15 minutes • Service Days: Summer weekends (Friday – Sunday) and Special Events

2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects
By Local Agency

	Project Name	Proposed Service Description	Service Type	Service Details
16	San Juan Capistrano Summer Trolley	The City of San Juan Capistrano is proposing to operate a summer trolley service circulating through the City and connecting to the City of Dana Point Summer Trolley Service. This service will operate for 40 days throughout the year on Fridays, Saturdays and Sundays providing service for approximately 5 to 11 hours a day.	Seasonal and Special Event Service	<ul style="list-style-type: none"> • Start Date: July 2016 (early start) or July 2017 (late start) • Service Frequency: Every 30 minutes • Service Days: Friday – Sunday and 4th of July
17	Westminster Little Saigon Local Circulator	The City of Westminster is proposing to operate a local community circulator that will travel through the Little Saigon Area in the City of Westminster. The circulators will travel in clockwise and counterclockwise directions along Magnolia Street, Bolsa Avenue, Brookhurst Street and Bishop Place.	Local Circulator	<ul style="list-style-type: none"> • Start Date: July 2017 • Service Frequency: Every 15 minutes • Service Days: 365 days a year



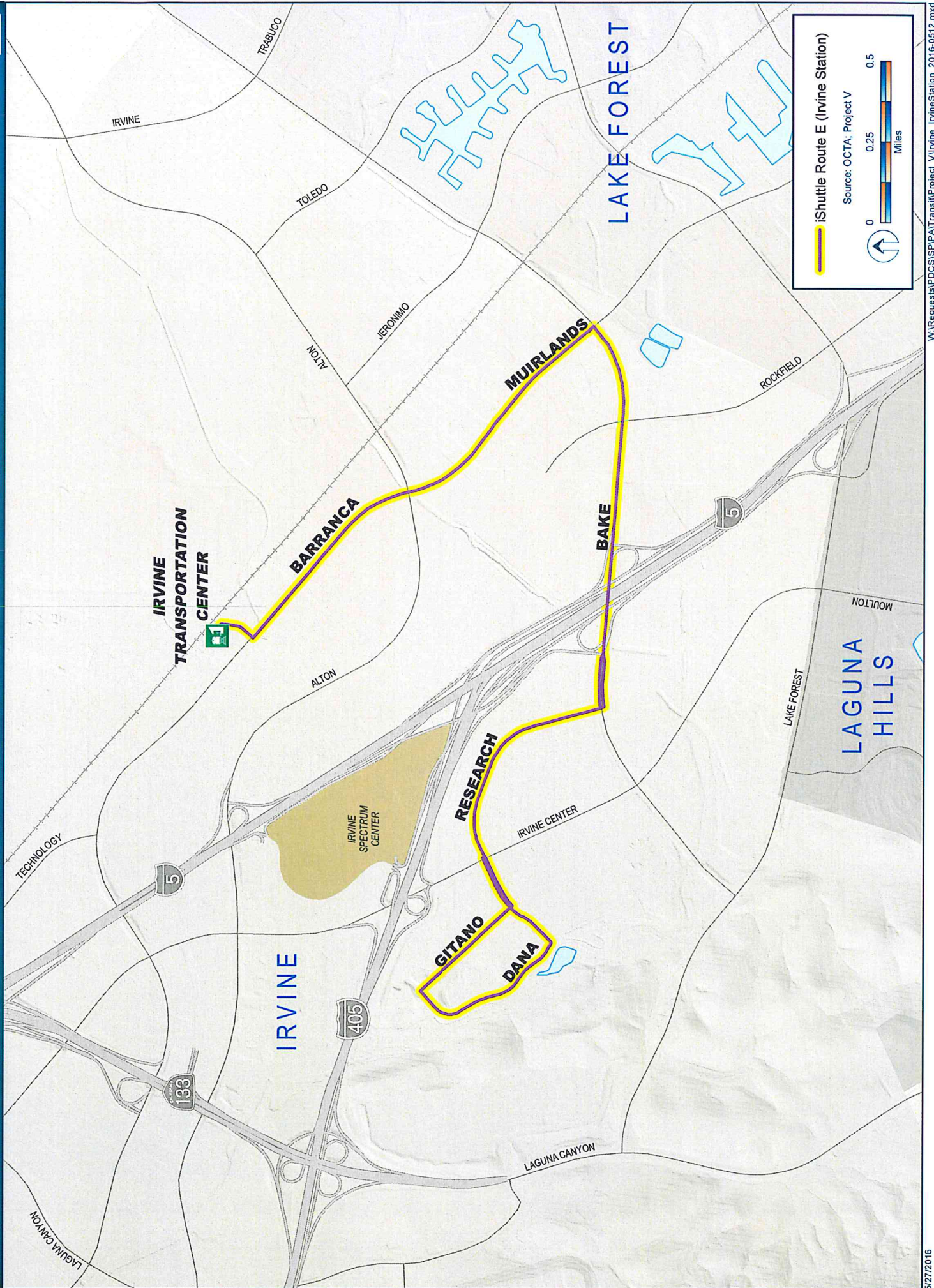


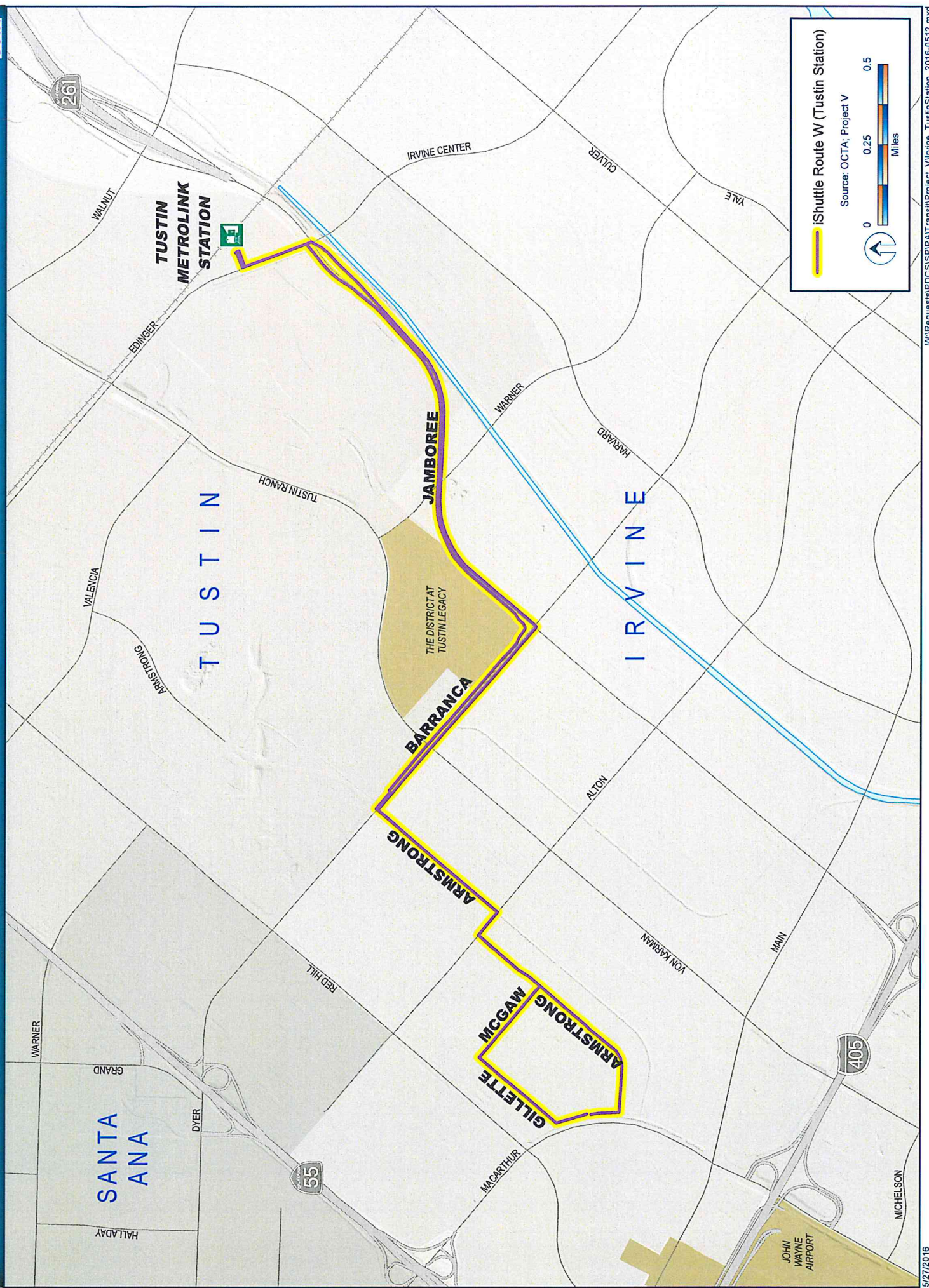




Huntington Beach





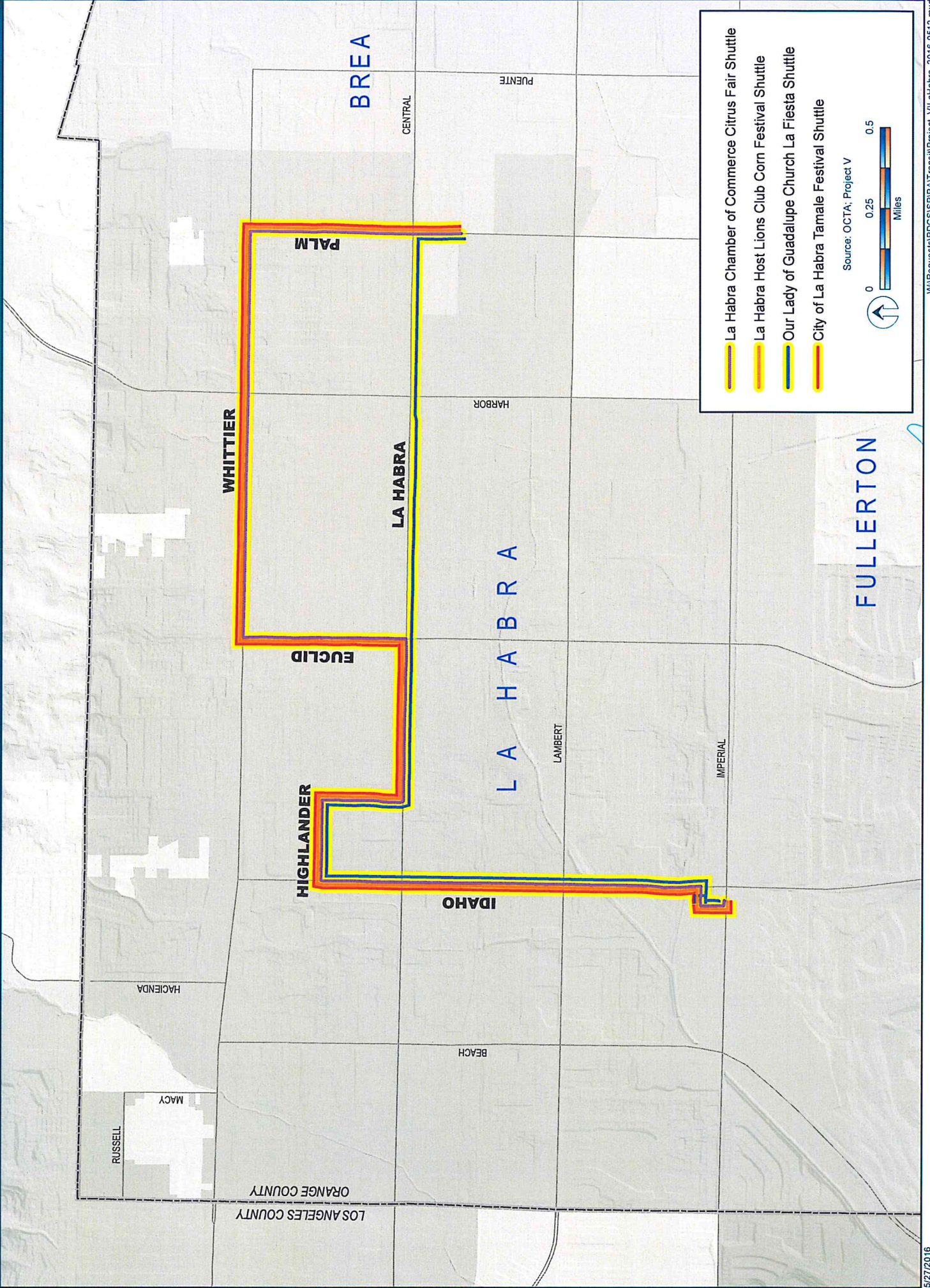


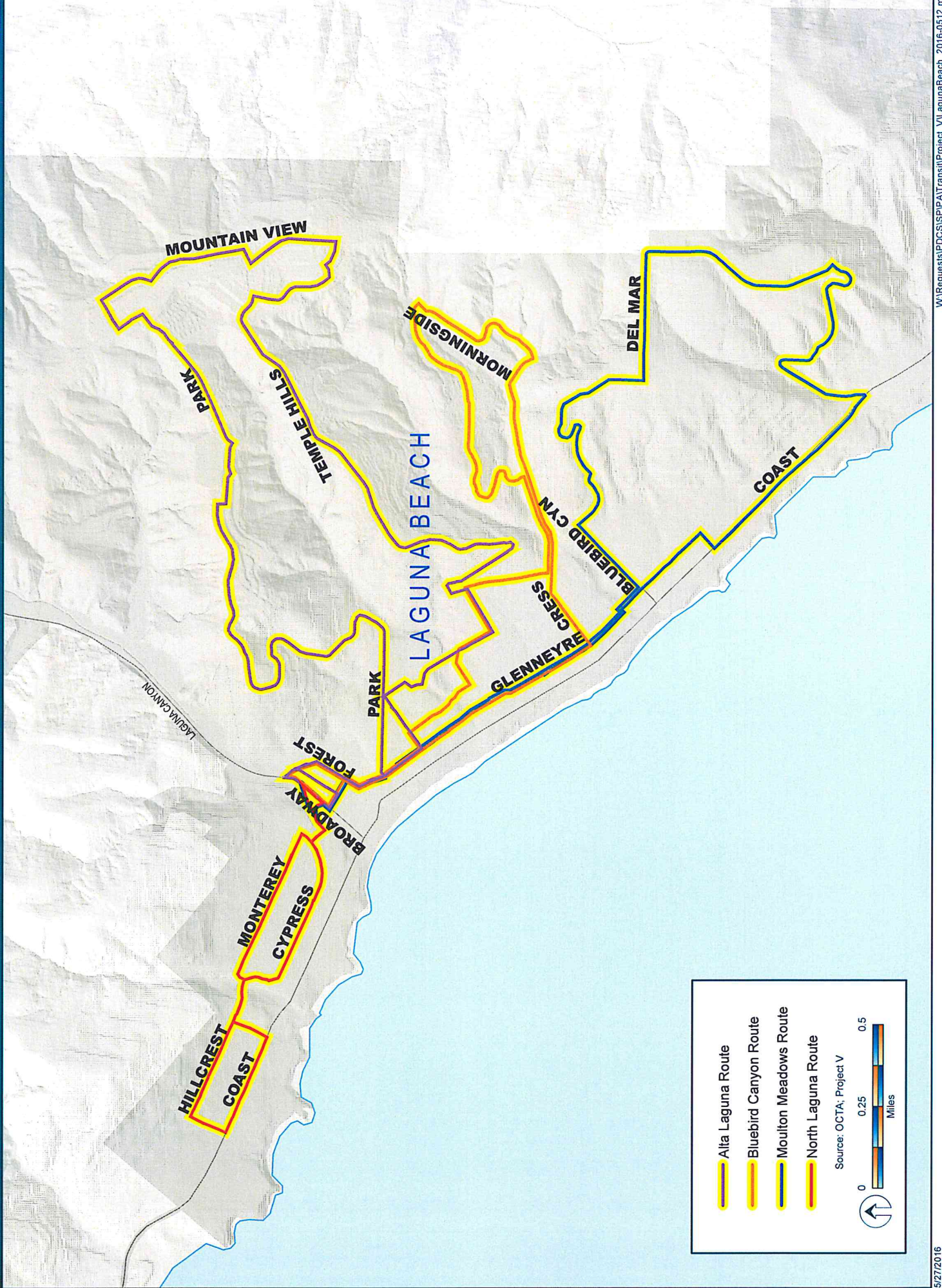
iShuttle Route W (Tustin Station)

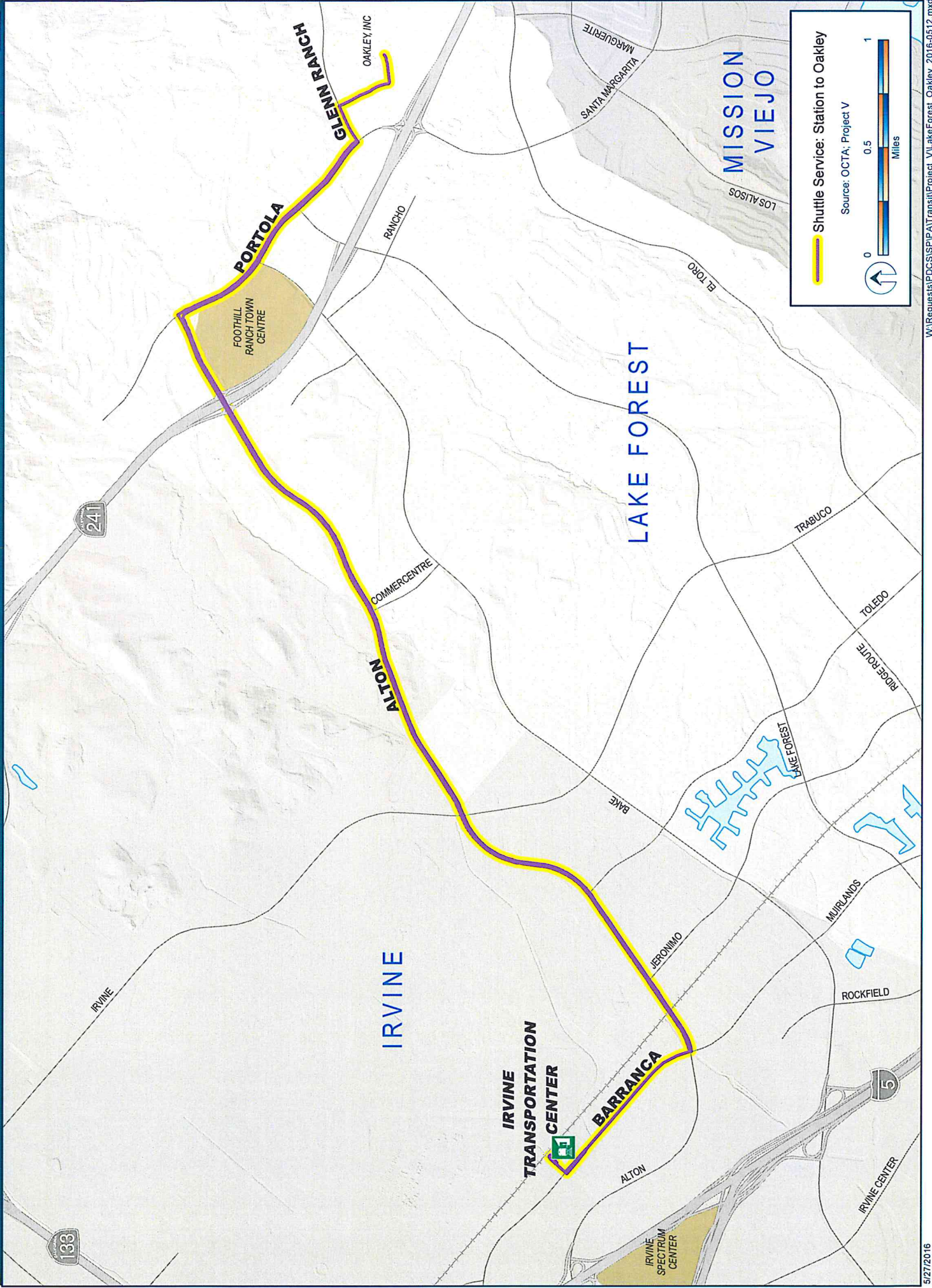
Source: OCTA, Project V

0 0.25 0.5 Miles

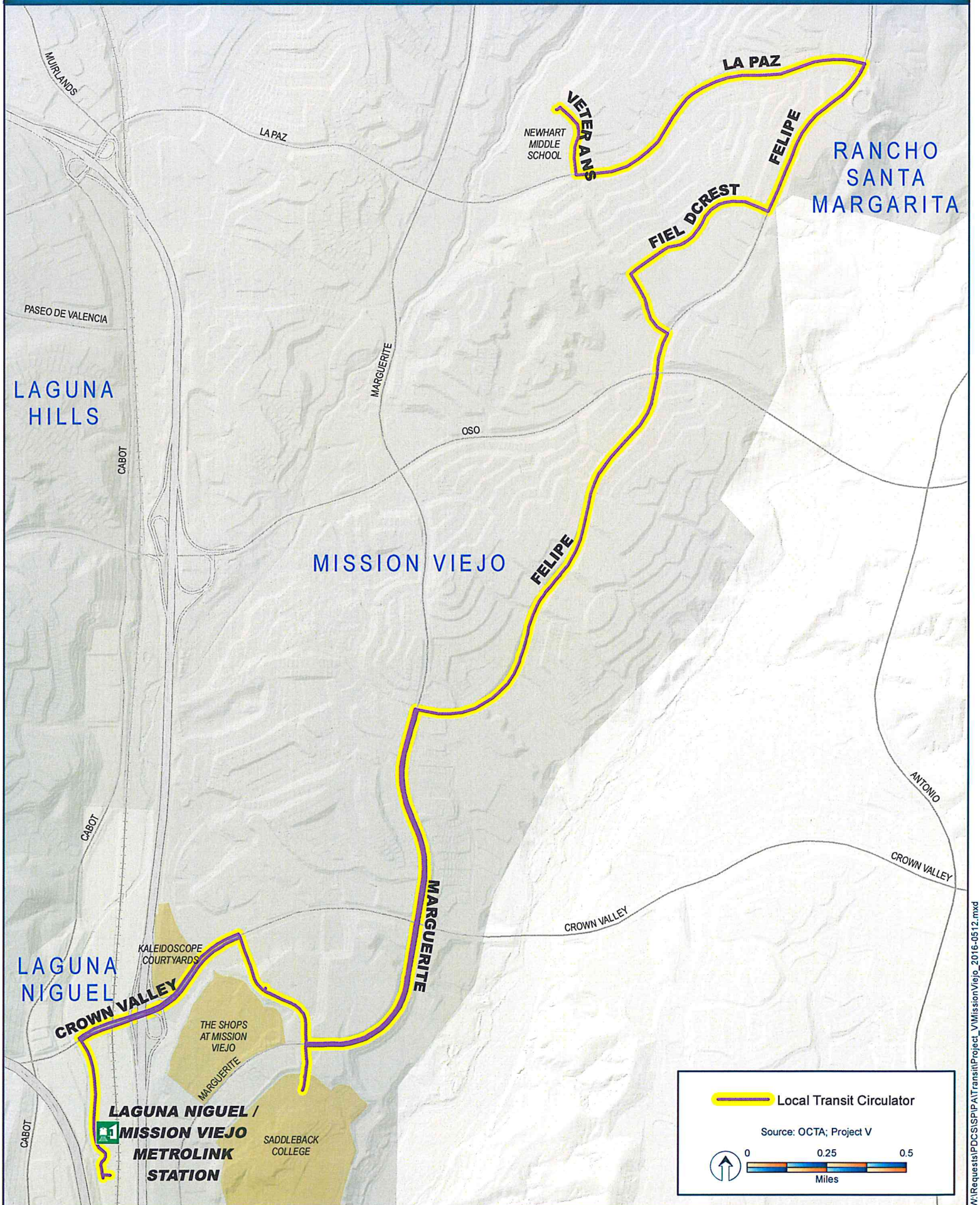
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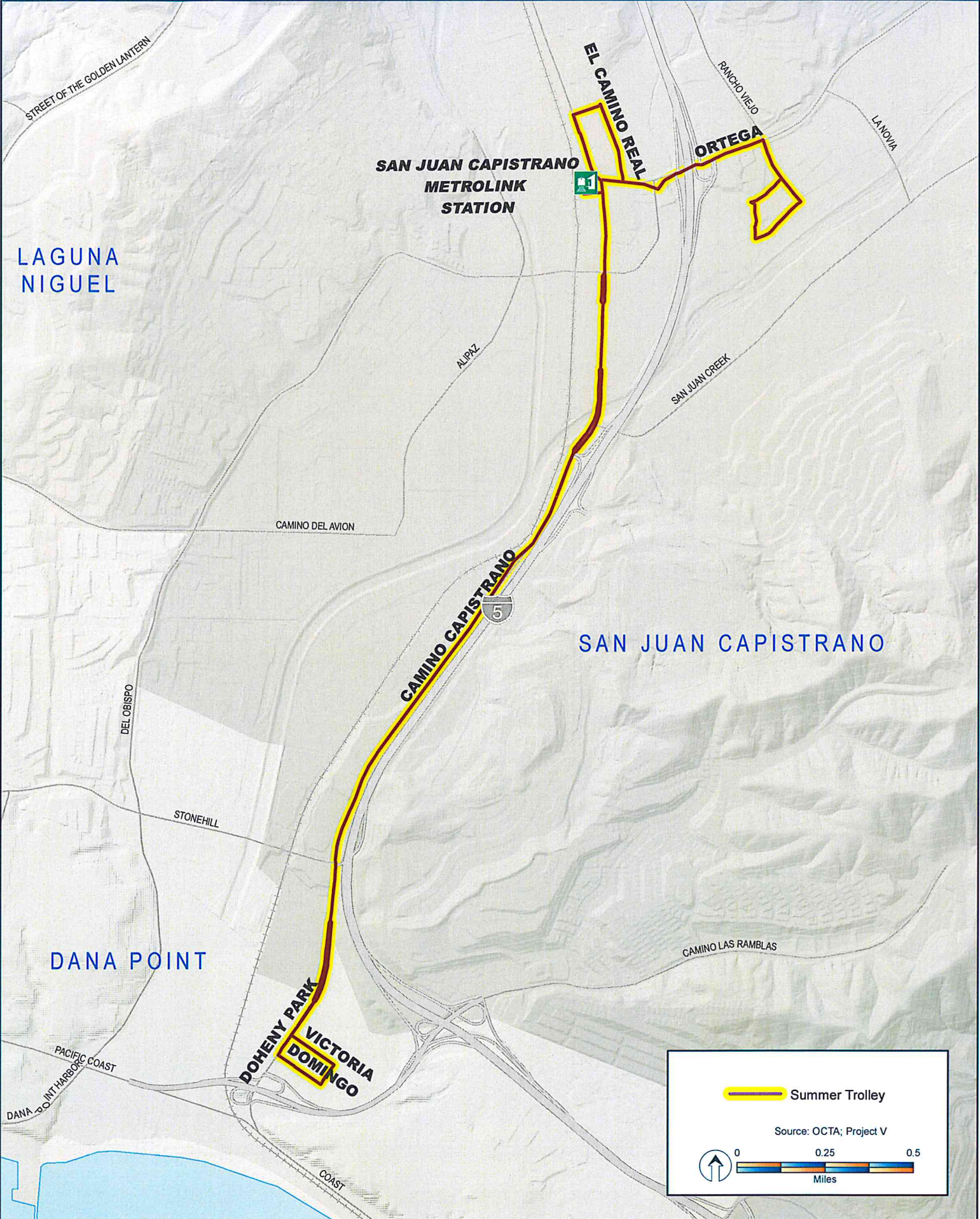


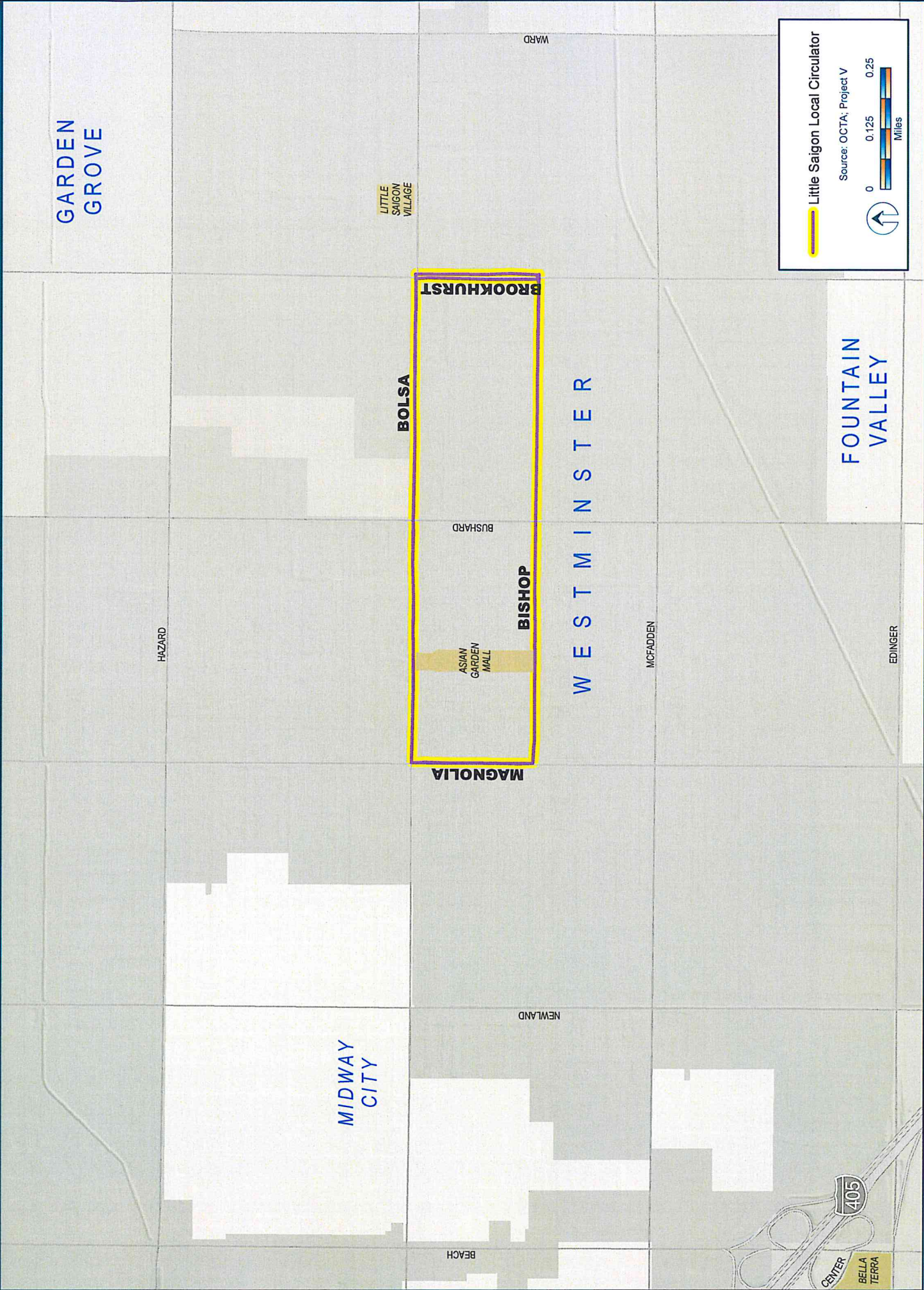














ORANGE COUNTY TRANSPORTATION AUTHORITY

**2016 Measure M2 Community-Based Transit Circulators
(Project V) Call for Projects Programming
Recommendations for Capital and Planning Grants**

PowerPoint

2016 Measure M2 Community-Based Transit Circulators (Project V) Call for Projects Programming Recommendations for Capital and Planning Grants



Project V Overview

- Competitive funding program
- Funding for capital, operations, and planning
- Key performance indicators
 - Six boardings/revenue vehicle hour within first 12 months of service
 - Ten boardings/revenue vehicle hour within first 24 months of service
- Under performing projects are subject to cancellation
- Quarterly reports to Transit Committee

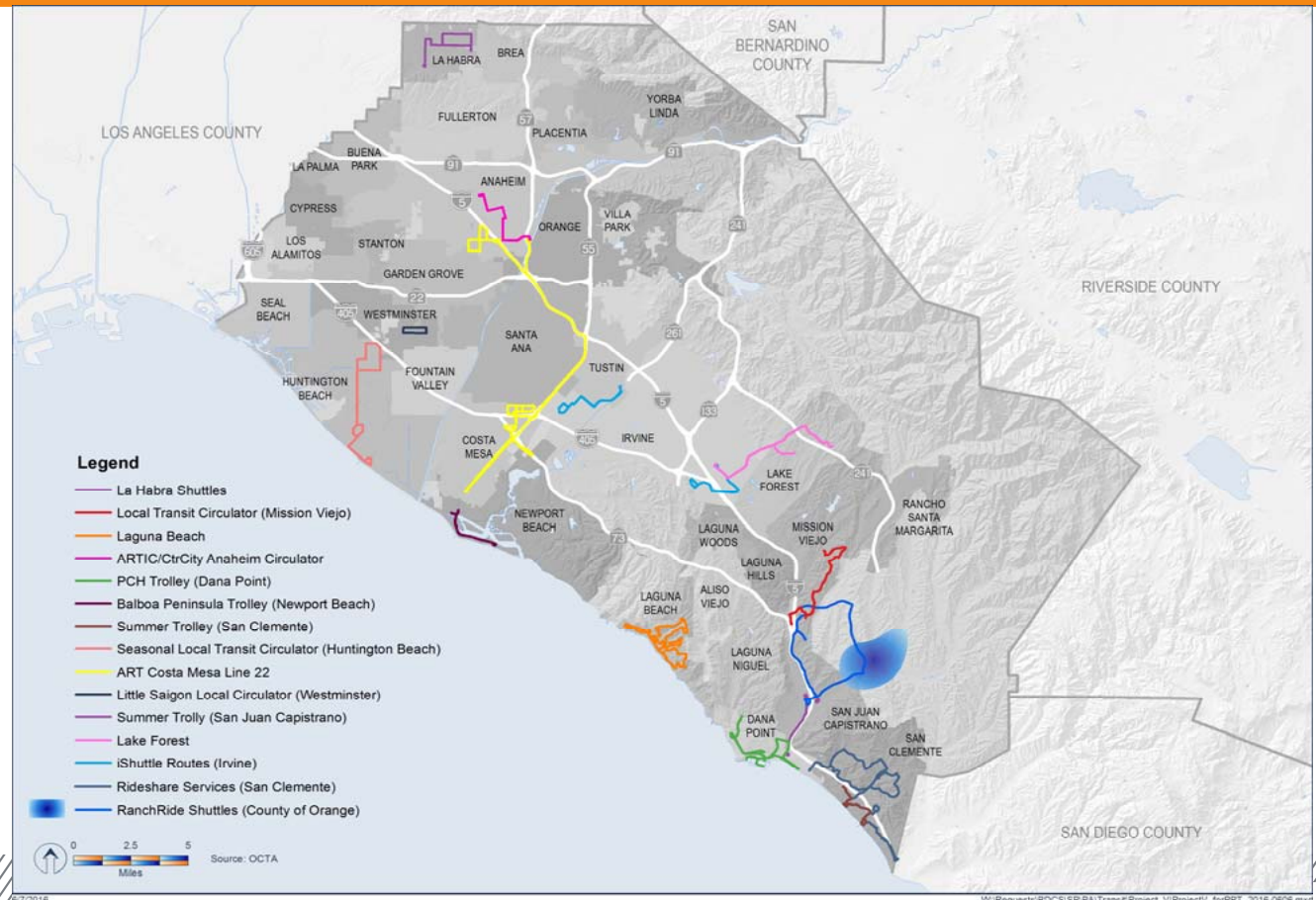
Timeline

- February 9, 2015 – OCTA Board update on local agencies' interest
- November 23, 2015 – OCTA Board approved Call for Projects
- December 10, 2015 – Local agencies workshop
- February 29, 2016 – Applications due
- May 25, 2016 – Technical Advisory Committee review
- June 6, 2016 – Executive Committee briefing
- June 9, 2016 – Project V recommendations to the Transit Committee

OCTA – Orange County Transportation Authority

Project V Recommendations

- Implementation
 - 17 projects
 - \$26.7 million
- Planning
 - 7 projects
 - \$323,780
- Some projects complement October service change



Project V Services Starting in October 2016

- County of Orange RanchRide Service
 - Local community circulator
 - Service will be provided every 15 minutes
 - Monday through Friday and special events
- San Clemente Rideshare Service
 - Rideshare services for the users of routes 191 and 193
 - Service hours – 6:00 am to 6:00 pm
 - 7 days a week
- Mission Viejo Transit Circulator (OCTA-operated)
 - Local community circulator
 - Service will be provided every 45 minutes
 - Monday through Friday

Next Steps


- Cooperative agreements with local agencies
- Develop recommendations for OCTA-operated service
- Report ridership quarterly to the Transit Committee

Information Items



COMMITTEE TRANSMITTAL

April 11, 2016

To: Members of the Board of Directors
From:  Laurena Weinert, Clerk of the Board
Subject: Fiscal Year 2016-17 Measure M2 Eligibility Guidelines Update

Regional Planning and Highways Committee Meeting of April 4, 2016

Present: Directors Bartlett, Do, Donchak, Lalloway, Miller, Nelson, Spitzer,
and Ury
Absent: None

Committee Vote

This item was passed by the Members present.

Director Donchak was not present to vote on this item.

Committee Recommendation

Approve the fiscal year 2016-17 Measure M2 Eligibility Guidelines for the upcoming eligibility cycle.




ORANGE COUNTY TRANSPORTATION AUTHORITY

**Fiscal Year 2016-17 Measure M2 Eligibility Guidelines
Update**

Staff Report



April 4, 2016

To: Regional Planning and Highways Committee
From: Darrell Johnson, Chief Executive Officer 
Subject: Fiscal Year 2016-17 Measure M2 Eligibility Guidelines Update

Overview

The Measure M2 Ordinance includes eligibility requirements that local agencies must satisfy in order to receive Measure M2 net revenues. The Measure M2 Eligibility Guidelines are used to guide local agencies through the eligibility requirements and submittal process. Updates to the Measure M2 Eligibility Guidelines are presented for Board of Directors' review and approval.

Recommendation

Approve the fiscal year 2016-17 Measure M2 Eligibility Guidelines for the upcoming eligibility cycle.

Background

The Measure M2 (M2) Eligibility Guidelines establish eligibility requirements for local jurisdictions to ensure that all local agencies are in compliance to receive M2 funds. Based upon lessons learned from previous eligibility submittals from local jurisdictions, proposed administrative adjustments are being recommended to clarify the guidelines.

Discussion

The M2 fiscal year (FY) 2016-17 eligibility cycle will start immediately following the Board of Directors' approval of the updated eligibility guidelines. The M2 Eligibility Guidelines assist local agencies in submitting a compliant eligibility package. The administrative changes and clarifications proposed to the guidelines incorporate comments and feedback received from local agencies and the Orange County Transportation Authority staff during FY 2015-16 eligibility review cycle.

Administrative changes to the M2 Eligibility Guidelines include eliminating duplicate information, providing an updated webpage link to the eligibility website, and clarifying language and requirements. There have also been updates to the tables, the acronyms list (Appendix J), and the exhibits, to be consistent with the eligibility requirements discussed in Chapter 2, which includes details on each eligibility requirement. A summary of the modifications is provided in Attachment A.

The proposed revisions will clarify and streamline the eligibility process, and also will make it easier for local agencies to follow the guidelines and adhere to the eligibility requirements. The revised M2 Eligibility Guidelines are included as Attachment B.

Summary

Modifications to the M2 Eligibility Guidelines are recommended to assist local jurisdictions with upcoming submittals.

Attachments

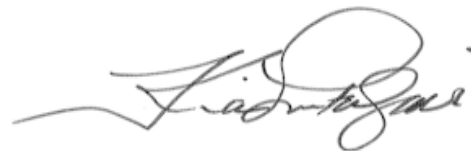
- A. Substantial Revisions to the Measure M2 Eligibility Guidelines
- B. FY 2016-17 Measure M2 Eligibility Guidelines - Redlined

Prepared by:



May Hout
Senior Transportation Funding Analyst
(714) 560-5905

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Fiscal Year 2016-17 Measure M2 Eligibility Guidelines
Update**

Attachment A

Substantial Revisions to the Measure M2 Eligibility Guidelines

Administrative

Administrative changes to the Measure M2 Eligibility Guidelines include eliminating duplicate information, providing an updated webpage link to the eligibility website, and clarifying language and requirements. There have also been updates to the tables, acronyms list (Appendix J), and exhibits, to be consistent with the eligibility requirements discussed in Chapter 2.

Pavement Management Plan (Section 2.9)

The Orange County Transportation Authority Board of Directors (Board) approved updates to the Countywide Pavement Management Plan Guidelines on January 11, 2016. Updates have been incorporated in Section 2.9 of these guidelines to be consistent with the updates previously approved by the Board.

Eligibility Checklist (Appendix D)

Although the eligibility requirements have not changed, checklist items have been added to Appendix D to align with requirements discussed in Chapter 2.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Fiscal Year 2016-17 Measure M2 Eligibility Guidelines
Update**

Attachment B



FY 2016-17

Measure M2 Eligibility Guidelines

Redlined



FY 2016-17 Measure M2 Eligibility Guidelines

Effective April 11, 2016

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Chapter 1 – Eligibility Overview

1.1 Measure M2 Introduction

In order to meet expected growth in Orange County over the next 30 years, continued investment in the County's infrastructure will be required. To meet these needs, additional projects were identified which could be funded through an extension of the Measure M program. Voters approved Renewed Measure M (M2) on November 7, 2006.

M2 is a 30-year, multi-billion dollar program extension of the original Measure M (1991-2011) with a new slate of projects and programs planned. These include improvements to the Orange County freeway system and streets & road network throughout the County, additional expansion of the Metrolink system, more transit services for seniors and the disabled and funding for the cleanup of roadway storm water runoff.

M2 extends Orange County's self-help legacy toward financing infrastructure. A seamless transition from the original Measure M to the new slate of projects required careful consideration of the Ordinance and inventory of new requirements. Consistent with the first ordinance, the eligibility guidelines have been prepared to assist local jurisdictions to understand the requirements necessary to maintain their eligibility to receive M2 funds.

The M2 Eligibility Guidelines identify annual eligibility requirements as specified in Ordinance No. 3, Attachment B, and Section III. Ordinance No. 3 (M2 Ordinance) outlines all programs and requirements and is included as Appendix A. Compliance with the eligibility requirements in the ordinance must be established and maintained in order for local jurisdictions to receive Net Revenues. Policies and procedures are presented to enable and facilitate annual eligibility for local jurisdiction participation. Guidelines for newly incorporated cities are outlined in Appendix B.

With the passage of M2, several eligibility requirements applicable to the previous program are no longer valid. Prominent features of the past program that have been discontinued include preparation of the Growth Management Program (GMP), a development phasing & monitoring program, and a balanced housing options and job opportunities component of the General Plan. Although these planning tools are no longer elements of the eligibility process, local jurisdictions are encouraged to consider these elements as sound planning principles.

M2 Net Revenues are generated from the transactions and use tax plus any interest or other earnings – after allowable deductions. Net Revenues may be allocated to local jurisdictions for a variety of programs and the Authority shall allocate the Net Revenues to freeways, environmental, transit, and street and roads projects.

Freeway Projects

Orange County freeways will receive forty-three percent (43%) of net revenues. Relieving congestion on State Route 91 is the centerpiece of the freeway program. Other major projects include improving Interstate 5 (I-5) in south Orange County, ~~and~~ Interstate 405 (I-405) in west Orange County and State Route 57 in North Orange County. Under the plan, major traffic chokepoints on almost every freeway will be improved.

Environmental Programs

In order to address any environmental impact of freeway improvements, five percent (5%) of the allocated freeway funds will be used for environmental mitigation programs. A Master Agreement between OCTA and state and federal resource jurisdictions 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. Funds are also available under the Environmental Cleanup Program (Project X) to implement water quality improvement projects.

Transit Projects

Orange County's rail and bus service will receive twenty-five percent (25%) of M2 net revenues. These funds will be used to add transit extensions to the Metrolink corridor, reduce bus fares for senior citizens and persons with disabilities, and establish local bus circulators.

Street and Roads Projects

Orange County has more than 7,300 lane miles of streets and roads; many in need of repair and rehabilitation. M2 will allocate thirty-two percent (32%) of net revenues to streets and roads. These funds will help fix potholes, improve intersections, synchronize traffic signals countywide, and make the existing network of streets and roads safer and more efficient.

The allocation of thirty-two percent (32%) of the Net Revenues for Street and Road Projects shall be made as follows:

1. Ten percent (10%) of the Net Revenues shall be allocated for Regional Capacity Programs (Project O).
2. Four percent (4%) of the Net Revenues shall be allocated for Regional Traffic Signal Synchronization Program projects (Project P).
3. Eighteen percent (18%) of the Net Revenues shall be allocation for Local Fair Share Programs.

1.2 Competitive Funds

OCTA shall select projects through a competitive process for the Regional Capacity Program (Project O), the Regional Traffic Signal Synchronization Program (Project P), the various transit programs (Projects S, T, V, and W), and the Environmental Cleanup Program (Project X). The criteria for selecting these projects are included in the Comprehensive Transportation Funding Programs (CTFP) Guidelines. The process for calculating and distributing local fair share funds are described in Section 1.3.

1.3 Local Fair Share (LFS) Funds

The LFS Program is a formula-based allocation provided to eligible jurisdictions for use on allowable transportation planning and implementation activities. It is funded through an eighteen percent (18%) allocation from Net Revenues and is distributed to eligible jurisdictions on a formula basis as determined by the following:

- Fifty percent (50%) divided between eligible jurisdictions based upon the ratio of the jurisdiction's population to the County's total population, each from the previous calendar year.
- Twenty-five percent (25%) divided between eligible jurisdictions based upon the ratio of the jurisdiction's existing Master Plan of Arterial Highways (MPAH) centerline miles to the total MPAH centerline miles within the County as determined annually by the OCTA.
- Twenty-five percent (25%) divided between eligible jurisdictions based upon the ratio of the jurisdiction's total taxable sales to the total taxable sales for the County, each from the previous calendar year.



- Revenue projections are updated based upon a blended economic forecast developed by Chapman University, California State University, Fullerton (CSUF), and University of California, Los Angeles (UCLA). The resulting revenue estimates are used for programming of competitive funds and as a guide for local jurisdiction planning within their respective CIPs.

1.4 Eligibility Requirements for Net Revenues

Every year, the Orange County Transportation Authority (OCTA) determines if a local jurisdiction is eligible to receive M2 LFS and competitive program funds. A local jurisdiction must satisfy certain requirements as outlined in Ordinance No. 3. Specifically, a jurisdiction must:

- Comply with the conditions and requirements of the Orange County Congestion Management Program
- Establish a policy which requires new development to pay its fair share of transportation-related improvements associated with their new development
- Adopt a General Plan Circulation Element consistent with the MPAH
- Adopt and update a Capital Improvement Program
- Participate in Traffic Forums
- Adopt and maintain a Local Signal Synchronization Plan
- Adopt and update biennially a Pavement Management Plan
- Adopt and provide an annual Expenditure Report to the OCTA
- Provide the OCTA with a Project Final Report within six months following completion of a project funded with Net Revenues
- Agree to expend all LFS revenues received through M2 within three years of receipt
- Satisfy Maintenance of Effort requirements
- Agree that Net Revenues shall not be used to supplant developer funding
- Consider, as part of the eligible jurisdiction's General Plan, land use and planning strategies that accommodate transit and non-motorized transportation



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Chapter 2 – Eligibility Requirements

The annual eligibility process relies upon a variety of reporting methods to verify local jurisdiction compliance. Most methods leverage tools routinely used in the public planning process while others require certification forms or specialized reports. Templates, forms, and report formats are included as appendices to these eligibility guidelines and are available in electronic format. The table below summarizes certification frequency and documentation requirements.

Compliance Category	Frequency	Documentation
Capital Improvement Program	Annual (June 30th) <u>Next submittal is due on June 30, 2016.</u>	<ul style="list-style-type: none"> Electronic, hardcopy; City Council/ Board of Supervisors approval
Circulation Element/MPAH Consistency	Biennial (June 30th) <u>Next submittal is due on June 30, 2017.</u>	<ul style="list-style-type: none"> Resolution (Appendix E) and Circulation Element Exhibit <u>Changes in actual MPAH centerline miles should be reported on the Arterial Highway Mileage Change Report (Appendix H)</u> <u>Certify that the Circulation Element is consistent with MPAH in the Eligibility Checklist (Appendix D)</u>
Congestion Management Program	Odd numbered years <u>Next submittal is due on June 30, 2017. (i.e. June 2015, 2017)</u>	<ul style="list-style-type: none"> Eligibility Checklist item in Appendix D; <u>Include projects to address deficient intersections in CIP (if applicable);</u> CMP Checklist (Appendix C)
Expenditure Report	Annual – six months after end of fiscal year (December 31st)* <u>Next submittal is due on December 31, 2016.*</u>	<ul style="list-style-type: none"> Expenditure Report <u>six months after end of fiscal year, and resolution (Appendix G)</u>
Local Signal Synchronization Plan	Every three years <u>Next submittal is due on (i.e. June 30, 2017)</u>	<ul style="list-style-type: none"> Copy of plan; eOptional resolution
Maintenance of Effort	Annual (June 30th) <u>Next submittal is due on June 30, 2016.</u>	<ul style="list-style-type: none"> MOE Certification form (Appendix I) <u>signed by Finance Director or equivalent designee that meets/exceeds MOE Benchmark in Exhibit 2;</u> Budget excerpts
Mitigation Fee Program	Biennial (June 30th) <u>Next submittal is due on June 30, 2016.</u>	<ul style="list-style-type: none"> Eligibility Checklist item in Appendix D Copy of <u>nexus study, revised impact fee schedule, or process methodology program;</u> Resolution (Appendix E)
No Supplanting Existing Commitments	Annual (June 30th) <u>Next submittal is due on June 30, 2016.</u>	<ul style="list-style-type: none"> Eligibility Checklist item in Appendix D
Pavement Management Plan	Every two years (June 30th) <u>Next submittal for even year agencies are due on June 30, 2016.</u> <u>Refer to Exhibit 3 to determine the required PMP submittal schedule.</u>	<ul style="list-style-type: none"> PMP Certification form <u>signed by Public Works Director or City Engineer</u> <u>Agency Submittal Checklist;</u> <u>PMP report with street listings;</u> <u>CD with pavement report, street listings, and E65 file</u>
Project Final Report	Within 6 months of project completion	<ul style="list-style-type: none"> Final Report
Timely Expenditure of Funds	Annual <u>Next submittal is due on June 30, 2016. (June 30th)</u>	<ul style="list-style-type: none"> Eligibility Checklist item in Appendix D, Master agreement
Traffic Forums	Annual <u>Next submittal is due on June 30, 2016.</u>	<ul style="list-style-type: none"> Eligibility Checklist item in Appendix D
Transit/Non-motorized Transportation in General Plan	Annual (June 30th) <u>Next submittal is due on June 30, 2016.</u>	<ul style="list-style-type: none"> Eligibility Checklist item in Appendix D; Letter <u>outlining land use planning strategies that accommodate transit and active transportation</u> <u>Excerpts of policies from the land use section of the with General Plan excerpts from land use section</u>

*Huntington Beach follows a federal fiscal year and must submit the M2 Expenditure Report by March 31.



2.1 Capital Improvement Program (CIP)

A CIP is a multi-year funding plan to implement capital transportation projects and/or programs, including, but not limited to, capacity, safety, operations, maintenance, and rehabilitation projects.

For purposes of eligibility, the M2 Ordinance specifies that each jurisdiction must prepare a CIP. The annual seven-year CIP updates are required to enable timely review of eligible use of funds. The CIP shall include all capital transportation projects, ~~including but not limited to such as~~, projects funded by Net Revenues (i.e. Environmental Cleanup Program, Traffic Signal Synchronization Plan, Regional Capacity Program, and Local Fair Share Projects) and ~~shall include~~ transportation projects required to demonstrate compliance with signal synchronization, pavement management, and CMP requirements. (See section 2.3 for the CIP's relevance to the CMP.)

Projects funded by M2 Net Revenues include:

Project Description	Project
Freeway Environmental Mitigation	A-M
Regional Capacity Program	O
Regional Traffic Signal Synchronization Program	P
Local Fair Share Program	Q
High Frequency Metrolink Service	R
Transit Extensions to Metrolink	S
Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	T
Senior Mobility Program or Senior Non-Emergency Medical Program	U
Community Based Transit/Circulators	V
Safe Transit Stops	W
Water Quality Program	X

Each eligible jurisdiction must include projects in their CIP, ~~which that~~ are needed to meet and maintain the adopted Traffic Level of Service and Performance Standards. ~~It-The CIP~~ shall also include all projects proposed to receive M2 funding. Cities are encouraged, but not required, to include all transportation related projects regardless of M2 funding participation.

If M2 funding needed for a project is not reflected on the current CIP, an amended CIP should be adopted with contract award prior to expending funds. The revised CIP should be submitted to OCTA in hard copy form at with evidence of council approval.

Submittal Frequency: Minimum Annual, or as needed to add M2 projects that are not reflected on the current CIP. Next submittal is due by June 30, 2016.

City Council/ Board of Supervisors approval: Required

Verification Method

Each jurisdiction must submit an electronic (online) and hard copy of its CIP with evidence of council approval. The OCTA provides a web-based database called the Web Smart CIP used countywide for reporting Council-approved CIP information. The Web Smart CIP includes all projects submitted in the previous eligibility cycle. New projects should be added to the database and completed, ~~cancelled or prior year programmed~~ year projects should be archived. ~~Cancelled projects may be archived or~~ removed. In addition, the funding schedule, source, and cost data for ongoing projects should be reviewed and updated for accuracy.



A separate CIP User's Manual has been developed to assist local jurisdictions with the preparation of the seven-year CIP. The CIP User's Manual can be found on the M2 Eligibility Website: <http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

2.2 Circulation Element/ MPAH Consistency

A Circulation Element is one component of a jurisdiction's General Plan that depicts a planned multimodal network and related policies. M2 funding eligibility requires that each jurisdiction must adopt and maintain a Circulation Element that is consistent with the OCTA MPAH, which defines the minimum planned lane configurations for major regionally significant roads in Orange County.

MPAH Consistency

Through a cooperative process, the OCTA, the City Engineers Association, the City Managers Association, and the County of Orange developed criteria for determining consistency with the MPAH. Criteria and ~~MPAH Consistency~~ policies for determining MPAH Consistency are included in a separate manual titled "Guidance for Administration of the Orange County Master Plan of Arterial Highways" that can be downloaded on OCTA's Eligibility webpage: (<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>) and are summarized below:

- The local jurisdiction's Circulation Element is to have the minimum planned carrying capacity equivalent to the MPAH for all MPAH links within its jurisdiction. "Planned carrying capacity" is the number of through lanes on each arterial highway as shown on the local Circulation Element.
- Local jurisdictions will not be found inconsistent with the MPAH as a result of existing capacity limitations on arterials not yet constructed to the ultimate capacity shown on the MPAH.
- Every two years, each local jurisdiction must submit a resolution adopted by the governing body attesting that no unilateral reduction in lanes has been made on any MPAH arterial.
- The local agency will be ineligible to participate in M2 programs if a roadway on the MPAH has been unilaterally removed from or downgraded on their Circulation Element and/or does not meet the planned capacity criteria. Eligibility may be reinstated upon completion of a cooperative study that resolves the inconsistency. Additionally, the local jurisdiction can re-establish eligibility upon restoring its Circulation Element to its previous state of MPAH consistency.
- The local jurisdiction must adopt a General Plan Circulation Element that does not preclude implementation of the MPAH.
- A local jurisdiction is inconsistent with the MPAH as of the date the governing body takes unilateral action reducing the number of existing and/or planned through lanes on an MPAH arterial built to its ultimate configuration to less than the ultimate capacity shown on the MPAH. "Unilateral action" means physical action such as striping, signing, or other physical restrictions executed by the local jurisdiction.
- A local jurisdiction may be permitted to reduce existing through lanes, if prior to taking action, it can demonstrate to the OCTA TAC that such action is temporary and can be justified for operational reasons. The local jurisdiction must enter into a binding agreement to restore capacity upon demand by OCTA. The OCTA TAC may recommend that the local jurisdiction remain eligible on a conditional basis. If it is found to be ineligible, it may regain



eligibility upon physical restoration of the arterial to the original state that is consistent with the MPAH.

- Traffic calming measures shall not be used on arterials classified as Secondary and above on the MPAH. Traffic calming measures may be allowed only on Divided Collectors and Collectors, where it can be demonstrated the calming measures will not reduce vehicle carrying capacity below the actual and projected traffic volumes for the segment and the increased traffic volume on the affected MPAH facilities does not result in an intersection level of service (LOS) worse than LOS "D" or the General Plan standard adopted by the affected jurisdiction.
- If a local jurisdiction requests a change to the MPAH and enters into a cooperative study to analyze the request, it may be considered conditionally consistent. No change shall be made to its Circulation Element until after the cooperative study is completed and agreement is reached on the proposed amendment.

Submittal Frequency: Odd year requirement. Next submittal is due by June 30, ~~2015~~ 2017.

City Council/ Board of Supervisors approval: Required

Verification Method

Each jurisdiction must provide the following every odd year:

- Document within the Eligibility Checklist (Appendix D) that confirms the Circulation Element is consistent with the MPAH.
- A copy of the most current Circulation Element Exhibit biennially showing all arterial highways and their individual arterial designations. Any proposed changes and/or requests for changes to the MPAH should also be included.
- Resolution adopted by the governing body of the local jurisdiction (Appendix E).
- The Arterial Highway Mileage Change Report (Appendix H). Changes in actual (built or annexed) MPAH centerline miles since the previous MPAH Consistency Review are to be reported to the nearest 0.01 mile, excluding State highways. Data should be current as of April 30 of the reporting year. Exhibit 1 lists the current MPAH centerline miles by jurisdiction that is used to calculate Local Fair Share.

OCTA shall review the materials submitted, and determine whether the local agency Circulation Elements are consistent with the MPAH, meaning there is a minimum planned carrying capacity equivalent to the MPAH for all MPAH links within the local agency's jurisdiction.



Exhibit 1: Master Plan of Arterial Highways Centerline Miles

Agency	2015 Centerline Mileage (8/27/2015)
Aliso Viejo	14.85
Anaheim	148.94
Brea	20.57
Buena Park	34.51
Costa Mesa	49.33
County of Orange	51.23
Cypress	24.94
Dana Point	15.72
Fountain Valley	35.50
Fullerton	62.18
Garden Grove	63.72
Huntington Beach	93.05
Irvine	134.37
La Habra	17.13
La Palma	7.20
Laguna Beach**	14.01
Laguna Hills	20.74
Laguna Niguel	35.94
Laguna Woods	5.77
Lake Forest	37.71
Los Alamitos	6.38
Mission Viejo	43.49
Newport Beach	48.92
Orange	85.21
Placentia	25.01
Rancho Santa Margarita	18.21
San Clemente	23.70
San Juan Capistrano	18.88
Santa Ana	100.23
Seal Beach	12.24
Stanton	9.55
Tustin	40.05
Villa Park	3.50
Westminster	35.78
Yorba Linda	32.67
1391.25	

**Laguna Beach credited with State Highway mileage by agreement of the TAC.



2.3 Congestion Management Program (CMP)

With the passage of Proposition 111 Gas Tax increase in June 1990, urbanized areas of California were required to adopt a CMP. OCTA was designated as the County's Congestion Management Agency (CMA), and as such, is responsible for the development, monitoring, and biennial updating of Orange County's CMP. Orange County's CMP is a countywide program established in 1992 to support regional mobility and air quality objectives through the effective use of transportation funds, coordinated land use, and development planning practices. Required elements of the County's CMP include traffic level of service (LOS) standards, performance measures, travel demand assessment methods and strategies, land use analysis programs, and Capital Improvement Programs.

The goals of Orange County's CMP are to support regional mobility and air quality objectives by reducing traffic congestion, providing a mechanism for coordinating land use and development decisions that support the regional economy, and determining gas tax eligibility. Each jurisdiction must comply with the following conditions and requirements of the Orange County CMP pursuant to the provisions of Government Code Section 65089 to be considered eligible for both gas tax revenues and M2 funding:

- Level of Service – Highways and roadways designated by OCTA must operate at an established LOS of no less than LOS "E" (unless the LOS from the baseline CMP dataset was lower).
- Deficiency Plans – Any CMP intersections that do not comply with the LOS standards must have a deficiency plan prepared by the responsible local jurisdiction that identifies the cause and necessary improvements for meeting LOS standards (certain exceptions apply).
- Land Use Analysis – Analyze the impacts of land use decisions on the transportation system, using a designated methodology, consistent with the CMP Traffic Impact Analysis guidelines. The analysis must also include estimated cost to mitigate associated impacts.
- Modeling and Data Consistency – A jurisdiction utilizing a local area model for traffic impact analysis must conform to the Orange County Sub-area Modeling guidelines, prepared by OCTA.
- Capital Improvement Program (CIP) – Jurisdictions must submit an adopted seven-year CIP that includes projects to maintain or improve the LOS on CMP facilities, or adjacent facilities.

Submittal Frequency: ~~Every odd years~~ – Next submittal is due by June 30, 2015 2017.

City Council/ Board of Supervisors approval: Not Required

Verification Method

The CMP checklist, as shown in Appendix C, must be submitted to demonstrate compliance with CMP requirements. If a deficient intersection is identified, the jurisdiction must include a project in their CIP to address the issue or develop a deficiency plan. OCTA will use the M2 CIP prepared by each local jurisdiction as the default CMP CIP rather than require a separate submittal. Projects intended to address CMP deficiencies should be clearly identified in the project description within the CIP.



2.4 Expenditure Report

The expenditure report is a detailed financial report submitted by each jurisdiction used to track financial activity as it relates to M2 and other improvement revenue sources. Each jurisdiction must adopt an annual Expenditure Report to account for M2 funds, developer/traffic impact fees, and funds expended by the jurisdiction that satisfy the MOE requirements. This report is used to validate eligible uses of funds and to report actual MOE expenditures.

- Report required within six months of jurisdiction's end of fiscal year.
- Report to include all Net Revenue, fund balances, and interest earned. Negative interest is not an allowable expense.
- Reported Expenditures shall be identified by activity type (i.e. capital, operations, administration, etc.) and funding source for each M2 program and/or project.

Submittal Frequency: Annual – within 6 months of the end of the fiscal year.

The deadline is December 31 for jurisdictions following a state fiscal year (July-June) and March 31 of the next calendar year for jurisdictions following a federal fiscal year (October-September) (i.e., Huntington Beach).

City Council/ Board of Supervisors approval: Required

Verification Method

The expenditure report signed by the City Finance Director and council resolution attesting to the adoption is required. The M2 expenditure report template, instructions, and resolution are provided in Appendix G.

2.5 Local Signal Synchronization Plan (LSSP)

The LSSP¹ is a three-year plan identifying traffic signal synchronization, street routes and traffic signals to be improved in eligible jurisdictions. The Local Traffic Signal Synchronization Plan shall be consistent with the Regional Traffic Signal Synchronization Master Plan (RTSSMP). The LSSP will outline the costs associated with the identified improvements, funding and phasing of capital, and the operations and maintenance of the street routes and traffic signals. Inter-jurisdictional planning of traffic signal synchronization is also a component of the LSSP. Local jurisdictions must update LSSPs every three years and include a performance assessment which compares the information in the current report to prior cycle activities.

Submittal Frequency: Every 3 years - Next LSSP update submittal is due June 30, 2017.

City Council/ Board of Supervisors approval: Optional

Verification Method

Local jurisdictions must ensure that their LSSP is in conformance with the RTSSMP. LSSPs must be updated every three years starting June 30, 2014. At the minimum, a Public Works Director must sign the Local Signal Synchronization Plan Consistency Review Checklist. City/County council action is at the discretion of the local agency. A separate document prepared by the OCTA, "Guidelines for the Preparation of Local Signal Synchronization Plans," provides additional detail for agency submittal that can be downloaded from OCTA's Eligibility webpage: <http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

¹ A local match reduction of ten percent (10%) is provided for competitive grant applications submitted through the Regional Capacity Program (M2 - Project O) if the local jurisdiction has adopted a LSSP consistent with the RTSSMP.



2.6 Maintenance of Effort (MOE)

The MOE Certification is a financial reporting document, which provides annual certification of planned/budgeted maintenance, construction and administrative/other transportation related expenditures and how they the comparison compare to the annual MOE Benchmark Requirements for the fiscal year. Each jurisdiction must provide annual certification to OCTA that the MOE requirements of Section 6 of Ordinance No. 3 have been satisfied. MOE applies to transportation-related discretionary expenditures such as General Funds by local jurisdictions for maintenance, construction, and other categories.

MOE Certification Process

M2 funds may be used to supplement, not replace, existing local revenues being used for transportation improvements and programs. A local jurisdiction cannot redirect monies currently being used for transportation purposes to other uses and replace the redirected funds with M2 revenues.

Each jurisdiction is required to maintain a minimum level of local streets and roads expenditures to conform to the MOE requirement. The original minimum level of expenditures was based upon an average of General Fund expenditures for local street maintenance and construction over the period from Fiscal Year 1985-86 through Fiscal Year 1989-90. The expenditure information was obtained from the Orange County Transportation Commission's (OCTC) Annual Report data collection sheets. The established benchmark was reported in constant dollars and was not adjusted for inflation. Annexation of land into an existing jurisdiction does not affect the MOE.

Per the M2 Ordinance, the MOE benchmark must be adjusted in 2014 and every three years thereafter based upon Caltrans' Construction Cost Index (CCI) for the preceding three-years. The CCI-based adjustment cannot exceed growth rate in General Fund revenues during the update period. The current MOE benchmark is reflected in Exhibit 2. The next MOE benchmark adjustment will be effective July 1, 2017.

Submittal Frequency: Annual - Next MOE submittal is due June 30, 2016.

City Council/ Board of Supervisors approval: Not Required

Verification Method

An MOE reporting form must be completed, signed by the jurisdiction's Finance Director and submitted on an annual basis. The form is included in the Guidelines as Appendix I. In addition, excerpts from the jurisdiction's annual budget showing referenced MOE expenditures and dedication of General Funds should be included in the annual submittal to substantiate planned relevant discretionary fund (General Funds) expenditures.

Any California State Constitution Article XIX eligible expenditure may be "counted" in a given local jurisdiction's annual calculation of MOE if the activity is supported (funded) by a local jurisdiction's general fund. This is the same definition used for Gas Tax expenditures. The California State Controller also provides useful information on Article XIX and Streets and Highways Code eligible expenditures. These guidelines do not replace statutory or legal authority, but explain the general information found in California Constitution Article XIX and the Streets and Highways Code.

Exhibit 2: MOE Benchmark by Local Jurisdiction

Revised August 11, 2014



Agency	MOE Benchmark
Aliso Viejo	\$ 409,360
Anaheim	\$ 8,127,913
Brea	\$ 703,000
Buena Park	\$ 3,738,212
Costa Mesa	\$ 6,457,802
Cypress	\$ 2,767,411
Dana Point	\$ 1,065,496
Fountain Valley	\$ 1,180,712
Fullerton	\$ 3,427,988
Garden Grove	\$ 2,823,522
Huntington Beach	\$ 4,954,235
Irvine	\$ 5,452,970
La Habra	\$ 1,356,014
La Palma	\$ 173,004
Laguna Beach	\$ 1,417,616
Laguna Hills	\$ 269,339
Laguna Niguel	\$ 721,542
Laguna Woods	\$ 83,501
Lake Forest	\$ 145,670
Los Alamitos	\$ 147,465
Mission Viejo	\$ 2,247,610
Newport Beach	\$ 8,868,393
Orange	\$ 2,430,131
Placentia	\$ 546,000
Rancho Santa Margarita	\$ 358,155
San Clemente	\$ 951,000
San Juan Capistrano	\$ 390,383
Santa Ana	\$ 6,958,998
Seal Beach	\$ 551,208
Stanton	\$ 186,035
Tustin	\$ 1,222,756
Villa Park	\$ 279,227
Westminster	\$ 1,284,000
Yorba Linda	\$ 1,985,964
Annual Total	\$ 73,682,632



2.7 Mitigation Fee Program

The Mitigation Fee Program is a locally established fee program, which ~~collects mitigation~~ assesses fees used to mitigate effects of new development on transportation infrastructure. Appropriate mitigation measures, including payment of fees, construction of improvements, or any combination thereof, will be determined through an established and documented process by each jurisdiction.

Each eligible jurisdiction must assess traffic impacts of new development and require new development to pay a fair share of necessary transportation improvements attributable to the new development. To insure eligibility, each jurisdiction must have a clearly defined mitigation program.

Submittal Frequency: Odd years - Next Mitigation Fee Program submittal is due by

June 30, ~~2015~~ 2017.*

*However, a jurisdiction must submit their updated program and revised fee schedule or process methodology when the jurisdiction updates their mitigation program and/or nexus study.

City Council/ Board of Supervisors approval: Required

Verification Method

The M2 eligibility submittal should include a copy of the nexus study improvement list, a current fee schedule or the process methodology, and the council resolution approving the mitigation fee program. Where mitigation measures, including fair share contributions and construction of direct impact improvements are used in lieu of an AB1600 compliant Nexus Study fee programs, each jurisdiction ~~should~~ shall provide a council resolution adopting the mitigation policy.

At such time that a jurisdiction updates their mitigation program and/or nexus study, they must submit their updated program and revised fee schedule or process methodology for the following review cycle. In addition, a mitigation fee program resolution identified in Appendix E must be submitted biennially to reaffirm that council concurs with the existing mitigation fee program. It is the local jurisdictions responsibility to ensure fee programs and mitigation measures are updated periodically and meet the infrastructure needs ~~in~~ of their community.

2.8 No Supplanting of Developer Commitments

Eligible jurisdictions must ensure that M2 funding ~~shall~~ will not be used to supplant existing or future development funding commitments for transportation projects. Development must be required to continue paying their fair share for new transportation improvements that are necessary because of the new traffic their projects create.

- Development must continue to pay their fair share for needed infrastructure improvements and transportation projects
- Net revenues must not supplant development funding or contributions which have been previously committed to transportation projects through payment of fees in a defined program, fair share contribution, community facilities district (CFD) financing, or other dedicated contribution to a specific transportation improvement
- Standard checklist item

Submittal Frequency: Annual - Next submittal is due by June 30, ~~2015~~ 2016.

City Council/ Board of Supervisors approval: Not Required

Verification Method



Each jurisdiction must document within the Eligibility Checklist (Appendix D) that there has been no supplanting of developer commitments for transportation projects as outlined in the M2 ordinance.

2.9 Pavement Management Plan (PMP)

A PMP² is a plan to manage the preservation, rehabilitation, and maintenance of paved roads by analyzing pavement life cycles, assessing overall system performance costs, and determining alternative strategies and costs necessary to improve paved roads. MicroPaver or StreetSaver will be used for countywide consistency. The software must be consistent with ASTM Standard D6433-11.

Each jurisdiction must biennially adopt and update a PMP consistent with the specific requirements outlined in Ordinance No. 3, and issue, using a common format approved by the OCTA, a report ~~every two years~~ regarding the status of road pavement conditions and implementation of the PMP including, but not limited to, the following elements:

- Current status of pavement roads
- A seven-year plan for road maintenance and rehabilitation, including projects, funding, and unfunded backlog of pavement needs
- Projected pavement conditions resulting from improvements
- Alternative strategies and costs necessary to improve road pavement conditions

The Countywide PMP Guidelines have been prepared by OCTA to assist local jurisdictions with the PMP submittal. Local jurisdictions are encouraged to refer to the guidelines for additional PMP submittal criteria. The Agency Submittals checklist is included in Chapter 3 of the Countywide Pavement Management Plan Guidelines and is also included for reference with the PMP Certification in Appendix F. The Countywide PMP Guidelines can be downloaded from OCTA's Eligibility webpage: <http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

Submittal Frequency: Biennial – 14 local jurisdictions submit pavement management plan updates ~~on-in~~ odd years (i.e. June ~~30, 2015~~2017) and 21 local jurisdictions submit pavement management plan updates ~~on-~~ in even years (i.e. June ~~30,~~ 2016). Refer to Exhibit 3 to determine local jurisdiction's required PMP submittal schedule.

City Council/ Board of Supervisors approval: Not Required

Verification Method

To establish eligibility, each jurisdiction must complete and submit the following:

- ~~Local~~ Pavement Management Plan and Certification (Appendix F) signed by Public Works Director or City Engineer.
- Executive summary encompassing a brief overview of their PMP highlighting different issues that have developed between review cycles and provide additional information regarding the projects funded through the program. At a minimum, the Executive Summary should include Pavement Condition Index (PCI) reports, Projected PCI, and Alternative Funding Levels.
- Quality Assurance/Quality Control Plan included in the Countywide Pavement Management Plan Guidelines.
- Backlog by year of unfunded pavement rehabilitation, restoration, and reconstruction needs.



- Centerline mileage for MPAH, local streets, and total network.

~~Additional PMP submittal criteria is provided in Chapter 3 of the Countywide Pavement Management Plan Guidelines and included with the PMP Certification in Appendix F.~~

² The Regional Capacity Program (RCP) identified in M2 as Project O includes an incentive for successful PMP implementation. A local match reduction of ten percent (10%) is provided for competitive grant applications submitted through the Regional Capacity Program (M2 - Project O) if the jurisdiction meets either of the following criteria:

- Has measurable improvement of paved road conditions during the previous reporting period as determined through the countywide pavement management rating standards, or
- Have road pavement conditions during the previous reporting period, which are within the highest twenty percent (20%) of the scale for road pavement conditions in conformance with OCTA Ordinance No. 3, defined as a PCI of 75 or higher, otherwise defined as in "good condition".



Exhibit 3: Local Jurisdiction Periodic Component Submittal Schedule

Local Jurisdiction	Updated PMP	CMP	MPAH Consistency	Mitigation Fee Program	Project Reports	Local Signal Plan
Aliso Viejo	June Even Year	June Odd Years (Next submittal is due by June 30, 2017 5)	June Odd Years (Next submittal is due by June 30, 2017 5)	June Odd Years (Next submittal is due by June 30, 2017 5)*	Within 6 months of project completion	Every 3 years (Next submittal is due June 30, 2017)
Anaheim	June Odd Year					
Brea	June Odd Year					
Buena Park	June Even Year					
Costa Mesa	June Even Year					
County of Orange	June Odd Year					
Cypress	June Odd Year					
Dana Point	June Odd Year					
Fountain Valley	June Even Year					
Fullerton	June Even Year					
Garden Grove	June Even Year					
Huntington Beach	June Even Year					
Irvine	June Odd Year					
Laguna Beach	June Even Year					
Laguna Hills	June Even Year					
Laguna Niguel	June Even Year					
Laguna Woods	June Even Year					
Lake Forest	June Odd Year					
La Habra	June Odd Year					
La Palma	June Even Year					
Los Alamitos	June Odd Year					
Mission Viejo	June Even Year					
Newport Beach	June Odd Year					
Orange	June Even Year					
Placentia	June Even Year					
Rancho Santa	June Even Year					
San Clemente	June Odd Year					
San Juan Capistrano	June Odd Year					
Santa Ana	June Even Year					
Seal Beach	June Even Year					
Stanton	June Odd Year					
Tustin	June Odd Year					
Villa Park	June Even Year					
Westminster	June Even Year					
Yorba Linda	June Even Year					

*A jurisdiction must submit their updated program and revised fee schedule or process methodology when the jurisdiction updates their mitigation program and/or nexus study.



2.10 Project Final Report

Each jurisdiction must provide the OCTA **with** a Project Final Report within six months following completion of a capital project funded with Net Revenues. Final report formats follow the template used by the CTFP. The CTFP Guidelines define the term “project phase completion” as the date all final third party contractor invoices have been paid and any pending litigation has been adjudicated either for the engineering phase or for the right-of-way phase, and all liens/claims have been settled for the construction phase. The date of project phase completion will begin the 180-day requirement for the submission of a project final report as required by the M2 Ordinance.

City Council/ Board of Supervisors approval: Not Required

Verification Method

To establish eligibility, a jurisdiction must submit a copy of the CTFP Project Final Report for each capital project utilizing Net Revenues. Each Final Report must be individually submitted to OCTA within six months of the completion of a project funded by Net Revenues, regardless of the eligibility review cycle. For the purposes of reporting non-project work (administration, maintenance, repair, and other non-project related costs) funded by M2 LFS funds, the annual Expenditure Report shall satisfy reporting requirements. If LFS funds are used for capital projects, the local jurisdiction shall also include a list of those funds and/or other M2 funds in the Project Final Report.

2.11 Time Limit for Use of Net Revenues

The timely expenditure of funds is a policy which must be adopted by each jurisdiction to ensure all funds received from Net Revenues are expended and accounted for within 3 years. The local agency must certify that the receipt and use of all M2 funds received will adhere to the time limits for use as outlined in the ordinance.

Competitive Programs

- Agree that Net Revenues for Regional Capacity Program (RCP) projects and/or Regional Traffic Signal Synchronization Program (RTSSP) projects shall be expended or encumbered by end of fiscal year for which Net Revenues are programmed. Refer to the CTFP Guidelines for additional information regarding expenditure deadlines and extension requests.

Local Fair Share

- Net Revenues received by local jurisdictions through the local fair share program shall be expended or encumbered within three years. An extension may be granted but is limited to a total of five years from date of receipt of funds. Requests for extension must be submitted as part of the semi-annual review process prior to the end of the third year from the date of receipt of funds. Requests for extension must include a plan of expenditure.
- Expired funds including interest earned and related revenues must be returned to the OCTA. These funds shall be returned for redistribution within the same source program.
- Use of Local Fair Share revenues for bonding (including debt service) shall be limited to 25% of the jurisdiction’s annual Local Fair Share revenues as defined in Article XIX Motor Vehicle Revenues of the California Constitution unless the Board approves an exception to this policy on a case-by-case basis.



Interest Derived from Net Revenues

- Interest from any M2 competitive funding program and Local Fair Share must be held in separate accounts.
- Local M2 interest proceeds must be spent on transportation activities consistent with Local Fair Share eligible activities.
- ~~Expend-i~~Interest revenues must be expended within 3 years of receipt.
- Interest may be accumulated for substantive projects where necessary, with prior OCTA approval, provided account balance does not exceed aggregate local fair share payments received in the preceding three (3) years of reporting period.
- All interest accumulated at the conclusion of M2 is to be expended within three years of the program sunset date (March 31, 2041).

Submittal Frequency: Annual. Next submittal is due by June 30, 20165.

City Council/ Board of Supervisors approval: Required if an extension is requested.

Verification Method

Each jurisdiction must document within Eligibility Checklist (Appendix D) confirmation that the jurisdiction complies with the timely use of net revenues throughout the year as outlined in the ordinance. Net Revenue and Interest balances are reported on the annual Expenditure Report.

2.12 Traffic Forums

Traffic Forums are working group sessions that include local jurisdictions and OCTA. Traffic forums provide a venue for local jurisdictions to discuss general traffic and transportation issues, traffic circulation between participating jurisdictions, the coordination of specific projects, and the overall RTSSP. Each jurisdiction must participate in Traffic Forums on an annual basis to ensure eligibility.

Submittal Frequency: Annual. Next submittal is due by June 30, 20165.

City Council/ Board of Supervisors approval: Not Required

Verification Method

Each jurisdiction must document within the Eligibility Checklist (Appendix D) evidence of its annual participation in a Traffic Forum.



2.13 Transit/Non-motorized Transportation in General Plan

As part of the eligible jurisdiction's land use section of the General Plan, the jurisdiction must consider land use planning strategies that accommodate transit and non-motorized transportation. Multi-modal options are vital to a comprehensive transportation network. General Plans should include policies and language that demonstrate a thoughtful approach toward land use planning that encourages and facilitates mobility options.

Submittal Frequency: Annual. Next submittal is due by June 30, 2016.

City Council/ Board of Supervisors approval: Not Required

Verification Method

Each jurisdiction must document within the Eligibility Checklist (Appendix D) that it considers, as part of the land use section of the General Plan, land use planning strategies that accommodate transit and non-motorized transportation. A letter outlining the approach to land use planning strategies or policies that accommodate transit and non-motorized transportation should be provided with supporting General Plan excerpts. Policy summaries that directly tie land use planning to alternative modes are required. These may include pedestrian friendly neighborhoods, Transit Oriented Development (TOD), Transportation Demand Management (TDM) programs, and mixed use development.



Chapter 3 - Eligibility Determination

3.1 Submittal Review Process

The Eligibility submittal process has ~~essentially~~ two distinct phases.

First Phase

In the first phase, local jurisdictions submit the eligibility checklist, CIP, MOE and land use planning strategies considered in the General Plan on an annual basis. In addition, the PMP, CMP, MFP, and Adoption of the Circulation Element for MPAH consistency are due on a biennial basis. The LSSP is due every three years. The periodic submittal schedule of the eligibility requirements is included in Exhibit 3 of the M2 Eligibility Guidelines. The applicable eligibility components for a given year are submitted to OCTA by June 30 (with the exception of the expenditure report).

To assist in the initiation of the eligibility process, OCTA hosts eligibility workshops attended by local jurisdictions to prepare for the June 30 submittals. The workshops outline any changes and provide instructions as to the requirements of the current fiscal year's eligibility. Eligibility package development begins for most local jurisdictions in April and concludes with submittal to OCTA by the June 30 deadline each year.

Second Phase

The second phase includes the submittal of the Expenditure Report, which is due six months following the end of the local jurisdictions fiscal year per M2 ordinance. The City of Huntington Beach follows a federal fiscal year (October 1 to September 30) and that jurisdiction's expenditure report is due by March 31 of each year. All other local jurisdictions submit their expenditure reports annually by December 31. OCTA staff typically holds a workshop in July/August to go over the eligibility requirements for submitting an expenditure report that is compliant with the M2 Ordinance. The OCTA Finance department reviews expenditure reports.

3.2 Approval Process

Annual eligibility determinations are based upon satisfactory submittal of the required documentation of eligibility outlined in Ordinance No. 3 and further described in Chapter 2 of these guidelines. The OCTA and/or its representatives perform an administrative review of the data to determine eligibility compliance for M2 funds. Once all eligibility submittals have been received as satisfactory and complete, the applicable submittals must be prepared for review and approval by the Taxpayer Oversight Committee (TOC).

TOC

M2 established the TOC to provide an enhanced level of accountability for expenditure of Net Revenues under the Ordinance. The TOC is an independent citizens' committee established for overseeing compliance with the Ordinance and ensuring that safeguards are in place to protect the integrity of the overall program. TOC responsibilities include:

- Approval of any amendment to the M2 ordinance proposed by the OCTA which changes the funding categories, programs or discrete projects identified for improvements in the Funding Plan
- Review of select documentation establishing eligibility by a jurisdiction including a jurisdiction's Congestion Management Plan, Mitigation Fee Program, Expenditure Report, Local Signal Synchronization Plan, and Pavement Management Plan



- Verification that the OCTA is proceeding in accordance with the M2 Plan and is meeting the performance standards outlined in the M2 Ordinance

The TOC designates the Annual Eligibility Review (AER) subcommittee to review five of the thirteen eligibility requirements listed in the M2 ordinance. The AER subcommittee reviews the Congestion Management Plan, Mitigation Fee Program, Expenditure Report, Local Signal Synchronization Plan, and Pavement Management Plan for each local jurisdiction. The AER subcommittee recommends eligibility determination to the TOC.

In addition, OCTA staff will review items that do not directly require TOC approval and confirm compliance. After TOC and OCTA review all eligibility requirements, OCTA staff will prepare eligibility recommendations for the OCTA Board of Directors (Board). The [OCTA](#) Regional Planning and Highways Committee review the item prior to being considered by the full Board. The Board will make final determination whether a local agency remains eligible for M2 funding on an annual basis.



Chapter 4 – Failure to Meet Eligibility Requirements

4.1 Non-Compliance Consequences

M2 extends a legacy of successful public funding investment in transportation throughout Orange County. The eligibility process includes a review of required compliance components to ensure that programs and funding guidelines are met as defined by Ordinance No. 3. Article XIX of the California Constitution, provides guidance regarding the use of tax revenues for transportation purposes, and provides a useful definition of eligible transportation planning/implementation activities.

OCTA routinely conducts an audit of local jurisdictions' annual eligibility materials and financial records. Full cooperation is expected in order to complete the process in a timely manner. A finding of non-compliance may be made if either of the following conditions exists:

- Use of M2 funding for non-transportation or non-eligible activities, or
- Failure to meet eligibility requirements

If a determination is made that a local jurisdiction has used M2 funds for ineligible purposes, misspent funds must be fully repaid and the jurisdiction will be deemed ineligible to receive Net Revenues for a period of five (5) years. A finding of ineligibility is determined by the OCTA Board of Directors. Failure to adhere to eligibility compliance components may result in suspension of funds until satisfactory compliance is achieved.

4.2 Appeals Process

Eligibility review and determination is a multi-step process, which relies upon an objective review of information by OCTA staff, the Technical Steering Committee, the Technical Advisory Committee, and the Taxpayer Oversight Committee with final determination made by the OCTA Board of Directors. An appeal of findings may be filed with the Board of Directors for re-consideration.

4.3 Re-establishing MPAH Eligibility

If a Circulation Element is found to be inconsistent with the MPAH and a local jurisdiction is determined ineligible for M2 funds, the local jurisdiction may re-establish eligibility by requesting to undertake a cooperative study with OCTA. The study will be designed to do the following:

- Ascertain the regional transportation system needs
- Make provisions to meet those needs in the local jurisdiction's General Plan
- Re-establish consistency with the MPAH

Any changes to a local jurisdiction's General Plan or the MPAH shall be mutually acceptable to the jurisdiction and OCTA. Until such a study has been completed and an agreement reached on the proposed amendment, the jurisdiction shall be ineligible to apply for and/or receive M2 competitive funds.



4.4 For Additional Information

The OCTA M2 Eligibility Guidelines have been developed to assist jurisdictions located throughout Orange County to understand and continue to implement all eligibility requirements to receive M2 funding. The Guidelines provide general summary information regarding all eligibility requirements as well as a comprehensive summary of all responsibilities and actions for which a local jurisdiction must follow to continue their eligibility.

Please contact the following OCTA staff when seeking additional information or clarification regarding any of the M2 Eligibility Guidelines:

May Hout

Senior Transportation Funding Analyst

(714) 560-5905

MHout@octa.net

Or

Sam Kaur

Section Manager, Local Measure M Programs

(714) 560-5673

SKaur@octa.net



Appendices

Appendix A: M2 Ordinance

The M2 Ordinance (Ordinance No. 3) can be found on the Eligibility Website:
<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Appendix B: Eligibility for New Cities

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Eligibility for New Cities

Eligibility for Fair Share Funds - New Cities

At the time of incorporation, a new city may adopt current practices previously established by the County of Orange, which have already established eligibility under the current M2. As new cities mature, they will adopt their own general plan and growth strategies.

To provide for this transition period, the OCTA Board of Directors has previously adopted the following new city eligibility process for Fair Share funds:

- A new city may, at its discretion, adopt the approved PMP of the predecessor governing body as its own, providing these policies are fully enforced.
- Prior to incorporation, the proposed new city must work with OCTA and the Local Agency Formation Commission (LAFCO) to identify the variables used in the M2 Fair Share funds calculation (population, taxable sales, and MPAH mileage). Preliminary data must be identified prior to the date of incorporation.
- The new city will begin accruing M2 Fair Share funds as of the date of incorporation.
- The OCTA will reserve the accrued funds for the new city, pending the determination of eligibility by the OCTA Board within one year of the date of incorporation.
- In order for the new city to receive the reserved accrued funds, OCTA must receive all necessary elements of the M2 eligibility package, complete the necessary review and approval of the package, and the OCTA Board must determine the new city eligible to receive M2 funds within one year of the date of incorporation. OCTA recommends the city submit its eligibility package within six months of incorporation to allow sufficient time for OCTA review and approval processes.
- Upon determination of eligibility by the OCTA Board, the new city will receive its first Fair Share payment including the reserved accrued funds, on the first regular payment cycle following the eligibility determination.
- The first fair share payment will be adjusted to reflect final Fair Share calculation (population, taxable sales, and MPAH miles) as determined through the new city eligibility process.
- In the event a new city is determined to be ineligible to receive Fair Share funds by the OCTA Board, the reserved accrued funds and interest on the funds, shall be distributed to the eligible jurisdictions on a pro-rata basis, until such time that the new city attains eligibility.
- Such new city will begin to accrue funds as of the first day of the first regular accrual period following its determination of eligibility by the OCTA Board and receive its first Fair Share payment on the corresponding regular payment cycle.

Eligibility for Competitive Funds-New Cities

In addition to the new city eligibility process for Fair Share funds, the OCTA Board has adopted the following process for eligibility for competitive funds:

- A new city may apply for competitive funding upon the date of incorporation, however, may not be awarded competitive funding until the new city has been determined eligible to receive Fair Share funds by OCTA Board, as described above.
- A new city must include an adopted PMP that is consistent with countywide pavement condition assessment standards (Arterial Highway Rehabilitation Program), a General Plan Circulation Element consistent with the MPAH, and a City Council resolution attesting that no unilateral reduction in lanes have been made on any MPAH arterials in its M2 eligibility package for review and approval by the OCTA Board.
- Applications for competitive funding by new cities will be considered until such time in the process of the competitive funding program that projects are ranked for award. If the new city has not been determined eligible by the OCTA Board by the time projects are ranked for award, any application by the new city for competitive funding will be withdrawn from further consideration. OCTA staff will work with the new city to revise the schedule specific to its time of incorporation in relation to the current competitive funding program process

New Cities – MOE

M2 requires the development of a method to apply the MOE to new cities without five years of streets and roads data, including cities incorporated during the thirty years the tax is in effect. New cities unable to meet this requirement may use the appeals process to establish a benchmark number that more accurately reflects network needs. A phase-in period of two years has been established for new cities to achieve the approved MOE expenditure requirement.

The approved method uses the following formula to calculate the MOE for new cities:

$$\frac{\text{Total MOE benchmark for the county}}{\text{Total county population}} = \text{Per capita expenditure}$$

$$\text{Per capita expenditure} \times \text{city population} = \text{MOE benchmark for the city}$$

Appeals Process

New cities may appeal the formula benchmark determination above where there is a dispute regarding the city population. The OCTA shall use the most recent Census or figures from the State of California Department of Finance. Appeals will be submitted first to the Technical Advisory Committee and then to the OCTA Board of Directors for final determination.

Appendix C: Congestion Management Program Checklist

Appendix C can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Appendix C: Congestion Management Program (CMP)

Jurisdiction: _____

CMP Monitoring Checklist: Level of Service

CMP Checklist		YES	NO	N/A
1.	Check "Yes" if either of the following apply: <ul style="list-style-type: none">There are no CMP intersections in your jurisdiction.Factoring out statutorily-exempt activities¹, all CMP intersections within your jurisdiction are operating at LOS E (or the baseline level, if worse than E) or better.	<input type="checkbox"/>	<input type="checkbox"/>	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTIONS.				
2.	If any, please list those intersections that are not operating at the CMP LOS standards. <ul style="list-style-type: none">_______________			<input type="checkbox"/>
3.	Will deficient intersections, if any, be improved by mitigation measures to be implemented in the next 18 months or improvements programmed in the first year of any recent funding program (i.e., local agency CIP, CMP CIP, Measure M CIP)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	a. If not, has a deficiency plan been developed for each intersection that will be operating below the CMP LOS standards?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Additional Comments:				
I certify that the information contained in this checklist is true.				
Signature: _____				
Title: _____				

¹The following activities are statutorily-exempt from deficiency determinations: interregional travel, traffic generated by the provision of low and very low income housing, construction rehabilitation or maintenance of facilities that impact the system, freeway ramp metering, traffic signal coordination by the state or multi-jurisdictional agencies, traffic generated by high-density residential development within 1/4 mile of a fixed-rail passenger station, traffic generated by mixed-use residential development within 1/4 mile of a fixed-rail passenger station.



Appendix C: Congestion Management Program (CMP)

Jurisdiction: _____

CMP Monitoring Checklist: Deficiency Plans				
CMP Checklist		YES	NO	N/A
1.	Check "Yes" if either of the following apply: <ul style="list-style-type: none"> There are no CMP intersections in your jurisdiction. Factoring out statutorily-exempt activities², all CMPHS intersections within your jurisdiction are operating at LOS E (or the baseline level, if worse than E) or better. 	<input type="checkbox"/>	<input type="checkbox"/>	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTIONS.				
2.	If any, please list those intersections found to not meet the CMP LOS standards. <ul style="list-style-type: none"> _____ _____ _____ 			<input type="checkbox"/>
3.	Are there improvements to bring these intersections to the CMP LOS standard scheduled for completion during the next 18 months or programmed in the first year of the CIP?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 3 NEED TO ANSWER THE REMAINING QUESTIONS.				
4.	Has a deficiency plan or a schedule for preparing a deficiency plan been submitted to OCTA?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Does the deficiency plan fulfill the following statutory requirements:			
	a. Include an analysis of the causes of the deficiency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b. Include a list of improvements necessary to maintain minimum LOS standards on the CMPHS and the estimated costs of the improvements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	c. Include a list of improvements, programs, or actions, and estimates of their costs, which will improve LOS on the CMPHS and improve air quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	i. Do the improvements, programs, or actions meet the criteria established by SCAQMD (see the CMP Preparation Manual)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

²The following activities are statutorily-exempt from deficiency determinations: interregional travel, traffic generated by the provision of low and very low income housing, construction rehabilitation or maintenance of facilities that impact the system, freeway ramp metering, traffic signal coordination by the state or multi-jurisdictional agencies, traffic generated by high-density residential development within 1/4 mile of a fixed-rail passenger station, traffic generated by mixed-use residential development within 1/4 mile of a fixed-rail passenger station.



Appendix C: Congestion Management Program (CMP)

Jurisdiction: _____

CMP Monitoring Checklist: Deficiency Plans (cont.)

CMP Checklist		YES	NO	N/A
6.	Are the capital improvements identified in the deficiency plan programmed in your seven-year CMP CIP?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Does the deficiency plan include a monitoring program that will ensure its implementation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Does the deficiency plan include a process to allow some level of development to proceed pending correction of the deficiency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Has necessary inter-jurisdictional coordination occurred?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Please describe any innovative programs, if any, included in the deficiency plan:	<input type="checkbox"/>		

Additional Comments:

I certify that the information contained in this checklist is true.

Signature: _____

Title: _____



Appendix C: Congestion Management Program (CMP)

Jurisdiction: _____

CMP Monitoring Checklist: Land Use Coordination

CMP Checklist		YES	NO	N/A
1.	Have you maintained the CMP traffic impact analysis (TIA) process you selected for the previous CMP?	<input type="checkbox"/>	<input type="checkbox"/>	
	a. If not, have you submitted the revised TIA approach and methodology to OCTA for review and approval?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Did any development projects require a CMP TIA during this CMP cycle? ³	<input type="checkbox"/>	<input type="checkbox"/>	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "YES" FOR QUESTION 2 NEED TO ANSWER THE REMAINING QUESTIONS.				
3.	If so, how many?	_____		
4.	Please list any CMPHS links & intersections that were projected to not meet the CMP LOS standards (indicate whether any are outside of your jurisdiction). • _____ • _____ • _____			<input type="checkbox"/>
	a. Were mitigation measures and costs identified for each and included in your seven-year CIP?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b. If any impacted links & intersections were outside your jurisdiction, did your agency coordinate with other jurisdictions to develop a mitigation strategy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	If a local traffic model was/will be used, did you follow the data and modeling consistency requirements as described in the CMP Preparation Manual (available online at http://www.octa.net/pdf/cmpprepremanual.pdf)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Additional Comments:				
I certify that the information contained in this checklist is true. Signature: _____ Title: _____				

³Exemptions include: any development generating less than 2,400 daily trips, any development generating less than 1,600 daily trips (if it directly accesses a CMP highway), final tract and parcel maps, issuance of building permits, issuance of certificate of use and occupancy, and minor modifications to approved developments where the location and intensity of project uses have been approved through previous and separate local government actions prior to January 1, 1992.



Appendix C: Congestion Management Program (CMP)

Jurisdiction: _____

CMP Monitoring Checklist: Capital Improvement Program

CMP Checklist		YES	NO	N/A
1.	Did you submit a seven-year Capital Improvement Program (CIP) to OCTA by June 30?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Does the CIP include projects to maintain or improve the performance of the CMPHS (including capacity expansion, safety, maintenance, and rehabilitation)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Is it consistent with air quality mitigation measures for transportation- related vehicle emissions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Was the Web Smart CIP provided by the OCTA used to prepare the CMP CIP?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional Comments:

I certify that the information contained in this checklist is true.

Signature: _____

Title: _____

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Appendix D: Eligibility Checklist

Appendix D can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Appendix D: Eligibility Checklist

Responsibility: Cities, County

Jurisdiction:	
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Capital Improvement Program (CIP)		YES	NO	N/A
1.	Did you submit your draft Renewed Measure M2 seven-year Capital Improvement Program (CIP) to OCTA by June 30?	<input type="checkbox"/>	<input type="checkbox"/>	
	a. Did you utilize the required Web Smart CIP?	<input type="checkbox"/>	<input type="checkbox"/>	
	b. Have you indicated what percentage of funding will come from each source for each of the projects?	<input type="checkbox"/>	<input type="checkbox"/>	
	c. Have you listed projects in current year dollars?	<input type="checkbox"/>	<input type="checkbox"/>	
	d. Did you include all projects that are partially, fully, or potentially funded by Measure M2 net revenues ?	<input type="checkbox"/>	<input type="checkbox"/>	
	e. The council approval date to adopt the final 7-Year CIP is: _____ (Must be prior to July 31)			

Maintenance of Effort (MOE)		YES	NO	N/A
2.	Did you submit your Maintenance of Effort MOE certification form (Appendix I) and supporting budget documentation to OCTA by June 30?	<input type="checkbox"/>	<input type="checkbox"/>	
	a. Did you use the Maintenance of Effort MOE Reporting Form included in the M2 Eligibility Guidelines?	<input type="checkbox"/>	<input type="checkbox"/>	
	b. <u>Has the MOE Reporting form been signed by the Finance Director or appropriate designee?</u>	<input type="checkbox"/>	<input type="checkbox"/>	

Pavement Management Program (PMP)		YES	NO	N/A
3.	Are you required to submit a PMP update to OCTA for this eligibility cycle? (Refer to Exhibit 3 for local agency PMP submittal schedule) If you are not required to submit a PMP update, check N/A.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	a. If yes, did you use the current PMP Certification form (Appendix F)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b. If yes, is the PMP consistent with the OCTA Countywide Pavement Management Program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	If you answered "no" or "n/a" to question 3, did you submit a PMP Update to OCTA through the previous eligibility cycle by June 30?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Appendix D: Eligibility Checklist

Responsibility: Cities, County

Jurisdiction:	
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Resolution of Master Plan of Arterial Highways (MPAH) Consistency		YES	NO	N/A
5.	Did you submit a resolution demonstrating consistency with the MPAH?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	a. <u>Has there been an update to the Circulation Element since the last report period? If yes, include a copy of the latest Circulation Element</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Have you enclosed a figure representing your most current circulation element?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Do you have a current Local Signal Synchronization Plan that is consistent with the Regional Traffic Signal Synchronization Master Plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Time Limits for Use of Net Revenues		YES	NO	N/A
8.	Has your jurisdiction observed the time limits for the use of net revenues over the last year per the requirements outlined in the ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	
	a. <u>If no, has a time extension been requested through the semi-annual review process for funds subject to expiration?</u>	<input type="checkbox"/>	<input type="checkbox"/>	

Supplanting of Developer Commitments		YES	NO	N/A
9.	Has your jurisdiction insured they have not supplanted developer commitments for transportation projects and funding with Measure M ₂ funds?	<input type="checkbox"/>	<input type="checkbox"/>	

Mitigation Fee Program		YES	NO	N/A
10.	Does your jurisdiction currently have a defined development impact mitigation fee program in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	a. If you answered yes to question 10, have you included a copy of your current impact fee schedule; or	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b. If you answered yes to question 10, have you provided OCTA with a copy of your mitigation fee nexus study; or	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	c. If you answered yes to question 10, have you included a copy of your council approved policy; or	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	d. If you answered yes to question 10, have you provided OCTA with a copy of your council resolution approving the mitigation fee program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	e. <u>Has an update to the mitigation fee program occurred since the last reporting period? If yes, please submit the appropriate documents listed in 10a through 10d.</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Appendix D: Eligibility Checklist

Responsibility: Cities, County

Jurisdiction:	
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Planning Strategies		YES	NO	N/A
11.	Does your jurisdiction consider as part of its General Plan, land use planning strategies that accommodate transit and non-motorized transportation?	<input type="checkbox"/>	<input type="checkbox"/>	
12.	Have you provided a letter identifying land use planning strategies that accommodate transit and non-motorized transportation consideration in the general plan?	<input type="checkbox"/>	<input type="checkbox"/>	

Traffic Forums		YES	NO	N/A
13.	Did representatives of your jurisdiction participate in the regional traffic forum(s)?	<input type="checkbox"/>	<input type="checkbox"/>	
	a. If you answered yes, provide date of attendance: _____			

Congestion Management Program		YES	NO	N/A
14.	Has your jurisdiction completed the required CMP checklist? (Appendix C)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Submitted by:

Name (Print)

Signature

Title

Jurisdiction

Date

Contact E-mail

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Appendix E: Resolution for Mitigation Fee and Master Plan of Arterial Highways

Appendix E can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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[RESOLUTION FOR MPAH CONSISTENCY AND MITIGATION FEE PROGRAM]

A RESOLUTION OF THE CITY COUNCIL/BOARD OF SUPERVISORS OF THE CITY/COUNTY OF _____
_____ CONCERNING THE STATUS OF THE CIRCULATION ELEMENT AND MITIGATION FEE
PROGRAM FOR THE MEASURE M (M2) PROGRAM

WHEREAS, the City/County of _____ desires to maintain and
improve the streets within its jurisdiction, including those arterials contained in the Master Plan of Arterial
Highways (MPAH) and

WHEREAS, the City/County of _____ has endorsed a definition of
and process for, determining consistency of the City's/County's Traffic Circulation Plan with the MPAH,
and

WHEREAS, the City/County has adopted a General Plan Circulation Element which does not
preclude implementation of the MPAH within its jurisdiction, and

WHEREAS, the City/County is required to adopt a resolution biennially informing the Orange
County Transportation Authority (OCTA) that the City/County's Circulation Element is in conformance
with the MPAH and whether any changes to any arterial highways of said Circulation Element have been
adopted by the City/County during Fiscal Years (FY) 20XX-XX and FY 20XX-XX, and

WHEREAS, the City/County is required to send biennially to the OCTA all recommended changes
to the City/County Circulation Element and the MPAH for the purposes of re-qualifying for participation
in the Comprehensive Transportation Funding Program, and

WHEREAS, the City/County is required to adopt a resolution biennially to adopt a Mitigation Fee
Program, and

NOW, THEREFORE, BE IT RESOLVED that the City/Board of Supervisors for County of _____
_____, does hereby inform OCTA that:

- a) The arterial highway portion of the City/County Circulation Element of the City/County is
in conformance with the MPAH.
- b) The City/County attests that no unilateral reduction in through lanes has been made on
any MPAH arterials during the FY Fiscal Years-20XX-XX and FY 20XX-XX.
- c) The City/County has adopted a uniform setback ordinance providing for the preservation
of rights-of-way consistent with the MPAH arterial highway classification.
- d) The City/County has adopted provisions for the limitation of access to arterial highways
in order to protect the integrity of the system.
- e) The City/County reaffirms that Council concurs with the existing Mitigation Fee Program

PASSED, APPROVED AND ADOPTED THIS [Insert Day] day of [Insert Month], [Insert Year].

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Appendix F: Pavement Management Plan Certification & Agency Submittal Checklist

Appendix F can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Appendix F: Pavement Management Plan Certification

The City/County of _____ certifies that it has a Pavement Management Plan in conformance with the criteria stated in the Orange County Transportation Authority Ordinance No.3. This ordinance requires that the Pavement Management Plan be in place and maintained to qualify for allocation of revenues generated from renewed Measure M (M2).

The plan was developed by _____ * using _____ , a pavement management system, conforming to American Society for Testing and Materials (ASTM) Standard D6433, and contains, at a minimum, the following elements:

- Inventory of MPAH and local routes reviewed and updated biennially. The last update of the inventory was completed on _____ , _____ for Arterial (MPAH) streets and _____ , _____ for local streets.
- Assessment of pavement condition for all routes in the system, updated biennially. The last field review of pavement condition was completed _____ , _____.
- Percentage of all sections of pavement needing:
Preventive Maintenance _____ , Rehabilitation _____ , Reconstruction _____
- Budget needs for preventative maintenance, rehabilitation and/or reconstruction of deficient sections of pavement for:
Current biennial period \$ _____ , Following biennial period \$ _____
- Funds budgeted or available for Preventative Maintenance, Rehabilitation and/or Reconstruction.
Current biennial period \$ _____ , Following biennial period \$ _____
- Backlog by year of unfunded pavement rehabilitation, restoration, and reconstruction needs.
- The Pavement Management Plan is consistent with countywide pavement condition assessment standards as described in the OCTA Countywide Pavement Management Plan Guidelines adopt by the OCTA Board of Directors.

* An electronic copy of the Pavement Management Plan with Micro Paver or StreetSaver compatible files has been or will be submitted with the certification statement.

A copy of this certification is being provided to the Orange County Transportation Authority.

Submitted by:

Name (Print)

Jurisdiction

Signed

Date

Title

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Pavement Management Plan Agency Submittal Checklist

A Pavement Management Plan (PMP) is a plan to manage the preservation, rehabilitation, and maintenance of paved roads by analyzing pavement life cycles, assessing overall system performance costs, and determining alternative strategies and costs necessary to improve paved roads. Local agencies are required to update their PMP on a biennial basis. MicroPAVER or StreetSaver will be used for countrywide consistency. The software must be consistent with American Standard for Testing and Materials (ASTM) Standard D6433. Local agencies are required to submit a PMP unbound "hard copy" including: (See Chapter 3)

Local agencies must submit the following to OCTA:		Page(s) in PMP	Submitted
PMP Agency Submittal Checklist (See Appendix A)			<input type="checkbox"/>
PMP certification (See Appendix B)			<input type="checkbox"/>
QA/QC plan (See Appendix C and Section 2.4)			<input type="checkbox"/>
Pavement management data files in a form useable by OCTA (See Section 2.8)			<input type="checkbox"/>
Average (weighted by area) Pavement Condition Index for:			
i.	Entire pavement network		<input type="checkbox"/>
ii.	Master Plan of Arterial Highways (MPAH) roadways		<input type="checkbox"/>
iii.	Local streets		<input type="checkbox"/>
Projected PCI under existing funding levels over the next seven years for:			
i.	Entire pavement network		<input type="checkbox"/>
ii.	MPAH roadways		<input type="checkbox"/>
iii.	Local streets		<input type="checkbox"/>
Seven-year plan for road maintenance and rehabilitation based on current and projected budget, identifying street sections selected for treatment. Specific data to be submitted are:			
i.	Street name		<input type="checkbox"/>
ii.	Limits of work		<input type="checkbox"/>
iii.	Lengths, widths		<input type="checkbox"/>
iv.	Pavement Areas:		
1.	Each street		<input type="checkbox"/>
2.	Total area for local streets		<input type="checkbox"/>
3.	Total area for MPAH roadways		<input type="checkbox"/>
4.	Total area for entire public streets network		<input type="checkbox"/>
v.	Functional classification (i.e. MPAH or local street)		<input type="checkbox"/>
vi.	PCI and most recent date of inspection (See Section 2.2)		<input type="checkbox"/>
vii.	Type of treatment		<input type="checkbox"/>
viii.	Cost of treatment		<input type="checkbox"/>
ix.	Year of treatment		<input type="checkbox"/>
Alternative funding levels required to:			
i.	Maintain existing average network PCI		<input type="checkbox"/>
ii.	To improve average network PCI		<input type="checkbox"/>
Backlog by year of unfunded pavement rehabilitation, restoration, reconstruction, and maintenance needs.			<input type="checkbox"/>
Centerline mileage for MPAH, local streets, and total network.			<input type="checkbox"/>
Percentage of total network in each of the five condition categories based on centerline miles.			<input type="checkbox"/>

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Appendix G: M2 Expenditure Report Template, Instructions & Resolution

Appendix G can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Measure M2 Expenditure Report Template

Schedule 1: Summary Statement of Beginning and Ending Balances

Lines 1 – 7: Balances at Beginning of Fiscal Year

Report all fund balances intended for transportation purposes at the beginning of the fiscal year. These balances should be classified by funding source (e.g. Measure M2 {M2} fair share, M2 competitive, and transit). To provide for continuity of reporting, the beginning balances of any restricted funds must be in agreement with the ending balances of such funds as shown in the prior year's report.

Line 8: Balances at Beginning of Fiscal Year - TOTAL

Sum Lines 1 – 7

Line 9: Monies Made Available During Fiscal Year

Report total available monies (revenues) from Schedule 2, Line 8

Line 10: Total Monies Available

Sum Lines 8-9

Line 11: Expenditures During Fiscal Year

Report total available monies (revenues) from Schedule 2, Line 16

Lines 12-18: Balances at End of Fiscal Year

Report by funding source all fund balances for transportation purposes at the end of the fiscal year. To provide for continuity of reporting, the beginning balances of the fund sources in next year's report must be in agreement with the ending balances of such funds as shown in this year's report (or otherwise reconciled).

City/County of: _____

Schedule 1

**M2 Expenditure Report
Fiscal Year Ended June 30, 20__
Beginning and Ending Balances**

Description	Line No.	Amount
Balances at Beginning of Fiscal Year		
M2 Fair Share	1	
M2 Fair Share Interest	2	
M2 CTFP	3	
M2 CTFP Interest	4	
Other M2 Funding	5	
Other M2 Interest	6	
Other*	7	
Balances at Beginning of the Fiscal Year (Sum Lines 1 to 7)	8	
Monies Made Available During Fiscal Year	9	
Total Monies Available (Sum Lines 8 & 9)	10	
Expenditures During Fiscal Year	11	
Balances at End of Fiscal Year		
M2 Fair Share	12	
M2 Fair Share Interest	13	
M2 CTFP	14	
M2 CTFP Interest	15	
Other M2 Funding	16	
Other M2 Interest	17	
Other*	18	

* Please provide a specific description

CTFP – Comprehensive Transportation Funding Programs

Measure M2 Expenditure Report Template Instructions

Schedule 2: Summary Statement of Sources and Uses

Lines 1-7: Report the Following Revenue Sources on the Appropriate Line

- **M2 Fair Share**
- **M2 Fair Share Interest**
- **M2 CTFP** – Comprehensive Transportation Funding Program
- **M2 CTFP Interest** - Comprehensive Transportation Funding Program (Negative interest is not allowable)
- **Other M2** – Includes Go Local, Senior Mobility Program, Transit, Water Quality, Grade Separations, Regional Gateways to High-Speed Rail
- **Other M2 Interest** - Includes Go Local, Senior Mobility Program, Transit, Water Quality, Grade Separation, Regional Gateways to High-Speed Rail
- **Other** – Please provide description for other categories

Line 8: Total Revenues

Sum Lines 1-7 (Should match Total in Schedule 1, Line 9)

Lines 9-15: Report the Following Expenditures on the Appropriate Line

- **M2 Fair Share**
- **M2 Fair Share Interest**
- **M2 CTFP** – Comprehensive Transportation Funding Program
- **M2 CTFP Interest** - Comprehensive Transportation Funding Program (Negative interest is not allowable)
- **Other M2** – Includes Go Local, Senior Mobility Program, Transit, Water Quality, Grade Separation, Regional Gateways to High-Speed Rail
- **Other M2 Interest** - Includes Go Local, Senior Mobility Program, Transit, Water Quality, Grade Separation, Regional Gateways to High-Speed Rail
- **Other** – Please provide description for other categories

Line 16: Total Expenditures

Sum Lines 9-15 (Should match Total in Schedule 1, Line 11)

Line 17: Total Balance

Subtract Line 16 from Line 8

City/County of: _____

Schedule 2

M2 Expenditure Report
Fiscal Year Ended June 30, 20____
Sources and Uses

Description	Line No.	Amount
Revenues:		
M2 Fair Share	1	
M2 Fair Share Interest	2	
M2 CTFP (Project O)	3	
M2 CTFP Interest	4	
Other M2 Funding**	5	
Other M2 Interest	6	
Other*	7	
TOTAL REVENUES: (Sum Lines 1 to 7)	8	\$
Expenditures:		
M2 Fair Share	9	
M2 Fair Share Interest	10	
M2 CTFP (Project O)	11	
M2 CTFP Interest	12	
Other M2 Funding**	13	
Other M2 Interest	14	
Other*	15	
TOTAL EXPENDITURES: (Sum Lines 9 to 15)	16	\$
TOTAL BALANCE (Subtract line 16 from 8)	17	\$

* Please provide a specific description

** Please provide breakdown of "Other M2 Funding". Other M2 Funding includes funding received and/or funds expended by Local Agencies from any other M2 program besides Project O (Regional Capacity Program) and Project Q (Local Fair Share Program).

Revenues				
Project Description	Project	Amount	Interest	Total
Freeway Environmental Mitigation	A-M	\$	\$	\$
Regional Traffic Signal Synchronization Program	P	\$	\$	\$
High Frequency Metrolink Service	R	\$	\$	\$
Transit Extensions to Metrolink	S	\$	\$	\$
Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	T	\$	\$	\$
Senior Mobility Program or Senior Non-Emergency Medical Program	U	\$	\$	\$
Community Based Transit/Circulators	V	\$	\$	\$
Safe Transit Stops	W	\$	\$	\$
Water Quality Program	X	\$	\$	\$
Total:		\$	\$	\$

Expenditures				
Project Description	Project	Amount	Interest	Total
Freeway Environmental Mitigation	A-M	\$	\$	\$
Regional Traffic Signal Synchronization Program	P	\$	\$	\$
High Frequency Metrolink Service	R	\$	\$	\$
Transit Extensions to Metrolink	S	\$	\$	\$
Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	T	\$	\$	\$
Senior Mobility Program or Senior Non-Emergency Medical Program	U	\$	\$	\$
Community Based Transit/Circulators	V	\$	\$	\$
Safe Transit Stops	W	\$	\$	\$
Water Quality Program	X	\$	\$	\$
Total:		\$	\$	\$

Measure M2 Expenditure Report Template Instructions

Schedule 3: Summary Statement of Detailed Use of Funds

Line 1: Administration (Indirect & Overhead)

This line covers transportation-related local agency costs that are identified with a project and are not included as direct charges. The costs listed in this line item represent an equitable share of expenditures for the supervision and management of streets and roads activities not directly allocated to right-of-way, construction, or other categories listed below. This includes, but is not limited to, salaries of project management and support staff.

Lines 2-7: Construction

Construction expenditures include the following:

- Projects developing new streets, bridges, lighting facilities, storm drains, etc., in locations that formerly had no such facilities, or projects departing to such an extent from existing alignment and grade that no material salvage value is realized from the old facilities.
- Additions and betterments to the street system and its rights-of-way, including grade separations and urban extensions.
- Any work that materially increases the service life of the original project.
- Resurfacing to a thickness greater than one inch.
- Resurfacing to a thickness less than one inch if the project has been certified by a lead agency as construction.
- Construction of traffic islands and other traffic safety devices.
- Transit facilities including, but not limited to, bus stops, shelters, and maintenance facilities.
- Streetscape including original landscaping, tree planting, and similar work.
- Acquisition and installation of street lighting facilities, traffic signals, and/or street signs (only when such signs are installed in connection with developing new streets).
- Planning, environmental, or design related to construction.
- Salaries and expenses of employees in connection with construction (direct costs).

Line 8: Total Construction

Sum Lines 2-7

Line 9: Right-of-Way Acquisition

Right-of-way expenditures include the following:

- The acquisition of land or interest for use as a right-of-way in connection with the city's street system; the amount reported should include the cost of acquisition of any improvements situated on the real property at the date of its acquisition by the city.
- The cost of removing, demolishing, moving, resetting, and altering buildings or other structures that obstruct the right-of-way.
- The court costs of condemnation proceedings.
- Title searches and reports.
- Salaries and expenses of employees and right-of-way agents in connection with the acquisition of rights-of-way (direct costs).
- Severance damage to property sustained by reason of the city's street projects.
- All other costs of acquiring rights-of-way free and clear of all physical obstructions and legal encumbrances.

Line 10: Total Construction and Right-of-Way

Sum Lines 8-9

Line 11-15: Maintenance / Operations

Maintenance expenditures include the following:

- The preservation and keeping of rights-of-way, street structures, and facilities in the safe and usable condition, to which they have been improved or constructed, but not reconstruction or other improvements.
- General utility services such as roadside planting, tree trimming, street cleaning, snow removal, and general weed control.
- Repairs or other work necessitated by damage to street structures or facilities resulting from storms, slides, settlements, or other causes unless it has been determined by the city engineer that such work is properly classified as construction.
- Maintenance of traffic signal equipment, coordination and timing on the city streets, as well as the city's share of such expenditures covering traffic signals situated at intersections of city streets and state highways within the incorporated area of the city.
- Salaries and expenses of employees in connection with maintenance and/or operations (direct costs).

Line 16: Total Maintenance

Sum Lines 11-15

Line 17: Other

Please provide description for other categories. Example: transit, Senior Mobility Program, water quality, transit operations such as vehicle leases and other related operating expenses, etc.

Line 18: Grand Totals

Sum Lines 1, 10, 16, and 17

City/County of: _____

Schedule 3

**M2 Expenditure Report
Fiscal Year Ended June 30, 20____
Streets and Roads Detailed Use of Funds**

Type of Expenditure	Line Item	*MOE	+ Developer/ Impact Fee	M2 Fair Share	M2 Fair Share Interest	M2 CTFP	M2 CTFP Interest	Other M2	Other M2 Interest	Other	TOTAL
Administration (Indirect & Overhead)	1										\$
Construction & Right-of-Way											
New Street Construction	2										\$
Street Reconstruction	3										\$
Signals, Safety Devices, & Street Lights	4										\$
Pedestrian Ways & Bike_paths	5										\$
Storm Drains	6										\$
Storm Damage	7										\$
Total Construction¹	8										\$
Right of Way Acquisition	9										\$
Total Construction & Right-of-Way	10										\$
Maintenance											
Patching	11										\$
Overlay & Sealing	12										\$
Street Lights & Traffic Signals	13										\$
Storm Damage	14										\$
Other Street Purpose Maintenance	15										\$
Total Maintenance¹	16										\$
Other	17										\$
GRAND TOTALS (Sum Lines 1, 10, 16, 17)	18	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

* Local funds used to satisfy maintenance of effort (MOE) requirements

+ Transportation related only

¹ Includes direct charges for staff time

Measure M2 Expenditure Report Template Instructions

Schedule 4: Summary Statement of Fair Share Project List

List the project titles and brief description (maximum of two sentences) for all projects that utilized any portion of Measure M (M2) local fair_share funding. Please include the total amount of fair share funds **only** that were expended.

City/County of: _____

Schedule 4

M2 Expenditure Report
Fiscal Year Ended June 30, 20__
Fair Share Project List

[illegible]

City/County of: _____

Signature Page

**M2 Expenditure Report
Fiscal Year Ended June 30, 20____**

I certify that the interest earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for those purposes for which the Net Revenues were allocated and all the information attached herein is true and accurate to the best of my knowledge:

Direct of Finance (Print Name)

Date

Signature

[EXPENDITURE REPORT RESOLUTION]

A RESOLUTION OF THE CITY COUNCIL/BOARD OF SUPERVISORS OF THE
CITY/COUNTY OF CONCERNING THE MEASURE M2 EXPENDITURE REPORT FOR THE
CITY/COUNTY OF _____.

WHEREAS, Local Transportation Authority Ordinance No. 3 requires local jurisdictions to adopt an annual Expenditure Report to account for Net Revenues, developer/traffic impact fees, and funds expended by local jurisdiction that satisfy the Maintenance of Effort requirements; and

WHEREAS, the Expenditure Report shall include all Net Revenue fund balances, interest earned and expenditures identified by type and program or project; and

WHEREAS, the Expenditure Report must be adopted and submitted to the Orange County Transportation Authority each year within six months of the end of the local jurisdiction's fiscal year to be eligible to receive Net Revenues as part of Measure M2.

NOW, THEREFORE, BE IT RESOLVED that the City/County of _____, does hereby inform OCTA that:

- a) The M2 Expenditure Report is in conformance with the M2 Expenditure Report Template provided in the Measure M2 Eligibility Guidelines and accounts for Net Revenues including interest earned, expenditures during the fiscal year and balances at the end of fiscal year.
- b) The M2 Expenditure Report is hereby adopted by the City/County of _____.
- c) The City/County of _____ Finance Director is hereby authorized to sign and submit the Measure M2 Expenditure Report to OCTA for the fiscal year ending _____.

PASSED, APPROVED AND ADOPTED on the _____ day of _____, 20165.

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Appendix H: Arterial Highway Mileage Change Report

Appendix H can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Appendix I: Maintenance of Effort Reporting Form

Appendix I can be found on the Eligibility Website:

<http://www.octa.net/Projects-and-Programs/Plans-and-Studies/Funding-Programs/Eligibility/>

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Appendix I: Maintenance of Effort Reporting Form

Jurisdiction: _____

Type of GENERAL FUND Transportation Expenditures:

Please attach supporting budget documentation for each line item listed below.

MAINTENANCE	Total Expenditure
Subtotal Maintenance	\$

CONSTRUCTION	Total Expenditure
Subtotal Construction	\$

ADMINISTRATIVE/OTHER	Total Expenditure
Subtotal Administration/Other	\$

Total General Fund Transportation Expenditures	\$
(Less Total MOE Exclusions*)	\$
MOE Expenditures	\$

MOE Benchmark Requirement \$

(Shortfall)/Surplus \$

Certification:

I hereby certify that the City/County of _____ has budgeted and will meet the Maintenance of Effort requirement for Fiscal Year _____.

Finance Director Signature
(Finance Director)

Title Finance Director
(Print Name)

Date

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Appendix J: Acronyms

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Appendix J: Acronyms

AHRP	–	Arterial Highway Rehabilitation Program
CCI	–	Construction Cost Index
CEQA	–	California Environmental Quality Act
CFD	–	Community Facilities District
CIP	–	Capital Improvement Program
CMP	–	Congestion Management Program
COG	–	Citizen's Oversight Committee
CTFP	–	<u>Combined Comprehensive</u> Transportation Funding Programs
GMA	–	Growth Management Area
GME	–	Growth Management Element
GMP	–	Growth Management Program
ITS	–	Intelligent Transportation Systems
LAFCO	–	Local Agency Formation Commission
LOS	–	Level of Service
<u>LSSP</u>	–	<u>Local Signal Synchronization Plan</u>
LTA	–	Local Transportation Authority
MOE	–	Maintenance of Effort
MPAH	–	Master Plan of Arterial Highways
OCCOG	–	Orange County Council of Governments
PCI	–	Pavement Condition Index
PMP	–	Pavement Management Plan
RCP	–	Regional Capacity Program
RTSSMP	–	Regional Traffic Signal Synchronization Master Plan
SCAQMD	–	South Coast Air Quality Management District
TAC	–	Technical Advisory Committee
TDM	–	Traffic Demand Model <u>Management</u>
TOC	–	Taxpayer Oversight Committee
TSC	–	Technical Steering Committee

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ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee Measure M Annual Public
Hearing Results and Compliance Findings**

Staff Report



April 25, 2016

To: Members of the Board of Directors

From: Darrell Johnson, Chief Executive Officer

Subject: Taxpayer Oversight Committee Measure M Annual Public Hearing Results and Compliance Findings

Overview

Measure M, Orange County's one-half cent sales tax for transportation, passed in 1990 and renewed in 2006, calls for an independent committee to ensure compliance with the Ordinance. As required by the Measure M Ordinance, the Taxpayer Oversight Committee conducted the 25th Measure M Annual Public Hearing on April 12, 2016. The Taxpayer Oversight Committee found the Orange County Local Transportation Authority has proceeded in accordance with Measure M Ordinances No. 2 and No. 3 during 2015.

Recommendation

Receive and file as an information item.

Background

The Measure M Taxpayer Oversight Committee (TOC) is required by the Measure M Ordinances. The TOC is an independent committee representing all five supervisorial districts in Orange County. The TOC is responsible for ensuring the transportation projects in Measure M are implemented according to the expenditure plan approved by the voters in 1990 and the investment plan approved by the voters in 2006. The TOC meets bimonthly to review progress on the implementation of Measure M.

Annually, the TOC is required to hold a public hearing to receive comments from citizens regarding Measure M as part of its oversight effort to determine whether the Orange County Transportation Authority (OCTA), acting as the Orange County Local Transportation Authority (OCLTA), is proceeding in accordance with the Measure M (M1) Countywide Traffic Improvement and Growth Management Plan and the Renewed Measure M (M2) Transportation Ordinance and Investment Plan.

The results of the hearing and the findings of the TOC are transmitted to the OCTA Board of Directors annually. The TOC has consistently found OCTA in compliance for the past 24 years.

Discussion

The 25th Measure M Annual Public Hearing took place on April 12, 2016. The hearing was publicized through news releases, public notices, and posted on OCTA's social media sites.

Following the public hearing and review of the annual financial audit of OCLTA and all other information the committee members have been provided to date, the TOC made the determination at its April 12, 2016 meeting that during 2015, OCTA has proceeded in accordance with the M1 Countywide Traffic Improvement and Growth Management Plan and the M2 Transportation Ordinance and Investment Plan. Eric Woolery, Chair of the TOC, prepared an official letter stating its findings (Attachment A).

Additionally, in accordance with M1 Ordinance No. 2, Section 12, Paragraph B.3, Chair Woolery certified that the expenditures from the trust fund, through the fiscal year ending June 30, 2015, have been spent on specific transportation needs identified in the M1 Expenditure Plan. Also, in accordance with M2 Ordinance No. 3, Section 10, Paragraph 3, Chair Woolery certified that the revenues, through fiscal year ending June 30, 2015, have been spent in compliance with the Ordinance.

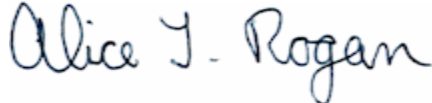
Summary

Subsequent to bimonthly meetings and the Measure M Annual Public Hearing on April 12, 2016, the TOC has determined that OCTA is proceeding in accordance with the M1 Countywide Traffic Improvement and Growth Management Plan and the M2 Transportation Ordinance and Investment Plan.

Attachment

- A. Memo to Lori Donchak, Chair, Board of Directors, Orange County Transportation Authority, from Eric Woolery, Chair, Measure M Taxpayer Oversight Committee, dated April 12, 2016, 25th Annual Measure M Public Hearing

Prepared by:



Alice T. Rogan
Manager, Public Outreach Manager
714-560-5577

Approved by:



Ellen S. Burton
Executive Director, External Affairs
714-560-5923



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee Measure M Annual Public
Hearing Results and Compliance Findings**

Attachment A



Measure M Taxpayer Oversight Committee



April 12, 2016

To: Lori Donchak, Chair
Board of Directors
Orange County Transportation Authority

From: Taxpayer Oversight Committee

Subject: 25th Annual Measure M Public Hearing

In accordance with both Policy Resolution No. 1 "Citizens Oversight Committee," and Attachment C "Taxpayer Oversight Committee," the Taxpayer Oversight Committee (TOC) is required to conduct an annual public hearing to determine whether the Orange County Transportation Authority (Authority) is proceeding in accordance with the Measure M (M1) Countywide Traffic Improvement and Growth Management Plan and the Renewed Measure M (M2) Transportation Ordinance and Investment Plan.

The TOC conducted the annual public hearing on April 12, 2016. No items were presented at the hearing to indicate that the Authority was not proceeding in accordance with the M1 and the M2 Plans during 2015.

Based upon the above-mentioned hearing, 2014/15 Local Transportation Authority (LTA) financial audit results and all other information the TOC has to date, the TOC hereby finds the Authority is proceeding in accordance with both the M1 and the M2 Plans.

Also, in accordance with Ordinance No. 2, Section 12, Paragraph B.3, I certify that the expenditures from the trust fund, through fiscal year ending June 30, 2015, have been spent on specific transportation purposes identified in the M1 Expenditure Plan. In addition, in accordance with Ordinance No. 3, Section 10, Paragraph 2, I certify that the M2 revenues, through fiscal year ending June 30, 2015, have been spent in compliance with the M2 Transportation Ordinance and Investment Plan.

Sincerely,

A handwritten signature in blue ink, reading "Eric Woolery".

Eric Woolery, Chair
Measure M Taxpayer Oversight Committee
Orange County Auditor-Controller



COMMITTEE TRANSMITTAL

May 9, 2016

To: Members of the Board of Directors

From:  Laurena Weinert, Clerk of the Board

Subject: Capital Programs Division - Third Quarter Fiscal Year 2015-16
Capital Action Plan Performance Metrics

Executive Committee Meeting of May 2, 2016

Present: Chair Donchak, and Directors Murray, Nelson, and Ury

Absent: Vice Chairman Hennessey, and Directors Lalloway and Spitzer

Committee Vote

Following the discussion, no action was taken on this receive and file information item.

Staff Recommendation

Receive and file as an information item.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Capital Programs Division - Third Quarter Fiscal Year 2015-
16 Capital Action Plan Performance Metrics**

Staff Report



May 2, 2016

To: Executive Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Capital Programs Division - Third Quarter Fiscal Year 2015-16
Capital Action Plan Performance Metrics

Overview

The Orange County Transportation Authority's Strategic Plan key strategies and objectives to achieve the goals for Mobility and Stewardship include delivery of all Capital Action Plan projects on time and within budget. The Capital Action Plan is used to create a performance metric to assess capital project delivery progress on highway, grade separation, rail, and facility projects. This report provides an update on the Capital Action Plan delivery and performance metrics.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) Capital Programs Division is responsible for project development and delivery of highway, grade separation, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery commitments reflect defined project scope, costs, and schedules. Project delivery commitments shown in the Capital Action Plan (CAP) are key strategies and objectives to achieve the Strategic Plan goals for Mobility and Stewardship.

This report provides an update on the CAP performance metrics, which provides a fiscal year (FY) snapshot of the planned CAP project delivery milestones in the budgeted FY. The Capital Programs Division also provides Metrolink commuter rail ridership, revenue, and on-time performance reports and metrics in quarterly rail program updates.

Discussion

The Capital Programs Division objective is to deliver projects on schedule and within the approved project baseline cost. Key projects' cost and schedule commitments are captured in the CAP which is regularly updated with new projects and project status (Attachment A). The CAP is categorized into four key groupings of projects; freeway projects, grade separation projects, rail and station projects, and key facility projects. Simple milestones are used as performance indicators of progress in project delivery. The CAP performance metrics provide a FY snapshot of the milestones targeted for delivery in the budgeted FY, and provide both transparency and measurement of annual capital project delivery performance.

The CAP project cost represents the total cost of the project across all phases of project delivery, including support costs, and right-of-way (ROW) and construction capital costs. The established baseline cost is shown in comparison to either the actual or forecast cost. The baseline cost may be shown as to-be-determined (TBD) if project scoping studies or other project scoping documents have not been approved, and may be updated as project delivery progresses and milestones are achieved. Actual or forecast costs represent the estimated total project cost across all project delivery phases. Measure M2 (M2) projects are identified with the corresponding project letter and the M2 logo. The CAP update is also included in the M2 Quarterly Report.

The CAP summarizes the very complex capital project critical path delivery schedules into eight key milestones.

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.

Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for bids.
Award Contract	The date the construction contract is awarded.
Construction Complete	The date all construction work is completed, and the project is open to public use.

These delivery milestones reflect progression across the project delivery phases shown below.



Project schedules reflect the approved milestone dates in comparison to the forecast or actual milestone dates. Milestone dates may be shown as TBD if project scoping or approval documents have not been finalized and approved, or if the delivery schedule has not been negotiated with the agency or consultant implementing the specific phase of a project. Planned milestone dates can be revised to reflect new dates from approved baseline schedule changes. Actual dates will be updated when milestones are achieved, and forecast dates will be updated to reflect project delivery status.

CAP third quarter FY 2015-16 milestones achieved include:

Freeway Projects

- Environmental clearance was completed and the project report was approved for the addition of an auxiliary lane on southbound Interstate 405 (I-405) from State Route 133 to University Drive.
- Final design was completed for the Interstate 5 (I-5) high-occupancy vehicle (HOV) lane continuous access striping conversion. Unfortunately, funding for the construction phase of the project has been proposed to be

eliminated as part of the State Transportation Improvement Program (STIP) reductions targeted for approval by the California Transportation Commission (CTC) in May 2016. The final plans, specifications, and estimate will be shelved pending identification of funding to implement the project.

- The West County Connector replacement planting construction ready milestone was achieved.
- The construction ready and advertise construction milestones for the M2 I-405 Improvement Project design-build (DB) contract were achieved upon OCTA Board of Directors (Board) approval of the release of the final request for proposals (RFP) to the short-listed DB teams.
- The M2 I-5/State Route 74 Ortega Highway Interchange construction completion milestone was achieved.

Railroad Grade Separation Projects

- The Sand Canyon Avenue railroad grade separation construction was completed with the City of Irvine acceptance of all work in January 2016.

Rail and Station Projects

- Environmental clearance and preliminary engineering work on the Anaheim Canyon Metrolink Station improvements began. The scope of this project includes construction of a second main track and platform, lengthening the existing platform, improvements to pedestrian circulation, benches, and shade structures.
- Final design work on the OC Streetcar project began.

The following CAP milestones missed the planned delivery through the third quarter of FY 2015-16.

- The begin environmental milestone for the M2 State Route 57 (SR-57) northbound widening between Orangewood Avenue and Katella Avenue was missed. OCTA's consultant contract for the environmental document preparation and project report can be executed after the California Department of Transportation (Caltrans) provides approval of the federal funding obligation, anticipated in April 2016.

- The complete design milestone for the SR-57 widening landscaping replacement planting, from Orangethorpe Avenue to Lambert Avenue, was missed. OCTA's consultant continues to address final plan comments from Caltrans. Advertisement for construction is not planned until the fourth quarter of the current FY, and should the Governor's California drought state-of-emergency declaration continue, construction could be delayed until the drought emergency abates.
- The complete design milestone for the State Route 91 widening landscaping replacement planting, from SR-57 to I- 5, was missed. OCTA's consultant continues to address final plan comments from Caltrans. Advertisement for construction is not planned until the fourth quarter of the current FY, and this planting project may also be delayed until the drought emergency abates.
- The complete environmental, complete design, construction ready, and advertise construction milestones for the Orange Metrolink Station parking expansion were missed. OCTA staff is proposing to assume lead agency for the construction phase of the project. Staff continues to work closely with the City of Orange to address construction risks, final cost estimates, and funding needs for construction. In May 2016, OCTA staff will seek OCTA Board adoption of City of Orange California Environmental Quality Act (CEQA) findings, approval of additional funding and a construction cooperative agreement, and approval to release an RFP for construction management consultant services to construct the project.
- The advertise construction and the award contract milestones for the West County Connector replacement planting construction were missed. The contract is currently planned to proceed into construction; however, should the Governor's California drought state-of-emergency declaration continue, only the irrigation infrastructure will be installed, and the planting work will be suspended until the drought emergency abates.

Recap of Third Quarter FY 2015-16 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2015-16 reflects 34 major project delivery milestones planned to be accomplished in the FY. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the third quarter of FY 2015-16 (Attachment B). Twelve of the 21 milestones originally planned through the third quarter, two milestones planned in the fourth quarter, and two projects added to the performance metrics in the FY, were completed.

Risks and Look Ahead Project Concerns

As reported last quarter, the complete environmental milestone for the M2 State Route 55 widening between I-405 and I-5 continues to be delayed. Public review of the draft environmental documentation ended on January 22, 2016. The project alternatives include; Alternative 1 - additional auxiliary lanes and southbound general purpose (GP) lane, Alternative 2 - new GP lanes each direction, Alternative 3 - new GP lanes each direction and additional auxiliary lanes, and Alternative 4 - additional HOV lanes each direction and additional auxiliary lanes. Alternative 3 conforms to regional planning documents and delivers the M2 promise of an additional GP lane and auxiliary lanes, generally within the existing ROW. Discussions with Caltrans on the breadth and scope of alternatives studied are ongoing. This has delayed the project preferred alternative selection and finalization of the environmental document, as Caltrans is working to scope and produce a new alternative which constructs a second HOV lane and a new GP lane in each direction, without auxiliary lanes. There are a number of concerns with Caltrans' effort to develop a new alternative, including lack of funding to construct a second HOV lane, auxiliary lanes between on- and off-ramps as promised in M2 would not be constructed, and that additional ROW impacts would no longer be confined generally within the existing freeway ROW.

The begin environmental milestone for the SR-57 northbound truck climbing lane between Lambert Road and Tonner Canyon is at risk. Funding for the environmental phase work is proposed to be unfunded as part of the STIP reductions targeted for approval by the CTC in May 2016.

A supplemental construction capital and support funding allocation is required to complete construction of segment 3 of the I-5 HOV Improvement Project which adds HOV lanes in both directions of I-5 between Pacific Coast Highway and San Juan Creek Road. Construction of the project commenced on March 2, 2014, and is currently forecast to be completed in early 2018. On October 12, 2015, the OCTA Board approved \$5,800,000 supplemental construction capital and support funding due to unforeseen differing site conditions encountered by the contractor during construction of retaining wall (RW) 349. At that time, OCTA staff reported the final time impact of the construction contract change order for RW 349 had not yet been agreed to and could delay the original construction completion date into late 2017. Caltrans has completed a time-impact analysis of the schedule impacts from changes to RW 349 and has come to agreement with the contractor on the cost of associated time-related overhead. In addition, this agreed to time delay will require additional associated construction management costs for both Caltrans and OCTA's construction

management consultant. The supplemental funding request will be brought to the Board for consideration and approval in May 2016.

A federally-required cost estimate review (CER) will be conducted on the I-405 Improvement Project in late April 2016, and the results will be available May 2016. Staff anticipates cost increases of approximately ten to 12 percent to account for escalation for delays to date and for ROW and utility risk contingencies. Results of the CER will be presented to the Board when complete.

Staff are working with the City of Fullerton to assess costs to complete the Raymond Avenue and State College Avenue railroad grade separation projects. Construction contract change orders are rapidly depleting the construction contingency, and construction management costs are projected to exceed the available budget. Staff will continue to assess the budget and estimate to complete the projects and will return to the Board with needed recommendations.

Options to reconsider the planning and delivery processes related to the Anaheim Rapid Connection will be discussed with the Board in May 2016.

The City of Placentia continues to work on its request to include a mixed-use parking structure for both Metrolink station commuters and downtown Placentia business district in lieu of some of the originally planned Metrolink station surface parking. The proposed changes require additional design work which will impact the scope, cost, and schedule of the project. The CAP and performance metrics will be updated with new milestones upon OCTA Board approval of a cooperative agreement with the City of Placentia to address funding requirements and for OCTA to construct the project, anticipated in May 2016.

In May 2016, OCTA staff will be seeking OCTA Board approval on a number of actions to advance the Orange Transportation Center parking structure. These include adoption of the City of Orange CEQA findings, approval of a new construction cooperative agreement to fully fund and implement the project, and approval to release an RFP to procure a construction management consultant to manage the construction.

The Governor's California drought state-of-emergency declaration is still in place. All replacement planting projects that use potable water for irrigation may continue to be delayed moving to the construction phase, or may be suspended after the irrigation system infrastructure has been installed, thereby postponing the planting until the drought emergency abates.

Summary

Significant capital project delivery progress continues and is reflected in the CAP. The FY 2015-16 performance metrics will be used as a general project delivery performance indicator. Staff will continue to manage project costs, schedules, and risks across all project phases to meet project delivery commitments.

Attachments

- A. Capital Action Plan, Status Through March 2016
- B. Capital Programs Division, Fiscal Year 2015-16 Performance Metrics Status Through March 2016

Prepared by:



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ORANGE COUNTY TRANSPORTATION AUTHORITY

















**Capital Programs Division - Third Quarter Fiscal Year 2015-
16 Capital Action Plan Performance Metrics**

Attachment A

Capital Action Plan

Status Through March 2016















Updated: Apr 20, 2016

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
Freeway Projects:									
 I-5, Pico to Vista Hermosa	\$113.0	Jun-09	Dec-11	Jun-11	Oct-13	Feb-14	Oct-14	Dec-14	Aug-18
Project C	\$90.8	Jun-09	Oct-11	Jun-11	Oct-13	May-14	Sep-14	Dec-14	Aug-18
 I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Jun-11	Feb-13	Jun-13	Oct-13	Dec-13	Mar-17
Project C	\$71.5	Jun-09	Oct-11	Jun-11	May-13	Aug-13	Feb-14	Jun-14	Mar-17
 I-5, Pacific Coast Highway to San Juan Creek Road	\$70.7	Jun-09	Dec-11	Jun-11	Jan-13	May-13	Aug-13	Oct-13	Sep-16
Project C Cost/Schedule Risk	\$71.2	Jun-09	Oct-11	Jun-11	Jan-13	Apr-13	Aug-13	Dec-13	Apr-18
 I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Jan-09	Nov-11	Mar-12	Jun-12	Aug-12	Sep-15
Project D	\$79.3	Sep-05	Jun-09	Jan-09	Dec-11	Apr-12	Jun-12	Aug-12	Jan-16
 I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	Jan-14	Oct-14	Feb-15	Aug-15	Sep-15	Aug-16
 I-5, SR-73 to Oso Parkway	\$151.9	Sep-11	Jun-14	TBD	Jan-18	May-18	Aug-18	Dec-18	Apr-22
Project C & D	\$151.9	Oct-11	May-14	Mar-15	Jan-18	May-18	Aug-18	Dec-18	Apr-22
 I-5, Oso Parkway to Alicia Parkway	\$196.2	Sep-11	Jun-14	Nov-14	Jun-17	Dec-17	Feb-18	Jun-18	Mar-22
Project C & D	\$196.2	Oct-11	May-14	Nov-14	Jun-17	Dec-17	Feb-18	Jun-18	Mar-22
 I-5, Alicia Parkway to El Toro Road	\$133.6	Sep-11	Jun-14	Mar-15	Jun-18	Dec-18	Jan-19	May-19	Sep-22
Project C	\$133.6	Oct-11	May-14	Mar-15	Jun-18	Dec-18	Jan-19	May-19	Sep-22
 I-5, I-5/El Toro Road Interchange	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Aug-16	Jul-19	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, I-405 to SR-55	TBD	May-14	Aug-18	TBD	TBD	TBD	TBD	TBD	TBD
Project B	TBD	May-14	Aug-18	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, SR-55 to SR-57	\$37.1	Jul-11	Jun-13	Jun-15	Mar-17	Jul-17	Sep-17	Dec-17	Feb-20
Project A	\$36.9	Jun-11	Apr-15	Jun-15	Mar-17	Jul-17	Sep-17	Dec-17	Feb-20
 I-5, Continuous High-Occupancy Vehicle (HOV) Lane Access	\$6.0	Jul-11	Apr-15	Feb-12	May-16	Aug-16	Oct-16	Jan-17	Jan-18
Cost/Schedule Risk	\$6.0	Aug-11	Apr-15	Mar-12	Mar-16	May-16	Oct-16	Jan-17	Jul-17
 SR-55, I-405 to I-5	TBD	Feb-11	Nov-13	TBD	TBD	TBD	TBD	TBD	TBD
Project F Cost/Schedule Risk	\$274.6	May-11	Dec-16	Sep-17	Jul-20	Jan-21	Mar-21	May-21	May-24
 SR-55, I-5 to SR-91	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project F	TBD	Nov-16	May-19	TBD	TBD	TBD	TBD	TBD	TBD
 SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Apr-16	Apr-18	TBD	TBD	TBD	TBD	TBD	TBD
 SR-57 (NB), Katella Avenue to Lincoln Avenue	\$78.7	Apr-08	Jul-09	Jul-08	Nov-10	Mar-11	May-11	Aug-11	Sep-14
Project G	\$40.7	Apr-08	Nov-09	Aug-08	Dec-10	Apr-11	Jul-11	Oct-11	Apr-15

Capital Action Plan

Status Through March 2016

Updated: Apr 20, 2016

	Capital Projects	Cost	Schedule							
		Baseline/Forecast	Plan/Forecast							
		(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape) Project G Cost/Schedule Risk	N/A N/A	N/A N/A	N/A N/A	N/A May-09	N/A Jul-10	N/A Aug-16	N/A Oct-16	N/A Dec-16	N/A Jan-18
	SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard Project G	\$80.2 \$52.8	Aug-05 Aug-05	Dec-07 Dec-07	Feb-08 Feb-08	Dec-09 Jul-09	Apr-10 Dec-09	Jun-10 May-10	Oct-10 Oct-10	May-14 Nov-14
	SR-57 (NB), Yorba Linda Boulevard to Lambert Road Project G	\$79.3 \$54.7	Aug-05 Aug-05	Dec-07 Dec-07	Feb-08 Feb-08	Dec-09 Jul-09	Apr-10 Mar-10	Jun-10 May-10	Oct-10 Oct-10	Sep-14 May-14
	SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape) Project G Cost/Schedule Risk	N/A N/A	N/A N/A	N/A N/A	N/A Oct-14	N/A Aug-16	N/A Oct-16	N/A Dec-16	N/A Feb-17	N/A Mar-18
	SR-57 (NB), Lambert Road to Tonner Canyon Cost/Schedule Risk	TBD TBD	TBD Jul-16	TBD May-19	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
	SR-91 Westbound (WB), I-5 to SR-57 Project H	\$78.1 \$61.3	Jul-07 Jul-07	Apr-10 Jun-10	Oct-09 Mar-10	Feb-12 Apr-12	Jul-12 Aug-12	Aug-12 Oct-12	Nov-12 Jan-13	Apr-16 May-16
	SR-91 Westbound (WB), I-5 to SR-57 (Landscape) Project H Cost/Schedule Risk	N/A N/A	N/A N/A	N/A N/A	N/A Nov-14	N/A May-16	N/A Aug-16	N/A Oct-16	N/A Dec-16	N/A Dec-17
	SR-91, SR-57 to SR-55 Project I	TBD TBD	Jan-15 Jan-15	Oct-18 Oct-18	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
	SR-91 (WB), Tustin Interchange to SR-55 Project I	\$49.9 \$47.1	Jul-08 Jul-08	Jul-11 May-11	Jul-11 Jun-11	Mar-13 Feb-13	Jul-13 Apr-13	Aug-13 Jun-13	Oct-13 Oct-13	Jul-16 Jul-16
	SR-91, SR-55 to SR-241 Project J	\$128.4 \$79.6	Jul-07 Jul-07	Jul-09 Apr-09	Jun-09 Apr-09	Jan-11 Aug-10	Apr-11 Dec-10	Jun-11 Feb-11	Sep-11 May-11	Dec-12 Mar-13
	SR-91, SR-55 to SR-241 (Landscape) Project J	N/A N/A	N/A N/A	N/A N/A	N/A May-12	N/A Feb-13	N/A Apr-13	N/A Jul-13	N/A Oct-13	N/A Feb-15
	SR-91 Eastbound, SR-241 to SR-71 Project J	\$104.5 \$57.8	Mar-05 Mar-05	Dec-07 Dec-07	Jul-07 Jul-07	Dec-08 Dec-08	Mar-09 May-09	May-09 Jun-09	Jul-09 Aug-09	Nov-10 Jan-11
	SR-91/SR-241 Express Lanes Connector	TBD TBD	N/A Nov-13	N/A Mar-17	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
	I-405, I-5 to SR-55 Project L	TBD TBD	Dec-14 Dec-14	Jul-18 Jul-18	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
	I-405 Southbound, SR-133 to University Drive Project L	TBD \$13.4	Mar-15 Mar-15	Aug-16 Feb-16	TBD Jul-16	TBD Mar-17	TBD Jul-17	TBD Sep-17	TBD Nov-17	TBD Dec-18
	I-405, SR-55 to I-605 (Design-Build) Project K Cost/Schedule Risk	TBD \$1,791.0	Mar-09 Mar-09	Mar-13 May-15	Mar-14 Mar-14	Nov-15 Nov-15	Feb-16 Feb-16	Mar-16 Mar-16	Nov-16 Nov-16	Apr-23 Apr-23
	I-405/SR-22 HOV Connector	\$195.9 \$120.6	N/A N/A	N/A N/A	Sep-07 Sep-07	Sep-09 Jun-09	Mar-10 Sep-09	May-10 Feb-10	Aug-10 Jun-10	Aug-14 Mar-15

Capital Action Plan

Status Through March 2016

Updated: Apr 20, 2016

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
I-405/I-605 HOV Connector	\$260.4	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Oct-10	Jan-15
	\$172.4	N/A	N/A	Sep-07	Sep-09	Feb-10	May-10	Oct-10	Mar-15
I-405/SR-22/I-605 HOV Connector (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	Jun-08	May-09	Feb-16	May-16	Jul-16	Aug-17
I-605, I-605/Katella Interchange (Draft)	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project M	TBD	Jul-16	Jun-18	TBD	TBD	TBD	TBD	TBD	TBD
Grade Separation Projects:									
Sand Canyon Avenue Railroad Grade Separation	\$55.6	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	May-14
Project R	\$61.7	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	Jan-16
Raymond Avenue Railroad Grade Separation	\$77.2	Feb-09	Nov-09	Mar-10	Aug-12	Nov-12	Feb-13	May-13	Aug-18
Project O Cost/Schedule Risk	\$117.0	Feb-09	Nov-09	Mar-10	Dec-12	Jul-13	Oct-13	Feb-14	Aug-18
State College Boulevard Railroad Grade Separation (Fullerton)	\$73.6	Dec-08	Jan-11	Jul-06	Aug-12	Nov-12	Feb-13	May-13	May-18
Project O Cost/Schedule Risk	\$92.7	Dec-08	Apr-11	Jul-06	Feb-13	May-13	Sep-13	Feb-14	May-18
Placentia Avenue Railroad Grade Separation	\$78.2	Jan-01	May-01	Jan-09	Mar-10	May-10	Mar-11	Jun-11	Nov-14
Project O	\$62.2	Jan-01	May-01	Jan-09	Jun-10	Jan-11	Mar-11	Jul-11	Dec-14
Kraemer Boulevard Railroad Grade Separation	\$70.4	Jan-01	Sep-09	Jan-09	Jul-10	Jul-10	Apr-11	Aug-11	Oct-14
Project O	\$63.8	Jan-01	Sep-09	Feb-09	Jul-10	Jan-11	Jun-11	Sep-11	Dec-14
Orangethorpe Avenue Railroad Grade Separation	\$117.4	Jan-01	Sep-09	Feb-09	Dec-11	Dec-11	Feb-12	May-12	Sep-16
Project O	\$104.4	Jan-01	Sep-09	Feb-09	Oct-11	Apr-12	Sep-12	Jan-13	Sep-16
Tustin Avenue/Rose Drive Railroad Grade Separation	\$103.0	Jan-01	Sep-09	Feb-09	Dec-11	Mar-12	May-12	Aug-12	May-16
Project O	\$98.3	Jan-01	Sep-09	Feb-09	Jul-11	Jun-12	Oct-12	Feb-13	May-16
Lakeview Avenue Railroad Grade Separation	\$70.2	Jan-01	Sep-09	Feb-09	Oct-11	Oct-12	Feb-13	May-13	Mar-17
Project O	\$99.8	Jan-01	Sep-09	Feb-09	Jan-13	Apr-13	Sep-13	Nov-13	Mar-17
17th Street Railroad Grade Separation	TBD	Oct-14	Jun-16	TBD	TBD	TBD	TBD	TBD	TBD
Project R	TBD	Oct-14	Jul-16	TBD	TBD	TBD	TBD	TBD	TBD
Rail and Station Projects:									
Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
Project R	\$90.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
San Clemente Beach Trail Safety Enhancements	\$6.0	Sep-10	Jul-11	Feb-12	Apr-12	Apr-12	Jul-12	Oct-12	Jan-14
Project R	\$5.3	Sep-10	Jul-11	Feb-12	Jun-12	Jun-12	Oct-12	May-13	Mar-14
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	Mar-15	May-16	May-16	Aug-16	Dec-16	Jan-19
	\$25.3	Aug-11	Mar-14	Mar-15	Aug-16	Nov-16	Feb-17	May-17	Jul-19
Anaheim Rapid Connection	TBD	Jan-09	Oct-14	TBD	TBD	TBD	TBD	TBD	TBD
Project S Cost/Schedule Risk	TBD	Jan-09	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Capital Action Plan

Status Through March 2016

Updated: Apr 20, 2016

Capital Projects	Cost	Schedule							
	Baseline/Forecast	Plan/Forecast							
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
OC Streetcar	TBD	Aug-09	Mar-12	Feb-16	TBD	TBD	TBD	TBD	TBD
Project S	\$297.3	Aug-09	Mar-15	Feb-16	Jun-17	Sep-17	Nov-17	Mar-18	Jun-20
Placentia Metrolink Station and Parking Structure	TBD	Jan-03	May-07	Oct-08	Jan-11	TBD	TBD	TBD	TBD
Project R Cost/Schedule Risk	TBD	Jan-03	May-07	Oct-08	Feb-11	TBD	TBD	TBD	TBD
Anaheim Canyon Station	TBD	Jan-16	Dec-16	TBD	TBD	TBD	TBD	TBD	TBD
	\$21.0	Jan-16	Dec-16	Aug-17	Oct-18	Oct-18	Dec-18	Apr-19	Jul-20
Orange Station Parking Expansion	\$18.6	Dec-09	Dec-12	Nov-10	Apr-13	TBD	TBD	TBD	TBD
Cost/Schedule Risk	\$18.6	Dec-09	Apr-16	Nov-10	Apr-16	Apr-16	Jul-16	Nov-16	Feb-18
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Jan-12	Dec-13	Dec-13	Jun-14	Sep-14	Mar-17
	\$4.0	N/A	N/A	Jan-12	Dec-13	Dec-13	Aug-14	Apr-15	Mar-17
Laguna Niguel/Mission Viejo Station ADA Ramps	\$3.5	Jul-13	Jan-14	Jul-13	Aug-14	Aug-14	Sep-14	Jan-15	Apr-17
	\$4.6	Jul-13	Feb-14	Jul-13	Jul-15	Jul-15	Jul-15	Oct-15	Apr-17
Anaheim Regional Transportation Intermodal Center	\$227.4	Apr-09	Feb-11	Jun-09	Feb-12	Feb-12	May-12	Jul-12	Nov-14
Project R & T	\$230.4	Apr-09	Feb-12	Jun-09	May-12	May-12	May-12	Sep-12	Dec-14

Note: Costs associated with landscape projects are included in respective freeway projects.

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

Complete Environmental: The date environmental clearance and project approval is achieved.

Begin Design: The date final design work begins, or the date when a design-build contract begins.

Complete Design: The date final design work is 100 percent complete and approved.

Construction Ready: The date contract bid documents are ready for advertisement, including certification of right-of-way, all agreements executed, contract constraints are cleared.

Advertise for Construction: The date a construction contract is both funded and advertised for bids.

Award Contract: The date the construction contract is awarded.

Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

I-5 - Santa Ana Freeway (Interstate 5)

SR-73 - San Joaquin Freeway (State Route 73)

SR-55 - Costa Mesa Freeway (State Route 55)

SR-57 - Orange Freeway (State Route 57)

SR-91 - Riverside Freeway (State Route 91)

SR-133 - Laguna Freeway (State Route 133)

SR-22 - Garden Grove Freeway (State Route 22)

I-405 - San Diego Freeway (Interstate 405)

SR-241 - Foothill/Eastern Transportation Corridor (State Route 241)

I-605 - San Gabriel River Freeway (Interstate 605)

ADA - Americans with Disabilities Act



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Capital Programs Division - Third Quarter Fiscal Year 2015-
16 Capital Action Plan Performance Metrics**

Attachment B

Capital Programs Division

Fiscal Year 2015-16 Performance Metrics Status Through March 2016

Begin Environmental

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
SR-57 (Northbound), Orangewood Avenue to Katella Avenue			X						
Anaheim Canyon Metrolink Station			X			✓			
SR-55, I-5 to SR-91							X		
Total Forecast/Actual	0	0	2	0	0	1	1	0	3

Complete Environmental

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Orange Metrolink Station Parking Expansion					X				
I-405 Southbound, SR-133 to University Drive						✓			(added)
17th Street Railroad Grade Separation							X		
Total Forecast/Actual	0	0	0	0	1	1	1	0	2

Begin Design

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
OC Streetcar					X	✓			
Total Forecast/Actual	0	0	0	0	1	1	0	0	1

Complete Design

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Laguna Niguel/Mission Viejo Station ADA Ramps	X	✓							
I-405, SR-55 to I-605 (Design-Build)			X	✓					
I-5, Continuous HOV Lane Access						✓			(added)
SR-57 (Northbound), Orangethorpe Avenue to Lambert Road Landscape					X				
SR-91 (Westbound), I-5 to SR-57 Landscape					X				
Orange Metrolink Station Parking Expansion					X				
San Juan Capistrano Passing Siding							X		
Total Forecast/Actual	1	1	1	1	3	1	1	0	6

Construction Ready

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Laguna Niguel/Mission Viejo Station ADA Ramps	X	✓							
I-405/SR-22/I-605 HOV Connector Landscape			X			✓			
Orange Metrolink Station Parking Expansion					X				
SR-57 (Northbound), Katella Avenue to Lincoln Avenue Landscape							X		
SR-57 (Northbound), Orangethorpe Avenue to Lambert Road Landscape							X		
SR-91 (Westbound), I-5 to SR-57 Landscape							X		
I-405, SR-55 to I-605 (Design-Build)						✓	X		
San Juan Capistrano Passing Siding							X		
Total Forecast/Actual	1	1	1	0	1	2	5	0	8

Advertise Construction

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Laguna Niguel/Mission Viejo Station ADA Ramps	X	✓							
I-5/Ortega Highway Interchange Landscape		✓	X						
I-405/SR-22/I-605 HOV Connector Landscape					X				
Orange Metrolink Station Parking Expansion					X				
SR-57 (Northbound), Katella Avenue to Lincoln Avenue Landscape							X		
SR-57 (Northbound), Orangethorpe Avenue to Lambert Road Landscape							X		
I-405, SR-55 to I-605 (Design-Build)						✓	X		
Total Forecast/Actual	1	2	1	0	2	1	3	0	7

Capital Programs Division

Fiscal Year 2015-16 Performance Metrics Status Through March 2016

Award Contract

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Laguna Niguel/Mission Viejo Station ADA Ramps			X	✓					
I-5/Ortega Highway Interchange Landscape		✓			X				
I-405/SR-22/I-605 HOV Connector Landscape					X				
Orange Metrolink Station Parking Expansion							X		
Total Forecast/Actual	0	1	1	1	2	0	1	0	4

Complete Construction

Project Description	FY 16 Qtr 1		FY 16 Qtr 2		FY 16 Qtr 3		FY 16 Qtr 4		FY 16 Fcst
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	
Sand Canyon Avenue Railroad Grade Separation	X					✓			
I-5/Ortega Highway Interchange			X			✓			
Tustin Avenue/Rose Drive Railroad Grade Separation							X		
Total Forecast/Actual	1	0	1	0	0	2	1	0	3
Totals	4	5	7	2	10	9	13	0	34

Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

Complete Environmental: The date environmental clearance and project approval is achieved.

Begin Design: The date final design work begins or the date when a design-build contract begins.

Complete Design: The date final design work is 100 percent complete and approved.

Construction Ready: The date contract bid documents are ready for advertisement, right-of-way certified, all agreements executed, and contract constraints are cleared.

Advertise for Construction: The date a construction contract is both funded and advertised for bids.

Award Contract: The date the construction contract is awarded.

Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

I-5 - Santa Ana Freeway (Interstate 5)

SR-22 - Garden Grove Freeway (State Route 22)

SR-55 - Costa Mesa Freeway (State Route 55)

SR-57 - Orange Freeway (State Route 57)

SR-91 - Riverside Freeway (State Route 91)

SR-133 - Laguna Freeway (State Route 133)

I-605 - San Gabriel River Freeway (Interstate 605)

I-405 - San Diego Freeway (Interstate 405)

ADA - Americans with Disability Act

HOV - High-occupancy vehicle

X = milestone forecast in quarter

✓ = milestone accomplished in quarter



COMMITTEE TRANSMITTAL

May 9, 2016

To: Members of the Board of Directors

From: Laurena Weinert, Clerk of the Board

Subject: Measure M2 Eligibility Review Recommendations for
Fiscal Year 2014-15 Expenditure Reports

Regional Planning and Highways Committee Meeting of May 2, 2016

Present: Directors Bartlett, Do, Donchak, Nelson, and Ury

Absent: Directors Lalloway, Miller, and Spitzer

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Approve fiscal year 2014-15 expenditure reports and find 35 local agencies eligible to receive Measure M2 revenues for fiscal year 2015-16.



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Eligibility Review Recommendations for Fiscal
Year 2014-15 Expenditure Reports**

Staff Report



May 2, 2016

To: Regional Planning and Highways Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Measure M2 Eligibility Review Recommendations for Fiscal Year 2014-15 Expenditure Reports

Overview

Measure M2 requires all local agencies in Orange County to annually satisfy eligibility requirements in order to receive Measure M2 net revenues. Fiscal year 2014-15 expenditure reports and resolutions have been submitted by the local agencies, and reviewed and approved by the Taxpayer Oversight Committee. Recommendations are presented to the Board of Directors for eligibility determination.

Recommendation

Approve fiscal year 2014-15 expenditure reports and find 35 local agencies eligible to receive Measure M2 revenues for fiscal year 2015-16.

Background

The Measure M2 (M2) Ordinance requires local jurisdictions to meet 13 eligibility requirements, including the adoption of an annual expenditure report that accounts for M2 net revenues, developer/traffic impact fees, and funds expended that satisfy maintenance of effort requirements.

Local agencies are required to annually submit expenditure reports within six months of the close of each local agency's fiscal year (FY). This allows the local agencies to finalize the certified annual financial reports and use this information to submit the M2 Expenditure Report.

The Taxpayer Oversight Committee (TOC) reviews specific eligibility requirements and designates the annual eligibility review (AER) subcommittee to review eligibility components, including local agencies' expenditure reports.

Discussion

The AER subcommittee convened on March 29, 2016, to review the expenditure reports and resolutions. During the AER subcommittee review, it was observed that some local agencies included higher levels of administrative effort in their reported maintenance of effort. Staff determined that some operational expenses were classified as administrative costs. The AER subcommittee recommended that Orange County Transportation Authority (OCTA) staff communicate the concerns of the Taxpayer Oversight Committee regarding administrative costs during upcoming workshops with local agencies. OCTA conducts annual workshops to provide guidance on the expenditure report submittal process and will communicate proper classification of administration costs during upcoming workshops. The AER subcommittee found that all agencies had submitted acceptable expenditure reports, which are consistent with the eligibility requirements as summarized in Attachment A.

On April 12, 2016, the AER subcommittee recommended to the TOC that all cities and the County of Orange be found eligible. The TOC approved the expenditure reports for 35 local jurisdictions and is recommending that all 35 local jurisdictions be approved as eligible to receive M2 net revenues for FY 2015-16. All other eligibility requirements were previously met and approved by the Board of Directors (Board) on January 11, 2016. The expenditure report is the last requirement to be satisfied for the final FY 2015-16 eligibility determination.

Summary

All local agencies have submitted FY 2014-15 expenditure reports that are consistent with the M2 Ordinance. The TOC reviewed and approved the M2 expenditure reports. Board approval is required to confirm that these local agencies have met the eligibility requirements for FY 2015-16.

Attachment

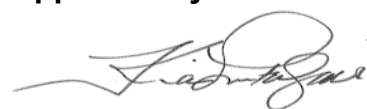
- A. Fiscal Year 2015-16 Measure M2 Eligibility Review of Fiscal Year 2014-15 Expenditure Reports Summary

Prepared by:



May Hout
Senior Transportation Analyst
(714) 560-5905

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Eligibility Review Recommendations for Fiscal
Year 2014-15 Expenditure Reports**

Attachment A

**Fiscal Year 2015-16 Measure M2 Eligibility
Review of Fiscal Year 2014-15 Expenditure Reports Summary**

Agency	Expenditure Report Received by Deadline	Resolution Received by Deadline	Maintenance of Effort Reported	Compliant
Aliso Viejo	Yes	Yes	Yes	Yes
Anaheim	Yes	Yes	Yes	Yes
Brea	Yes	Yes	Yes	Yes
Buena Park	Yes	Yes	Yes	Yes
Costa Mesa	Yes	Yes	Yes	Yes
County of Orange	Yes	Yes	N/A	Yes
Cypress	Yes	Yes	Yes	Yes
Dana Point	Yes	Yes	Yes	Yes
Fountain Valley	Yes	Yes	Yes	Yes
Fullerton	Yes	Yes	Yes	Yes
Garden Grove	Yes	Yes	Yes	Yes
Huntington Beach	Yes	Yes	Yes	Yes
Irvine	Yes	Yes	Yes	Yes
La Habra	Yes	Yes	Yes	Yes
La Palma	Yes	Yes	Yes	Yes
Laguna Beach	Yes	Yes	Yes	Yes
Laguna Hills	Yes	Yes	Yes	Yes
Laguna Niguel	Yes	Yes	Yes	Yes
Laguna Woods	Yes	Yes	Yes	Yes
Lake Forest	Yes	Yes	Yes	Yes
Los Alamitos	Yes	Yes	Yes	Yes
Mission Viejo	Yes	Yes	Yes	Yes
Newport Beach	Yes	Yes	Yes	Yes
Orange	Yes	Yes	Yes	Yes
Placentia	Yes	Yes	Yes	Yes
Rancho Santa Margarita	Yes	Yes	Yes	Yes
San Clemente	Yes	Yes	Yes	Yes
San Juan Capistrano	Yes	Yes	Yes	Yes
Santa Ana	Yes	Yes	Yes	Yes
Seal Beach	Yes	Yes	Yes	Yes
Stanton	Yes	Yes	Yes	Yes
Tustin	Yes	Yes	Yes	Yes
Villa Park	Yes	Yes	Yes	Yes
Westminster	Yes	Yes	Yes	Yes
Yorba Linda	Yes	Yes	Yes	Yes



COMMITTEE TRANSMITTAL

May 23, 2016

To: Members of the Board of Directors

From:  Laurena Weinert, Clerk of the Board

Subject: Rail Programs and Facilities Engineering Quarterly Report

Transit Committee Meeting of May 12, 2016

Present: Directors Do, Jones, Murray, Steel, and Winterbottom

Absent: Directors Pulido, Shaw, and Tait

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Receive and file as an information item.



ORANGE COUNTY TRANSPORTATION AUTHORITY

Rail Programs and Facilities Engineering Quarterly Report

Staff Report



May 12, 2016

To: Transit Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Rail Programs and Facilities Engineering Quarterly Report

Overview

The Rail Programs and Facilities Engineering Department is responsible for the Orange County Transportation Authority's rail project development, rail capital programs, rail operations, and transit facilities engineering projects. This report provides an update on rail and facilities engineering programs through the third quarter (January, February, and March) of fiscal year 2015-16.

Recommendation

Receive and file as an information item.

Background

The Rail Programs and Facilities Engineering Departments (Departments) are responsible for implementing the Orange County Transportation Authority's (OCTA) railroad capital projects, including station parking enhancements and expansions, new station developments, expanded rail services, transit extensions to Metrolink (fixed-guideways/streetcar), OC Streetcar, and transit facilities engineering. Additionally, the Departments are responsible for improved and expanded operations of Orange County's rail system by providing rail service that supports and matches the growth and development patterns of Orange County and the region.

Discussion

This report provides an update on the Departments' programs and the projects therein. The Departments consist of five basic functional units: OC Streetcar, Rail Capital, Transit Extensions to Metrolink, Rail Operations, and Transit Facilities Engineering.

Rail Capital

Rail Capital projects include a wide range of projects necessary to sustain existing Metrolink service and support future increases in service. This includes new station development, station parking expansions and enhancements, grade separations and grade crossing enhancements, and various other track and infrastructure projects. The Department defines the scope, schedule, and budget of each project based on the program needs, and implements the projects.

Station Improvements

The Laguna Niguel/Mission Viejo Metrolink Station improvements project provides Americans with Disabilities Act-Compliant access ramps and will replace the existing elevators, which are currently out of service, requiring bus service to transport passengers from one side of the station to the other. The existing elevator rooms will be converted to a restroom, a vending machine, and storage rooms. The project scope also includes additional benches, shade structures on Platform 2, and relocation of Moulton Niguel Water District's 33-inch sewer line in conflict with the project footprint. The construction agreement with Woodcliff Corporation for this project was approved by the Board of Directors (Board) on October 26, 2015. The contract was executed on January 25, 2016, and the notice to proceed (NTP) was given on February 23, 2016. The contractor is currently preparing the required submittals, including the baseline schedule, schedule of values, safety plan, right-of-entry permits, and other time-sensitive items. The project is anticipated to be completed in March 2017.

The Orange Transportation Center parking structure project represents a long-standing effort between the City of Orange and OCTA to increase the parking capacity for future growth in ridership of the Metrolink system. The Orange City Council approved and adopted the California Environmental Quality Act document in January 2016. National Environmental Policy Act clearance is expected in April 2016. The City of Orange has requested that OCTA take the lead on the construction phase of the project. This will require a new cooperative agreement which OCTA plans to take to the Board in May 2016. Final plans, specifications, and estimates are being finalized by the City of Orange and are anticipated to be ready for bid in April 2016. Part of this effort will include a risk assessment and constructability review. The cost estimate for the project has increased and additional funding will need to be allocated to the project. A recommendation to allocate additional funds will be presented to the OCTA Board on May 23, 2016. The project is anticipated to be completed in early 2018.

The proposed new Placentia Metrolink Station will be located on BNSF Railway (BNSF) and City of Placentia-owned right-of-way (ROW). The station will include platforms, parking, and passenger amenities. OCTA is the lead for design and construction of the project. The City of Placentia is requesting that a

parking structure be constructed on one of its lots that was previously designed as surface parking. The City of Placentia will reimburse OCTA for the re-designed costs. Due to delays in the project and added expense of the parking structure, additional funding will need to be allocated to complete the project. A new cooperative agreement with the City of Placentia for construction of the station and a revised funding plan is anticipated to be presented to the OCTA Board for consideration in May 2016. An agreement with BNSF for the construction of the project will also need to be in place before the Invitation for Bids (IFB) for construction can be released. The finalization of design and the release of the IFB is pending negotiations with BNSF.

The Anaheim Canyon Metrolink Station Improvement project includes the addition of a second station track, platform, the extension of the existing platform to accommodate longer trainsets, and associated passenger amenities, including ticket vending machines, benches, canopies, and signage. OCTA is the lead agency on all phases of project development and construction, including the environmental phase. A project definition report was approved by the City of Anaheim and OCTA in February 2015. OCTA has contracted with STV, Inc., for preliminary engineering (PE) and environmental clearance. This phase of the project will be completed in the fourth quarter of fiscal year (FY) 2016-17.

The City of Fullerton is the lead agency on a project at the Fullerton Transportation Center (FTC), which will add an elevator tower to each side of the existing railroad pedestrian bridge. The City of Fullerton opened construction bids on November 4, 2014. The lowest responsible bidder was \$488,000 over the engineer's estimate. A programming action was taken to the Board in March 2015 to program an additional \$500,000 to the project. The project subsequently experienced delays in issuing the NTP due to access issues related to BNSF coordination and insurance requirements. The NTP was issued in January 2016 and is expected to be completed in March 2017.

OCTA is the lead on design and installation of a lighting project at the San Clemente Pier Metrolink/Amtrak Station. The project will add lighting to the existing platforms, which currently have no lighting. Preliminary conceptual plans were submitted to the City of San Clemente and were reviewed and approved in July 2015. The project experienced a delay during the City of San Clemente's evaluation of the continued operation of the Pier station. Following the evaluation and a determination to keep the station open, the design effort resumed. OCTA advertised an IFB in March 2016, and installation is anticipated in summer 2016.

The Federal Transit Administration (FTA) awarded OCTA with a grant of \$2.23 million for Orange County rehabilitation projects, based on a prior capital improvement program study completed in 2012. The funds will be used to provide a new staircase for the FTC pedestrian overpass, and new and improved lighting for the San Clemente Pier Metrolink Station. The OCTA Board will be asked to

consider the use of these funds to address long-term riprap restoration along the San Clemente shoreline to protect OCTA railroad ROW and ensure rail operations.

Rail Corridor Improvements

Rail corridor improvements consist of capital and rehabilitation projects that improve the safety, operations, or reliability of the rail infrastructure. OCTA owns over 45 miles of operating railroad.

On March 31, 2014, Metrolink, on behalf of OCTA, completed construction of the San Clemente Beach Trail Audible Warning System (AWS) project. The project provides additional safety improvements and AWS devices at seven pedestrian grade crossings along the San Clemente beach trail. Regulations do not currently allow AWS to replace the railroad's routine use of train horns. OCTA, the City of San Clemente, along with state and federal regulatory agencies have cooperatively developed a waiver to allow for the use of the AWS in lieu of the routine sounding of the train horns to mitigate train noise in this area. The waiver request was submitted to the Federal Railroad Administration (FRA) in August 2014 and was subsequently approved with conditions of additional fencing in April 2015. The City of San Clemente received a Coastal Commission permit for the project on November 3, 2015. OCTA continues to support the City of San Clemente in these efforts, and OCTA is the lead agency to install the required fencing. The City of San Clemente received the required approvals and permits in early 2015. OCTA has initiated the fencing installation and anticipates completion of this work by the end of April, 2016. The activation of the AWS is expected to occur in the second quarter of 2016.

There are currently six grade separation projects along the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor that have completed project study reports (PSR) or project approval and environmental document (PA/ED) phase and are not currently advancing due to availability of funds. The 17th Street Grade Separation project in the City of Santa Ana was approved to advance from the PSR to PA/ED phase.

On May 23, 2014, the Board approved the selection of a consultant to complete the PA/ED phase for the 17th Street Grade Separation project. The contract was executed on October 10, 2014, and the consultant was given the NTP the same day. During this reporting period, draft PE plans (30 percent) were submitted for stakeholders' review, and comments are currently being addressed. In coordination with the City of Santa Ana and the Orange County Flood Control District, the proposed diversion of storm waters from the project footprint to the Santa Ana/Santa Fe Channel is not feasible as the existing storm water facilities are deficient, resulting in further studies for alternatives to retain the water within the project.

The public outreach team conducted a general public outreach meeting on November 4, 2015, at the Santa Ana Regional Transportation Center and a focused public outreach meeting on December 3, 2015, at the Santiago Villas Senior Apartments, and are in preparation for the next public outreach meeting planned in spring 2016. Environmental documentation activities continued, including completion and approval of the several topic-specific reports by the California Department of Transportation (Caltrans). Other studies have also been prepared and are under review by stakeholders, including noise, visual, community impact, and historical property survey reports. During a review of an Historical Property Survey Report by Caltrans, it was determined that one of the properties will need an historical preservation office consultation. Then waiting final determination and a decision if any mitigation is required. The issues discussed above will likely have cost and schedule impacts that will be evaluated. The completion and approval of these studies by Caltrans will assist in the federal determination of the project environmental action. The City of Santa Ana, upon review of these studies, will provide the state determination of the project environmental action. The PAVED phase is anticipated to be completed in spring 2016.

The Laguna Niguel to San Juan Capistrano passing siding project will add approximately 1.8 miles of new passing siding railroad track adjacent to the existing mainline track. The project will enhance operational efficiency of passenger services within the LOSSAN rail corridor. On August 25, 2014, the OCTA Board approved the selection of a consultant to prepare the plans, specifications, and estimate, and to negotiate and execute a cooperative agreement with the Southern California Regional Rail Authority (SCRRA) to provide engineering and engineering review services for this project. The consultant was given the NTP on March 25, 2015. Sixty percent plans were submitted on December 15, 2015, for stakeholders' review, and the comments are being addressed with the 90 percent submittal. A value engineering study was also conducted in December 2015, and the consolidated comments from stakeholders are being considered for final recommendations and incorporation. The project stakeholders met with the California Public Utilities Commission (CPUC) in January 2016 to discuss the proposed modifications to the existing private crossing with the addition of passing track. The discussion will require OCTA to address the safety concerns at the private crossing and possibly installation of a traffic signal.

The addition of a custom retaining wall to support power poles, removal of Control Point (CP) Avery, other unanticipated project changes, and proposed addition of traffic signals, in coordination with CPUC and stakeholders will have cost and schedule impacts. The project schedule has been updated to show the environmental permit requirement impact of five additional months. Cost impacts are currently being evaluated with a project estimate update. OCTA continues to coordinate with San Diego Gas & Electric to facilitate advance power pole relocation activities, anticipated to be completed in September 2016.

The San Juan Creek railroad bridge was built in 1918 in the City of San Juan Capistrano near the Interstate 5 Camino Capistrano exit. The proposed project will replace the 300-foot long, nearly 100-year old bridge. The existing bridge carries a single mainline track for passenger and freight rail traffic over the San Juan Creek and is in need of replacement. The replacement bridge will be constructed adjacent to the existing bridge to minimize disruption of rail traffic. Additionally, the design of the new bridge will not preclude a future bike trail on the south end along the creek. SCRRA is the design and construction lead, and OCTA is the ROW lead. SCRRA is currently preparing environmental studies and the conceptual design, along with the engineering studies needed to design the bridge. The project is anticipated to be state and federal environmentally cleared by the end of 2016 and design completed by summer 2017.

The new CP 4th is located in the City of Santa Ana between 4th Street and Chestnut Avenue, between mile posts 175.45 and 175.80. The project proposes to install universal crossovers, a turnout to a Union Pacific Railroad spur track, along with related civil, signal, and communication modifications and improvements. The project will provide operational flexibility and assist with future grade separation projects in the City of Santa Ana. Staff plans to bring a cooperative agreement with SCRRA to the OCTA Board by summer 2016 for approval that will define the roles and responsibilities and the funding requirements of this project.

Staff continues to work with the cities within the LOSSAN rail corridor to fine tune and address any concerns with the at-grade crossings that were improved through the Rail-Highway Grade Crossing Safety Enhancement (OCX) Program. The Del Obispo grade crossing in the City of San Juan Capistrano is in close proximity to the San Juan Capistrano Metrolink Station and is activated when trains move into and through the station. OCTA is working with the City of San Juan Capistrano to refine the traffic and railroad signal operations to limit the duration of time that the crossing gate arms are in the down position while a train is stopped at the station, and also explore long-term solutions. In October 2015, OCTA entered into an agreement with the City of San Juan Capistrano to fund a second left turn lane from Del Obispo onto Camino Capistrano using the same cost-sharing of 88 percent OCTA and 12 percent City of San Juan Capistrano that has been used for the OCX Program. The total cost of the improvement requested by the City of San Juan Capistrano is \$32,000. The City of San Juan Capistrano staff anticipates that this improvement will help alleviate the traffic congestion at the Del Obispo grade crossing and improve the operations.

The railroad ROW Slope Stabilization project includes eight locations within the OCTA-owned LOSSAN rail corridor that have been identified for improvements to prevent future erosion and slope instability. On May 22, 2015, a consultant was selected by the OCTA Board to provide design services, environmental, and construction support for the slope stabilization project. The consultant was given the

NTP on October 20, 2015. The consultant has received the right-of-entry permit from SCRRA and has begun the survey, geotechnical, and environmental work for the project. PE for each site has begun, including ongoing utility coordination.

Metrolink continues the implementation of positive train control (PTC) throughout the system. Formal functional testing of PTC on the Orange and Olive subdivisions began on April 14, 2015, and official Revenue Service Demonstration was achieved on the lines on May 26, 2015. Since June 2015, Metrolink fully implemented PTC across the entire network of Metrolink/member agency-owned tracks and trains. Metrolink submitted its initial PTC Safety Plan to the FRA in June 2015. Metrolink subsequently revised the document to address FRA concerns and submitted version 2.0 in December 2015. Metrolink hopes to achieve FRA certification by mid-2016.

Transit Extensions to Metrolink

The Transit Extensions to Metrolink Program is intended to broaden the reach of Orange County's backbone rail system to key employment, population, and activity centers. There are currently two fixed-guideway projects advancing through this program: the City of Anaheim's Anaheim Rapid Connection (ARC) project, serving the Anaheim Regional Transportation Intermodal Center through the Platinum Triangle, Anaheim Resort, and the Anaheim Convention Center, and the OC Streetcar project, which will serve the Santa Ana Regional Transportation Center through downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove.

OC Streetcar Project

The OC Streetcar project achieved a significant milestone in February 2016, when President Barack Obama included \$125 million for the OC Streetcar project in his proposed budget FY 2016-17. Released along with the President's FY 2016-17 Budget for, was the New Starts report that provides the backup justification for the budget request. As explained in the New Starts report, all Capital Investment Grant projects must be evaluated and rated on a set of statutorily defined project justification and local financial commitment criteria, and receive and maintain at least a "medium" overall rating to advance through the various phases, and be eligible for funding. Based upon the information provided by the OCTA project team to FTA in October 2015, the OC Streetcar project received a medium-high overall project rating. Staff anticipates entering into Engineering, the next phase of the New Starts Program, during summer 2016. OCTA continues to work closely with FTA to address questions related to OCTA's New Starts Rating Application and the required readiness documents in support of the application to request entry into Engineering.

Design efforts are underway with 30 percent plans to be submitted to OCTA and the cities of Santa Ana and Garden Grove for review and comment by the end of May 2016. Appraisals for ROW acquisitions are underway, and lease terminations in the PE ROW have been issued. Utility conflict identification and coordination is also underway. In addition, a vehicle acquisition strategy is currently in development and is expected to go to the OCTA Board in April 2016. A station and urban design consultant was procured in March 2016, and a construction management consultant is expected to be procured in May 2016. In addition, to identify roles and responsibilities during the design phase, design agreements with both the cities of Santa Ana and Garden Grove were approved by the OCTA Board on March 28, 2016.

On March 17, 2016, OCTA hosted a meeting with FTA and the FTA project management oversight consultant. The agenda included a presentation on the project status, including recent design refinements, schedule, budget, safety and security, and documentation required for approval to enter into engineering. A tour of the alignment was also provided. During the meeting, FTA continued to express strong support for the project.

ARC Project

Preparation of environmental documentation for the ARC project is ongoing. In response to concerns raised by members of the public and business owners regarding the ROW required for the locally preferred alternative (LPA) along Harbor Boulevard, modifications to the LPA are being proposed by the City of Anaheim. The refined LPA avoids impacts to the private property that were of concern during initial scoping by modifying the Disneyland Resort station stop and a new proposed location for the maintenance facility. A draft project description reflecting these alignment modifications, as well as supporting technical documents, was submitted to OCTA in February 2016, and staff continues to work with the City of Anaheim to address OCTA comments. In March 2016, the City of Anaheim presented the revised LPA to the Transit Committee, as well as to the public as part of a community meeting held on March 17, 2016. OCTA staff will be returning to the Transit Committee in April 2016 based upon feedback provided by committee members on the need for a larger transit vision along Harbor Boulevard in central Orange County.

According to the revised schedule submitted by the City of Anaheim, the draft environmental documents will be available for public review in fall 2016, followed by public hearings, and city council, and OCTA consideration of the project.

Rail Operations

As one of five member agencies that comprise Metrolink, OCTA participates in the design and operation of Metrolink service in Orange County. Rail Operations

staff serve as the liaison with Metrolink and are involved in route and service planning, funding, and implementation. In addition to coordination of daily Metrolink operations, the team coordinates the StationLink service, special trains, promotional activities, and outreach. Rail Operations staff is also responsible for representing OCTA's interests in the LOSSAN Joint Powers Authority, including the ongoing coordination and service integration efforts on the LOSSAN rail corridor.

Transit Facilities Engineering

Transit Facilities Engineering is responsible for the development and implementation of capital rehabilitation, facility notifications, and new capital projects for all OCTA transit facilities, including the five bus bases and seven park-and-ride lots. Design is underway on three projects this period, including the bridge assessment and repair at the Laguna Beach Transportation Center, bus maintenance shop heating and ventilation units at the Garden Grove Bus Base, and facility modifications for hydrogen buses at the Santa Ana Bus Base. In addition, a procurement is underway for the Transit Security Operations Center PE and environmental clearance.

There are two projects in the construction bid phase this period, including bus wash water run-off mitigation modifications at all bus bases, and pavement repairs at the Garden Grove Bus Base and Fullerton Park-and-Ride. In addition, a procurement for on-call materials testing and inspection at OCTA transit facilities is underway.

Four projects are currently under construction, including fall protection at skylights and maintenance pits at all bus bases, facility modifications at the Irvine Construction Circle Bus Base, vehicle inspection station equipment canopy at the Garden Grove Bus Base, and maintenance shop heating and an evaporative cooling unit replacement at the Irvine Construction Circle Bus Base. In addition, two projects are being closed out, including the additional parking at Golden West Transportation Center and removal of underground diesel storage tanks at the Irvine Sand Canyon, Garden Grove, and Anaheim bus bases.

Summary

The Departments are responsible for OCTA's rail project development, rail capital improvement programs, rail operations, and transit facilities engineering projects. For the period covering the third quarter of FY 2015-16, projects generally progressed consistent with scope and schedule.

Attachment

None.

Prepared by:

A handwritten signature in black ink, appearing to read 'Jennifer Bergener', with a stylized flourish at the end.

Jennifer Bergener
Director, Rail Programs and Facilities
Engineering
(714) 560-5462

Approved by:

A handwritten signature in blue ink, appearing to read 'Jim Beil', with a stylized flourish at the end.

Jim Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646



ORANGE COUNTY TRANSPORTATION AUTHORITY

Rail Programs and Facilities Engineering Quarterly Report
Supplemental Info

Rail Programs and Facilities Engineering Quarterly Report

Station Improvements



Project	Cost (millions)	2013	2014	2015	2016	2017	2018	2019	2020
Laguna Niguel/Mission Viejo Metrolink Station/Americans with Disabilities Act Ramp Improvements	\$8.52								
Orange Metrolink Station Parking Structure	\$18.55								
Placentia Metrolink Station	\$23.42								
Anaheim Canyon Metrolink Station Improvements	\$20.05								
Fullerton Transportation Center Elevator Upgrades	\$3.50								
Total	\$74.04	Note: All Costs do not include right-of-way (ROW) expenses.							



Project Definition Report



Project Approval/Environmental Document (PA/ED)



Final Design



Construction



Funding Approval



Project On Hold At City's Request

Rail Corridor Improvements



Schedule / Cost

Project	Cost (millions)	2013	2014	2015	2016	2017	2018	2019
San Clemente Beach Trail Crossings Audible Warning System	\$ 4.50	■						
17th Street Grade Separation	\$ 55.00		■	■	■			
Laguna Niguel-San Juan Capistrano Passing Siding	\$ 25.27	■	■	■	■	■	■	■
San Juan Creek Bridge Replacement	\$ 34.20				■	■	■	■
Control Point 4th	\$ 8.51				■	■	■	
Positive Train Control Program (Orange County Transportation Authority [OCTA] Share)	\$ 39.92	■	■	■				
Rail ROW Slope Stabilization	\$ 2.00	■	■	■	■	■	■	■
Total	\$ 164.90							

■ PA/ED

■ Final Design

■ Construction

■ Planning

Transit Extensions to Metrolink: Santa Ana/Garden Grove Fixed-Guideway



Schedule	2013	2014	2015	2016	2017	2018	2019	2020
Alternatives Analysis(AA), state/federal environmental clearance, and conceptual engineering								
Project Development/Preliminary Engineering/ Engineering*								
Construction**								

* Phases partially funded (Future programming and budget action subject to Board of Directors' approval)

** Pursuing federal New Starts

Transit Extensions to Metrolink: Anaheim Rapid Connection



Schedule***	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AA, state/federal environmental clearance, and conceptual engineering										
Engineering*										
Construction*										

*Phases not funded

Rail Operations

Project

FY 2015-16 Third Quarter Update

Lunar New Year

- OCTA hosted a Lunar New Year celebration at the Irvine Station on Saturday, February 13, 2016
- Over 400 people attended the event and rode Metrolink to Los Angeles to watch the Golden Dragon Parade in Los Angeles' Chinatown
- The first 100 people at the event received a free Metrolink ticket for the day
- This year, OCTA funded an additional train to support over 4,000 boardings

Festival of the Whales, March 5-6 and 12-13

- OCTA hosted an event at the Tustin Metrolink Station on March 5, 2016 to kick off the two-weekend long festival in Dana Point
- The first 50 guests received free Metrolink tickets

Swallows Day Parade

- On Saturday, March 12, 2016, OCTA hosted an event at the Tustin Metrolink Station to encourage Metrolink travel to the 58th annual Swallows Day Parade and Mercado in San Juan Capistrano
- The first 50 guests received free Metrolink tickets, and the event offered free food and live music



Facilities Engineering

Project	Cost (millions)	2015	2016	2017
GWTC - Surface Parking	\$ 1.98			
Irv CC Base - Maintenance Building Heating, Ventilating, Cooling	\$ 0.21			
LBTC - Bridge Assessment and Repair	\$ 0.35			
Ana, GG, Irv SC Bases - Underground Storage Tanks Removal	\$ 1.18			
GG Base - Maintenance Building HV Unit Replacement	\$ 0.18			
GG Base - Vehicle Inspection Station Equipment Canopy	\$ 0.26			
All Bases - Bus Wash Run-Off Mitigation	\$ 1.00			
All Bases - Brake Check Pit Safety Nets	\$ 0.17			
SA Base - Facility Modifications for Hydrogen Buses	\$ 1.13			
GG, FPNR - Pavement Repairs	\$ 0.28			
Irv CC Base - Facility Modifications	\$ 0.52			
TSOC - Preliminary Engineering and Environmental Clearance	\$ 0.90			
TOTAL	\$ 8.16			

Final Design
 Bid
 Construction

OCTA Facility Legend:

Ana	Anaheim Bus Base
FPNR	Fullerton Park-and-Ride
GG	Garden Grove Bus Base
Irv CC	Irvine Construction Circle Bus Base
Irv SC	Irvine Sand Canyon Bus Base
BPNR	Brea Park-and-Ride
GWTC	Golden West Transportation Center
NPTC	Newport Transportation Center
LBTC	Laguna Beach Transportation Center
SA	Santa Ana Bus Base
TSOC	Transit Security Operations Center



Underground Diesel Tank Removals Anaheim Base



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee New Member Recruitment
and Lottery**

Staff Report



June 13, 2016

To: Members of the Board of Directors
From: Darrell Johnson, Chief Executive Officer
Subject: Taxpayer Oversight Committee New Member Recruitment and Lottery

Overview

Measure M, first approved by voters in 1990 and renewed again by voters in 2006, calls for a committee to oversee implementation of the program of transportation improvements. Each year, new committee members are recruited and selected to fill vacancies left by expired terms. The recruitment process for the Measure M Taxpayer Oversight Committee has been completed for 2016, and a lottery must take place in public session to fill vacancies in the First, Third, Fourth, and Fifth Supervisorial Districts.

Recommendation

Pursuant to the Measure M Ordinance, conduct the lottery for final selection of new Measure M Taxpayer Oversight Committee members by drawing one name each representing the First, Third, Fourth, and Fifth Supervisorial Districts from the list of recommended finalists from the Grand Jurors Association of Orange County.

Background

The Measure M Taxpayer Oversight Committee (TOC) is required by the Measure M2 (M2) Ordinance No. 3. The TOC is an independent committee representing all five supervisorial districts in the County and is responsible for ensuring the transportation projects in Measure M are implemented according to the M2 Investment Plan approved by the voters. The 11-member committee has a balanced representation of all supervisorial districts, with ten private citizens plus the Orange County Auditor-Controller. The TOC meets bi-monthly to review progress on the implementation of the Measure M program.

Each year, as terms of appointed members on the TOC come to an end, a recruitment process is conducted to fill vacancies. As outlined in the M2 Ordinance, the recruitment process is conducted by the Grand Jurors Association of Orange

County (GJAOC). The GJAOC acts as an independent body serving in the interest of Orange County citizens. In its role, the GJAOC appoints a five-member Selection Panel (Panel) to conduct the recruitment process.

The Panel has conducted the application/recruitment program since the beginning of Measure M in 1990. The first lottery took place on November 15, 1990, and the individuals chosen began meeting in January 1991, serving staggered one-year, two-year, or three-year terms. Following the same recruitment process, new members serving three-year terms have joined the committee each year, replacing outgoing members whose terms have expired.

Discussion

On June 30, 2016, the terms of four members of the TOC will expire. The current membership roster is attached (Attachment A). The schedule for the recruitment process for this year began in late January to fill vacancies in the First, Third, Fourth, and Fifth Supervisorial Districts (Attachment B).

The Panel concluded the recruitment process to fill the four vacant positions at the end of May (Attachment C). A fact sheet/application form was used for recruitment purposes (Attachment D). Announcements were distributed to more than 3,000 persons in the First, Third, Fourth, and Fifth Supervisorial Districts by sending an announcement to the Orange County Transportation Authority (OCTA) database. Advertisements were also placed in the *Los Angeles Times* and the *Orange County Register*, and on their websites, as well as in other local newspapers and publications. In addition, postings were made on OCTA's Facebook, Twitter, and Instagram accounts; announcements were sent to the media and city councils; and information was sent to local organizations to include in their newsletters.

The members of the Panel screened 54 applications from interested citizens, looking closely at each applicant's community service record, as well as experience in community and transportation issues. The Panel considered each individual's ability to assess and analyze facts, desire to make the TOC a priority, their involvement in community organizations, any special skills or experience, and their degree of knowledge of government. In addition, the M2 Ordinance prohibits elected or appointed officials from serving on the TOC. Based on the recent amendment to the M2 Ordinance, the Panel included more specific questions on the application regarding conflicts of interest, and appointed and elected officials were required to fill out an intent to resign form.

Following the initial screening process, 37 personal interviews were conducted by the Panel in an effort to gain as much insight as possible into the most qualified candidates.

The Panel is recommending 17 candidates for possible membership on the committee: three from the First Supervisorial District, five from the Third Supervisorial District, four from the Fourth Supervisorial District and five from the Fifth Supervisorial District (Attachment E). Paul Miller currently holds an appointed position on OCTA's Special Needs Advisory Committee and Robin Marcario is on the Orange County Vector Control Board – both have submitted Intent to Resign forms.

At the June 13, 2016, OCTA Board of Directors meeting, the Chairman will select four persons by lottery to fill the vacant positions. The four new members will begin serving their terms in July 2016. Each representative will serve a three-year term.

During the lottery process, the first name drawn from each supervisorial district will be the selected committee member. The remaining names will be drawn from each supervisorial district to establish a contingency list. Should a vacancy occur, finalists would be called upon to serve on the committee in the order in which the names were drawn.

Resolutions for Outgoing Members

Participation on the TOC requires dedication, time, and commitment. The volunteers who serve on the TOC provide expertise and insight, resulting in thoughtful discussions regarding implementation and oversight of Measure M. In recognition of this contribution to the citizens of Orange County, Resolutions of Appreciation will be given to the following TOC members who have completed their terms: Narinder "Nindy" Mahal – First Supervisorial District, Terre Duensing – Third Supervisorial District, Cynthia H. Hall– Fourth District, and Nilima Gupta – Fifth Supervisorial District.

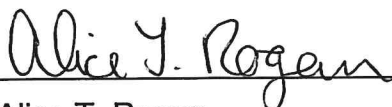
Summary

The Panel has completed its recruitment for four open positions on the TOC for the First, Third, Fourth, and Fifth Supervisorial Districts and submitted the names of eligible candidates for the 2016 lottery to fill the four positions. Outgoing members will receive Resolutions of Appreciation.

Attachments

- A. Measure M Taxpayer Oversight Committee Members Fiscal Year 2015-16
- B. Measure M Taxpayer Oversight Committee 2016 Recruitment Schedule, Supervisorial Districts One, Three, Four, and Five
- C. Grand Jurors Association of Orange County Oversight Committee Selection Panel 2016
- D. Taxpayer Oversight Committee 2016 Membership Application
- E. Measure M Taxpayer Oversight Committee 2016 Finalists

Prepared by:



Alice T. Rogan
Public Outreach Manager
(714) 560-5577

Approved by:



Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee New Member Recruitment
and Lottery**

Attachment A

**MEASURE M
TAXPAYER OVERSIGHT COMMITTEE MEMBERS
FISCAL YEAR 2015-16**

<u>District</u>	<u>Name</u>	<u>Term</u>	<u>Expiration</u>
1	Narinder “Nindy” Mahal	3 Years	2016
1	Anthony Villa	3 Years	2018
2	Margie Drilling	3 Years	2017
2	Alan P. Dubin	3 Years	2018
3	Dr. Ronald T. Randolph	3 Years	2017
3	Terre Duensing	3 Years	2016
4	Sony Soegiarto	3 Years	2018
4	Cynthia H. Hall	3 Years	2016
5	Guita Sharifi	3 Years	2018
5	Nilima Gupta	3 Years	2016
	Eric Woolery, Orange County Auditor-Controller		Required by M1 and M2 Ordinances



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee New Member Recruitment
and Lottery**

Attachment B

**MEASURE M TAXPAYER OVERSIGHT COMMITTEE
2016 RECRUITMENT SCHEDULE
SUPERVISORIAL DISTRICTS ONE, THREE, FOUR, AND FIVE**

Jan 26, 2016	Planning meeting with Grand Jurors Association of Orange County (GJAOC) Selection Panel
Mar 15	Website updated with 2016 recruitment content and application Article content sent to County Supervisors' staff for newsletters
Mar 17, 18, 20, 21, 22, 23, 25, 27, 28, 29, 30, 31 and Apr 1, 4, 5, 6	Ad in the <i>Los Angeles Times</i> (includes local community papers)
March 20, 22, 24, 25 and April 7, 8	Ad in the <i>OC Register</i> (includes local community papers)
Mar 20 - Apr 29	Posted on <i>Los Angeles Times</i> website (3/21-4/29) and <i>Orange County Register</i> website (3/20-4/19)
Week of Mar 20	Press release distributed; e-blast sent to city public information officers, city clerks and city managers; "blurb" sent to Orange County Business Council (OCBC) and Womens Transportation Seminars (WTS) for newsletters
Mar 21 – May 6	Weekly social media posts (Facebook/Twitter/Instagram)
Mar 23 – May 2	Blog in the Orange County Transportation Authority's (OCTA) On the Move (week of 3/21, 4/4, 4/18 and 5/2)
Week of Apr 25	Application deadline extension announcement sent to County Supervisors' staff, city public information officers, city clerks, city managers, OCBC and WTS for newsletters; website, social media and online materials updated
May 2	Original application deadline
May 2	First reading of applications by GJAOC Selection Panel Legal review for conflict of interest (as needed)
May 6	Official application deadline (extension)
May 5, 6, 9, 10 & 11	GJAOC Selection Panel interviews candidates
May 19	GJAOC Selection Panel submits list of finalists to OCTA
Jun 13	OCTA Chairman draws names at Board of Directors Meeting



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee New Member Recruitment
and Lottery**

Attachment C

**GRAND JURORS ASSOCIATION OF ORANGE COUNTY
OVERSIGHT COMMITTEE
SELECTION PANEL
2016**

Bill Underwood (Chair)

Robin R. Bowen

Bette Flick

John Gallie

John J. Moohr



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee New Member Recruitment
and Lottery**

Attachment D



TAXPAYER OVERSIGHT COMMITTEE

2016 Membership Application

KEEP AN EYE ON YOUR TAX DOLLARS

RESIDENTS NEEDED FROM THE FIRST, THIRD, FOURTH AND FIFTH SUPERVISORIAL DISTRICTS

Measure M is the Transportation Ordinance and Plan approved first by Orange County voters in 1990 and renewed again by voters in 2006. The combined measures raise the sales tax in Orange County by one-half cent for a total period of 50 years to alleviate traffic congestion. This money is administered by the Orange County Transportation Authority (OCTA) and pays for specific voter-approved transportation projects for freeway improvements, local street and road improvements, and rail and transit programs specified in the Plan.

Measure M calls for an independent Taxpayer Oversight Committee to oversee compliance with the Ordinance as specified in the Transportation Ordinance and Plan.

The responsibilities of the 11-member Measure M Taxpayer Oversight Committee are to:

- Ensure all transportation revenue collected from Measure M is spent on the projects approved by the voters as part of the Plan;
- Ratify any changes in the Plan and recommend any major changes go back to the voters for approval;
- Participate in ensuring that all jurisdictions in Orange County conform with the requirements of Measure M before receipt of any tax monies for local projects;
- Hold annual public meetings regarding the expenditure and status of funds generated by Measure M;
- Review independent audits of issues regarding the Plan and performance of the Orange County Local Transportation Authority regarding the expenditure of Measure M sales tax monies.
- Annually certify OCTA is proceeding in accordance with the Plan.

HOW ARE MEMBERS CHOSEN?

Measure M Oversight Committee candidates are chosen by the Grand Jurors Association of Orange County (GJAOC), which has formed a five-member Taxpayer Oversight Committee Selection Panel to conduct an extensive recruitment program. The panel screens all applications, conducts interviews and recommends candidates for membership on the Taxpayer Oversight Committee. The GJAOC is made up of former grand jurors who have a continuing concern for good government and whose purpose is to promote public understanding of the functions and purpose of the grand jury. The GJAOC is a neutral body serving the interests of the citizens of Orange County.

Measure M Taxpayer Oversight Committee members represent each of the five Orange County Supervisorial Districts and have been meeting regularly since 1990. At this time, the GJAOC is conducting a recruitment to fill four vacancies with one representative from each of the First, Third, Fourth and Fifth supervisorial districts. The GJAOC will recommend as many as five finalists from each district. The new members are to be chosen by lottery at the June 27, 2016 meeting of the OCTA Board of Directors. The terms for the new committee members will begin July 1, 2016. The representatives will serve three-year terms which expire on June 30, 2019. This is a volunteer position and no monetary compensation will be paid to committee members. The chairperson is the elected Auditor-Controller of Orange County. The Auditor-Controller's term coincides with his/her elected/appointed term.

WHO CAN APPLY TO SERVE?

Any Orange County citizen 18 years or older may apply to serve on the Measure M Taxpayer Oversight Committee. Potential candidates will be reviewed on the basis of the following criteria:

1. Commitment and ability to participate in Taxpayer Oversight Committee meetings for a three-year term from July 1, 2016 to June 30, 2019. The Committee will maintain time and meeting requirements. The Committee currently meets quarterly.
2. Demonstrated interest and history of participation in community activities, with special emphasis on transportation-related activities.
3. Lack of financial conflict of interest with respect to the allocation of sales tax revenue generated by Measure M. All Taxpayer Oversight Committee members are required to sign a conflict of interest form when accepting appointment.
4. Elected or appointed city, district, county, state or federal officials are not eligible to serve.

DEADLINE FOR APPLICATION:

All applications **MUST** be received no later than **May 6, 2016**. For more information, call the GJAOC's Taxpayer Oversight Selection Panel at (714) 970-9329. Please print and mail completed application to:

GJAOC's Measure M Taxpayer Oversight Committee
Selection Panel
P.O. Box 1154
Yorba Linda, CA 92885-1154



TAXPAYER OVERSIGHT COMMITTEE

2016 Membership Application

APPLICATION FOR MEASURE M TAXPAYER OVERSIGHT COMMITTEE

Please type or print using dark ink. Additional sheets may be attached if needed.

Name: _____ Email: _____

Business Address: _____
Street City Zip Code

Residence Address: _____
Street City Zip Code

Home Phone: () _____ Business Phone: () _____

Supervisory District Number: _____ (Call Registrar of Voters at (714) 567-7586 to confirm your district.)

Present Employment Status: ☐ Employed ☐ Unemployed ☐ Retired

Present Occupation: _____ Employer: _____

Ethnic Origin (optional): _____ How long have you lived in Orange County? _____ year(s)

Are you a citizen of the United States? ☐ Yes ☐ No Are you a registered voter? ☐ Yes ☐ No

Have you (or your spouse) or any entity that you either work for or have a financial interest in, received any financial remuneration for goods or services provided by you, or by any entity you work for or have a financial interest in, that was paid for with Measure M revenues, either directly or indirectly, within the past 12 months? ☐ Yes ☐ No

If so, please explain.

Do you have any possible conflict of interest with respect to the allocation of Measure M2 revenues? ☐ Yes ☐ No

If so, please explain.

Are you currently an elected or appointed officer of any public entity? ☐ Yes ☐ No
(Note: All public officers shall complete an [intent to resign form](#).)

If so, please explain.

Are you related to or closely associated with any elected official or public employee? ☐ Yes ☐ No

If so, please state the nature of the association.

Have you ever been convicted of malfeasance in office, or of any felony? ☐ Yes ☐ No

If so, please explain.



TAXPAYER OVERSIGHT COMMITTEE

2016 Membership Application

As a member of any profession or organization, or as a holder of any office, have you ever been suspended, disbarred, or otherwise disqualified?

☐ Yes ☐ No

If so, please explain.

Do you personally have any past or pending issues related to development or transportation in any Orange County city?

☐ Yes ☐ No

If so, please explain.

Have you ever been involved in a lawsuit with OCTA?

☐ Yes ☐ No

If so, please explain.

Do you possess research abilities, including complex reading facility and capability to assess and analyze facts?

☐ Yes ☐ No

Is there any reason that you may be biased and not objective if you are chosen to serve as a member of the Measure M Taxpayer Oversight Committee?

☐ Yes ☐ No

While no specific time commitment is predetermined, are you willing to make a conscientious effort for a period of three years to give membership on this committee a priority and participate as necessary?

☐ Yes ☐ No

If you are presently active or have been active in the past five years in any organization, please give the organization name, nature of your activities and duties, and appropriate dates.
(Attach sheet if necessary)

In what transportation-related activities have you been involved?

What do you know about Measure M?

What specialized skill or expertise would you bring to the Oversight Committee?



TAXPAYER OVERSIGHT COMMITTEE

2016 Membership Application

EDUCATIONAL BACKGROUND:

List highest grade completed, any degrees you hold and the college/university attended and date of graduation.

EMPLOYMENT BACKGROUND:

List employment history for the last five years, including positions and titles held.

How did you hear about the Taxpayer Oversight Committee?

- | | |
|---------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Online | <input type="checkbox"/> Newspaper |
| <input type="checkbox"/> <i>OC Register</i> | <input type="checkbox"/> <i>OC Register</i> |
| <input type="checkbox"/> <i>LA Times</i> | <input type="checkbox"/> <i>LA Times</i> |
| <input type="checkbox"/> OCTA Website | <input type="checkbox"/> Facebook / Twitter / Instagram |
| <input type="checkbox"/> Other: _____ | |

Why do you wish to be considered for membership on the Taxpayer Oversight Committee?

APPLICATION MUST BE RECEIVED BY MAY 6, 2016

Please print and mail completed application to:

GJAOC's Measure M Taxpayer Oversight Committee Selection Panel

P.O. Box 1154

Yorba Linda, CA 92885-1154

For more information call (714) 970-9329.

I hereby declare the information provided in this Application for the Measure M Oversight Committee is true, correct and complete to the best of my knowledge. I understand that my statements may be verified and I give permission to do so.

Date

Signature

INTENT TO RESIGN

I _____ am currently a public entity officer. The public entity is
NAME

_____ and my office is _____.
PUBLIC ENTITY CURRENT OFFICE

I agree that if I am appointed to be a member of the Measure M2 Taxpayer Oversight Committee (TOC) that I will resign my public entity office prior to accepting my appointment as a member of the TOC.

NAME

SIGNATURE

DATE



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Taxpayer Oversight Committee New Member Recruitment
and Lottery**

Attachment E

**MEASURE M
TAXPAYER OVERSIGHT COMMITTEE
2016 FINALISTS**

DISTRICT 1

<u>NAME</u>	<u>CITY</u>
Lim, Richie Kerwin	Westminster
Marcario, Robin	Garden Grove
Ramirez, Andrew	Santa Ana

DISTRICT 3

<u>NAME</u>	<u>CITY</u>
Cervantes, Roger	Irvine
Fields, Eugene	Orange
Leslie, Isaiah	Anaheim
Levy, Mark	Modjeska Canyon
Wren, Gregory	Anaheim

DISTRICT 4

<u>NAME</u>	<u>CITY</u>
Ahmad, Aftab	Anaheim
Counts, Stanley F.	Placentia
Miller, Paul K.	Placentia
Nanda, Deepak	Fullerton

DISTRICT 5

<u>NAME</u>	<u>CITY</u>
Cooper, Michael	Mission Viejo
Day, Brandon	Dana Point
Hillburn, David	Laguna Niguel
McGuinness, Matt	Laguna Beach
Morris, Michael E.	Laguna Beach



COMMITTEE TRANSMITTAL

June 13, 2016

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Capital Programming Update

Regional Planning and Highways Committee Meeting of June 6, 2016

Present: Directors Bartlett, Do, Donchak, Lalloway, Miller, Nelson, and Ury
Absent: Director Spitzer

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Authorize the use of up to \$7.771 million in Proposition 1B Trade Corridor Improvement Fund project savings from the Kraemer Boulevard grade separation (\$5.496 million) and Colton crossing (\$2.275 million) for the Interstate 405 Improvement Project.
- B. Authorize the reallocation of up to \$2.069 million in Congestion Mitigation and Air Quality Improvement Program project savings from the Kraemer Boulevard grade separation to the OC Bridges Program as additional contingency.
- C. Authorize the use of up to \$1.533 million in Proposition 1B Transit System Safety, Security, and Disaster Response Account project savings from the Sand Canyon Avenue grade separation for the Raymond Avenue grade separation projects, offsetting a like amount in Measure M2. Measure M2 savings will be held in the OC Bridges Program as additional contingency.



- D. Approve programming of \$0.984 million in accrued interest from the Proposition 1B Public Transit Modernization, Improvement, and Service Enhancement Account and Proposition 1B Transit System Safety, Security, and Disaster Response Account to:
- Raymond Avenue Grade Separation project (\$0.505 million in Public Transit Modernization, Improvement, and Service Enhancement Account, and \$0.028 million in Transit System Safety, Security & Disaster Response Account), which will offset a like amount in Measure M2. Measure M2 savings will be held in the OC Bridges Program as additional contingency, and
 - Radio Upgrade Project (\$0.452 million) offsetting local funds.
- E. Consistent with current cost estimates, approve the use of \$34.927 million in federal Surface Transportation Block Grant Program and \$13.735 million in Measure M2 for the Interstate 5 from State Route 73 to El Toro Road Project, which will increase the authorized funding from \$417.480 million to \$466.142 million.
- F. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, and execute or amend all necessary agreements to facilitate the above actions.



ORANGE COUNTY TRANSPORTATION AUTHORITY

Capital Programming Update

Staff Report



June 6, 2016

To: Regional Planning and Highways Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Capital Programming Update

Overview

The Orange County Transportation Authority uses various state, federal, and local fund sources to fund freeway, grade separation, and transit capital projects. Recent completed projects have redirected cost savings to specific fund sources, and these savings are recommended for re-programming to other active projects. Other project-level funding revisions are also presented for the Board of Directors' review and consideration.

Recommendations

- A. Authorize the use of up to \$7.771 million in Proposition 1B Trade Corridor Improvement Fund project savings from the Kraemer Boulevard grade separation (\$5.496 million) and Colton crossing (\$2.275 million) for the Interstate 405 Improvement Project.
- B. Authorize the reallocation of up to \$2.069 million in Congestion Mitigation and Air Quality Improvement Program project savings from the Kraemer Boulevard grade separation to the OC Bridges Program as additional contingency.
- C. Authorize the use of up to \$1.533 million in Proposition 1B Transit System Safety, Security, and Disaster Response Account project savings from the Sand Canyon Avenue grade separation for the Raymond Avenue grade separation projects, offsetting a like amount in Measure M2. Measure M2 savings will be held in the OC Bridges Program as additional contingency.

- D. Approve programming of \$0.984 million in accrued interest from the Proposition 1B Public Transit Modernization, Improvement, and Service Enhancement Account and Proposition 1B Transit System Safety, Security, and Disaster Response Account to:
- Raymond Avenue Grade Separation project (\$0.505 million in Public Transit Modernization, Improvement, and Service Enhancement Account, and \$0.028 million in Transit System Safety, Security & Disaster Response Account), which will offset a like amount in Measure M2. Measure M2 savings will be held in the OC Bridges Program as additional contingency, and
 - Radio Upgrade Project (\$0.452 million) offsetting local funds.
- E. Consistent with current cost estimates, approve the use of \$34.927 million in federal Surface Transportation Block Grant Program and \$13.735 million in Measure M2 for the Interstate 5 from State Route 73 to El Toro Road Project, which will increase the authorized funding from \$417.480 million to \$466.142 million.
- F. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, and execute or amend all necessary agreements to facilitate the above actions.

Background

The Orange County Transportation Authority (OCTA) programs federal, state, and local funds in order to deliver OCTA capital projects. As projects progress in the developmental process, project costs change and savings may result based on construction bids or project completion. Conversely, costs may increase, and further funding may be required as project details are refined. OCTA reports progress on specific project costs through the quarterly Capital Action Plan (CAP). The CAP highlights project costs, schedules, and status, and is regularly updated. Programming and revenue changes are updated periodically to match these costs and are the subject of this report.

For example, at the January 13, 2014, OCTA Board of Directors (Board) meeting, an update to the OC Bridges Railroad Grade Separation Program budget was approved. Since then, the grade separations at Sand Canyon Avenue and Kraemer Boulevard have been completed, and the final closeout has resulted in project savings.

Further, new funding may become available as projects are completed. In August 2013, the San Bernardino Associated Governments (SANBAG) completed the regional Proposition 1B Trade Corridor Improvement Fund (TCIF) grade separation at Colton Crossing in the City of Colton, which also resulted in project savings that is distributed to the agencies that make up the Southern

California TCIF Coalition. Additionally, Proposition 1B Public Transit Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds and Transit System Safety, Security & Disaster Response Account (TSSSDRA) funds have been programmed for bus and rail transit improvement and safety projects. These funds are provided in advance, upon approval of projects, and almost \$1 million in interest has accrued that is available for projects.

Other projects are in need of funding updates such as the OC Bridges Program (including the Raymond Avenue grade separation), the Interstate 405 (I-405) Improvement Project, Interstate 5 (I-5) Project (El Toro Road to State Route 73 [SR-73]), and the San Juan Creek Bridge Replacement Project. Details on these updates and changes are provided below.

Discussion

Cost savings from the Kraemer Boulevard and Sand Canyon grade separations and new funding from SANBAG's Colton Crossing grade separation project are proposed for four projects. Tables 1 and 2 below present the available savings and recommended new programming.

Table 1: Available Savings (thousands of dollars)

Project	Available Savings				Total
	TCIF	CMAQ	TSSSDRA	Prop 116	
Kraemer Boulevard Grade Separation	\$ 5,496	\$ 2,069	\$ -	\$ -	\$ 7,565
Colton Crossing	\$ 2,275	\$ -	\$ -	\$ -	\$ 2,275
Sand Canyon Avenue Grade Separation	\$ -	\$ -	\$ 1,533	\$ 396	\$ 1,929
Total	\$ 7,771	\$ 2,069	\$ 1,533	\$ 396	\$ 11,769

CMAQ – Congestion Mitigation Air Quality

Prop 116 – Proposition 116

Table 2: Recommended Projects for Available Savings (thousands of dollars)

Project	Reprogramming				Total
	TCIF	CMAQ	TSSSDRA	Prop 116	
I-405 Widening Project	\$ 7,771	\$ -	\$ -	\$ -	\$ 7,771
OC Bridges Contingency	\$ -	\$ 2,069	\$ -	\$ -	\$ 2,069
Raymond Avenue Grade Separation*	\$ -	\$ -	\$ 1,533	\$ -	\$ 1,533
San Juan Creek Bridge Replacement**	\$ -	\$ -	\$ -	\$ 396	\$ 396
Total	\$ 7,771	\$ 2,069	\$ 1,533	\$ 396	\$ 11,769

*\$1.533 million will offset M2

**Described in 2016 State Transportation Improvement Program (STIP)

The TCIF funding reallocation is contingent upon California Transportation Commission (CTC) approval and only available for projects along corridors with high volumes of freight movement. The CTC updated their policies in March 2016 to allow for the programming of TCIF cost savings for construction of new TCIF projects that can begin construction by December 2019. Based on these criteria, OCTA staff is recommending Board of Directors (Board) approval for programming

\$7.771 million in TCIF savings for the I-405 Improvement Project, from the SR-73 to Interstate 605, offsetting project toll revenue bond or M2 contingent upon Transportation Infrastructure Finance and Innovation Act approval.

The programming of TCIF funds for the I-405 Improvement Project is consistent with the Board-approved Capital Programming Policies (CPP) to maximize Orange County allocations, and will be used to meet the funding need identified in the cost estimate that was presented to the Board on May 23, 2016.

OCTA staff is also recommending that the \$2.069 million in CMAQ savings available from Kraemer Boulevard remain within the OC Bridges Program of projects as additional contingency. The use of CMAQ for the OC Bridges Program is consistent with the CPP, which directs the use of CMAQ to match and leverage funding for OC Bridges grade separation projects.

OCTA staff also recommends approval to use \$1.533 million in TSSSDRA funds for the Raymond Avenue Grade Separation Project. This action would offset Measure M2 (M2) funds already programmed to that project. The M2 funds would be held within the OC Bridges Program as additional contingency. There are five OC Bridges projects remaining which total \$498.608 million. Holding these funds in the overall program is prudent until project close-out given OCTA's large investment and the remaining risks associated with these projects. The use of TSSSDRA funds for this project is consistent with the CPP, which states that TSSSDRA funds are to be used to support capital projects that enhance the safety, security, and emergency response capability of transit.

OCTA is proposing to program the \$0.396 million in Prop 116 savings towards the San Juan Creek Bridge Replacement Project. Use of Prop 116 funds for the San Juan Creek Bridge Replacement Project is consistent with CPP, which states that cost savings are for commuter or intercity rail capital improvement projects. The request for Board approval to use the Prop 116 funds for this project is included in the June 6, 2016 STIP update item. These funds will help make up for the loss of STIP funds for this project.

In addition to project savings, the PTMISEA and TSSSDRA funds have accrued \$0.984 million in interest, and staff is proposing \$0.451 million in PTMISEA interest be redirected for the Radio Upgrade Project. The project is currently funded with PTMISEA, and redirecting the interest for the additional equipment will offset local transportation funds to address recent declines in sales tax revenues.

The remaining \$0.532 million in PTMISEA (\$0.505 million) and TSSSDRA (\$0.028 million) interest will be redirected onto the Raymond Avenue Grade Separation Project. The PTMISEA and TSSSDRA funds on the Raymond Avenue grade separation would offset M2 funds, which will be held in the OC Bridges program as additional contingency. Use of PTMISEA and

TSSSDRA funds for these projects is consistent with prior Board action to fund these projects.

CAP updates

The CAP lists all highway, grade separation, rail and facility projects, and includes a funding forecast, as well as key milestones. Programming staff, in coordination with the Capital Programs Division, is recommending funding adjustments for two projects that have met key milestones, such as completion final environmental approval, 65 percent design, 95 percent design, and construction contract award. A list of all the projects that reached relevant milestones is provided as Attachment A.

Based on estimates reported in the CAP, funding updates are required for two of the three segments of the I-5 widening, from SR-73 to El Toro Road project (M2 Project C). The project was originally programmed in 2013, based on estimates prepared at that time, and before environmental approval in 2014. Since then, cost estimates have been updated based on environmental approval, the project was split into three segments, and final design was initiated. The CAP cost estimate reflects a total project cost of \$466.142 million against programming of \$417.480 million. The additional funding required is \$48.662 million. Staff is proposing the use of an additional \$34.927 million in federal Surface Transportation Block Grant (STBG) funds, which is consistent with the CPP that directs the use of STBG funds for the M2 Freeway Program. Also, the use of STBG funds for this project works within OCTA's five-year obligation authority plan. The remainder is proposed to be funded with \$13.735 million in M2 to provide the funding required, based on the CAP estimate.

Project details and the proposed programming changes for the projects discussed above and in the rest of this report are included in Attachment B.

A Capital Funding Program reflecting the recommended changes is included as Attachment C.

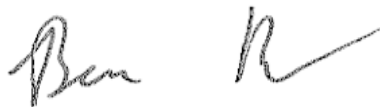
Summary

With the objective of ensuring that OCTA projects are fully funded, OCTA is seeking Board approval to use additional STBG, TCIF, TSSSDRA, PTMISEA, CMAQ and M2 funds, as well as the authority to reprogram accrued interest.

Attachments


- A. Capital Action Plan Milestones
- B. Capital Programming Update Project Descriptions
- C. Capital Funding Program Report

Prepared by:

A handwritten signature in black ink, appearing to read "Ben Ku".

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Approved by:

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ORANGE COUNTY TRANSPORTATION AUTHORITY

Capital Programming Update

Attachment A

Capital Action Plan Milestones

			Milestones				Notes
Project	Capital Action Plan Forecast	Programming	Environmental Completion	65% Design	95% Design	Construction Contract Award	
I-5, SR-73 to Oso Parkway	\$ 151.9	\$ 136.4	X				Addressed in 2016 STIP Update Item
I-5, Oso Parkway to Alicia Parkway	\$ 196.2	\$ 196.2	X				Capital Programming Update Item
I-5, Alicia Parkway to El Toro Road	\$ 133.6	\$ 133.6	X				Capital Programming Update Item
I-5, SR-55 to SR-57	\$ 36.9	\$ 37.1		X			Addressed in 2016 STIP Update Item
I-5, Continuous HOV Lane Access	\$ 6.0	\$ -			X		Addressed in 2016 STIP Update Item
I-405 Southbound, SR-133 to University Drive	\$ 16.4	\$ 2.3	X				Addressed in 2016 STIP Update Item

I-5 - Interstate 5

SR-73 - State Route 73

STIP - State Transportation Improvement Program

SR-55 - State Route 55

SR-57 - State Route 57

HOV - High-occupancy vehicle

I-405 - Interstate 405

SR-133 - State Route 133



ORANGE COUNTY TRANSPORTATION AUTHORITY

Capital Programming Update

Attachment B

Capital Programming Update Project Descriptions

Current Projects

On November 8, 2013, the Board of Directors (Board) approved submitting the Orange County Transportation Authority's (OCTA) 2014 State Transportation Improvement Program (STIP) proposal to the California Transportation Commission (CTC), including the Interstate 5 (I-5) widening from State Route 73 (SR-73) to El Toro Road Project, which is Project C of the Measure M2 (M2) Program. The Board approved programming \$417.480 million.

On March 20, 2014, the CTC approved the 2014 STIP with some modifications, splitting the I-5 widening from SR-73 to El Toro Road into three segments:

- Segment 1 - I-5/SR-73 to Oso Parkway, (approved in the February 22, 2016, STIP item)
- Segment 2 - I-5 Oso Parkway to Alicia Parkway
- Segment 3 - I-5 Alicia Parkway to El Toro Road

The following table provides the Board-approved funding of \$417.480 million for all three segments and the proposed funding increases that are consistent with the Capital Action Plan estimates, following completion of the environmental phase.

Segment 1,2, and 3

Board-Approved Funding	STIP	OCTA M2	STBG	Total
Design	\$ -	\$ 3,978	\$ 30,601	\$ 34,579
Right-of-Way	\$ -	\$ 63,677	\$ 13,415	\$ 77,092
Construction	\$ 78,030	\$ 191,795	\$ 35,984	\$ 305,809
Total	\$ 78,030	\$ 259,450	\$ 80,000	\$ 417,480

Proposed Funding	STIP	OCTA M2	STBG	Total
Design	\$ -	\$ 7,728	\$ 32,145	\$ 39,873
Right-of-Way	\$ -	\$ 50,721	\$ 26,978	\$ 77,699
Construction	\$ 78,030	\$ 214,735	\$ 55,804	\$ 348,569
Total	\$ 78,030	\$ 273,184	\$ 114,927	\$ 466,141
Change	\$ -	\$ 13,734	\$ 34,927	\$ 48,661

STBG – Surface Transportation Block Grant

STIP – State Transportation Improvement Program

I-5 Widening from SR-73 to Oso Parkway – Segment 1

The I-5 widening project will add one general purpose lane in each direction from SR-73 to Oso Parkway, provide operational improvements, and reconstruct the interchange at Avery Parkway. This is Project C in the M2020 Plan. No changes are proposed for Segment 1.

2016 STIP Funding	STIP	OCTA M2	STBG	Total
Design	\$ -	\$ 1,250	\$ 10,768	\$ 12,018
Right-of-Way	\$ -	\$ 24,257	\$ 13,415	\$ 37,672
Construction	\$ 78,030	\$ 4,717	\$ 3,984	\$ 86,731
Project Management and Support	\$ -	\$ -	\$ -	\$ -
Total	\$ 78,030	\$ 30,224	\$ 28,167	\$ 136,421

Capital Programming Update Project Descriptions

I-5 Widening from Oso Parkway to Alicia Parkway - Segment 2

This project will add one general purpose lane on the I-5 in each direction between Oso Parkway and Alicia Parkway (approximately 2.6 miles), reconstruct La Paz Road interchange, and add auxiliary lanes where needed.

The additional lane will increase capacity, improve mainline congestion, and improve interchange operations. Existing daily traffic volumes range from more than 279,000 to 365,000 vehicles per day, with peak hour volumes ranging from 6,270 to 13,490 in the northbound (NB) direction, and from 5,940 to 11,840 in the southbound (SB) direction. Under current traffic conditions, substantial congestion is experienced in the NB direction during the AM peak-hour, and in the SB direction during the PM peak-hour. By the year 2045, daily traffic volumes within the project area will range from 353,000 to 457,000, with peak-hour volumes ranging from 7,150 to 16,070 in the NB direction and from 7,000 to 13,810 in the SB direction.

The proposed funding for Segment 2 is provided below:

Proposed Funding	STIP	OCTA M2	STBG	Total
Design	\$ -	\$ 5,685	\$ 11,667	\$ 17,352
Right-of-Way	\$ -	\$ 8,841	\$ 4,144	\$ 12,985
Construction	\$ -	\$ 134,010	\$ 31,820	\$ 165,830
Total	\$ -	\$ 148,536	\$ 47,631	\$ 196,167

I-5 Widening from Alicia Parkway to El Toro Road - Segment 3

The project will add one general purpose lane on the I-5 in each direction between Alicia Parkway and El Toro Road (approximately 1.7 miles), extend the second high-occupancy vehicle lane in both directions, and add auxiliary lanes where needed.

The additional lane will increase capacity and improve mainline congestion on I-5 from Alicia Parkway and El Toro Road. Existing daily traffic volumes range from more than 279,000 to 365,000 vehicles per day, with peak-hour volumes ranging from 6,270 to 13,490 in the NB direction, and from 5,940 to 11,840 in the SB direction.

Under current traffic conditions, substantial congestion is experienced in the NB direction during the AM peak hour and in the SB direction during the PM peak hour. By the year 2045, daily traffic volumes within the project area will range from more than 353,000 to 457,000, with peak-hour volumes ranging from 7,150 to 16,070 in the NB direction, and from 7,000 to 13,810 in the SB direction.

The proposed funding for Segment 3 is provided below:

Proposed Funding	STIP	OCTA M2	STBG	Total
Design	\$ -	\$ 793	\$ 9,710	\$ 10,503
Right-of-Way	\$ -	\$ 17,623	\$ 9,419	\$ 27,042
Construction	\$ -	\$ 76,008	\$ 20,000	\$ 96,008
Total	\$ -	\$ 94,424	\$ 39,129	\$ 133,553

Capital Programming Update Project Descriptions

Raymond Avenue Grade Separation

The project located at the Raymond Avenue railroad crossing will grade separate the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. The City of Fullerton is managing construction and OCTA is providing construction oversight, public outreach, railroad coordination, and right-of-way support.

Current and proposed funding levels are depicted below. The additional funding by the Public Transit Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Transit System Safety, Security, and Disaster Response Account (TSSSDRA) funds will be offsetting M2 funds, which will be held as additional contingency for the OC Bridges program.

Current Funding	OCTA M2	BNSF Railway	MWD	PTMISEA	TCIF	TSSSDRA*	TOTAL
Design	\$ 4,862	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,862
Right-of-Way	\$ 9,729	\$ -	\$ -	\$ 25,172	\$ -	\$ -	\$ 34,901
Construction	\$ 2,748	\$ -	\$ 761	\$ 47,149	\$ 10,107	\$ 2,162	\$ 62,927
Project Management and Support	\$ 974	\$ 700	\$ 1,859	\$ 4,184	\$ 1,783	\$ -	\$ 9,500
Total	\$ 18,313	\$ 700	\$ 2,620	\$ 76,505	\$ 11,890	\$ 2,162	\$ 112,190

Proposed Funding	OCTA M2	BNSF Railway	MWD	PTMISEA	TCIF	TSSSDRA*	TOTAL
Design	\$ 4,862	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,862
Right-of-Way	\$ 9,729	\$ -	\$ -	\$ 25,172	\$ -	\$ -	\$ 34,901
Construction	\$ 682	\$ -	\$ 761	\$ 47,654	\$ 10,107	\$ 3,723	\$ 62,927
Project Management and Support	\$ 974	\$ 700	\$ 1,859	\$ 4,184	\$ 1,783	\$ -	\$ 9,500
Total	\$ 16,247	\$ 700	\$ 2,620	\$ 77,010	\$ 11,890	\$ 3,723	\$ 112,190
Change	\$ (2,066)	\$ -	\$ -	\$ 505	\$ -	\$ 1,561	\$ -

* \$1.561 million in TSSSDRA is made up of \$1.533 million from Kraemer Boulevard grade separation and \$0.028 in interest.

MWD – Metropolitan Water District

TCIF – Trade Corridor Improvement Fund

Interstate 405 (I-405) Widening Project

OCTA in cooperation with The California Department of Transportation is widening the I-405 between SR-73 and Interstate 605 (I-605). The project will improve 16 miles of I-405 between the SR-73 freeway in Costa Mesa and the I-605 near the Los Angeles County line. The project includes adding one regular lane in each direction from Euclid Street to I-605 and making improvements to freeway entrances, exits, and bridges. It also will construct the I-405 Express Lanes which will give solo drivers the choice to speed up their commute for a toll, and carpoolers will ride free or at a discounted rate pending the results of the project traffic and revenue study.

Capital Programming Update Project Descriptions

Current and proposed funding levels are depicted below.

Current Funding	OCTA M2	SHOPP	STBG	Earmarks	TCIF	Toll Revenue Bond	TOTAL
Design	\$ 75,144	\$ -	\$ 10,923	\$ 9,518	\$ -	\$ 27,000	\$ 122,585
Right-of-Way	\$ 96,000	\$ -	\$ 746	\$ -	\$ -	\$ 4,000	\$ 100,746
Construction	\$ 1,083,208	\$ 82,000	\$ 23,331	\$ 1,130	\$ -	\$ 487,000	\$ 1,676,669
Total	\$ 1,254,352	\$ 82,000	\$ 35,000	\$ 10,648	\$ -	\$ 518,000	\$ 1,900,000

Proposed Funding	OCTA M2	SHOPP	STBG	Earmarks	TCIF	Toll Revenue Bond	TOTAL
Design	\$ 75,144	\$ -	\$ 10,923	\$ 9,518	\$ -	\$ 27,000	\$ 122,585
Right-of-Way	\$ 175,467	\$ -	\$ 746	\$ -	\$ -	\$ 58,489	\$ 234,702
Construction	\$ 1,003,741	\$ 82,000	\$ 23,331	\$ 1,130	\$ 7,771	\$ 424,740	\$ 1,542,713
Total	\$ 1,254,352	\$ 82,000	\$ 35,000	\$ 10,648	\$ 7,771	\$ 510,229	\$ 1,900,000
Change*	\$ -	\$ -	\$ -	\$ -	\$ 7,771	\$ (7,771)	\$ 7,771

*TCIF would replace M2 or Toll Revenue Bonds depending on TIFIA approval

SHOPP – State Highway Operation and Protection Program

TIFIA – Transportation Infrastructure Finance and Innovation Act

Radio Upgrade Project

The Radio Upgrade Project replaces aged radio system on the OCTA-owned vehicles used for contracted bus service, including OCTA's complementary paratransit service and fixed-route service. The project purpose is to improve operability of the radio system, including reliability, function, and coverage.

Current and proposed funding levels are depicted below.

Current Funding	PTMISEA	TSSSDRA	FTA 5307	Earmarks	LTF	TOTAL
Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Right-of-Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 497	\$ 15,248	\$ 4,434	\$ 341	\$ 1,945	\$ 22,466
Project Management and Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 497	\$ 15,248	\$ 4,434	\$ 341	\$ 1,945	\$ 22,466
Proposed Funding	PTMISEA	TSSSDRA	FTA 5307	Earmarks	LTF	TOTAL
Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Right-of-Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 991	\$ 15,248	\$ 4,434	\$ 341	\$ 1,451	\$ 22,466
Project Management and Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 991	\$ 15,248	\$ 4,434	\$ 341	\$ 1,451	\$ 22,466
Change	\$ 494	\$ -	\$ -	\$ -	\$ (494)	\$ 0

FTA – Federal Transit Administrations

LTF – Local Transportation Fund

Capital Programming Update Project Descriptions

Completed Projects with Project Savings

Sand Canyon Avenue Grade Separation

The Sand Canyon Avenue Undercrossing project along the Los Angeles-San Diego-San Luis Obispo rail corridor between I-5 and Oak Canyon/Laguna Canyon Road in Irvine opened to motorists on July 14, 2014. The project lowered Sand Canyon Avenue under the railroad tracks and widened the roadway from four to six lanes.

The newly constructed bridge was designed to improve safety and mobility for the traveling public and railroad operations. Motorists now can travel safely and smoothly under the railroad tracks without having to wait for passing trains.

Project savings are depicted below.

Phase	City	RSTP / STBG	M2	BNSF / IRWD	HRCSA	Prop 116	TSSSDRA	TOTAL
Current Funding	\$ 12,348	\$ 10,536	\$ 8,468	\$ 2,506	\$ 6,618	\$ 22,004	\$ 1,533	\$ 64,013
Savings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (396)	\$ (1,533)	\$ (1,929)
Actual Funding Used	\$ 12,348	\$ 10,536	\$ 8,468	\$ 2,506	\$ 6,618	\$ 21,608	\$ -	\$ 62,084

RSTP – Regional Surface Transportation Program
 BNSF/IRWD – BNSF Railway/Irvine Ranch Water District
 HRCSA – Highway Railroad Crossway Safety Account
 Prop 116 – Proposition 116

Kraemer Boulevard Grade Separation

OCTA opened the Kraemer Boulevard Undercrossing at the BNSF tracks on June 28, 2014. The project lowered the roadway to separate vehicles from trains. The intersection of Kraemer Boulevard and Crowther Avenue was closed during construction, and temporary railroad tracks were built south of the current tracks. With the undercrossing now open, drivers can move safely and smoothly beneath the tracks without having to wait for passing trains.

Project savings are depicted below.

Phase	OCTA M2	BNSF	RSTP (City)	RSTP/CMAQ	TCRP	TCIF	TOTAL
Current Funding	\$ 18,218	\$ 1,828	\$ 631	\$ 23,481	\$ 1,460	\$ 21,009	\$ 66,627
Savings	\$ -	\$ -	\$ -	\$ (2,069)	\$ -	\$ (5,496)	\$ (7,565)
Actual Funding Used	\$ 18,218	\$ 1,828	\$ 631	\$ 21,412	\$ 1,460	\$ 15,513	\$ 59,062

CMAQ – Congestion Mitigation and Air Quality Improvement Program
 TCRP – Traffic Congestion Relief Program



ORANGE COUNTY TRANSPORTATION AUTHORITY

Capital Programming Update

Attachment C



Capital Funding Program Report

Pending Board of Directors (Board) Approval - June 13, 2016 State Highway Project

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
I-5 from SR-55 to SR-57, Add 1 HOV lane each direction	A	\$37,058	\$28,949		\$2,800			\$5,309	
I-5 (I-405 to SR-55) capacity enhancement	B	\$8,000			\$8,000				
I-5 HOV lane each direction s/o PCH to San Juan Creek Rd.	C	\$70,958		\$20,789	\$11,796			\$38,373	
I-5 HOV lanes: s/o Avenida Pico to s/o Vista Hermosa	C	\$89,388	\$43,735		\$30,688	\$1,600		\$13,365	
I-5 HOV, HOV lanes from s/o Av. Vista Hermosa to s/o PCH	C	\$68,711	\$46,779		\$13,472			\$8,460	
I-5 Widening (Alicia to El Toro) Seg 3 ¹	C	\$133,554			\$39,129			\$94,425	
I-5 Widening (Oso to Alicia) Segment 2 ¹	C	\$196,167			\$47,631			\$148,536	
I-5 Widening (SR-73 to Oso) Segment 1	C	\$136,421	\$78,030		\$28,167			\$30,224	
I-5 at Los Alisos / El Toro: add ramps	D	\$3,000			\$3,000				
I-5/SR-74 Interchange Improvements	D	\$77,211	\$45,594	\$24,109				\$2,500	\$5,008
SR-55 (I-5 to SR-91)	F	\$5,000			\$5,000				
SR-55 widening (environmental), I-5 to I-405	F	\$17,837			\$12,000			\$5,837	
SR-57 Orangewood to Katella	G	\$4,000			\$4,000				
SR-57 Truck Climbing Aux Lane: Lambert -LA County Line	G	\$600						\$600	
SR-91 WB connect existing auxiliary lanes, I-5 to SR-57	H	\$62,977		\$27,227				\$35,750	
SR-91 (SR-57 to SR-55) Operational Improvements	I	\$9,000			\$7,000			\$2,000	
SR-91 WB (SR-55 - Tustin Interchange) Improvements	I	\$41,930	\$13,930	\$14,000				\$14,000	
I-405 from SR-73 to I-605 Improvements ²	K	\$1,900,000		\$7,771	\$35,000	\$92,648		\$1,254,352	\$510,229
I-405 (I-5 to SR-55)	L	\$8,000			\$8,000				
I-405 s/b Aux. Lane - University to Sand Canyon and Sand Canyon to SR-133	L	\$2,328	\$2,328						
I-5/Route 74 Interchange Landscaping/Replacement Planting		\$1,420	\$1,420						
SR-74 widening, Calle Entradero-City/County line		\$42,694	\$5,513						\$37,181
SR-74 widening, City/County line to Antonio Parkway		\$40,905	\$10,000		\$5,285				\$25,620
SR-91 w/b Rte 91/55 - e/o Weir Replacement Planting		\$2,898	\$2,898						
State Highway Project Totals		\$2,960,057	\$279,176	\$93,896	\$260,968	\$94,248		\$1,653,731	\$578,038
State Funding Total		\$373,072							
Federal Funding Total		\$355,216							
Local Funding Total		\$2,231,769							
Total Funding (000's)		\$2,960,057							

State Highway Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
SR-57 n/b widening landscaping, SR-91 to Lambert Road	G	\$2,688						\$2,688	
SR-57 n/b widening, Katella Avenue to Lincoln Avenue	M1/G	\$34,428		\$24,127				\$10,301	
SR-57 N/B widening, SR-91 to Yorba Linda Boulevard	M1/G	\$50,659		\$40,925				\$9,734	
SR-57 N/B widening, Yorba Linda to Lambert Road	M1/G	\$52,709		\$41,250				\$11,459	
I-5 at Jamboree off ramp and auxiliary lane		\$8,485	\$8,485						

ATTACHMENT C



Capital Funding Program Report

State Highway Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
I-5 S/B AT OSO PKWY EXIT LANE & INTRCHNGE IMPROV		\$22,872	\$22,773						\$99
I-5 San Clemente Avenida Vaquero Soundwall		\$2,754	\$2,754						
I-5 soundwall, at El Camino Real		\$4,995	\$4,995						
I-5, Camino Capistrano Interchange Improvements		\$19,151	\$19,151						
SR-55 Continuous Access HOV restriping environmental		\$1,500							\$1,500
SR-55 southbound aux. lanes, Dyer Rd to MacArthur (env)		\$2,397	\$2,397						
SR-90 Imperial Hwy Enhancement & Mitigation Planting		\$1,669	\$1,669						
SR-91 eastbound widening, SR-241 to SR-71		\$57,611				\$47,888			\$9,723
SR-91 Widening, SR-55 to Gypsum Canyon (Weir/SR-241)		\$77,510	\$59,573	\$17,937					
HOV Connectors from I-405 and I-605	M1	\$173,091		\$135,430	\$14,787		\$16,200		\$6,674
HOV Connectors from SR-22 to I-405	M1	\$115,878			\$64,375	\$49,625	\$1,878		
I-5at Gene Autry Way (west) - HOV Drop ramps	M1	\$68,199			\$35,644	\$9,883	\$8,601		\$14,071
State Highway Project Totals		\$696,596	\$121,797	\$259,669	\$114,806	\$107,396	\$26,679	\$34,182	\$32,067
State Funding Total		\$381,466							
Federal Funding Total		\$222,202							
Local Funding Total		\$92,928							
Total Funding (000's)		\$696,596							

Board Notes:

1. Capital Programming Update - Requesting Board approval for \$34.927 million in STBG and \$13.735 million in M2 for the I-5 Widening from SR-73 to El Toro Road projects. Combined project funding increases by \$48.662 million. I-5 Widening from Oso Parkway to Alicia Parkway (Segment 2) project funding increases from \$166.800 million to \$196.167 million. I-5 Widening from Alicia Parkway to El Toro Road (Segment 3) project funding increases from \$114.259 to \$133.554 million
2. Capital Programming Update - Requesting Board approval to use \$7.771 million in Trade Corridor Improvement Fund to offset \$7.771 million in M2 or Toll Revenue Bonds for the I-405 Widening project. Total project cost remains the same. The action is contingent on California Transportation Commission approval.

Acronyms:

- M Code - Project codes in M2 Program
- STIP - State Transportation Improvement Program
- RSTP - Regional Surface Transportation Program
- CMAQ - Congestion Mitigation and Air Quality
- STBG - Surface Transportation Block Grant Program
- M1 - Measure M
- M2 - Measure M2
- I-5 - Interstate 5
- HOV - High-occupancy vehicle
- SR-55 - State Route 55
- SR-57 - State Route 57
- I-405 - Interstate 405
- SR-1 - State Route 1
- SR-73 - State Route 73
- SR-74 - State Route 74
- SR-91 - State Route 91
- I-605 - Interstate 605
- SR-133 - State Route 133
- SR-90 - State Route 90
- SR-241 - State Route 241
- SR-71 - State Route 71
- SR-22 - State Route 22



Capital Funding Program Report

Pending Board Approval - June 13, 2016

Local Road Project

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Kraemer Boulevard Grade Separation ¹	O	\$59,062	\$1,460	\$15,513	\$22,043			\$18,218	\$1,828
Lakeview Avenue Grade Separation	O	\$95,649		\$27,629	\$29,805	\$9,709		\$26,887	\$1,619
Lambert Road Interchange	O	\$63,787	\$22,100			\$924		\$927	\$39,836
M2 Project P Regional Signal Synchronization Program call	O	\$55,534						\$55,534	
Measure M2 Project O Regional Capacity Program Call for Projects	O	\$190,495		\$22,979				\$167,516	
OC Bridges Program Contingency ²	O	\$4,135			\$2,069			\$2,066	
Orangethorpe Avenue Grade Separation	O	\$110,495		\$41,632	\$27,828	\$18,600		\$21,084	\$1,351
Placentia Grade Separation along SS of Orangethorpe	O	\$69,426	\$6,040	\$27,346				\$32,537	\$3,503
Raymond Avenue Grade Separation ³	O	\$112,190		\$92,623				\$16,247	\$3,320
SR-57/Lambert Rd Interchange Improvements	O	\$63,787	\$22,100			\$924		\$927	\$39,836
State College Grade Separation	O	\$86,004		\$37,875	\$21,289	\$13,290		\$4,504	\$9,046
Tustin Ave/Rose Drive Grade Separation	O	\$94,271		\$30,862	\$45,149			\$16,972	\$1,288
M2 Project Q Fair Share Program	Q	\$615,296						\$615,296	
Active Transportation Program - Regional Call		\$31,117	\$92		\$614	\$26,337			\$4,074
Antonio Parkway Widening		\$32,553			\$15,499				\$17,054
ARRA Transportation Enhancements		\$6,833				\$4,049	\$500		\$2,284
Arterial Pavement Management Program ⁴		\$49,638			\$19,930				\$29,708
Atlanta Avenue Widening		\$4,160			\$2,278				\$1,882
Bicycle Corridor Improvement Program		\$11,136			\$8,426				\$2,710
Bristol Street Widening		\$44,750							\$44,750
Local Agency American Reinvestment and Recovery Act of 2009 (ARRA) rehabilitation projects		\$32,369				\$32,369			
M1 Combined Transportation Funding Program (CTFP)		\$34,000					\$34,000		
Measure M2 Project X Environmental Clean Up		\$41,550						\$41,550	
State-Local Partnership Program (SLPP) Formula Grant Call		\$46,419		\$21,217			\$1,280	\$23,922	
Transportation Enhancement Activities		\$22,172				\$15,628			\$6,544
Del Obispo Widening	M1	\$6,419			\$3,740				\$2,679
Local Road Project Totals		\$1,983,247	\$51,792	\$317,676	\$198,670	\$121,830	\$35,780	\$1,044,187	\$213,312
State Funding Total		\$369,468							
Federal Funding Total		\$320,500							
Local Funding Total		\$1,293,279							
Total Funding (000's)		\$1,983,247							

Local Road Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Grand Avenue Widening, 1st Street to 4th Street	O	\$12,537			\$6,708				\$5,829
Firestone Boulevard Widening at Artesia Boulevard		\$2,468			\$2,059				\$409
M2 Fair Share State-Local Partnership Grant Program		\$7,032		\$3,516				\$3,516	



Capital Funding Program Report

Local Road Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
I-5 at La Paz Interchange Improvements	M1	\$8,942			\$2,800		\$1,792		\$4,350
Imperial Highway Smart Streets	M1	\$1,900		\$200			\$200		\$1,500
Traffic Light Synchronization Program (TLSP), County Wide - Proposition 1B	M1	\$8,000		\$4,000			\$4,000		
Local Road Project Totals		\$40,879		\$7,716	\$11,567		\$5,992	\$3,516	\$12,088

State Funding Total	\$7,716
Federal Funding Total	\$11,567
Local Funding Total	\$21,596
Total Funding (000's)	\$40,879

Acronyms:

M Code - Project codes in M2 Program

STIP - State Transportation Improvement Program

RSTP/CMAQ - Regional Surface Transportation

Program/Congestion Mitigation and Air Quality

STBG - Surface Transportation Block Grant Program

M1/M2 - Measure M1/Measure M2

Board Notes:

1. Capital Programming Update - Reflecting cost savings of \$5.496 million in Trade Corridor Improvement Fund and \$2.069 million in CMAQ for the Kraemer Boulevard Grade Separation project. Project funding decreases from \$66.627 million to \$59.062 million.
2. Capital Programing Update - Created new OC Brides Program Contingency project to retain CMAQ and M2 cost savings totaling \$4.135 million.
3. Capital Programming Update - Requesting Board approval for \$1.561 million in Transit System Safety, Security & Disaster Response Account and \$0.505 million in Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account to offset \$2.066 million in M2 for the Raymond Ave Grade Separation project. Total project cost remains the same.
4. Orange County Transportation Authority State and Federal Grant Programs - Update and Recommendations - Requesting Board approval up to \$0.500 in STBG funds to the City of Santa Ana Fairview Street from savings and cancellations. Project funding decreases from \$50.116 million to \$49.638 million.



Capital Funding Program Report

Pending Board Approval - June 13, 2016

Rail Project

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Fullerton Transportation Center Parking Expansion Project	M1/R	\$33,667	\$11,250	\$11,035			\$9,718		\$1,664
Laguna Niguel-Mission Viejo Station Parking Improvements and Expansion	M1/R	\$15,134			\$6,500		\$8,634		
Orange Transportation Center Parking Structure	M1/R	\$33,175	\$13,762		\$4,073	\$3,298	\$1,850	\$420	\$9,772
Sand Canyon Avenue Grade Separation Project ¹	M1/R	\$62,084		\$28,226	\$10,536		\$3,116	\$5,352	\$14,854
M2 Project S Fixed-Guideway Anaheim Rapid Connection	M1/S	\$19,452				\$10,682	\$6,000	\$1,335	\$1,435
OC Streetcar (Proposed New Starts)	M1/S	\$288,740	\$40,000		\$48,450	\$144,370		\$55,920	
OC Streetcar Preliminary Studies and Environmental	M1/S	\$12,129				\$4,433	\$6,000	\$554	\$1,142
Anaheim Regional Intermodal Transportation Center (ARTIC) Construction	M1/T	\$184,164	\$29,219		\$35,000	\$40,754	\$43,900	\$35,291	
17th Street Grade Separation Environmental	R	\$3,500						\$3,500	
Anaheim Canyon Station Improvements	R	\$20,051			\$18,050	\$2,001			
Control Point at 4th Street	R	\$4,000				\$4,000			
Future Video Surveillance Systems	R	\$1,531				\$1,288			\$243
Laguna Niguel to San Juan Capistrano Passing Siding	R	\$25,274	\$3,000	\$2,483	\$19,791				
Metrolink Rehabilitation/Renovation - fiscal years 2011-12 to 2019-20	R	\$82,217				\$82,217			
Metrolink Station and Track Improvements, and Rehabilitation	R	\$2,230				\$1,784			\$446
Placentia Commuter Rail Station ²	R	\$34,825	\$2,500	\$400	\$50			\$8,000	\$23,875
Positive Train Control (Metrolink)	R	\$39,916		\$34,190		\$5,726			
Rail Station Platform Safety Improvements (Fullerton, Irvine, and Tustin)	R	\$788		\$788					
San Clemente Beach Trail Crossings Safety Enhancements	R	\$5,103		\$2,170				\$2,311	\$622
San Juan Creek Bridge Replacement ³	R	\$34,200	\$396	\$3,094		\$29,375		\$1,335	
Slope Stabilization Laguna Niguel-Lake Forest	R	\$2,000				\$2,000			
State College Grade Separation (LOSSAN)	R	\$79,284		\$46,000				\$33,284	
Ticket Vending Machines	R	\$6,857				\$6,857			
Video Surveillance Systems at Commuter Rail Stations	R	\$4,300				\$3,440			\$860
M2 Project S Transit Extensions to Metrolink (Rubber Tire)	S	\$733						\$733	
Fullerton Transportation Station Expansion Planning, Environmental, Planning Study Report	M1	\$875			\$775		\$100		
Rail Project Totals		\$996,229	\$100,127	\$128,386	\$143,225	\$342,225	\$79,318	\$148,035	\$54,913
State Funding Total		\$228,513							
Federal Funding Total		\$485,450							
Local Funding Total		\$282,266							
Total Funding (000's)		\$996,229							

Rail Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Metrolink Grade Crossing Safety Improvements (OCX)	M1/R	\$85,009		\$18,595			\$6,305	\$36,299	\$23,810
Metrolink Rolling Stock	M1/R	\$158,009		\$36,300	\$42,230	\$35,390	\$44,089		
Metrolink Service Track Expansion	M1/R	\$119,957		\$51,399			\$68,558		



Capital Funding Program Report

Rail Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Control Point Stadium Crossover	R	\$6,490		\$3,245		\$3,245			
LOSSAN Corridor Grade Separations PSR in Anaheim, Orange, and Santa Ana	R	\$2,699						\$2,699	
Metrolink Grade Crossing Safety Improvements ROW	R	\$3,025						\$3,025	
North Beach Crossings Safety Enhancements	R	\$348		\$166				\$182	
Rail Crossing Signal Lights and Pedestrian Gates	R	\$252		\$252					
Safety Repairs for San Clemente Pier Station	R	\$122		\$122					
Transit Rail Security (Monitors, Fencing, Video Surveillance)	R	\$310		\$310					
Go Local	S	\$7,730					\$7,730		
ARTIC Environmental, ROW, Program Management Support, Site Plan	M1	\$42,888					\$42,888		
Fiber Optics Installation (Metrolink)	M1	\$24,600		\$12,300		\$10,903	\$1,397		
Laguna Niguel-Mission Viejo Station Parking Expansion (South Lot)	M1	\$4,135		\$695			\$3,440		
Santa Ana Grade Separation Planning and Environmental PSR	M1	\$1,333			\$1,180		\$153		
Santa Ana Transportation Station Planning and Environmental PSR	M1	\$1,003			\$888		\$115		
Tustin Rail Station Parking Expansion	M1	\$15,389	\$1,100	\$7,181			\$7,108		
Rail Project Totals		\$473,299	\$1,100	\$130,565	\$44,298	\$49,538	\$181,783	\$42,205	\$23,810
State Funding Total		\$131,665							
Federal Funding Total		\$93,836							
Local Funding Total		\$247,798							
Total Funding (000's)		\$473,299							

Board Notes:

1. Capital Programming Update - Reflects cost savings of \$0.396 million in Proposition 116 (Prop 116), and \$1.533 million in Transit System Safety, Security & Disaster Response Account for Sand Canyon Grade Separation project. Project funding decreases from \$64.013 million to \$62.084 million.
2. Placentia Metrolink Commuter Rail Station Project Funding - Requesting Board approval for an additional \$6.000 million in 91 Express Lane Excess Toll Revenues for construction and \$5.405 million in City funds for engineering, ROW, and construction for the Placentia Commuter Rail Station project. Project funding increases from \$23.420 million to \$34.825 million.
3. 2016 STIP Update - Requesting Board approval for \$3.094 million in Trade Corridor Improvement Fund, \$1.335 million in M2, \$0.875 million in Earmark, and \$0.396 million in Prop 116 funds to offset the removal of STIP funds for the San Juan Creek Bridge Replacement project. Total project cost remains the same. This action is contingent on California Transportation Commission approval.

Acronyms:

M1/M2 - Measure M1/Measure M2
 M Code - M1 = Measure M1, otherwise Project Codes in Measure M2 Program
 STIP - State Transportation Improvement Program
 RSTP/CMAQ - Regional Surface Transportation Program/Congestion Mitigation and Air Quality
 CURE - Commuter and Rail Endowment Fund
 LOSSAN - Los Angeles-San Diego-San Luis Obispo Rail Corridor
 OCX - Rail-Highway Grade Crossing/Safety Enhancement Project
 PTMISEA - Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account
 CTC - California Transportation Commission
 OCTA - Orange County Transportation Authority
 PSR - Project Study Report
 ROW - Right-of-way



Capital Funding Program Report

Pending Board Approval - June 13, 2016

Bus Transit Project

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Go Local - Step 1	S	\$5,730					\$5,730		
Project V Community Circulators	V	\$8,053						\$8,053	
Project W Safe Transit Stops (City)	W	\$1,206						\$1,206	
Project W Safe Transit Stops (OCTA)	W	\$370						\$370	
ACCESS and fixed-route radio systems upgrade ¹		\$22,465		\$16,239		\$4,775			\$1,451
Associated Transportation Improvements		\$3,306				\$3,306			
Bus replacement - articulated alternative fuel buses (60')		\$29,900			\$22,250	\$7,650			
Bus replacement (40' and ACCESS)		\$129,805			\$29,198	\$48,935			\$51,672
Capital cost of contracting (ACCESS and contracted fixed-route contracts)		\$322,653				\$129,061			\$193,592
Central Harbor Transit Study		\$524	\$84		\$440				
Engine rebuild		\$10,968				\$10,968			
FTA Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities		\$1,752				\$1,752			
FTA Section 5316 Jobs Access and Reverse Commute		\$13,962				\$13,962			
FTA Section 5317 New Freedom		\$6,388				\$6,388			
Goldenwest Transportation Center parking structure		\$4,000			\$3,400				\$600
Goldenwest Transportation Center surface lot		\$2,000		\$1,200					\$800
Non-fixed-route paratransit operations assistance		\$181,666				\$33,063			\$148,603
Preventative maintenance - including salaries and benefits		\$138,299				\$138,299			
Rideshare/vanpool		\$6,732			\$6,732				
Transit Security Program		\$4,152		\$4,152					
Transit System Study Pilot Project		\$6,000			\$6,000				
Vanpool Program - capital lease		\$12,838			\$12,838				
Bus Transit Project Totals		\$912,769	\$84	\$21,591	\$80,858	\$398,159	\$5,730	\$9,629	\$396,718
State Funding Total		\$21,675							
Federal Funding Total		\$479,017							
Local Funding Total		\$412,077							
Total Funding (000's)		\$912,769							

Acronyms:

M Code - Project codes in M2 Program

STIP - State Transportation Improvement Program

RSTP - Regional Surface Transportation Program

CMAQ - Congestion Mitigation Air Quality

M1/M2 - Measure M1/Measure M2

FTA - Federal Transit Administration

OCTA - Orange County Transportation Authority

TSSSDRA - Transit Systems, Safety, Security, and Disaster Response Account

PTMISEA - Public Transportation Modernization, Improvement, and Service Enhancement Account

Board Notes:

1. Capital Programming Update - Requesting Board approval for \$0.494 million in PTMISEA to offset \$0.494 million in Local Transportation Fund for the Radio Upgrade project. Total project cost remains the same.



COMMITTEE TRANSMITTAL

June 13, 2016

To: Members of the Board of Directors

From:  Laurena Weinert, Clerk of the Board

Subject: Measure M2 Quarterly Progress Report for the Period of January 2016 Through March 2016

Executive Committee Meeting of June 6, 2016

Present: Chair Donchak, Vice Chairman Hennessey, and Directors Lalloway, Murray, Nelson, Spitzer, Ury

Absent: None

Committee Vote

This item was passed by the Members present.

Vice Chairman Hennessey and Director Nelson were not present to vote on this item.

Committee Recommendation

Receive and file as an information item.



ORANGE COUNTY TRANSPORTATION AUTHORITY


**Measure M2 Quarterly Progress Report for the Period of
January 2016 Through March 2016**

Staff Report



June 6, 2016

To: Executive Committee

From: Darrell Johnson, Chief Executive Officer 

Subject: Measure M2 Quarterly Progress Report for the Period of January 2016 through March 2016

Overview

Staff has prepared a Measure M2 quarterly progress report for the period of January 2016 through March 2016, for review by the Orange County Transportation Authority Board of Directors. This report highlights progress on Measure M2 projects and programs and will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, Orange County voters, by a margin of 69.7 percent, approved the Renewed Measure M Transportation Investment Plan (Plan) for Measure M2 (M2) one half-cent sales tax for transportation improvements. The Plan provides a 30-year revenue stream for a broad range of transportation and environmental improvements, as well as a governing ordinance which defines all the requirements for implementing the Plan. Ordinance No. 3 designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring OCTA's contract with the voters is followed.

OCTA is committed to fulfilling the promises made in M2. This means not only completing the projects described in the Plan, but adhering to numerous specific requirements and high standards of quality called for in the measure as identified in the ordinance. Ordinance No. 3 requires quarterly status reports regarding the major projects detailed in the Plan be brought to the OCTA Board of Directors (Board). All M2 progress reports are posted online for public review.

Discussion

This quarterly report reflects current activities and progress across all M2 programs for the period of January 1, 2016 through March 31, 2016 (Attachment A).

The quarterly report is designed to be easy to navigate and public friendly, reflecting OCTA's Strategic Plan transparency goals. The report includes budget and schedule information included in the Capital Action Plan, Local Fair Share Program, and Senior Mobility Program payments made to cities this quarter, as well as total payments from M2 inception through March 2016.

M2020 Plan Progress

Pages one through four of Attachment A (in every M2 quarterly report) include OCTA's progress on delivering the 14 objectives identified in the M2020 Plan. In summary, all 14 objectives are moving forward towards delivery as adopted by the Board. The Program Management Office (PMO), working closely with OCTA's division directors and project managers, will continue to monitor and analyze risks associated with delivering the M2 program of projects. Staff will continue to keep the Board informed on these challenges through Capital Programs metrics staff reports, separate project-specific staff reports, and these quarterly progress reports.

Additionally, Attachment A includes a summary of the PMO activities that have taken place during the quarter. Two areas in particular are highlighted below.

M2 Sales Tax Forecast Update and M2020 Plan Review

During the quarter, the Board directed staff to revisit current M2 sales tax revenue forecasting methodology, based on concerns over sales tax revenue actuals coming in lower than projections over the last three years. On March 28, 2016, the Board approved a new forecasting methodology as part of the fiscal year 2016-17 budget development process utilizing MuniServices Inc.'s forecast for the first five years and the three-university forecast (average of California State University of Fullerton, University of California Los Angeles, and Chapman University) for the remaining years. This is a more conservative approach than the prior practice of solely using the average of the three universities' projections. This change has reduced the overall M2 revenue forecast for the 2011-2041 period, from \$15.6 billion to \$14.8 billion. As a result, staff is updating all M2 program cash flows based on the new forecast information. An update on these cash flows and their impact on the M2020 Plan will be presented to the Board in summer 2016.

Progress Update

The following highlights M2 Program accomplishments that occurred during the third quarter:

- The Interstate 5 (I-5)/Ortega Highway interchange project was officially completed on January 15, 2016 (Project D).
- The Sand Canyon railroad grade separation undercrossing was also officially completed on January 15, 2016 (Project O).
- Inclusion of \$125 million for the OC Streetcar Project in the President's next fiscal year budget and beginning final design work took place during the quarter. Full Notice to Proceed was issued on February 1, 2016 for final design. In addition, on March 28, 2016, the Board approved the release of a request for proposals (RFP) for construction management services, selected a consultant for conceptual station and urban design plans, and authorized cooperative agreements with the cities of Garden Grove and Santa Ana for the design phase of the project (Project S).
- The sixth Environmental Cleanup Tier 1 call for projects (call) was approved by the Board on February 8, 2016, and released on February 15, 2016. The deadline for applications was set for April 15, 2016 (Project X).
- The general purpose lane on State Route 91 (SR-91) between State Route 57 (SR-57) to I-5 was opened to traffic on March 7, 2016 (Project I). Construction is anticipated to be complete next quarter.
- On March 14, 2016, the Board approved cooperative agreements with the cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster for city services required during project implementation on Interstate 405 (I-405) between State Route 55 (SR-55) to Interstate 605 (I-605). On March 28, 2016, the Board approved the release of the final RFP for the design and construction of the project (Project K).
- Also on March 14, 2016, the Board unanimously approved a correction to the attachments related to the December 14, 2015, amendment to Ordinance No. 3. The correction was to the placement of the change in the Fare Stabilization Program within Project U.
- On March 28, 2016, revised Senior Mobility Program Funding and Policy Guidelines were adopted by the Board (Project U).

- Also on March 28, 2016, a consultant was selected for construction management services for the Laguna Niguel/San Juan Capistrano Passing Siding Project. The contractor has received Notice to Proceed (Project R).
- The City of Orange has environmentally cleared the Orange Metrolink Parking Structure Project through a Notice of Determination under the California Environmental Quality Act, and has requested OCTA to assume the lead agency role for construction. OCTA staff is currently reviewing the plans, cost estimate, and delivery schedule. It is anticipated that a cooperative agreement between the City of Orange and OCTA will be brought to the Board on May 23, 2016 (Project R).

The following recent activities and/or accomplishments have taken place after the close of the third quarter:

- On April 11, 2016, the Board approved programming \$38 million in Regional Capacity Program funds (Project O) to 19 local agency projects, and \$12.43 million in Regional Traffic Signal Synchronization Program funds (Project P) to seven local agency projects as part of the 2016 Project O and Project P call.
- On April 11, 2016, a consultant was selected for preparation of the project report/environmental document for the I-605/Katella Avenue Interchange Project (Project M) and SR-55 Improvement Project, between I-5 and SR- 91 (Project F).
- On April 29, 2016, OCTA issued a Notice to Proceed for the environmental phase on SR-57 project between Orangewood and Katella (Project G).
- On April 15, 2016, OCTA received 29 applications for the sixth Environmental Cleanup Tier 1 call. Staff is reviewing the applications and plans to bring a recommendation to the Board in late summer 2016 (Project X).

A critical factor in delivering M2 freeway projects is to ensure project scope, schedules, and budgets remain on target. Project scope increases, project delays, and resulting cost increases can quickly affect project delivery and have a cascading effect on other activities. In light of the recent reduction in sales tax revenue forecast, this factor is even more significant.

The California Department of Transportation (Caltrans) and OCTA continue to work together to move projects forward; however, there are a number of issues that create challenges. Caltrans' strategic policy direction has shifted away from system capacity enhancements, such as general purpose (GP) lane additions, and now includes a focus on construction and enhancement of managed lane systems, including high-occupancy vehicle (HOV) lanes. The goal of this policy shift is to increase average vehicle occupancy and contribute toward the state's greenhouse gas reduction (GHG) goals.

The focus on managed lanes conflicts with the public's expectations for some M2 projects. It may also result in inconsistencies with the existing and draft Regional Transportation Plan/Sustainable Communities Strategy even though these documents achieve the GHG emission reduction goals, established by the California Air Resources Board pursuant to SB 375 (Chapter 728, Statutes of 2008). Navigating this challenge by working closely with Caltrans will be important moving forward with the M2 Freeway Program.

In particular, this policy shift is affecting OCTA's ability to move forward with delivery on the SR-55 project, between I-5 and I-405. The draft environmental report was completed, and OCTA staff believes alternative 3, which would add a GP lane, is superior to the other alternatives and meets the intent of M2. Alternative 3 is consistent with the Regional Transportation Plan, the Federal Transportation Improvement Program, and is fundable with M2. Caltrans has expressed support for alternative 4, which would build a second HOV lane rather than a GP lane. OCTA is seeking a decision from Caltrans on the preferred alternative and has requested that Caltrans schedule the project development team (PDT) to discuss and make a decision on the preferred alternative.

On May 6, 2016, Caltrans sent OCTA staff a letter requesting a meeting to discuss their intent to revisit the alternatives and modify alternative 3 to include a second HOV lane. This modification would add at least another year to the already delayed project, as well as additional cost. The original schedule had the environmental phase completing in early 2014. OCTA staff is requesting Caltrans set up the PDT so that a formal determination can be made on this project. If Caltrans chooses an alternative that goes beyond what is consistent with M2, then a discussion with the Board would need to take place to determine the next step for this project.

A new challenge that the program is facing is related to the reduction in Orange County's share of State Transportation Improvement Program (STIP) funding of \$42.2 million and the revised M2 sales tax revenue forecasting methodology discussed above which resulted in an \$800 million drop in M2 sales tax revenue projections through 2041.

Due to a shortfall in state funding, the California Transportation Commission (CTC) required OCTA to reduce the Orange County STIP program of projects by \$42.2 million. This change is driven by the drop in the price-based excise tax to ten cents/gallon. The CTC required all agencies, including OCTA, to revisit each county's STIP program of projects and submit revised projects.

Final reductions were approved by the CTC at the May 2016 meeting. While staff worked to keep the impact to M2 to a minimum, the reduction eliminated state funding for one M2 project and delayed funding for two others. The impacts related to the STIP reduction will be included in the cash flow analysis update currently underway on all M2 programs. As stated earlier, an update on the M2 program cash flows and analysis on the M2020 plan delivery will be presented to the Board in summer 2016.

Summary

As required by M2 Ordinance No. 3, a quarterly report covering activities from January 2016 through March 2016 is provided to update progress in implementing the M2 Transportation Investment Plan. The above information and the attached details indicate significant progress on the overall M2 Program. To be cost-effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 quarterly progress report is presented on the OCTA website. Hard copies are available by mail upon request.

Attachment

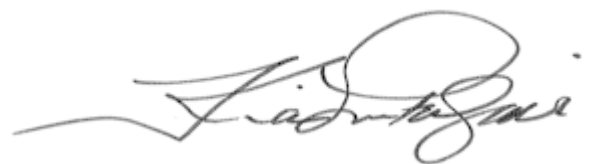
- A. Measure M2 Progress Report – Third Quarter of Fiscal Year 2015-16 – January 1, 2016 through March 31, 2016

Prepared by:



Tamara Warren
Manager, Program Management Office
(714) 560-5590

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Quarterly Progress Report for the Period of
January 2016 Through March 2016**

Attachment A

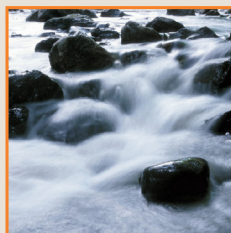
**THIRD QUARTER HIGHLIGHTS:**

- Freeway Projects
- Streets and Roads
- Environmental Cleanup & Water Quality
- Freeway Mitigation Program
- Finance Matters
- Program Management Office
- Summary

Measure M2

Progress Report

Third Quarter of Fiscal Year 2015-16
January 1, 2016 through March 31, 2016



Measure M2

Progress Report



SUMMARY

As required by the Measure M2 (M2) Ordinance No. 3, a quarterly report covering activities from **January 1, 2016 through March 31, 2016** is provided to update progress in implementing the M2 Transportation Investment Plan.

To be cost effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 progress report is presented on the Orange County Transportation Authority (OCTA) website. Hard copies are mailed upon request.

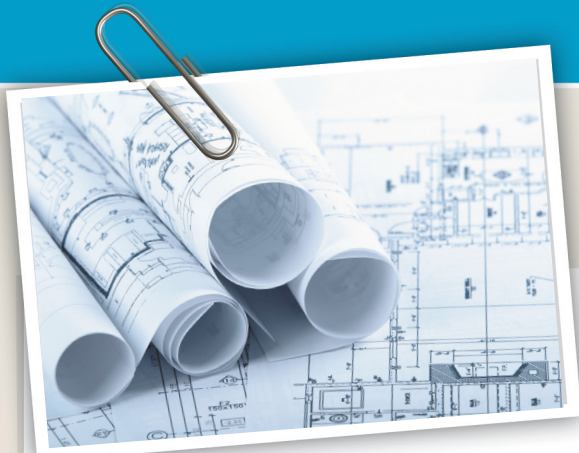


Cover photo shown is from the Orangethorpe Grade Separation bridge deck pour that took place during the quarter. This project is part of the OC Bridges Program (Project O).

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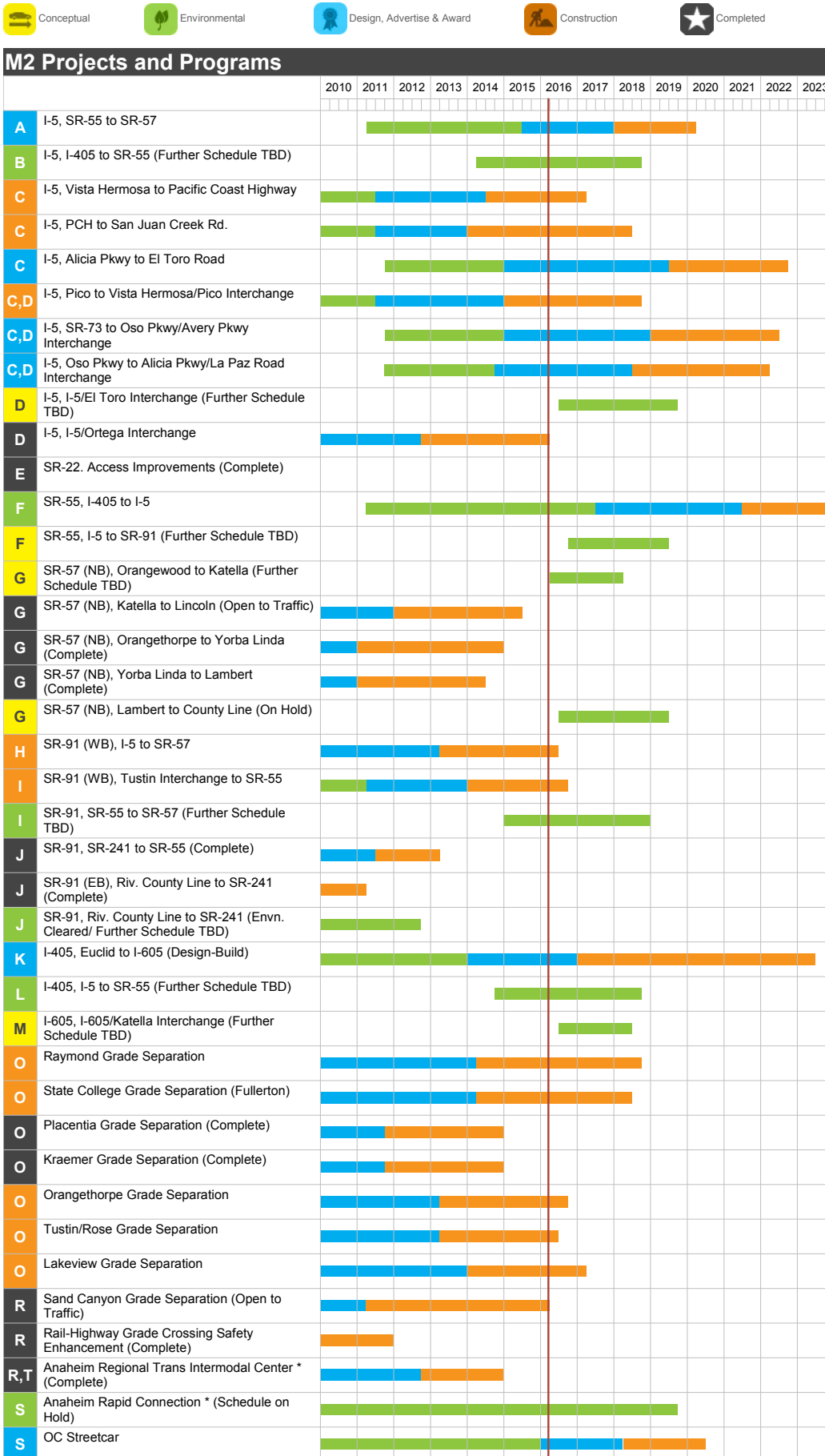
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Project Schedules



*Projects managed by local agencies.

Project K is a Design-Build project, with some overlap in activities during phases. Phase work can be concurrent.

Shown schedules are subject to change.

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M2 DELIVERY RISK UPDATE



Key:

- One to Watch
- At Risk

M2 Delivery Risk Update

This section discusses the risks and challenges related to overall Measure M2 and M2020 Plan delivery that the Measure M Program Management Office is watching – complete with associated proposed actions and explanations.

Delivery Risk		Explanation	Proposed Action
1	Delay in project phases affecting overall costs and ability to deliver projects. Caltrans and OCTA maintain varying perspectives with regard to freeway program delivery.	A critical factor in delivering M2 is keeping project costs and schedules on target. Caltrans and OCTA must remain coordinated, despite varying goals. OCTA is the funding agency, whose M2 mandate is to deliver projects promised to the voters while limiting impacts to the community. Caltrans’ strategy is to address ultimate need for long-term solutions whenever possible. The challenge is how to balance these strategies.	OCTA and Caltrans will work together to find common ground and allow for project delivery, which is critical to the success of both agencies. Projects experiencing delays will continue to be highlighted in these quarterly reports as well as divisional metric reports as appropriate. If a project is nearing a critical delay, a separate and specific project staff report will be presented to the Board to ensure awareness.
2	Availability of specialized staff given the scope of right-of-way (ROW) activities for the various freeway construction activities.	Timely ROW acquisition and utility clearance has proven to be a key factor in reducing risk on construction projects. Expert and timely coordination between OCTA and Caltrans is imperative to manage this risk. With the exception of Project K (I-405), OCTA does not have ROW authority and therefore relies on its partner Caltrans for this work effort.	The heavy demand on Caltrans’ ROW resources will be a challenge for early acquisition. This is further challenged by a change in meeting frequency by the California Transportation Commission, a necessary step in ROW settlement. OCTA and Caltrans will need to work closely to address the risk associated with Caltrans’ limited ROW resources.
3	Availability of management and technical capabilities to deliver/operate future rail guideway projects.	The OCTA Board has selected a project management consultant for the upcoming engineering and construction phases of the OC Streetcar project, who will assist with the development of plans related to project delivery, management and operations.	OCTA’s Project Management Plan demonstrates OCTA has the technical and management capacity to construct and operate the OC Streetcar. Since submission of the Plan to FTA, the project has received a “medium-high” overall rating. Entry into engineering is expected in summer 2016.
4	Changes in priorities over the life of the program.	The Plan of Finance adopted by the Board in 2012 included M2020 Plan Priorities and Commitments with 12 core principles to guide the Board in the event of a needed change.	Staff regularly monitors Plan performance and delivery constraints, and will highlight particular concerns as appropriate.
5	Decline in forecasted M2 revenues creates a need to rely on external funding to deliver the M2 Program.	For the last 3 years, the 3-University Forecast has reflected a higher forecast than actual sales tax revenue receipts. The Board asked Staff to look into a more conservative forecasting method to ensure the M2 Program was accurately reflected in terms of delivery. As a result of this change in forecasting methodology, the projected sales tax dropped by \$800 million. The Program is still on target for delivery in spite of reductions in Measure M funding as well as some external funding (such as STIP) and increasing construction and support costs.	Using the new forecast to update M2 program cash flows, staff is preparing an M2020 Update to bring to the Board in summer to determine what is needed and proposed in external funds required to deliver the M2 program as promised to voters.



M2020 Plan Update

Contact: Tami Warren, PMO Manager
(714) 560-5590

On September 10, 2012, the OCTA Board of Directors (Board) approved the M2020 Plan which is an eight-year plan that outlines projects and programs for all modes of transportation to be delivered on an expedited schedule between now and the year 2020. The plan also positions OCTA on a course to go beyond the early implementation projects if additional external funds can be accessed. Below is a summary of our progress towards meeting the eight-year objectives.

Progress Update

The M2020 Plan identifies 14 objectives. Significant progress has been made in all areas, with several projects advancing to completion. A summary of the progress to date for each of the 14 objectives is outlined below.

M2020 Plan Objectives

1. Deliver 14 M2 freeway projects.

Five of the 14 projects are complete: SR-91 between SR-241 and SR-55 (Project J), SR-57 between Yorba Linda Boulevard and Lambert Road (Project G), SR-57 between Orangethorpe Avenue and Yorba Linda Boulevard (Project G), SR-57 between Katella Avenue and Lincoln Avenue (Project G), and most recently the Ortega Highway I-5 interchange project (Project D). Additionally, another five projects are currently under construction: three segments of I-5 between Pico to Vista Hermosa, Vista Hermosa to Pacific Coast Highway, and Pacific Coast Highway to San Juan Creek Road (Project C); SR-91 between I-5 to SR-57 (Project H); and SR-91 Tustin Avenue Interchange to SR-55 (Project I). Another three are in design, with one of the 14 projects in the environmental phase. For more details, see previous page (Project Schedules) and the project updates contained in the following pages.

2. Complete environmental phase for 9 remaining M2 freeway projects.

One of the nine projects is already environmentally cleared – SR-91 between SR-241 and SR-15 (Project J) – which was cleared as part of RCTC's Corridor Improvement Program. Three projects are currently in the environmental phase, with another five projects slated to begin the environmental phase in 2016/17. All projects are scheduled to begin the environmental phase, as shown on the previous page (Project Schedules), and will be environmentally cleared by 2020. For more details, see the project updates contained in the following pages.

3. Invest \$1.2 billion for Streets and Roads projects (Projects O, P, and Q).

To date, OCTA has awarded local agencies nearly \$246 million in Project O and Project P funds and has paid out over \$74.6 million (or approximately 30 percent) of the awarded funding for local streets and roads improvements. Additionally, the Board has committed to provide more than \$634 million in state, federal, and M2 funds for the OC Bridges program's grade separation projects. This accounts for the Project O and P portion of the proposed

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\$1.2 billion to date. In addition, since inception, approximately \$218 million of Local Fair Share funds (Project Q) has already been distributed to local agencies. Approximately \$51 million will be distributed this fiscal year, and this amount is expected to grow annually.

4. Synchronize 2,000 traffic signals across Orange County (Project P).

Through M2 Calls for Projects, more than 2,000 signals will be designated for improvements. To date, OCTA and local agencies have synchronized more than 1,400 intersections along more than 350 miles of streets. The signal program will meet the target early (prior to 2020) of synchronizing at least 2,000 signalized intersections by 2017.

5. Expand Metrolink peak capacity and improve rail stations and operating facilities (Project R).

Although well underway before the M2020 Plan was adopted, part of Project R (Metrolink Grade Crossing Improvements) was completed in conjunction with the Metrolink Service Expansion Plan (MSEP). This enhanced 52 Orange County rail-highway grade crossings with safety improvements, whereby the cities of Anaheim, Dana Point, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin have established quiet zones at respective crossings. Additionally, within this Measure M program, funding is provided for rail line and station improvements to accommodate for increased service. Rail station parking lot expansions, such as improvements at Fullerton and Orange stations, better access to platforms through improvements to elevators and/or ramps, and a passing siding project between Laguna Niguel and San Juan Capistrano have been made or are underway most recently. For more details, see the project updates contained in the following pages.

6. Expand Metrolink service into Los Angeles (Project R).

The Riverside County Transportation Commission (RCTC), Los Angeles County Metropolitan Transportation Authority (Metro) and OCTA continue to work together to secure approval of a Memorandum of Understanding (MOU) with Burlington Northern Santa Fe (BNSF) Railway, which is necessary to operate train service on BNSF-owned tracks. Metrolink has taken the lead in the discussions with the BNSF Railway to evaluate the current shared use and indemnification/liability agreements that govern the use of each agencies respective railroad rights of way. Special counsel has been brought in to assist in these discussions. From a ridership perspective, data through March 2016 continues to show ridership is growing on MSEP as a result of the April 2015 schedule changes that improve intra-county train utilization. These changes include the new 91 Line connection at Fullerton which allows for a later southbound peak evening departure from Los Angeles to Orange County.

7. Provide up to \$575 million to implement fixed-guideway projects (Project S).

Two fixed guideway projects have received Board approval for funding through preliminary engineering: OC Streetcar and Anaheim Rapid Connection (ARC). On August 24, 2015, the Board approved using up to \$55.92 million of Measure M2 Project S funds for meeting New Starts match requirements for OC Streetcar project development/construction. To date, the Board has awarded funding through preliminary engineering of approximately \$18 million to the City of Anaheim for the ARC project and approximately \$11 million to the City of Santa Ana for OC Streetcar, totaling approximately \$29 million.

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8. Deliver improvements that position Orange County for connections to planned high-speed rail project (Project T).

The City of Anaheim led the construction effort to build the Anaheim Regional Transportation Intermodal Center (ARTIC), which was opened to rail and bus service on December 6, 2014. A ribbon cutting ceremony was held on December 8, 2014, with a grand opening celebration on December 13, 2014. The City of Anaheim also issued a Notice of Substantially Complete at that time. This facility replaced the former Anaheim Station that was located on the opposite side of the freeway.

9. Provide up to \$75 million of funding to expand mobility choices for seniors and persons with disabilities (Project U).

To date, approximately \$37 million in Project U funding has been provided under M2 for the Senior Mobility Program (SMP), the Senior Non-emergency Medical Transportation Program (SNEMT), and the Fare Stabilization Program.

10. Provide up to \$50 million of funding for community-based transit services (Project V).

On June 24, 2013, the OCTA Board of Directors approved up to \$9.8 million to fund five projects received as part of the first Call for Projects. On November 23, 2015, the Board approved up to \$20 million for the second Call for Projects. OCTA received 23 applications for funding requesting more than \$30 million in Measure M funds in February. OCTA staff is currently reviewing applications for consistency with the Project V guidelines, and will return to the Board with programming recommendations next quarter in June.

11. Acquire and preserve 1,000 acres of open space, establish long-term land management, and restore approximately 180 acres of habitat in exchange for expediting the permit process for 13 of the M2 freeway projects (Projects A-M).

The Freeway Mitigation Program is proceeding as planned, with seven properties (Preserves) acquired (1,300 acres), and 11 restoration projects approved for funding by the Board, totaling approximately 350 acres. The restoration project plans have been approved by the wildlife agencies and are currently at various stages of implementation. To date, the Board has authorized \$42 million for property acquisitions (inclusive of designating funds to pay for long-term property maintenance), \$10.5 million to fund habitat restoration activities, and \$2.5 million for conservation plan development and program support, for a total of approximately \$55 million.

12. Complete resource management plans to determine appropriate public access on acquired properties.

The Final Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) along with the Final Environmental Impact Report and Environmental Impact Statement (EIR/EIS) document are anticipated to be brought to the Board for adoption in mid-2016. Separate preserve-specific Resource Management Plans (RMP's) for the five Preserves within Trabuco and Silverado Canyons were released in November and the comment period closed on February 8, 2016. These RMP's are currently being finalized and will determine the appropriate management needs (consistent with the NCCP/HCP) for each of the Preserves. The two remaining Preserves (Hayashi and Aliso Canyon) will be the subject of future releases and will follow a similar process. Docent-led public access events will continue to be held. A list of scheduled 2016 wilderness Preserve hiking and equestrian riding tours is available on the M2 website at www.PreservingOurLegacy.org.

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13. Implement water quality improvements of up to \$20 million to prevent flow of roadside trash into waterways (Project X).

To date, there have been five rounds of funding under the Tier 1 grants program. A total of 122 projects in the amount of over \$14 million have been awarded by the OCTA Board since 2011. The sixth Tier 1 Call for Projects was approved by the Board for up to \$2.76 million on February 8, and the call was released on February 15, 2016.

14. Provide up to \$38 million to fund up to three major regional water quality improvement projects as part of the Environmental Cleanup Program (Project X).

There have been two rounds of funding under the Tier 2 grants program. A total of 22 projects totaling almost \$28 million have been awarded by the OCTA Board since 2013. Approximately \$10 million remains for a third Call for Projects, which is anticipated to occur in mid-2017.

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Interstate 5 (I-5) Projects

Project A

I-5 (SR-55 to SR-57)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Design Phase Underway

Summary: This project will increase HOV capacity by adding a second HOV lane in both directions along I-5 between SR-55 and SR-57 in Santa Ana. This quarter, the Project Design Team (PDT) addressed comments on 30 percent plans (base maps and plan sheets) and worked on 60 percent plans (preparing draft plans, specifications, and estimate), completed structural type selection reports and preliminary foundation reports. Next quarter, 60 percent plans will be submitted and work will begin on final design plans. The design phase is expected to be complete mid-2017. Funding for the construction phase of this project was impacted by the STIP reductions. Staff will evaluate alternate funding.

Project B

I-5 (SR-55 to the El Toro "Y" Area)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Environmental Phase Underway

Summary: This project will add one general purpose lane in each direction of the I-5 corridor and improve the interchanges in the area between SR-55 and SR-133 (near the El Toro "Y" and I-405) in Tustin and Irvine. The environmental study will consider the addition of one general purpose lane on I-5 between just north of I-405 to SR-55. Additional features of Project B include improvements to various interchange ramps. Auxiliary lanes could be added in some areas and re-established in other areas within the project limits. During the quarter, the consultant continued working on technical studies and responding to Caltrans comments on Traffic Forecast Volumes which delayed this project by another month. The lengthiness of the decision-making process on traffic methodology has impacted this project by delaying aspects of the environmental phase, placing the project more than one year behind its original schedule. The final Environmental Document is expected to be complete in August of 2018.

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Project C & Part of Project D

I-5 (SR-73 to Oso Parkway/ Avery Parkway Interchange)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Design Phase Underway

Summary: This project will make improvements along I-5 between SR-73 and Oso Parkway in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. The proposed improvements include the addition of a general purpose lane in each direction from Avery Parkway to Oso Parkway and reconstruction of the Avery Parkway Interchange (part of Project D). During the quarter, work on 65 percent Engineering Plans, Specifications & Estimates (PS&E) continued, with planned submittal to Caltrans by June 2016. Staff coordinated and obtained consensus from stakeholders on the bridge aesthetics design, project right of way requirements have been finalized, and staff also continued to work with Caltrans regarding right-of-way support services. The Right-of-Way Cooperative Agreement between OCTA and Caltrans that was approved by the Board in October for approval is expected to be fully executed next quarter. Design work is anticipated to be complete in mid-2018.

I-5 (Oso Parkway to Alicia Parkway/ La Paz Road Interchange)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Design Phase Underway

Summary: This project will make improvements along I-5 between Oso Parkway and Alicia Parkway in the cities of Laguna Hills and Mission Viejo. The proposed improvements include the addition of a general purpose lane in each direction and reconstruction of the La Paz Road Interchange. The design phase is currently underway, with the 65 percent PS&E submitted in March. Major activities this quarter included continued coordination with local cities and stakeholders on the aesthetics concept plan, off-site sound walls, and service contract coordination with Southern California Rail Road Association (SCRRA). The Right-of-Way Cooperative Agreement between OCTA and Caltrans that was approved by the Board in October for approval is expected to be fully executed next quarter. Design work is anticipated to be complete in 2017.

I-5 (Alicia Parkway to El Toro Road)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Design Phase Underway

Summary: This project will make improvements along I-5 between Alicia Parkway to El Toro Road in the cities of Lake Forest, Laguna Hills, Laguna Woods and Mission Viejo, including the extension of the second HOV lane from Alicia Parkway to El Toro Road. Major activities this quarter included continued coordination with local cities and stakeholders on the aesthetics concept plan, and the continued development of a plan to address potential impacts to Avenida De La Carlota and Southern California Edison power lines therein. All comments for the 35 percent PS&E submittal were received with responses provided and additional coordination, as needed. The Right-of-Way Cooperative Agreement between OCTA and Caltrans that was approved by the Board in October for approval is expected to be fully executed next quarter. The 65 percent PS&E is scheduled for submittal in August 2016.

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Project C & Part of Project D continued from previous page...

I-5 (Avenida Pico to Avenida Vista Hermosa)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This segment adds a carpool lane in each direction on I-5 between Avenida Pico and Avenida Vista Hermosa in San Clemente, and also includes major improvements to the Avenida Pico Interchange (part of Project D). Construction began in February 2015. This quarter, construction of abutments for the westerly half of Avenida Pico undercrossing were completed, temporary support for the bridge superstructure and retaining walls on either side and in Avenida Pico have begun. Construction is now 30 percent complete and is anticipated to be 100 percent complete in late 2017 or early 2018.

I-5 (Avenida Vista Hermosa to PCH)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This segment adds a carpool lane in each direction of I-5 between Avenida Vista Hermosa and Pacific Coast Highway in San Clemente. Construction began in September 2014. Highlights from the quarter include progress on the Avenida Vaquero bridge widening. Crews removed falsework and completed deck and closure pours for the new bridge. Crews will continue work to pave the slope and construct new approach slabs in the coming months. Work is ongoing on 13 retaining walls and sound walls, on both sides of the freeway, with most of the retaining walls complete. Next, crews will begin constructing block wall for all of the sound walls. In March, Hot Mix Asphalt (HMA) paving began on the project. Construction is 51 percent complete and is scheduled to be 100 percent complete in early 2017.

I-5 (PCH to San Juan Creek Road)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This segment will add a carpool lane in each direction of the I-5 between Pacific Coast Highway (PCH) and San Juan Creek Road in the cities of San Clemente, Dana Point, and San Juan Capistrano. Construction began in March 2014. This quarter, critical path work continued with Retaining Wall 349. A soil issue identified in Fall 2015 that was brought to the Board will delay project completion time. As a result, this project is marked “red” in the Capital Action Plan, signifying a delay of at least three months, with a revised completion date extending at least 19 months past original schedule (September 2016). Work on the northbound I-5 on-ramp from PCH/Camino Las Ramblas continued with all drainage systems being completed, placement of Hot Mix Asphalt (HMA) for Stage 1 and 2 including PCH to SB I-5 connector, all approach slabs were placed for Bridges and barrier rail for RW 387 and Camino Capistrano were completed this quarter. Construction work is 68 percent complete (with structure work being 80 percent complete), and anticipated project completion by April 2018.

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Project D

This Project will update and improve key I-5 interchanges at Avenida Pico, Ortega Highway, Avery Parkway, La Paz, and at El Toro Road. Three interchange improvements at La Paz, Avery Parkway, and Avenida Pico are part of Project C.

I-5 El Toro Road Interchange

Contact: Rose Casey, Highways
(714) 560-5729

Status: PSR/PDS Document Complete

Summary: Caltrans approved the Project Study Report/ Project Development Support (PSR-PDS) on February 20, 2015 and the document is considered final and complete. The PSR-PDS includes alternatives that consider modifications to the existing interchange to provide a new access ramp to El Toro Road and one alternate access point adjacent to the interchange. The project can now advance to the Environmental Phase for further detailed engineering and project development efforts, which is anticipated to begin in late 2016.

I-5/ Ortega Highway Interchange



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: Construction began in February 2013 to reconstruct the SR-74 Ortega Highway Bridge over I-5, and improve local traffic flow along SR-74 and Del Obispo Street in the City of San Juan Capistrano. All lanes on the new bridge were opened to traffic on September 4, 2015. A dedication ceremony was held on October 1, 2015. Remaining project punch list items were completed during the quarter. The project was officially completed on January 15, 2016.

State Route 22 (SR-22) Project

Project E

SR-22 Access Improvements



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: Completed in 2008, Project E made improvements at three key SR-22 interchanges (Brookhurst Street, Euclid Street, and Harbor Boulevard) in the city of Garden Grove to reduce freeway and street congestion in the area. This M2 project was completed early as a “bonus project” provided by the original Measure M (M1).



State Route 55 (SR-55) Projects

Project F

SR-55 (I-405 to I-5)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Environmental Phase

Summary: This project will widen SR-55 in the cities of Irvine, Santa Ana, and Tustin. This quarter, Public Circulation of the Draft Environmental Document was completed and response to comments were prepared. The project was put on hold in March until an agreement on the preferred alternative selection is made between Caltrans and OCTA. The public comment period ended on January 22, 2016. Due to differences in believed project area need, alternative selection has been delayed. The PDT Preferred Alternative Recommendation meeting that was originally scheduled to take place in March has been delayed indefinitely, pending OCTA and Caltrans executive direction. This project is at risk of being delayed up to two years if a preferred alternative is not selected by July 1, 2016. The extent of the delay will depend on any new alternatives that may be introduced and the requirement to apply Qualitative Air Quality Analysis (instead of quantitative analysis) to all four or more alternatives. Because of prior delays in addition to current reasons, the project is marked “red” in the Capital Action Plan, signifying a delay of at least three months. This project has been delayed by more than two years from its original schedule.

SR-55 (I-5 to SR-91)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Procurement for the Environmental Phase Underway

Summary: The Project Study Report/Project Development Support (PSR/PDS) was signed by Caltrans on January 12, 2015, completing the project initiation document phase. Once implemented, this project will add capacity between I-5 and SR 22, and provide operational improvements between SR-22 and SR-91 in the cities of Orange, Santa Ana, Tustin, and Anaheim. All of the project alternatives in the draft PSR/PDS document include the addition of one general purpose lane in each direction between SR-22 and Fourth Street and operational improvements between Lincoln Avenue and SR-91. Other improvements being considered consist mostly of operational improvements at ramps and merge locations between SR-22 and SR-91, as well as a potential interchange project at First Street and the I-5 connector ramp. Procurement for the environmental phase is underway with consultant selection recommendation anticipated in April. The Environmental Phase is anticipated to begin in September 2016 and be complete in 2019.



State Route 57 (SR-57) Projects

Project G

SR-57 NB (Lambert Road to Tonner Canyon Road)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Conceptual Phase Complete

Summary: OCTA previously completed a PSR/PDS document for the Lambert Road to Tonner Canyon Road segment, which will add a truck-climbing lane from Lambert Road to Tonner Canyon Road in the city of Brea. The segment will be cleared environmentally by 2020. Future work will be planned so that it coincides with related work by the Los Angeles Metropolitan Transportation Authority across the county line. Funding for environmental phase for this project was proposed to be included in the 2016 State Transportation Improvement Program (STIP) but was removed due to funding constraints. Staff will evaluate alternative funding sources.

SR-57 NB (Yorba Linda Boulevard to Lambert Road)



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: Completed on May 2, 2014, this project increased capacity and improved operations and traffic flow on SR-57 with the addition of a new 2.5-mile northbound general-purpose lane between Yorba Linda Boulevard in Fullerton and Lambert Road in Brea. Additional project benefits include on- and off-ramp improvements, the widening and seismic retrofit (as required) of six bridges in the northbound direction and the addition of soundwalls. Existing lanes and shoulders were also widened to standard widths, enhancing safety for motorists.

SR-57 NB (Orangethorpe Avenue to Yorba Linda Boulevard)



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: This project increased capacity and improved operations on northbound SR-57 with a new 2.5-mile northbound general-purpose lane between Orangethorpe Avenue in Placentia to Yorba Linda Boulevard in Fullerton. In addition to the new lane, capital improvements include reconstruction of northbound on- and off- ramps, widening of seven bridges, and the addition of soundwalls. Final traffic striping on this segment was completed and the new general purpose lane was opened to traffic on April 27, 2014. The project was completed on November 6, 2014.

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Project G continued from previous page...

SR-57 NB (Katella Avenue to Lincoln Avenue)

Status: PROJECT COMPLETE



Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project increased capacity and improved operations on northbound SR-57 between Katella Avenue and Lincoln Avenue with the addition of a new 3-mile general purpose lane, on and off-ramp improvements, and sound walls. Bridges at Katella Avenue and Douglas Road were also widened in the northbound direction. The project opened to traffic on November 19, 2014 and completed on April 21, 2015.

SR-57 NB (Orangewood Avenue to Katella Avenue)

Status: Procurement for the Environmental Phase Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project will add capacity in the northbound direction of SR-57 from Orangewood Avenue to Katella Avenue in the cities of Anaheim and Orange. Improvements under study include adding a northbound general purpose lane to join the northbound general purpose lane which were opened in Spring 2014 to traffic between Katella Avenue and Lincoln Avenue. Procurement for the environmental phase is underway and the Environmental Phase is anticipated to begin in April 2016 and be complete in mid-2018.

State Route 91 (SR-91) Projects

Project H

SR-91 WB (SR-57 to I-5)

Status: Construction Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project will add capacity in the westbound direction of SR-91 by adding an additional general purpose lane in the westbound direction between Anaheim and Fullerton, and provide operational improvements at on and off-ramps between Brookhurst Street and State College Boulevard. This quarter, miscellaneous paving and concrete work was completed. Construction is approximately 99 percent complete and is anticipated to be 100 percent complete by next quarter. Additional consultant-supplied construction management services was approved by the Board to meet the current construction completion timeline. The general purpose lane was opened to traffic the second week of March. Punch list work will be completed by mid-May.



Project I

SR-91 (SR-55 to Tustin Avenue Interchange)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This project will improve traffic flow at the SR-55/SR-91 interchange by adding a westbound auxiliary lane beginning at the northbound SR-55 to westbound SR-91 connector through the Tustin Avenue interchange in the City of Anaheim. The project is intended to relieve weaving congestion in this area. The project includes reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. This quarter, miscellaneous drainage, paving and concrete work was completed. Construction is approximately 90 percent complete. The project is anticipated to be complete in mid-2016.

SR-91 (SR-57 to SR-55)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Environmental Phase Underway

Summary: This project will improve traffic flow and operations along SR-91 within the cities of Fullerton and Anaheim. The study will look at the addition of one general purpose lane eastbound between SR-57 and SR-55, and one general purpose lane westbound from Glassell Street to State College Boulevard. Additional features of this project include improvements to various interchanges. Auxiliary lanes will be added in some segments and re-established in others within the project limits. This quarter, the consultant continued working on technical documents. Project schedule milestones for the environmental phase and beyond will not be revisited until the SR-91/SR-55 connector study is completed. If added to the project scope, connector improvements would expand the project's limits. No funding has been identified for the added improvements. If the connector becomes part of the Caltrans-selected final project alternative, it would need to be a phased project. Measure M funds would pay for the mainline freeway improvements and future funding would need to be identified for the connector portion of the project. The environmental phase is expected to be complete in late 2018. Due to Caltrans requiring extra work for the unfunded study, this project has been delayed by more than one year from its original schedule.

Project J

SR-91 Eastbound (SR-241 to SR-71)

Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE



Summary: Complete in January 2011, this segment added six miles through a key stretch of SR-91 between Orange County's SR-241 and Riverside County's SR-71. The project improves mobility and operations by reducing

Measure M2

Progress Report

FREEWAYS



Project J continued from previous page...

traffic weaving from traffic exiting at SR-71 and Green River Road. An additional eastbound general purpose lane on SR-91 was added and all existing eastbound lanes and shoulders were widened. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act (ARRA) funding for this M2 project, saving M2 revenues for future projects.

SR-91 (SR-241 to SR-55)



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: This completed Project J segment added six miles in the westbound and eastbound direction to a key stretch of SR-91 between SR-55 and SR-241 in the cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a much needed second eastbound exit lane at the Lakeview Avenue, Imperial Highway and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping and soundwalls. Completion of this project in March 2013 means a total of 18 lane miles have been added to SR-91 since December 2010.

SR-91 (SR-241 to I-15)

Contact: Rose Casey, Highways
(714) 560-5729

Status: RCTC's Design-Build Construction Underway

Summary: The purpose of this project is to extend the 91 Express Lanes eastward from its current terminus in Anaheim to I-15 in Riverside County. This project will also add one general purpose lane in each direction of SR-91, from SR-71 to I-15, and construct various interchange and operational improvements. On December 11, 2013, the Riverside County Transportation Commission's (RCTC) contractors broke ground on this \$1.3 billion freeway improvement project. While the portion of this project between SR-241 and the Orange County/Riverside County line is part of OCTA's M2 Project J, the matching segment between the county line and SR-71 is part of RCTC's Measure A. With RCTC's focus on extending the 91 Express Lanes and adding a general purpose lane east of SR 71, construction of the final additional general purpose lane between SR-241 and SR-71 will take place post-2035. (RCTC is responsible for the lane between Green River and SR-71 while OCTA will be responsible for the lane west of Green River to SR-241.) To maintain synchronization, these general purpose lanes improvements, which span both counties, will be scheduled to ensure coordinated delivery of both portions of the project, and will provide a continuous segment that stretches from SR-241 to SR-71. This action is consistent with the 2014 SR-91 Implementation Plan.



Interstate 405 (I-405) Projects

Project K

I-405 (SR-55 to I-605)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Design-Build Procurement Underway

Summary: OCTA and Caltrans have finalized the environmental studies to widen I-405 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. These improvements will add mainline capacity and improve the local interchanges along the corridor from SR-73 to I-605.

On July 25, 2014, despite OCTA's Board recommendation to select Alternative 1 (the Measure M, single general purpose lane alternative) Caltrans informed OCTA that Alternative 3 (general purpose lane and second HOV lane to be combined with existing HOV lane providing dual tolled express lane facility) would be the Project preferred alternative. To ensure local control over how the express lane facility would be operated, the Board decided that OCTA would lead this project with the clear understanding that Measure M would only fund the general purpose lane portion of the project and that the second HOV lane/ Express lane facility would be funded separately.

On March 14, 2016, the Board approved cooperative agreements for city services required during project implementation with the cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster. On March 28, 2016, the Board approved the release of the final request for proposals (FRFP) for the design and construction of the project. The FRFP was released to the short-listed teams.

During the quarter, work continued on cooperative agreements with Seal Beach, OCFCD, and OCSD. Work also continued on right of way acquisition, utility coordination, environmental re-validation and permitting. Other activities include grant applications (TIGER and FASTLANE), CTC application and approval of OCTA tolling authority, FHWA Major Project Deliverables, OCTA/Caltrans operating toll agreement, traffic and revenue study and finance plan, and TIFIA loan pursuit.

Additional project risks include potential legal actions by opponents of the project, potential escalation of costs associated with further delay and compression of time available for right-of-way acquisition.



Project L

I-405 (SR-55 to the I-5)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Environmental Phase Underway

Summary: This project will add one general purpose lane in each direction of the I-405 corridor and improve the interchanges in the area between I-5 and SR-55 in Irvine. Additional features of Project L include improvements to various interchanges, auxiliary lanes and ramps. During the quarter, the consultant continued working on technical studies. The lengthiness of the decision-making process on traffic methodology impacted this project by delaying aspects of the environmental phase, putting the project on hold for approximately 11 months. The final Environmental Document is expected to be complete in July 2018.

Interstate 605 (I-605) Project

Project M

I-605/Katella Interchange Improvements

Contact: Rose Casey, Highways
(714) 560-5729

Status: Procurement Initiated

Summary: This project will improve freeway access and arterial connection to I-605 at Katella Avenue in the City of Los Alamitos and the County of Orange. Improvements under this project may include enhancements at the on-ramps and off-ramps in addition to operational improvements on Katella Avenue at the I-605 Interchange. The PSR/PDS was signed on May 11, 2015 by Caltrans Executive Management. Three alternatives were approved within the document, including modification of interchange ramps and lane configurations on Katella Avenue from Coyote Creek Channel to Civic Center Drive. With the PSR/PDS approved, the project is ready to advance to the Environmental Phase for further detailed engineering and project development efforts. The Environmental Phase is anticipated to begin in fall of 2016.

Measure M2

Progress Report

FREEWAYS



Freeway Service Patrol

Project N

Freeway Service Patrol

Contact: Sue Zuhlke, Motorist Services
(714) 560-5574

Status: Service Ongoing

Summary: M2's Freeway Service Patrol (FSP) began operation in June 2012 and provides tow truck service for motorists with disabled vehicles on the freeway system to help quickly clear freeway lanes and minimize congestion. During this quarter, the midday service provided assistance to 1,720 motorists, weekend service provided assistance to 878 motorists, and construction service provided assistance to 356 motorists. Since inception, M2 and construction-funded FSP has provided a total of 44,543 assists to motorists on the Orange County freeway system.

Measure M2

Progress Report

STREETS & ROADS



Project O

Regional Capacity Program

Contact: Sam Kaur, Planning
(714) 560-5673

Status: 2016 Call for Projects in Development

Summary: This program, in combination with required local matching funds, provides funding for improvements on Orange County's Master Plan of Arterial Highways. On August 10, 2015, the Board approved the release of the 2016 Call for Projects. This sixth Call for Projects will make approximately \$38 million available to fund additional road improvements throughout the County. Twenty-seven applications were received in October 2015. OCTA has reviewed local agency applications for funding and will provide final recommendations to the OCTA Board on April 11, 2016. Since 2011, and after five completed Call for Projects, 103 projects totaling more than \$193 million have been awarded by the Board to date.

OC Bridges Railroad Program

This program will build seven grade separations (either under or over passes) where high volume streets are impacted by freight trains along the BNSF Railroad in North County. A status for each of the seven projects is included below. As of the end of this quarter, five grade separation projects are under construction and two are complete (Kraemer and Placentia).

Kraemer Boulevard Grade Separation



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: The project located at Kraemer Boulevard railroad crossing is grade separated and open to traffic. The project separated the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. The grade separation was opened to traffic on June 28, 2014, and an event was held on July 8, 2014 to commemorate the opening. Construction is complete and construction close-out activities were performed this quarter. Project acceptance by the City of Anaheim and the City of Placentia, respectively, occurred in December 2014 and OCTA has turned over the maintenance responsibilities to the cities and commenced the one year warranty.

Measure M2

Progress Report

STREETS & ROADS



Project O continued from previous page...

Lakeview Avenue Grade Separation

Status: Construction Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: The project located at Lakeview Avenue railroad crossing will grade separate the local street from railroad tracks in the cities of Anaheim and Placentia by building a bridge for vehicular traffic over the railroad crossing and reconfiguring the intersection of Lakeview Avenue and Orangethorpe Avenue. Construction began on July 1, 2014. Project activities this quarter continued to include street drainage facility work, retaining walls, retaining wall panels and barrier slabs, underground electrical conduits, Connector Road grading, monitoring of surcharge embankments, and removal of parking lot asphalt. Lakeview Avenue (north of Orangethorpe Avenue) was closed to traffic on February 25, 2015, and is expected to reopen with the connector road in May 2016. Lakeview Avenue (south of Orangethorpe Avenue) was closed to through traffic on March 13, 2015 and is expected to reopen in January 2017. Local access to all businesses will continue to be maintained. Construction progress is approximately 45 percent complete and is expected to be 100 percent complete by mid-2017.

Orangethorpe Avenue Grade Separation

Status: Construction Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: The project located at Orangethorpe Avenue railroad crossing will grade separate the local street from railroad tracks in the cities of Placentia and Anaheim by building a bridge for vehicular traffic over the railroad tracks. OCTA is overseeing construction, which continued during the quarter. Construction activities this quarter included building the deck and approach slabs for the Orangethorpe Avenue bridge, and placing picket fences, barrier slabs and barrier railings. Additional activities include building retaining wall and grading on Miller Street, and placing underground electrical at the Orangethorpe Avenue/Chapman Avenue intersection. Orangethorpe Avenue, from Miller Street to Chapman Avenue, was closed to traffic on August 11, 2014, and is expected to reopen in early 2016. Chapman Avenue was closed on January 5, 2015, and was opened to traffic on March 24, 2016. Construction progress is approximately 90 percent complete and the project is expected to be 100 percent complete by mid-2016.

Placentia Avenue Grade Separation

Status: PROJECT COMPLETE



Contact: Rose Casey, Highways
(714) 560-5729

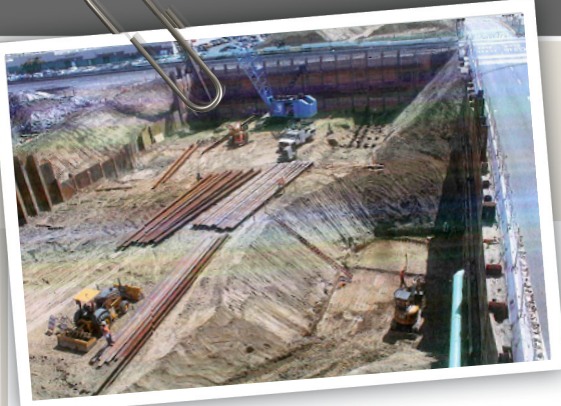
Summary: The project located at Placentia Avenue railroad crossing is grade separated and open to traffic. This project separated the local street from railroad tracks in the city of Placentia by building an underpass for vehicular traffic. An event was held on March 12, 2014, to commemorate the opening to traffic. Construction is complete and construction close-out activities were performed this quarter. Project acceptance by the City of Anaheim and the City of Placentia, respectively, occurred in December 2014, and OCTA has turned over the maintenance responsibilities to the cities and commenced the one year warranty.

Continues on the next page...

Measure M2

Progress Report

STREETS & ROADS



Project O continued from previous page...

Raymond Avenue Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: The project located at Raymond Avenue railroad crossing will grade separate the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. The City of Fullerton is managing construction and OCTA is providing construction oversight, public outreach, railroad coordination and right-of-way support. Construction began on June 2, 2014. Activities this quarter continued to include various street drainage facility work, sewer and waterline relocation work, pile driving for retaining wall foundation, placement of shoring for the bridge and pump station, mass excavation, and formwork for bridge foundation. The BNSF track-laying machine placed shoofly tracks (temporary bypass tracks) on June 10, 2015, and shoofly tracks were activated on October 9, 2015. Shoofly tracks will be in use through summer 2016. Construction progress is approximately 60 percent complete and is expected to be 100 percent complete in mid-2018.

State College Boulevard Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: The project located at State College Boulevard railroad crossing will grade separate the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. The City of Fullerton is managing the construction and OCTA is providing construction oversight, public outreach, railroad coordination and right-of-way support. Construction activities this quarter continued to include retaining wall drilling and soldier beams, shoring for pump station, excavation for bridge abutments, commence mass excavation of State College Boulevard, sewer work, removal of abandoned utilities and fabrication of bridge girders. The BNSF track-laying machine placed the shoofly tracks on June 9, 2015, and shoofly tracks were activated on October 9, 2015. Shoofly tracks will be in use through summer 2016. The intersection of State College Boulevard and East Valencia Drive was closed on January 9, 2015, for approximately two and a half years to allow for the construction of the new bridge at the railroad tracks. Construction progress is approximately 48 percent complete and is expected to be 100 percent complete by early-2018.

Tustin Avenue/ Rose Drive Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: The project located at Tustin Avenue/Rose Drive railroad crossing will grade separate the local street from railroad tracks in the cities of Placentia and Anaheim by building a bridge for vehicular traffic over the railroad crossing. OCTA is overseeing construction for this project. On December 7, 2015, the new Tustin Avenue/Rose Drive roadway was opened to traffic. Construction activities this quarter included building rail barrier and pilasters on retaining walls and bridge, installing picket fences and street lighting, removing bridge falsework, reconstructing Orangethorpe Avenue pavement, building raised median along Orangethorpe Avenue, installing traffic signals, installing irrigation lines, and removing the temporary bypass road bridge. Construction progress is approximately 90 percent complete and is expected to be 100 percent complete by mid-2016.

Measure M2

Progress Report

STREETS & ROADS



Project P

Contact: Anup Kulkarni, Planning
(714) 560-5867

Regional Traffic Signal Synchronization Program (RTSSP)

Status: Ongoing (See current RTSSP projects' statuses illustrated on the map on the next page)

Summary: This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate signals along 750 miles of roadway and 2,000 intersections as the basis for synchronized operation across Orange County. The program will enhance the efficiency of the street grid and reduce travel delay. To date, OCTA and local agencies have synchronized more than 1,400 intersections along more than 360 miles of streets. There have been five rounds of funding to date, providing a total of 72* projects with more than \$57* million in funding awarded by the Board since 2011. Post-Board approval, 3 projects have been cancelled, reducing the amount of projects being implemented to 69 projects.

Sixteen Regional Traffic Signal Synchronization Program (RTSSP) projects programmed for fiscal year 2011-12 are now complete, as of March 2016. These sixteen projects, which implement signal timing and signal system improvements, synchronize 550 intersections on 151 miles of roadways.

Twenty-three RTSSP projects programmed for fiscal year 2012-13 are also complete. These projects synchronize an additional 522 intersections on 136 miles of roadways. Completion occurred in December 2015.

Thirteen RTSSP projects programmed for fiscal year 2013-14 are underway. Administrative cooperative agreements have been executed between the stakeholder agencies for the thirteen projects. All projects have begun with implementation of signal timing and signal system improvements. These projects will synchronize an additional 366 intersections on 101 miles of roadways. Completion of these projects is anticipated for July 2016.

Ten RTSSP projects programmed in fiscal year 2014-15 are underway, two of which are led by OCTA staff. OCTA has commenced work on the two projects it is leading. It is anticipated that these two projects will implement synchronized signal timing for 238 intersections on 59 miles of roadways by December 2016.

Seven RTSSP projects programmed for fiscal year 2015-16 remain pending with execution of administrative cooperative agreements and contract task orders underway. Funding in the amount of \$16.3 million was approved for these projects, four of which will be led by OCTA staff. These projects will synchronize an additional 310 intersections on 81 miles of roadways.

On August 10, 2015, the Board approved approximately \$12 million for the RTSSP 2016 Call for Projects, and authorized staff to open the call that same day. Thirteen project applications were submitted on October 23, 2015. Based on the selection criteria, projects will be prioritized for TAC and Board consideration next quarter in April 2016.

**Upon review, staff found the total number of projects and total funding amount awarded by the Board was reported incorrectly over the past year in prior M2 Quarterly Reports. All numbers have been updated starting with this report.*

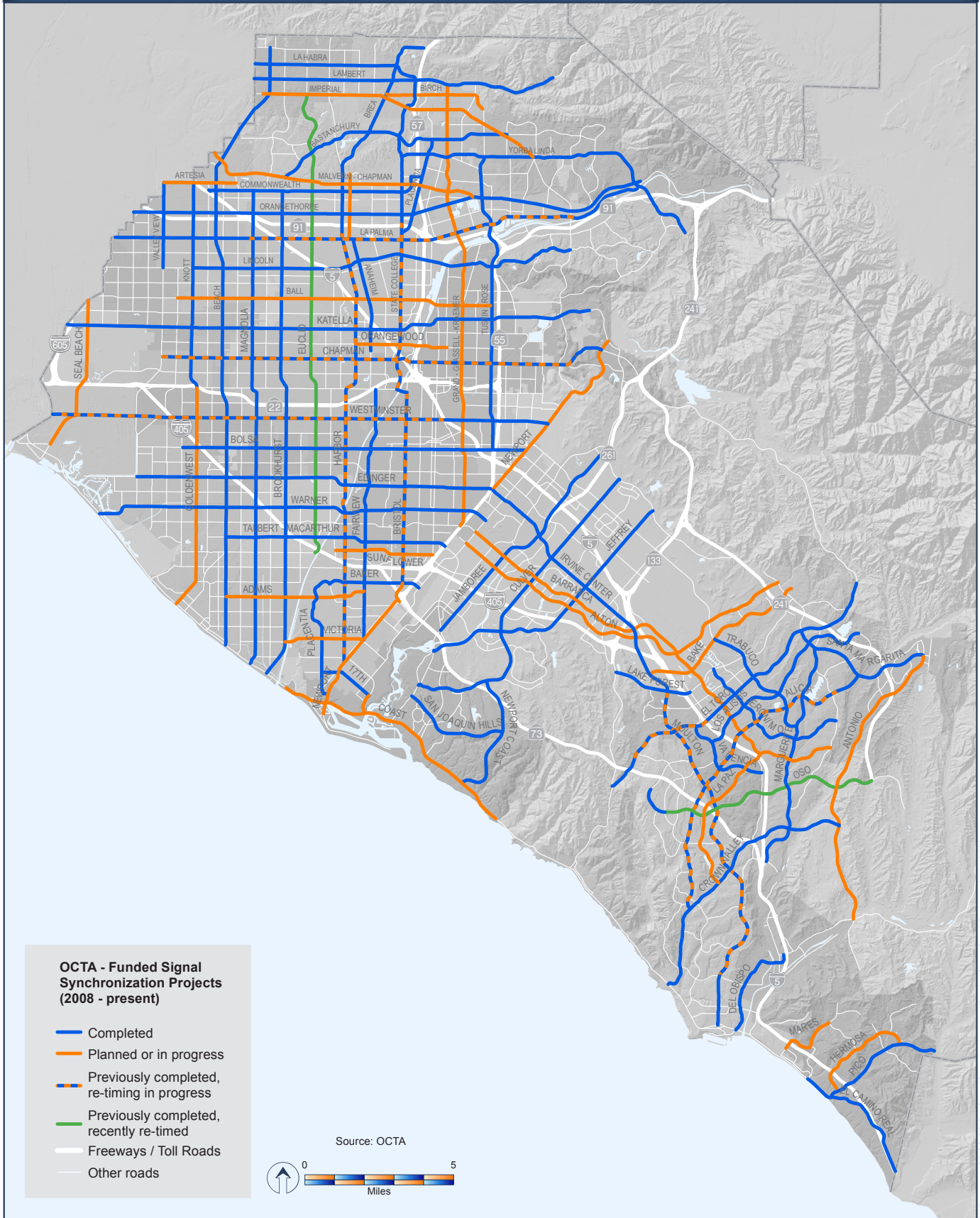
Measure M2

Progress Report

STREETS & ROADS



OCTA - Funded Signal Synchronization Projects (2008 - present)



Measure M2

Progress Report

STREETS & ROADS



Project Q

Local Fair Share Program

Status: Ongoing

Contact: Vicki Austin, Finance
(714) 560-5692

Summary: This program provides flexible funding to help cities and the County of Orange keep up with the rising cost of repairing the aging street system. This program is intended to augment, not replace, existing transportation expenditures of the cities and the County. All local agencies have been found eligible to receive Local Fair Share funds. On a bi-monthly basis, 18 percent of net revenues are allocated to local agencies by formula. To date, approximately \$218 million in Local Fair Share payments have been provided to local agencies as of the end of this quarter.

See pages 44-45 for funding allocation by local agency.



Project R

High Frequency Metrolink Service

Project R will increase rail services within the county and provide additional Metrolink service north of Fullerton to Los Angeles. The program will provide for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks. This program also includes funding for grade crossing improvements at high volume arterial streets, which cross Metrolink tracks.

Metrolink Grade Crossing Improvements



Contact: Jennifer Bergener, Rail
(714) 560-5462

Status: PROJECT COMPLETE

Summary: Enhancement of the designated 52 Orange County at-grade rail-highway crossings was completed as part of the Metrolink Service Expansion Program (MSEP) in October 2012. Completion of the safety improvements provided each corridor city with the opportunity to establish a “quiet zone” at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The cities of Anaheim, Dana Point, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin have established quiet zones within their communities.

Metrolink Service Expansion Program

Contact: Jennifer Bergener, Rail
(714) 560-5462

Status: Service Ongoing

Summary: Following the completion of the Metrolink Service Expansion Program (MSEP) improvements in 2011, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/Mission Viejo, primarily during midday and evening hours. Efforts to increase ridership through a redeployment of the trains, without significantly impacting operating costs have been underway since 2014. In April 2015, several schedule changes added a connection between the 91 Line and the intra-county service at Fullerton to allow a later southbound peak evening departure from Los Angeles to Orange County. Staff will continue to monitor ridership on these trains, but data through March 2016 shows ridership increased as a result of these schedule changes.

Part of OCTA’s re-deployment plan involves providing new trips from Orange County to Los Angeles. Staff continues to work with BNSF, RCTC, and Metro to address track-sharing issues, operating constraints and funding that will impact the options for redeployment. Metrolink has taken the lead in the discussions with the BNSF Railway to evaluate the current shared use and indemnification/liability agreements that govern the use of each agencies respective railroad rights of way. These discussions are on-going and special counsel has been brought in to assist. Operation of additional Metrolink trains to Los Angeles is contingent on addressing indemnification and liability agreements and the completion of a triple track project on the BNSF Railway between Fullerton and Los Angeles, currently anticipated in mid-2016.

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Progress Report

TRANSIT



Project R continued from previous page...

Rail Line & Station Improvements

Additionally under the Metrolink Service Expansion Program, funding is provided for rail line and station improvements to accommodate increased service. Rail station parking lot expansions, better access to platforms through improvements to elevators and/or ramps, and a passing siding project have been made or are underway.

Anaheim Canyon Metrolink Station

Preliminary engineering and environmental services for the Anaheim Canyon Metrolink Station have begun. This project will include construction of a second main track and platform, lengthening the existing platform, improve pedestrian circulation, and add benches and shade structures. This phase of the project is expected to be complete in December 2016.

Laguna Niguel/Mission Viejo Station

This quarter, the contractor for the Laguna Niguel/Mission Viejo station accessibility improvements project was given the notice to proceed. The contractor worked through various required submittals to get the project ready to start construction. The construction phase began in February 2016, and is expected to be complete in April 2017.

Orange Parking Structure

Environmental clearance and final plans for the Orange Metrolink parking structure are expected to be completed in April 2016. OCTA will be assuming the lead for construction which is expected to begin in early 2017. This project is marked “red” in the Capital Action Plan, signifying a delay of at least three months. As a result of design challenges, this project has been delayed by three years from its original schedule.

San Juan Capistrano/Laguna Niguel Passing Siding Project

During the quarter, OCTA secured a construction management firm to support the project on March 28, 2016. Additionally, the project team is working to prepare the 90 percent design plans and is working with various jurisdictions including the California Public Utilities Commission to analyze the at grade crossing modifications. Environmental surveys for birds continue to provide the necessary information to support the permit applications. This project is marked “yellow” and “red” in the Capital Action Plan, signifying a delay of at least three months. This project has been delayed by six months from its original schedule.

Placentia Station

Plans for the proposed Placentia Metrolink Station Project were near completion but the City of Placentia is requesting a parking structure be built where surface parking had been designed. Additional funding will need to be programed for this and a request to do so, along with a revised project schedule, will be presented to the OCTA Board in May 2016.

For schedule information on station improvement projects, please see the Capital Action Plan pages at the back of this report.



Project R continued from previous page...

Sand Canyon Grade Separation

Status: PROJECT COMPLETE



Contact: Rose Casey, Highways
(714) 560-5729

Summary: The project located at Sand Canyon Avenue railroad crossing is now grade separated and open to traffic. The project grade separated the local street from railroad tracks in the City of Irvine by constructing an underpass for vehicular traffic. The westbound lanes were opened to traffic on June 12, 2014, and the eastbound lanes were opened to traffic on July 14, 2014. A road opening ceremony was held on August 11, 2014. Remaining construction close-out activities were performed this quarter, including collection of quality control documents and resolution of bid quantities. The project is completed and construction completion acceptance by the City of Irvine was obtained on January 15, 2016, after which a one-year warranty period began.

Project S

Contact: Jennifer Bergener, Rail
(714) 560-5462

Transit Extensions to Metrolink

Project S includes a competitive program which allows cities to apply for funding to connect passengers to their final destinations using transit in order to broaden the reach of Metrolink to other Orange County cities, communities and activity centers. There are currently two areas of this program, a fixed guideway program (street car) and a rubber tire transit program.

Anaheim Rapid Connection (ARC) Project

Status: Environmental Phase Underway

Summary: Preparation of environmental documentation for the ARC project is ongoing. Since April 2014, the City of Anaheim has been evaluating potential routes and station stops on Disney Way as a result of concerns raised by members of the public and business owners regarding the ROW required along Harbor Boulevard for the Locally Preferred Alternative (LPA). Modifications to the LPA being proposed by the City of Anaheim avoid impacts to the motel property that were of concern during initial scoping. A draft project description reflecting these alignment modifications, as well as supporting technical documents, was submitted to OCTA in February 2016 and staff continues to work with the City of Anaheim to address OCTA comments. In March 2016, the City of Anaheim presented the revised LPA to the Transit Committee as well as to the public as part of a community meeting held on March 17, 2016. Staff will be returning to Transit Committee in April based upon feedback provided by Committee Members on the need for a larger transit vision along Harbor Boulevard in Central Orange County. According to the revised schedule submitted by the City of Anaheim, the draft Environmental Document will be available for public review in the Fall of 2016, followed by public hearings and City Council consideration of the project. Due to the project schedule being on hold, this project is marked “red” in the Capital Action Plan, signifying a delay of at least three months.

Measure M2

Progress Report

TRANSIT



Project S continued from previous page...

OC Streetcar Project

Status: Initiation of Design Work and Finalizing Plans and Readiness Documents in preparation for Entry into Engineering

Contact: Jennifer Bergener, Rail
(714) 560-5462

Summary: On August 11, 2014, the Board approved OCTA to serve as the lead agency for the OC Streetcar project. The environmental process was completed in early 2015, following EIR completion in January 2015, selection of the LPA in February, and the FTA's Finding of No Significant Impact in April. With strong support for the project, FTA formally approved the OC Street Car project to move into the Project Development phase of the federal New Starts program on May 5, 2015. In November 2015, a limited Notice to Proceed was issued to the Design Consultant to conduct survey work along the project corridor.

In February 2016, the OC Streetcar project achieved a significant milestone when President Obama included \$125 million for the OC Streetcar project in his fiscal year 2017 budget request to Congress. Released along with the President's Budget was FTA's Annual New Starts Report that provides the backup justification for the budget request. As explained in the New Starts Report, all Capital Investment Grant projects must be evaluated and rated on a set of statutorily defined project justification and financial criteria, and receive and maintain at least a "medium" overall rating to advance through the various phases and be eligible for funding. Based upon the information provided by the OCTA project team to FTA in October 2015, the OC Streetcar project received a "medium-high" overall project rating. Staff continues to coordinate closely with FTA and their consultants on the review of the plans and readiness documents in support of the Application to Request Entry into Engineering. Approval into Engineering, the next phase of the New Starts Program, is anticipated in summer 2016.

With the full Notice to Proceed (NTP) issued on February 1, 2016, OCTA selected a team led by HNTB to prepare Plans, Specifications and Estimates for the Project. Work continues on the preparation of the 30 percent design plans, which are expected to be complete in June 2016.

The design work is being undertaken in close coordination with the cities of Santa Ana and Garden Grove. At their March 28, 2016 meeting, the OCTA Board approved Design Agreements with the cities of Santa Ana and Garden Grove delineating roles and responsibilities during the design phase.

Environmental technical analysis continues to address the design refinements made to the project based on the June 2015 Value Engineering and Risk Assessment workshop. Appraisals for right-of-way (ROW) acquisitions are underway. Utility conflict identification is also underway, with meetings to coordinate the resolution of conflicts with utility owners scheduled for later this year.

The strategy to acquire streetcar vehicles was developed and is scheduled to be considered by the OCTA Transit Committee and OCTA Board in April 2016. A Station and Urban Design Consultant was procured in March 2016 and a Construction Management Consultant is expected to be procured this summer.

Continues on the next page...



Project S continued from previous page...

On March 17, 2016, OCTA hosted a meeting with FTA and their Project Management Oversight Consultant (PMOC). Staff provided an update of the project status, including recent design refinements and safety and security activities. FTA continued to express strong support for the project.

Letters of intent to appraise were sent to the owners of the three parcels necessary for the project. In addition, letters of notice to vacate were sent to lessees within the PE ROW. This provides for a 90-day notice to the lessees, with the possibility of more time, as assessed by OCTA on a case-by-case basis.

Bus and Station Van Extension Projects

Status: Service Ongoing for Oakley Vanpool and Anaheim Canyon Metrolink Bus Connection

Contact: Sam Kaur, Planning
(714) 560-5673

Summary: Bus and Station Van Extension Projects will enhance the frequency of service in the Metrolink corridor to aid in linking communities within the central core of Orange County. To date, the Board has approved one round of funding, totaling over \$9.8 million. Four projects were approved for funding by the Board on July 23, 2012, and two of those have implemented service. The vanpool connection from the Irvine Metrolink Station to the Oakley employment center in the City of Lake Forest began in December 2012, and the Anaheim Canyon Metrolink Station Bus Connection began service in February 2013. This quarter, the City of Lake Forest continued discussions for different alternatives to provide vanpool service from the Irvine Metrolink Station to the Panasonic employment center. After detailed discussions with OCTA staff, City of Lake Forest submitted a scope change of their project for Panasonic Avionics services. The item was approved by the Technical Advisory Committee on October 28, 2015 and by the OCTA Board on December 14, 2015. OCTA is also reviewing the City's request for Oakley to employ changes to the existing OCTA routes to meet their needs. OCTA staff has looked at options to meet Oakley's needs and is working closely with the City staff to implement new options.

Project T

Convert Metrolink Stations to Regional Gateways that Connect Orange County with High-Speed Rail Systems

Status: Construction Complete

Contact: Jennifer Bergener, Rail
(714) 560-5462

Summary: This project constructed the Anaheim Regional Transportation Intermodal Center (ARTIC) located at 2626 East Katella Avenue in the City of Anaheim. In addition to providing transit connections for OCTA bus service, Metrolink and Amtrak service, shuttle and charter bus service, taxis, bikes, and other public and private transportation services, ARTIC also accommodates future high-speed rail trains. The City of Anaheim, which led the construction effort, opened the facility to rail and bus service on December 6, 2014. A ribbon-cutting ceremony was



Project T continued from previous page...

held on December 8, 2014, with a grand opening celebration hosted on December 13, 2014. The City of Anaheim also issued a Notice of Substantially Complete at that time. This facility replaced the former Anaheim Station that was located on the opposite side of the freeway in the Angel Stadium parking lot.

Project U

Project U expands mobility choices for seniors and persons with disabilities, including the Senior Mobility Program (SMP), the Senior Non-emergency Medical Transportation Program (SNEMT), and the Fare Stabilization Program. Since inception, a total of approximately \$37 million in Project U funding has been provided under M2.

Senior Mobility Program (SMP)

Contact: Dana Wiemiller, Transit
(714) 560-5718

Status: Ongoing

Summary: This program provides one percent of M2 net revenues to continue and expand local community transportation service for seniors under the SMP. Including this quarter and since inception of the program, more than 1,212,000 boardings have been provided for seniors traveling to medical appointments, nutrition programs shopping destinations, and senior and community center activities. This quarter, more than \$966,000 in SMP funding was paid out to the 31 participating cities during the months of January and March*. In addition, revised SMP guidelines were approved by the Board of Directors in March to ensure compliance with the M2 Ordinance and program provisions.

**Payments are made every other month (January, March, May, July, September, and November). The amount totaled for one fiscal year quarter either covers one or two payments, depending on the months that fall within that quarter.*

Senior Non-emergency Medical Transportation Program (SNEMT)

Contact: Dana Wiemiller, Transit
(714) 560-5718

Status: Ongoing

Summary: This program provides one percent of M2 net revenues to supplement existing countywide senior non-emergency medical transportation services. Including this quarter and since inception of the program, more than 442,700 SNEMT boardings have been provided. This quarter, more than \$1.1 million in SNEMT Program funding was paid to the County of Orange. This amount reflects monies paid out during the months of January and March*.

**Payments are made every other month (January, March, May, July, September, and November). The amount totaled for one fiscal year quarter either covers one or two payments, depending on the months that fall within that quarter.*

Measure M2

Progress Report

TRANSIT



Project U continued from previous page...

Fare Stabilization Program

Contact: Sean Murdock, Finance
(714) 560-5685

Status: Ongoing

Summary: Since 2011, one percent of net M2 revenues have been dedicated to stabilize fares and provide fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Effective January 28, 2016, 1.47 percent of net M2 revenues were - and will continue to be - dedicated to the Fare Stabilization Program. This increase in percent reflects the Board's action in December 2015 to approve an M2 amendment that addressed the projected deficit for this program.

Approximately \$897,876 in revenue was allocated this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. Throughout the quarter, approximately 3,429,659 program-related boardings were recorded on fixed route and ACCESS services. The amount of funding utilized each quarter varies based on ridership. Since inception of the program, more than 69,755,082 program-related boardings have been provided.

Project V

Contact: Sam Kaur, Planning
(714) 560-5673

Community Based Transit / Circulators

Status: Service Ongoing in the Cities of Lake Forest and La Habra; Service started in Dana Point and Laguna Beach; Agreements have been executed for all agencies including: Laguna Beach, Dana Point and Huntington Beach.

Summary: This project establishes a competitive program for local jurisdictions to develop local bus transit services such as community based circulators and shuttles that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. On June 24, 2013, the Board approved the first round of funding for \$9.8 million to fund five funding proposals from the cities of Dana Point, Huntington Beach, La Habra, Laguna Beach, and Lake Forest. Funding was approved to implement vanpool services from local employment centers to transportation hubs, special event and seasonal services that operate during heavy traffic periods, and local community circulators that carry passengers between various shopping, medical, and transportation-related centers. Prior to the second call for projects, the Board directed staff to meet with local agencies interested in the program, and return with revised Project V Guidelines that encouraged more local agency participation. Updated Guidelines and Call for Projects for the Project V Community Based Transit Circulator Program was approved by the OCTA Board on November 23, 2015. This second call makes approximately \$20 million available to fund local bus transit circulators. Local Agency applications for funding were due on February 29, 2016. OCTA received 23 applications for funding requesting more than \$30 million in Measure M funds. OCTA staff is currently reviewing applications for consistency with the Project V guidelines. Funding recommendations are scheduled to go to the Board next quarter in June.



Project W

Safe Transit Stops

Contact: Sam Kaur, Planning
(714) 560-5673

Status: Executed All Agreement Documents

Summary: This project provides passenger amenities at the 100 busiest transit stops across the County. The stops will be designed to ease transfers between bus lines and provide passenger amenities such as improved shelters and lighting. On July 14, 2014, the Board approved \$1,205,666 in M2 Project W funds for city-initiated improvements and \$370,000 for OCTA-initiated improvements in fiscal year 2014-15. Fifteen cities are eligible for Safe Transit Stops funding. Seven cities applied for funds, and 51 projects will be funded per the July 2014 Board approval. Letter agreements with local agencies to allow the use of funds are complete. The City of Anaheim was not able to initiate the improvements for their projects and will reapply for funds through the next call for projects. The City of Irvine and City Westminster completed their projects in December 2015. Cities including Costa Mesa and Orange are currently moving forward with their projects. The City of Santa Ana has until June 2016 to award the contract for their project.



Project X

Environmental Cleanup

Status: Ongoing

Contact: Dan Phu, Planning
(714) 560-5907

Summary: This program implements street and highway-related water quality improvement programs and projects that assist agencies countywide with federal Clean Water Act standards for urban runoff. It is intended to augment, not replace existing transportation-related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. The Environmental Cleanup Allocation Committee (ECAC) is charged with making recommendations to the Board on the allocation of funds for the Environmental Cleanup Program (ECP). These funds are allocated on a countywide, competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution.

Project X is composed of a two-tiered funding process focusing on early priorities (Tier 1), and to prepare for more comprehensive capital investments (Tier 2). To date, there have been five rounds of funding under the Tier 1 grants program. A total of 122 projects, amounting to just over \$14 million, have been awarded by the Board since 2011. There have been two rounds of funding under the Tier 2 grants program. A total of 22 projects in the amount of \$27.89 million have been awarded by the OCTA Board since 2013. To date, 33 of the 34 Orange County cities plus the County of Orange have received funding under this program. The sixth Tier 1 call for projects was released on February 8, 2016, providing approximately \$2.8 million. The deadline for applications is April 15, 2016. Staff anticipates Board approval for funding recommendations in summer 2016.

With approximately \$10 million in Tier 2 funding remaining, staff continues to work with the ECAC to recommend the appropriate timing of a third Tier 2 Call for Projects which is anticipated in 2017.



Part of Projects A-M

Contact: Dan Phu, Planning
(714) 560-5907

Freeway Mitigation Program

Status: Executing Agreement Documents; Final Conservation Plan and EIR/EIS Under Development

Summary: The Freeway Mitigation Program provides higher-value environmental benefits such as habitat protection, wildlife corridors, and resource preservation in exchange for streamlined project approvals and greater certainty in the delivery of Projects A-M. The program is proceeding as planned, with seven properties (Preserves) acquired (1,300 acres), and 11 restoration projects approved for funding by the Board, totaling approximately 350 acres. The restoration project plans have been approved by the wildlife agencies and are currently at various stages of implementation. To date, the Board has authorized \$42 million for property acquisitions, \$10.5 million to fund habitat restoration activities, and \$2.5 million for conservation plan development and program support, for a total of approximately \$55 million.

The program's Draft Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) and Draft Environmental Impact Report and Environmental Impact Statement (EIR/EIS) are currently being finalized. The final NCCP/HCP and EIR/EIS are anticipated to be brought to the Board for adoption in mid-2016.

There was a 90-day public comment period for preserve-specific Resource Management Plans (RMP's) for five Preserves within Trabuco and Silverado Canyons, which ended in early 2016. These RMP's are currently being finalized and the remaining two Preserves (Hayashi and Aliso Canyon) will be the subject of future releases and will follow a similar process once the biological baseline surveys are completed. Public access events will continue to be held on the Ferber Preserve as well as the O'Neill Oaks and Aliso Canyon Preserves. A list of scheduled 2016 wilderness Preserve hiking and equestrian riding tours is available on the M2 website. A new landing page (www.PreservingOurLegacy.org) was launched to promote the hikes and rides and offers detailed information about the events.

As part of the safeguards in place for the M2 Program, a 12-member Environmental Oversight Committee (EOC) makes funding allocation recommendations to assist OCTA in acquiring land and restoring habitats in exchange for streamlined project approvals for the M2 freeway improvement projects (A-M).

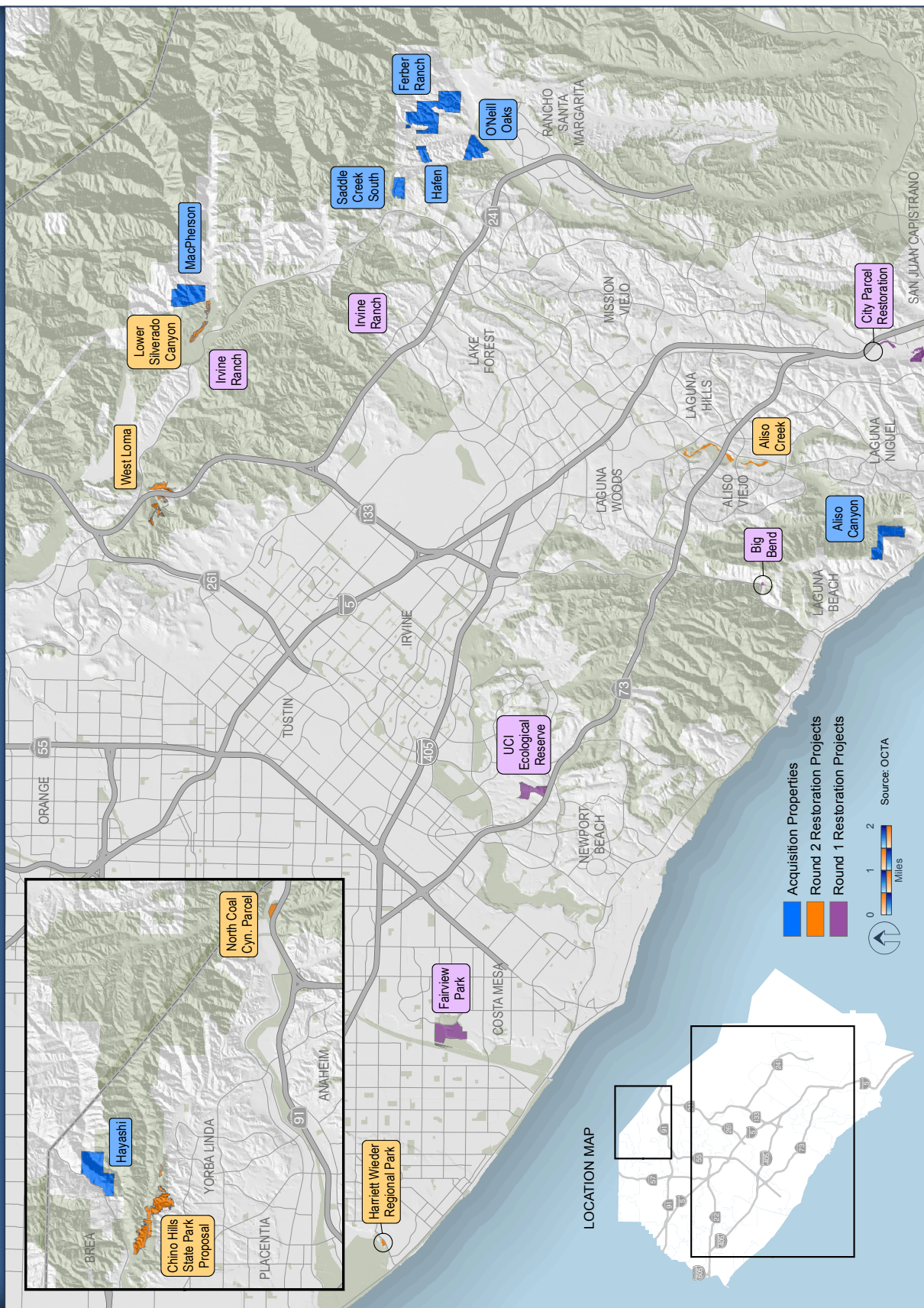
See map of Preserves and funded restoration properties on the following page.

Measure M2

Progress Report ENVIRONMENTAL



Acquisition Properties and Funded Restoration Projects



Measure M2

Progress Report

PROGRAM MGMT



Program Management Office

Contact: Tami Warren, PMO Manager
(714) 560-5590

The Measure M (M1 and M2) Program Management Office (PMO) provides interdivisional coordination for all M-related projects and programs. To ensure agency-wide compliance, the PMO also holds a bi-monthly committee meeting made up of executive directors and key staff from each of the divisions, which meets to review significant issues and activities within the Measure M programs. This quarter, the focus of the PMO has been on several major items, including the following.

M2020 Plan Review

The PMO regularly reviews and reports on the progress of the M2020 Plan and its 14 objectives. The last comprehensive review of the M2020 Plan was completed in October 2015, as part of the M2 Comprehensive Ten-Year Review, covering M2 progress during November 8, 2006 through June 30, 2015. During the quarter, the Board directed staff to revise the M2 sales tax revenue forecasting methodology. As a result, staff is updating all M2 program cash flows with new forecast information. An update on these cash flows and their impact on the M2020 Plan will be presented to the Board in July 2016. A quarterly update on OCTA's progress on delivering the 14 objectives identified in the M2020 Plan, along with an overview of challenges is included in the Executive Summary of this report (pages 2-7), and the accompanying staff report.

M2 Amendment #3

On March 14, 2016, staff returned to the Board to correct the scrivener's error discovered in the December 2015 amendment attachments. The Board unanimously approved the revised attachments. An updated amendment summary was published in the OC Register on March 27, 2016. This update specifies the increased allocation from one percent to 1.47 percent of Project U funding is for the Fare Stabilization Program.

2012-2015 M2 Performance Assessment Update

Measure M2's Ordinance No. 3 requires that a M2 performance assessment be conducted every three years. To date there have been two prior performance assessments and this one will review the time period of July 1, 2012 through June 30, 2015. The assessment is underway and a final draft report is scheduled to be received next quarter. The result of the Performance Assessment including any findings will be brought to the Taxpayers Oversight Committee (TOC) in June for information and to the Board for review and any required action in July 2016.

Measure M1 Closeout

The M1 fund was officially closed out as scheduled on June 30, 2015. The PMO led the closeout of the remaining open M1 contracts, meeting with division leads and relevant project managers to ensure all projects that could be closed were closed on time. Four projects needed to remain open in order to complete the project closeout process. These projects were moved into the general fund as presented with the 2015-16 budget and will remain there until complete. Following final financial reporting and accounts balancing, staff presented the final Measure M Closeout and quarterly update report to the Board on January 11, 2016.



Continued from previous page...

M2 Administrative Cost Safeguards

Both M1 and M2 include one percent caps on administrative expenses for salaries and benefits of OCTA administrative staff, but the M2 language sets the cap on an annual basis, whereas the M1 cap was set as an annual average over the life of the measure. In a legal opinion on M2, it was determined that in years where administrative salaries and benefits are above one percent, only one percent can be allocated with the difference borrowed from other, non-Measure M fund sources. Conversely, in years where administrative salaries and benefits are below one percent, OCTA can still allocate the full one percent for administrative salaries and benefits but may use the unused portion to repay the amount borrowed from prior years in which administrative salaries and benefits were above one percent.

Based on the original M2 revenue projections, OCTA expected to receive \$24.3 billion in M2 funds, with one percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined (currently projected to be 38 percent) as a result of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the Early Action Plan (EAP) in 2007 required administrative functions four years prior to revenue collection. While the EAP resulted in project savings and significant acceleration of the program, administrative functions were required during this time with associated administrative costs.

As a result of the above mentioned factors, OCTA has incurred higher than one percent administrative costs. OCTA has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the one percent, with the understanding that those funds will be repaid with interest in future years that OCTA administrative costs fall below the one percent cap. As of June 30, 2012, OCTA had borrowed approximately \$5.2 million from OCUTT. Following recommendations received through the February 2013 M2 Performance Assessment Final Report, staff adjusted the approach to apply the allocation of state planning funds to areas that are subject to the one percent administration cap and adjusted OCTA's cost allocation plan to ensure that administrative charges are more precisely captured. Over the last few years, OCTA has experienced underruns in the one percent administration cap and has made payments to OCUTT to reduce the outstanding balance. As of March 2016 the outstanding balance is \$3.5 million.

Staff continues to meet quarterly to review all labor costs to ensure proper cost allocation to both M1 and M2. During the quarter, staff met on January 22, 2016, to review the labor reports to ensure costs attributed to the one percent cap were accurately reported and there were no misplaced project related costs, as well as to ensure project costs were applied to the correct projects. Staff will meet again on May 5, 2016, to conduct this quarterly review.

Taxpayer Oversight Committee

The M2 Ordinance requires a Taxpayer Oversight Committee (TOC) to oversee the implementation of the M2 plan. With the exception of the elected Auditor/Controller of Orange County who in Ordinance No. 3 is identified as the chair of the TOC, all other members are not elected or appointed officials. Members are recruited and screened for expertise and experience by the Orange County Grand Jurors Association, and are selected from the qualified pool by lottery. The TOC meets every other month. The TOC upholds the integrity of the measure by monitoring the use of Measure M funds and ensuring that all revenue collected from Measure M is spent on voter-approved transportation projects. The responsibilities of the 11-member Measure M TOC are to:

- Ensure all transportation revenue collected from Measure M is spent on the projects approved by the voters as part of the plan
- Ratify any changes in the plan and recommend any major changes go back to the voters for approval
- Participate in ensuring that all jurisdictions in Orange County conform with the requirements of Measure M before receipt of any tax monies for local projects

Measure M2

Progress Report

PROGRAM MGMT



Continued from previous page...

- Hold annual public meetings regarding the expenditure and status of funds generated by Measure M
- Review independent audits of issues regarding the plan and performance of the Orange County local Transportation Authority regarding the expenditure of Measure M sales tax monies
- Annually certify whether Measure M funds have been spent in compliance with the plan.

The TOC met on February 9, 2016 to receive updated financial information on the M2 Quarterly Revenue & Expenditure Report (December 15), and to hear project updates on the Capital Action Plan, Environmental Mitigation Program and M2 Progress Report. OCTA staff also provided the committee with information on M1 closeout and the status of the TOC recruitment.

M2 Financing

Contact: Sean Murdock, Finance
(714) 560-5685

Revenue Forecast and Collection

OCTA contracts with three universities (Chapman University; University of California, Los Angeles; California State University, Fullerton) to provide a long-range forecast of taxable sales to forecast Measure M2 revenues for purposes of planning projects and program expenditures. Annually, OCTA has taken an average of the three university taxable sales projections to develop a long-range forecast of Measure M2 taxable sales. However, on June 8, 2015, the Board decided to use the Chapman University forecast alone, at 5.68 percent for FY 2015-16 (the lowest of the three universities' forecasts), based on concerns over sales tax revenue actuals coming in lower than projections. Almost one year later, on March 28, 2016, the Board approved a new sales tax forecast methodology as part of the FY 2016-17 budget development process. The new methodology includes a more conservative approach by utilizing MuniServices Inc.'s five year forecast, which is more conservative than the three universities' projections.

Revenue forecast information is updated quarterly based on the actual revenues received for the previous quarter. As required by law, OCTA pays the State Board of Equalization a fee to collect the sales tax. The M2 Ordinance estimated this fee to be 1.5 percent of the revenues collected over the life of the program.

Current Forecast

Based on updated long term forecasts with the addition of MuniServices projections and actuals to date, OCTA staff forecasts total nominal sales tax collections over the life of M2 will be approximately \$15 billion. Original projections in 2005 estimated total nominal M2 sales tax collections at \$24.3 billion. Based on the current estimated forecast of \$15 billion, sales tax revenue will run approximately \$9.3 billion (38.3 percent) less than the original 2005 projection of \$24.3 billion. The revenue forecast for the life of the M2 Program varies based on actual sales tax receipts.

Final sales tax receipts through the second quarter of fiscal year 2015-16 (December 31, 2015) were received at the end of the third quarter (March 2016), and reflected a growth in sales tax revenue of 3.35 percent over the same period of the prior fiscal year. The growth, while positive, is less than the budgeted sales tax growth rate of 5.68 percent for fiscal year 2015-16. As previously mentioned, the fiscal year 2015-16 M2 sales tax was budgeted based on the Chapman University forecast. Staff will continue to closely monitor sales tax receipts. At this time, no changes are required to the budget. Going forward, MuniServices forecasts will be used as the primary source for sales tax forecast projections. Updated cash flow projections will be brought to the Board in summer for consideration.

Measure M2

Progress Report

REVENUE & EXPENDITURES



Schedule 1

Measure M2

Schedule of Revenues, Expenditures and Changes in Fund Balance

as of March 31, 2016

(Unaudited)

(\$ in thousands)	Quarter Ended Mar 31, 2016	Year to Date Mar 31, 2016 (A)	Period from Inception to Mar 31, 2016 (B)
Revenues:			
Sales taxes	\$ 76,419	\$ 225,870	\$ 1,375,242
Other agencies' share of Measure M2 costs:			
Project related	39,824	63,841	446,794
Non-project related	59	73	438
Interest:			
Operating:			
Project related	-	-	2
Non-project related	(2,782)	400	11,431
Bond proceeds	7,018	9,431	35,997
Debt service	14	19	63
Commercial paper	-	-	393
Right-of-way leases	28	91	795
Miscellaneous:			
Project related	71	71	269
Non-project related	-	-	7
Total revenues	120,651	299,796	1,871,431
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	878	2,637	14,954
Professional services:			
Project related	10,946	26,372	249,005
Non-project related	461	1,102	14,030
Administration costs:			
Project related	2,165	6,494	42,507
Non-project related :			
Salaries and Benefits	771	2,313	17,388
Other	1,114	3,342	25,301
Other:			
Project related	97	157	1,560
Non-project related	10	43	3,725
Payments to local agencies:			
Project related	26,477	75,889	578,407
Capital outlay:			
Project related	21,854	54,761	512,014
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	7,210	7,210	27,085
Interest on long-term debt and commercial paper	10,799	21,606	115,530
Total expenditures	82,782	201,926	1,601,537
Excess (deficiency) of revenues over (under) expenditures	37,869	97,870	269,894
Other financing sources (uses):			
Transfers out:			
Project related	(3,179)	(4,185)	(16,226)
Transfers in:			
Project related	6,997	20,647	72,451
Non-project related	(6,997)	(20,647)	9,030
Bond proceeds	-	-	358,593
Total other financing sources (uses)	(3,179)	(4,185)	423,848
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	\$ 34,690	\$ 93,685	\$ 693,742



Schedule 2

Measure M2
Schedule of Calculations of Net Revenues and Net Bond Revenues (Debt Service)
as of March 31, 2016
(Unaudited)

(\$ in thousands)	Quarter Ended Mar 31, 2016 (actual)	Year to Date Mar 31, 2016 (actual) (C.1)	Period from Inception through Mar 31, 2016 (actual) (D.1)	Period from April 1, 2016 through March 31, 2041 (forecast) (E.1)	Total (F.1)
Revenues:					
Sales taxes	\$ 76,419	\$ 225,870	\$ 1,375,242	\$ 13,434,802	\$ 14,810,044
Operating interest	(2,782)	400	11,431	225,040	236,471
Subtotal	<u>73,637</u>	<u>226,270</u>	<u>1,386,673</u>	<u>13,659,842</u>	<u>15,046,515</u>
Other agencies share of M2 costs	59	73	438	-	438
Miscellaneous	-	-	7	-	7
Total revenues	<u>73,696</u>	<u>226,343</u>	<u>1,387,118</u>	<u>13,659,842</u>	<u>15,046,960</u>
Administrative expenditures:					
SBOE fees	878	2,637	14,954	201,603	216,557
Professional services	461	1,102	10,254	91,685	101,939
Administration costs :					
Salaries and Benefits	771	2,313	17,388	134,326	151,714
Other	1,114	3,342	25,301	253,543	278,844
Other	10	43	3,725	23,149	26,874
Capital outlay	-	-	31	-	31
Environmental cleanup	3,759	7,651	16,213	268,696	284,909
Total expenditures	<u>6,993</u>	<u>17,088</u>	<u>87,866</u>	<u>973,003</u>	<u>1,060,869</u>
Net revenues	<u>\$ 66,703</u>	<u>\$ 209,255</u>	<u>\$ 1,299,252</u>	<u>\$ 12,686,839</u>	<u>\$ 13,986,091</u>
		(C.2)	(D.2)	(E.2)	(F.2)
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 358,593	\$ 2,000,000	\$ 2,358,593
Interest revenue from bond proceeds	7,018	9,431	35,997	25,760	61,757
Interest revenue from debt service funds	14	19	63	54	117
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>7,032</u>	<u>9,450</u>	<u>395,046</u>	<u>2,025,814</u>	<u>2,420,860</u>
Financing expenditures and uses:					
Professional services	-	-	3,776	17,020	20,796
Bond debt principal	7,210	7,210	27,085	2,242,636	2,269,721
Bond debt and other interest expense	10,799	21,606	115,530	1,507,609	1,623,139
Total financing expenditures and uses	<u>18,009</u>	<u>28,816</u>	<u>146,391</u>	<u>3,767,265</u>	<u>3,913,656</u>
Net bond revenues (debt service)	<u>\$ (10,977)</u>	<u>\$ (19,366)</u>	<u>\$ 248,655</u>	<u>\$ (1,741,451)</u>	<u>\$ (1,492,796)</u>

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2 Schedule of Revenues and Expenditures Summary as of December 31, 2015 (Unaudited)

Schedule 3

Project	Description	Net Revenues through Mar 31, 2016 (H)	Total Net Revenues (I)
	(G) (\$ in thousands)		
Freeways (43% of Net Revenues)			
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 51,209	\$ 551,264
B	I-5 Santa Ana/SR-55 to El Toro	32,709	352,105
C	I-5 San Diego/South of El Toro	68,317	735,409
D	I-5 Santa Ana/San Diego Interchange Upgrades	28,111	302,608
E	SR-22 Garden Grove Freeway Access Improvements	13,075	140,748
F	SR-55 Costa Mesa Freeway Improvements	39,879	429,282
G	SR-57 Orange Freeway Improvements	28,187	303,430
H	SR-91 Improvements from I-5 to SR-57	15,254	164,206
I	SR-91 Improvements from SR-57 to SR-55	45,381	488,513
J	SR-91 Improvements from SR-55 to County Line	38,375	413,096
K	I-405 Improvements between I-605 to SR-55	116,890	1,258,288
L	I-405 Improvements between SR-55 to I-5	34,834	374,976
M	I-605 Freeway Access Improvements	2,179	23,458
N	All Freeway Service Patrol	16,344	175,935
	Freeway Mitigation	27,934	300,701
	Subtotal Projects	558,678	6,014,019
	Net (Bond Revenue)/Debt Service	-	-
	Total Freeways	\$ 558,678	\$ 6,014,019
	%		
Street and Roads Projects (32% of Net Revenues)			
O	Regional Capacity Program	\$ 129,927	\$ 1,398,627
P	Regional Traffic Signal Synchronization Program	51,969	559,426
Q	Local Fair Share Program	233,865	2,517,496
	Subtotal Projects	415,761	4,475,549
	Net (Bond Revenue)/Debt Service	-	-
	Total Street and Roads Projects	\$ 415,761	\$ 4,475,549
	%		

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2
Schedule of Revenues and Expenditures Summary
as of December 31, 2015
(Unaudited)

Schedule 3

Expenditures through Mar 31, 2016 (J)	Reimbursements through Mar 31, 2016 (K)	Net M2 Cost (L)
\$ 3,107	\$ 166	\$ 2,941
4,163	1,897	2,266
74,125	23,659	50,466
1,779	527	1,252
4	-	4
7,391	23	7,368
45,049	10,300	34,749
30,098	573	29,525
14,586	1,308	13,278
6,927	5,294	1,633
43,998	3,192	40,806
4,831	1,681	3,150
620	16	604
133	-	133
44,896	1,688	43,208
281,707	50,324	231,383
30,328	-	30,328
\$ 312,035	\$ 50,324	\$ 261,711
		27.7%
\$ 559,043	\$ 314,344	\$ 244,699
19,110	1,257	17,853
220,508	77	220,431
798,661	315,678	482,983
33,686	-	33,686
\$ 832,347	\$ 315,678	\$ 516,669
		54.6%

Continues on following page

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2
Schedule of Revenues and Expenditures Summary
as of December 31, 2015
(Unaudited)

Schedule 3

Project	Description	Net Revenues through Mar 31, 2016 (H)	Total Net Revenues (I)
	(G)		
	(\$ in thousands)		
Transit Projects (25% of Net Revenues)			
R	High Frequency Metrolink Service	\$ 129,581	\$ 1,394,905
S	Transit Extensions to Metrolink	114,694	1,234,648
T	Metrolink Gateways	6,641	71,486
U	Expand Mobility Choices for Seniors and Persons with Disabilities	45,052	484,970
V	Community Based Transit/Circulators	25,978	279,648
W	Safe Transit Stops	2,867	30,866
	Subtotal Projects	324,813	3,496,523
	Net (Bond Revenue)/Debt Service	-	-
	Total Transit Projects	\$ 324,813	\$ 3,496,523
	%		
Measure M2 Program			
		\$ 1,299,252	\$ 13,986,091

Project	Description	Revenues through Mar 31, 2016 (H.1)	Total Revenues (I.1)
	(G)		
	(\$ in thousands)		
Environmental Cleanup (2% of Revenues)			
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 27,733	\$ 300,930
	Net (Bond Revenue)/Debt Service	-	-
	Total Environmental Cleanup	\$ 27,733	\$ 300,930
	%		

Taxpayer Safeguards and Audits			
	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 20,629	\$ 222,151
	%		
	Oversight and Annual Audits (1% of Revenues)	\$ 13,867	\$ 150,465
	%		



Measure M2
Schedule of Revenues and Expenditures Summary
as of December 31, 2015
(Unaudited)

Schedule 3

Expenditures through Mar 31, 2016 (J)	Reimbursements through Mar 31, 2016 (K)	Net M2 Cost (L)
\$ 160,446	\$ 91,013	\$ 69,433
5,749	1,822	3,927
98,214	60,956	37,258
36,831	88	36,743
1,856	112	1,744
42	26	16
<u>303,138</u>	<u>154,017</u>	<u>149,121</u>
<u>18,839</u>	<u>-</u>	<u>18,839</u>
<u>\$ 321,977</u>	<u>\$ 154,017</u>	<u>\$ 167,960</u>
		17.7%
<u><u>\$ 1,466,359</u></u>	<u><u>\$ 520,019</u></u>	<u><u>\$ 946,340</u></u>

Expenditures through Mar 31, 2016 (J)	Reimbursements through Mar 31, 2016 (K)	Net M2 Cost (L)
\$ 16,213	\$ 292	\$ 15,921
-	-	-
<u>\$ 16,213</u>	<u>\$ 292</u>	<u>\$ 15,921</u>
		1.1%

<u>\$ 14,954</u>	<u>\$ -</u>	<u>\$ 14,954</u>
		1.1%
<u>\$ 17,388</u>	<u>\$ 3,521</u>	<u>\$ 13,867</u>
		1.0%

Measure M2

Progress Report LOCAL FAIR SHARE



M2 FUNDS

ENTITY	3rd Quarter FY 2015/16	FUNDS TO DATE
ALISO VIEJO	\$108,477.62	\$2,740,678.47
ANAHEIM	\$445,222.65	\$22,652,022.61
BREA	\$153,294.36	\$3,987,825.32
BUENA PARK	\$258,181.91	\$6,478,401.04
COSTA MESA	\$395,532.37	\$9,938,250.68
CYPRESS	\$144,561.38	\$3,731,490.35
DANA POINT	\$90,139.02	\$2,274,621.23
FOUNTAIN VALLEY	\$171,112.26	\$4,353,510.39
FULLERTON	\$357,209.94	\$9,029,826.59
GARDEN GROVE	\$406,060.27	\$10,355,323.68
HUNTINGTON BEACH	\$534,732.69	\$13,485,105.80
IRVINE	\$745,629.92	\$18,056,106.50
LAGUNA BEACH	\$70,695.47	\$1,759,542.45
LAGUNA HILLS	\$93,745.53	\$2,373,195.14
LAGUNA NIGUEL	\$182,476.75	\$4,661,140.13
LAGUNA WOODS	\$35,186.11	\$897,496.23
LA HABRA	\$144,082.47	\$3,687,617.95
LAKE FOREST	\$214,419.20	\$5,414,006.46

Measure M2

Progress Report

LOCAL FAIR SHARE



M2 FUNDS

ENTITY	3rd Quarter FY 2015/16	FUNDS TO DATE
LA PALMA	\$47,126.51	\$1,229,530.75
LOS ALAMITOS	\$35,868.87	\$898,164.87
MISSION VIEJO	\$256,718.64	\$6,511,500.40
NEWPORT BEACH	\$304,002.91	\$7,606,190.39
ORANGE	\$455,501.85	\$11,361,509.54
PLACENTIA	\$86,433.05	\$3,193,752.08
RANCHO SANTA MARGARITA	\$116,555.66	\$2,949,365.55
SAN CLEMENTE	\$152,658.51	\$3,849,258.91
SAN JUAN CAPISTRANO	\$105,069.30	\$2,643,757.10
SANTA ANA	\$761,404.37	\$19,197,671.25
SEAL BEACH	\$67,278.52	\$1,798,156.70
STANTON	\$82,561.30	\$2,095,638.32
TUSTIN	\$244,522.83	\$6,126,966.98
VILLA PARK	\$14,375.24	\$361,552.45
WESTMINSTER	\$232,805.65	\$5,924,368.81
YORBA LINDA	\$164,702.24	\$4,151,805.57
COUNTY UNINCORPORATED	\$505,290.90	\$12,589,379.98
TOTAL M2 FUNDS	\$8,183,636.27	\$218,364,730.67

Measure M2

Progress Report

CAPITAL ACTION PLAN



Grey = Milestone achieved

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Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
FREEWAY PROJECTS					
I-5, Pico to Vista Hermosa	\$113.0	Jun-09	Dec-11	Oct-13	Aug-18
Project C	\$90.8	Jun-09	Oct-11	Oct-13	Aug-18
I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Feb-13	Mar-17
Project C	\$71.5	Jun-09	Oct-11	May-13	Mar-17
I-5, PCH to San Juan Creek Rd.	\$70.7	Jun-09	Dec-11	Jan-13	Sep-16
Project C	\$71.2	Jun-09	Oct-11	Jan-13	Apr-18
I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Nov-11	Sep-15
Project D	\$79.3	Sep-05	Jun-09	Dec-11	Jan-16
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	Oct-14	Aug-16
I-5, SR-73 to Oso Parkway	\$151.9	Sep-11	Jun-14	Jan-18	Apr-22
Project C & D	\$151.9	Oct-11	May-14	Jan-18	Apr-22
I-5, Oso Parkway to Alicia Parkway	\$196.2	Sep-11	Jun-14	Jun-17	Mar-22
Project C & D	\$196.2	Oct-11	May-14	Jun-17	Mar-22
I-5, Alicia Parkway to El Toro Road	\$133.6	Sep-11	Jun-14	Jun-18	Sep-22
Project C	\$133.6	Oct-11	May-14	Jun-18	Sep-22
I-5, I-5/El Toro Road Interchange	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Aug-16	Jul-19	TBD	TBD
I-5, I-405 to SR-55	TBD	May-14	Aug-18	TBD	TBD
Project B	TBD	May-14	Aug-18	TBD	TBD
I-5, SR-55 to SR-57	\$37.1	Jul-11	Jun-13	Mar-17	Feb-20
Project A	\$36.9	Jun-11	Apr-15	Mar-17	Feb-20

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Measure M2

Progress Report

CAPITAL ACTION PLAN



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Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
SR-55, I-405 to I-5	TBD	Feb-11	Nov-13	TBD	TBD
Project F	\$274.6	May-11	Dec-16	Jul-20	May-24
SR-55, I-5 to SR-91	TBD	TBD	TBD	TBD	TBD
Project F	TBD	Nov-16	May-19	TBD	TBD
SR-57 (NB), Orangewood to Katella	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Apr-16	Apr-18	TBD	TBD
SR-57 (NB), Katella to Lincoln	\$78.7	Apr-08	Jul-09	Nov-10	Sep-14
Project G	\$40.7	Apr-08	Nov-09	Dec-10	Apr-15
SR-57 (NB), Katella to Lincoln (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	N/A	Jul-10	Jan-18
SR-57 (NB), Orangethorpe to Yorba Linda	\$80.2	Aug-05	Dec-07	Dec-09	May-14
Project G	\$52.8	Aug-05	Dec-07	Jul-09	Nov-14
SR-57 (NB), Yorba Linda to Lambert	\$79.3	Aug-05	Dec-07	Dec-09	Sep-14
Project G	\$54.7	Aug-05	Dec-07	Jul-09	May-14
SR-57 (NB), Orangethorpe to Lambert (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	N/A	Aug-16	Mar-18
SR-57 (NB), Lambert to Tonner Canyon (On Hold)	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Jul-16	May-19	TBD	TBD
SR-91 Westbound (WB), I-5 to SR-57	\$78.1	Jul-07	Apr-10	Feb-12	Apr-16
Project H	\$61.3	Jul-07	Jun-10	Apr-12	May-16
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project H	N/A	N/A	N/A	May-16	Dec-17

*For detailed project information, please refer to the individual project section within this report.

Measure M2

Progress Report

CAPITAL ACTION PLAN



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Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
SR-91, SR-57 to SR-55	TBD	Jan-15	Oct-18	TBD	TBD
Project I	TBD	Jan-15	Oct-18	TBD	TBD
SR-91 (WB), Tustin Interchange to SR-55	\$49.9	Jul-08	Jul-11	Mar-13	Jul-16
Project I	\$47.1	Jul-08	May-11	Feb-13	Jul-16
SR-91, SR-55 to SR-241	\$128.4	Jul-07	Jul-09	Jan-11	Dec-12
Project J	\$79.6	Jul-07	Apr-09	Aug-10	Mar-13
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project J	N/A	N/A	N/A	Feb-13	Feb-15
SR-91 Eastbound, SR-241 to SR-71	\$104.5	Mar-05	Dec-07	Dec-08	Nov-10
Project J	\$57.8	Mar-05	Dec-07	Dec-08	Jan-11
I-405, I-5 to SR-55	TBD	Dec-14	Jul-18	TBD	TBD
Project L	TBD	Dec-14	Jul-18	TBD	TBD
I-405 Southbound, SR-133 to University Drive	TBD	Mar-15	Aug-16	TBD	TBD
Project L	\$13.4	Mar-15	Feb-16	Mar-17	Dec-18
I-405, SR-55 to I-605 (Design-Build)	TBD	Mar-09	Mar-13	Nov-15	Apr-23
Project K	\$1,791.0	Mar-09	May-15	Nov-15	Apr-23
I-605, I-605/Katella Interchange (Draft)	TBD	TBD	TBD	TBD	TBD
Project M	TBD	Jul-16	Jun-18	TBD	TBD
GRADE SEPARATION PROJECTS					
Sand Canyon Avenue Railroad Grade Separation	\$55.6	N/A	Sep-03	Jul-10	May-14
Project R	\$61.7	N/A	Sep-03	Jul-10	Jan-16
Raymond Avenue Railroad Grade Separation	\$77.2	Feb-09	Nov-09	Aug-12	Aug-18
Project O	\$117.0	Feb-09	Nov-09	Dec-12	Aug-18

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Measure M2

Progress Report

CAPITAL ACTION PLAN



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Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
State College Blvd. Grade Separation (Fullerton)	\$73.6	Dec-08	Jan-11	Aug-12	May-18
Project O	\$92.7	Dec-08	Apr-11	Feb-13	May-18
Placentia Ave. Grade Separation	\$78.2	Jan-01	May-01	Mar-10	Nov-14
Project O	\$62.3	Jan-01	May-01	Jun-10	Dec-14
Kraemer Blvd. Grade Separation	\$70.4	Jan-01	Sep-09	Jul-10	Oct-14
Project O	\$63.8	Jan-01	Sep-09	Jul-10	Dec-14
Orangethorpe Blvd. Grade Separation	\$117.4	Jan-01	Sep-09	Dec-11	Sep-16
Project O	\$104.4	Jan-01	Sep-09	Oct-11	Sep-16
Tustin Ave./Rose Dr. Grade Separation	\$103.0	Jan-01	Sep-09	Dec-11	May-16
Project O	\$98.3	Jan-01	Sep-09	Jul-11	May-16
Lakeview Ave. Grade Separation	\$70.2	Jan-01	Sep-09	Oct-11	Mar-17
Project O	\$99.8	Jan-01	Sep-09	Jan-13	Mar-17
17th St. Grade Separation	TBD	Oct-14	Jun-16	TBD	TBD
Project R	TBD	Oct-14	Jun-16	TBD	TBD
RAIL AND STATION PROJECTS					
Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Jan-08	Oct-08	Sep-08	Dec-11
Project R	\$90.4	Jan-08	Oct-08	Sep-08	Dec-11
San Clemente Beach Trail Safety Enhancements	\$6.0	Sep-10	Jul-11	Apr-12	Jan-14
Project R	\$5.3	Sep-10	Jul-11	Jun-12	Mar-14
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	May-16	Jan-19
	\$25.3	Aug-11	Mar-14	Aug-16	Jul-19

*For detailed project information, please refer to the individual project section within this report.

Measure M2

Progress Report

CAPITAL ACTION PLAN



Grey = Milestone achieved

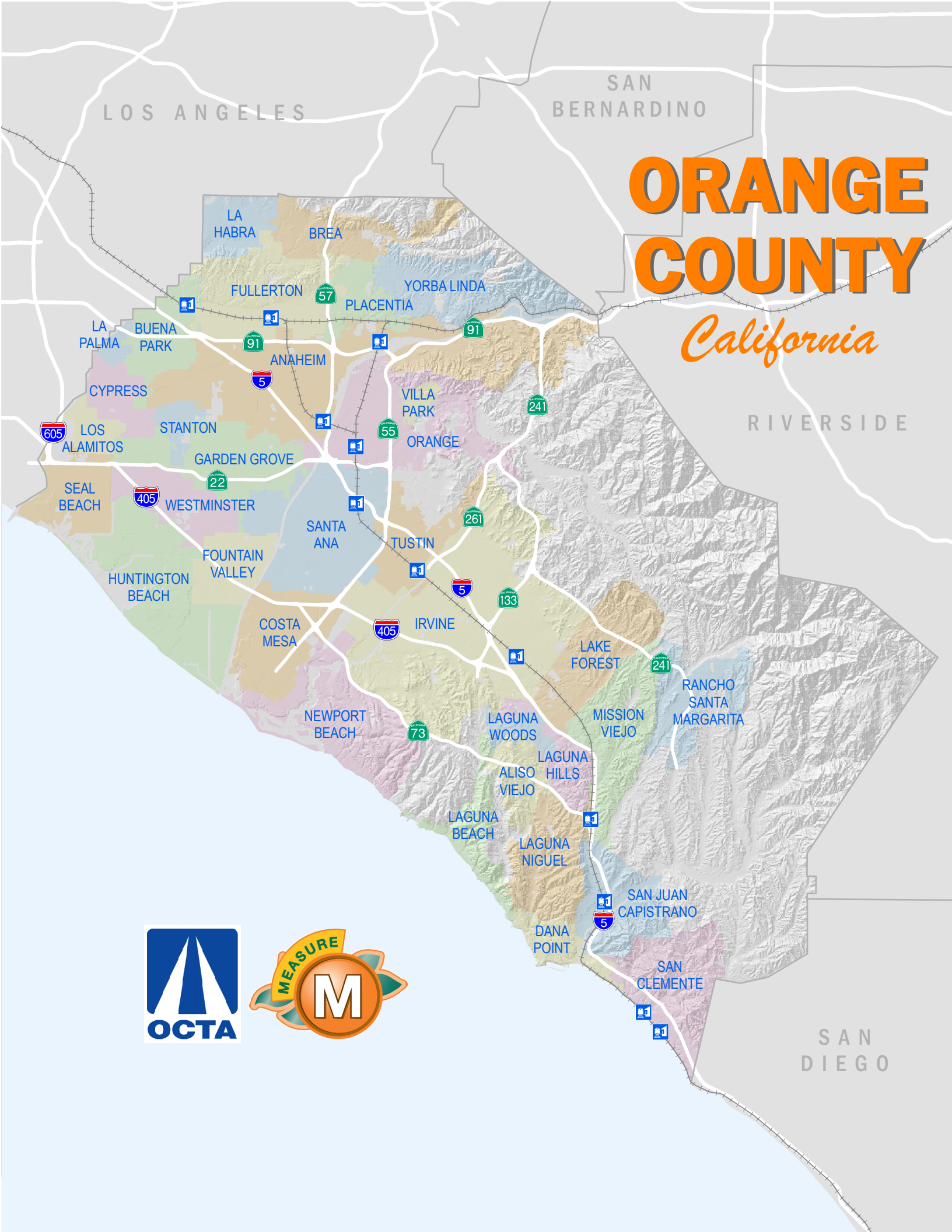
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Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
Anaheim Rapid Connection (schedule on hold)	TBD	Jan-09	Oct-14	TBD	TBD
Project S	TBD	Jan-09	TBD	TBD	TBD
OC Streetcar	TBD	Aug-09	Mar-12	TBD	TBD
Project S	\$297.3	Aug-09	Mar-15	Jun-17	Jun-20
Placentia Metrolink Station and Parking Structure	TBD	Jan-03	May-07	Jan-11	TBD
	TBD	Jan-03	May-07	Feb-11	TBD
Anaheim Canyon Station	TBD	Jan-16	Dec-16	TBD	TBD
	\$21.0	Jan-16	Dec-16	Oct-18	Jul-20
Orange Station Parking Expansion	\$18.6	Dec-09	Dec-12	Apr-13	TBD
	\$18.6	Dec-09	Apr-16	Apr-16	Feb-18
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Dec-13	Mar-17
	\$4.0	N/A	N/A	Dec-13	Mar-17
Laguna Niguel/Mission Viejo Station ADA Ramps	\$3.5	Jul-13	Jan-14	Aug-14	Apr-17
	\$4.6	Jul-13	Feb-14	Jul-15	Apr-17
Anaheim Regional Transportation Intermodal Center	\$227.4	Apr-09	Feb-11	Feb-12	Nov-14
Project R & T	\$230.4	Apr-09	Feb-12	May-12	Dec-14

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ORANGE COUNTY

California

