

MEASURE M2 PERFORMANCE ASSESSMENT REPORT

MARCH 4, 2019

ORANGE COUNTY TRANSPORTATION AUTHORITY

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ASSESSMENT FOCUS

- **Triennial Performance Assessment required by M2 Ordinance**
— 4th assessment to date
- **Main areas of focus included project delivery, program management & responsiveness, compliance, fiscal responsibility, and transparency & accountability.**
- **Additional review of status of prior assessment findings, performance of OCTA's delivery of M2 projects and programs, and opportunities for improvement.**

OVERALL SUMMARY AND PROGRAM GOALS

RESULTS

- On track with meeting primary goals of M2 Ordinance and fulfilling promises.
- Significant progress made in all M2 areas.
- Incorporated many leading industry practices.
- Sound Fiscal Practices in place.
- Aligns well with peers reviewed.

RECOMMENDATIONS

- ✓ Consider identifying measures to capture progress towards M2 Goals on a periodic basis

PROGRESS ON M2 GOALS

#	M2 Goal	Results Thus Far (as of June 30, 2018)
1	Relieve Congestion	<ul style="list-style-type: none"> • Congestion increased overall, but so did Vehicle Miles Traveled. • Delay is down on SR-91.
2	Fix Potholes & Resurface Streets	<ul style="list-style-type: none"> • PCI improved from 77 in 2014 to 79 in 2016—best in State.
3	Expand Metrolink Rail	<ul style="list-style-type: none"> • 8 of 13 currently identified expansion projects were completed. • Includes 50 at-grade rail crossing enhancements. • OC Streetcar ready to start construction.
4	Provide Reduced Cost Transit Services to Seniors and Persons with Disabilities	<ul style="list-style-type: none"> • \$22 million provided to stabilize fares. • \$36.4 million provided to projects to expand senior transportation services. • 6.8 million reduced fare passes issued to seniors FY15/16 to FY17/18. • 2.7 million reduced fare passes issued to persons with disabilities FY15/16 to FY17/18. • 96 million fare stabilization program-related boardings provided.
5	Synchronize Traffic Lights	<ul style="list-style-type: none"> • 2,258 traffic lights synchronized.
6	Reduce Air and Water Pollution and Protect Local Beaches through Cleanup of Roadway Oil Runoff	<ul style="list-style-type: none"> • 6.2 million cubic feet of trash removed. • 1,300 acres preserved as open space and 350 acres restored.

STRONG PROGRAM MANAGEMENT EXISTS

RESULTS

- PMO oversight is strong and more robust than peers reviewed.
- Clear roles and functions ensured appropriate oversight and buy-in.
- Continuous improvement valued and prior assessments findings implemented.
- Administrative costs closely monitored and compliant.
- Strong framework and leading practices in place over cybersecurity.

RECOMMENDATIONS

- ✓ Implement in-progress plans to update cybersecurity training policy and require annual training.
- ✓ Regularly monitor cybersecurity training status including identification of responsibilities, frequency, verification, results, and documentation of monitoring efforts.

SIGNIFICANT PROGRESS & ACCOMPLISHMENTS

RESULTS

- Many accomplishments to date such as:
 - 43 new freeway miles
 - 5 new interchanges
 - 8 railroad grade separations
 - \$342 million in fair share dollars provided to cities to improve local infrastructure
 - 6.2 million cubic feet trash collected, 1,300 acres of open space preserved, and 350 acres restored
- Good controls in place over capital budgets and schedule—although some challenges faced.
- Solid Policies & Procedures over contracting and construction were followed.

RECOMMENDATIONS

- ✓ Create a methodology to gather and track outputs and accomplishments against M2 anticipated goals.
- ✓ Demonstrate a stronger link between capital project selection guidance and project prioritization by memorializing discussions and/or decisions.

APPROACHES ENSURED COMPLIANCE

RESULTS

- Philosophy of adherence to voter promises permeated throughout the organization.
- Robust system used to track compliance—well beyond peers reviewed.
- Local eligibility requirements were robust and thoroughly reviewed by OCTA—again, leading the peer group reviewed.
- Grant award and monitoring practices were sound.

RECOMMENDATIONS

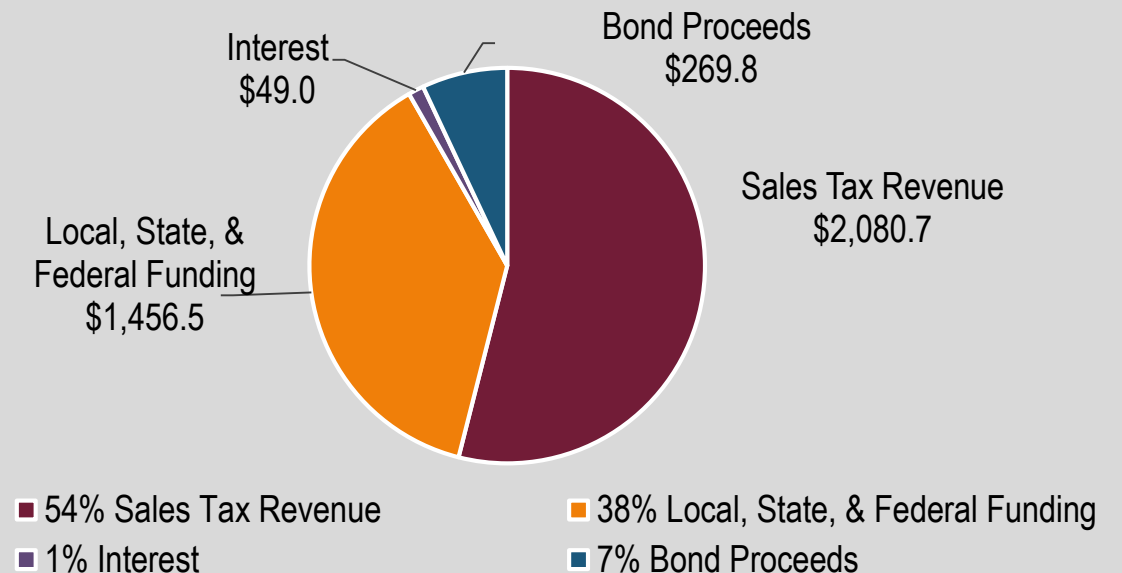
- ✓ Ensure PMO's Compliance Matrix includes links, where appropriate, to underlying support, further demonstrating and validating compliance.

GOOD FISCAL PRACTICES IN PLACE

RESULTS

- Used a careful and modest approach allowing great progress when faced with rising costs and declining revenues.
- Forecast methodology was sound and cash flow practices were more robust than many peers.
- Although future construction cost increases could pose a risk, OCTA adopted a cost pressure index to monitor risk and built in an economic uncertainty factor into cash flow projections to mitigate risk.

- Leveraged approximately \$1.5 Billion in external revenue sources program-wide.



No recommendations.

GOOD FISCAL PRACTICES IN PLACE (CONT.)

- OCTA's approach to debt financing was conservative, consistent with the Ordinance, in-line with similar transportation agencies, and debt service coverage appeared sufficient to meet future repayment obligations.

Agency	Program Duration	Financing Method	Budgeted Sales Tax Revenue for Fiscal Year 2017-2018	Annual Debt Service	Outstanding Debt
RCTC (Riverside County Transportation Committee, Riverside County, CA)	9th year of 30-year program	Debt	\$187.0 M	\$96.6 M	\$878.9 M
SANDAG (San Diego Association of Governments, San Diego County, CA)	10th Year of 40-year program	Debt (2008-2021) Pay-go (2022-2048)	\$292.1 M	\$105.3 M	\$2,263.2 M
RTA (Regional Transportation Authority, Pima County, AZ)	13th year of 20-year program	Debt	\$88.2 M	\$17.4 M	\$248.2 M
MAG (Maricopa Association of Governments, Maricopa County, AZ)	12th year of 20-year program	Pay-go	\$458.6 M	N/A	N/A
OCTA	7th year of 30-year program	Debt	\$316.5 M	\$44.4 M	\$310.2 M

OCTA IS TRANSPARENT & ACCOUNTABLE

RESULTS

- Highly focused on accountability with great transparency of actions, decisions, and data communicated to Board and public stakeholders.
- Outreach efforts aligned with peers reviewed.
- Public perception results were positive and showed more awareness.
- TOC functioned as envisioned and internal audit function provides additional layer of accountability.

RECOMMENDATIONS

- ✓ Enhance awareness of M2/OC Go on social media through more M2-focused content or through media dedicated solely to M2/OC Go.
- ✓ Add TOC member bios on website to enhance transparency of those providing taxpayer oversight.

QUESTIONS

Sjoberg Evashenk appreciates the cooperation and assistance from OCTA, Caltrans, and stakeholders.

Questions?



Update on State Route 55 Improvement Project from Interstate 405 to Interstate 5

Project Limits and Background

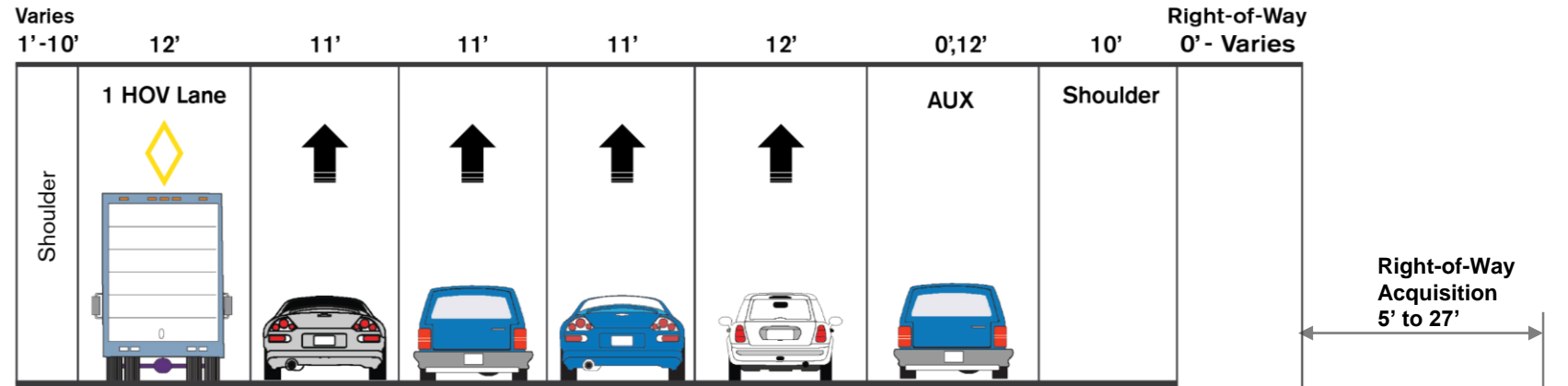


- Borders cities of Irvine, Santa Ana, and Tustin (Cities)
- Partnership with California Department of Transportation (Caltrans) and Cities
- Project F in Measure M2
- Average daily traffic is expected to grow five percent from 261,700 to 274,800 by 2040

Project Improvements

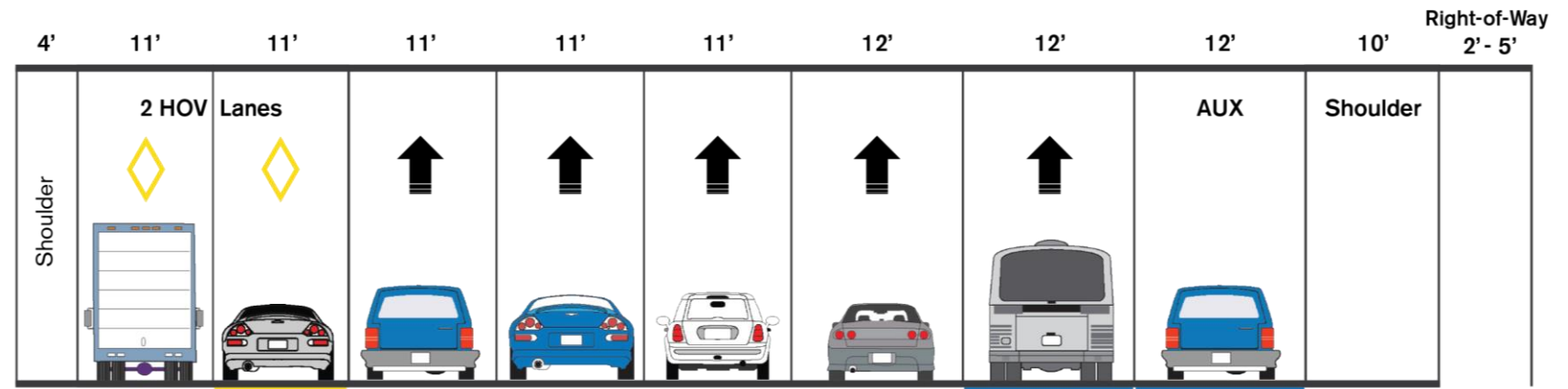
No Build (Existing)

No capital or operational improvements

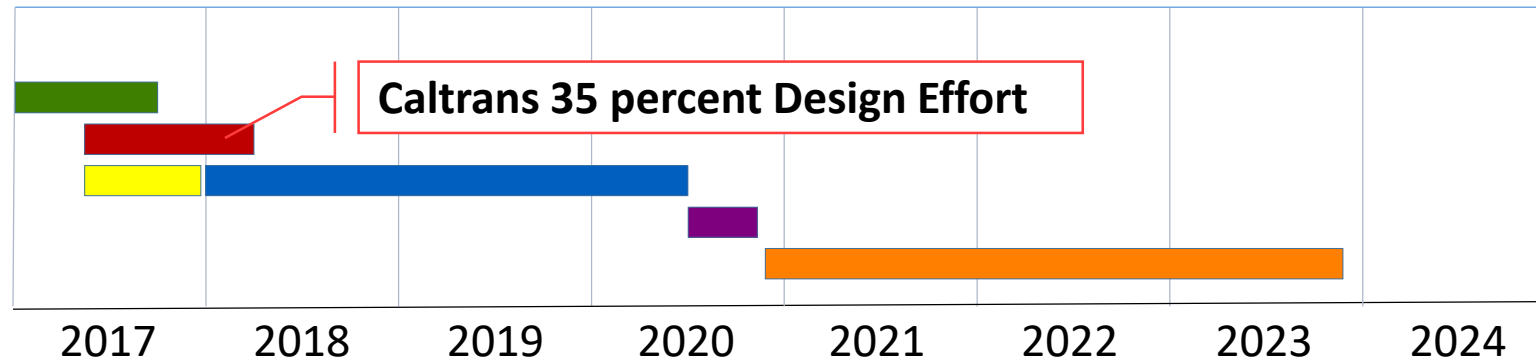


Build Improvements

- Add one high-occupancy vehicle lane in each direction
- Add one general purpose lane in each direction
- Add auxiliary lanes at certain locations



Current Accelerated Schedule



- Environmental
- Design Procurement for Orange County Transportation Authority Consultant
- Design/Right-of-Way (ROW)
- Advertise/Award
- Construction

- Design partnership with Caltrans
- Complete design and ROW efforts by mid-2020
- Begin construction end of 2020

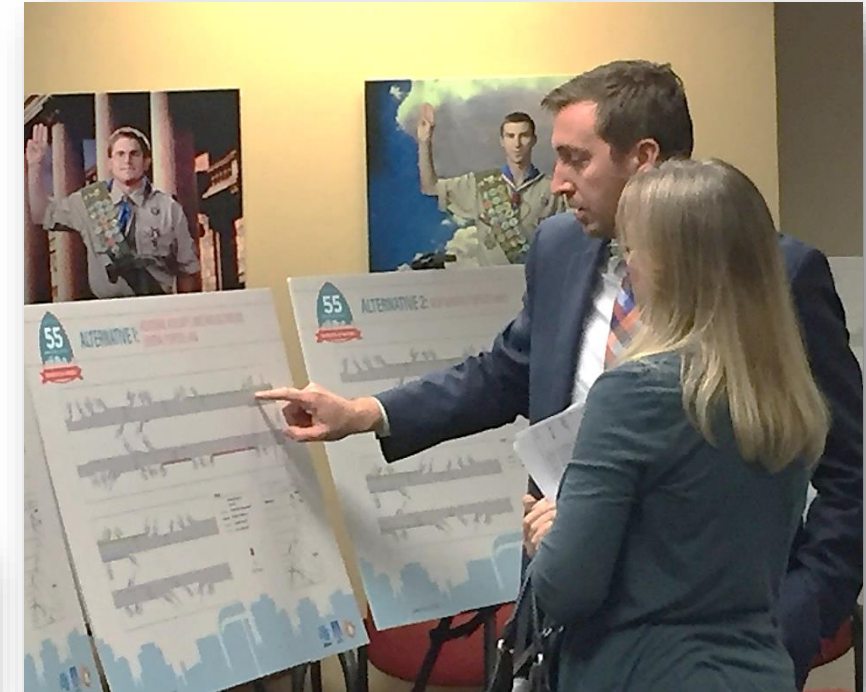
Project Schedule

	2017	2018	2019	2020	2021	2022	2023
Complete Environmental Phase	✓	September 2017					
Initiate 35 percent Design, ROW Need and Utility Conflicts	✓	September 2017					
Complete 35 percent Design		✓ April 2018					
Initiate ROW Appraisal Maps		✓ June 2018					
Complete 65 percent Plans, Specifications, and Estimates (PS&E)			✓ January 2019				
Initiate ROW Appraisals			✓ January 2019				
Submit 95 percent PS&E			★ July 2019				
First Offers to Property Owners			★ Summer 2019				
Submit 100 percent PS&E				★ January 2020			
ROW Certification				★ May 2020			
Ready To List				★ June 2020			
Construction				Early 2021 to End 2023			

Public Outreach

- Stakeholder ascertainment/briefings
- City Council presentations
- Civic organization briefings
- Business/school outreach
- Community events
- Collateral development
- Construction alerts
- Social media
- Closures/detours map

The image displays two overlapping project information sheets for the Costa Mesa Freeway (SR-55) Improvement Project. The top sheet is in Spanish, titled 'PROYECTO DE MEJORAMIENTO DE LA AUTOPISTA COSTA MESA (SR-55) I-405 HASTA I-5'. The bottom sheet is in English, titled 'COSTA MESA FREEWAY (SR-55) IMPROVEMENT PROJECT I-405 TO I-5'. Both sheets include project details such as length (5.7 miles), project cost (approximately \$410.0 million), funding sources (Federal, State and Local), and contact information for the Orange County Transportation Authority (OCTA). The English sheet also features a 'SCHEDULE' section with a Gantt chart showing approximate time frames for various project phases from 2014 to 2024.



Next Steps

Activity/Milestone	Date
ROW	
Complete ROW Appraisals and Provide First Offers to Property Owners	Summer 2019
Complete Utility Agreements	Early 2020
Obtain ROW Certification	May 2020
Design and Construction	
Complete Design	Early 2020
Obtain Ready to List	June 2020
Advertise for Construction	Late 2020
Start Construction	Early 2021

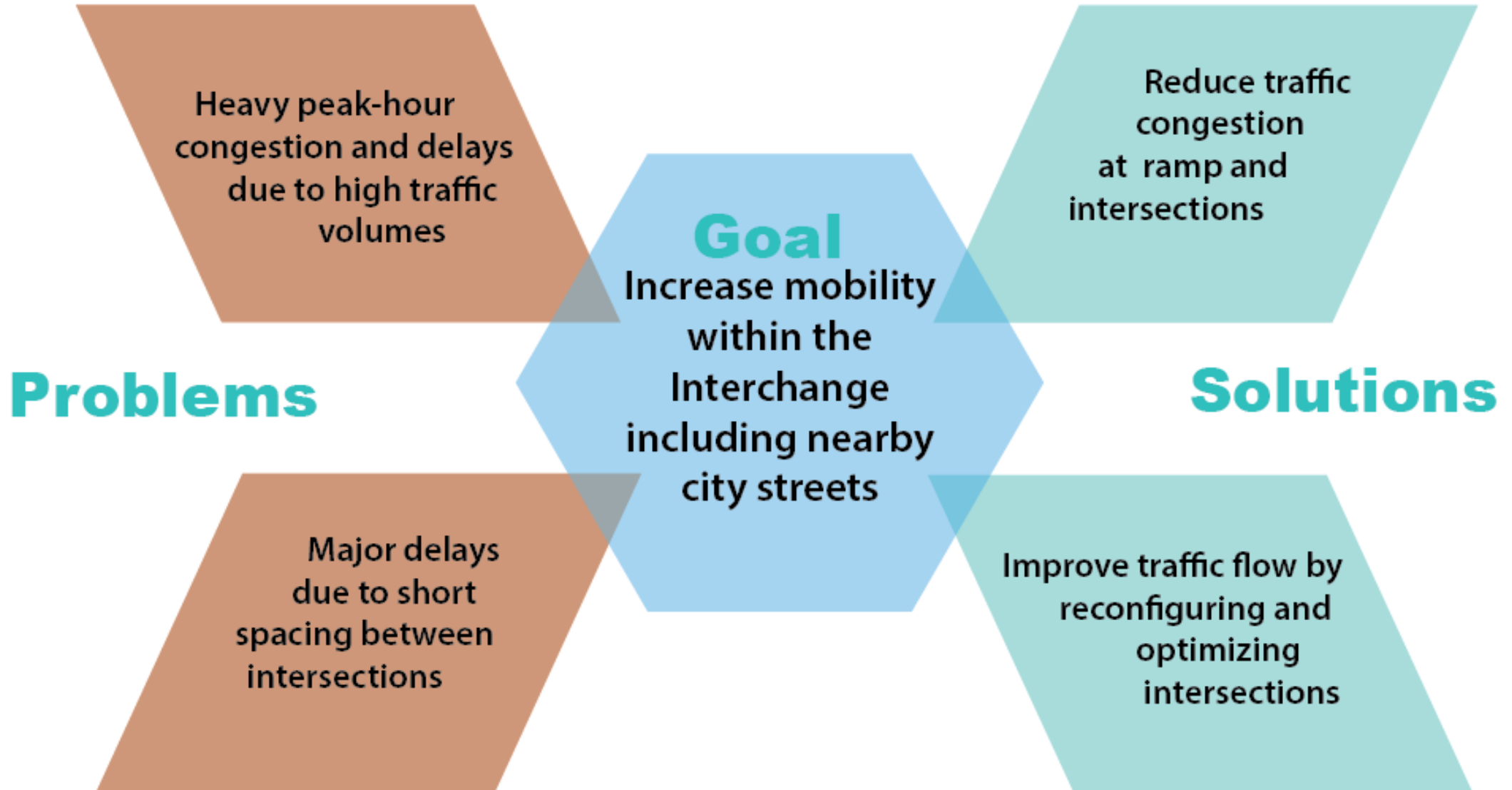
PROJECT UPDATE



PROJECT LOCATION



PROBLEMS/SOLUTIONS



ALTERNATIVE 1: INTERSECTION MODIFICATION



Lake Forest

Bridger Road

El Toro Rd



Avenida De La Carlota

Laguna Woods

Paseo De Valencia

Laguna Hills Mall

Laguna Hills



ALTERNATIVE 2: FLYOVER



Lake Forest

Bridger Road

El Toro Rd



Avenida De La Carlota

Laguna Woods

Paseo De Valencia

Laguna Hills Mall

Laguna Hills



ALTERNATIVE 3: DIVERGING DIAMOND INTERCHANGE



Lake Forest

Bridger Road

El Toro Rd



Avenida De La Carlota

Laguna Woods

Paseo De Valencia

Laguna Hills Mall

Laguna Hills



ALTERNATIVE 4 & OPTION B: COLLECTOR DISTRIBUTER ROAD AND HOOK RAMPS



Alternative 4
Option B

Lake Forest

Bridger Road

El Toro Rd



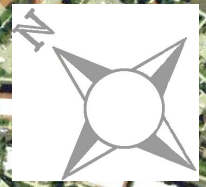
Avenida De La Carlota

Laguna Woods

Paseo De Valencia

Laguna Hills Mall

Laguna Hills



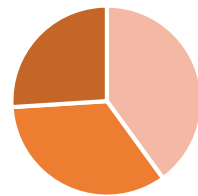
TRAFFIC BENEFITS

Local Intersection Location	Alt 1	Alt 2	Alt 3	Alt 4
Avenida De La Carlota / Paseo De Valencia SB Off-Ramp	N/A	↑	↑	↑
Avenida De La Carlota / El Toro Rd		↑		↑
Bridger Rd / NB On & Off-Ramps / El Toro Rd	↑	↑		↑
Rockfield Blvd / El Toro Rd				↑
Paseo De Valencia / El Toro Rd	↓			

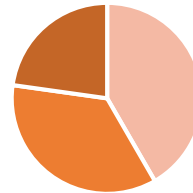
Freeway Mainline Segment	Alt 1	Alt 2	Alt 3	Alt 4
NB I-5 (El Toro Loop On-Ramp to El Toro Tangent On-Ramp)			↑	
NB I-5 (El Toro Tangent On-Ramp to Lake Forest On-Ramp)	↑	↑		↑
SB I-5 (Carlota / Valencia Off-Ramp & Carlota / Valencia On-Ramp)		↓		↑
SB I-5 (Carlota / Valencia On-Ramp to El Toro Tangent On-Ramp)			↑	↑
SB I-5 (El Toro Tangent On-Ramp to Alicia Parkway Off-Ramp)				↑

COST BENEFIT COMPARISON

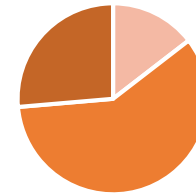
	Alt 1	Alt 2	Alt 3	Alt 4
Name	Intersection Modification	Flyover	Diverging Diamond Interchange	Collector Distributer Road and Hook Ramps
Cost*	\$100 million	\$180 million	\$110 million	\$265 million
Traffic Benefit	Minimal	High	Minimal	High



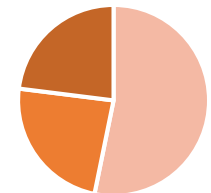
- Right of Way
- Roadway/Structures
- Support



- Right of Way
- Roadway/Structures
- Support



- Right of Way
- Roadway/Structures
- Support



- Right of Way
- Roadway/Structures
- Support

*Total Project Costs are in 2019 dollars and include right of way, roadway/structures construction, support, and contingencies. 9

BUILDABLE ALTERNATIVES CONSIDERED FOR FURTHER REVIEW IN THE DPR & DED

ALTERNATIVE 2: FLYOVER



ALTERNATIVE 4: COLLECTOR DISTRIBUTER ROAD AND HOOK RAMP



NEXT STEPS

May 2017	Begin Environmental
June 2017	Purpose & Need
May – December 2017	Alternatives Development
Nov 2017 – Feb 2018	Value Analysis Study
Jan 2018 – March 2019	Alternatives Analysis
July 2018	Public Information Meeting
April 2019 – May 2019	Public Circulation
April 18, 2019	Public Hearing
May 2019 – July 2019	Respond to Public Comments
July 2019 – August 2019	Project Development Team Members Recommend Preferred Alternative
November 2019	Final Project Approval/Environmental Documents