



**OCTA**

**Comprehensive Business Plan  
Fiscal Year 2014-15**










# Introduction







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*AFFILIATED AGENCIES*

*Orange County  
Transit District*

*Local Transportation  
Authority*

*Service Authority for  
Freeway Emergencies*

*Consolidated Transportation  
Service Agency*

*Congestion Management  
Agency*

*Service Authority for  
Abandoned Vehicles*

January 12, 2015

To Chair Shawn Nelson & members of the OCTA Board of Directors:

I am pleased to present the Fiscal Year 2014-15 Comprehensive Business Plan for the Orange County Transportation Authority (OCTA). This business plan provides the OCTA Board of Directors and the citizens of Orange County with a comprehensive summary of OCTA's transportation plans consistent with OCTA's mission to "develop and deliver transportation solutions to enhance quality of life and keep Orange County moving."

The Fiscal Year 2014-15 Comprehensive Business Plan is a financially constrained business planning tool providing a twenty-year cash flow for each of OCTA's transportation programs, and serves as the baseline for developing the Fiscal Year 2015-16 Annual Budget. The plan details a comprehensive, multi-modal approach ensuring the financial viability of each of OCTA's programs and is consistent with the goals of the OCTA's Strategic Plan, M2020 Plan, and Destination 2035, which is the approved Long-Range Transportation Plan.

The Fiscal Year 2014-15 Comprehensive Business Plan ensures that OCTA's core goals and objectives can be met over a twenty-year horizon, which will allow the OCTA to continue to deliver on the transportation solutions that will ensure the citizens of Orange County maintain the quality of life and economic productivity they have come to expect and enjoy, and that the OCTA can continue to deliver on promises made to the voters.

Sincerely,

Darrell Johnson  
Chief Executive Officer





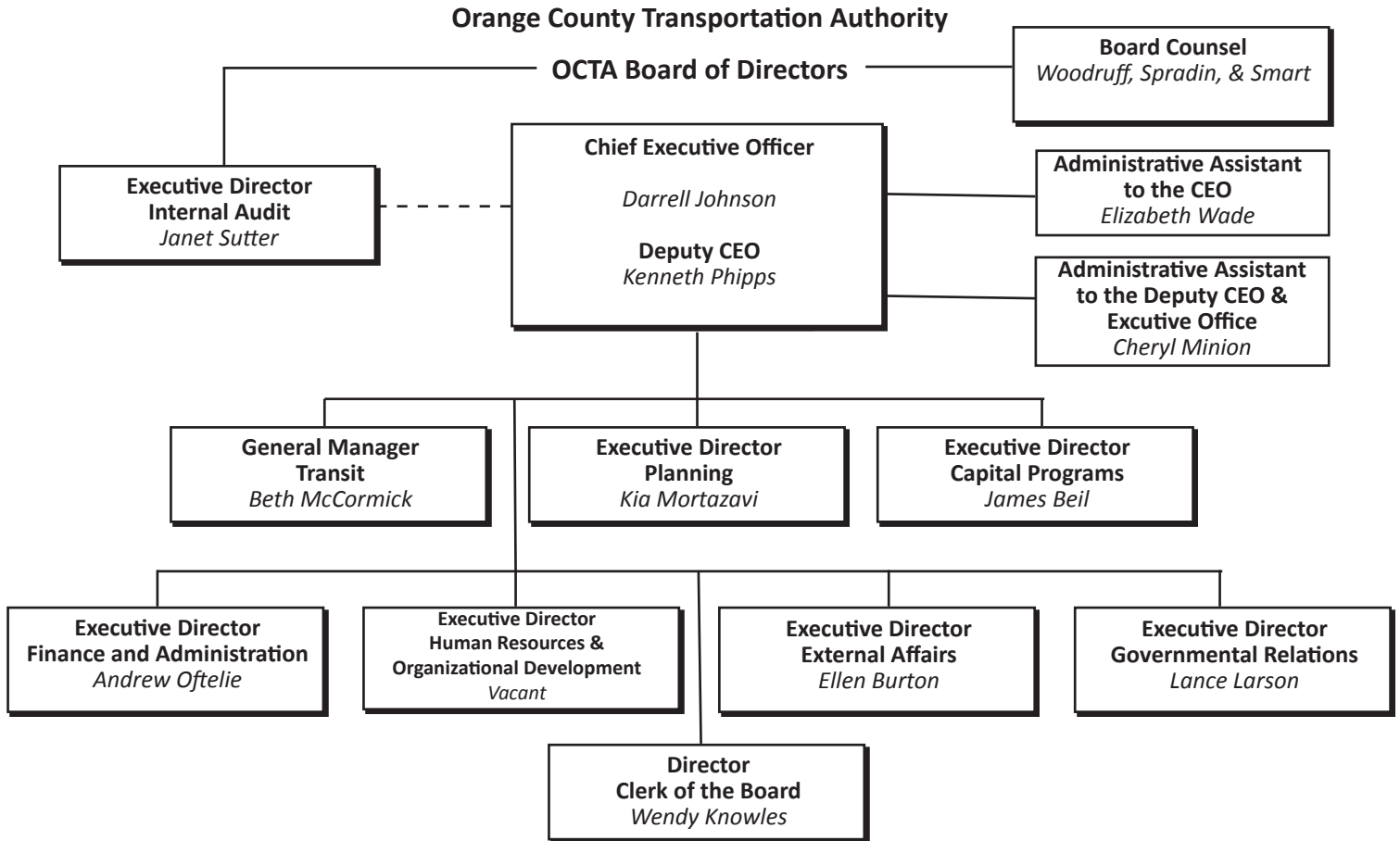


The Authority is governed by an eighteen-member Board of Directors consisting of five members of the Orange County Board of Supervisors, ten city council members selected by the cities in the supervisorial district in which they represent, two public members selected by the other fifteen board members, and serving in a non-voting capacity is a representative appointed by the Governor of California. OCTA is managed by a Chief Executive Officer, who acts in accordance with the direction, goals, and policies articulated by the Board of Directors.

|                                |   |                         |  |
|--------------------------------|---|-------------------------|--|
| <i>Shawn Nelson</i>            | <i>Chairman</i><br>Supervisor<br>County of Orange<br>4th District       | <i>Jeffrey Lalloway</i> | <i>Vice Chairman</i><br>Mayor Pro Tem<br>City of Irvine<br>3rd District          |
| <i>Lisa A. Bartlett</i>        | <i>Director</i><br>Supervisor<br>County of Orange<br>5th District       | <i>Lori Donchak</i>     | <i>Director</i><br>Council Member<br>City of San Clemente<br>5th District        |
| <i>Michael Hennessey</i>       | <i>Director</i><br>Public Member  | <i>Steve Jones</i>      | <i>Director</i><br>Mayor Pro Tem<br>City of Garden Grove<br>1st District         |
| <i>Gary A. Miller</i>          | <i>Director</i><br>Council Member<br>City of Seal Beach<br>2nd District | <i>Al Murray</i>        | <i>Director</i><br>Council Member<br>City of Tustin<br>3rd District              |
| <i>Miguel Pulido</i>           | <i>Director</i><br>Mayor<br>City of Santa Ana<br>1st District           | <i>Tim Shaw</i>         | <i>Director</i><br>Council Member<br>City of La Habra<br>4th District            |
| <i>Todd Spitzer</i>            | <i>Director</i><br>Supervisor<br>County of Orange<br>3rd District       | <i>Michelle Steel</i>   | <i>Director</i><br>Supervisor<br>County of Orange<br>2nd District                |
| <i>Tom Tait</i>                | <i>Director</i><br>Mayor<br>City of Anaheim<br>4th District             | <i>Frank Ury</i>        | <i>Director</i><br>Council Member<br>City of Mission Viejo<br>5th District       |
| <i>Gregory T. Winterbottom</i> | <i>Director</i><br>Public Member  | <i>Vacant</i>           | <i>Director</i><br>Supervisor<br>County of Orange<br>1st District                |
| <i>Vacant</i>                  | <i>Director</i><br>City Member<br>2nd District                          | <i>Ryan Chamberlain</i> | <i>Governor's Ex-officio Member</i><br>District Director<br>Caltrans District 12 |



Organizational Chart





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### OCTA Vision

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An integrated and balanced transportation system that supports the diverse travel needs and reflects the character of Orange County.

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### OCTA Mission

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Develop and deliver transportation solutions to enhance quality of life and keep Orange County moving.

The Board of Directors has developed five goals to guide OCTA in achieving this vision and mission. These goals represent each aspect of the organization and encompass every division and employee of the OCTA.

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### Goals

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- Mobility - Deliver programs, projects and services to improve the movement of people and goods throughout Orange County and the region.
- Public Service - Enhance customer satisfaction by understanding, connecting with and serving our diverse communities and partners.
- Fiscal Sustainability - Ensure fiscal health through prudent financial management and by protecting and leveraging available revenue sources.
- Stewardship - Embrace responsible policies and practices designed to promote environmental sustainability and enhance the safety and quality of life in Orange County.
- Organizational Excellence - Continue the tradition of being a high-performing organization through employee development and efficient business practices.





## **Purpose of the Comprehensive Business Plan**

The Comprehensive Business Plan (CBP) is a business planning tool designed to assist the OCTA in implementing its strategic goals and objectives. The CBP encapsulates OCTA's programs and outlines their goals and objectives, as articulated by the Board of Directors. This is accomplished within the framework of sound business practices to provide an effective and efficient multi-modal transportation network to the residents of Orange County. Through the use of financial modeling and divisional input and review, a comprehensive study of economic influences and programmatic needs and objectives are incorporated into a business planning document to ensure the financial viability of each of OCTA's programs over a twenty-year horizon.

The business plan is an evolving document that is updated annually in response to the ever-changing social, political, and economic environment. The CBP lays the foundation for the annual budget process and is consistent with the goals of the Strategic Plan, M2020 Plan, and Destination 2035, which is the approved Long-Range Transportation Plan.

The CBP also provides the framework to ensure that items brought to the Board in the future are consistent with long-range initiatives and are financially feasible. The CBP does not authorize staff to enter into any contracts nor does it appropriate any funds. Decisions on specific programs and projects and associated funding appropriations are subject to future Board approval through the annual budget process or through specific Board action.

## **Overview of Programs**

As an organization, OCTA is comprised of six distinct programs with unique characteristics and objectives; however, these programs work together to accomplish OCTA's Authority-wide mission, "To develop and deliver transportation solutions to enhance quality of life and keep Orange County moving." The programs include: Bus Operations, Rail, Measure M2, the 91 Express Lanes, Non-Program Specific Projects, and Motorist & Taxicab Services.

### **Bus Operations**

The Bus Operations program represents OCTA's core business unit, which delivers fixed route, express, limited-stop, StationLink rail feeder, and complementary paratransit bus services for Orange County residents.

The fixed route network provides bus service on 40 local lines, 14 community lines, 10 inter/intracounty express lines, 1 limited-stop line, and 12 StationLink rail feeder lines. The local lines operate along major arterials comprising a "grid" network, and have high passenger volumes that require the use of higher capacity 40-foot and 60-foot buses. Community lines may use smaller buses to accommodate roadway constraints or lower passenger demand, and provide connections to the local

lines. The limited-stop line, called Bravo, provides commuters and visitors with an efficient travel option to key destinations within the Harbor Boulevard corridor. Express service provides a freeway-based service to major employment areas in Orange County and surrounding areas. StationLink rail feeder service provides connector services for the Metrolink commuter rail system allowing Metrolink commuters to reach employment centers.

OCTA paratransit services provide demand response bus service to persons with developmental and physical disabilities as required by the federal Americans with Disabilities Act (ADA), as well as bus service to transport elderly persons to destinations such as adult activity programs and health care providers.



### **Rail**

The Metrolink program is a regional rail system operated as a Joint Powers Authority (JPA) by the Southern California Regional Rail Authority (SCRRA). Five member agencies participate in the JPA serving the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura. OCTA is responsible for participating and providing the funding necessary to operate the three lines that serve Orange County. These lines include: the Orange County (OC) Line, the Inland Empire-Orange County (IEOC) Line, and the 91 Line. These routes service rail commuters between Orange, Los Angeles, San Diego, San Bernardino, and Riverside Counties.

### **Measure M2 (M2)**

In November 1990, Orange County voters approved M1, a 20-year program for local transportation improvements funded by a one-half cent sales tax. OCTA delivered on the promises made to the voters with more than \$4 billion of improvements made while leveraging over \$1.2 billion in local, state, and federal funding. OCTA was able to deliver 192 lane miles of additional freeway capacity, modernize and improve 170 intersections and 38 interchanges, provide \$1.3 billion dollars to improve streets and roads, and implement Metrolink service. On March 30, 2011 the collection of sales tax revenue under M1 concluded.



In November 2006, Orange County voters approved the renewal of the Measure M one-half cent sales tax, which will continue investment of local tax dollars in Orange County's transportation infrastructure from April 2011 through March 2041. The M2 Transportation Investment Plan is a 30-year, \$15.8 billion program that reflects the varied interests and priorities inherent in the diverse communities of Orange County. The Plan includes continued investment aimed at:

- Expanding and improving Orange County's freeway system
- Maintaining and improving the network of streets and roads in every community
- Expanding the Metrolink rail service through the core of Orange County with future connections with nearby communities and regional rail systems
- Providing additional transit service for seniors and persons with disabilities
- Providing funds to clean up runoff from highways and roads

### 91 Express Lanes

The 91 Express Lanes is a four-lane, 10-mile toll facility extending from the Costa Mesa Freeway/State Route 55 on the west to the Orange/Riverside County line on the east. Authorized as one of four public-private toll road projects by the State of California the lanes were built at a cost of \$135 million and opened in 1995 by the California Private Transportation Company (CPTC).

The CPTC had an agreement with the State of California Department of Transportation (Caltrans) that included a non-compete provision that created a 1.5-mile protection zone along each side of the Riverside Freeway. This zone prohibited improvements along the corridor for 30 years in order to satisfy bondholder requirements for a secure revenue stream. This created mobility problems as the region and corresponding transportation demands grew. In January 2003, the OCTA acquired the 91 Express Lanes from the CPTC in order to clear the way for future improvements along the 91 Corridor. Since the acquisition of the toll lanes, and with the elimination of the

non-compete provision, improvements are moving forward on the 91 Corridor.

The 91 Express Lanes continue to be an important element in ensuring that traffic flows more smoothly between Orange and Riverside counties. Depending on the time of day, commuters can save an average of 30 minutes on their drive time by using the 91 Express Lanes.

### Non-Program Specific Projects

The majority of major freeway, street and roads, and transit projects are funded primarily through the M2 program. OCTA has also committed to a handful of projects not funded through the M2 program. These projects are funded using other local, state and federal sources. These projects include the Bristol Street Widening Project, as well as efforts to provide continuous access striping for High Occupancy Vehicle Lanes. Additional projects include vanpool and rideshare programs, a bike-sharing program in the City of Fullerton, and bicycle safety programs. OCTA continues to support further efforts to develop and improve bicycle and pedestrian facilities within the County.

### Motorist & Taxicab Services

The Motorist and Taxicab Services program consists of two business units: the Service Authority for Freeway Emergencies (SAFE) and the Orange County Taxicab Program (OCTAP).

SAFE provides the Freeway Callbox System and Freeway Service Patrol (FSP) services, both of which are designed to assist motorists in emergency situations and reduce traffic congestion. SAFE also provides funding toward the Southern California 511 Program. This system allows the traveling public to access information on highway conditions, traffic speeds, transit, and commuter services via a toll free number with an interactive voice response system and the internet.

OCTAP provides a regulatory function for taxicab services for 34 local cities and has established a uniform regional approach for this program in Orange County.



# Bus Operations









## Introduction

Orange County began transit operations in the fall of 1972 through establishment of the Orange County Transit District (OCTD) by state legislation with eight local fixed routes. Today, service has grown to 77 bus routes and annual boardings exceed 48 million.

Bus services are tailored to various market demands and needs. These services include local fixed route, express, limited-stop, StationLink rail feeder, and complementary paratransit bus service. The fixed route network provides bus service on 40 local lines, 14 community lines, 10 inter/intracounty express lines, 1 limited-stop line, and 12 StationLink rail feeder lines. The local lines operate along major arterials comprising a “grid” network, and have high passenger volumes that require the use of higher capacity 40-foot and 60-foot buses. Community lines use smaller buses to accommodate for roadway constraints or lower passenger demand, and provide connections to the local lines. The Express service provides a freeway-based service to major employment areas in Orange County and surrounding areas. The limited-stop line, called Bravo, is designed to provide an attractive rapid transit option for Orange County commuters and visitors by decreasing travel time and improving travel speed within the Harbor Boulevard corridor, while offering connections to key destinations, major attractions, and Metrolink train services. StationLink rail feeder service provides connector services for the Metrolink commuter rail system allowing Metrolink commuters to reach employment centers.

OCTA also provides special needs transportation services under three program elements, Americans with Disabilities Act (ADA) ACCESS paratransit service, non-ADA taxi and special agency services, and community transportation programs. ACCESS provides demand response bus service to persons with developmental and physical disabilities as required by the ADA. OCTA offers non-ADA same day taxi service to ACCESS-eligible customers and subsidizes trips to adult daycare programs on alternative transportation services. In addition, OCTA funds and administers community transportation services offered through the Senior Mobility Program (SMP) and federal grant programs.

## Fixed Route Service

In order to provide a sustainable level of bus service throughout the county, OCTA decreased service by a total of 383 thousand revenue vehicle hours (RVH) in fiscal years 2008-09 and 2009-10 in response to dramatically decreasing revenues. To continue on a sustainable path, OCTA plans to mitigate operating costs by increasing contract service levels up to 40 percent of the total fixed route service. As transit operations staff attrits, directly operated service will be converted to contract service proportionately subject to financial and operational considerations. The Anaheim base will be converted to a contractor operated base in FY 2014-15 as part of the service conversion.

Revenue improvements have afforded OCTA the opportunity to increase service by approximately 4 percent or 65 thousand hours, bringing the total RVH to 1.604 million in FY 2014-15. In fiscal year 2012-13, RVH were added for schedule maintenance in order to mitigate overcrowding conditions and increase on-time performance. Limited-stop service commenced in 2013-14 as a result of the Transit System Study findings. The current stability in operating revenues and expenses has provided OCTA with the opportunity to increase service by up to 34 thousand hours in FY 2016-17. The Transit System Study (TSS) in conjunction with the Short Range Transit Plan (SRTP), outlined tranches of service additions in the event revenues became available. This 34 thousand hour tranche of service is comprised of elements of the first and second tranches recommended by the TSS and SRTP.

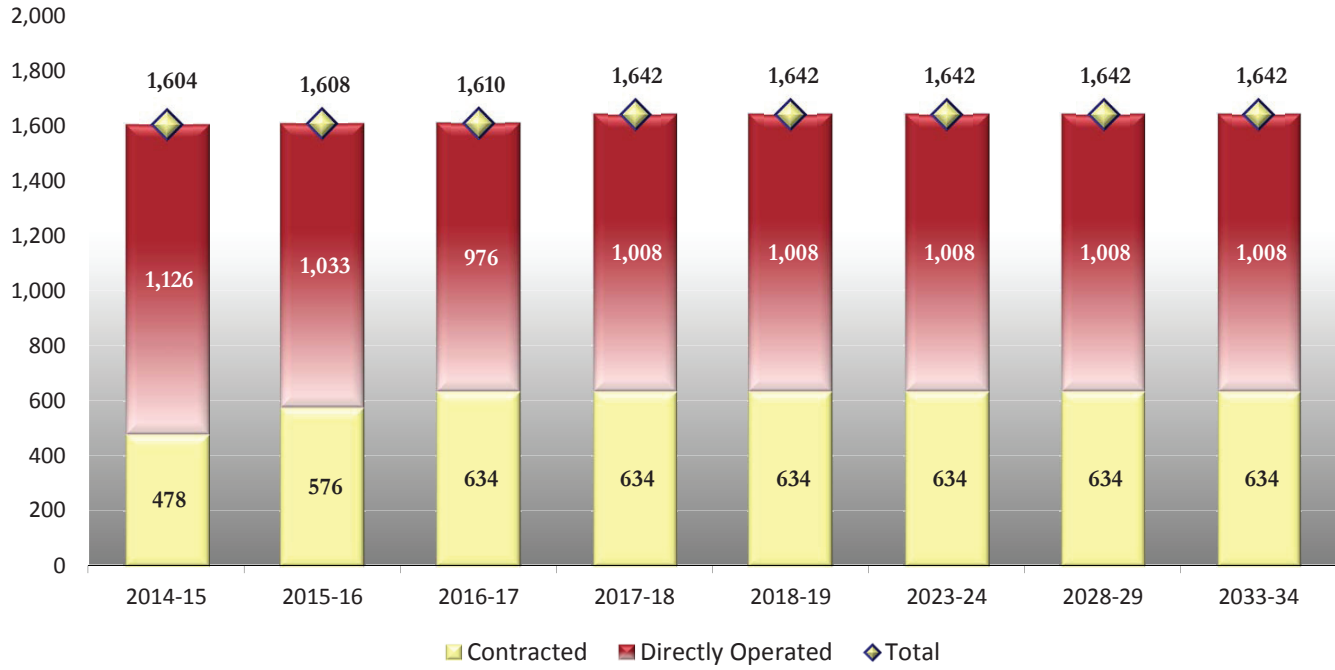
Figure 1, on the following page, illustrates the annual RVH projected through fiscal year 2033-34. In order to attain the 40 percent outsourcing goal, OCTA plans to increase contract service RVH from the current level of 0.45 million up to a maximum of 0.63 million by June 2015. Figure 2, on the following page, illustrates the estimated annual boardings through fiscal year 2018-19. OCTA anticipates an increase in boardings over the long-term due to general growth in both population and the economy but this may be mitigated by scheduled fare increases every four years. Fare increases are essential to providing a sustainable level of service because the primary source of funding for operations, Transportation Development Act (TDA) funds, legally requires OCTA to maintain a minimum 20 percent farebox recovery ratio to maintain funding. Without these fare increases, it is projected that OCTA would fall below the required threshold and TDA funding would be jeopardized.

Fare Increases are subject to future Board approval and would require extensive public outreach and a public hearing. OCTA would also have to conduct a Federally required Title VI analysis to ensure that the fare adjustment does not disproportionately impact low-income or minority customers.

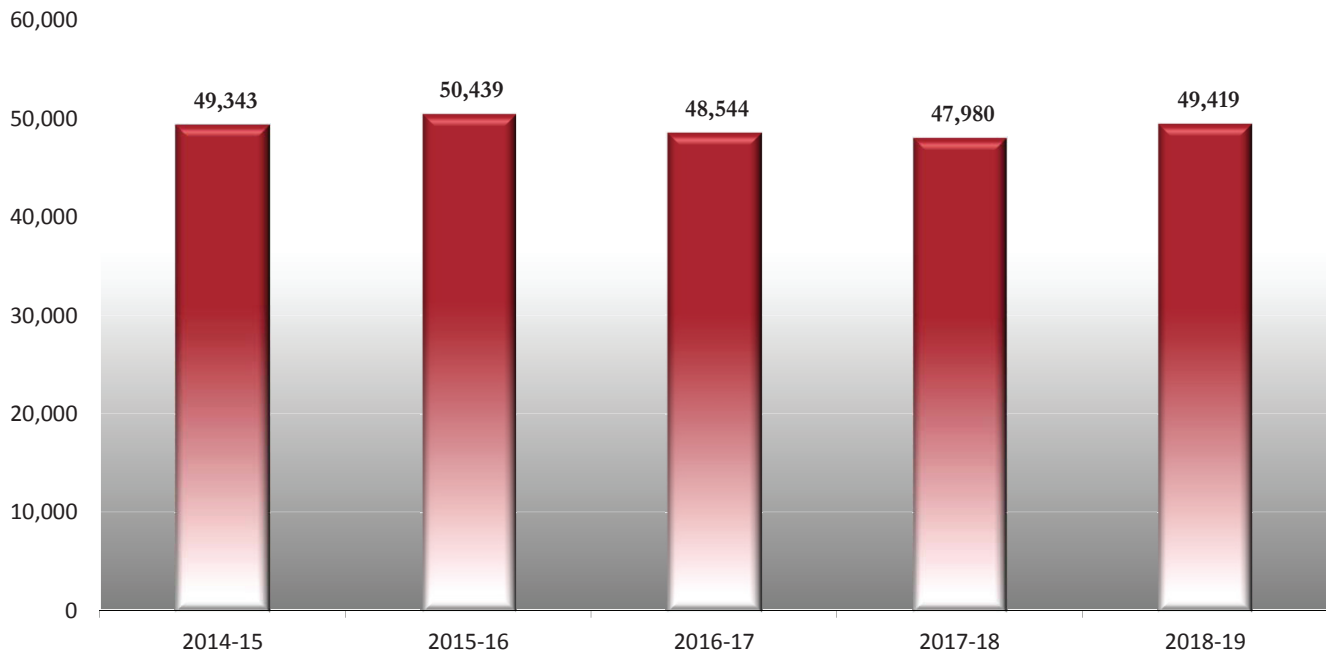




### Figure 1 - Fixed Route Revenue Vehicle Hours (in thousands)

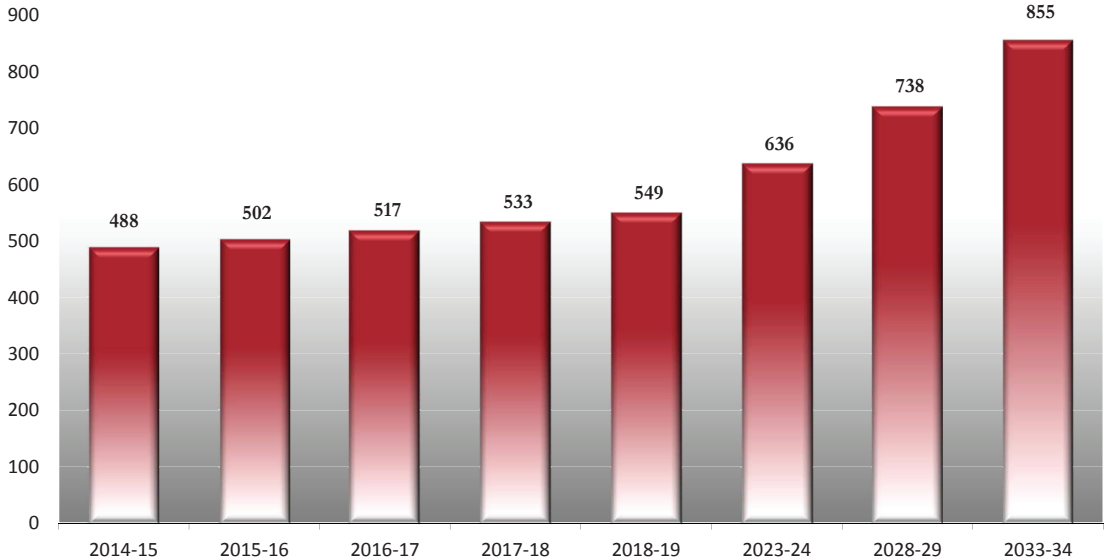


### Figure 2 - Fixed Route Boardings (in thousands)





**Figure 3 - ACCESS Revenue Vehicle Hours (in thousands)**



**Local Bus Service**

Local Bus Service represents the majority of transit options offered throughout Orange County. Currently, 40 local bus routes operate along the major arterials comprising a “grid” network. There are 14 community routes; 13 of these are operated by the contracted fixed route provider.

**Express Service**

Express routes operate Monday through Friday during peak hours targeting longer distance home-to-work commuters. Service operates primarily on freeways, utilizing the HOV network where possible, to offer customers travel times comparable to travel by automobile.

**Limited-Stop Service**

The limited-stop route is a service that is designed to offer more frequent service and reduce travel times along the corridor. OCTA operates one route Monday through Friday during peak hours along Harbor Blvd from Fullerton to Costa Mesa.

**Rail Feeder Service**

Rail feeder services were introduced to transport commuter rail passengers between Metrolink train stations and their employment destinations in Orange County. StationLink buses travel over a defined route with intermittent stops located at major employment centers. A total of 12 StationLink routes operate weekdays during the morning and evening commute periods. Metrolink passengers may board StationLink routes free of charge.

**Paratransit**

As a provider of public fixed route transit services, OCTA is required by the ADA to provide complementary paratransit services, known as ACCESS, for individuals whose disabilities prevent them from using regular transit service. In addition, OCTA funds and

administers other special needs transportation programs to help reduce the demand and cost of ACCESS service.

Implementation of a Growth Management Plan reduced the double digit growth experienced in the first half of the last decade. However, with the aging population, growth in this area is anticipated over the long-term. OCTA forecasts ACCESS service levels to increase by as much as 78 thousand RVH or 16 percent from fiscal year 2014-15 through 2019-20. ACCESS currently accounts for 23 percent of the total RVH provided by OCTA, but is projected to account for up to 35 percent by 2034. Figure 3 illustrates the projected ACCESS RVH through fiscal year 2033-34.

**ACCESS Service**

OCTA’s complementary ADA paratransit services are currently provided by MV Transportation. These contracted services are operated from OCTA’s Irvine Construction Circle facility. Trips provided by MV account for approximately 64 percent of all paratransit trips. MV sub-contracts with a taxi service to provide ACCESS trips during peak periods which helps OCTA keep the size of the ACCESS fleet from increasing significantly. In addition, these supplemental taxi services are currently being utilized to increase efficiency during non-peak periods, in an effort to decrease total ACCESS costs and increase total system efficiency. The use of supplemental taxi services is one of a variety of cost mitigation measures being employed.

**Non-ADA Taxi and Special Agency Services**

A critical component of the Growth Management Plan was development of less costly services. Unlike standard ACCESS service, these services are coordinated with adult daycare agencies or community centers and taxi companies. OCTA offers a non-ADA same-day taxi service which allows ACCESS eligible



# Bus Operations

customers to schedule a partially subsidized taxi trip, significantly reducing OCTA's cost per trip. The same-day taxi program has expanded to provide services over a greater coverage area. Under Special Agency Services, agencies are subsidized by OCTA and provide services comparable to standard ACCESS services at a significantly lower cost per hour or cost per trip. As operating costs for ACCESS services increase, staff is diligently working to develop new services and encourage use of these programs.

### Community Transportation Programs

OCTA also supports the development of community-based transportation services for seniors, persons with disabilities and persons of low income. Under the Senior Mobility Program, OCTA currently provides M2 funding to 30 cities and 4 non-profit organizations to support local senior transportation services. In addition, OCTA administers grant funds under the Federal Transit Administration's Section 5316 Job Access Reverse Commute (JARC) and Section 5317 New Freedom programs. More than \$3 million in funding supports a variety of projects including mobility management programs, travel training, volunteer driver programs, and new transportation services which benefit the JARC and New Freedom populations. OCTA has also implemented a JARC funded program entitled Vocational Visions that is utilized to divert trips from ACCESS service.

### Transit Staffing

The timeline for attaining the 40 percent contract service conversion goal was developed using historical attrition rates of coach operators and maintenance staff. As coach operators and maintenance staff attrits, replacement of positions will be dependent upon necessity, as dictated by the amount of directly operated service scheduled at that point in time. Figure 4 presents the projected staffing levels for fiscal year 2014-15 through 2033-34

for the Bus Operations division. Coach operators, supervisory personnel, mechanics, bus service workers, and administrative staff are represented in the table.

### Capital Expenditures

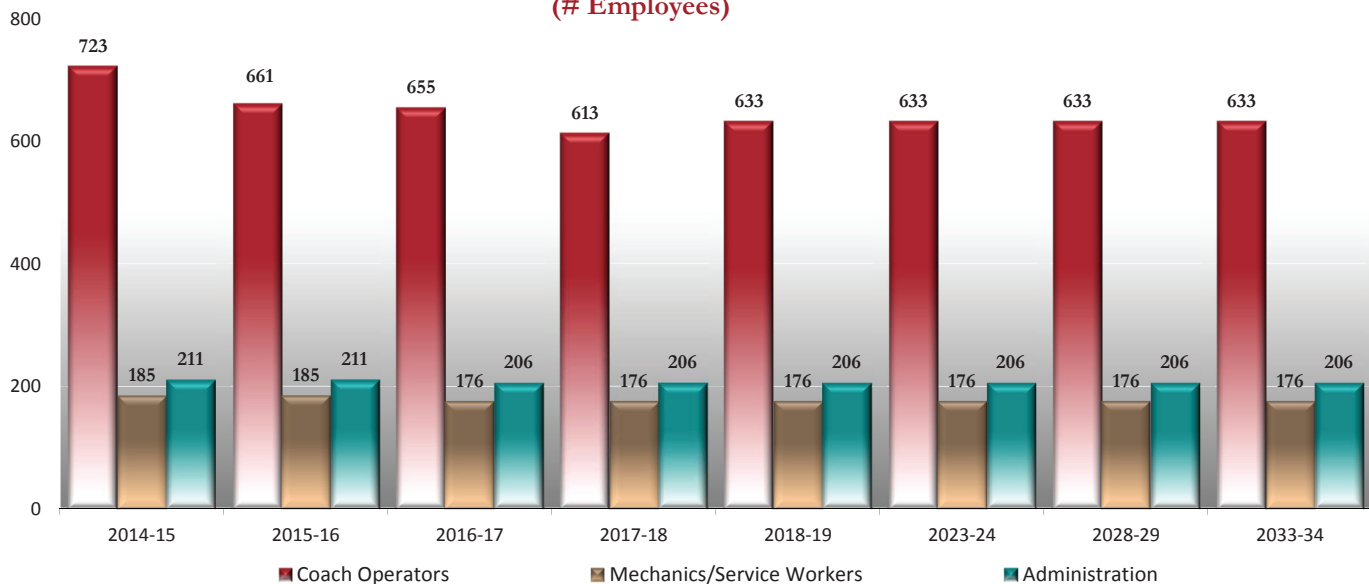
Capital expenditures in the Orange County Transit District Fund include a variety of expenses such as: revenue vehicle replacement, support vehicles, fueling infrastructure, radio systems, vehicle and facility rehabilitation, and miscellaneous equipment. The funding for these costs is comprised of both grant and local sources. Grant funding includes sources from federal, state, and local agencies that typically cover up to 80 percent of the asset cost. The local portion, or 20 percent match, is paid from the capital replacement fund. Since the beginning of the recession, OCTA has used 5307 funds for traditional operating purposes to a greater extent than in prior years. This has expedited the receipt of 5307 funds and allowed OCTA to deposit the funds within the capital replacement fund and collect additional interest earnings. The interest earnings are then used to fund additional operating and capital expenditures.

Bus purchases and replacement of critical infrastructure components are costly. A single forty-foot bus powered by compressed natural gas costs approximately \$580 thousand. An essential component of running a fiscally responsible operation is

**Figure 5 - Fixed Asset Replacement Schedule (in millions)**

| Asset Category                 | 2014-15       | 2015-16        | 2016-17       | 2017-18       | 2018-19      |
|--------------------------------|---------------|----------------|---------------|---------------|--------------|
| Support Equipment              | \$8.6         | \$8.8          | \$24.1        | \$4.3         | \$2.1        |
| Large Bus Replacement          | 38.4          | 55.3           | 44.9          | 7.7           | 0.0          |
| Facility Modifications         | 3.6           | 6.9            | 4.4           | 4.5           | 4.9          |
| Small Bus Replacement          | 15.4          | 16.9           | 5.9           | 1.0           | 1.2          |
| Vehicle Modifications          | 25.2          | 23.6           | 0.5           | 0.0           | 0.5          |
| <b>Total Capital Purchases</b> | <b>\$91.2</b> | <b>\$111.5</b> | <b>\$79.8</b> | <b>\$17.6</b> | <b>\$8.7</b> |

**Figure 4 - Projected Transit Staffing Plan (# Employees)**





ensuring capital requirements are satisfied. Timely replacement of capital ensures stable operations and decreased expenses associated with maintenance of equipment that has operated beyond its useful life. OCTA maintains a useful life of 14 years for 40’ and 60’ buses, 7 years for mid-size buses, and 5 years for the paratransit fleet. Adherence to a capital replacement cycle enables OCTA to maintain high equipment standards and plan for the subsequent costs on an annual basis. Projected fiscal year 2014-15 through 2018-19 expenditures are summarized in Figure 5.

*Fixed Route*

Currently, OCTA’s active bus fleet consists of 556 vehicles with 358 vehicles designated for directly operated fixed route use and 198 designated for contracted fixed route service. Figure 6 details the fuel type and average age of OCTA’s large bus fixed route active fleet.

**Figure 6 - Directly Operated Fleet Age by Fuel Type**

| Fuel Type                    | Average Age (Years) |
|------------------------------|---------------------|
| Compressed Natural Gas (CNG) | 5.6                 |
| Liquified Natural Gas (LNG)  | 12.1                |
| Diesel                       | 14.0                |
| Average Age                  | 8.4                 |

Over the next five years OCTA plans to purchase approximately 246 new revenue vehicles. The current fleet plan anticipates purchases of 211 forty-foot, 16 articulated sixty-foot and 19 mid-size buses over a five year window. It is expected that the 60’ CNG articulated buses will have a cost of approximately \$930 thousand per vehicle. As service conditions change, the composition of the fleet will be revisited regularly to ensure the proper mix of 40’, 60’ and mid-size buses within the fleet.

*ACCESS*

The current paratransit active fleet consists of 248 vehicles, which represents 24 percent of OCTA’s active fleet. RVH are used to project the required number of vehicles necessary to operate this service. The plan assumes replacement of 231 vehicles as well as expanding the fleet by 15 vehicles within the next 5 years. As demand for the service increases, trips will likely be diverted to the current subcontracted taxi service and help reduce costs to mitigate the growth rate of the fleet.

*Reserves*

A capital replacement fund is utilized to plan and account for capital replacement purchases. Ensuring the organization has the funds required to replace capital assets allows OCTA to eliminate or reduce financing costs associated with purchases and accrue interest earnings on the cash balance. The capital replacement fund is sufficient for OCTA to maintain the proposed capital replacement schedule for all assets needed to maintain county-wide bus service through FY 2033-34. OCTA also maintains a separate 45-day working capital reserve in order to minimize impacts to cash flow due to fluctuations in operating revenues and expenditures.



**Bus Operations Revenue**

Bus Operations is dependent upon external revenue sources to supplement farebox revenue and help offset operating expenditures for fixed route and paratransit services. The primary revenue sources are comprised of: the Local Transportation Fund (LTF), State Transit Assistance Fund (STAF), federal operating grants, and property tax contributions.

The major funding source that allows OCTA to provide transportation services to Orange County residents is the LTF, a one-quarter cent state sales tax signed into law as part of the TDA in 1971. Funding from the LTF covers approximately half the operating costs for services.

The growth rate of sales tax revenue is dependent upon the state of the economy and any fluctuations can have a significant impact over the life of the plan. Therefore, this business plan will be revisited annually to ensure that service levels are appropriately planned to meet revenue projections. OCTA utilizes the blended rate of the three university forecasts (Chapman, UCLA, and Cal State Fullerton) to project sales tax receipts over the life of the plan. Figure 9 illustrates the revenue sources projected through fiscal year 2018-19.

The recession in the early part of the decade had a significant impact on transit revenues. Some of the most significant declines were in local sales taxes, STAF, and farebox revenues. However, since 2010-11 sales tax has grown each year and in 2013-14, total local sales tax revenues (LTF) increased by approximately 5 percent from 2012-13 levels. The CBP utilizes the 2014-15 budget forecast of 6.7% for FY 2014-15, and the blended growth rate from the three university forecasts through 2033-34.



Figure 7 - Fixed Route Fleet Size (# buses)

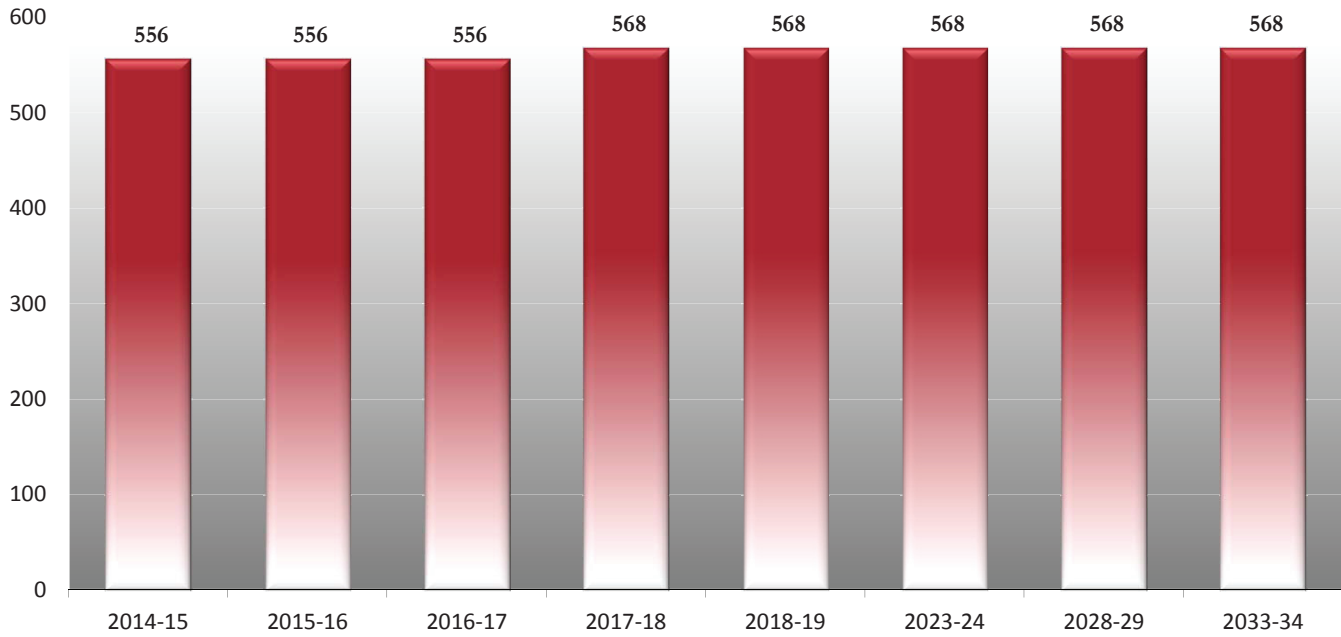
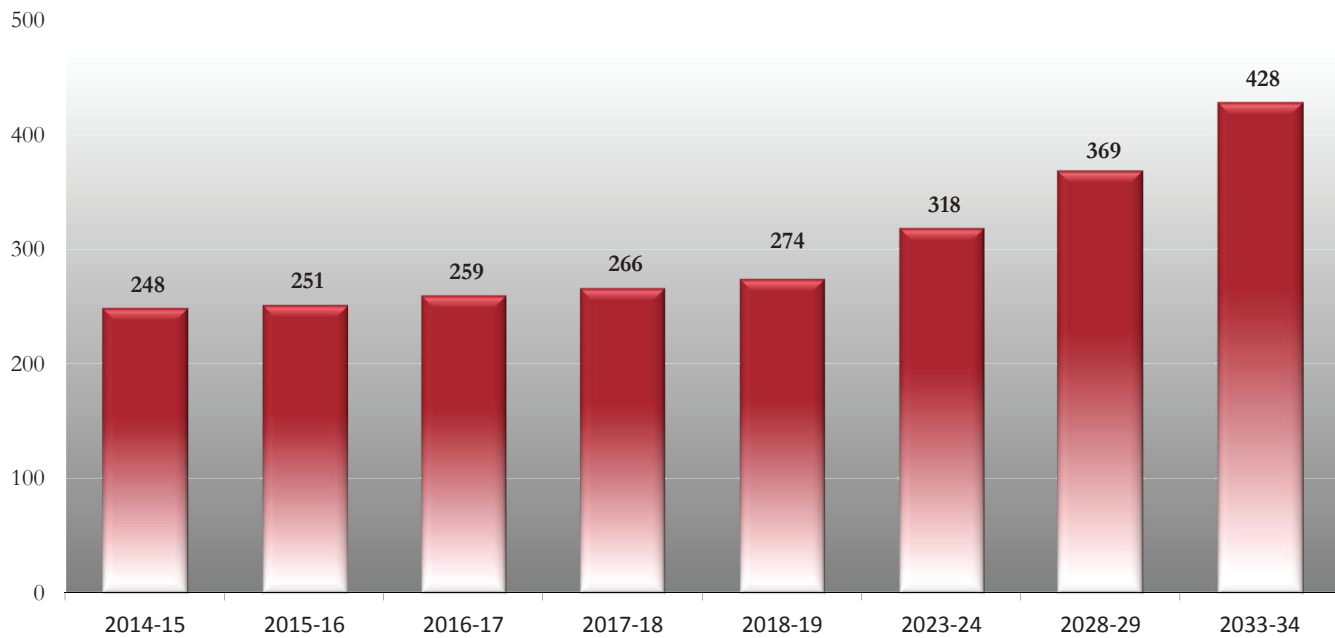


Figure 8 - Paratransit Fleet Size (# buses)





The CBP anticipates STAF revenues of approximately \$20.1 million in 2014-15. Throughout the life of the plan STAF revenues are anticipated to remain relatively flat. Due to continued fiscal challenges at the state level, STAF funds have become an unstable source of operating revenue. As a result, OCTA plans to use STAF to fund capital expenditures going forward.

In July 2012, Moving Ahead for Progress in the 21st Century Act (MAP-21) was signed by the President of the United States. This bill ensured federal transit legislation would continue through Federal Fiscal Year (FFY) 2012 and extended Section 5307 Federal Formula Grant funds through 2014. It authorized \$10.6 billion in FFY 2013 and \$10.7 billion in FFY 2014 for federal transit programs. On July 15, 2014, The House passed H.R.

5021 providing approximately \$10.8 billion in offsets to support transfers of General Funds into the Highway Trust Fund and to extend the authorizations for transit, highway and highway safety programs funded from the Highway Trust Fund through May 31, 2015.

The Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America Act, or GROW AMERICA Act, is a \$302 billion, four year transportation reauthorization bill proposed by the Obama Administration as a successor to MAP-21. The version currently proposed provides for modest increases in transportation funding throughout authorization of the bill. Due to the preliminary nature of the legislation, modest annual increases in funding are assumed throughout the life of the business plan.

**Figure 9 - Bus Operations Revenue Sources (in millions)**

| Sources                       | 2014-15  | 2015-16  | 2016-17  | 2017-18  | 2018-19  |
|-------------------------------|----------|----------|----------|----------|----------|
| Sales Tax Revenue             | \$ 150.9 | \$ 161.5 | \$ 171.2 | \$ 180.3 | \$ 188.9 |
| Passenger Fares               | 58.2     | 59.7     | 63.5     | 68.6     | 70.6     |
| Federal Formula Grant 5307    | 54.6     | 61.3     | 51.4     | 52.9     | 54.7     |
| State Transit Assistance Fund | 20.1     | 20.1     | 20.1     | 20.1     | 20.1     |
| Property Tax Revenue          | 12.3     | 12.4     | 12.5     | 12.7     | 12.8     |
| Advertising Revenue           | 3.3      | 3.5      | 3.7      | 3.9      | 4.1      |
| Renewed Measure M             | 3.0      | 3.2      | 3.3      | 3.5      | 3.6      |
| Rail Feeder                   | 2.2      | 2.2      | 2.3      | 2.4      | 2.4      |
| CMAQ                          | 2.2      | 2.2      | -        | -        | -        |
| Miscellaneous Revenues        | 1.9      | 1.4      | 0.9      | 0.9      | 1.0      |
| Total                         | \$ 308.7 | \$ 327.6 | \$ 329.1 | \$ 345.2 | \$ 358.3 |

Boardings across the fixed route system have decreased by 4.5 percent from FY 2012-13 to FY 2013-14. Fluctuations in boardings can have a significant impact on fare revenues, for every boarding lost or gained, revenue changes by approximately \$1.04. Despite the decrease in boardings, fare revenues have increased from \$48.2 million in 2012-13 to \$50.7 million in 2013-14, due to the fare increase implemented in FY 2012-13. As the economy grows, fare revenues are anticipated to stabilize and may continue to be augmented by fare increases every four years beginning in 2016-17, and is estimated to reach \$65 million in 2019-20.





# Bus Operations

## Cash Flow Statement - Bus Operations

| (millions)   | 2014-15          | 2015-16       | 2016-17       | 2017-18       | 2018-19       | 2023-24       | 2028-29       | 2033-34       |
|--|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Beginning Balance</b>   | \$ 233.5         | 233.8         | 181.1         | 154.8         | 199.1         | 295.6         | 486.5         | 527.3         |
| <b>Cash flows from operating activities:</b>                     |                  |               |               |               |               |               |               |               |
| <b>Sources of funds:</b>   |                  |               |               |               |               |               |               |               |
| Sales Tax Revenue  | 150.9            | 161.5         | 171.2         | 180.3         | 188.9         | 229.6         | 281.8         | 346.0         |
| Passenger Fares  | 58.2             | 59.7          | 63.5          | 68.6          | 70.6          | 86.2          | 104.7         | 123.9         |
| Property Tax Revenue   | 12.3             | 12.4          | 12.5          | 12.7          | 12.8          | 13.4          | 14.1          | 14.8          |
| Miscellaneous Revenues   | 1.9              | 1.4           | 0.9           | 0.9           | 1.0           | 1.1           | 1.2           | 1.3           |
| Advertising Revenue  | 3.3              | 3.5           | 3.7           | 3.9           | 4.1           | 5.0           | 6.2           | 7.6           |
| Alternative Fuel Tax Credit                                      | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| <b>Total Sources of funds</b>                                    | \$ <b>226.6</b>  | <b>238.5</b>  | <b>252.0</b>  | <b>266.4</b>  | <b>277.4</b>  | <b>335.3</b>  | <b>408.0</b>  | <b>493.7</b>  |
| <b>Cash flows from operating activities:</b>                     |                  |               |               |               |               |               |               |               |
| <b>Uses of funds:</b>  |                  |               |               |               |               |               |               |               |
| Salaries and Benefits  | 114.5            | 112.1         | 112.2         | 110.8         | 116.3         | 135.0         | 156.9         | 172.8         |
| Purchased Transportation Services                                | 76.7             | 85.8          | 92.0          | 94.8          | 98.2          | 118.3         | 143.1         | 174.1         |
| Administrative Service Expense                                   | 29.1             | 32.6          | 34.0          | 35.3          | 37.2          | 48.0          | 60.7          | 76.9          |
| Maintenance, Parts and Fuel                                      | 29.0             | 26.8          | 25.6          | 27.7          | 29.4          | 40.6          | 57.2          | 82.2          |
| Professional Services  | 15.6             | 16.0          | 16.4          | 17.3          | 17.7          | 20.0          | 22.5          | 25.3          |
| General and Administrative                                       | 3.8              | 3.8           | 3.9           | 4.2           | 4.3           | 4.8           | 5.4           | 6.1           |
| Other Operating Expense  | 5.6              | 6.0           | 6.3           | 6.6           | 6.9           | 8.0           | 9.3           | 10.9          |
| <b>Total Uses of funds</b>                                       | \$ <b>274.2</b>  | <b>283.1</b>  | <b>290.4</b>  | <b>296.7</b>  | <b>309.9</b>  | <b>374.6</b>  | <b>455.1</b>  | <b>548.2</b>  |
| <b>Net cash provided by operations</b>                           | \$ <b>(47.6)</b> | <b>(44.6)</b> | <b>(38.5)</b> | <b>(30.3)</b> | <b>(32.6)</b> | <b>(39.3)</b> | <b>(47.1)</b> | <b>(54.6)</b> |
| <b>Cash flows from non-capital financing activities:</b>         |                  |               |               |               |               |               |               |               |
| <b>Operating grants</b>  |                  |               |               |               |               |               |               |               |
| Federal Formula Grant 5307                                       | 54.6             | 61.3          | 51.4          | 52.9          | 54.7          | 64.9          | 77.2          | 71.1          |
| CMAQ   | 2.2              | 2.2           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| <b>Operating transfers in</b>                                    |                  |               |               |               |               |               |               |               |
| Renewed Measure M  | 3.0              | 3.2           | 3.3           | 3.5           | 3.6           | 4.4           | 5.3           | 6.6           |
| Rail Feeder  | 2.2              | 2.2           | 2.3           | 2.4           | 2.4           | 2.8           | 3.3           | 4.0           |
| <b>Net cash provided by noncapital financing activities</b>      | \$ <b>62.0</b>   | <b>68.9</b>   | <b>57.0</b>   | <b>58.8</b>   | <b>60.8</b>   | <b>72.1</b>   | <b>85.9</b>   | <b>81.6</b>   |
| <b>Cash flows from capital and related financing activities:</b> |                  |               |               |               |               |               |               |               |
| Capital grants/other capital revenues                            | 74.6             | 30.6          | 30.8          | 28.8          | 29.1          | 30.2          | 31.4          | 32.8          |
| Acquisition/construction of capital assets                       | (91.2)           | (111.5)       | (79.8)        | (17.6)        | (8.7)         | (108.4)       | (105.1)       | (58.1)        |
| <b>Net cash used by capital and related financing activities</b> | \$ <b>(16.6)</b> | <b>(80.9)</b> | <b>(49.0)</b> | <b>11.3</b>   | <b>20.3</b>   | <b>(78.2)</b> | <b>(73.6)</b> | <b>(25.3)</b> |
| <b>Cash flows from investing activities:</b>                     |                  |               |               |               |               |               |               |               |
| Interest on investments  | 2.5              | 3.9           | 4.1           | 4.6           | 6.8           | 13.1          | 20.9          | 22.3          |
| <b>Net cash provided by investing activities</b>                 | \$ <b>2.5</b>    | <b>3.9</b>    | <b>4.1</b>    | <b>4.6</b>    | <b>6.8</b>    | <b>13.1</b>   | <b>20.9</b>   | <b>22.3</b>   |
| <b>Net increase/decrease in cash</b>                             | \$ <b>0.3</b>    | <b>(52.7)</b> | <b>(26.3)</b> | <b>44.3</b>   | <b>55.4</b>   | <b>(32.3)</b> | <b>(14.0)</b> | <b>24.0</b>   |
| <b>Available Cash</b>  | \$ <b>233.8</b>  | <b>181.1</b>  | <b>154.8</b>  | <b>199.1</b>  | <b>254.5</b>  | <b>263.3</b>  | <b>472.5</b>  | <b>551.3</b>  |



# Rail







**Background**

Metrolink’s five-agency membership includes the Orange County Transportation Authority (OCTA), the Los Angeles County Metropolitan Transportation Authority, the Riverside County Transportation Commission (RCTC), the San Bernardino Associated Governments (SANBAG), and the Ventura County Transportation Commission (VCTC). Metrolink operates 169 daily trains on seven lines, serving 55 stations, and carries more than 40,000 riders each weekday.

**Service Levels**

There are three lines that provide service to Orange County. The Orange County (OC) Line service began in 1994, followed by the Inland Empire – Orange County (IEOC) Line in 1995, and the 91 Line in 2002. The three lines serving Orange County currently provide a total of 54 trains each weekday serving 11 Orange County stations. In 2006, the OC and IEOC lines began offering service on weekends, year-round. In July 2014, weekend service began on the 91 Line, on a trial basis.

Following the completion of Metrolink Service Expansion Program (MSEP) improvements in 2011, OCTA deployed a total of 10 new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/ Mission Viejo, primarily during mid-day and evening hours. The intracounty trains offer improved frequency within Orange County, and also provide service to evening sporting events in Anaheim, including the Ducks and Angels home games.

Metrolink’s FY 2014-2015 budget includes funding to operate two additional weekday roundtrips on the 91 Line and an additional weekday roundtrip on the OC Line between Laguna Niguel/Mission Viejo and Los Angeles. The latter will replace the two midday intracounty trains currently operating between Laguna Niguel/Mission Viejo and Fullerton. OCTA has been working with the BNSF, the Riverside County Transportation

**Figure 1 - Metrolink Service Levels**

| Service/Line            | # Trips/Day |
|-------------------------|-------------|
| <b>Weekday Service</b>  |             |
| 91 Line                 | 11          |
| IEOC Line               | 16          |
| OC Line (Intracounty)   | 6           |
| OC Line (service to LA) | 21          |
| <b>Sub-total</b>        | <b>54</b>   |
| <b>Weekend Service</b>  |             |
| 91 Line                 | 4           |
| IEOC Line               | 4           |
| OC Line (service to LA) | 8           |
| <b>Sub-total</b>        | <b>16</b>   |

Commission, and the Los Angeles County Metropolitan Transportation Authority (Metro) to address track-sharing issues, operating constraints and funding that impact this service redeployment, and are pursuing a memorandum of understanding with BNSF Railway, which is necessary to operate the new trains to Los Angeles. OCTA also continues to monitor the performance of the remaining MSEP trains and seek opportunities to improve ridership. Figure 1 highlights current service levels.

The Rail 2 Rail Program, which began in 2003, allows Metrolink monthly pass holders the option of riding Amtrak Pacific Surfliner trains at no additional charge, provided the pass holder travels within the designated stations identified on the monthly pass. In Orange County, a valid Metrolink ticket or pass also permits free transfers to local OCTA bus routes that directly serve a Metrolink station, including all StationLink routes, which provide connecting bus service to major employment centers. There are currently 12 StationLink routes serving 7 Orange County Metrolink stations.





Figure 2 - Combined Annual Ridership and Fare Revenue for Orange County Lines (in millions)

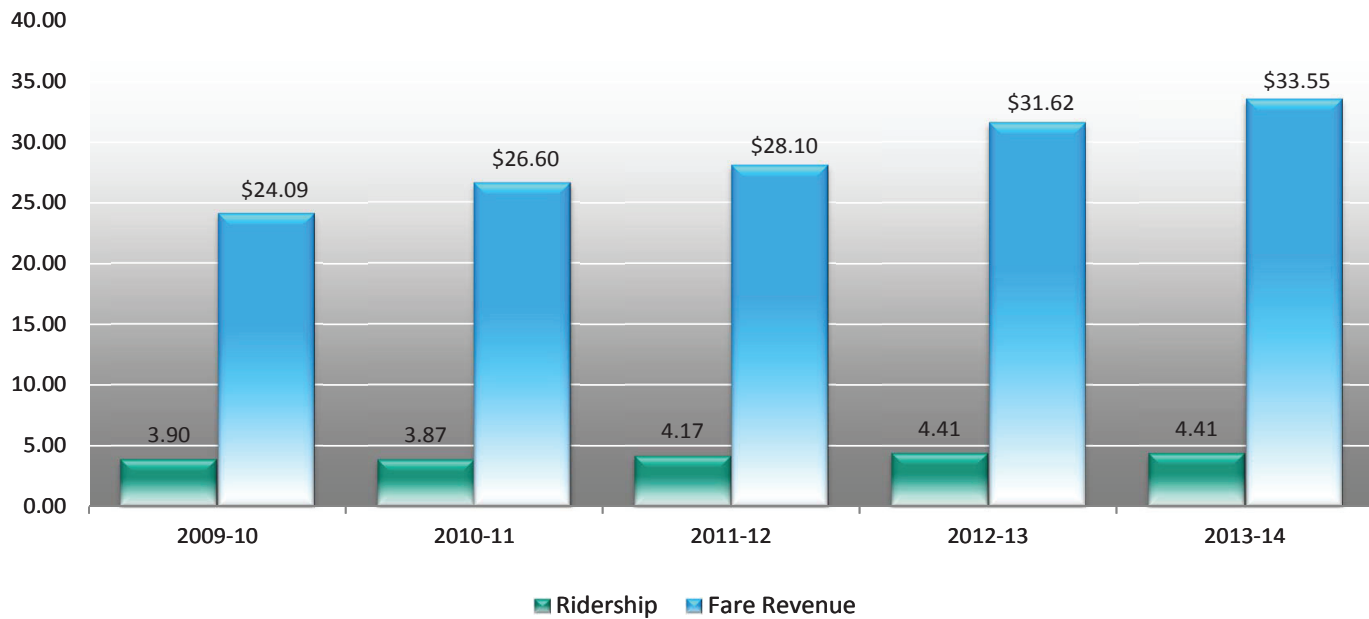
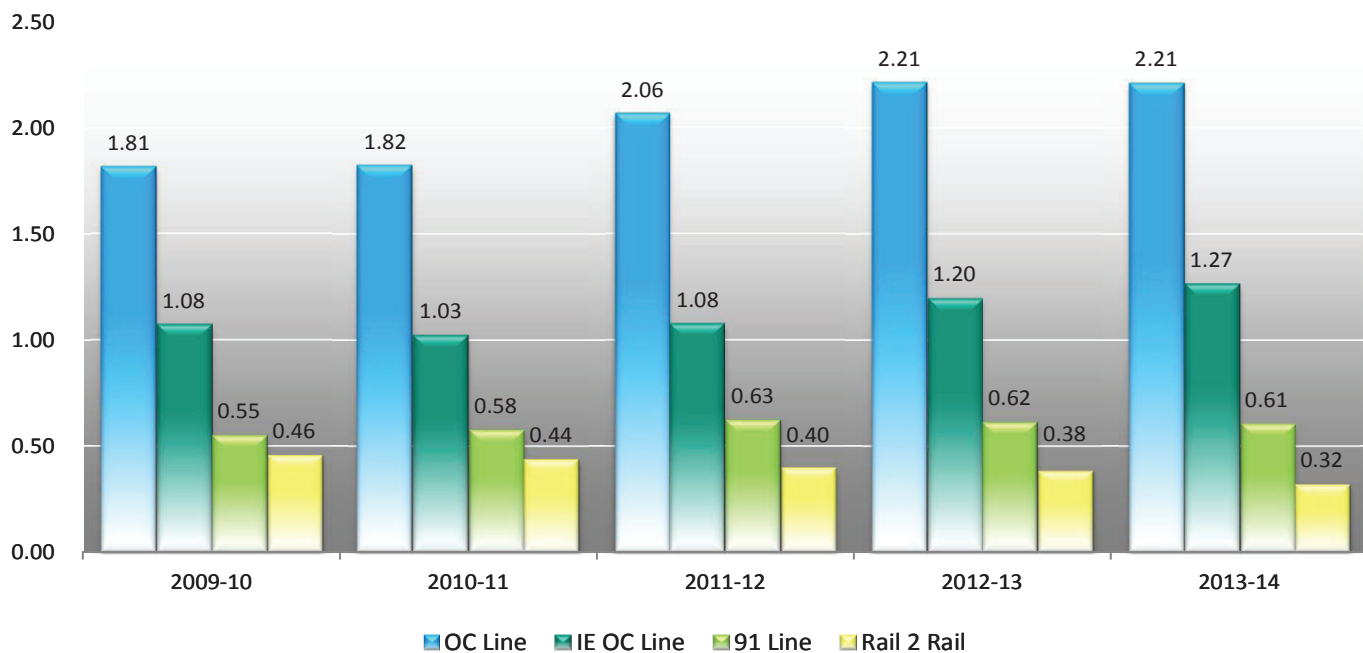


Figure 3 - Annual Ridership by Line (in millions)





### Ridership and Passenger Fare Revenue

Combined annual ridership for the three lines serving Orange County (including Rail 2 Rail) remained unchanged at 4.41 million from 2012-13 to 2013-14. Figure 2 on the preceding page shows combined revenue and ridership figures. The OC Line continues to carry the most passengers of the three lines serving Orange County. Figure 3 on the preceding page shows ridership by line.

Passenger fare revenue provides roughly half of Metrolink operating expenses with the remainder covered by member agency subsidies. Total fare revenue for the three lines serving Orange County (including Rail 2 Rail) grew from \$24.09 million in 2009-10 to \$33.55 million in 2013-14 based upon a combination of growth in ridership and fare increases. Figure 2 on the preceding page shows combined revenue and ridership figures. In 2013-14, revenue increased by 6.1 percent compared to 2012-13.

### Metrolink Funding

#### Measure M

##### *Operations*

Capital expenditures related to the MSEP are currently drawing down the balance of Measure M (M1) reserves available for Metrolink. It is anticipated that by fiscal year 2015-16 all M1 transit related project expenditures will be completed and a balance of approximately \$80 million will remain. Based on Board direction it is anticipated that that these funds will be transferred to the Commuter and Urban Rail Endowment fund in order to support future Metrolink operations.

#### Measure M2 (Project R)

On November 7, 2006, Orange County voters approved the renewal of Measure M, which continues the investment of local tax dollars in Metrolink for 30 years from April 1, 2011 through March 31, 2041. Funding from Measure M2 (M2) for the Metrolink program is projected to be approximately \$1.36 billion dollars.

##### *Operations*

The first priority for the use of M2 Project R funds will be to ensure adequate funding for Metrolink operations through 2041. Based on current revenue and expenditure assumptions, it is anticipated that up to two additional weekday trips could be added to improve rail service in Orange County. The additional trips will likely be allocated to the lines serving Orange County and may be offset by a redeployment of underperforming intracounty Metrolink trains.

##### *Capital Program*

While M1, coupled with external funding, largely funded the capital requirements of the MSEP, federal funds are anticipated to be a significant source of funding for rail capital expenditures.



Federal funds in combination with available M2 and external funding sources will be necessary to fund track and station rehabilitation, rehabilitation and replacement of rail cars and locomotives, as well as rail related projects including the State College and 17th Street Grade Separations, purchase of land for a future Metrolink Rail Maintenance Facility, design and construction of a 1.8 mile passing siding, construction of a new rail station in the City of Placentia, as well as projects in the pipeline to improve stations and parking. It is anticipated that after completion of currently planned capital expenditures there will be limited funding available for future capital expenditures. As a result, OCTA will likely have to rely on a combination of additional local and external funding sources to fund capital expenditures outside of the planned capital program.

### Metrolink Related Programs

#### Transit Extensions to Metrolink (Project S)

M2 establishes a competitive program to enable local jurisdictions to enhance regional transit capabilities by creation of new connections to Orange County Metrolink stations. Current revenue forecasts suggest that approximately \$1.34 billion of M2 funds will be available over the life of the program to fund improved connections to Orange County Metrolink stations.

##### *Bus and Station Vans*

In December 2011 the Board approved the Project S bus and station van extension guidelines. In February 2012, OCTA issued a M2 Project S call for bus and Metrolink station van extension projects making \$10 million available. Two local agencies, Anaheim and Lake Forest, submitted proposals which met Project S guidelines and were approved by the Board. A total of \$733 thousand was awarded with each local agency required to meet a 10% local match requirement.



*Fixed-Guideways*

Two fixed-guideway projects are in the planning stages of development: the Anaheim Rapid Connection (ARC) Project and the Santa Ana-Garden Grove Fixed-Guideway Project. To date, the Board has awarded funding for planning, environmental, and preliminary engineering of approximately \$18 million to the City of Anaheim and approximately \$11 million to the City of Santa Ana, totaling approximately \$29 million of M1, M2, and federal funds. All funds for preliminary engineering are subject to OCTA and FTA approval prior to advancing to that stage of development.

In May 2014, the Board directed staff to develop a financial plan to fund capital, operations, and maintenance of the Santa Ana/Garden Grove Fixed-Guideway Project that maximizes the use of state and federal funding sources by leveraging Measure M2 revenues. Additionally, the Board directed staff to develop a project implementation plan for the Santa Ana/Garden Grove Fixed-Guideway Project, with the Orange County Transportation Authority serving as the lead agency. Financial and implementation plans were approved by the Board in August 2014. The approved plans designate OCTA as the lead agency for project development, implementation, operations, and maintenance of the Santa Ana/Garden Grove Fixed-Guideway Project and directed staff to pursue federal New Starts funding for the project. Additionally, the Board approved the use of M2 Project S revenues to fund operations and maintenance of future fixed-guideway projects.

**Convert Metrolink Station(s) to Regional Gateways that Connect Orange County with High Speed Rail Systems Program (Project T)**

The program converts Metrolink Station(s) to Regional Gateways that connect Orange County with High Speed Rail Systems. This will provide local improvements that are necessary to connect future high-speed rail systems to stations in Orange County. One of the individual elements within the program was to connect the high-frequency commuter rail service to future high speed rail lines. The California High Speed Rail Authority (CHSRA) Board of Directors has determined that the initial operating segment of high-speed rail (HSR) will be built between Fresno and Bakersfield consistent with the Federal Railroad Administrations guidelines for federal funds. This initial segment will then be expanded to reach both Northern and Southern California. CHSRA is currently underway with the project level environmental clearance of the state-wide HSR system.

As part of the M2 program, \$304 million dollars has been allocated to the program to Convert Metrolink Station(s) to Regional Gateways that Connect Orange County with High Speed Rail Systems. Through a competitive call for projects, the Anaheim Regional Transportation Intermodal Center (ARTIC) was awarded \$43.9 million and \$79.2 million of Measure M1 and M2 funds respectively. ARTIC is fully funded through this combination of Measure M1, M2, state, and federal funds for a total funding contribution of \$184.2 million.

In July 2012, the Board authorized the sale of a 13.5 acre parcel to the City of Anaheim for the ARTIC project. In August 2012, the City of Anaheim awarded a contract for construction of ARTIC. The construction schedule is approximately 24 months, this project is on schedule with an anticipated opening date in December 2014.



### **Cooperative Agreement with the City of Irvine for Proposition 116 Replacement Funds**

In January 2009, the City and the OCTA entered into an agreement to transfer \$121.3 million of Proposition 116 funds to OCTA. The funds were part of a \$125 million earmark the City of Irvine received through the Proposition 116 Clean Air and Transportation Act in 1990. By statute, the Legislature could reallocate funds to other passenger rail projects if the funds were not encumbered (allocated) prior to July 1, 2010. The OCTA Board of Directors approved a program of projects meeting the directive of the legislation for intercity and commuter rail benefits, and the CTC approved allocations for the \$121.3 million by the July 1, 2010 deadline.

As part of the January 2009 agreement between the City and OCTA, the City received a credit of \$121.3 million for OCTA's use of the Proposition 116 funds. The credit was to be applied to the City's local match requirements for projects submitted by the City and approved by the Board under M2 competitive transit programs such as Project S (Transit Extensions to Metrolink) and Project V (Community Based Transit/Circulators).

In 2010 the City requested that OCTA consider using other sources of funding to meet the match credit. An agreement was reached and OCTA will provide funding to the City on an annual basis for: (1) iShuttle operations/bus maintenance; (2) bus purchases/leases; and (3) support costs up to a maximum annual obligation. Total funding over a 30-year period would be limited to \$121.3 million and likely funded by the CURE. Per Board direction, OCTA will determine the source of funds for payment to the City of Irvine on an annual basis as part of the annual budget.

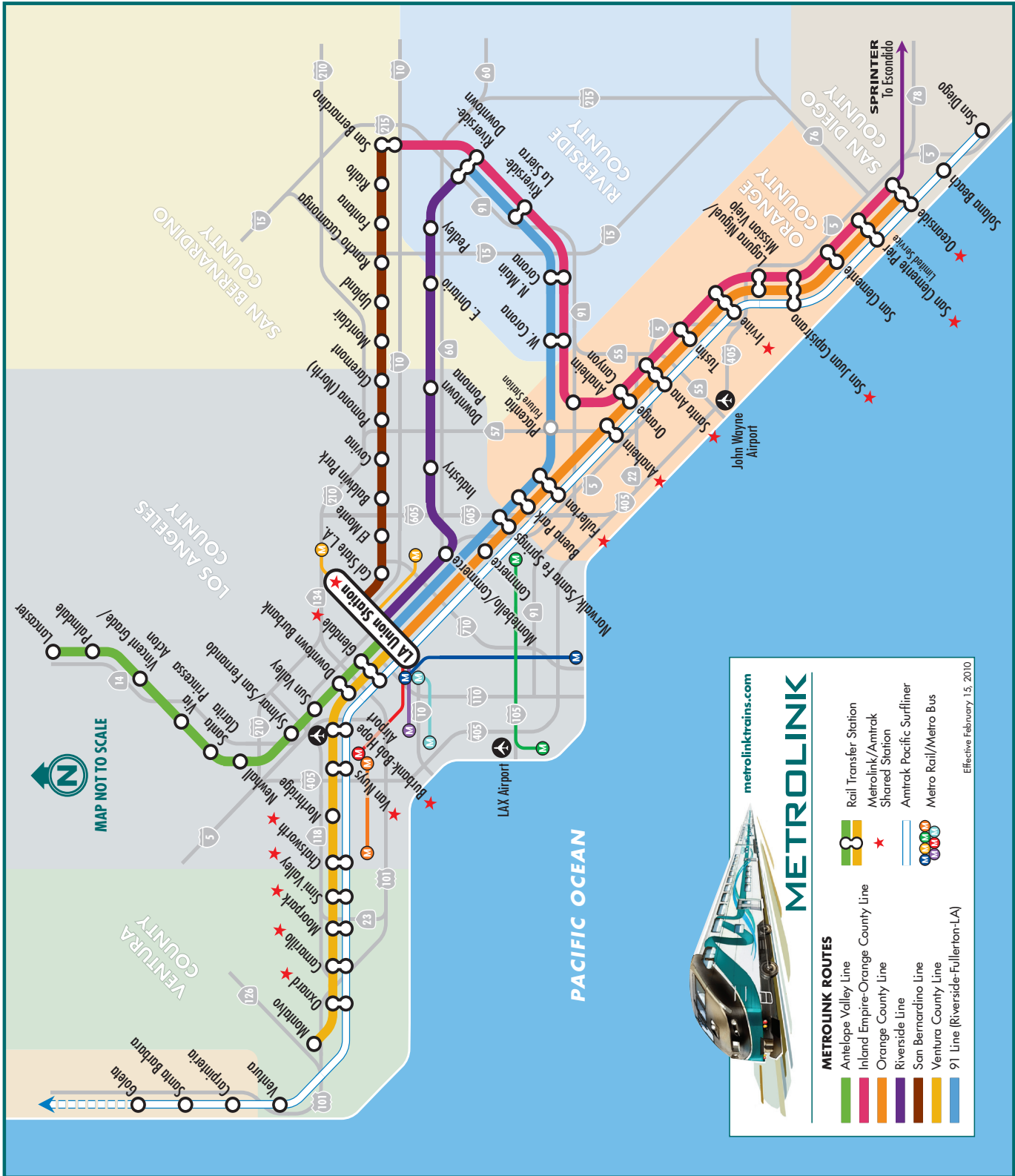




Cash Flow Statement - Rail

| (millions)   | 2014-15          | 2015-16       | 2016-17       | 2017-18       | 2018-19       | 2023-24       | 2028-29       | 2033-34       |
|--|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Beginning Balance</b>   | \$ 104.1         | 184.5         | 136.4         | 128.9         | 122.4         | 92.6          | 66.1          | 29.3          |
| <b>Cash flows from operating activities:</b>                     |                  |               |               |               |               |               |               |               |
| <b>Sources of funds:</b>   |                  |               |               |               |               |               |               |               |
| Measure M2 Sales Tax   | 73.8             | 26.6          | 28.2          | 29.7          | 31.1          | 37.7          | 46.3          | 56.9          |
| Miscellaneous Revenue  | 0.5              | 0.5           | 0.5           | 0.5           | 0.6           | 5.3           | 6.0           | 6.7           |
| <b>Total Sources of funds</b>                                    | \$ <b>74.3</b>   | <b>27.1</b>   | <b>28.7</b>   | <b>30.2</b>   | <b>31.6</b>   | <b>43.0</b>   | <b>52.3</b>   | <b>63.6</b>   |
| <b>Cash flows from operating activities:</b>                     |                  |               |               |               |               |               |               |               |
| <b>Uses of funds:</b>  |                  |               |               |               |               |               |               |               |
| Subsidy to SCRRRA  | (24.6)           | (25.5)        | (26.3)        | (27.2)        | (28.0)        | (32.1)        | (36.2)        | (40.3)        |
| Management Fee Expense   | (1.3)            | (1.4)         | (1.5)         | (1.5)         | (1.6)         | (2.0)         | (2.5)         | (2.9)         |
| Professional Services  | (6.0)            | (7.5)         | (5.7)         | (5.6)         | (5.8)         | (6.2)         | (6.9)         | (7.8)         |
| General and Administrative                                       | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Other Operating Expenses   | (2.2)            | (2.2)         | (2.3)         | (2.4)         | (2.4)         | (2.8)         | (3.3)         | (4.0)         |
| <b>Total Uses of funds</b>                                       | \$ <b>(34.1)</b> | <b>(36.6)</b> | <b>(35.8)</b> | <b>(36.7)</b> | <b>(37.8)</b> | <b>(43.1)</b> | <b>(49.0)</b> | <b>(55.0)</b> |
| <b>Net cash provided by operations</b>                           | \$ <b>40.2</b>   | <b>(9.4)</b>  | <b>(7.1)</b>  | <b>(6.5)</b>  | <b>(6.1)</b>  | <b>(0.1)</b>  | <b>3.3</b>    | <b>8.6</b>    |
| <b>Cash flows from non-capital financing activities:</b>         |                  |               |               |               |               |               |               |               |
| Operating transfers in   |                  |               |               |               |               |               |               |               |
| Measure M  | 80.0             | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Other  | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| <b>Net cash provided by noncapital financing activities</b>      | \$ <b>80.0</b>   | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    |
| <b>Cash flows from capital and related financing activities:</b> |                  |               |               |               |               |               |               |               |
| Capital grants/other capital revenues                            | 38.8             | 90.5          | 43.9          | 33.7          | 24.2          | 23.7          | 19.6          | 17.5          |
| Acquisition/construction of capital assets                       | (65.4)           | (125.6)       | (40.9)        | (30.7)        | (20.7)        | (27.2)        | (24.5)        | (21.8)        |
| Tax Exempt Commercial Paper (TECP)/Bonds                         | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Principal & interest paid on TECP/Bonds                          | (12.0)           | (3.2)         | (3.2)         | (3.2)         | (3.2)         | (3.2)         | (3.2)         | (3.2)         |
| Other Capital Expenses   | (2.6)            | (2.7)         | (2.8)         | (2.9)         | (3.0)         | (3.4)         | (4.0)         | (4.6)         |
| <b>Net cash used by capital and related financing activities</b> | \$ <b>(41.2)</b> | <b>(41.0)</b> | <b>(3.0)</b>  | <b>(3.1)</b>  | <b>(2.7)</b>  | <b>(10.1)</b> | <b>(12.1)</b> | <b>(12.2)</b> |
| <b>Cash flows from investing activities:</b>                     |                  |               |               |               |               |               |               |               |
| Interest on investments  | 1.4              | 2.4           | 2.6           | 3.1           | 3.5           | 3.5           | 2.5           | 1.1           |
| <b>Net cash provided by investing activities</b>                 | \$ <b>1.4</b>    | <b>2.4</b>    | <b>2.6</b>    | <b>3.1</b>    | <b>3.5</b>    | <b>3.5</b>    | <b>2.5</b>    | <b>1.1</b>    |
| <b>Net increase/decrease in cash</b>                             | \$ <b>80.4</b>   | <b>(48.1)</b> | <b>(7.5)</b>  | <b>(6.5)</b>  | <b>(5.4)</b>  | <b>(6.7)</b>  | <b>(6.3)</b>  | <b>(2.5)</b>  |
| <b>Available Cash</b>  | \$ <b>184.5</b>  | <b>136.4</b>  | <b>128.9</b>  | <b>122.4</b>  | <b>117.0</b>  | <b>85.9</b>   | <b>59.7</b>   | <b>26.8</b>   |







# Measure M2







**Measure M**

On November 6, 1990, Orange County voters approved Measure M (M1), a 20-year program for local transportation improvements funded by a one-half cent sales tax. Over the 20-year period in which M1 was in effect, the Orange County Transportation Authority (OCTA) received \$4.1 billion in sales tax revenue available for projects described in the M1 Expenditure Plan. Through effective project management, strategic use of bonding, and acquisition of state and federal funds, OCTA successfully fulfilled its promises to voters. As a result, OCTA also completed an additional freeway project, State Route 22 improvements, and has a small remaining balance of funds.

On March 31, 2011, the collection of sales tax revenue under M1 concluded; however, there are still expenditures that remain to complete M1 commitments. In March 2011, the Board of Directors (Board) approved a close-out plan to wrap-up M1 activities. The plan addressed use of three types of M1 proceeds: those that had been committed to projects but remain unspent (programmed expenditures); those remaining funds that are over and above any current M1 obligations unprogrammed funds; and, the interest earned on retained M1 funds until those funds are fully expended.

All M1 projects have an estimated cost at completion; however actual costs will vary pending closeout of remaining open agreements. The current estimated balance for M1 is approximately \$99.9 million. Approximately \$11.2 million of this balance is from the freeway program, another estimated \$8.7 million is from the streets and roads program, and approximately \$80 million is from the transit program. The estimated balance in the freeway program and streets and roads program includes anticipated proceeds from the sale of excess parcels.

Per prior Board direction, these remaining balances are committed and will be used for Measure M2 (M2) projects that are in the same mode and are related to the original M1 Expenditure Plan. Specifically, the freeway funds will be directed at the M2 Interstate 5 widening project between Avenida Pico and Pacific Coast Highway and/or the M2 State Route 57 widening project between Katella Avenue and Lincoln Avenue. The streets and roads funds will be



applied to street improvement projects through future OCTA competitive calls for projects, and the transit funds will be deposited into OCTA's long-term operating fund for the provision of Metrolink service.

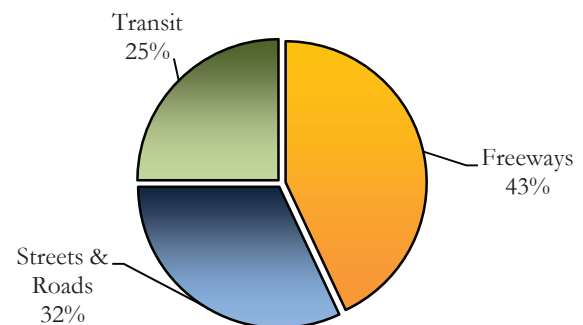
**Measure M2**

On November 7, 2006, nearly 70 percent of Orange County voters renewed the Measure M (M2) one-half cent sales tax for transportation improvements. The half-cent sales tax, administered by OCTA, is estimated to provide approximately \$15.8 billion to improve transportation in Orange County over a 30-year period through March 2041.

**Program Overview**

The M2 Transportation Investment Plan is designed to reduce traffic, upgrade key freeways, fix major freeway interchanges, maintain streets and roads, synchronize traffic signals countywide, build a visionary rail transit system, and protect the environment from the oily street runoff that pollutes Orange County beaches. The plan calls for the \$15.8 billion dollars to be allocated as follows (Figure 1):

**Figure 1 - M2 Investment Allocation by Mode**



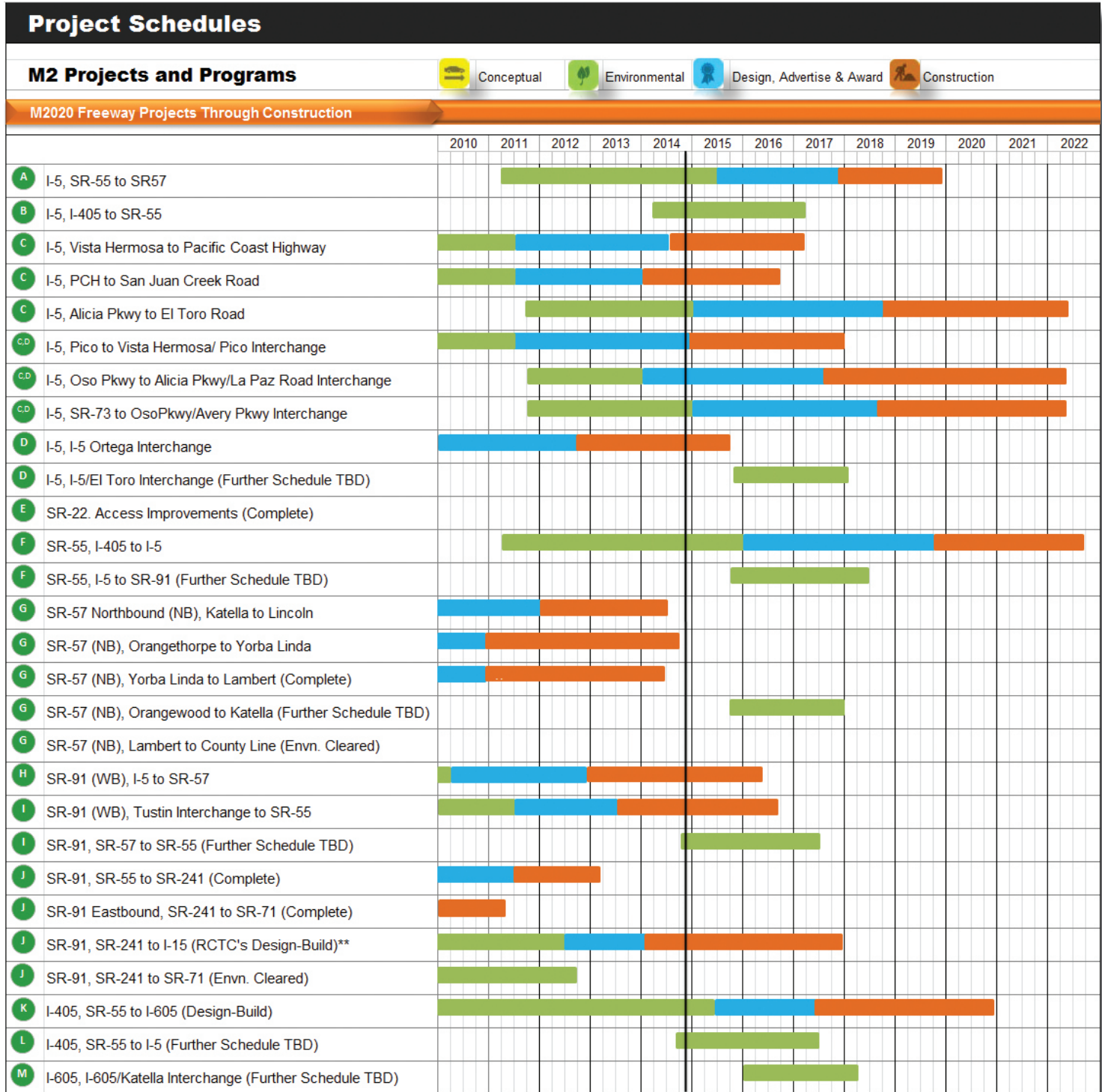
**Early Action Plan**

In August 2007, the OCTA Board of Directors approved and released a M2 Early Action Plan (EAP) covering the fiscal years 2006-07 through 2011-12. A financial plan to provide funding for these projects was adopted by the OCTA Board of Directors on November 9, 2007, and \$400 million in tax exempt commercial paper was secured. With this funding stream in place, OCTA moved ahead to advance the projects detailed in the EAP. In July 2010, the Board approved the Capital Action Plan (CAP). The CAP expanded the scope of the EAP to include other priority OCTA capital projects.

Despite the major impact to revenue assumptions as a result of the economic recession (approximate 35 percent reduction in projected sales tax revenue), OCTA has made significant progress in implementing the plan through aggressively seeking additional grant funding and a competitive construction market. As all major elements of the Board directed EAP and CAP were nearing completion, a new plan outlining the projects and programs for all modes that could be delivered between 2013 and the year 2020 was approved by the Board in September 2012.



Figure 2: Freeway Program Project Schedule





**M2020 Plan**

During development of the Early Action Plan, guiding principles were established that set the direction for staff on establishing priorities for project acceleration. These same guiding principles were the basis for the M2020 Plan and represent a blueprint for continued advancement of M2 for the eight year period from 2013 through 2020.

The M2020 Plan presents strategies to accelerate M2 improvements by delivering early on promises made to the voters. Accelerating projects offers advantages including leveraging a favorable bidding environment and low debt costs, minimizing the risk of future inflation, and initiating mobility improvements sooner. This plan also sets OCTA on a course to go beyond the early implementation projects if additional external funds can be accessed earlier.

**Plan of Finance**

A Plan of Finance (Plan) was initially developed in 2007 and updated in 2010 and 2012. The earlier versions of the Plan discussed the financial strategy for the issuance of short-term and long-term debt to fund the Early Action Plan and the M2020 Plan projects. The debt instruments utilized in the Plan included a tax-exempt commercial paper program and long-term taxable and tax-exempt bonds. By December 31, 2014, the plan forecasts \$340 million in outstanding M2 debt.

The Plan approved in 2012 assumed the issuance of approximately \$1.5 billion in long-term debt to fund capital projects through 2020. The programs driving the issuance of future debt include the I-405 and fixed guideway projects. Changes in financial assumptions or schedules for these projects will have an impact on the timing and issuance size of future debt. The FY 2014-15 CBP will set the foundation for the update to the Plan of Finance.

**Freeway Program**

The plan allocates 43 percent of M2 net revenue to new freeway construction, which represents the greatest investment in the M2 program at approximately \$6.3 billion. Relieving congestion on the Riverside/Artesia Freeway (SR-91) is a key element of the freeway program and significant progress has already been made including the completion of new lanes, new interchanges and new bridges. Other major projects underway include State Route 57 improvements as well as projects on Interstate I-5 in south Orange County. Major traffic chokepoints on almost every Orange

County freeway are planned to be remedied and are currently moving forward through the project development process. The anticipated schedule for M2 freeway projects is shown in Figure 2.

The M2020 Action Plan for Freeways recommends 14 projects through 2020 (Figure 3). One of the centerpieces of the M2020 Plan will be the improvements to the I-405 Freeway. In October 2012 the OCTA Board of Directors approved a \$1.3 billion project to improve the I-405 Freeway and reaffirmed support for the preferred alternative in September 2014. The project adds a single general purpose lane in each direction of the I-405 freeway from Euclid Street to the I-605 interchange. This project is currently waiting for Caltrans approval to move forward into design and construction. The American Council of Engineering Companies (ACEC) entered into a lawsuit with Caltrans over the project. The ACEC lawsuit questions the legality of a stipulation in the new state law (AB 401) that requires Caltrans to perform certain construction inspection services on the project. The new law provides OCTA authority to utilize design-build on this project and that authority could potentially be lost in an adverse court decision.

**Figure 3 - M2020 Plan Freeway**

| No. | Project Summary  |
|-----|--|
| 1   | Deliver 14 projects along Interstate 405 (I-405), Interstate 5 (I-5), State Route 55 (SR-55), State Route 57 (SR-57), and State Route 91 (SR-91) (Projects A, C, D, E, F, G, H, I, J and K). This completes two-thirds of the M2 freeway improvements, amounting to nearly \$3 billion in year of expenditure (YOE) dollars worth of transportation investments.                   |
| 2   | The M2020 plan will also complete the environmental phase of all remaining M2 freeway projects, making them shelf ready for early delivery as external funds become available (Projects B, D, F, G, I, J, L, and M). This positions the remaining M2 freeway improvements, valued at approximately \$2.5 billion in YOE in transportation investment, for complete implementation. |



## Measure M2

M2 includes a freeway Environmental Mitigation Program (Mitigation Program), which provides programmatic mitigation in exchange for streamlined project approvals and greater certainty in the delivery of 13 freeway projects identified in the M2 Transportation Investment Plan. The Mitigation Program is designed to streamline the permit process through partnership with the California Department of Transportation (Caltrans), California Department of Fish and Wildlife (CDFW), and United States Fish and Wildlife Service (USFWS). A master agreement was executed between OCTA, Caltrans, CDFW, and USFWS in early 2009-10. The master agreement set the framework for development of the conservation planning effort that will yield the permits for the freeway projects, which is underway.

Concurrent with the conservation planning effort, OCTA developed the framework for the acquisition and restoration of properties. In September 2010, the Board authorized expenditures of approximately \$5.5 million towards restoration project activities from the first tranche of funding. In May 2012, the Board approved another \$5 million for the second tranche. A total of eleven restoration projects have been funded totaling approximately 400 acres. In November 2010, the Board authorized expenditures of approximately \$42 million for acquisition of properties with high biological value. This funding allocation for acquisition was inclusive of the first two tranches of funding. To date, six open space properties totaling approximately 1,150 acres have been acquired in the Foothill-Trabuco area and in the Brea area. Approximately \$4.5 million is available for additional acquisitions to complete the \$42 million authorization. The \$42 million includes setting aside a portion of the funds, in the form of an endowment, to pay for long-term land management of the acquired properties.

### Streets and Roads Projects

Orange County has more than 6,500 lane miles of aging streets and roads, many in need of repair and rehabilitation. M2 will allocate 32 percent of net revenues, estimated at \$4.7 billion, to streets and roads. Approximately \$1.5 billion is planned to be allocated to the Regional Capacity Program, \$600 million is planned to be allocated to the Regional Traffic Signal Synchron Program and \$2.6 billion is planned to be allocated to the Local Fair Share Program (Figure 4). These funds will help fix potholes, improve intersections, synchronize traffic signals county-wide, and make the existing network of streets and roads safer and more efficient.

**Figure 4 : Allocation of M2 Streets & Roads Funds**

| Program                        | \$ millions | %    |
|--------------------------------|-------------|------|
| Regional Capacity Program      | 1,469       | 31%  |
| Signal Synchronization Program | 588         | 12%  |
| Local Fair Share Program       | 2,645       | 56%  |
| Total                          | 4,702       | 100% |



The Regional Capacity Program (RCP), in combination with local matching funds, provides a funding source to complete the Orange County Master Plan of Arterial Highways. The program also provides for intersection improvements and other projects to improve street operations and reduce congestion. The program allocates funds through a competitive process and targets projects that help traffic the most by considering factors such as degree of congestion relief, cost effectiveness and project readiness. To-date there have been four annual calls for projects totaling \$161 million for RCP projects, and a 2015 call for projects for \$35 million is currently underway.

In January 2014, the Board approved a revised funding plan of \$634.7 million for the seven railroad grade separation projects in Fullerton and Placentia which included \$178.5 million in the Trade Corridors Improvement Program funding. This amount is matched with \$317.7 million in external state, federal, and local funding and \$138.5 million in M2 funding. The anticipated schedule for M2 grade separation projects is shown in Figure 5.

The Regional Traffic Signal Synchronization Program (RTSSP) targets over 2,000 signalized intersections across the County for coordinated operation. The goal is to improve the flow of traffic by developing and implementing regional signal coordination programs that cross jurisdictional boundaries. To-date there have been four annual calls for projects totaling over \$40 million for RTSSP projects. OCTA and local agencies have synchronized 1,074 intersections along 269 miles of streets to-date. The RTSSP target of synchronizing at least 2,000 signalized intersections is anticipated to be met by 2016.

The Local Fair Share Program receives 18 percent of net revenues and assists cities and the County of Orange in keeping up with the rising cost of repairing the aging street system. Local agencies have the opportunity to use these funds for other local transportation needs such as residential street projects, traffic and pedestrian safety near schools, signal priority for emergency vehicles, etc.





Since the program is designed to augment, rather than replace existing transportation expenditures, cities are required to meet a set of guidelines on an annual basis to receive the funds. Once a local agency has met the guidelines the funds are distributed on a formula basis which accounts for population, street mileage, and amount of sales tax collected in each jurisdiction.

The M2020 Plan for streets and roads recommends six major initiatives through 2020 (Figure 6).

**Transit Projects**

Of the net revenues raised by M2, 25 percent, estimated at \$3.7 billion, is allocated to expand and improve Orange County’s rail and bus service. Approximately \$2.9 billion of the transit funds is planned to be allocated to High Frequency Metrolink Service, Transit Extensions to Metrolink, and Metrolink Gateways. Additionally, \$800 million is planned to be used to Expand Choices for Seniors & Persons with Disabilities, Community Based Transit/Circulators, and Safe Transit Stops (Figure 7).

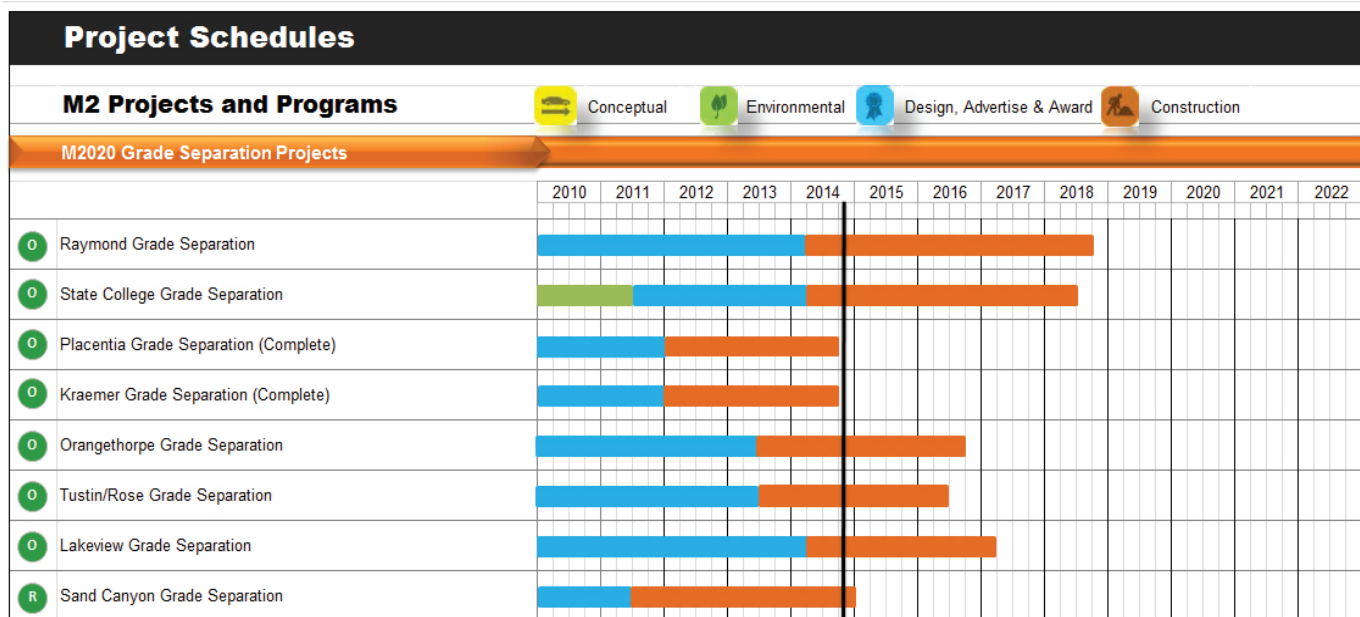
The High Frequency Metrolink Service Program provides funding for increased rail service within Orange County with additional service increases planned by fiscal year 2014-15. This program provides for track improvements, upgraded stations, added parking, safety improvements and other related needs to accommodate expanded service. M2 funds are planned to be the primary source of operating funds for rail service throughout the life of M2. Please see the Rail section for more details on this program.

The Transit Extensions to Metrolink Program established a competitive program for local jurisdictions to broaden the reach of the rail system to communities and major activity centers that are not immediately adjacent to the Metrolink corridor. These connections may include a variety of transit technologies such as

**Figure 6 - M2020 Plan - Streets and Roads**

| No. | Project Summary  |
|-----|--|
| 1   | Award up to \$175 million in Project O competitive funds by 2020.  |
| 2   | Award up to \$110 million in Project P competitive funds by 2020, targeting 2,000 signals for synchronization.   |
| 3   | Encourage local agencies to invest the projected \$443 million in M2 fair share funds in street maintenance and rehabilitation to keep pavement in good condition. |
| 4   | Complete seven Orangethorpe Corridor grade separations (OC Bridges) by 2016 at a cost of approximately \$634 million.  |
| 5   | Update the Master Plan of Arterial Highways Guidance for multi-modal corridors.  |
| 6   | Issue periodic calls for projects for bicycle and pedestrian projects, contingent on the availability of federal Congestion Mitigation Air Quality funds.          |

**Figure 5: OC Bridges Project Schedule**





# Measure M2

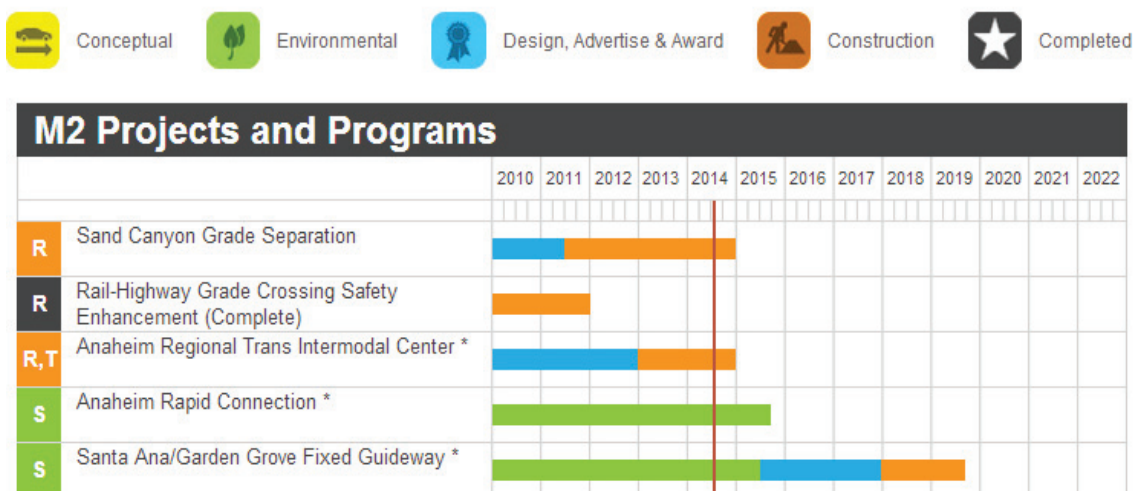
conventional bus, bus rapid transit or high capacity rail transit systems as long as they can be fully integrated and provide seamless transition for the users. Two proposals for fixed-guideway projects from the cities of Anaheim and Santa Ana/Garden Grove (Cities) have been under development. Each city has developed a proposed fixed-guideway project through the evaluation of a set of alternatives and alignments that best met the goals, purpose, and need of the respective project corridors. Additionally, funding has been made available for rubber tire projects through a call for projects in 2012. Two cities were approved for funding and are moving forward. Please see the Rail section for more details on this program.

**Figure 7: Allocation of M2 Transit Funds**

| Program  | \$ millions  | %           |
|--|--------------|-------------|
| High Frequency Metrolink Service                       | 1,315        | 36%         |
| Transit Extensions to Metrolink                        | 1,297        | 35%         |
| Metrolink Gateways                                     | 294          | 8%          |
| Expand Choices for Seniors & Persons with Disabilities | 441          | 12%         |
| Community Based Transit/Circulators                    | 294          | 8%          |
| Safe Transit Stops                                     | 32           | 1%          |
| <b>Total</b>   | <b>3,673</b> | <b>100%</b> |

The Metrolink Gateways Program provides funds for local improvements necessary to connect planned future high-speed rail systems to stations on the Orange County Metrolink route. Through a call for projects in 2009, the City of Anaheim was awarded funding to convert/relocate the Anaheim Metrolink/Amtrak station to a new location that would allow for a multi-modal facility to be built that accommodates the State's planned high-speed rail system. The Anaheim Regional Transportation Intermodal Center is well underway and is scheduled to be complete by the end of 2014. Please see the Rail section for more details on this program. The anticipated schedule for M2 Transit projects is shown in Figure 8.

**Figure 8: Transit Program Project Schedule**



Over the next thirty years, the population of people age 60 and over is projected to increase by 110 percent. The Expand Mobility Choices for Seniors and Persons with Disabilities Program provides funds to support mobility choices for seniors and persons with disabilities. This funding supports the senior and disabled fare stabilization program, the Senior Mobility Program (SMP), and the County of Orange Senior Non-Emergency Medical Transportation Program (SNEMT). All of these programs provide services to meet the growing transportation needs of seniors and persons with disabilities.

The fare stabilization program ensures that fares are discounted for seniors and persons with disabilities. Though it is anticipated that \$146.9 million of M2 funding will be available for this program over the life of M2, due to the reduction in projected sales tax revenue caused by the recession, and anticipated growth of the senior population, forecasts indicate the program will run a deficit throughout the balance of the program, without corrective action. A method for eliminating the deficit will be recommended to the Board as part of the M2 10-year review in 2016. In the meantime, staff is regularly updating the Board on the status of the program.

The SMP was established in 2001 and for the first 10 years was supported with Transportation Development Act funds. Currently, 30 cities participate in the program offering a variety of local senior transportation resources for medical, nutrition, shopping and social trips. Cities contribute a 20 percent match to their SMP service. It is anticipated that \$146.9 million of M2 funding will be available for this program over the life of M2.

The SNEMT program was established by the County of Orange in 2002. The SNEMT fills a gap in senior transportation services for those seniors who do not qualify for ACCESS or whose advanced age or profound condition make it difficult to use ACCESS service. M2 funding for this program supplements existing County funding



to expand the capacity of the program and increase the number of available SNEMT trips. It is anticipated that \$146.9 million of M2 funding will be available for this program over the life of M2.

The M2020 Plan for transit recommends eight major initiatives through 2020 (Figure 9).

The Community Based Transit/Circulators Program is a competitive program for local jurisdictions to develop bus transit services such as community based circulators, shuttles, and bus trolleys that complement regional bus and rail services, as well as meet needs in areas not adequately served by regional transit. Projects are required to meet performance criteria, be financially viable, be competitively bid, and cannot duplicate or compete with existing transit services. In June 2013, the Board approved up to \$9.8 million to fund five projects received as part of the first call for projects. OCTA staff continues to work with the cities to execute necessary agreements and procure buses for the community circulators. All participating cities will have services in place by the end of 2014. The next call for projects is anticipated to be held in 2016.

The Safe Transit Stops Program provides for passenger amenities at 100 of the 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, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines. The Board approved the framework for the Safe Transit Stops Program in March 2014. OCTA staff worked with Local Agencies to develop a needs assessment and applications to request funding for Safe Transit Stops. The needs assessment considered factors such as ridership demand, current age and condition of the bus stops and other factors identified by the local agencies. Seven out of fifteen eligible



Figure 9 - M2020 Plan - Transit

| No. | Project Summary  |
|-----|--|
| 1   | Increase Metrolink frequency and expand daily train capacity by 15 percent, as well as improve stations and operating facilities.                  |
| 2   | Extend high-frequency Metrolink service into Los Angeles contingent upon cooperation and participation from route partners.                        |
| 3   | Begin construction on Board of Directors (Board)-approved fixed guideway extensions to Metrolink subject to receipt of federal New Starts funding. |
| 4   | Initiate competitive programs with local agencies for implementation of bus/van connections to Metrolink.  |
| 5   | Deliver improvements to connect Orange County to planned higher speed rail projects.   |
| 6   | Provide \$75 million to expand mobility choices for seniors and persons with disabilities.   |
| 7   | Provide \$50 million to encourage development, implementation, and operation of local community transit services.                                  |
| 8   | Provide \$5.5 million for passenger amenities at the busiest bus stops.  |

cities applied for funding, OCTA received 51 applications for a total amount of \$1.2 million. The Board approved all projects for funding in July 2014.

**Environmental Cleanup Projects**

The plan allocates 2 percent of M2 gross revenue, which represents approximately \$315.1 million dollars, to an Environmental Cleanup Program (ECP) that is designed to supplement, not supplant, existing transportation-related water quality programs. Development of ECP program guidelines have been approved by the Board. The M2 Environmental Cleanup Allocation Committee (Allocation Committee) makes recommendations to the Board on the allocation of funds for water quality improvements.

In May 2010, the Board approved a two-tiered approach to fund the ECP. The funding plan called for up to \$19.5 million in Tier 1 grants on a “pay-as-you-go” basis through 2017-18, and up to \$38 million in Tier 2 grants via bonding through 2014-15.



Figure 10 - M2020 Plan - Environmental Cleanup

| No. | Project Summary   |
|-----|---|
| 1   | Allocate competitive Tier 1 grant program (up to \$19.5 million) for trash/debris removal.                            |
| 2   | Allocate competitive Tier 2 grant program (up to \$38 million) for regional scale water quality improvement projects. |
| 3   | Continue to assess needed improvements throughout the County, taking cost benefits into consideration.                |

The Tier 1 Grant Program is designed to mitigate the more visible forms of pollutants, such as litter and debris, which collect on the roadways and in the catch basins prior to being deposited in waterways and the ocean. It consists of grant funding for Orange County local governments to purchase equipment and upgrades for existing catch basins and other related best management practices (BMP). Examples include screens, filters, and inserts for catch basins, as well as other devices designed to remove the above mentioned pollutants. Since August 2011, the Board has approved funding of \$8.5 million for 86 first Tier 1 projects.

The Tier 2 Grant Program consists of funding for regional, potentially multi-jurisdictional, capital-intensive projects. Examples may include, but are not limited to, constructed wetlands, detention/infiltration basins, and bioswales. These types of water quality projects mitigate pollutants such as heavy metals, organic chemicals, sediment, nutrients, and pathogenic material related to roadway runoff. Since 2012, 22 Tier 2 projects have been awarded totaling approximately \$28 million. Approximately \$10 million remains from the \$38 million for a third call for projects.



The M2020 Action Plan for the Environmental Cleanup Plan recommends three major initiatives through 2020. Please see Figure 10 for a project summary on the Environmental Cleanup program.

**Taxpayer Safeguards and Audits**

One percent of M2 gross revenue, approximately \$157.6 million, is allocated for salaries and benefits related to program oversight. Additionally, \$355.7 million is set aside for audits, safeguards, taxpayer protection, and non-project related expenditures. Lastly, as mandated by state law, approximately 1.5 percent or \$236.5 million of the gross sales tax revenue generated by M2 must be paid to the California State Board of Equalization for collecting the countywide one-half percent sales tax revenue that funds the M2 program.





## Cash Flow Statement - Measure M2

| (millions)   | 2014-15    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2023-24 | 2028-29 | 2033-34 |
|--|------------|---------|---------|---------|---------|---------|---------|---------|
| <b>Beginning Balance</b>                               | \$ 490.3   | 357.5   | 154.0   | 577.8   | 258.7   | 112.0   | 816.9   | 867.7   |
| <b>Sources of funds:</b>                               |            |         |         |         |         |         |         |         |
| Sales Tax Revenue                                      | 301.3      | 322.3   | 341.4   | 359.3   | 376.4   | 457.3   | 561.4   | 689.6   |
| Tax Exempt Commercial Paper (TECP)/Bond Proceeds       | -25.0      | 0.0     | 761.5   | 0.0     | 645.5   | 0.0     | 0.0     | 0.0     |
| Interest   | 2.6        | 3.3     | 6.9     | 9.4     | 11.9    | 5.9     | 26.6    | 13.5    |
| Other Revenues (Private, Local, State, & Fed. Funding) | 255.8      | 107.2   | 161.4   | 60.2    | 92.4    | 30.0    | 30.0    | 30.0    |
| <b>Total Sources of funds</b>                          | \$ 534.8   | 432.9   | 1271.2  | 428.9   | 1126.1  | 493.2   | 618.0   | 733.1   |
| <b>Debt Service</b>                                    |            |         |         |         |         |         |         |         |
| Gross Debt Service on TECP/Bonds                       | 28.5       | 18.5    | 80.9    | 80.9    | 134.9   | 134.9   | 134.9   | 134.5   |
| <b>Total Debt Service Payments</b>                     | 28.5       | 18.5    | 80.9    | 80.9    | 134.9   | 134.9   | 134.9   | 134.5   |
| <b>Program Expenditures</b>                            |            |         |         |         |         |         |         |         |
| Freeway Projects                                       | 193.7      | 267.0   | 421.3   | 386.1   | 392.3   | 14.5    | 73.6    | 429.4   |
| Streets & Roads Projects                               | 277.2      | 212.5   | 146.0   | 126.6   | 108.8   | 121.8   | 139.2   | 200.7   |
| Transit Projects                                       | 147.8      | 116.6   | 176.2   | 130.0   | 155.7   | 76.9    | 86.7    | 112.1   |
| Environmental Cleanup                                  | 6.4        | 6.8     | 7.2     | 7.6     | 7.9     | 9.5     | 11.6    | 14.2    |
| Taxpayer Safeguards & Audits                           | 14.0       | 15.0    | 15.9    | 16.7    | 17.5    | 21.4    | 26.3    | 32.4    |
| <b>Total Program Expenditures</b>                      | 639.1      | 617.9   | 766.5   | 667.0   | 682.3   | 244.1   | 337.5   | 788.9   |
| <b>Net cash provided by operations</b>                 | \$ (132.8) | (203.5) | 423.7   | (319.0) | 308.9   | 114.2   | 145.7   | (190.3) |
| <b>Available Cash</b>                                  | \$ 357.5   | 154.0   | 577.8   | 258.7   | 567.6   | 226.3   | 962.6   | 677.3   |



# 91 Express Lanes



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OCTA

Express Lanes  
+ LANE  
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91

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OCTA logo

**3+ LANE** ↓

**TOLL LANES** ↓ ↓

EXPRESS LANES  
MOTORCYCLES  
OK  
TO USE  
3+  
LANE

Yarda Linda Blvd  
Weir Canyon Rd

Local business directory sign listing various services and businesses.

Local business directory sign listing various services and businesses.

Local business directory sign listing various services and businesses.







### OCTA'S 10-Mile Toll Road

The 91 Express Lanes is a four-lane, 10-mile toll road extending from the Orange/Riverside County line west to the Costa Mesa Freeway (SR-55). The 91 Express Lanes project was authorized as a toll road by the State of California legislature in 1989. Built at a cost of \$135 million, the toll road opened on December 27, 1995.

The California Private Transportation Company (CPTC) was the original owner of the 91 Express Lanes. An agreement with the State of California Department of Transportation (Caltrans) included a non-compete provision that created a 1.5-mile protection zone along each side of the Riverside Freeway (SR-91). This zone prohibited improvements along the corridor for 30 years in order to satisfy bondholder requirements for a secure revenue stream. This created mobility problems as the region and corresponding transportation demands grew. Evidence of that growth was supported by the fact that total traffic volume on the 91 Express Lanes grew from 7.59 million in 1996-97 to 12.33 million in 2013-14. Figure 1 on the following page shows historical traffic volumes for the Express Lanes.

To mitigate growing concerns over congestion, the Orange County Transportation Authority (OCTA) acquired the 91 Express Lanes franchise rights from CPTC in January 2003. The purchase was enabled by Assembly Bill (AB) 1010 (Correa), which eliminated the non-compete provision, clearing the way for future enhancements that will increase capacity and improve traffic flow. The franchise rights would have terminated on December 26, 2030.

On September 30, 2008 the governor approved Senate Bill (SB) 1316 (Correa) as an update to the provisions of AB 1010. SB 1316 authorizes OCTA to assign its franchise rights, interests and obligations in the Riverside County portion to the Riverside County Transportation Commission (RCTC), thereby allowing RCTC to add two toll lanes and a regular lane in each direction on the SR-91 from the Orange/Riverside County line to Interstate 15. RCTC's project will extend the 91 Express Lanes by



an additional eight miles. In addition, the bill authorizes the terms of the franchise to expire no later than December 31, 2065. SB 1316 also requires OCTA and RCTC to enter into an agreement providing for the coordination of their respective tolling facilities if RCTC was to construct and operate the toll facilities on the Riverside County portion of the SR-91 franchise.

In December 2011, the Board approved the assignment of OCTA's franchise rights, interests and obligations in the Riverside County portion to RCTC, the extension of the expiration date to 2065, and a cooperative agreement that details the joint operation and defines the agency's roles and responsibilities for the 91 Express Lanes extension during the design, construction, operations, and maintenance phases of the project. The major provisions of the cooperative agreement with RCTC include the equal distribution of non-toll revenues in addition to the equal share of operator costs and other services related to the operation of the 91 Express Lanes. In May 2013 the OCTA Board adopted a three-party operating agreement between RCTC, Cofroute, and OCTA. This operating agreement addresses how the operations will be handled once RCTC opens their segment and what the anticipated costs will be. Provisions of the agreements are expected to commence in fiscal year 2016-17.

### Toll Policy

In May 2003, the Board underscored its commitment to mobility by endorsing a policy allowing 91 Express Lanes users with three or more persons per vehicle to ride free, except for the hours between 4 p.m. to 6 p.m., Monday through Friday, in the eastbound direction, where they pay 50 percent of the posted toll rate.

The Board also approved a "congestion management" toll pricing policy in July 2003. The objective of the policy is to use pricing to optimize the number of vehicles that can safely travel on the toll road at free-flow speeds during all hours, including peak hours.

The toll policy uses trigger points defined as a percentage of maximum and minimum optimal capacity, along with constant monitoring of hourly, daily and directional traffic volumes, to adjust tolls up or down. The toll rates are increased when volumes have grown to the point where the traffic flow could become unpredictable and are decreased in order to stimulate demand and encourage use of the 91 Express Lanes.

Commended for the toll policy, the 91 Express Lanes was honored with the International Bridge, Tunnel and Turnpike Association's 2008 Toll Excellence Award for toll way administration. The revolutionary toll policy creates value for the customer by meeting demands while managing congestion. The benefit to the customers is a safe, fast, and reliable commute.



### Transponders and Accounts

Since the 91 Express Lanes is a fully electronic toll facility, motorists pay tolls through the convenient use of windshield mounted FasTrak™ transponders that automatically deduct toll charges from a prepaid account. At the end of 2013-14, there were 113,672 active customer accounts, with 171,304 transponders assigned to those accounts.

The 91 Express Lanes is, and will continue to, be an important element in ensuring that traffic flows more smoothly between Orange and Riverside counties. Depending on the time of day, commuters reported saving more than 30 minutes on their drive time by using the 91 Express Lanes.

### Toll Road Revenue

#### Operations

Revenues for the 91 Express Lanes can be divided into two categories: toll revenues and non-toll revenues. Toll revenues comprise the majority of the revenue generated by the 91 Express Lanes. Toll revenues include the tolls collected from 91 Express Lanes patrons using the toll facility, in addition to tolls collected from customers of other toll agencies that use the 91 Express Lanes. Toll revenue projections are provided by Stantec. The average long term rate of growth for toll road revenues beyond 2013-14 is projected to be 5.6 percent.

The largest component of non-toll revenues is comprised of account maintenance fees, account minimum fees, and convenience account fees. Income from violation processing fees represents another large component of non-toll revenues. Other non-toll revenues include plate read fees, lost and stolen transponder fees, and miscellaneous fees. Projected toll road revenues are provided in Figure 2 on the following page.

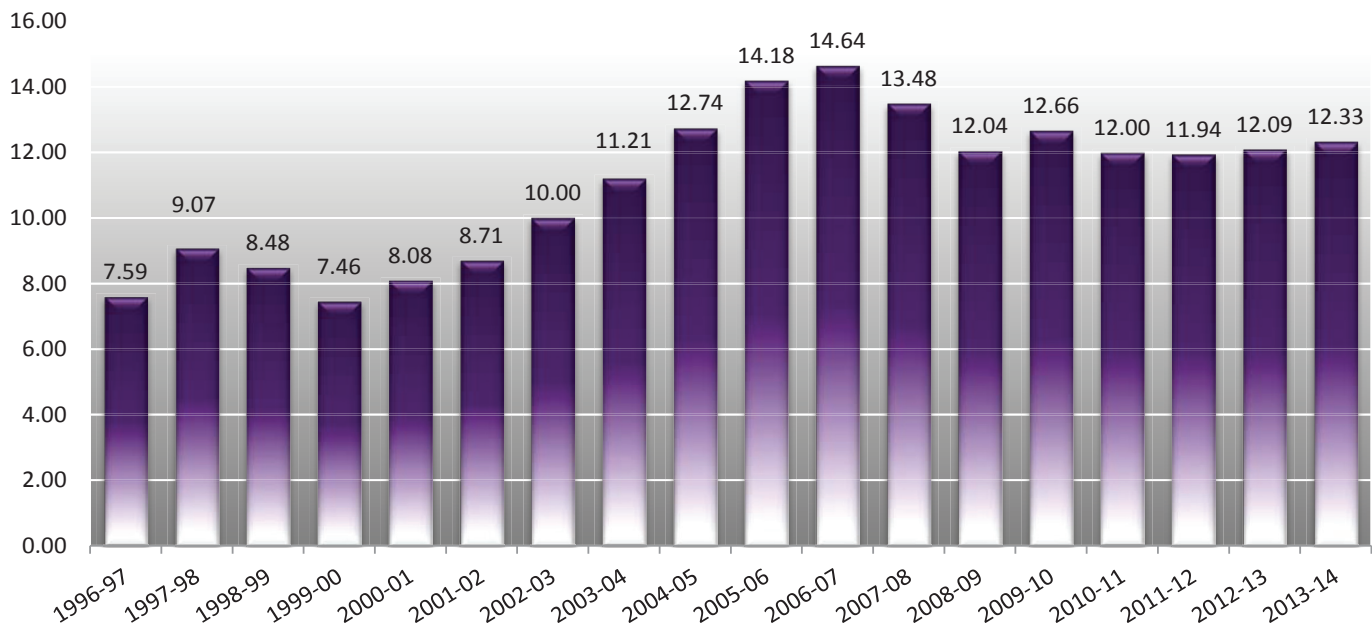
#### Capital

The internal capital reserve account was created as a fund for OCTA to deposit revenues into on an annual basis. This fund will be used for future capital expenditures on the 91 Express Lanes. After paying for operating expenditures, debt service, and reserves, state law allows remaining funds to be used for general improvements to SR-91.

### Toll Road Operating & Capital Expenditures

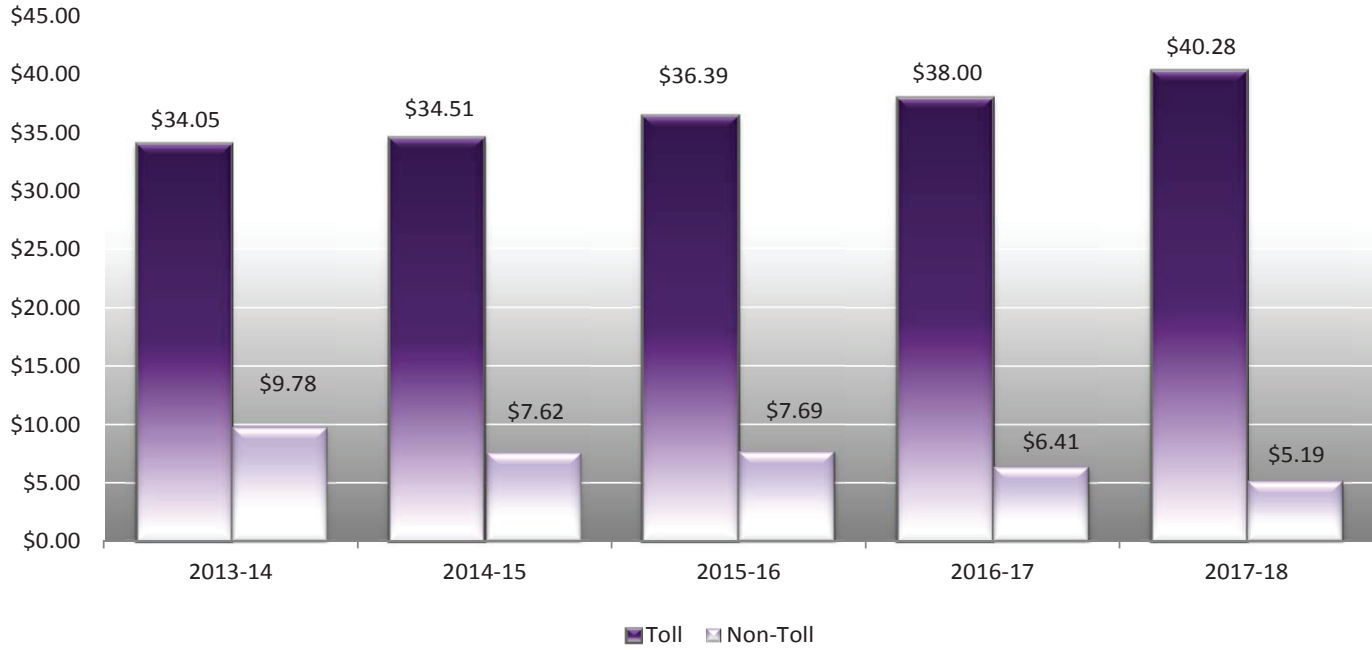
Expenses include: operating costs, capital purchases, reserve set-asides, and debt payments (e.g. senior debt service and subordinated debt repayment). There are two types of reserve set asides, those that are required by the senior bond indenture and the internal capital reserve fund established by the Board. Projected capital and operating expenses are provided in Figure 3 on the following page.

**Figure 1 - Historical Traffic Volumes  
(in millions)**

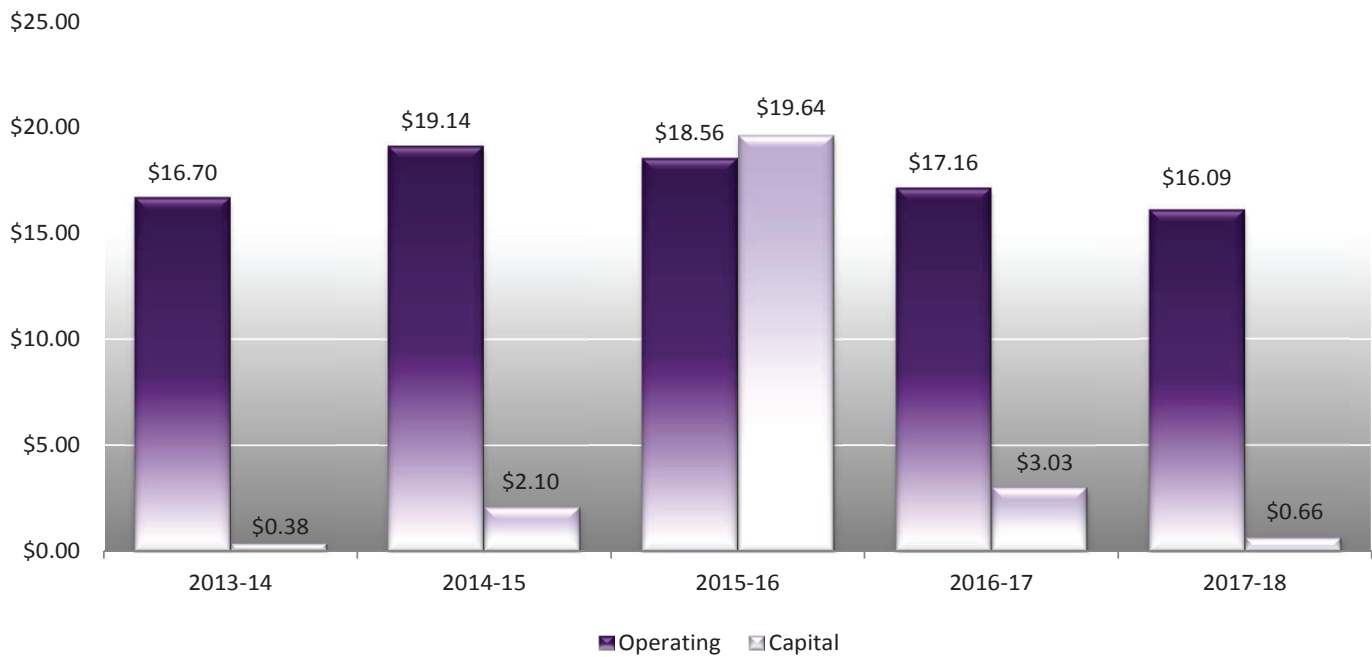




**Figure 2 - Projected Toll Road Revenues  
(in millions)**



**Figure 3 - Projected Toll Road Capital and Operating Expenses  
(in millions)**





## 91 Express Lanes



### *Operations*

An important component of 91 Express Lanes operations is maintaining the toll lanes and the technology supporting the toll road operation. OCTA contracts with Cofroute USA (Cofroute) to provide management and operational services for the 91 Express Lanes. Cofroute is responsible for: running and assisting with traffic breaks, removing debris from the lanes, responding to customer queries, notifying customer issues, managing and responding to crises from the traffic management center, assisting disabled vehicles, and managing the systems for continued revenue collection. Additional expenses include credit card processing fees and toll road account servicing.

Routine maintenance is scheduled on every third Sunday (weather permitting) and performed by Caltrans. Routine maintenance consists of sweeping, replacement of channelizers, and other repairs which can only be performed while the lanes are closed due to the need for crew safety. Closures are kept to a minimum and scheduled for non-peak traffic times.

### *Capital*

OCTA worked with Cofroute and 3M (formally Federal Signal Technologies) to relocate the existing Electronic Toll and Traffic Management system (ETTM) and equipment onto new cantilever structures as the old gantries were removed with the SR-91 Westbound and Eastbound Lane Addition Project. The system identifies and captures vehicle information for customer account billing or violation processing. Project management and

upgrades to the ETTM are planned to take place every seven years, beginning with costs of \$2 million in 2016-17 for a partial upgrade and \$6 million for a full architectural upgrade beginning in 2021-22. The services and upgrades will further improve the reliability, accuracy, and documentation of toll transactions.

In June 2011, the Revenue and Account Management System (RAMS), the new back-office/account management software developed by Cofroute was deployed on the 91 Express Lanes' network. The RAMS system retrieves data from the ETTM system, calculates the correct toll amounts, and automatically charges the customer accounts. In addition, the system interfaces with the California Department of Motor Vehicles in order to retrieve information, and if appropriate, generates violation notices to be mailed to motorists who cannot be identified as customers. The system also interfaces with the customer service center's telephone system, the 91 Express Lanes' website, and exchanges files with other toll agencies for the processing of interoperability transactions. Upgrades to the system are planned to take place every eight years, beginning in FY 2020-21, and are anticipated to total \$2.5 million during each eight year cycle.

The 91 Express Lanes pavement has been in place since the lanes were constructed in 1995. In 2006-07, OCTA completed the Pavement Maintenance Project when the pavement was found to have exhibited some surface loss with hairline cracks developing at a few locations. As part of the project, pavement cracks were filled and sections of the road were re-paved and re-sealed to



reduce the rate of roadway deterioration. Since the pavement's design life was estimated to be 20 years, pavement analysis will need to be conducted in order to assess whether an overlay or replacement is needed. The pavement upgrade and resurfacing is anticipated to cost \$15 million in FY 2015-16, with another upgrade planned in FY 2025-26.

Other capital expenditures include: facilities upgrades to the customer service center and administrative office which houses the traffic operations center, variable message/price signs, guard rails, a phone system upgrade and miscellaneous expenses such as computers, printers, and additional equipment.

*SR-91 General Purpose Lanes Implementation*

OCTA, in collaboration with Caltrans and RCTC, issues an annual SR-91 Implementation Plan to establish a program of projects eligible for funding by potential excess 91 Express Lanes toll revenue and other funds. The SR-91 Implementation Plan describes projects and transportation benefits, anticipated implementation schedules by milestone year, and costs for major projects from now through 2035 and beyond. Figure 4 shows the list of projects and cost estimates based on the SR-91 Implementation Plan approved by the Board in June 2014. Projects are organized by readiness and logical sequencing; however, full funding for all projects has not been secured.

The first set of projects is anticipated to be completed by 2016 and includes two improvements at a total cost of approximately \$99.2 million. The projects include the Metrolink short-term expansion plan and a new SR-91 west bound auxiliary lane at Tustin Avenue. These projects are in the process of final design, construction, or procurement and implementation, as noted in Figure 4.

The second set of projects includes five projects proposed for implementation by 2025. These include various interchange and connector improvement projects as shown in Figure 4. OCTA, RCTC, and Caltrans initiated preliminary planning activities for these projects to ensure readiness when local, state, or federal funding becomes available. Some of the 2025 projects are funded and in various stages of project development. Projects for implementation by 2025 would cost approximately from \$1.9 billion to \$2.16 billion.

The final set of projects proposed for implementation by 2035 focus on longer-lead time projects anticipated to cost more than \$412 million. These projects will see major improvements to freeways and intersections across Orange County, as well as significant expansion of Metrolink service. Three multi-billion dollar long-range concepts for potential implementation Post-2035 include concepts requiring a significant amount of planning, design, future policy and public input. In some cases, these concepts may include previous projects as components, such that all concepts within the summary may not be implemented.

Figure 4 - SR-91 Implementation Plan Projects

| No.                       | Project Summary<br>(Implementation Year)  | Cost (\$M)                 |
|---------------------------|---|----------------------------|
| <b>By Year 2016</b>       |   |                            |
| 1                         | Metrolink Short-Term Expansion Plan (2014)  | 54.0                       |
| 2                         | SR-91 WB Lane at Tustin Avenue (2016)   | 45.2                       |
|                           | <b>Subtotal</b>   | <b>99.2</b>                |
| <b>By Year 2025</b>       |   |                            |
| 3                         | Initial Phase CIP: Widen SR-91 by One GP Lane in Each Direction East of Green River Road, CD Roads and I-15/SR-91 Direct South Connector, Extension of Express Lanes to I-15 and System/Local Interchange Improvements (2017) | 1,312.0                    |
| 4                         | SR-241/SR-91 Express Lanes Connector (2018)   | 180.0                      |
| 5                         | Express Bus Improvements Between Orange County and Riverside County (2020)  | 9.5                        |
| 6                         | SR-71/SR-91 Interchange Improvements (2020)   | 122.7                      |
| 7                         | SR-91 between SR-57 and SR-55 (2025)  | 278.0 - 532.0              |
|                           | <b>Subtotal</b>   | <b>1,902.0 - 2,156.0</b>   |
| <b>By Year 2035</b>       |   |                            |
| 8                         | Fairmont Boulevard Improvements (Post-2025)   | 76.8                       |
| 9                         | Metrolink Service and Station Improvements (2030)   | 335.0                      |
| 10                        | Ultimate CIP: Widen SR-91 by One GP Lane in Each Direction from SR-241 to SR-71, I-15/SR-91 Direct North Connector, Extension of Express Lanes on I-15 and SR-91 Improvements East of I-15 (2035)                             | TBD                        |
|                           | <b>Subtotal</b>   | <b>412.0+</b>              |
| <b>Concepts Post-2035</b> |   |                            |
| A-1                       | Elevated 4-Lane Facility (MIS Corridor A) from SR-241 to I-15 (Post-2035)   | 2,720.0                    |
| A-2                       | Anaheim to Ontario International Airport Maglev High Speed Rail (Post-2035)   | 2,770.0 - 3,200.0          |
| A-3                       | Irvine-Corona Expressway (ICE) 4-Lane Facility from SR-241/SR-133 to I-15/Cajalco Road ( Post-2030)   | 8,855.0                    |
|                           | <b>Subtotal</b>   | <b>14,350.0 - 14,780.0</b> |



## 91 Express Lanes

### *Excess Toll Revenue Policy*

In January 2014, the Board adopted a policy on the use of excess 91 Express Lanes tolls. The adopted policy recommended that excess tolls be programmed relative to the capacities provided by freeway, rail, and bus travel modes. The corridor (including rail and bus, but excluding the 91 Express Lanes) is capable of carrying approximately 13,000 persons in the peak hour and peak direction. About 80 percent of this capacity is provided by the general purpose freeway lanes, and 20 percent by Metrolink and express bus service. The policy also includes an option for use of excess revenues for early debt retirement.

In June 2014, evaluation criteria and a set of potential candidate projects to maximize the allocation of excess toll revenues were approved by the Board. The criteria included:

- Projects proposed to be funded by excess toll revenues must be included in the latest SR-91 Implementation Plan and Regional Transportation Plan
- Priority will be given to projects ready for implementation
- Any new financing will not impact OCTA's adopted 91 Express Lanes toll policy, existing bond agreements, or OCTA's ability to meet any and all financial obligations related to the 91 Express Lanes

The projects to be funded approved by the Board include:

- Metrolink service expansion in the SR-91 corridor
- Placentia Metrolink station
- Express bus service in the SR-91 corridor
- Final design for the SR-91 improvement project between SR-57 and SR-55
- Operational study on the westbound SR-91 between SR-241 and SR-55

The 80 percent split for freeway and 20 percent split for transit (rail and bus) projects is to be calculated every two years through the Comprehensive Business Plan process and achieved by 2030.



### *Debt Service*

OCTA purchased the 91 Express Lanes from CPTC for \$207.5 million, including \$72.5 million in cash from internal reserves and the assumption of \$135 million in taxable bonds. In November 2003, OCTA refinanced the 91 Express Lanes taxable bonds with tax-exempt bonds (Series 2003 Bonds). The issuance was in the amount of \$195.3 million with a final maturity of December 2030.

In July 2013, OCTA issued Senior Lien Toll Road Revenue Refunding Bonds, Series 2013, to refund the outstanding Series 2003 Bonds. The Series 2013 Bonds were issued as fixed rate bonds, having a true interest cost of 3.83 percent, and a final maturity date of December 2030.

The 2013 Bonds are rated "AA-" from Standard and Poor's, "A1" from Moody's, and "A-" from Fitch. With the Standard and Poor's ratings, the 91 Express Lanes are one of the only single asset managed lanes toll facilities rated in the "AA" category.



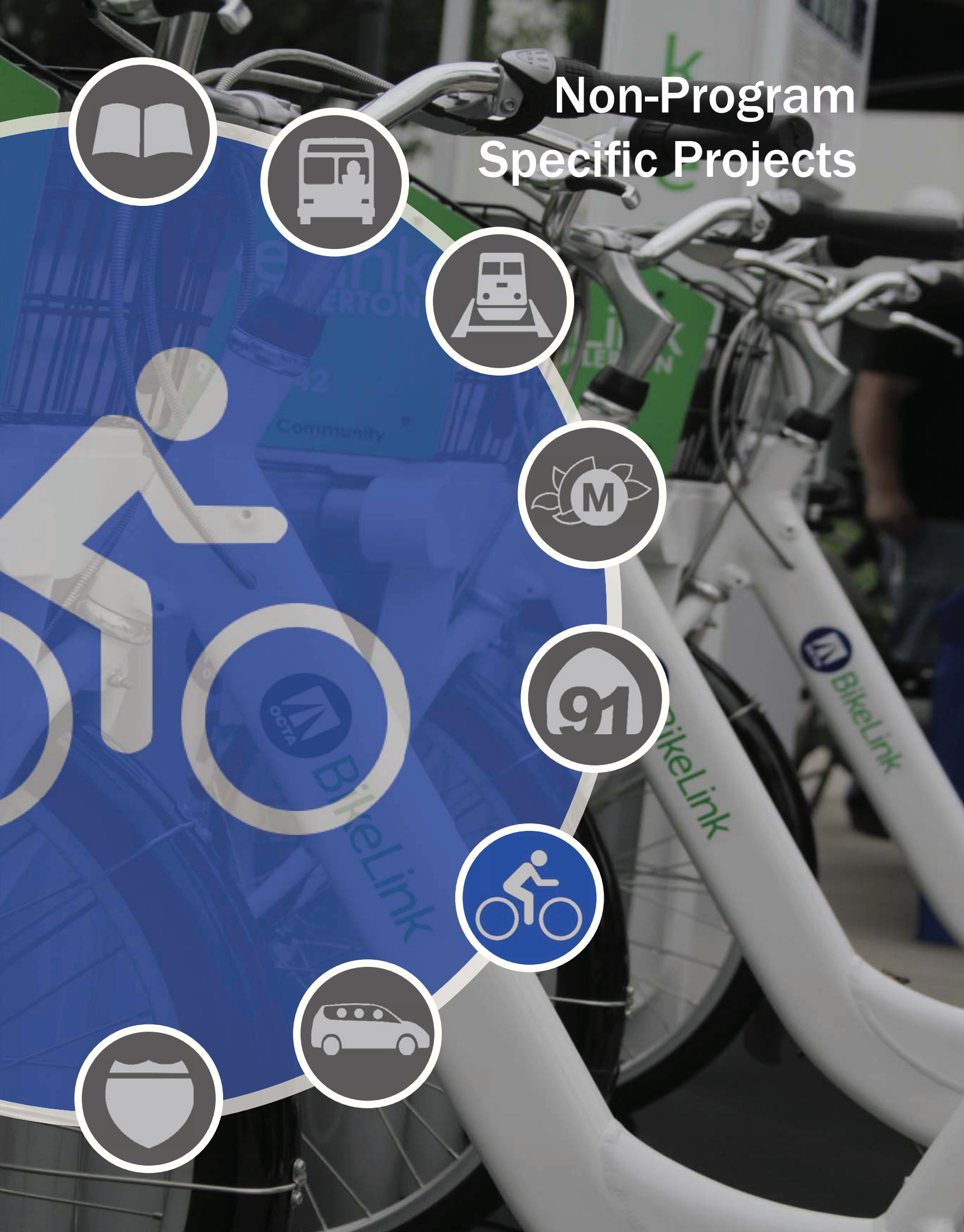
## Cash Flow Statement - 91 Express Lanes

| (millions)   | 2014-15          | 2015-16       | 2016-17       | 2017-18       | 2018-19       | 2023-24       | 2028-29       | 2033-34       |
|--|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Beginning Balance</b>   | \$ 53.5          | 30.6          | 15.7          | 11.1          | 11.0          | 10.6          | 9.0           | 9.9           |
| <b>Cash flows from operating activities:</b>                     |                  |               |               |               |               |               |               |               |
| <b>Sources of funds:</b>   |                  |               |               |               |               |               |               |               |
| Toll Revenue   | 34.5             | 36.4          | 38.0          | 40.3          | 43.2          | 57.1          | 76.1          | 101.7         |
| Miscellaneous revenue  | 6.9              | 7.0           | 5.7           | 4.5           | 4.5           | 4.6           | 4.7           | 4.8           |
| <b>Total Sources of funds</b>                                    | \$ <b>41.5</b>   | <b>43.4</b>   | <b>43.7</b>   | <b>44.8</b>   | <b>47.7</b>   | <b>61.7</b>   | <b>80.8</b>   | <b>106.6</b>  |
| <b>Cash flows from operating activities:</b>                     |                  |               |               |               |               |               |               |               |
| <b>Uses of funds:</b>  |                  |               |               |               |               |               |               |               |
| Salaries & Benefits  | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Management Fee Expense   | 2.5              | 2.6           | 2.7           | 2.7           | 2.8           | 3.3           | 3.8           | 4.4           |
| Professional Services  | 12.0             | 11.2          | 9.9           | 9.0           | 9.3           | 11.7          | 12.5          | 14.4          |
| General and Administrative                                       | 1.4              | 1.5           | 1.3           | 1.3           | 1.3           | 1.5           | 1.7           | 2.0           |
| Other Operating Expenses   | 3.2              | 3.3           | 3.3           | 3.1           | 3.2           | 3.7           | 4.3           | 5.0           |
| <b>Total Uses of funds</b>                                       | \$ <b>19.1</b>   | <b>18.6</b>   | <b>17.2</b>   | <b>16.1</b>   | <b>16.6</b>   | <b>20.2</b>   | <b>22.3</b>   | <b>25.8</b>   |
| <b>Net cash provided by operations</b>                           | \$ <b>22.3</b>   | <b>24.8</b>   | <b>26.6</b>   | <b>28.7</b>   | <b>31.2</b>   | <b>41.5</b>   | <b>58.5</b>   | <b>80.7</b>   |
| <b>Cash flows from non-capital financing activities:</b>         |                  |               |               |               |               |               |               |               |
| Operating grants   | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Operating transfers in   | 0.0              | 10.0          | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Measure M  | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Renewed Measure M  | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Operating transfers out  | (3.0)            | 0.0           | (3.0)         | (3.0)         | (3.0)         | (3.0)         | (3.0)         | 0.0           |
| <b>Net cash provided by noncapital financing activities</b>      | \$ <b>(3.0)</b>  | <b>10.0</b>   | <b>(3.0)</b>  | <b>(3.0)</b>  | <b>(3.0)</b>  | <b>(3.0)</b>  | <b>(3.0)</b>  | <b>0.0</b>    |
| <b>Cash flows from capital and related financing activities:</b> |                  |               |               |               |               |               |               |               |
| Capital grants/other capital revenues                            | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Acquisition/construction of capital assets                       | (32.1)           | (39.6)        | (18.0)        | (15.7)        | (15.7)        | (29.8)        | (43.7)        | (81.1)        |
| Bond proceeds  | 0.0              | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Principal & interest paid on bonds / COPS                        | (10.8)           | (10.8)        | (10.8)        | (10.8)        | (10.8)        | (10.8)        | (10.8)        | 0.0           |
| <b>Net cash used by capital and related financing activities</b> | \$ <b>(42.9)</b> | <b>(50.4)</b> | <b>(28.8)</b> | <b>(26.5)</b> | <b>(26.5)</b> | <b>(40.6)</b> | <b>(54.5)</b> | <b>(81.1)</b> |
| <b>Cash flows from investing activities:</b>                     |                  |               |               |               |               |               |               |               |
| Interest on investments  | 0.7              | 0.7           | 0.7           | 0.7           | 0.8           | 1.1           | 1.0           | 0.5           |
| <b>Net cash provided by investing activities</b>                 | \$ <b>0.7</b>    | <b>0.7</b>    | <b>0.7</b>    | <b>0.7</b>    | <b>0.8</b>    | <b>1.1</b>    | <b>1.0</b>    | <b>0.5</b>    |
| <b>Cash to Accrual Reconciling Items</b>                         | \$ <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    | <b>0.0</b>    |
| <b>Net increase/decrease in cash</b>                             | \$ <b>(22.9)</b> | <b>(14.9)</b> | <b>(4.6)</b>  | <b>(0.1)</b>  | <b>2.5</b>    | <b>(1.0)</b>  | <b>2.0</b>    | <b>0.2</b>    |
| <b>Available Cash</b>  | \$ <b>30.6</b>   | <b>15.7</b>   | <b>11.1</b>   | <b>11.0</b>   | <b>13.5</b>   | <b>9.5</b>    | <b>11.0</b>   | <b>10.1</b>   |





# Non-Program Specific Projects





BikeLink  
PERTON  
42  
Community

OCTA  
BikeLink

OCTA  
BikeLink

OCTA  
BikeLink



## Background

The majority of significant freeway, street and roads, and transit projects are funded primarily through the M2 program. OCTA has also committed to a handful of projects not funded through the M2 programs. These projects are funded using other local, state, and federal sources and include the Bristol Street widening, continuous access striping for high occupancy vehicle lanes, vanpool & rideshare programs, bicycle and pedestrian facilities, and bicycle sharing and safety programs.

## Bristol Street Widening

In 1990, the City of Santa Ana (City) originally cleared a 3.9-mile Bristol Street widening project from Memory Lane to Warner Avenue. Portions of this segment have already been widened and improved by the City with additional travel lanes, landscaped center medians, etc. The remaining intervals are being designed and constructed in line with available funding.

The current Bristol Street widening project funded by OCTA includes increasing the number of lanes from two to three in each direction, constructing landscaped medians and linear parkways, under-grounding all overhead electrical and other utilities, and constructing storm drain improvements and sound walls. Improvements shall be made to portions between 17th Street and Warner Avenue totaling approximately two miles. Project phases, miles, and costs are noted in Figure 1.

**Figure 1: Bristol Street Project Phases**

| Phase                           | Miles | Cost (\$M) |
|---------------------------------|-------|------------|
| Phase I: McFadden to Pine       | 0.6   | \$56.1     |
| Phase II: Third to Civic Center | 0.3   | \$36.5     |
| Phase III: Civic Center to 17th | 0.6   | \$42.8     |
| Phase IV: Warner to St. Andrew  | 0.5   | \$37.3     |
| Total                           | 2.0   | \$172.7    |

In addition to the above phases, the City has completed widening Bristol Street between Pine and 3rd Street, independent of OCTA.

The total cost for the Bristol Street widening project has been estimated by the City at \$172.7 million. Approximately 72 percent of the cost goes towards acquisition of right-of-way. OCTA has committed \$125 million of Gas Tax Subvention revenues toward the project. Phases I & II of the project have been completed, with construction of Phase III scheduled to begin in June 2015 and Phase IV to begin a year later in June 2016.

## HOV Continuous Access

This project involves the restriping of the pavement markings separating the general purpose lanes from the High Occupancy Vehicle (HOV) lanes to allow continuous access along the freeway. This project will convert the HOV separation striping along most Orange County freeways to open, continuous access striping. This would allow vehicles to enter and exit the HOV lanes at any

point along the freeway. Although limited HOV access striping would remain at major freeway-to-freeway interchanges to restrict last-minute HOV lane changes within the vicinity of the interchanges. Figure 2 shows the I-5 HOV Continuous Access project costs (in millions).

**Figure 2: HOV Continuous Access Funding**

| I-5 HOV Continuous Access                  | Cost (\$M) |
|--|------------|
| Orange County Unified Transportation Trust | \$1.2      |
| State Transportation Improvement Program   | \$3.6      |
| Total                                      | \$4.8      |

## Vanpool & Rideshare

OCTA administers a vanpool and rideshare program. The two programs are designed to encourage commuters to reduce their single occupancy vehicle commuter trips and use a carpool or vanpool for their daily commute. OCTA supports the Rideshare Program through annual activities like Dump the Pump Week and Rideshare Week. Additionally, OCTA reaches out to current and potential rideshare participants daily on social media, via email, and on [www.OCTA.net](http://www.OCTA.net). OCTA's Vanpool Program provides assistance to commuters working in Orange County who live in Los Angeles, Orange, Riverside or San Bernardino counties. OCTA works with employers, commuters, and private vanpool operators to organize and sustain vanpools throughout Orange County.

As of 2014, over 450 vanpools serve over 130 destinations in Orange County, carrying over 4,600 passengers on a typical weekday. OCTA supports vanpool by administering programs that help commuters and employers find vanpool participants. OCTA provides contracts to private companies that offer vehicle leases, and provides a \$400 a month subsidy for each vanpool to offset vehicle lease and maintenance costs.





## Non-Program Specific Projects



### **Bicycle and Pedestrian Facilities**

OCTA supports the development of bicycle and pedestrian facilities or active transportation within Orange County. Based on Board approved State and Federal Programming Guidelines which were approved by the Board in October of 2011 and set aside 10 percent of OCTA's annual Congestion Mitigation and Air Quality (CMAQ) apportionment for Bicycle and Pedestrian Projects, OCTA issued its first Bicycle Corridor Improvement Program call for projects which resulted in providing \$9.4 million to fund 19 bicycle projects throughout Orange County valued at \$13.3 million. In addition, OCTA committed \$3.5 million in prior year Article 3 Local Transportation Funds (LTF) for the development of bicycle and pedestrian facilities within Orange County.

OCTA continues to reserve one percent of Federal Formula grant funding annually which is typically distributed to Bicycle and Pedestrian projects through OCTA's Transportation Enhancement call for projects. There are currently 19 bicycle and pedestrian projects, 10 have begun engineering work and construction, with the remaining projects in various stages of planning. These projects are scheduled to be completed by 2016.

A second Bicycle Corridor Improvement Program call for projects was undertaken in 2014, resulting in the availability of \$6.4 million to fund 10 additional bicycle and pedestrian projects within the County valued at \$9.2 million. These projects are scheduled to be completed by 2017.

### **Bike-Share Program**

As a method to improve first and last mile connections to Metrolink rail service, OCTA implemented the Orange County Bikeshare project as directed by the Board in January 2012. The resulting bike-sharing system at the Fullerton Transportation Center allows OCTA to explore the merits of bike-sharing as a clean alternative to single occupancy vehicles and aids in fulfilling the first and last mile need for commuter rail and bus transit trips.

Within the Fullerton service area, OCTA supports a system of 11 bike stations and 94 bicycles. Funding for the program was secured through a \$768 thousand Federal Transit Administration (FTA) Bus Livability Grant and a \$224 thousand local match grant from the Mobile Source Air Pollution Reduction Review Committee (MSRC). Revenues from membership fees, short-term usage fees, advertising and sponsorship support ongoing operating costs and/or future expansion of the bike-share program. OCTA contracts with a private provider to supply equipment (i.e., bicycles and bike stations), cover liability, and handle day-to-day operations including: membership management, sponsorship solicitation, customer service, bicycle redistribution, data management, and maintenance of stations and bicycles.

### **Bicycle Safety Program**

OCTA supports the initiative for a safer and more bicycle friendly community. The bicycle safety program provides a comprehensive safety platform for all ages and skill levels of bicycle riders. Initial startup costs for the program are expected to be \$250 thousand, with future expenses and funding to be determined on an annual basis. The program will include a safety awareness program for motor vehicle drivers for sharing the road with bicyclists. These developments will help to create and foster a safer bicycle community for everyone on the road.

# Motorist & Taxicab Services







# Freeway Service Patrol Beats



September 19, 2007

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## Introduction

Motorist Services consists of two programs:

- Service Authority for Freeway Emergencies (SAFE)
  - Freeway Call Box Program
  - Freeway Service Patrol (FSP)
  - Southern California 511
- Orange County Taxi Administration Program (OCTAP)

## Program Overview

### SAFE

SAFE is comprised of the Freeway Call Box, the Freeway Service Patrol, and the Southern California 511 programs. California statute authorized SAFE in 1985 to enable counties to generate revenue for the purpose of purchasing, installing, operating, and maintaining a system of motorist aid call boxes. The revenue collected is from a \$1 dollar fee on all non-exempt registered vehicles along with an additional \$2 fee on certain commercial vehicles registered in Orange County. In 1992, the California Legislature enacted statute creating the FSP program. Subject to annual appropriations, the FSP program receives funding from the State Highway Account that requires a 25 percent local match. Excess revenue from the vehicle registration fee collected for the call box program provides the 25 percent local match for the FSP program and funds a share of the Southern California 511 program.

### Freeway Call Box Program

The call box program consists of a network of approximately 633 solar powered cellular-based telephones along 197 centerline miles of highway and toll roads throughout the County. OCTA is responsible for the acquisition, installation, and maintenance of the call boxes. The Transportation Corridor Agencies (TCA) reimbursed OCTA for the cost of acquiring and installing call boxes on the toll roads. A private firm under contract with OCTA receives the calls and routes assistance requests to the CHP or FSP.

With the proliferation of cellular phones, call box usage in Orange County has steadily declined from 62,126 calls per year since 1999-00 to approximately 2,464 calls per year 2013-14 (Figure 1). Due to this decline, the number of call boxes was reduced by about half during 2005-06. This reduction resulted in increased spacing between call boxes from one-quarter mile to one and one-quarter miles on freeways and from a half-mile to one mile on the toll roads.

### FSP Program

The FSP is a traffic congestion management program designed for the rapid removal of motorists' disabled vehicles from traffic lanes and shoulders, as well as timely response to accidents and other incidents that require removal of debris on the freeways. The FSP is a partnership between the California Department of Transportation (Caltrans), the California Highway Patrol (CHP), and the Orange County Transportation Authority (OCTA). Private tow truck companies operate the service under contract to OCTA. Each tow truck driver patrols his assigned freeway segment during

Figure 1 - SAFE Call Box Calls

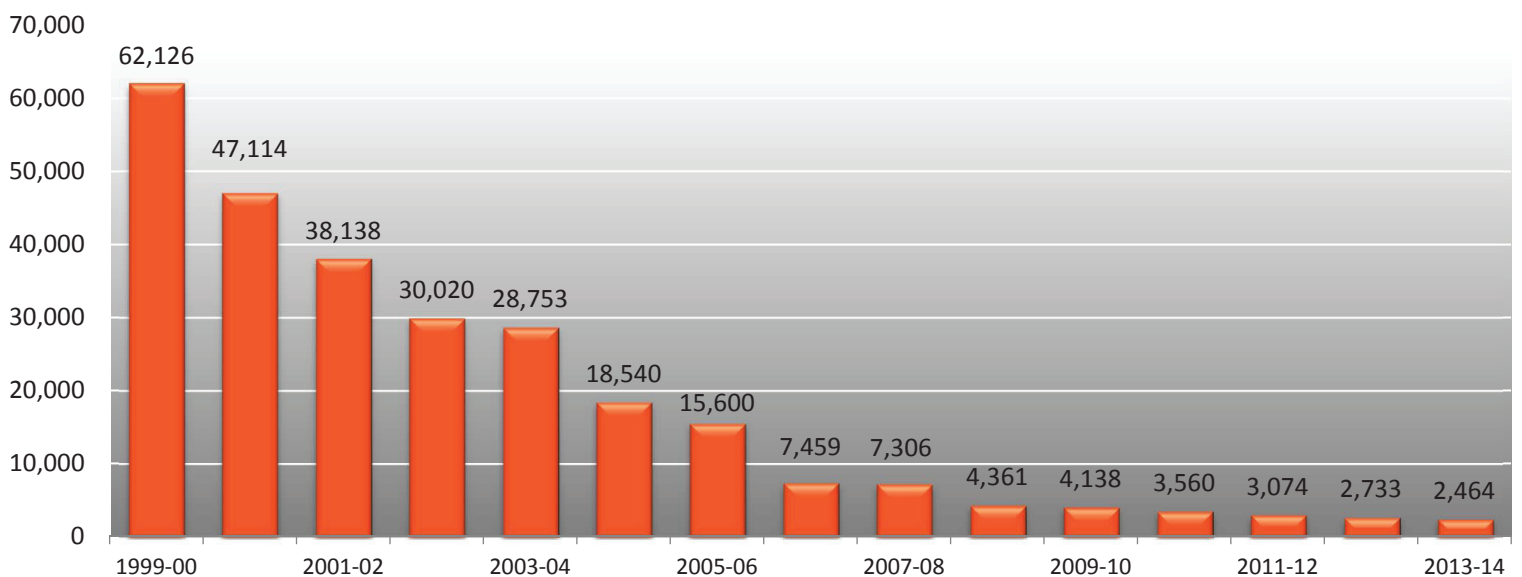
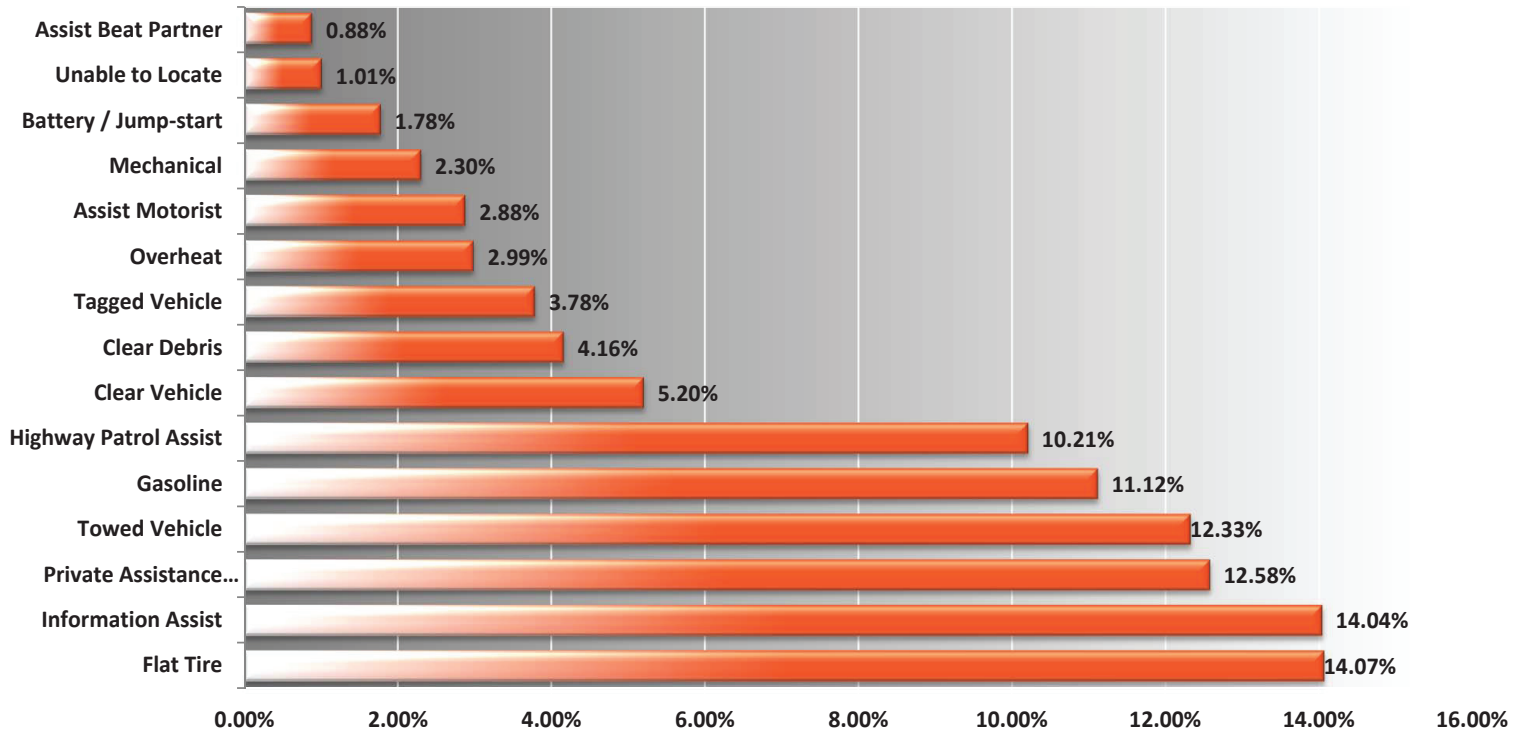






Figure 2 - FSP Assists By Type



program service hours, stopping to assist motorists. The driver offers assistance, such as changing a flat tire, offering a free gallon of gas, or taping a coolant hose (Figure 2). OCTA's FSP tow trucks provided over 59,000 assists in 2013-14 (Figure 3).

*2013-14 FSP Assists*

The number of FSP programs funded statewide has increased from 13 to 15 agencies, while overall state funding has remained flat. Therefore, Orange County's share of state funding has decreased slightly over the last year. Allocation of funding is based on freeway miles, traffic congestion, and population within each jurisdiction. Additionally, the economic downturn has resulted in slightly lower revenue from the vehicle registration fee. The current level of funding from traditional revenue streams is insufficient to maintain the current peak hour service plus the midday service added in December 2003 which was partially funded with Mobile Source Air Pollution Reduction Review Committee (MSRC) grant, and weekend service added in December 2006 at the request of CHP.

The 34 trucks being operated during peak hours, the seven trucks being operated midday, and the four trucks operated on the weekend deliver about 86,400 hours of service along Orange County's freeways. The current cost to operate this level of service is \$5.2 million annually, exclusive of Motorist Services staff salaries. On November 7, 2006 voters approved Measure M2, which has a FSP component allocating \$150 million to the program. This additional funding will ensure program solvency



## Motorist & Taxicab Services

and growth for an additional thirty years. During FY 2011-12 the Board approved the M2 Project N FSP guidelines. In accordance with the guidelines, two additional midday and two additional weekend beats were added in June 2012, to address growing congestion in these areas.

### *Southern California 511*

Southern California 511 is the motorist aid and traveler information system for Los Angeles, Orange, and Ventura counties. This system allows the traveling public to access information on highway conditions, traffic speeds, transit, and commuter services via a toll free number with an interactive voice response system and the internet.

In 1999, the United States Department of Transportation petitioned the Federal Communications Commission (FCC) to designate a nationwide three-digit telephone number for traveler information. At the time, there were over 300 different telephone numbers providing some sort of highway or public transportation-related information to the public.

On July 21, 2000, the FCC designated 511 as the national travel information number. The FCC ruling leaves nearly all of the implementation issues to the states and local agencies. The ruling did not have a federal mandate regarding how to fund the national system. That would also be left to the states and local agencies. The Los Angeles County Metropolitan Transportation Authority in partnership with OCTA, the Ventura County Transportation

Commission, Caltrans, and CHP, developed the 511 system which debuted on June 14, 2010. The system currently averages 210,282 calls and 56,997 website visits per month.

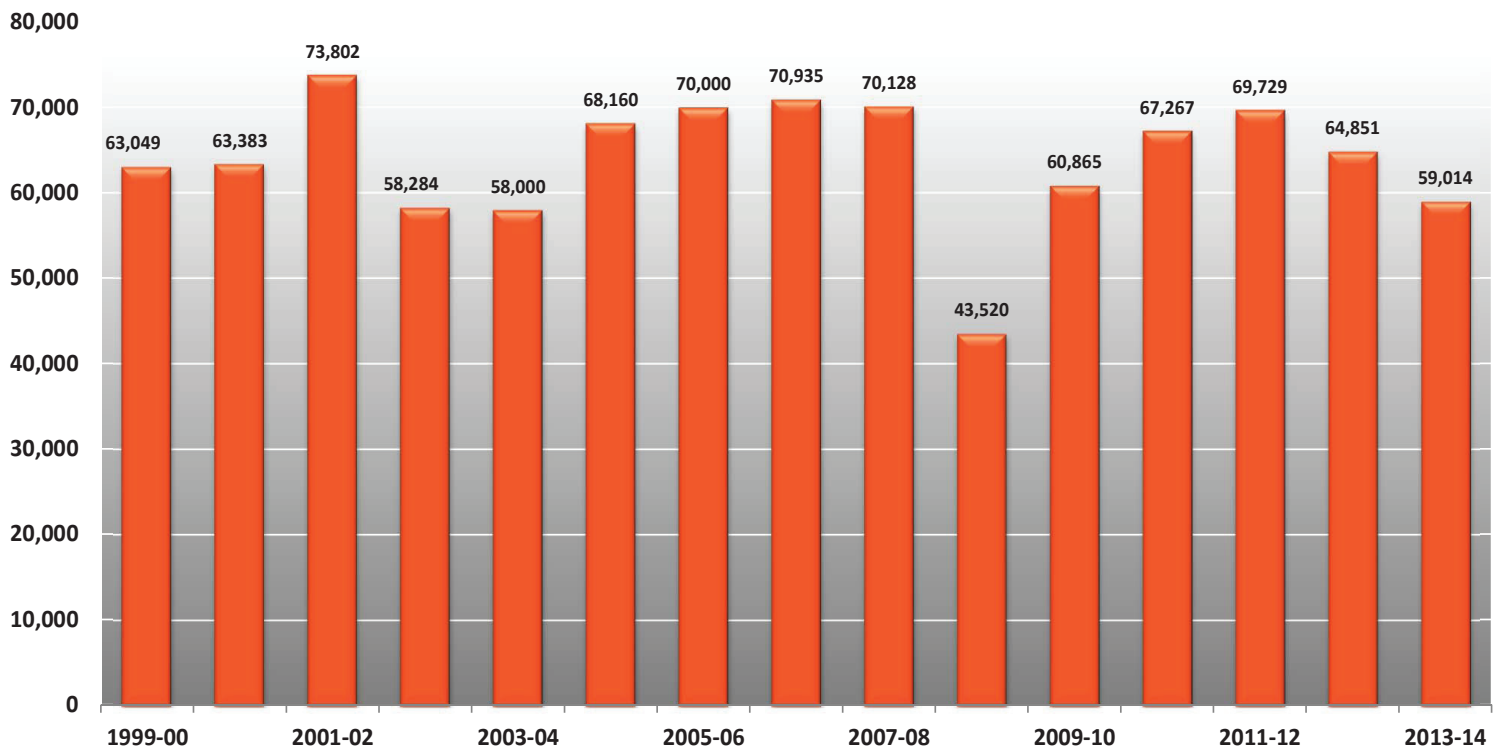
### **OCTAP**

OCTA administers the Orange County Taxi Administration Program, which regulates countywide taxicab service. OCTAP is responsible for the issuance of taxicab business, driver, and vehicle permits. OCTAP issues permits to approximately 38 taxicab companies, 1,275 taxicabs, and 800 drivers. OCTA recovers all program costs primarily through a fee assessment for each type of permit application. The Board has authorized assessments of up to 4 percent as needed, but the plan uses the Consumer Price Index (CPI) because the program is sustainable.

OCTA began regulating taxi operations in January 1998 on behalf of the 34 participating Orange County cities and the County of Orange through OCTAP. OCTAP simplified the Orange County taxicab regulations with centralized permitting of cabs, companies, and drivers. This resulted in an improvement in customer services and industry standards.

Through educational programs, OCTAP coordinates with member agencies to promote taxicab safety and service in Orange County. OCTAP coordinates and participates in countywide enforcement efforts and conducts background investigations and vehicle inspections, while local law enforcement agencies maintain responsibility for regulatory compliance within their jurisdiction.

Figure 3 - FSP Assists





Cash Flow Statement - SAFE

| (millions)   | 2014-15         | 2015-16      | 2016-17      | 2017-18    | 2018-19    | 2023-24      | 2028-29      | 2033-34      |
|--|-----------------|--------------|--------------|------------|------------|--------------|--------------|--------------|
| <b>Beginning Balance</b>   | \$ 2.4          | 4.1          | 5.3          | 6.7        | 8.0        | 14.5         | 22.9         | 35.8         |
| <b>Cash flows from operating activities:</b>                     |                 |              |              |            |            |              |              |              |
| <b>Sources of funds:</b>   |                 |              |              |            |            |              |              |              |
| Freeway Service Patrol   | 5.9             | 6.1          | 6.3          | 6.5        | 6.7        | 7.6          | 8.7          | 10.1         |
| Callbox  | 2.7             | 2.7          | 2.7          | 2.7        | 2.7        | 2.9          | 3.0          | 3.2          |
| Miscellaneous revenue  | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| <b>Total Sources of funds</b>                                    | <b>\$ 8.5</b>   | <b>8.8</b>   | <b>9.0</b>   | <b>9.2</b> | <b>9.4</b> | <b>10.4</b>  | <b>11.7</b>  | <b>13.3</b>  |
| <b>Cash flows from operating activities:</b>                     |                 |              |              |            |            |              |              |              |
| <b>Uses of funds:</b>  |                 |              |              |            |            |              |              |              |
| Salaries and Benefits  | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 6.0          |
| Management Fee Expense   | 0.9             | 0.8          | 0.8          | 0.8        | 0.8        | 1.0          | 1.2          | 1.4          |
| Professional Services  | 5.7             | 6.5          | 6.8          | 7.2        | 7.8        | 8.7          | 9.5          | 10.4         |
| General and Administrative                                       | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Other Operating Expenses   | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| <b>Total Uses of funds</b>                                       | <b>\$ 6.6</b>   | <b>7.3</b>   | <b>7.6</b>   | <b>8.0</b> | <b>8.7</b> | <b>9.7</b>   | <b>10.7</b>  | <b>17.8</b>  |
| <b>Net cash provided by operations</b>                           | <b>\$ 1.9</b>   | <b>1.5</b>   | <b>1.4</b>   | <b>1.2</b> | <b>0.7</b> | <b>0.7</b>   | <b>1.0</b>   | <b>(4.5)</b> |
| <b>Cash flows from non-capital financing activities:</b>         |                 |              |              |            |            |              |              |              |
| Operating grants   | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Operating transfers in   | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Measure M  | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Renewed Measure M  | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Operating transfers out  | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 6.0          |
| <b>Net cash provided by noncapital financing activities</b>      | <b>\$ 0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>   | <b>0.0</b>   | <b>6.0</b>   |
| <b>Cash flows from capital and related financing activities:</b> |                 |              |              |            |            |              |              |              |
| Capital grants/other capital revenues                            | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Acquisition/construction of capital assets                       | (0.3)           | (0.3)        | (0.1)        | 0.0        | 0.0        | (0.0)        | (0.1)        | (0.4)        |
| Bond proceeds  | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| Principal & interest paid on bonds / COPS                        | 0.0             | 0.0          | 0.0          | 0.0        | 0.0        | 0.0          | 0.0          | 0.0          |
| <b>Net cash used by capital and related financing activities</b> | <b>\$ (0.3)</b> | <b>(0.3)</b> | <b>(0.1)</b> | <b>0.0</b> | <b>0.0</b> | <b>(0.0)</b> | <b>(0.1)</b> | <b>(0.4)</b> |
| <b>Cash flows from investing activities:</b>                     |                 |              |              |            |            |              |              |              |
| Interest on investments  | 0.0             | 0.1          | 0.1          | 0.2        | 0.3        | 0.6          | 0.9          | 1.5          |
| <b>Net cash provided by investing activities</b>                 | <b>\$ 0.0</b>   | <b>0.1</b>   | <b>0.1</b>   | <b>0.2</b> | <b>0.3</b> | <b>0.6</b>   | <b>0.9</b>   | <b>1.5</b>   |
| <b>Cash to Accrual Reconciling Items</b>                         | <b>\$ 0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>   | <b>1.0</b>   | <b>6.0</b>   |
| <b>Net increase/decrease in cash</b>                             | <b>\$ 1.6</b>   | <b>1.2</b>   | <b>1.4</b>   | <b>1.3</b> | <b>1.0</b> | <b>1.2</b>   | <b>1.9</b>   | <b>2.5</b>   |
| <b>Available Cash</b>  | <b>\$ 4.1</b>   | <b>5.3</b>   | <b>6.7</b>   | <b>8.0</b> | <b>9.0</b> | <b>15.7</b>  | <b>24.8</b>  | <b>38.3</b>  |



## Cash Flow Statement - OCTAP

| (millions)   | 2014-15       | 2015-16    | 2016-17    | 2017-18    | 2018-19    | 2023-24    | 2028-29      | 2033-34      |
|--|---------------|------------|------------|------------|------------|------------|--------------|--------------|
| <b>Beginning Balance</b>   | \$ 1.0        | 1.0        | 1.1        | 1.1        | 1.2        | 1.7        | 2.1          | 2.3          |
| <b>Cash flows from operating activities:</b>                     |               |            |            |            |            |            |              |              |
| <b>Sources of funds:</b>   |               |            |            |            |            |            |              |              |
| Company Permits  | 0.1           | 0.1        | 0.1        | 0.1        | 0.1        | 0.1        | 0.1          | 0.1          |
| Vehicle Permits  | 0.5           | 0.6        | 0.6        | 0.6        | 0.6        | 0.7        | 0.8          | 0.9          |
| Driver Permits   | 0.2           | 0.2        | 0.2        | 0.2        | 0.2        | 0.3        | 0.3          | 0.4          |
| Appeal Fee   | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| <b>Total Sources of funds</b>                                    | \$ <b>0.8</b> | <b>0.8</b> | <b>0.9</b> | <b>0.9</b> | <b>0.9</b> | <b>1.1</b> | <b>1.2</b>   | <b>1.4</b>   |
| <b>Cash flows from operating activities:</b>                     |               |            |            |            |            |            |              |              |
| <b>Uses of funds:</b>  |               |            |            |            |            |            |              |              |
| Salaries and Benefits  | 0.5           | 0.5        | 0.5        | 0.6        | 0.6        | 0.7        | 0.9          | 1.0          |
| Management Fee Expense   | 0.1           | 0.2        | 0.2        | 0.2        | 0.2        | 0.2        | 0.2          | 0.3          |
| Professional Services  | 0.2           | 0.1        | 0.1        | 0.1        | 0.1        | 0.1        | 0.2          | 0.2          |
| General and Administrative                                       | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Other Operating Expenses   | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| <b>Total Uses of funds</b>                                       | \$ <b>0.8</b> | <b>0.8</b> | <b>0.8</b> | <b>0.9</b> | <b>0.9</b> | <b>1.1</b> | <b>1.3</b>   | <b>1.5</b>   |
| <b>Net cash provided by operations</b>                           | \$ <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>(0.0)</b> | <b>(0.1)</b> |
| <b>Cash flows from non-capital financing activities:</b>         |               |            |            |            |            |            |              |              |
| Operating grants   | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Operating transfers in   |               |            |            |            |            |            |              |              |
| Measure M  | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Renewed Measure M  | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Operating transfers out  | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| <b>Net cash provided by noncapital financing activities</b>      | \$ <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>   | <b>0.0</b>   |
| <b>Cash flows from capital and related financing activities:</b> |               |            |            |            |            |            |              |              |
| Capital grants/other capital revenues                            | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Acquisition/construction of capital assets                       | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Bond proceeds  | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| Principal & interest paid on bonds / COPS                        | 0.0           | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0          | 0.0          |
| <b>Net cash used by capital and related financing activities</b> | \$ <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>   | <b>0.0</b>   |
| <b>Cash flows from investing activities:</b>                     |               |            |            |            |            |            |              |              |
| Interest on investments  | 0.01          | 0.02       | 0.02       | 0.03       | 0.04       | 0.07       | 0.08         | 0.09         |
| <b>Net cash provided by investing activities</b>                 | \$ <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.1</b> | <b>0.1</b>   | <b>0.1</b>   |
| <b>Cash to Accrual Reconciling Items</b>                         | \$ <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>   | <b>0.0</b>   |
| <b>Net increase/decrease in cash</b>                             | \$ <b>0.0</b> | <b>0.1</b> | <b>0.1</b> | <b>0.1</b> | <b>0.1</b> | <b>0.1</b> | <b>0.1</b>   | <b>0.0</b>   |
| <b>Available Cash</b>  | \$ <b>1.0</b> | <b>1.1</b> | <b>1.1</b> | <b>1.2</b> | <b>1.3</b> | <b>1.8</b> | <b>2.2</b>   | <b>2.3</b>   |



# Orange County Transportation Authority



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