

AGENDA

- 1. Welcome
- 2. Pledge of Allegiance
- 3. Approval of Minutes/Attendance Report for October 9, 2018

4. Action Items

A. M2 Quarterly Revenue & Expenditure Report (Dec 18) Vicki Austin, Department Manager, Accounting & Financial Reporting

5. Presentation Items

- A. Signal Synchronization Program Update Kia Mortazavi, Executive Director, Planning
- B. Freeway Projects Update Jim Beil, Executive Director, Capital Programs
- C. I-405 Update Steven King, Senior Project Manager, Highway Programs Chris Boucly, Section Manager, Capital Projects Outreach

6. OCTA Staff Updates

- A. Ordinance Compliance Matrix Tamara Warren, Program Manager, M2 Program Office
- B. Upcoming Annual Hearing Alice Rogan, Director, Marketing and Public Outreach
- 7. Annual Eligibility Review Subcommittee Report
- 8. Audit Subcommittee Report
- 9. Environmental Oversight Committee Report
- **10. Committee Member Reports**
- 11. Public Comments*

12. Adjournment

The next meeting will be held on April 9, 2019

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

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



INFORMATION ITEMS

Staff Report Title	Board Meeting Date
1. Metrolink Fiscal Year 2017-18 Performance Report	October 22, 2018
2. 2019 Project W Safe Stops Call for Projects	October 22, 2018
 Approval of the 2018 Measure M2 Plan of Finance, Issuance of Measure M2 Bonds, Selection of Underwriting Team, and Bond Counsel Services Amendment 	November 12, 2018
4. Agreement with Grand Jurors Association of Orange County for Recruitment Services for Measure M2 Taxpayer Oversight Committee	December 10, 2018
5. Measure M2 Quarterly Progress Report for the Period of July 2018 Through September 2018	December 10, 2018
6. Measure M2 Environmental Mitigation Program Update	December 10, 2018
7. Fiscal Year 2018-19 Measure M2 Annual Eligibility Review	December 10, 2018
8. Comprehensive Transportation Funding Programs Semi-Annual Review – September 2018	December 10, 2018
9. Issuance of Series 2019 Measure M2 Bonds, Measure M2 Financing Documents, and Trustee Services Amendment <i>(Attachments available upon request)</i>	January 28, 2019

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

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

Measure M Taxpayer Oversight Committee Orange County Transportation Authority 550 S. Main Street, Orange CA, Room 07 October 9, 2018 @ 5:00 p.m.

MEETING MINUTES

Committee Members Present:

Richie Kerwin Lim, First District Representative Larry Tekler, Second District Representative Eugene Fields, Third District Representative Andrew Lesko, Third District Representative Larry Lang, Fourth District Representative Jeffery Kaplan, Fifth District Representative Matt McGuinness, Fifth District Representative

Committee Member(s) Absent:

Eric Woolery, Orange County Auditor-Controller, Co-Chairman Dale Soeffner, First District Representative, Co-Chairman Mark Kizzar, Second District Representative

Orange County Transportation Authority Staff Present:

Joe Alcock, Section Manager, M2 Local Programs Jim Beil, Executive Director, Capital Programs Julianne Brazeau, Public Reporter Specialist Christine Byrne, Department Manager, Public Outreach Stephanie Chhan, Associate, Measure M Program Marissa Espino, Community Relations Officer Jared Hill, Community Relations Specialist Rodney Johnson, Deputy Treasurer Kia Mortazavi, Executive Director, Planning Andrew Oftelie, Executive Director, Finance Tamara Warren, Measure M Program Manager

1. Welcome

Co-Chair Eugene Fields welcomed everyone to the Orange County Transportation Authority (OCTA) Taxpayer Oversight Committee (TOC) meeting at 5:04 p.m.

2. Pledge of Allegiance

Andrew Lesko led the Pledge of Allegiance to the Flag.

3. Approval of the Minutes/Attendance Report for August 14, 2018

Co-Chair Eugene Fields asked if there are any corrections to the Minutes/Attendance Report for August 14, 2018. A motion was made by Richie Lim, seconded by Andrew Lesko, and carried unanimously to approve the August 14, 2018 TOC Minutes and the Attendance Report.

4. Action Items

A. Annual Eligibility Review (AER) Subcommittee Report Fiscal Year 2018-19

Matt McGuinness said the Measure M2 Ordinance requires all local agencies in Orange County to annually satisfy the annual eligibility requirements. The AER Subcommittee met to review each local agency's eligibility to ensure the requirements were met. The AER Subcommittee reviewed each cities pavement improvement plan.

The AER Subcommittee is happy to report the City of Fullerton's pavement improvement is trending upward. The subcommittee is recommending OCTA send a letter to the City of Fullerton commending them for their significant improvement.

The AER Subcommittee recommends the 35 local jurisdictions for eligibility.

A motion was made by Richie Lim, seconded by Matt McGuinness and carried unanimously to approve the recommendations made by the AER Subcommittee for the FY 18-19 Eligibility Report.

A motion was made by Matt McGuinness, seconded by Larry Tekler and carried unanimously to approve the recommendation by the AER Subcommittee to direct OCTA staff to send a letter of appreciation to the City of Fullerton to acknowledge the improvement of the condition of their pavement quality index.

The TOC discussed why the City of Fullerton was singled out for the quality of their pavement. This year the City of Fullerton's pavement index has improved and more funds were allocated to improve pavement in the city. Their rating is still low, but the subcommittee is happy to see improvement.

5. Presentation Items

A. Measure M2 Next 10 Plan: Market Conditions Key Indicators Analysis and Forecast

Tamara Warren said the Orange County Business Council (OCBC) was hired to look at market conditions and to give OCTA an indication of what can be expected in the construction industry – permits, tariffs on steel, other material costs, and labor shortage. OCBC created a cost pressure index model. She said some of the pressures are industry consolidation, aging workforce, weak housing market which means workers have to commute in to Orange County. The OCBC has predicted that in 2018 there will be a six percent to 11 percent escalation impact on construction costs. Starting in 2019 there will be a two percent to six percent escalation impact. OCBC also pointed out there are some idiosyncratic risks that cannot be modeled.

The TOC discussed the reason for the wide spread in the escalation impacts. Tamara Warren said this is OCBC's first time doing a study like this and they hope to build and refine the study over time. OCTA will look at the projections and see how conservative OCTA wants to be looking forward. Tamara said OCTA knows we are in a cost increasing environment. She said OCTA typically builds in about a three percent cushion, but this study indicates we need to think about building in a larger cushion for the next few years.

The committee discussed if certain types of projects are more susceptible to the escalating costs. Tamara Warren said this study was more of a high level broad analysis. Some projects or parts of projects will come in at the higher levels, while some will come in at the lower levels. This is a new way of projecting and the first year out is usually closest to the projections.

The TOC discussed using OCTA's discretionary budget while in a recession to take advantage of the lower costs. Tamara Warren said OCTA has many "shelf-ready" projects so OCTA can advance projects and deliver early. She said OCTA does bonding when the market is good. Also, with "shelf-ready" projects OCTA can take advantage of federal and state funds as they become available. Tamara said costs traditionally increase, so the earlier OCTA can deliver projects – the less the project will cost. Therefore, OCTA has been very successful with the Measure M projects.

B. Measure M2 2018 Update: Next 10 Delivery Plan

Tamara Warren presented the Measure M2: Next 10 Delivery Plan. Some goals of the plan are to accelerate projects and be ready to deliver earlier to beat escalating costs and utilize external funding. The base year for this plan is 2016 and will go through 2026. She said normally the plan would be in place and the TOC would not get so many updates, but because of the fluctuation in revenues we have been reviewing the plan more often. Last year the total Measure M2 revenue projected through 2014 was expected to be \$13.5 billion and this year the projection was lowered to \$13.1 billion. Tamara said most elements of the Measure M2 Plan scale with the available revenue. OCTA has difficulty scaling the elements of the freeway plan because projects have set scopes and OCTA cannot build less than the full project. She said OCTA has about \$127 million less in the freeway mode than expected.

Tamara Warren discussed the comparison of Construction Costs Index (CCI) that Caltrans puts together. The CCI indicates construction costs from 2007–2016 increased by 40 percent and at the same time sales tax by only 11 percent. She also talked about the key risks being lower revenue, the possible repeal of Senate Bill 1 that provides gas tax funding to projects, market pressures, project estimates, interest rates and regulatory impacts.

Tamara Warren showed the Measure M2 cash flow, the deliverables through the end of the 10 year plan/through the end of 2041 and the next steps. Deliverables through 2026 include \$4.3 billion in freeway program projects, allocating \$1 billion in streets and roads funding, investing \$1 billion in rail programs and \$40 million in environmental water quality and mitigation programs.

The TOC discussed external funding. Tamara Warren said last year OCTA received zero funding from the State Transportation Improvement Program (STIP). She said we always make assumptions on current laws, and therefore Senate Bill One was included in the Next 10 Plan. There is also the Cap and Trade program and other federal funding sources available.

The TOC also discussed building in extra funds for projects based on the market research discussed in the last item.

The committee discussed the reasoning for Measure M2 tax revenue being down \$400 million. Tamara Warren said initially the big hit was the recession. Also, people are spending more on services as opposed to taxable items. Andrew Oftelie said there is a tangible migration to online sales which reduces taxable sales. He said going forward in the short-term it is expected there will be lower auto-sales, lower amount of construction being done and a lower inflation rate. In the long-term the inflation rate will still be low and lower population rates, which means lower revenue based on lower sales.

The committee asked how the 13 percent contingency figure was arrived at for project reserves. It was based on the risk factors and how much OCTA could afford based on projections and funding available. If projections are off, OCTA could slow the pace of a project, , and try to capture external revenue sources.

6. OCTA Staff Updates

A. OC Streetcar Project Update – Jim Beil updated the committee on the OC Streetcar Project. He said the project is moving forward. On September 24, 2018 the OCTA Board of Directors approved a \$221 million construction contract award to Walsh Construction for the OC Streetcar Project. He said we are watching the federal government in relation to receiving the full funding grant agreement. He said OCTA is also monitoring tariffs on steel. OCTA should have a notice to proceed on the project by December. Jim discussed the utility relocation work

along the streetcar line and the vehicles construction being underway (paid for by Project S).

The committee asked if there was an increase in contingencies based on the utilities or other aspects. Jim Beil said there are no increases to the contingencies, but we have spent 10% of the contingency budget. OCTA will carefully monitor this. The Federal Transit Administration (FTA) is overseeing this as well and the contingency rate is within their guidelines.

The committee asked if the increased budget for the project came from the contingencies. Jim Beil said no, OCTA increased the budget in July. The project cost is almost \$408 million and \$216 million comes from federal funding, \$25 million from state Cap and Trade funds, and \$165 million from Measure M2 funds.

The committee asked if the OC Streetcar was eligible for a TIFIA loan. Andrew Oftelie said there was no need for a loan on this project because OCTA has the money set aside in Measure M2 for this project.

- B. M2 Triennial Performance Assessment Update Stephanie Chhan gave a brief update on the M2 Triennial Performance Assessment. The consultant continues to conduct interviews and will interview Matt McGuiness as a member of the TOC.
- C. I-405 Update Christina Byrne said the I-405 Project is going smoothly. The Slater and McFadden bridges are currently closed and completely demolished. She said OCTA will begin work on the Bolsa Chica bridge next. This bridge will remain partially open throughout the project. She said OCTA will take down half of the bridge at a time. After Bolsa Chica, work will begin on Magnolia and Goldenwest.

The TOC asked about the feedback from the community. Christina Byrne said there has been a variety of feedback. The community has been very tolerant of construction especially when they see activity.

The committee asked about impacts to bus ridership. Christina Byrne said one route on McFadden had to be relocated to accommodate the bridge closure.

Eugene Fields said from what he has seen/heard people are uncomfortable, but happy with OCTA's outreach.

7. Annual Eligibility Review Subcommittee Report

Matt McGuinness said there was nothing additional to report.

8. Audit Subcommittee Report

Richie Lim said there has not been a meeting.

9. Environmental Oversight Committee (EOC) Report

Eugene Fields said there has not been a meeting, but OCTA completed the Resource Management Plans (RMP) for the Eagle Ridge Preserve in Brea and Pacific Horizon Preserve in Laguna Beach. The RMP's provide guidance for the protection, preservation and management of the natural resources found within these reserves. These plans are a result of years of collaboration between the EOC, the environmental community and the Wildlife Fish and Game Services. These RMPs will be reviewed and updated every five years as necessary.

10. Committee Member/Staff Reports

Eugene Fields congratulated OCTA's Sam Kaur for being listed as one of the top under 40 by Mass Transit Magazine.

11. Staff Report

Alice Rogan reported that Stanley Counts has resigned from the committee due to health reasons. She said he has been great member of the committee and will be missed. Alice said staff will be contacting the next members on the list to see if they are interested in fulfilling his term which ends in June.

The committee discussed whether there should be a meeting in December.

12. Public Comments

There were no public comments.

13. Adjournment

The Measure M Taxpayer Oversight Committee meeting adjourned at 6:13 p.m. The next meeting will be held on December 11, 2018.

Taxpayer Oversight Committee Fiscal Year 2018-2019 Attendance Record

X = Present E	= Excuse	d Absence	e * = A	bsence F	Pending A	oproval	U = Une	excused A	bsence	= Res	igned	
Meeting Date	10-Jul	14-Aug	11-Sep	9-Oct	13-Nov	11-Dec	8-Jan	12-Feb	12-Mar	9-Apr	14-May	11-Jun
Stanley F. Counts		X										
Eugene Fields		X		X								
Jeffery Kaplan		X		X								
Richie Kerwin Lim		X		X								
Mark Kizzar		X		U								
Larry Lang		X		X								
Andrew Lesko		X		X								
Ronald T. Randolph												
Matt McGuinness		X		X								
Dale Soeffner		X		U								
Larry Tekler		X		X								

Absences Pending Approval

Meeting Date

<u>Name</u>

<u>Reason</u>

Action Items

Measure M2 Schedule of Revenues, Expenditures and Changes in Fund Balance as of December 31, 2018 (Unaudited)

(\$ in thousands)	Quarter Ended Dec 31, 2018	Year to Date Dec 31, 2018	Period from Inception to Dec 31, 2018
		(A)	(B)
Revenues:			
Sales taxes	\$ 95,251	\$ 176,844	\$ 2,251,907
Other agencies' share of Measure M2 costs:			
Project related	22,397	23,286	647,596
Non-project related	-	-	454
Interest:			
Operating: Project related	(330)	(167)	425
Non-project related	2,380	4,523	27,635
Bond proceeds	2,000	898	52,216
Debt service	106	171	478
Commercial paper	-	-	393
Right-of-way leases	-	3	914
Proceeds on sale of assets held for resale	-	-	12,201
Donated assets held for resale			
Project related	2,071	2,071	2,071
Non-project related	(2,071)	(1,700)	371
Miscellaneous:			070
Project related Non-project related	-	-	270 100
Non-project related	 	 	 100
Total revenues	 119,804	 205,929	 2,997,031
Expenditures:			
Supplies and services:			
Sales tax administration fees	855	1,758	24,577
Professional services:			
Project related	9,364	10,484	355,594
Non-project related	1,229	2,044	24,045
Administration costs:			
Project related	2,432	4,861	68,042
Non-project related:	000	4 000	00 700
Salaries and Benefits Other	633	1,266	23,799
Other:	1,284	2,568	39,281
Project related	20	37	4,978
Non-project related	13	12	4,019
Payments to local agencies:			.,
Project related	28,919	45,085	883,019
Capital outlay:			
Project related	31,859	37,152	893,854
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	-	-	42,335
Interest on long-term debt and	10	10 240	160 070
commercial paper	 13	 10,340	 168,278
Total expenditures	76,621	 115,607	 2,531,852
Excess (deficiency) of revenues			
over (under) expenditures	 43,183	 90,322	 465,179
Other financing sources (uses):			
Transfers out:			
Project related	(138,729)	(141,581)	(180,188
Transfers in:	/	,	
Project related	842	842	83,542
Bond proceeds	 -	 -	 358,593
Total other financing sources (uses)	 (137,887)	 (140,739)	 261,947
Excess (deficiency) of revenues			
over (under) expenditures			

Measure M2 Schedule of Calculations of Net Revenues and Net Bond Revenues (Debt Service) as of December 31, 2018 (Unaudited)

(\$ in thousands)		arter Ended ec 31, 2018 (actual)	-	Year to Date Dec 31, 2018 (actual)		Period from Inception through Dec 31, 2018 (actual)		Period from lanuary 1, 2019 through March 31, 2041 (forecast)		Total
		()		(C.1)		(D.1)		(E.1)		(F.1)
Revenues:										
Sales taxes	\$	95,251	\$	176,844	\$	2,251,907	\$	10,822,520	\$	13,074,427
Operating interest		2,380		4,523		27,635		140,156		167,791
Subtotal		97,631		181,367	_	2,279,542		10,962,676	_	13,242,218
Other agencies share of M2 costs		-		-		454		-		454
Miscellaneous		-		-		100		-		100
Total revenues		97,631		181,367		2,280,096		10,962,676		13,242,772
Administrative expenditures:										
Sales tax administration fees		855		1,758		24,577		121,992		146,569
Professional services		1,229		2,044		20,269		84,753		105,022
Administration costs:										
Salaries and Benefits		633		1,266		23,799		108,208		132,007
Other		1,284		2,568		39,281		177,268		216,549
Other		13		12		4,019		19,811		23,830
Capital outlay		-		-		31		-		31
Environmental cleanup		2,548		2,652		37,400		216,416		253,816
Total expenditures		6,562		10,300		149,376		728,448	_	877,824
Net revenues	\$	91,069	\$	171,067	\$	2,130,720	\$	10,234,228	\$	12,364,948
				(C.2)		(D.2)		(E.2)		(F.2)
Bond revenues: Proceeds from issuance of bonds	\$		\$		\$	358,593	\$	1,600,000	\$	1,958,593
Interest revenue from bond proceeds	φ	-	φ	- 898	φ	52,216	φ	9,488	φ	61,704
Interest revenue from debt service funds		- 106		171		478		4,705		5,183
Interest revenue from commercial paper		100		-		393		4,705		393
Total bond revenues		106		1,069		411,680		1,614,193		2,025,873
Financing expenditures and uses:										
Professional services		-		-		3,776		5,600		9,376
Bond debt principal		-		-		42,335		2,055,143		2,097,478
Bond debt and other interest expense		13		10,340		168,278		784,550		952,828
Total financing expenditures and uses		13		10,340		214,389		2,845,293	_	3,059,682
Net bond revenues (debt service)	\$	93	\$	(9,271)	\$	197,291	\$	(1,231,100)	\$	(1,033,809)

Measure M2 Schedule of Revenues and Expenditures Summary as of December 31, 2018 (Unaudited)

Project	Description	Net Revenues through Dec 31, 2018	1	Total Net Revenues		Expenditures through Dec 31, 2018		imbursement through 0ec 31, 2018	s	Net M2 Cost
	(G)	(H)		(1)		(J)		(K)		(L)
	(\$ in thousands)									
	Freeways (43% of Net Revenues)									
A	I-5 Santa Ana Freeway Interchange Improvements \$	83,983	\$	487,366	\$	6,711	\$	2,322	\$	4,389
В	I-5 Santa Ana/SR-55 to El Toro	53,642		311,292		9,157		5,706		3,451
С	I-5 San Diego/South of El Toro	112,038		650,169		124,892		44,730		80,162
D	I-5 Santa Ana/San Diego Interchange Upgrades	46,101		267,533		1,985		527		1,458
E	SR-22 Garden Grove Freeway Access Improvements	21,442		124,434		4		-		4
F	SR-55 Costa Mesa Freeway Improvements	65,399		379,523		19,267		8,081		11,186
G	SR-57 Orange Freeway Improvements	46,226		268,259		49,747		11,923		37,824
н	SR-91 Improvements from I-5 to SR-57	25,016		145,173		34,741		824		33,917
I	SR-91 Improvements from SR-57 to SR-55	74,423		431,889		21,835		6,131		15,704
J	SR-91 Improvements from SR-55 to County Line	62,933		365,213		6,935		5,294		1,641
к	I-405 Improvements between I-605 to SR-55	191,695		1,112,439		367,395		33,756		333,639
L	I-405 Improvements between SR-55 to I-5	57,126		331,513		9,188		6,496		2,692
М	I-605 Freeway Access Improvements	3,574		20,739		2,082		16		2,066
N	All Freeway Service Patrol	26,803		155,542		2,341		-		2,341
	Freeway Mitigation	45,810		265,846		52,340		2,310		50,030
	Subtotal Projects	916,211		5,316,930		708,620		128,116		580,504
	Net (Bond Revenue)/Debt Service	-		-		43,547				43,547
	Total Freeways \$	916,211	\$	5,316,930	\$	752,167	\$	128,116	\$	624,051
	%									36.3%
	Street and Roads Projects (32% of Net Re	venues)								
0	Regional Capacity Program \$	213,074	\$	1,236,510	\$	729,858	\$	450,884	\$	278,974
Р	Regional Traffic Signal Synchronization Program	85,226		494,582	-	50,556	-	4,984	-	45,572
Q	Local Fair Share Program	383,530		2,225,691		363,288		77		363,211
	Subtotal Projects	681,830		3,956,783		1,143,702		455,945		687,757
	Net (Bond Revenue)/Debt Service	-		-		48,369		-		48,369
	Total Street and Roads Projects \$	681.830	\$	3.956.783	\$	1,192,071	\$	455.945	\$	736,126
	%	,	<u> </u>	-,,	Ŧ	, , ,		,= . =	÷	42.8%

Measure M2 Schedule of Revenues and Expenditures Summary as of December 31, 2018 (Unaudited)

Project	Description		et Revenues through lec 31, 2018	I	Total Net Revenues		Expenditures through Dec 31, 2018		imbursements through 9ec 31, 2018	6	Net M2 Cost
	(G)		(H)		(1)		(J)		(K)		(L)
	(\$ in thousands)										
	Transit Projects (25% of Net Reve	enues)									
R	High Frequency Metrolink Service	\$	199,919	\$	1,233,220	\$	289,906	\$	99,000	\$	190,906
S	Transit Extensions to Metrolink		188,093		1,091,538		36,876		2,133		34,743
Т	Metrolink Gateways		29,246		63,200		98,224		60,956		37,268
U	Expand Mobility Choices for Seniors and Persons										
	with Disabilities		68,116		428,756		64,277		88		64,189
V	Community Based Transit/Circulators		42,603		247,233		6,312		463		5,849
W	Safe Transit Stops		4,702		27,288		358		26		332
	Subtotal Projects		532,679		3,091,235		495,953		162,666		333,287
	Net (Bond Revenue)/Debt Service		-		-		27,051		-		27,051
	Total Transit Projects	\$	532,679	\$	3,091,235	\$	523,004	\$	162,666	\$	360,338
	%							-			20.9%
	Macaura M2 Dragram	¢	2 4 2 0 7 2 0	\$	10 264 049	¢	0 467 040	\$	746,727	\$	1,720,515
	Measure M2 Program	φ	2,130,720	φ	12,364,948	\$	2,467,242	φ	140,121	φ	1,120,313

		I	Revenues		E	xpenditures	Rein	nbursements		
			through	Total		through		through		Net
ject	Description	De	ec 31, 2018	Revenues	D	ec 31, 2018	De	c 31, 2018		M2 Cost
	(G)		(H.1)	(1.1)		(J)		(K)		(L)
	(\$ in thousands)									
	Environmental Cleanup (2% of Re	evenues								
	Clean Up Highway and Street Runoff									
	that Pollutes Beaches	\$	45,591	\$ 264,844	\$	37,400	\$	292	\$	37,108
	Net (Bond Revenue)/Debt Service			 -		-				-
	Total Environmental Cleanup	\$	45,591	\$ 264,844	\$	37,400	\$	292	\$	37,108
	%									1.6%
	Taxpayer Safeguards and Au	dits								
	Collect Sales Taxes (1.5% of Sales Taxes)	\$	33,779	\$ 196,116	\$	24,577	\$	-	\$	24,577
	%	_								1.1%
	Oversight and Annual Audits (1% of Revenues)	\$	22,795	\$ 132,422	\$	23,799	\$	1,004	\$	22,795
	%								-	1.0%

Presentation Items



February 4, 2019

		nih
То:	Regional Planning and Highways Committee	Off
From:	Darrell E. Johnson, Chief Executive Officer	Jan V
Subject:	Regional Traffic Signal Synchronization Progra	am Update

Overview

The Orange County Transportation Authority has been working with local cities, the County of Orange, and the California Department of Transportation in funding and implementing key regional traffic signal synchronization projects. This report provides an update on the Measure M2 Regional Traffic Signal Synchronization Program, including results from recently completed projects.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) provides funding and assistance to implement multi-agency signal synchronization as part of the Measure M2 (M2) Regional Traffic Signal Synchronization Program (Project P). Annually, OCTA provides competitive capital grants specifically dedicated to the coordination of traffic signals across jurisdictional boundaries. The goal of Project P is to improve the flow of traffic by developing and implementing regional signal coordination that crosses local agencies' boundaries and maintains coordination through freeway interchanges, where possible.

OCTA and local agencies have implemented signal synchronization for 69 projects that included 2,367 signalized intersections and 613 centerline miles of streets (Attachment A). The projects have improved travel times, reduced delays and congestion, and increased the number of successive green lights drivers see in daily commutes. The results of the program translate into direct cost savings for the motorist, with less fuel consumption, and a reduction of greenhouse gas (GHG) emissions.

Discussion

Signal synchronization is a cost-effective way to increase roadway throughput without major new construction. Projects are corridor-based, and new optimized signal timings are developed based on traffic conditions and current travel patterns. These projects optimize traffic signal timings to reduce travel times, stops, delays, and ultimately give users a better driving experience. Key to these efforts is regular dialogue between partner agencies and the California Department of Transportation, resulting in agencies working together towards the multi-jurisdictional goal of the program.

Funding is provided through annual calls for projects (call), with 80 percent of funding from M2 (Project P) and 20 percent from local agencies' matching funds. Supplemental funding is used whenever available, including SB 1 (Chapter 5, Statutes of 2017) Local Partnership Program funds and Congested Corridor grants. A variety of sources have been used in the past to fund signal synchronization projects, including Measure M1, Proposition 1B Traffic Light Signal Synchronization Program, and air quality funds.

Signal projects implement a coordination strategy involving time-based synchronization of the respective agencies' systems, including the necessary upgrades to the traffic signal infrastructure. This includes modifications to prepare for future connected and autonomous vehicle technologies and applications. Existing synchronization on crossing arterials is incorporated when and where applicable. Optimized timings are developed and implemented for identified peak periods, which are typically weekday mornings, midday, and evenings. For weekend operations, the peak is typically mid-morning through early evening. To quantify signal synchronization benefits, "before and after" studies are conducted to evaluate the improvements from these new optimized timing plans.

These studies are conducted during peak traffic periods with specially equipped vehicles that have computer-linked global positioning system devices to collect traffic data. Several runs are made in each direction with the car "floating" in the middle of the traffic platoon of vehicles for each run. These studies showed improvements across all performance measures, including travel time, number of stops, and average safe speed. Additionally, fuel consumption, GHG, and other vehicle emission data is reported (Attachment B). Historically, signal timing efforts nationwide have resulted in travel time and speed improvements, as well as a reduction in stops in the range between five percent and 15 percent. Comparisons of the corridors' before and after studies indicate results in the high end of this range due to the combination of the optimized traffic signal timing plans, cooperation between all participating agencies, and minor signal upgrades to maximize traffic flow.

Signal Synchronization Projects

OCTA and local agencies have completed 69 signal synchronization projects since 2008. The signal program target of regularly synchronizing 2,000 signalized intersections, as expressed in the M2 voter guide, was met before December 2016. A total of 2,367 signalized intersections and 613 centerline miles of streets have been implemented. The total M2 grant allocation of the completed projects was approximately \$39.5 million. The completed projects are identified on the map in Attachment A. A summary of the results for the 69 completed signal synchronization projects is identified in the table in Attachment B. The early acceleration of Project P allowed the benefits of signal synchronization to be experienced by travelers much earlier than originally promised.

The completed projects have reduced average travel time by 13 percent and the average number of stops by 31 percent. Average speed improved by 15 percent. Consumers will save approximately \$144.5 million (at \$3.90 per gallon in today's dollars) on fuel costs and reduce GHG emissions by approximately 750.1 million pounds over the three-year project cycle. The reduction of GHG emissions is made possible by reducing the number of stops, smoothing the flow of traffic, and reducing the amount of acceleration and deceleration of vehicles. These results are comparable to signal timing efforts nationwide.

Currently, OCTA is funding an additional 34 signal synchronization projects that are in various stages of implementation. The committed funding from OCTA is primarily from the competitive signal program, and the grant allocation of these projects is over \$57.1 million. Once completed, these funded projects will synchronize an additional 1,247 signals and 316 miles of roadway, as summarized in Attachment C.

It is good practice to periodically resynchronize traffic signals to make sure they consider changes in traffic. The signal program allows for streets and highways from completed projects to compete again for funding during the annual call process. Previous investments made as part of earlier projects are incorporated into the refreshed projects. An example of this would be the Pacific Park Drive/Oso Parkway corridor. The signals along this corridor were synchronized in 2009 and updated in 2014. The result is a program that can regularly coordinate intersections as the basis for synchronized operation across Orange County.

Next Steps

OCTA continues to work with local agencies through various venues, including the Technical Steering Committee, Technical Advisory Committee, and the Traffic Forum to identify corridors that are eligible for funding and would benefit from signal program funding as part of the annual call.

Regional Traffic Signal Synchronization Program Update

Summary

OCTA and local agencies have successfully implemented new cooperative traffic signal synchronization timing on 69 corridors. Another 34 projects are planned or underway. The synchronization of traffic signals along these regional corridors continually results in significant improvements to traffic flow by reducing total travel times, stops per mile, and improving average speeds while decreasing fuel costs, GHG, and overall vehicle emissions.

Attachments

- A. OCTA-Funded Signal Synchronization Projects (2008 Present)
- B. Summary of Results for Completed Regional Traffic Signal Synchronization Projects
- C. Signal Synchronization Projects Planned or In-Progress

Prepared by:

Katt

Ron Keith Project Manager III (714) 560-5990

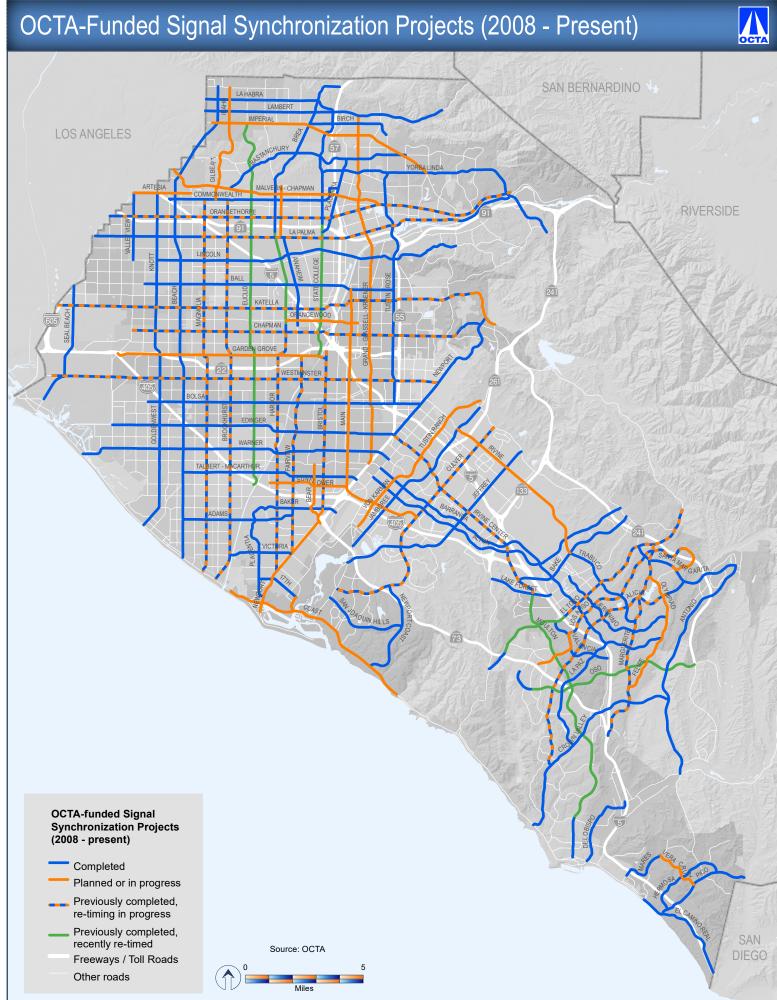
Approved by:

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

ATTACHMENT A

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11/28/2018

ATTACHMENT B

Summary of Results for Completed Regional Traffic Signal Synchronization Projects

	Corridor Name	Timing Completed	Lead Agency	Length (Miles)	Signals	M1 / M2 Grant Board Allocation	Project Life Fuel Consumed Savings (gal)	Estimated Project Life Gas Savings (Dollars)^	Estimated Project Life Greenhouse Gas Savings (lbs.)	Travel Time Improvement	Average Speed Improvement	Stops Improvement
1 2	Euclid Street*	2008 2009	OCTA OCTA	15 9	62 34	\$450,000	792,726	\$ 3,091,631 \$ 3,647,370	16,188,276	20% 22%	24% 29%	43% 50%
3	Pacific Park/Oso Parkway* Alicia Parkway	2009	OCTA	9 11	41	\$250,000 \$945,000	935,223 206,667	\$ 3,647,370 \$ 806,001	19,098,249 4,220,358	13%	12%	40%
4	Beach Boulevard	2010	OCTA	21	70	\$1,300,000	2,684,544	\$ 10,469,722	54,821,202	14%	21%	28%
5	Chapman Avenue (South)	2010	OCTA	14	52	\$800,000	831,969	\$ 3,244,679	16,989,696	16%	18%	46%
6	Edinger/Irvine Center Drive/Moulton*	2011	OCTA	22.3	109	\$846,000	1,181,976	\$ 4,609,706	24,137,220	11%	14%	34%
7	Harbor Boulevard*	2011	OCTA	16	107	\$520,000	827,208	\$ 3,226,111	16,892,430	11%	12%	23%
8	Orangethorpe Avenue	2011	OCTA	17	47	\$698,000	681,804	\$ 2,659,036	13,923,183	17%	20%	42%
9 10	State College/Bristol Street* Westminster Avenue	2011 2011	OCTA OCTA	17 13	97 48	\$760,000 \$620,000	1,048,650 1,085,484	\$ 4,089,735 \$ 4,233,390	21,414,531 22,166,736	15% 14%	18% 17%	28% 35%
11	Brookhurst Street	2012	OCTA	16	56	\$631,764	2,012,875	\$ 7,850,213	41,105,031	19%	18%	31%
12	El Toro Road*	2012	OCTA	11	40	\$478,916	846,879	\$ 3,302,828	17,294,160	19%	24%	32%
13	Katella Avenue	2012	OCTA	17	69	\$673,845	1,137,363	\$ 4,435,716	23,226,165	14%	14%	36%
14	La Palma Avenue	2012	OCTA	18	61	\$803,999	1,610,653	\$ 6,281,546	32,391,229	18%	22%	27%
15	Bastanchury Road	2013	Fullerton	8	27	\$539,936	270,002	\$ 1,053,007	5,513,723	13%	15%	49%
16	Euclid Street*	2013	Fullerton	17	66	\$1,000,000	1,106,675	\$ 4,316,031	22,599,458	15%	17%	39%
17 18	Tustin/Rose Drive Yorba Linda Boulevard	2013 2013	OCTA OCTA	10 12	43 46	\$683,200 \$521,837	592,267 465.049	\$ 2,309,842 \$ 1,813,693	12,094,717 9,496,799	15% 12%	17% 10%	37% 21%
18	Culver Drive	2013	Irvine	12	40 39	\$521,837 \$779,856	929,653	\$ 3,625,648	9,496,799 18,984,498	12%	10%	21% 19%
20	Fairview Road/Street	2014	Costa Mesa	8	39	\$620,001	444,993	\$ 1,735,472	9,087,220	11%	12%	24%
21	Jamboree Road	2014	Irvine	9	27	\$230,608	813,645	\$ 3,173,217	16,615,495	9%	9%	19%
22	Jeffrey Road	2014	Irvine	9	40	\$410,032	489,977	\$ 1,910,910	10,005,845	9%	10%	26%
23	Lincoln Avenue	2014	Anaheim	13	53	\$777,910	401,102	\$ 1,564,300	8,190,935	9%	15%	25%
24	MacArthur Boulevard/Talbert Avenue	2014	OCTA	7	24	\$392,256	134,391		2,744,427	7%	8%	13%
25	Magnolia Street	2014 2014	OCTA OCTA	16 8	54	\$400,000 \$490,222	566,394 490,380		11,566,362 10,014,071	10% 16%	12% 19%	26% 29%
26 27	Pacific Park/Oso Parkway* Valley View Street	2014	Buena Park	3	32 20	\$490,222 \$280.000	783.613		16,002,194	28%	24%	29% 37%
28	Warner Avenue	2014	OCTA	13	43	\$621,848	460,817	,,	9,410,366	8%	6%	15%
29	Avenida Pico	2014	San Clemente	4	21	\$416.453	181,023		3,696,687	9%	10%	21%
30	Crown Valley Parkway	2014	OCTA	9	30	\$367,200	142,785	\$ 556,861	2,915,820	4%	3%	20%
31	Edinger Avenue*	2014	OCTA	12	38	\$753,800	324,316		6,622,870	2%	5%	25%
32	El Camino Real	2014	San Clemente	4	19	\$359,998	380,188		7,763,838	9%	10%	25%
33	First Street/Bolsa Avenue	2014	OCTA	12	49	\$980,000	899,045	\$ 3,506,276	18,359,448	11%	12%	26%
34 35	Jeronimo Road Lake Forest Drive	2015 2014	OCTA OCTA	6 2	16 10	\$267,360 \$119,679	386,683 175,873		7,896,471 3,591,510	12% 19%	3% 23%	35% 33%
36	Lambert Avenue	2014	La Habra	10	26	\$520,000	1,173,926	\$ 4.578.312	23,972,807	14%	16%	41%
37	Marguerite Parkway	2014	OCTA	9	31	\$323,056	156,175	\$ 609,084	3,189,264	11%	12%	21%
38	Santa Margarita Parkway	2015	OCTA	5	20	\$311,912	437,265	\$ 1,705,334	8,929,416	15%	18%	41%
39	Del Obispo Street		San Juan Capistrand	4	16	\$138,800	254,554		5,198,269	13%	10%	11%
40	Knott Avenue	2015	Buena Park	7	28	\$448,000		\$ 1,918,098	10,043,483	23%	26%	37%
41	17th Street	2014	Costa Mesa	3	9	\$220,000	31,564		644,563	7%	3%	0%
42 43	Baker/Placentia Victoria Street	2014 2014	Costa Mesa Costa Mesa	8	27 11	\$519,960 \$200,000	138,520 32,005	\$ 540,228 \$ 124,820	2,828,724 653,581	14% 22%	16% 15%	34% 25%
43	Brea Boulevard	2014	Fullerton	4	16	\$320,000	208,598	\$ 813,531	4,259,783	12%	13%	43%
45	Commonwealth Avenue	2014	Fullerton	8	30	\$600,000	205,903	\$ 803,023	4,204,761	11%	12%	36%
46	Lemon Street / Anaheim Boulevard	2014	Fullerton	2	13	\$280,000	136,377		2,784,969	16%	21%	40%
47	Placentia Avenue	2014	Fullerton	4	15	\$380,000	146,390	\$ 570,921	2,989,436	18%	22%	48%
48	La Habra Boulevard	2014	La Habra	6	23	\$460,000	397,483	\$ 1,550,184	8,117,025	10%	11%	27%
49	Paseo de Valencia	2014 2015	Laguna Hills	3	12 15	\$190,742 \$260.000	43,554		889,411	8% 10%	5% 0%	34% 6%
50 51	Newport Coast Drive San Joaquin Hills Road	2015	Newport Beach Newport Beach	5 4	15	\$260,000 \$220,000	167,175 149,978	\$ 651,984 \$ 584,913	3,413,896 3,062,701	10%	0% 12%	6% 32%
52	Avenida Vista Hermosa	2015	San Clemente	3	17	\$305,856	64,846		1,324,219	17%	12%	54%
53	Camino De Los Mares	2015	San Clemente	2	13	\$248,208	463,252	\$ 1,806,683	3,153,365	27%	37%	57%
54	Los Alisos Boulevard	2014	OCTA	7	21	\$332,617	7,148	\$ 27,876	145,962	5%	3%	16%
55	Antonio Parkway	2016	OCTA	10	27	\$1,156,920	583,109	\$ 2,274,125	11,907,699	16%	19%	23%
56	Adams Avenue	2016	OCTA	5	17	\$1,042,374	529,737	\$ 2,065,973	10,817,781	12%	14%	27%
57	Trabuco Road	2015	OCTA	5	16 25	\$266,971	332,011	. ,.,.	6,780,018	15%	18%	32%
58 59	State College Boulevard* Newport Avenue/Boulevard (North)	2016 2016	OCTA OCTA	5 7	35 24	\$1,041,578 \$946,044	380,749 149,162		7,775,289 3,046,041	10% 12%	11% 15%	16% 36%
59 60	Ball Road	2016	OCTA	11	38	\$946,044 \$733,416	392,850		8,022,411	5%	7%	30% 13%
61	Alton Parkway	2014	Irvine	14	48	\$1,209,397	790,279		16,138,332	12%	14%	39%
62	Bake Parkway	2016	OCTA	6	19	\$532,603	367,780		7,510,464	12%	12%	28%
63	Barranca Parkway	2016	Irvine	13	44	\$2,106,434	701,256		14,320,395	10%	11%	26%
64	Seal Beach/Los Alamitos Boulevard	2016	Seal Beach	3	13	\$586,720	260,610		5,321,931	10%	11%	31%
65	La Paz Road	2016	OCTA	8	23	\$328,192	500,477		10,220,270	14%	16%	21%
66	Harbor Boulevard*	2017	Anaheim	4	22	\$731,867	362,716		7,407,047	8%	9%	15%
67 68	Birch Street/Rose Drive El Toro Road*	2017 2018	Brea Laguna Woods	4	14 15	\$664,230 \$514,000	161,437 286,340		3,296,709 5,847,356	23% 17%	30% 20%	37% 33%
69	Moulton Parkway	2018	Laguna Woods Laguna Woods	3 11	37	\$514,000 \$645,440	286,340	. , .,	4,920,008	12%	20%	33% 41%
09	Summary of All Pro		Laguna Woous	613	2367	\$ 39,575,058		\$ 144,568,588	750,178,606	13%	15%	31%
-	* Euclid Street, Pacific Park Drive/Oso Pa											0.70

* Euclid Street, Pacific Park Drive/Oso Parkway, Edinger Avenue, Harbor Boulevard, State College Boulevard, and El Toro Road are included twice because these projects have been revisited ^ \$3.90 per gallon gasoline price used to estimate savings Note: Improvements are averaged across both directions over the full corridor

Acronyms

Gal - Gallons

Lbs - Pounds M1 - Measure M1

M2 - Measure M2

OCTA - Orange County Transportation Authority

Signal Synchronization Projects Planned or In-Progress

AGENCY LEAD

Project	Lead	Corridor Name	Length (miles)	Signals	Number of Agencies	M2 Grant Board Allocation
1	Anaheim	Anaheim Boulevard	3.8	18	2	\$ 787,940
2	Anaheim	La Palma Avenue	11.2	39	1	\$ 2,518,146
3	Anaheim	Orangewood Avenue	3.2	15	3	\$ 683,328
4	Buena Park	Artesia Boulevard	2.4	11	2	\$ 422,142
5	Costa Mesa	Fairview Road	9.0	34	2	\$ 1,695,150
6	Costa Mesa	Sunflower Avenue	3.3	14	1	\$ 617,960
7	Costa Mesa	Bear Street	2.4	14	2	\$ 494,752
8	Fullerton	Malvern Avenue / Chapman Avenue	9.3	40	3	\$ 2,202,304
9	Fullerton	Gilbert Street / Idaho Street	5.3	19	2	\$ 917,280
10	Fullerton	Orangethorpe Avenue	17.3	57	7	\$ 3,577,668
11	Irvine	Culver Drive/Bonita Canyon/Ford	9.3	39	2	\$ 1,139,728
12	Irvine	Irvine Center Drive / Edinger Avenue	9.1	39	2	\$ 1,824,000
13	Irvine	Von Karman Avenue / Tustin Ranch Road	7.9	30	2	\$ 1,439,980
14	Irvine	Irvine Boulevard	7.3	29	1	\$ 378,166
15	La Habra	Imperial Highway / SR-90	10.3	46	5	\$ 2,760,001
16	Mission Viejo	Marguerite Parkway	9.0	30	1	\$ 759,232
17	Mission Viejo	Olympiad Road-Felipe Road	5.8	18	1	\$ 515,656
18	San Clemente	Camino Vera Cruz	1.4	5	1	\$ 192,686
19	Santa Ana	Harbor Boulevard	10.4	46	4	\$ 1,852,080
Total			138	543	44	\$ 24,778,199

OCTA LEAD AGENCY PROJECTS

Project	Lead	Corridor Name	Length (Miles)	Signals	Number of Agencies	 Grant Board Allocation
1	OCTA	Alicia Parkway	10.6	40	4	\$ 1,847,200
2	OCTA	Bristol Street	8.0	45	3	\$ 1,884,620
3	OCTA	Brookhurst Avenue	16.5	59	6	\$ 2,895,884
4	OCTA	Chapman Avenue	14.2	55	3	\$ 2,344,044
5	OCTA	Coast Highway	9.0	27	1	\$ 1,799,210
6	OCTA	El Toro Road	7.2	25	3	\$ 1,112,447
7	OCTA	Garden Grove Boulevard	8.7	34	4	\$ 2,116,670
8	OCTA	Goldenwest Street	7.7	32	2	\$ 380,800
9	OCTA	Katella Avenue	19.6	73	8	\$ 3,924,488
10	OCTA	Kraemer Boulevard / Glassell/Grand	15.0	61	4	\$ 2,433,520
11	OCTA	Los Alisos Boulevard Route	10.9	40	5	\$ 1,777,782
12	OCTA	Magnolia Avenue	16.2	50	7	\$ 2,711,694
13	OCTA	Main Street	11.9	67	3	\$ 3,058,176
14	OCTA	Newport Boulevard - South	7.0	33	2	\$ 1,304,596
15	OCTA	Westminster Avenue / 17th Street	16.3	63	6	\$ 2,820,102
Total			179	704	61	\$ 32,411,233
34			316	1247	105	\$ 57,189,432

Acronyms M2 - Measure M2 OCTA - Orange County Transportation Authority SR-90 - State Route 90

Regional Traffic Signal Synchronization Program Update



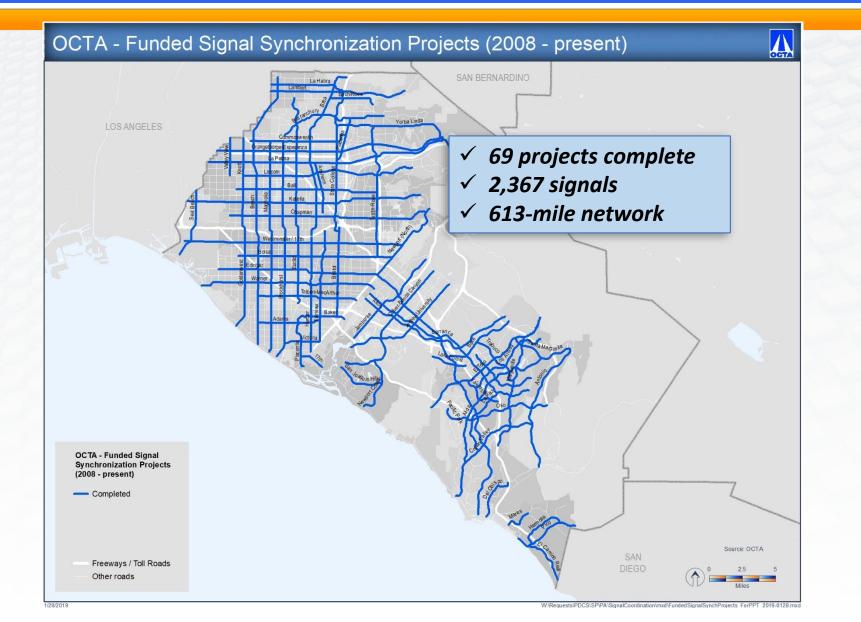
Program Overview

Goal: Regularly coordinate 2,000 signals on a countywide masterplan to improve traffic flow

Approach: - Promote multi-jurisdictional projects

- Provide competitive grants to local agencies with local matching funding
- Fund signal timing and hardware costs
- Offer support or lead implementation

Completed Synchronization Projects

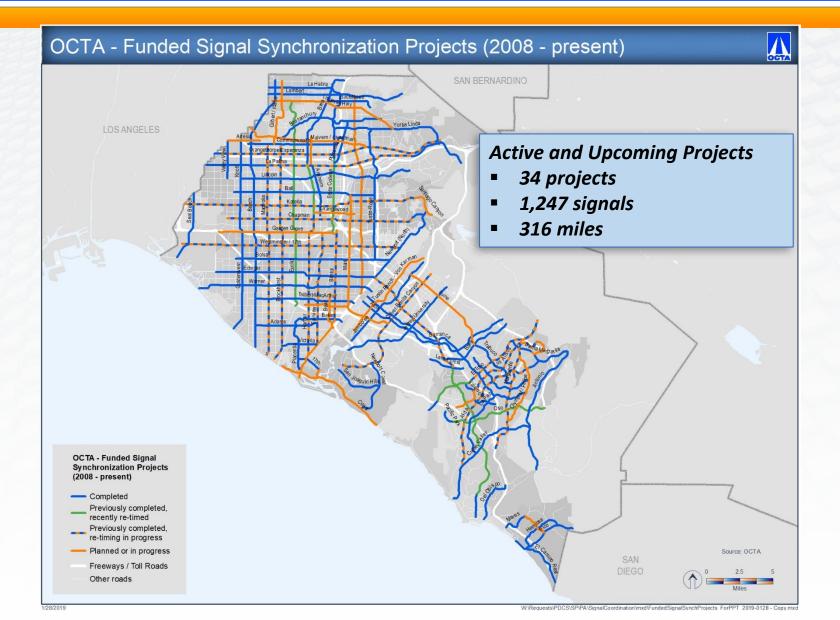


Results for Completed Projects

- Travel time improved an average of 13%
- Speeds improved an average of 15%
- Stops reduced an average of 31%
- Fuel savings \$144 million
- GHG reduction of over 750 million pounds

• \$39.5 million investment or less than \$17,000 per intersection

Completed, Refreshed, and Planned Projects



Next Steps

- 34 signal projects planned or in-progress
 - 1,247 signals across 316 miles
 - \$57 million in investment
- Additional project funding recommendations in spring 2019



February 4, 2019

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From: Darrell E. Johnson, Chief Executive Officer

Executive Committee

Subject: Capital Programs Division - Second Quarter Fiscal Year 2018-19 Capital Action Plan Performance Metrics

Overview

To:

The Orange County Transportation Authority's Strategic Plan key strategies and objectives to achieve the goals for Mobility and Stewardship include delivery of all Capital Action Plan projects on time and within budget. The Capital Action Plan is used to create a performance metric to assess capital project delivery progress on highway, grade separation, rail, and facility projects. This report provides an update on the Capital Action Plan delivery and performance metrics.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) Capital Programs Division is responsible for project development and delivery of highway, grade separation, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery commitments reflect defined project scope, costs, and schedules. Project delivery commitments shown in the Capital Action Plan (CAP) are key strategies and objectives to achieve the Strategic Plan goals for Mobility and Stewardship.

This report is a quarterly update on the CAP performance metrics, which are a snapshot of the planned CAP project delivery milestones in the budget fiscal year (FY).

Discussion

The Capital Programs Division objective is to deliver projects on schedule and within the approved project budget. Key project cost and schedule commitments

Capital Programs Division - Second Quarter Fiscal Year 2018-19 Page 2 Capital Action Plan Performance Metrics

are captured in the CAP, which is regularly updated with new projects and project status (Attachment A). The CAP is categorized into four key project groupings; freeway projects, grade separation projects, rail and station projects, and facility projects. Schedule milestones are used as performance indicators of progress in project delivery. The CAP performance metrics provides a FY snapshot of the milestones targeted for delivery in the budget FY, and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost of the project across all phases of project delivery, including support costs, and right-of-way (ROW) and construction capital costs. Baseline costs, if established, are shown in comparison to either the actual or forecast cost. Baseline costs may be shown as to-be-determined (TBD) if project scoping studies and estimates have not been developed or approved, and may be updated as project delivery progresses and milestones are achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project letter. The CAP status update is also included in the M2 Quarterly Report.

The CAP summarizes the very complex capital project critical path delivery schedules into eight key milestones.

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.
Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for bids.
Award Contract	The date the construction contract is awarded.

Capital Programs Division - Second Quarter Fiscal Year 2018-19 Page 3 Capital Action Plan Performance Metrics

Construction Complete

The date all construction work is completed, and the project is open to public use.

These delivery milestones reflect progression across the project delivery phases shown below.



Project schedules reflect approved milestone dates in comparison to forecast or actual milestone dates. Milestone dates may be shown as TBD if project scoping or approval documents have not been finalized and approved, or if the delivery schedule has not been negotiated with the agency or consultant implementing the specific phase of a project. Planned milestone dates can be revised to reflect new dates from approved baseline schedule changes. On a monthly basis, actual dates are updated when milestones are achieved, and forecast dates are updated to reflect project delivery status.

CAP milestones achieved in the second quarter FY 2018-19 include:

Freeway Projects

- The complete environmental milestone for the Interstate 605 Katella Avenue interchange improvements was achieved. This project will be temporarily shelved because funding for the subsequent design and ROW phases is currently planned beyond 2026, as reflected in the 2018 Next 10 Delivery Plan (Next 10 Plan) adopted by the OCTA Board of Directors (Board) on September 10, 2018.
- The advertise construction milestone was achieved for the Interstate 5 (I-5) widening from Oso Parkway to Alicia Parkway on November 5, 2018. This is the middle of three segments of I-5 widening between State Route 73 and El Toro Road, and the first to move into the construction phase. The California Department of Transportation (Caltrans) opened construction bids on January 16, 2019. Caltrans received three construction bids with the apparent low bid of \$129,773,276 submitted by Flatiron West, Inc., of Chino, California, which is 11.68 percent above the \$116,203,251 engineer's estimate of bid items. The bid is currently being assessed for responsiveness.

Capital Programs Division - Second Quarter Fiscal Year 2018-19 Page 4 Capital Action Plan Performance Metrics

• The award contract milestone for construction of the second high-occupancy vehicle lane on I-5 between State Route 55 and State Route 57 was achieved. As reported previously to the OCTA Board, the project had to be re-advertised for construction bids due to lack of responsiveness. Construction activities should begin in February 2019.

The following CAP milestone missed the planned delivery through the second quarter of FY 2018-19:

The Fullerton Transportation Center Elevator Upgrade project is being constructed by the City of Fullerton and continues to fall behind schedule. The elevator subcontractor began final installation work in late December 2018. The City of Fullerton's contractor has submitted a schedule update reflecting completion in late February 2019.

Recap of Second Quarter FY 2018-19 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2018-19 reflects 25 planned major project delivery milestones to be accomplished, 12 of which were planned to be accomplished through the second quarter of the FY. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the second quarter of the FY (Attachment B). Eleven of the 12 (91.7 percent) planned milestones were achieved through the second quarter of the FY.

Although not tracked as a project delivery milestone, the OC Streetcar Full Funding Grant Agreement securing the Capital Improvement Grants Program New Starts funding from the Federal Transit Administration was approved on November 30, 2018. A limited notice to proceed was issued to Walsh Construction Company (Walsh) on November 19, 2018, which began a period for required contract submittals from Walsh for approval by OCTA. The full notice to proceed with construction is anticipated to be issued to Walsh in early February 2019. Staff plans on bringing quarterly OC Streetcar updates to the OCTA Board as construction progresses.

FY 2018-19 Cost and Performance Metric Risk Look Ahead

There is continued risk of increased costs due to construction labor and material market trends. In September 2018, the OCTA Board adopted the updated Next 10 Plan which considered updated project cost estimates and updated revenue forecasts. The I-5 widening from Oso Parkway to Alicia Parkway is the first large design-bid-build contract bid since market trends have impacted construction costs. Unit costs contained in the bids provide current local market

data on construction costs which will be used by staff to assess cost estimates of freeway projects in the final design phase approaching construction.

The Placentia Metrolink Station continues to be delayed due to the need for an agreement between BNSF Railway (BNSF) and Metrolink for the use of BNSF-owned and operated track and indemnification terms. Final approval of the new station by BNSF, City of Placentia acquisition of ROW from BNSF, and finalization of the BNSF construction and maintenance agreement for the project remain to be completed. The project schedule is continually being re-assessed, and the planned advertisement for construction will carry over into FY 2019-20.

Summary

Significant capital project delivery progress has been achieved and is reflected in the CAP. The planned FY 2018-19 performance metrics created from forecast project schedules will be used as a general project delivery performance indicator. Staff will continue to manage project costs and schedules across all project phases to meet project delivery commitments and report quarterly.

Attachments

- A. Capital Action Plan, Status Through December 2018
- B. Capital Programs Division, Fiscal Year 2018-19 Performance Metrics Through December 2018

Prepared by:

James G. Beil, P.E. Executive Director, Capital Programs (714) 560-5646

Capital Action Plan

Status Through December 2018

Updated: January 21, 2019

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast								
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Constructio	
Freeway Projects:										
I-5, Pico to Vista Hermosa	\$113.0	Jun-09	Dec-11	Jun-11	Oct-13	Feb-14	Oct-14	Dec-14	Aug-18	
Project C	\$83.0	Jun-09	Oct-11	Jun-11	Oct-13	May-14	Sep-14	Dec-14	Aug-18	
I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Jun-11	Feb-13	Jun-13	Oct-13	Dec-13	Mar-17	
Project C	\$73.9	Jun-09	Oct-11	Jun-11	May-13	Aug-13	Feb-14	Jun-14	Jul-17	
I-5, Pacific Coast Highway to San Juan Creek Road	\$70.7	Jun-09	Dec-11	Jun-11	Jan-13	May-13	Aug-13	Oct-13	Sep-16	
Project C Cost/Schedule Risk	\$75.5	Jun-09	Oct-11	Jun-11	Jan-13	Apr-13	Aug-13	Dec-13	Jul-18	
I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Jan-09	Nov-11	Mar-12	Jun-12	Aug-12	Sep-15	
Project D	\$75.2	Sep-05	Jun-09	Jan-09	Dec-11	Apr-12	Jun-12	Aug-12	Jan-16	
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Project D	N/A	N/A	N/A	Jan-14	Oct-14	Feb-15	Aug-15	Sep-15	Sep-16	
I-5, SR-73 to Oso Parkway	\$151.9	Sep-11	Jun-14	Mar-15	Jan-18	May-18	Aug-18	Dec-18	Jan-24	
Project C & D Cost/Schedule Risk	\$188.1	Oct-11	May-14	Mar-15	Aug-18	Apr-19	Sep-19	Dec-19	Jan-25	
I-5, Oso Parkway to Alicia Parkway	\$196.2	Sep-11	Jun-14	Nov-14	Jun-17	Dec-17	Feb-18	Jun-18	Feb-23	
Project C & D Cost/Schedule Risk	\$203.1	Oct-11	May-14	Nov-14	Dec-17	Jun-18	Nov-18	Feb-19	Nov-23	
I-5, Alicia Parkway to El Toro Road	\$133.6	Sep-11	Jun-14	Mar-15	Jun-18	Dec-18	Jan-19	May-19	Jun-23	
Project C Cost/Schedule Risk	\$164.2	Oct-11	May-14	Mar-15	Apr-19	Nov-19	Mar-20	Jun-20	Jul-24	
I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	N/A	TBD	TBD	TBD	TBD	TBD	TBD	
Project C	\$12.4	N/A	N/A	Jan-22	Sep-23	Jan-24	Mar-24	Jun-24	Dec-25	
I-5, I-5/EI Toro Road Interchange	TBD	Apr-17	Nov-19	TBD	TBD	TBD	TBD	TBD	TBD	
Project D	TBD	Apr-17	Nov-19	TBD	TBD	TBD	TBD	TBD	TBD	
I-5, I-405 to SR-55	TBD	May-14	Aug-18	TBD	TBD	TBD	TBD	TBD	TBD	
Project B	TBD	May-14	Aug-19	TBD	TBD	TBD	TBD	TBD	TBD	
I-5, SR-55 to SR-57	\$38.1	Jul-11	Jun-13	Jun-15	Mar-17	Jul-17	Sep-17	Dec-17	Apr-21	
Project A	\$41.6	Jun-11	Apr-15	Jun-15	Jun-17	Dec-17	Mar-18	Nov-18	Apr-21	
SR-55, I-405 to I-5	\$410.9	Feb-11	Nov-13	Sep-17	Apr-20	Dec-20	Apr-21	Jul-21	Aug-25	
Project F Cost/Schedule Risk	\$410.9	May-11	Aug-17	Sep-17	Apr-20	Dec-20	Apr-21	Jul-21	Aug-25	
SR-55, I-5 to SR-91	TBD	Dec-16	Jan-20	TBD	TBD	TBD	TBD	TBD	TBD	
Project F	TBD	Dec-16	Jan-20	TBD	TBD	TBD	TBD	TBD	TBD	
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	TBD	Apr-16	Dec-18	TBD	TBD	TBD	TBD	TBD	TBD	
Project G	TBD	Apr-16	Feb-19	TBD	TBD	TBD	TBD	TBD	TBD	
SR-57 (NB), Katella Avenue to Lincoln Avenue	\$78.7	Apr-08	Jul-09	Jul-08	Nov-10	Mar-11	May-11	Aug-11	Sep-14	
Project G	\$38.0	Apr-08	Nov-09	Aug-08	Dec-10	Apr-11	Jul-11	Oct-11	Apr-15	

Capital Action Plan

Status Through December 2018

Updated: January 21, 2019

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast								
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Constructio	
SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Project G	N/A	N/A	N/A	May-09	Jul-10	Jun-17	Jul-17	Sep-17	Jun-18	
SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard	\$80.2	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	May-14	
Project G	\$52.3	Aug-05	Dec-07	Feb-08	Jul-09	Dec-09	May-10	Oct-10	Nov-14	
SR-57 (NB), Yorba Linda Boulevard to Lambert Road	\$79.3	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	Sep-14	
Project G	\$54.1	Aug-05	Dec-07	Feb-08	Jul-09	Mar-10	May-10	Oct-10	May-14	
SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Project G	N/A	N/A	N/A	Oct-14	Aug-17	Dec-17	Jan-18	Feb-18	Apr-19	
SR-57 (NB), Lambert Road to Tonner Canyon	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Project G	TBD	Jul-20	Jan-23	TBD	TBD	TBD	TBD	TBD	TBD	
SR-91 Westbound (WB), I-5 to SR-57	\$78.1	Jul-07	Apr-10	Oct-09	Feb-12	Jul-12	Aug-12	Nov-12	Apr-16	
Project H	\$59.2	Jul-07	Jun-10	Mar-10	Apr-12	Aug-12	Oct-12	Jan-13	Jun-16	
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Project H	N/A	N/A	N/A	Nov-14	Aug-16	Dec-16	Feb-17	Mar-17	Nov-17	
SR-91, SR-57 to SR-55	TBD	Jan-15	Oct-18	TBD	TBD	TBD	TBD	TBD	TBD	
Project I Cost/Schedule Risk	TBD	Jan-15	Aug-19	TBD	TBD	TBD	TBD	TBD	TBD	
SR-91 (WB), Tustin Interchange to SR-55	\$49.9	Jul-08	Jul-11	Jul-11	Mar-13	Jul-13	Aug-13	Oct-13	Jul-16	
Project I	\$42.6	Jul-08	May-11	Jun-11	Feb-13	Apr-13	Jun-13	Oct-13	Jul-16	
SR-91, SR-55 to SR-241	\$128.4	Jul-07	Jul-09	Jun-09	Jan-11	Apr-11	Jun-11	Sep-11	Dec-12	
Project J	\$79.7	Jul-07	Apr-09	Apr-09	Aug-10	Dec-10	Feb-11	May-11	Mar-13	
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Project J	N/A	N/A	N/A	May-12	Feb-13	Apr-13	Jul-13	Oct-13	Feb-15	
SR-91 Eastbound, SR-241 to SR-71	\$104.5	Mar-05	Dec-07	Jul-07	Dec-08	Mar-09	May-09	Jul-09	Nov-10	
Project J	\$57.8	Mar-05	Dec-07	Jul-07	Dec-08	May-09	Jun-09	Aug-09	Jan-11	
91 Express Lanes to SR-241 Toll Connector	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	TBD	Nov-13	TBD	Dec-16	TBD	TBD	TBD	TBD	TBD	
I-405, I-5 to SR-55	TBD	Dec-14	Jul-18	TBD	TBD	TBD	TBD	TBD	TBD	
Project L	TBD	Dec-14	Aug-18	TBD	TBD	TBD	TBD	TBD	TBD	
I-405, SR-55 to I-605 (Design-Build)	\$1,900.0	Mar-09	Mar-13	Mar-14	Nov-15	Feb-16	Mar-16	Nov-16	May-23	
Project K	\$1,900.0	Mar-09	May-15	Mar-14	Nov-15	Feb-16	Mar-16	Nov-16	May-23	
I-405/SR-22 HOV Connector	\$195.9	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Aug-10	Aug-14	
	\$120.6	N/A	N/A	Sep-07	Jun-09	Sep-09	Feb-10	Jun-10	Mar-15	

Capital Action Plan

Status Through December 2018

Updated: January 21, 2019

Capital Projects	Cost Baseline/Forecast	Schedule Plan/Forecast								
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Constructio	
I-405/I-605 HOV Connector	\$260.4	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Oct-10	Jan-15	
	\$172.6	N/A	N/A	Sep-07	Sep-09	Feb-10	May-10	Oct-10	Mar-15	
I-405/SR-22/I-605 HOV Connector (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	Jun-08	May-09	Feb-16	May-16	Jul-16	Feb-18	
I-605, I-605/Katella Avenue Interchange	TBD	Aug-16	Nov-18	TBD	TBD	TBD	TBD	TBD	TBD	
Project M	TBD	Aug-16	Oct-18	TBD	TBD	TBD	TBD	TBD	TBD	
Grade Separation Projects:										
Sand Canyon Avenue Railroad Grade Separation	\$55.6	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	May-14	
Project R	\$61.9	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	Jan-16	
Raymond Avenue Railroad Grade Separation	\$77.2	Feb-09	Nov-09	Mar-10	Aug-12	Nov-12	Feb-13	May-13	Aug-18	
Project O	\$125.1	Feb-09	Nov-09	Mar-10	Dec-12	Jul-13	Oct-13	Feb-14	May-18	
State College Boulevard Railroad Grade Separation (Fullerton)	\$73.6	Dec-08	Jan-11	Jul-06	Aug-12	Nov-12	Feb-13	May-13	May-18	
Project O	\$100.3	Dec-08	Apr-11	Jul-06	Feb-13	May-13	Sep-13	Feb-14	Jan-18	
Placentia Avenue Railroad Grade Separation	\$78.2	Jan-01	May-01	Jan-09	Mar-10	May-10	Mar-11	Jun-11	Nov-14	
Project O	\$64.5	Jan-01	May-01	Jan-09	Jun-10	Jan-11	Mar-11	Jul-11	Dec-14	
Kraemer Boulevard Railroad Grade Separation	\$70.4	Jan-01	Sep-09	Jan-09	Jul-10	Jul-10	Apr-11	Aug-11	Oct-14	
Project O	\$63.8	Jan-01	Sep-09	Feb-09	Jul-10	Jan-11	Jun-11	Sep-11	Dec-14	
Orangethorpe Avenue Railroad Grade Separation	\$117.4	Jan-01	Sep-09	Feb-09	Dec-11	Dec-11	Feb-12	May-12	Sep-16	
Project O	\$108.6	Jan-01	Sep-09	Feb-09	Oct-11	Apr-12	Sep-12	Jan-13	Oct-16	
Tustin Avenue/Rose Drive Railroad Grade Separation	\$103.0	Jan-01	Sep-09	Feb-09	Dec-11	Mar-12	May-12	Aug-12	May-16	
Project O	\$98.3	Jan-01	Sep-09	Feb-09	Jul-11	Jun-12	Oct-12	Feb-13	Oct-16	
Lakeview Avenue Railroad Grade Separation	\$70.2	Jan-01	Sep-09	Feb-09	Oct-11	Oct-12	Feb-13	May-13	Mar-17	
Project O	\$110.6	Jan-01	Sep-09	Feb-09	Jan-13	Apr-13	Sep-13	Nov-13	Jun-17	
17th Street Railroad Grade Separation	TBD	Oct-14	Jun-16	TBD	TBD	TBD	TBD	TBD	TBD	
Project R	TBD	Oct-14	Nov-17	TBD	TBD	TBD	TBD	TBD	TBD	
Rail and Station Projects:										
Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11	
Project R	\$90.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11	
San Clemente Beach Trail Safety Enhancements	\$6.0	Sep-10	Jul-11	Feb-12	Apr-12	Apr-12	Jul-12	Oct-12	Jan-14	
Project R	\$5.0	Sep-10	Jul-11	Feb-12	Jun-12	Jun-12	Oct-12	May-13	Mar-14	
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	Mar-15	May-16	May-16	Aug-16	Dec-16	Jan-19	
Cost/Schedule Risk	\$34.1	Aug-11	Mar-14	Mar-15	Aug-18	Aug-18	Aug-18	Jan-19	Feb-21	

Capital Action Plan

Status Through December 2018

Updated: January 21, 2019

Capital Projects	Cost Baseline/Forecast					e dule orecast			
	(millions)	Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
OC Streetcar	\$424.4	Aug-09	Mar-12	Feb-16	Sep-17	Oct-17	Dec-17	Aug-18	Aug-21
Project S Cost/Schedule Risk	\$424.4	Aug-09	Mar-15	Feb-16	Nov-17	Dec-17	Dec-17	Sep-18	Nov-21
Placentia Metrolink Station and Parking Structure	\$34.8	Jan-03	May-07	Oct-08	Jan-11	TBD	TBD	TBD	TBD
Project R Cost/Schedule Risk	\$34.8	Jan-03	May-07	Oct-08	Feb-11	Jul-19	Jul-19	Oct-19	Jun-21
Anaheim Canyon Station	\$27.9	Jan-16	Dec-16	Mar-19	May-19	May-19	Jul-19	Nov-19	Mar-21
	\$27.9	Jan-16	Jun-17	Mar-18	Jun-19	Jun-19	Aug-19	Nov-19	Mar-21
Orange Station Parking Expansion	\$33.2	Dec-09	Dec-12	Nov-10	Apr-13	Jul-16	Jul-16	Nov-16	Feb-19
	\$32.3	Dec-09	May-16	Nov-10	Apr-16	Jul-16	Jul-16	Jun-17	Feb-19
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Jan-12	Dec-13	Dec-13	Jun-14	Sep-14	Mar-17
Cost/Schedule Risk	\$4.6	N/A	N/A	Jan-12	Dec-13	Dec-13	Aug-14	Apr-15	Feb-19
Laguna Niguel/Mission Viejo Station ADA Ramps	\$3.5	Jul-13	Jan-14	Jul-13	Aug-14	Aug-14	Sep-14	Jan-15	Apr-17
	\$5.2	Jul-13	Feb-14	Jul-13	Jul-15	Jul-15	Jul-15	Oct-15	Sep-17
Anaheim Regional Transportation Intermodal Center	\$227.4	Apr-09	Feb-11	Jun-09	Feb-12	Feb-12	May-12	Jul-12	Nov-14
Project R & T	\$232.2	Apr-09	Feb-12	Jun-09	May-12	May-12	May-12	Sep-12	Dec-14

Note: Costs associated with landscape projects are included in respective freeway projects.

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

Complete Environmental: The date environmental clearance and project approval is achieved.

Begin Design: The date final design work begins, or the date when a design-build contract begins.

Complete Design: The date final design work is 100 percent complete and approved.

Construction Ready: The date contract bid documents are ready for advertisement, including certification of right-of-way, all agreements executed, contract constraints are cleared.

Advertise for Construction: The date a construction contract is both funded and advertised for bids.

Award Contract: The date the construction contract is awarded.

Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

- I-5 Santa Ana Freeway (Interstate 5)
- SR-73 San Joaquin Freeway (State Route 73)
- SR-55 Costa Mesa Freeway (State Route 55)
- SR-57 Orange Freeway (State Route 57)
- SR-91 Riverside Freeway (State Route 91)
- SR-22 Garden Grove Freeway (State Route 22)
- I-405 San Diego Freeway (Interstate 405)
- SR-241 Foothill/Eastern Transportation Corridor (State Route 241)
- I-605 San Gabriel River Freeway (Interstate 605)
- SR-71 Corona Expressway (State Route 71)
- ADA Americans with Disabilities Act

Capital Programs Division Fiscal Year 2018-19 Performance Metrics Through December 2018

Be	gin Env	ironmen	tal						
	FY 19 Qtr 1		FY 19	9 Qtr 2	FY 19 Qtr 3		FY 19 Qtr 4		FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
No "Begin Environmental" milestones scheduled for FY 2018-19									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

Complete Environmental

	FY 19	9 Qtr 1	FY 19 Qtr 2		FY 19 Qtr 3		FY 19 Qtr 4		FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
I-405, I-5 to SR-55	х	V							
I-605/Katella Interchange			х	~					
SR-57 (Northbound), Orangewood Avenue to Katella Avenue					х				
I-5, I-405 to SR-55							х		
Total Forecast/Actual	1	1	1	1	1	0	1	0	4

	Begin	Design							
	FY 19	9 Qtr 1	FY 19	9 Qtr 2	FY 19	9 Qtr 3	FY 19	9 Qtr 4	FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
No "Begin Design" milestones scheduled for FY 2018-19									
Total Forecast/Actual	0	0	0	0	0	0	0	0	0

(Comple	te Desigi	n						
	FY 1	9 Qtr 1	FY 19	9 Qtr 2	FY 19	9 Qtr 3	FY 19	9 Qtr 4	FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
San Juan Capistrano Passing Siding	х	*							
I-5, SR-73 to Oso Parkway	х	1							
I-5, Alicia Parkway to El Toro Road							х		
Anaheim Canyon Metrolink Station							х		
Total Forecast/Actual	2	2	0	0	0	0	2	0	4

	Construc	tion Rea	dy						
	FY 1	9 Qtr 1	FY 1	9 Qtr 2	FY 1	9 Qtr 3	FY 1	9 Qtr 4	FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
San Juan Capistrano Passing Siding	х	\checkmark							
Placentia Metrolink Station and Parking Structure					x				
Anaheim Canyon Metrolink Station				A.	TACHM	ENT B	x		
I-5, SR-73 to Oso Parkway							х		
Total Forecast/Actual	1	1	0	0	1	0	2	0	4

Advertise Construction

	FY 19	9 Qtr 1	FY 19	9 Qtr 2	FY 19	9 Qtr 3	FY 19	9 Qtr 4	FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
San Juan Capistrano Passing Siding	х	*							
I-5, Oso Parkway to Alicia Parkway			х	1					
Placentia Metrolink Station and Parking Structure					х				
Total Forecast/Actual	1	1	1	1	1	0	0	0	3

Capital Programs Division Fiscal Year 2018-19 Performance Metrics Through December 2018

	Award	Contract							
	FY 19 Qtr 1 FY 19 Qtr 2		FY 19 Qtr 3		Y 19 Qtr 3 FY 19 Qtr 4		FY 19		
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
OC Streetcar	х	1							
I-5, SR-55 to SR-57			х	\checkmark					
I-5, Oso Parkway to Alicia Parkway					х				
San Juan Capistrano Passing Siding					х				
Placentia Metrolink Station and Parking Structure							х		
Total Forecast/Actual	1	1	1	1	2	0	1	0	5

Cc	mplete C	Construc	tion						
	FY 19	FY 19 Qtr 1		FY 19 Qtr 2		FY 19 Qtr 3		9 Qtr 4	FY 19
Project Description	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
I-5, Pico to Vista Hermosa	Х	\checkmark							
I-5, Pacific Coast Highway to San Juan Creek Road	Х	1							
Fullerton Transportation Center Elevator Upgrades			х						
Orange Metrolink Station Parking Structure					x				
SR-57 (Northbound), Orangethorpe Avenue to Lambert Road Landscape							х		
Total Forecast/Actual	2	2	1	0	1	0	1	0	5

	Totals	8	8	4	3	6	0	7	0	25
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Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

Complete Environmental: The date environmental clearance and project approval is achieved.

Begin Design: The date final design work begins or the date when a design-build contract begins.

Complete Design: The date final design work is 100 percent complete and approved.

Construction Ready: The date contract bid documents are ready for advertisement, right-of-way certified,

all agreements executed, and contract constraints are cleared.

Advertise for Construction: The date a construction contract is both funded and advertised for bids.

Award Contract: The date the construction contract is awarded.

Construction Complete: The date all construction work is completed and the project is open to public use.

Acronyms

I-5 - Santa Ana Freeway (Interstate 5)

SR-73 - San Joaquin Freeway (State Route 73)

SR-55 - Costa Mesa Freeway (State Route 55)

SR-57 - Orange Freeway (State Route 57)

I-605 - San Gabriel River Freeway (Interstate 605)

I-405 - San Diego Freeway (Interstate 405)

X = milestone forecast in quarter

= milestone accomplished in quarter



January 7, 2019

То:	Regional Planning and Highways Committee
From:	Darrell E. Johnson, Chief Executive Officer
Subject:	Interstate 405 Improvement Project Update

Overview

The Orange County Transportation Authority is currently underway with the implementation of the Interstate 405 Improvement Project. This report provides a project update.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation, and the cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster, is implementing the Interstate 405 (I-405) Improvement Project between State Route 73 (SR-73) and Interstate 605 (I-605) (Project). The Project will add one general purpose lane from Euclid Street to I-605, consistent with Measure M2 Project K, and will add an additional lane in each direction that will combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.

On November 14, 2016, the OCTA Board of Directors (Board) awarded the design-build (DB) contract to OC 405 Partners (OC405), a joint venture. OCTA executed the DB contract with OC405 and issued Notice to Proceed (NTP) No. 1 on January 31, 2017. NTP No. 1 was a limited NTP for mobilization, design, and administrative activities. On July 26, 2017, the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan agreement was executed between OCTA and the United States Department of Transportation (USDOT). On July 27, 2017, OCTA issued NTP No. 2 to OC405. NTP No. 2 was a full NTP for all activities, including construction.

Discussion

A number of activities are ongoing as the final design, right-of-way (ROW) acquisition, utility relocations, and construction activities continue to advance. The following provides a more detailed status of Project activities.

Tolling Contracts

On February 26, 2018, the Board selected Kapsch TrafficCom USA, Inc., (Kapsch) to provide toll lanes system integration services for design, installation, operation, and maintenance of the electronic toll and traffic management system on both the 405 and 91 Express Lanes. Kapsch is currently under contract and is working closely with the design-builder to deliver fully functional express lanes upon opening in 2023.

Staff will initiate the development of a request for proposals for the back office support and customer service center contract for the 405 Express Lanes, and plans to seek Board approval for its release in late 2019.

TIFIA Loan

On July 26, 2017, OCTA executed a TIFIA loan agreement with the USDOT for up to \$628.93 million. Pursuant to the terms identified in the loan agreement, OCTA staff submits periodic reimbursement requisitions to the USDOT Build America Bureau and Federal Highway Administration. OCTA received the first and second TIFIA loan disbursements in April and December 2018, respectively.

Design

The final design is approximately 75 percent complete overall and is anticipated to be fully complete in 2019.

ROW Acquisition

Construction of the Project will impact 288 properties, including 179 residential properties, 71 commercial/industrial properties, 37 public properties, and one railroad property. There are 287 properties identified as partial acquisitions and one property identified as a full acquisition at the owner's request. The real property requirements for the partial acquisitions are comprised of a combination of fee acquisitions, permanent easements, temporary construction easements (TCE), permanent and temporary ground lease reductions, and access control rights needed to construct the proposed highway and express lane improvements for the Project. The full-fee acquisition, partial-fee

acquisitions, permanent easements, and TCEs are required for roadway and bridge construction, soundwalls and retaining walls, drainage systems, and for the installation of above-ground and underground facilities, including electrical, telecommunication, water, sewer, gas, and storm drain systems.

The ROW acquisition program is currently on schedule. Of the 288 total parcels impacted, the following summarizes the status of the ROW acquisition:

- 276 offers presented,
- 236 agreements or possession (82 percent of 288 total parcels impacted),
- 54 resolutions of necessity approved.

Utility Relocations

There are currently 102 utilities that require relocation as part of the Project. OCTA is coordinating with the 22 impacted utility companies to identify and resolve issues. There are several utility relocation challenges that staff continues to focus on as utilities are a shared risk between OCTA and OC405.

Construction

OC405 began construction on March 6, 2018. Initial construction activities included restriping portions of the freeway and setting up concrete barriers on the outside of the freeway to protect work areas for activities such as tree removals and grading. These initial construction activities are generally complete. Clearing and grubbing, including tree and ground cover removal, and rough grading activities have also advanced in the last quarter. More recently, significant roadway construction activities, such as installation of drainage systems and paving operations, have begun.

Bridge construction continued in September 2018 as the Slater Avenue bridge was closed to traffic on both sides of I-405 and the bridge was demolished. The bridge will be closed for approximately 12 months as the new bridge is built at this location. The Slater Avenue bridge and the McFadden Avenue bridge, which was fully demolished in August 2018, are anticipated to be complete and open to traffic in late 2019.

At Goldenwest Street, a minor partial demolition of the bridge was performed in November 2018. This is a two-stage bridge, which means traffic will be maintained on the remaining portion of the bridge while the first half of the new bridge is constructed. In December 2018, both the Bolsa Chica Road and Magnolia Street bridges were partially demolished. These are also two-stage bridges.

Looking ahead, 2019 will be a busy year for bridge construction. Construction is anticipated to begin in the spring at the Fairview Road and Bolsa Avenue bridges, both of which are two-stage bridges. In the summer, construction is anticipated to begin on the Heil pedestrian overcrossing and the Westminster Boulevard bridge. The Westminster Boulevard bridge is a two-stage bridge while the Heil pedestrian overcrossing will be built on a new alignment over I-405 as the existing pedestrian overcrossing generally remains in service during the construction of the new pedestrian overcrossing. In late 2019, construction is anticipated to begin on the Talbert Avenue and Bushard Street bridges. Both Talbert Avenue and Bushard Street bridges, which means the bridges will be closed to traffic on both sides of I-405 during demolition and reconstruction.

Project Cost/Contingency

The overall Project cost remains \$1.9 billion, and the Project contingencies have been approximately 27 percent expended to date. This is in line with the percent complete for the Project from both a time and earned value standpoint.

Public Outreach

OCTA has hosted four neighborhood meetings in the last quarter to provide constituents with information about the McFadden Avenue, Slater Avenue, Bolsa Chica Road, and Magnolia Street bridge demolitions. Each meeting featured a brief Project update followed by details of upcoming traffic shifts, demolition activities, road closures, and detours. Outreach staff included members fluent in Vietnamese and Spanish that provided information to attendees in these languages as needed. More than 20,000 flyers were distributed to residents and businesses near the bridges to notify of the meetings.

In addition, flyers were canvassed to the same constituents prior to major construction activities such as demolition and pile driving. All collateral provided to the community includes telephone helpline numbers for Vietnamese and Spanish speakers. Staff also utilized targeted social media advertisements, automated calls and text alerts, email updates and partnerships with Diverse Community Leaders, area Chambers of Commerce, and corridor cities to advise the community about construction activities. Staff also coordinated with OCTA Bus Operations and Central Communications to ensure detour routes were in place in advance of the bridge closures and rider alerts were prepared.

Additional outreach efforts included participation at events such as the Costa Mesa Community Run, Fountain Valley Mayor's Breakfast, Huntington Beach Chamber of Commerce's AM Connect, and the Rossmoor Winter Festival. The outreach team will next be participating in the upcoming Tet festivals next month.

As bridge demolition activities have ramped up, staff has fielded an average of 120 inquiries per month from the public, responding to questions about sound wall design, bridge reconstruction, landscaping plans, and aesthetic details. Staff has leveraged those communications to continue building a database of email, text, and automated call alert recipients, and to boost the Project's following on social media.

The Project's mobile app is being soft-launched January 2019. The app builds on the success of the Project's interactive map, providing live traffic conditions, the latest Project news, photos, and streaming video from the field, complete closure and detour information, and full Project details and background. The app will be showcased at the upcoming Diverse Community Leaders and Stakeholder Working Group meetings.

Next Steps

Staff will continue to work closely with the design-builder as design and construction continue. This involves completing portions of the final design, obtaining permits, utility relocation coordination, and construction activities. Additionally, the ROW acquisition program will continue as planned.

Summary

Final design and construction continue to advance. Currently, final design, ROW acquisition, public outreach, and other activities are in process to continue the construction phase of the Project.

Attachment

None.

Prepared by:

4 mills

Jeff Mills, P.E. Program Manager (714) 560-5925

Approved by:

2 sm

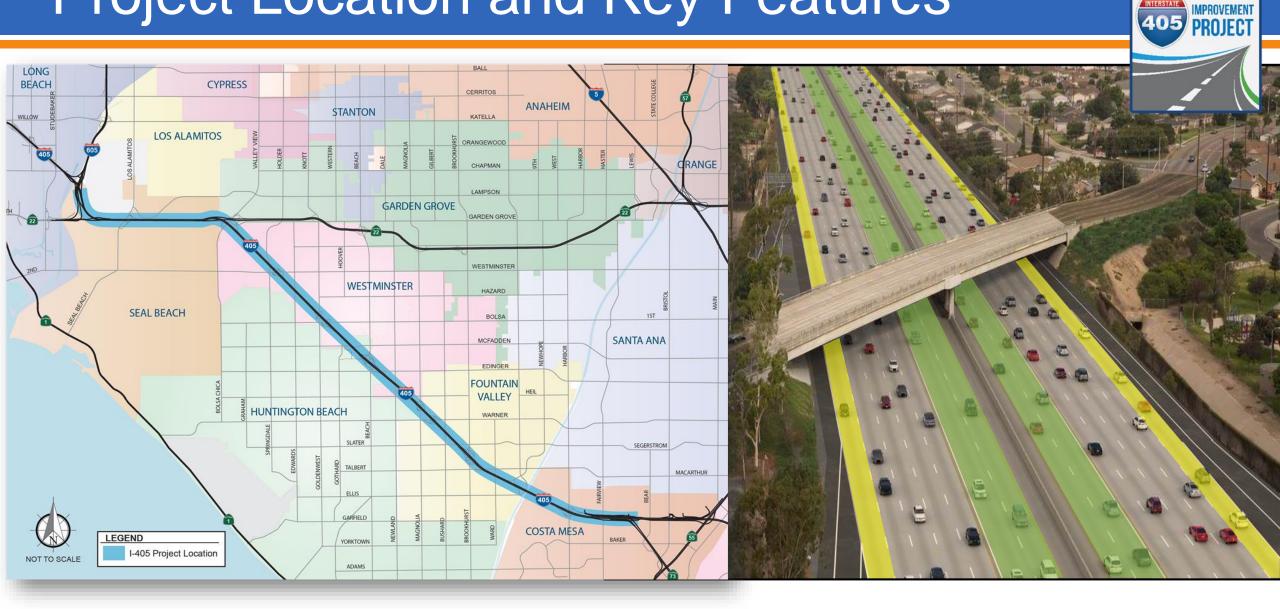
James G. Beil, P.E. Executive Director, Capital Programs (714) 560-5646



Interstate 405 Improvement Project Update



Project Location and Key Features



INTERSTATE

405



- On November 14, 2016, the Orange County Transportation Authority (OCTA) Board of Directors (Board) awarded the design-build contract to OC 405 Partners (OC405)
- On January 31, 2017, OCTA executed the contract with OC405 and issued Notice to Proceed (NTP) No. 1
- On June 26, 2017, the Board approved the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan
- On July 27, 2017, OCTA issued NTP No. 2 to OC405

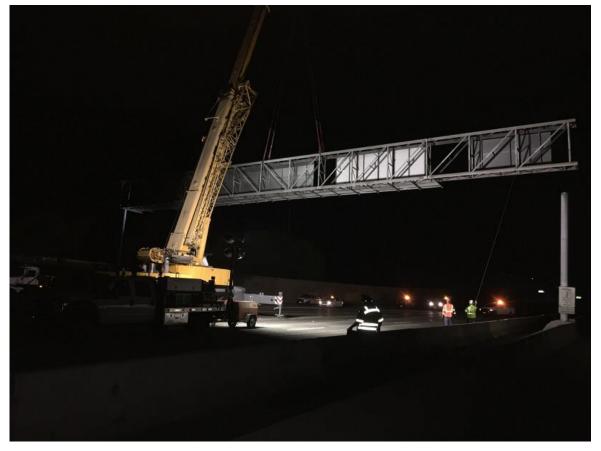
Project Update

General	 Second TIFIA loan disbursement received in December 2018 for \$122 million Speed limit reduced to 55 miles per hour in construction zone
Design	 Project design approximately 75 percent complete Design anticipated to be fully complete in 2019
Right-of-Way	 288 parcels impacted – on schedule overall 276 offers presented 236 agreements or possession (82 percent of total parcels needed) 54 resolutions of necessity adopted by the Board

405 IMPROVEMENT



Storm water treatment measures



Overhead sign removal

PROJEC

405







Goldenwest and McFadden embankments





Slater Avenue full bridge demolition – September 2018





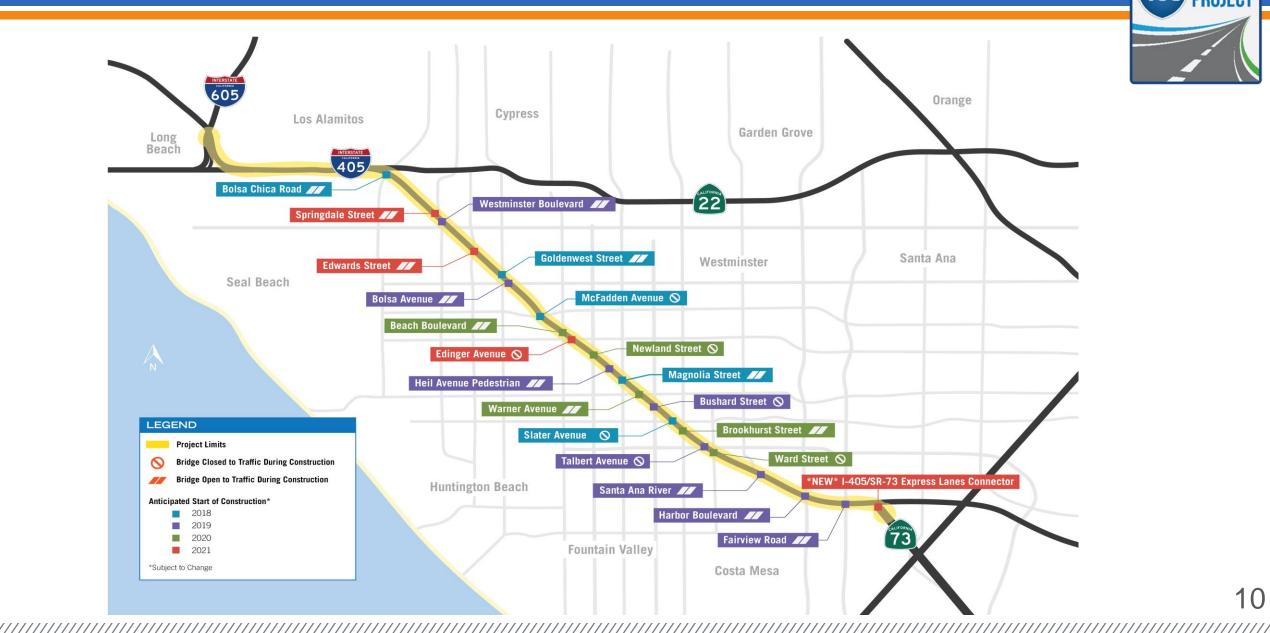
Bolsa Chica Road partial bridge demolition – December 2018

2019 Look Ahead for Bridge Construction

Early 2019	 Fairview Road overcrossing (replace in 2 stages) Harbor Boulevard undercrossing (widen freeway bridge) Bolsa Avenue overcrossing (replace in 2 stages) 	
Mid 2019	 Heil Avenue pedestrian overcrossing (replace in 1 stage) Westminster Boulevard overcrossing (replace in 2 stages) Santa Ana River bridge (widen freeway bridge) 	
Late 2019	 Talbert Avenue overcrossing (replace in 1 stage) Bushard Street overcrossing (replace in 1 stage) 	

McFadden Avenue overcrossing and Slater Avenue overcrossing anticipated to be complete and open to traffic in late 2019

Bridge Construction Map



IMPROVEMENT PROJECT 405

10

Outreach in 2018

- Groundbreaking Event
- Open Houses
- Community Events
 - Tet Festivals
 - Westminster Spring Festival
 - Fountain Valley Summerfest
 - Westminster National Night Out
 - Costa Mesa Community Run
 - Rossmoor Winter Festival

Neighborhood Meetings

- Slater Avenue
- McFadden Avenue
- Bolsa Chica Road
- Magnolia Street
- School and Business Outreach
- Stakeholder Meetings and Briefings



Engagement Strategies

- Face-to-Face
 - Neighborhoods
 - Businesses
 - Schools
- Canvassing Flyers
 - Major Activities
- Online
 - Interactive Map
 - Social Media
 - Project Website
- Smartphone
 - Mobile App
 - Waze
 - Helplines in English, Spanish, Vietnamese



IMPROVEMEN1

405

Outreach Look Ahead for 2019

- Neighborhood Meetings
 - Fairview Road
 - Goldenwest Street
 - Bolsa Avenue
 - Heil Avenue (pedestrian)
 - Bushard Street
 - Talbert Avenue
- Diverse Community Leaders
- Stakeholder Working Group
- Upcoming Events
 - Tet Festivals
 - Westminster Spring Festival
 - Fountain Valley Summerfest



Staff Update Items

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY Ordinance Tracking Matrix - Ordinance No. 3 For Period Ending December 31, 2018

Responsible Division Citation Person Description Timeframe Status 2018 Response Item Responsible (POC) 1.00 **Administrative and General Requirements** Has a transportation special revenue ("Local fund financial statements. One-time, Sean F & A 2.00 Transportation Authority Special Revenue Fund") been Sec. 10.1 Done Murdock start-up established to maintain all Revenues? Have the imposition, administration and collection of the tax been done in accordance with all applicable statutes, laws, rules Done to Sean 3.00 Sec. 3 F & A Recurring and regulations prescribed and adopted by State Board of date Murdock **Equalization?** Have Net Revenues been allocated solely for the transportation Done to Sean 4.00 F & A Sec. 4 Recurring purposes described in the Ordinance? date Murdock "Pay as you go" financing is the preferred method of financing transportation improvements and operations under the F&A, Sean (Attachment D) Done to Ordinance. Before issuing bonds, has the Authority determined Sec. 5 5.00 Recurring Planning date Murdock the scope of expenditures made "pay-as-you-go" financing December 14, 2009 unfeasible? Have maintenance of effort (MOE) levels been established for Joe Alcock/ One-time, each jurisdiction for fiscal year 2010-2011 pursuant to Ordinance Adriann 6.00 Sec. 6 Planning Done start-up 2? Cardoso Have city and county MOE levels been adjusted by July 1, 2014 Joe Alcock/ Done to 7.00 and every three years thereafter using the Caltrans Construction Adriann Sec. 6 Planning Recurring date Cost Index? Cardoso

Yes, The LTA Fund (fund 17) was established for this purpose. A discussion of the fund and its purpose can be found in the OCLTA audited financial statements.

Please refer to: "OCLTA Annual Financial and Compliance Report" for year ending June 30, 2018, pg. 17 - Notes to the Financial Statements. Yes. See independent auditor's findings related to applying Agreed-Upon Procedures to the Measure M2 Status Report.

Please refer to: "OCLTA Report on Agreed-Upon Procedures Applied to Measure M2 Status Report" for year ending June 30, 2018. Yes. See independent auditor's findings related to applying Agreed-Upon Procedures to the Measure M2 Status Report.

Please refer to: "OCLTA Report on Agreed-Upon Procedures Applied to Measure M2 Status Report" for year ending June 30, 2018. Yes. Please refer to the following documents: "Plan of Finance for Early Action Plan Staff Report", November 9, 2007

"Renewed Measure M Early Action Plan Review Staff Report",

"Paying for M2 - Bond Financing Legal Memo", March 5, 2012

Yes. The MOE benchmark for each jurisdiction was originally established under Ordinance No. 2. MOE for FY 2010-11 was established and adopted by the OCTA Board as part of the M2 Eligibility Guidelines.

Please reference "<u>Measure M2 Local Agency Eligibility Guidelines and</u> <u>Requirements</u>" Staff Report dated January 25, 2010.

Yes. The second MOE adjustment was presented to the Board on April 10, 2017. MOE correction for City of San Juan Capistrano was presented to the Board on May 8. 2017. Placentia MOE Benchmark adjustment was presented to the Board with the FY 18-19 M2 Eligibility Guidelines on April 9, 2018 due to a delay in adopting a final CAFR.

							The next MOE benchi will go to the Board in Please refer to the fol " <u>Fiscal Year 2017-18 N</u> <u>Updates to the Elij</u> <u>Guidelines</u> ", Staff Rep " <u>Measure M2 Eligibili</u> <u>16 Expenditure Report</u> <u>of Effort Benchmark</u> ", <u>"Fiscal Year 201819 N</u> <u>Management Plan G</u> <u>Effort Benchmark</u> ", St
8.00	Have MOE requirements been met annually by each jurisdiction?	Sec. 6	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Actual expenditu Board most recently of Please reference " <u>Fis</u> <u>Review</u> ", Staff Report
9.00	Have Revenues expended for salaries and benefits of Authority administrative staff remained within the one-percent per year limit?	Sec 7	F & A	Recurring	Action plan in place	Sean Murdock & Ben Torres	Yes. Expenditures we 2017 and June 30, 2 requirement. The am However, program-t \$1,497,884. This amo Unified Transportatio expenditures underru Please reference " <u>OC</u> <u>From Inception throu</u>
10.00	Has the Authority, to the extent possible, used existing state, regional and local planning and programming data and expertise to carry out the purposes of the Ordinance?	Sec. 7	Planning	Recurring	Done to date	Tamara Warren	Yes, OCTA as approp that work is not dupl In cases where OCT contracts with other e cooperative agreen Transportation, local with private sector ex Ordinance.

hmark adjustment will be effective July 1, 2020 and in Spring 2020.

following Staff Reports:

Measure M2 Maintenance of Effort Adjustment and Eligibility and Local Signal Synchronization Plan eport Dated April 10, 2017

bility Review Recommendations for Fiscal Year 2015ports and City of San Juan Capistrano's Maintenance k", Staff Report Dated May 8, 2017.

<u>A Measure M2 Eligibility and Countywide Pavement</u> <u>Guidelines and City of Placentia's Maintenance of</u> Staff Report Dated April 8, 2018.

itures for all local agencies were approved by the y on December 10, 2018.

Fiscal Year 2018-19 Measure M2 Annual Eligibility rt Dated December 10, 2018

were 0.78% for the fiscal year period between July 1, 2018, which was less than the 1% of net revenue amount under 1% for the fiscal year was \$715,985. In-to-date expenditures are over the 1% limit by mount has been borrowed from the Orange County ion Trust and is being paid back when administrative trun revenue in any given year of the program.

OCTA Summary of Measure M2 Administrative Costs ough June 30, 2018".

opriate, looks to other existing resources to ensure plicative and that expenses are kept to a minimum. CTA does not have the expertise available, OCTA r external agencies. For example, OCTA regularly has ements with the California Department of al universities, Army Corp of Engineers, and contracts experts as needed to meet the requirements of the

11.00	Have expenses for administrative staff and for project implementation incurred by the Authority, including contracted expenses, been identified in an annual report pursuant to Ordinance No. 3, Sec. 10.8?	Sec. 7 and Sec. 10.8	External Affairs	Recurring	Done to date	Alice Rogan & Marissa Espino	Yes. These reports ic project implementation expenses. M1 Annual updates on M2 Early saved in the M2 Docu for all M2 annual report For the 2018 M2 report Infographic - 2017", p
12.00	Has the 2006-2007 Authority appropriations limit been set at \$1,123 million?	Sec. 8	F & A	One-time, start-up	Done	Sean Murdock	Yes. Please reference Appropriations Limit
13.00	Has the Authority's appropriations limit been adjusted annually?	Sec. 8	F & A	Recurring	Done to date	Sean Murdock	Yes. All Board Resolu the M2 Document C resolutions were pro resolution, please re Establishing LTA Appr
14.00	Has the County of Orange Auditor-Controller, in the capacity as Chair of the Taxpayer Oversight Committee, annually certified that the Revenues were spent in compliance with the Ordinance?	Sec. 10.2	External Affairs	Recurring	Done to Date	Alice Rogan	Yes. Each year since 2 the County Auditor-C spent in compliance April 10, 2018, Count revenues were spent minutes of the TOC Compliance Memos a recent confirmation of <u>meeting minutes</u> " dat
15.00	Have receipt, maintenance and expenditure of Net Revenues been distinguishable in each jurisdiction's accounting records from other funding sources, and distinguishable by program or project?	Sec. 10.3	F&A, Internal Audit	Recurring	Action plan in place	Sean Murdock	Yes, local agencies su funding sources and t Starting with the 201 jurisdictions' finance requirement and eac audits that cover this conducts audits of 8 Expenditure Reports f agencies to be audited TOC approved FY 201 agencies. Audited ag Procedures M2 Report 1. April 10, 2018 M dated June 12, 2018

identify expenses for administrative staff and for ation incurred by the Authority, including contracted ual reports from years 2008 - 2011 included minor ly Action Plan progress and funding. All reports are ocument Center. As a one-time courtesy, hyperlinks ports up to 2015 were provided in the 2015 matrix.

eport, please refer to: "<u>Measure M Annual Report</u>, published in spring April 2018.

nce "<u>Board Resolution 2006-32 Establishing LTA</u> it FY 2006-07", dated June 12, 2006.

lutions establishing LTA appropriations are saved in Center. As a one-time courtesy, hyperlinks for all rovided in the 2015 matrix. For the approved 2018 refer to page 187: "<u>Board Resolution 2018-055</u> propriations Limit FY 2018-19"

e 2007, subsequent to Measure M Annual Hearings, -Controller has annually certified that revenues were e with the Ordinance. For this reporting period, on hty Auditor-Controller Eric Woolery certified that the nt in compliance with the Ordinance as noted in the OC meeting on April 10, 2018. All Annual Hearing are saved in the M2 Document Center. For the most n of compliance please reference the "<u>April 10, 2018</u> lated June 12, 2018.

submit expenditure reports annually that distinguish d tie to accounting records that are subject to audits. O11 version of the annual expenditure report, local ce directors are also required to attest to this ach year hereafter. Jurisdictions are also subject to his requirement. Internal Audit, through contractors, 8-10 jurisdictions per year covering this matter. s for each city are reviewed by staff and the TOC. The ced are selected by the TOC Audit Subcommittee. The O16-17 Expenditure Reports on April 10, 2018 for all agency findings are included in the Agreed-Upon horts. Please refer to:

Meeting Minutes portion of "<u>TOC Agenda Packet</u>",

							2. "Measure M2 Elig
							2016-17 Expenditure
							3. "OCLTA Report on
							<u>Status Report</u> " for ye
16.00	Has interest earned on Net Revenues allocated pursuant to the Ordinance been expended only for those purposes for which Net Revenues were allocated?	Sec. 10.3	F & A F & A	Recurring	Done to date Action	Sean Murdock	Yes. See independent Procedures to the Mo Please refer to: " <u>OCL</u> <u>Measure M2 Status F</u> Yes. See Item 15 note
17.00	Have jurisdictions used Net Revenues only for transportation purposes authorized by the Ordinance?	Sec. 10.4	Internal Audit	Recurring	plan in place	Sean Murdock	
18.00	If any jurisdiction used Net Revenues for other than transportation purposes, has it fully reimbursed the Authority the Net Revenues misspent and been deemed ineligible to receive Net Revenues for a period of five years?	Sec. 10.4	F & A	Recurring	N.A.	Sean Murdock	Not applicable becau Compliance is subject
19.00	Has a Taxpayer Oversight Committee been established to provide an enhanced level of accountability for expenditures of Revenues and to help ensure that all voter mandates are carried out as required?	Sec. 10.5	External Affairs	One-time, start-up	Done	Alice Rogan	Yes. The Citizens O transitioned into the 2007. The transition v the June 12, 2007 CO TOC Meeting Agenda an enhanced level of help ensure that all v Packets and Meeting Document Center. Pla
20.00	Have performance assessments to evaluate efficiency, effectiveness, economy and program results been conducted every three years?	Sec. 10.6	РМО	Recurring	Done to Date	Tamara Warren	Yes, to date, three Pe Currently, the fourth 2015-2018 is underw The most recent perform " <u>Triennial M2 Perform</u> Please refer to the Document Center for
21.00	Have the performance assessments been provided to the Taxpayers Oversight Committee?	Sec. 10.6	PMO, External Affairs	Recurring	Done to Date	Tamara Warren & Alice Rogan	Yes, to date, three pe the TOC. Please refer " <u>TOC Agenda Packet</u>

ligibility Review Recommendations for Fiscal Year are Reports", Staff Report dated June 11, 2018 on Agreed-Upon Procedures Applied to Measure M2 year ending June 30, 2018.

nt auditor's findings related to applying Agreed-Upon Measure M2 Status Report.

CLTA Report on Agreed-Upon Procedures Applied to Report "for year ending June 30, 2018.

tes.

ause there have been no such occurrences to date. ect to audits by Internal Audit.

Oversight Committee established under M1 was he Taxpayer Oversight Committee (TOC) in August n was mentioned in the OCTA Staff Update portion of OC Meeting Minutes, included in the August 28, 2007 da Packet. The TOC has since met regularly to provide of accountability for expenditures of Revenues and to voter mandates are carried out as required. Agenda ng Minutes for each TOC meeting can be found in the Please reference: "<u>TOC Agenda Packet 8-28-2007</u>". Performance Assessments have been conducted. th Triennial M2 Performance Assessment, covering way and is anticipated to be complete in early 2019. rformance Assessment can be found: <u>ormance Assessment 2012-2015</u>"

e 2016 M2 Ordinance Tracking Matrix or the M2 or prior M2 Performance Assessments. Deerformance assessments have been provided to er to the following agenda packets: <u>et 20101214</u>" <u>et 20130409</u>" <u>et 20160614</u>"

22.00	Have quarterly status reports regarding the major projects detailed in the Plan been brought before the Authority in public meetings?	Sec. 10.7	РМО	Recurring	Done to Date	Tamara Warren	Yes, quarterly reports The reports are post Document Center. Th Quarterly Report". Th December 10, 2018. Please reference: " <u>M</u> 2018"
23.00	Has the Authority published an annual report on how revenues have been spent and on progress toward implementation and publicly reported on the findings?	Sec. 10.8	External Affairs	Recurring	Done to date	Alice Rogan	Yes. These annual re 2010-11. The FY 201 the Board March 201
24.00	Has the Authority, every ten years, conducted a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program?	Sec. 11	РМО	Recurring	Done to date	Tamara Warren	The first comprehens covering November 8 presented to the Boa Please reference: "M
25.00	If the Authority has amended the Ordinance, including the Plan, has the Authority followed the process and notification requirements in Ordinance No. 3, Sec. 12, including approval by not less than two-thirds vote of the Taxpayer Oversight Committee?	Sec. 12	PMO, External Affairs	Recurring	Done to Date	Tamara Warren & Alice Rogan	Yes. For Amendment OCTA followed the requirements (includi #2 (Nov. 25, 2013) to Ordinance amendme require TOC approval Mar. 14, 2016) to (Attachment B), OCT notification requirement Please refer to: "TOC M2 Amendment November 25, 2013. "TOC M2 Amendment 2015.
26.00	General Requirements - Allocation of Net Revenues						
27.00	Have at least five percent of the Net Revenues allocated for Freeway Projects been used to fund Programmatic Mitigation of Freeway Projects, and have these funds derived by pooling funds from the mitigation budgets of individual Freeway Projects?	Att. B, Sec. II.A.5	Planning, F & A	30-year	Done to date	Sean Murdock	Yes. See independent Procedures to the Me Please refer to: " <u>OCL</u> <u>Measure M2 Status R</u>

ts have consistently been brought before the Board. osted on the OCTA website and saved in the M2 These reports can be found by searching for "M2 The latest report was presented to the Board on

M2 Quarterly Report Q1 July through September

reports were prepared and made public since FYs 017-18 report is underway and will be presented to 019. See Item 11 for links to public reports.

nsive Ten-Year Review was conducted for the period 8, 2006 through June 30, 2015. The final report was bard on October 12, 2015.

M2 Ten-Year Review Report".

nt #1 (Nov. 9, 2012) to the Plan (Freeway Category), he Plan amendment process and notification iding TOC approval on Oct. 9, 2012). For Amendment to the Ordinance (Attachment C), OCTA followed the nent process and notification requirements (didn't val). For Amendment #3 (Dec. 14, 2015, corrected on to the Plan (Transit Category) and Ordinance OCTA followed the Plan amendment process and ments (including TOC approval on Nov. 10, 2015).

ent No. 1 Approval Memo", dated October 9, 2012 nent No. 2 Public Hearing," Staff Report dated 8.

ent No. 3 Approval Memo", dated November 10,

nt auditor's findings related to applying Agreed-Upon Aeasure M2 Status Report.

<u>CLTA Report on Agreed-Upon Procedures Applied to</u> <u>Report</u>" for year ending June 30, 2018.

28.00	 Has the Authority used Revenues as follows: First, paid the State Board of Equalization for services and functions? Second, paid the administrative costs of the Authority? Third, satisfied the annual allocation of two percent of Revenues for Environmental Cleanup? Fourth, satisfied the debt service requirements of all bonds issued pursuant to the Ordinance that are not satisfied out of separate allocations? 	Att. B, Sec. IV.A.1-4	F & A	Recurring	Done to date	Sean Murdock	Yes. See independent Procedures to the Me Please refer to: " <u>OCL</u> <u>Measure M2 Status R</u>
29.00	 After providing for the use of Revenues as described above, has the Authority allocated Net Revenues as follows: Freeway Projects - 43%? Streets and Roads Projects - 32%? Transit Projects - 25%? 	Att. B, Sec. IV.B.1-3	F & A	Recurring	Done to date	Sean Murdock	Yes. See independent Procedures to the Me Please refer to: " <u>OCL</u> <u>Measure M2 Status R</u>
30.00	 Has the allocation of the 32 percent for Streets and Roads Projects been made as follows: Regional Capacity Program projects - 10% of Net Revenues? Regional Traffic Signal Synchronization Program projects - 4% of Net Revenues? Local Fair Share Program projects - 18% of Net Revenues? 	Att. B, Sec. IV.C.1-3	F & A	Recurring	Done to date	Sean Murdock	Yes. See independent Procedures to the Me Please refer to: " <u>OCL</u> <u>Measure M2 Status R</u>
31.00	If the percentage basis of the allocation of Net Revenues in any given year is different than required by Sections B and C (except for Local Fair Share Program projects), have the percentage allocations set forth in Sections B and C been achieved during the duration of the Ordinance?	Att. B, Sec. IV.D	F & A	30-year	Not yet required	Sean Murdock	The percentage basis be achieved during th
32.00	Have Net Revenues allocated for the Local Fair Share Program pursuant to Att. B, Sec. IV.C been paid to Eligible Jurisdictions within 60 days of receipt by the Authority?	Att. B, Sec. IV.E	F & A	Recurring	Done to date	Sean Murdock	 Yes. See General According 2017-18. Also note the Status Report. 1. 2018 Project Q Locard 2. "OCLTA Report on Status Report" for year
33.00	If the Authority exchanged Net Revenues from a Plan funding category for federal, state or other local funds, has the Authority and the exchanging public agency used the exchanged funds for the same program or project authorized for the use of the funds prior to the exchange, have such federal, state or local funds received by the Authority been allocated to the same Plan funding category that was the source of the exchanged Net Revenues?	Att. B, Sec. IV.F	Planning, F & A	Recurring	Not yet required	Sean Murdock	Not applicable to date
34.00	Has the Authority followed the requirement that in no event shall an exchange of funds reduce the Net Revenues allocated for Programmatic Mitigation of Freeway Projects?	Att. B, Sec. IV.F	Planning, F & A	Recurring	Not yet required	Sean Murdock	Not applicable to date

nt auditor's findings related to applying Agreed-Upon Measure M2 Status Report.

CLTA Report on Agreed-Upon Procedures Applied to Report "for year ending June 30, 2018.

nt auditor's findings related to applying Agreed-Upon Measure M2 Status Report.

<u>CLTA Report on Agreed-Upon Procedures Applied to</u> <u>Report</u>" for year ending June 30, 2018.

nt auditor's findings related to applying Agreed-Upon Measure M2 Status Report.

CLTA Report on Agreed-Upon Procedures Applied to Report of year ending June 30, 2018.

sis allocation is not an annual requirement but must the duration of the Ordinance.

counting payments for Local Fair Share funds for FY that Agreed-Upon Procedures to the Measure M2

<u>ocal Fair Share Payments.</u> <u>on Agreed-Upon Procedures Applied to Measure M2</u> /ear ending June 30, 2018. ate because there have been no exchanges.

ate because there have been no exchanges.

35.00	Has the Authority, upon review and acceptance of any Project Final Report, allocated the balance of Net Revenues, less the interest earned on the Net Revenues allocated for the project?	Att. B, Sec. IV.H	Planning	Recurring	Done to Date	Joe Alcock/ Adriann Cardoso	Yes. As projects are comade available for ot (Ordinance Amendme There have been no re Streets and Roads, requirements in Att. F
36.00	Requirements Related to All Freeway Projects						
37.00	Have Freeway Projects been planned, designed and constructed with consideration for their aesthetic, historic and environmental impacts on nearby properties and communities?	Att. A, p. 5 Freeway Projects Overview	Capital Programs - Highways	Recurring	Done to Date	Rose Casey	Yes. Freeway Projects other stakeholders landscaping and ac representatives and opportunity to includ uniformity on the free Environmental Docum to the " <u>Historic Reso</u> Project H Environmer
38.00	Has a Master Agreement for environmental and programmatic mitigation of freeway projects between OCLTA and state and federal resource agencies been executed?	Att. A, p.5 Freeway Projects Overview	Planning	One-time, start-up	Done	Dan Phu	Yes. The Memorandu in January 2010, ser termination date on longer than anticipate Please refer to: " <u>C</u> Program MOA".
39.00	Has the OCLTA made every effort to maximize Orange County's share of state and federal freeway dollars?	Att. B, Sec. II.A.1	Govt Relations, Planning	Recurring	Done to date	Adriann Cardoso	Yes. Since 2006, OC amounts, for freeway million, state - \$819 successful in receivir million will benefit M SR-73 to I-605 project Please refer to Attac Report, dated Novem
40.00	Have all major approval actions for Freeway Projects, including project concept, location, and any change in scope, been agreed upon by Caltrans, the Authority, project sponsors, and where appropriate, the FHWA and/or the California Transportation Commission?	Att. B, Sec. II.A.2	Capital Programs - Highways	Recurring	Done to Date	Rose Casey	Yes, coordination with approval actions are concept, location an alternative is select environmental docum includes delegated N documents are also require changes to the Caltrans. Design mode are coordinated w

completed, any unused funds from each project are other projects within the same category, as needed ments 1 and 3 are examples of this).

o reallocations across categories (43% Freeway, 32% , and 25% Transit), in accordance with overall . B, Sec IV.B.

cts are developed with input from Cities, the public, s and various interest groups. For example, aesthetics are prepared with input from city d the public to ensure that each city is given an ude its own "theme" while preserving the overall eeways throughout Orange County. Please reference uments for each project. For an example, please refer esources Compliance Report HRCR" portion of the ental Document, dated December 1, 2008.

lum of Agreement and Planning Agreement executed erved as the Master Agreement. As a note, the n the Planning Agreement was extended as it took ated to complete the NCCP/HCP and EIR/EIS.

C-9-0278 Agreement, Environmental Mitigation

OCTA has received and programmed the following ray projects included in the M2 Plan: federal - \$511 9 million, other local - \$10 million. OCTA was also ring a TIFIA loan for \$629 million (of which ~\$154 M2) against future toll revenues for the I-405 from ect.

achment B of "<u>Capital Programming Update</u>" Staff mber 26, 2018.

ith the agencies listed is a constant, and the required re obtained from the appropriate agencies. Project and scope are determined when the preferred lected and identified in the final approved ument (FED). The FED is approved by Caltrans, which NEPA authority from FHWA. The environmental o provided to the CTC. Scope changes will often the Cooperative Agreement between OCTA and odifications and exceptions to design requirements with Caltrans District 12 and Headquarters

41.00	Has the Authority, prior to allocation of Net Revenues for any Freeway Project, obtained written assurances from the appropriate state agency that after the project is constructed to at least minimum acceptable state standards, the State shall be responsible for maintenance and operation?	Att. B,Sec. II.A.3	Capital Programs - Highways	Recurring	Done to Date	Rose Casey	(Sacramento), which I design exceptions. approved by both OC enough to warrant California Transporta funds are requested of Yes, construction Coc include language that For an example, pla "Cooperative Agree Transportation for th <u>Avenida Pico and Ave</u> 9, 2013. This agreeme
42.00	Have Freeway Projects been built largely within existing rights of way using the latest highway design and safety requirements?	Att. B, Sec. II.A.4	Capital Programs - Highways	Recurring	Done to Date	Rose Casey	Yes, keeping generall project parameters. F 405 Improvement Pr the full ROW acquis Caltrans design and sa partial acquisitions a while adding 4 lanes billion project, the highlighting the impo For an example, Environmental Impac
43.00	To the greatest extent possible within the available budget, have Freeway Projects been implemented using Context Sensitive Design? ("Context Sensitive Design features" are further described in the referenced provision.)	Att. B, Sec. II.A.4	Capital Programs - Highways	Recurring	Done to Date	Rose Casey	Yes, freeway projects from the Planning Construction. The pro with local cities and soft/hardscape featu requires public input, soundwalls will be bu bridges take into acco
44.00	Have Freeway Projects, to the greatest extent possible within the available budget, been planned, designed and constructed using a flexible community-responsive and collaborative approach to balance aesthetic, historic and environmental values with transportation safety, mobility, maintenance and performance goals?	Att. B, Sec. II.A.4	Capital Programs - Highways	Recurring	Done to Date	Rose Casey	Yes, Community Out Open Houses, City C other forms of Outre feedback so that mod values. All design fe approved by Caltrar performance goals.
45.00	Have the Net Revenues allocated to Freeway Projects for use in funding Programmatic Mitigation for Freeway Projects been subject to the following:	Att. B, Sec. II.A.5	Planning		Done	Dan Phu	See items 45.01 - 45.0

h has the delegated authority from FHWA to approve Project Change Requests are required to be DCTA and Caltrans when a change in scope is large t a change in project funding. Approval by the

tation Commission may also be required if state d or a baseline agreement amendment is required.

ooperative Agreements between OCTA and Caltrans nat assigns maintenance and operations to Caltrans. olease reference Attachment A, article 31 of the <u>eement with the California Department of</u> the Interstate 5 HOV Improvement Project Between venida Vista Hermosa" Staff Report, dated December ment (<u>C-3-2080</u>) was executed on July 5, 2012.

ally within existing Right of Way is one of the largest For example, elimination of braided ramps on the I-Project was approved in the final EIR/EIS to reduce isitions while still ensuring that the design meets safety standards. Keeping the ROW impacts to some and primarily temporary construction easements es to the 405 is a major accomplishment for a \$1.9 e largest project in the M2 freeway program, portance placed on working within ROW constraints. please reference "<u>I-405 Supplemental Draft</u> act Report/EIS".

cts include many context sensitive design features, og stages, through Environmental, Design and project team, including Public Outreach, coordinates and other agencies on landscaping, aesthetic and tures. For example, the construction of sound walls at, in the form of a soundwall survey, to determine if built. Aesthetics of soundwalls, retaining walls and count City and community preferences.

utreach is a constant on all the Freeway Projects. Council presentations, local agency meetings and treach are deployed in order to obtain community odifications are made, where possible, to retain these features and proposed changes are reviewed and ans to ensure safety, mobility, maintenance and

45.01	Has a Master Environmental Mitigation and Resource Protection Plan and Agreement (Master Agreement) between the Authority and state and federal resources been developed?	Att. B, Sec. II.A.5.a	Planning	One-time, start-up	Done	Dan Phu	Yes. The Memorandu in January 2010, se Planning Agreement complete the NCCP/H Please refer to: " <u>9</u> <u>Program MOA</u> ".
45.02	Does the Master Agreement include commitments by the Authority to provide programmatic environmental mitigation of Freeway Projects?	Att. B, Sec. II.A.5.a.(i)	Planning	One-time, start-up	Done	Dan Phu	Yes. The Memorandu in January 2010, serv Agreement which programmatic enviro an extension of the required since it took and EIR/EIS. Please refer to: " <u>Program MOA</u> ".
45.03	Does the Master Agreement include commitments by state and federal agencies to reduce project delays associated with permitting and streamline the process for Freeway Projects?	Att. B, Sec. II.A.5.a.(ii)	Planning	One-time, start-up	Done	Dan Phu	Yes. The Memorandu in January 2010, ser within the Agreemer agencies to reduce streamline the proce the termination date took longer than ant Please refer to: " Program MOA".
45.04	Does the Master Agreement include an accounting process for mitigation obligations and credits that will document net environmental benefit from regional, programmatic mitigation in exchange for net benefit in the delivery of transportation improvements through streamlined and timely approvals and permitting?	Att. B, Sec. II.A.5.a.(iii)	Planning	One-time, start-up	Done	Dan Phu	Yes. Development of Conservation Plan (provision (Sections 5 Board and the Final E 2016. The correspon received in June 2 NCCP/HCP for mitigation performed will be finalized in NCCP/HCP from 201 year's activities in r compared against environmental benef 1 of the NCCP/HCP agencies were issued the transportation performed

dum of Agreement and Planning Agreement executed served as the Master Agreement. As a note, the nt was extended as it took longer than anticipated to P/HCP and EIR/EIS.

"C-9-0278 Agreement, Environmental Mitigation

dum of Agreement and Planning Agreement executed rved as the Master Agreement. See Item 1 within the refers to commitments by OCTA to provide ronmental mitigation of Freeway Projects. As a note, e termination date on the Planning Agreement was ok longer than anticipated to complete the NCCP/HCP

"C-9-0278 Agreement, Environmental Mitigation

dum of Agreement and Planning Agreement executed erved as the Master Agreement. See Items 6 and 8 ent as it relates to commitments by state and federal ce project delays associated with permitting and cess for Freeway Projects. As a note, an extension of te on the Planning Agreement was required since it nticipated to complete the NCCP/HCP and EIR/EIS.

"C-9-0278 Agreement, Environmental Mitigation

of the Natural Community Conservation Plan/Habitat (NCCP/HCP) set forth the process to meet this 5 and 6). The Final NCCP/HCP was approved by the EIR/EIS was certified by the Board on November 28, nding state and federal wildlife agency permits were 2017. An accounting process is folded into the gation obligations and credits. An annual report is locument freeway project level impacts as well as ed for those freeway projects. The first annual report 2019, and will include activities related to the 011. The future annual reports will only include one relation to the NCCP/HCP. Actual impacts will be assumptions made within the NCCP/HCP. Net efits from the NCCP/HCP are summarized in Table ES-P. Biological permits from the wildlife regulatory ed in advance, therefore streamlining the delivery of projects.

1	1	I	I	1	I	1	1
							Please refer to: " <u>Fina</u> <u>Conservation Plan</u> November 28, 2016.
							<u>"OCTA M2 NCCP-HCP</u> Wildlife and Caltrans,
45.05	Does the Master Agreement include a description of the specific mitigation actions and expenditures to be undertaken and a phasing, implementation, and maintenance plan?	Att. B, Sec. II.A.5.a.(iv)	Planning	One-time, start-up	Done	Dan Phu	Yes, the Memorand executed in January 2 Please refer to: " <u>C</u> <u>Program MOA</u> ".
45.06	Does the Master Agreement include appointment by the Authority of a Mitigation and Resource Protection Oversight Committee to make recommendations to the Authority on the allocation of Net Revenues for programmatic mitigation and to monitor implementation of the Master Agreement?	Att. B, Sec. II.A.5.a.(v)	Planning	One-time, start-up	Done	Dan Phu	Yes. The Environment to the Authority on mitigation and also m Mitigation Program w Please refer to: " <u>C</u> Program MOA".
45.07	Was an Environmental Oversight Committee appointed and does it consist of no more than 12 members and is comprised of representatives of the Authority, Caltrans, state and federal resource agencies, non-governmental environmental organizations, the public and the Taxpayer Oversight Committee?	Att. B, Sec. II.A.5.a.(v)	Planning, External Affairs	One-time, start-up	Done	Dan Phu & Marissa Espino	Yes. Creation of the selection for member October 15, 2007. Th 2007. Please reference the " <u>Renewed Measure N</u> Staff Report dated Oct " <u>EOC Minutes</u> " dated " <u>Status Report on Ren</u> Report dated August " <u>EOC Roster 2018</u> " dated
45.08	Was the Master Agreement developed as soon as practicable following the approval of the ballot proposition by the electors?	Att. B, Sec. II.A.5.b	Planning	One-time, start-up	Done	Dan Phu	Yes, the Memorandu began in early 2008.
45.09	Have the Authority and state and federal resource agencies developed the Master Agreement prior to the implementation of Freeway Projects?	Att. B, Sec. II.A.5.b	Planning	One-time, start-up	Done	Dan Phu	Yes. The Memorandu began in early 2008 federal resources age Early Action Plan also various M2 freeway environmental studie also maximized OCTA (i.e., CMIA and federa SR-91 lane addition b access improvements

nal Natural Community Conservation Plan/Habitat and Associated EIR/EIS", Staff Report dated

CP Implementing Agreement with Fed and State Fishus, 6-19-2017."

ndum of Agreement and Planning Agreement, v 2010, included this provision.

C-9-0278 Agreement, Environmental Mitigation

ental Oversight Committee makes recommendations in the allocation of Net Revenues for programmatic monitors the implementation of the Environmental which is based on the Master Agreement.

C-9-0278 Agreement, Environmental Mitigation

e EOC occurred in 2007 with applicant scoring and pership by the Transportation 2020 Committee on The first EOC meeting took place on November 13,

e following documents: <u>M Environmental Committees Selection Process</u>" October 22, 2007 ed November 13, 2007 Senewed Measure M Environmental Programs" Staff st 25, 2008 dated January 18, 2019

lum of Agreement and Planning Agreement process

dum of Agreement and Planning Agreement process 98 and was fully executed by OCTA and state and gencies in January 2010. During this timeframe, the so authorized the project development processes for y projects, which included preliminary engineering, lies, and final design work. The initiation of this work TA's ability to compete for state and federal funds eral stimulus). With the exception of the eastbound between SR-241 and SR-71 and the State Route 22 hts, the rest of the M2 freeway projects did not begin

46.00	Requirements Related to Specific Freeway Projects						construction until a addition project bega American Recover an and the SR-22 impro completed early in 20 project. Please refer to: " <u>C</u> <u>Program MOA</u> ".
47.00	Project A						
48.00	Have Santa Ana Freeway (I-5) improvements between the Costa Mesa freeway (SR-55) and "Orange Crush" (SR-57) described in Project A been built:	Att. A, p. 7, Project A	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The design phase of December 2018, the p construction complet
48.01	At the SR-55/I-5 interchange area between the Fourth Street and Newport Boulevard ramps on I-5?	Att. A, p. 7	Capital Programs - Highways	30-year	Not yet required	Rose Casey	Not yet, see notes Ite
48.02	On SR-55 between Fourth Street and Edinger Avenue?	Att. A, p. 7	Capital Programs - Highways	30-year	Not yet required	Rose Casey	No. Project A improve Street and Edinger Av Caltrans and local juri in Project F on SR-55 I
48.03	On I-5 between SR-55 and SR-57?	Att. A, p. 7	Capital Programs - Highways	30-year	Not yet required	Rose Casey	Not yet, see notes Ite
49.00	Have the Project A improvements, as built, increased capacity and reduced congestion?	Att. A, p. 7, Project A	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The forecasted constr will add capacity with construction complet
50.00	Project B						
51.00	Have new lanes been built and interchanges improved on the Santa Ana Freeway (I-5) between the Costa Mesa freeway (SR-55) to El Toro "Y"?	Att. A, p. 7, Project B	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The environmental pl December 2018, is ex design and construct dependent on the allo
52.00	Have the Project B improvements as built increased capacity and reduced congestion?	Att. A, p. 7, Project B	Capital Programs - Highways	30-year	Not yet required	Rose Casey	See notes Item 51.00 general purpose lane construction complet
53.00	Project C						
54.00	Have Santa Ana Freeway (I-5) improvements south of the El Toro "Y" been built with:	Att. A, p. 8, Project C	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The I-5, Avenida Pico improvement Avenida and construction. This of I-5 between PCH

after January 2010. The Eastbound SR-91 lane gan construction in late 2009 and utilized primarily and Reinvestment Act (ARRA) federal stimulus funds provements were amended into Measure M1 and 2007 as a "bonus project" as part of the SR-22 D/B

C-9-0278 Agreement, Environmental Mitigation

of this project was completed in June 2017. As of e project was starting construction with a forecasted etion date of April 2021.

tem 48.00.

ovement limits do not include SR-55 between Fourth Avenue due to lack of support/consensus between urisdictions. There are some improvements included 5 between I-405 and I-5.

tem 48.00.

struction completion date is April 2021. The project th a second carpool lane and relieve congestion upon etion as identified during the environmental phase.

phase work for the project is underway and, as of expected to be complete by August 2019. The final ction schedules have not been set yet, as they are illocation of funds for those phases.

20. The project will add capacity with one additional one in each direction and relieve congestion upon etion as identified during the environmental phase.

ico to San Juan Creek Road (including interchange ida Pico) was divided into three segments for design his project added a new HOV lane in both directions H and Avenida Pico, reconstruct the Avenida Pico

							Interchange, and reco All three segments ar The I-5, SR-73 to improvements at Ave in May 2014. This p direction, extend the Rd to Alicia Pkwy, interchanges, and ac been divided into th forecasted construction 2025.
54.01	New lanes from the vicinity of the El Toro Interchange in Lake Forest to the vicinity of SR-73 in Mission Viejo?	Att. A, p. 8, Project C	Capital Programs - Highways	30-year	Not yet required	Rose Casey	See notes Item 54.0 completion. Segment 1, I-5 betwee to Avery Pkwy Intero scheduled to be advee Segment 2, I-5 be improvements to La P November 5, 2018 ar Segment 3, I-5 betw March 2015 and wil scheduled to begin in
54.02	New lanes between Pacific Coast Highway and Avenida Pico?	Att. A, p. 8, Project C	Capital Programs - Highways	30-year	Done to date	Rose Casey	Yes, new HOV lanes and were broken into The I-5, Pico to improvements at Pice completed in August <u>Complete,"</u> Project C Sheets on the <u>Caltran</u> for Bids dated Septer The I-5, Vista Hermon and was completed <u>Schedule Complete</u> ," "Plan Sheets on the Invitation for Bids dat The I-5, PCH to San December 2013 and

constructed on and off ramps along the project area. are now complete.

b El Toro Road project (including interchange very and La Paz) completed the environmental phase project will add a general-purpose lane in each the second HOV lane in both directions from El Toro , reconstruct the La Paz Road and Avery Pkwy add auxiliary lanes where needed. This project has three segments for design and construction. The ction completion date of the last segment is January

.00. New lanes will be added upon construction

veen SR-73 and Oso Pkwy (including improvements rchange), completed design in August 2018 and is vertised in September 2019.

petween Oso Pkwy and Alicia Pkwy (including Paz Interchange) was advertised for construction on and bids will be opened on January 16, 2019.

ween Alicia Pkwy and El Toro Rd, began design in vill complete design in April 2019. Construction is in March 2019.

s have been added between PCH and Avenida Pico to three segments. See notes Item 54.00. Vista Hermosa project (including interchange ico) began construction in December 2014 and was st 2018. Please refer to: "FC101 Master Schedule Controls Schedule dated October 16, 2018. "Plan ans' website using Contract No. 12-0F96A4, Invitation ember 2, 2014.

osa to PCH project began construction in July 2014 d in July 2017. Please refer to: "FC103 Master ," Project Controls Schedule dated August 17, 2017. e <u>Caltrans' website</u> using Contract No. 12-0F96C4, ated February 3, 2014.

n Juan Creek Road project started construction in d was completed in July 2018. Please refer to:

54.03	Major improvements at local interchanges as determined in Project D? Have the Project C improvements as built increased capacity and reduced congestion?	Att. A, p. 8, Project C Att. A, p. 8, Project C	Capital Programs - Highways Capital Programs - Highways	30-year 30-year	Not yet required Not yet required	Rose Casey Rose Casey	"FC104 Master Sched September 17, 2018 Contract No. 12-0F96B Avenida Pico, Avery P project C. (See notes these interchanges.) See notes Item 54.00. and Avenida Pico) i identified during the purpose lane to be ad will also reduce conge
50.00							See item 54.00 for s
57.00	Have key I-5 interchanges such as Avenida Pico, Ortega Highway, Avery Parkway, La Paz Road, El Toro Road, and others been updated and improved to relieve street congestion around older interchanges and on ramps?	Att. A, p. 8, Project D	Capital Programs - Highways	30-year	Not yet required	Rose Casey	Construction of the completed in Decemb use in fall 2015. Plea Project Controls Scher <u>SR-74 Ortega Highwa</u> <u>Caltrans' website</u> usin June 4, 2012. The I-5/El Toro Road I and the environmental the environmental ph 2019. The design and are dependent on the
58.00	Project E						· · ·
59.00	Have interchange improvements on the Garden Grove Freeway (SR-22) been constructed at the following interchanges:	Att. A, p. 9, Project E	Capital Programs - Highways	30-year	Done to Date	Rose Casey	Yes, completed in 2 interchanges listed be the area. The project v by the original Measu " <u>F7100 EA 0J9601 SR-</u> 2006.
59.01	Euclid Street?	Att. A, p. 9, Project E	Capital Programs - Highways	30-year	Done to Date	Rose Casey	Yes, see notes Item 59
59.02	Brookhurst Street?	Att. A, p. 9, Project E	Capital Programs - Highways	30-year	Done to Date	Rose Casey	Yes, see notes Item 59

edule Complete," Project Controls Schedule dated 18. "Plan Sheets on the <u>Caltrans' website</u> using 16E4, Invitation for Bids dated August 19, 2013.

Parkway and La Paz Parkway are incorporated into es Item 54.00 for main item status which includes

00. The I-5 HOV Improvement projects (between PCH) increased capacity and reduced congestion as the environmental phase. The additional general added in each direction from SR-73 to El Toro Road agestion once constructed.

r status of Pico, Avery and La Paz interchanges. ne I-5/Ortega Highway Interchange project was mber 2015. The interchange was opened for public ease refer to: "<u>FD101 Master Schedule Complete</u>", nedule dated February 19, 2016. "<u>FD101 I-5 Ortega,</u> way Plans Sheets" which also can be found on ing Contract No. 12-0E3104, Invitation for Bids dated

d Interchange has an approved project study report, ntal phase began in April 2017. As of December 2018, phase is forecasted to be completed by November nd construction schedules have not been set yet and he allocation of funds for those phases.

2007. Improvements were made to the three below to reduce freeway and street congestion in ct was completed early as a "bonus project" provided sure M. Please refer to:

<u>R-22 As Built Plans Approved</u>", dated November 30,

59.00.

59.00.

1		I	I	I	1	I	I
59.03	Harbor Boulevard?	Att. A, p. 9, Project E	Capital Programs - Highways	30-year	Done to Date	Rose Casey	Yes, see notes Item 5
60.00	Project F						
61.00	Have new lanes, including merging lanes to smooth traffic been added to the Costa Mesa Freeway (SR-55) between SR-22 and I- 405 generally constructed within existing ROW?	Att. A, p. 9, Project F	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The SR-55 project bet with an expected pha to List for construction construction is foreca will generally be cons The environmental p began in January 202 completed by January dependent on fundin
62.00	Have operational improvements been made to the SR-55 between SR-91 and SR-22?	Att. A, p. 9, Project F	Capital Programs - Highways	30-year	Not yet required	Rose Casey	See notes Item 61.00. Operations will impro
63.00	Have these improvements increased freeway capacity and reduced congestion?	Att. A, p. 9, Project F	Capital Programs - Highways	30-year	Not yet required	Rose Casey	See notes Item 61.00 Capacity will increas completion as identif
64.00	Project G						
65.00	Have the following improvements been made to the Orange Freeway (SR-57):	Att. A, p. 10, Project G	Capital Programs - Highways	30-year	Not yet required	Rose Casey	There is a total of fiv Katella, Katella to Lin Lambert and Lambert five segments were below for segment co Orangewood to Kate Lambert to LA County
65.01	A new northbound lane between Orangewood Avenue and Lambert Road?	Att. A, p. 10, Project G	Capital Programs - Highways	30-year	Not yet required	Rose Casey	See notes Item 65.00 project was complete to Lambert segments Please refer to: "FG101 Master S Controls Schedule "FG101 Plans She using Contract No "FG102 Master So Project Controls S

etween I-405 and I-5 is currently in the design phase hase completion by April 2020 when it will be Ready tion in December 2020. As of December 2018, the casted to be complete in August 2025. The project instructed within the existing ROW.

phase for the SR-55 project between I-5 and SR-91 2017 and as of December 2018 is forecasted to be ary 2020. The design and construction schedules are ing and have not been set yet.

0.

rove upon construction completion.

0.

ase and congestion will reduce upon construction if if a construction if it is a construction if a construction if a construction if a construction is a construction will be a construction will be a constructed by a construc

ive project segments for Project G. Orangewood to incoln, Orangethorpe to Yorba Linda, Yorba Linda to ert to the LA County line. Construction of three of the e completed in the 2014 to 2015 timeframe. See completion date info. The two remaining segments tella is currently in the environmental phase and ity line will begin environmental next year.

DO. Construction of the SR-57 (NB) Katella to Lincoln eted in April 2015, and the SR-57 (NB) Orangethorpe ts were completed in May 2014 and November 2014.

<u>Schedule Complete</u>", Katella to Lincoln Project le dated May 18, 2015 <u>neets</u>" which also can be found on <u>Caltrans' website</u> lo. 12-0F0404, Invitation for Bids dated July 18, 2011

Schedule Complete["], Orangethorpe to Yorba Linda Schedule dated December 15, 2014

67.00	Project H On the Riverside Freeway (SR-91) from the I-5 to the SR-57:	Att. A, p. 11, Project H	Highways Capital Programs - Highways	30-year	Done to Date	Rose Casey	Implementation of th lane in the westbour lanes through the int continuous westbour placed or added and Construction began of construction was com Please refer to: "FH Controls Schedule dat
65.03 66.00	Addition of a northbound truck climbing lane between Lambert Road and Tonner Canyon? Have these improvements increased freeway capacity and reduced congestion?	Att. A, p. 10, Project G Att. A, p. 10, Project G	Programs - Highways Capital Programs -	30-year 30-year	Not yet required Not yet required	Rose Casey Rose Casey	project has been inc FY20/21. Environmen in January 2023. The on funding and have in The completed 3 segrent and Orangethorpe to of a general purpose
65.02	Improvements to the Lambert Interchange?	Att. A, p. 10, Project G	Capital Programs - Highways Capital	30-year	Not yet required	Rose Casey	on funding and have See notes Item 65.00 forward through a cit phase. The design and and have not yet bee See notes Item 65.00 to the Lambert Road truck climbing lane b
							 "FG102 SR-57 NB also can be found Invitation for Bids "FG103 Master Sc Controls Schedule "FG103 Plans She using Contract No The environmental pl and Katella Avenue b February 2019. The construction

<u>B Orangethorpe to Yorba Linda Plans Sheets</u>" which d on <u>Caltrans' website</u> using Contract No. 12-0F0314, ds dated May 10, 2010

Schedule Complete", Yorba Linda to Lambert Project le dated June 17, 2014

neets" which also can be found on <u>Caltrans' website</u> Io. 12-0F0324, Invitation for Bids dated May 24, 2010

phase for the project between Orangewood Avenue began in April 2016, with completion scheduled for e design and construction schedules are dependent e not been set.

DO. The Lambert Road interchange project is moving city led project and is currently in the Environmental nd construction schedules are dependent on funding een set.

00. The fifth project on SR-57 include improvements d interchange (see above – 65.02) and a northbound e between Lambert Road and Tonner Canyon. This included in the proposed 2018 STIP for funding in ental is scheduled to begin in July 2020 and complete the design and construction schedules are dependent e not yet been set.

gments of NB lanes on SR-57 from Katella to Lincoln to Lambert have increased capacity with the addition se lane and reduced congestion as identified during phase. See notes Item 65.00.

this project provides an additional general purpose und (WB) direction by connecting existing auxiliary nterchanges within the project limits to create a 4th und general purpose lane. WB auxiliary lanes will be ad exit ramps will be modified to 2-lane exit ramps. I on the new westbound lane in February 2013, and ompleted in June 2016.

EH101Project Master Schedule Complete", Project dated July 19, 2016 the <u>Caltrans' website</u> using Contract No. 12-0C5704, lated October 1, 2012 visions"

68.01	Has capacity been added in the westbound direction?	Att. A, p. 11, Project H	Capital Programs - Highways	30-year	Done to Date	Rose Casey	Yes, capacity was prov
68.02	Have operational improvements been provided at on and off ramps?	Att. A, p. 11, Project H	Capital Programs - Highways	30-year	Done to Date	Rose Casey	Yes, operational impro the addition of auxilia
69.00	Project I						
70.00	On the Riverside Freeway (SR-91) from the SR-57 to the SR-55, has the interchange complex been improved, including nearby local interchanges such as Tustin Avenue and Lakeview?	Att. A, p. 11, Project I	Capital Programs - Highways	30-year	Not yet required	Rose Casey	There are a total of to the Project I between the portion from The portion of the Pr Lakeview Avenue pro EB direction, and mo ramps, and intersection January 2015, with an
71.00	On the SR-91, has capacity been added between the SR-55 and the SR-57?	Att. A, p. 11, Project I	Capital Programs - Highways	30-year	Not yet required	Rose Casey	See notes Item 70.00. Avenue added a west 91 connector to Tustin SR-91 to Tustin Ave construction in Nove refer to: <u>"FI102 Proje</u> Schedule dated Augus using Contract No. 12 The portion of the Pro Lakeview Avenue prov EB direction, and mod modifications for the V SR-55), connectors, r environmental phase completion by August net excess 91 Express set aside for this proj revenue will help accor reducing the escalatio See " <u>Measure M2 Deli</u> 14, 2016.
72.00	Project J						
73.00	Have up to four new lanes on SR- 91 between SR-241 and the Riverside County Line been added?	Att. A, p. 12, Project J	Capital Programs - Highways	30-year	Not yet required	Rose Casey	There is a total of thre segment between Sta and is complete. The s added two lanes - on

rovided. See notes Item 68.00.

provements were provided at on and off ramps with iary lanes. See notes Item 68.00.

two project segments for Project I. The portion of en SR-55 and Tustin Avenue which is complete and

Project I from west of State College Blvd to east of rovides the SR-91 freeway mainline widening in the nodifications to various interchanges, connectors, tions. This project began the environmental phase in an expected phase completion by August 2019.

00. The portion of Project I between SR-55 and Tustin estbound auxiliary lane from the WB SR-55/ WB SRstin Avenue off-ramp and an exit by-pass lane on WB venue off-ramp. This portion of Project I began vember 2013, and completed in July 2016. Please <u>pject Master Schedule Complete</u>", Project Controls gust 16, 2016. "Plan Sheets on the <u>Caltrans' website</u> 12-0C560, Invitation for Bids dated June 17, 2013.

Project I from west of State College Blvd to east of rovides the SR-91 freeway mainline widening in the odifications to various interchanges (including major e WB SR-91 at both SR-57 and from Lakeview Ave to , ramps, and intersections. This project began the ase in January 2015, with an expected phase ist 2019. Design is anticipated to start late 2019 using ess Lanes revenue, as the Board had directed staff to roject on November 14, 2016. The 91 Express Lanes ccelerate this project and OCTA will save money by tion cost.

elivery Plan – Next 10" Staff Report dated November

nree project segments for Project J. The first project tate Route 241 and SR-71 added one eastbound lane e second project segment between SR-55 and SR-241 one in each direction - and is also complete. Please

							refer to: "FJ100 Project dated May 6, 2013 "FJ100 SR-91, SR-241 f found on <u>Caltrans' we</u> Bids dated June 28, 20 "FJ101 SR-91, SR-55 to be found on <u>Caltrans'</u> for Bids dated Februa "FJ101 Project Maste dated April 15, 2013 The remaining project and the County line a added by the RCTC fro extending the 91 Expr of SR-71 (this project
							2017), construction of SR-241 and SR-71 will between the two court
74.0	Was the following taken into consideration: Making best use of available freeway property, adding reversible lanes, building elevated sections, and improving connections to SR-241?	Att. A, p. 12, Project J	Capital Programs - Highways	30-year	Not yet required	Rose Casey	When a project goe alternatives are consi that time. This is true who is taking the lea The environmental ph
75.0	Were the projects constructed with similar coordinated improvements in Riverside County extending to I-15 with the funding for those in Riverside county paid for from other sources?	Att. A, p. 12, Project J	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The 91 Implementati updated annually, re Orange County and R SR-91 projects. Projec not paid for by Measu Please reference: "202
76.0	Also, was one new lane added in each direction on SR-91 between SR-241 and SR-55 and were the interchanges improved?	Att. A, p. 12, Project J	Capital Programs - Highways	30-year	Done to Date	Rose Casey	June 11, 2018. Yes. This project is co Imperial Highway and Item 73.00 notes.
77.	0 Project K						
78.0	Have new lanes been added to the San Diego Freeway (I-405) between the I-605 and the SR-55?	Att. A, p. 13, Project K	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The environmental implementing the pr design-build delivery addition of one gener The addition of a seco the existing HOV land direction, will be fund

ect Progress Final Report", Project Controls Schedule

<u>1 to SR-71 Complete Plans Sheets</u>" which also can be <u>website</u> using Contract No. 12-0G0404, Invitation for 2009

to SR-241 Weir Canyon Plans Sheets" which also can s' website using Contract No. 12-0G3304, Invitation ary 22, 2011

ter Schedule Complete", Project Controls Schedule

ect segment will add another lane between SR-241 e and will match up with an additional lane to be from the County line to SR-71. With RCTC's focus on press Lanes and adding a general purpose lane east ct broke ground 2013 and was completed in March of the final additional general purpose lane between will take place post-2035 to ensure synchronization punties.

oes through the environmental phase, all viable nsidered, and the best alternative is determined at rue for this project. OCTA is engaged with the TCA, ead on the SR-91/SR-241 direct connector project. phase is nearly complete.

ation Plan, required by the state legislature to be requires coordination between the two counties. I Riverside County are working cooperatively on all ect improvements within Riverside County limits are isure M.

2018 SR-91 Implementation Plan", Staff Report dated

complete. Improvements to Lakeview Interchange, nd Weir Canyon were included in this project. See

I phase was completed in May 2015. OCTA is preferred alternative from the EIR/EIS using the ry method and will acquire all necessary ROW. The neral purpose lane in each direction is M2 Project K. cond lane in the median, which when combined with ane, becomes the two-lane Express facility in each unded with non-M2 funding sources. The draft and

							final DB RFPs were respectively. The Boa Construction began construction completi Yes, 4 new lanes w acquisitions identified
79.00	Has the project made best use of available freeway property, updated interchanges and widened all local overcrossings according to city and regional master plans?	Att. A, p. 13, Project K	Capital Programs - Highways	30-year	Not yet required	Rose Casey	construction easeme interchanges and over to city and regional m closely coordinated w
80.00	Have the improvements been coordinated with other planned I- 405 improvements in the I-405/SR-22/I-605 interchange area to the north and I-405/SR-73 improvements to the south?	Att. A, p. 13, Project K	Capital Programs - Highways	30-year	Not yet required	Rose Casey	Yes, the 405 improv County Connector im have been completed linking the 405 Expres
81.00	Have the improvements adhered to recommendations of the Interstate 405 Major Investment Study adopted by the OCTA Board of Directors on October 14, 2005?	Att. A, p. 13, Project K	Capital Programs - Highways	30-year	Not yet required	Rose Casey	Yes, the improveme direction as recomme
82.00	Project L						
83.00	Have new lanes been added to the San Diego Freeway (I-405) between the SR-55 and the I-5?	Att. A, p. 14, Project L	Capital Programs - Highways	30-year	Not yet required	Rose Casey	A project study report began in December 20 and construction sch been set yet.
84.00	Have chokepoints at interchanges been improved and merging lanes added near on/off ramps such as Lake Forest Drive, Irvine Center Drive and SR-133 to improve the overall freeway operations in the I405/I-5 El Toro "Y" area?	Att. A, p. 14,	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The project includes c as well as auxiliary lan notes Item 83.00.
85.00	Project M						
86.00	Have freeway access and arterial connections to I-605 serving the communities of Los Alamitos and Cypress been improved?	Att. A, p. 15, Project M	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The project study repo in August 2016, and construction schedule yet.
87.00	Has the project been coordinated with other planned improvements to the SR-22 and SR-405?	Att. A, p. 15, Project M	Capital Programs - Highways	30-year	Not yet required	Rose Casey	The project has been See note Item 86.00.
88.00	Project N						
89.00	Are basic freeway service patrols available Monday through Friday during peak commute hours?	Att. A, p. 15, Project N	Transit	30-year	Done to date	Patrick Sampson	Yes, FSP service, divid commute hours on all through November 2 through December 3 through December 1, widening of I-405 sta

re released in November 2015 and April 2016, oard awarded the DB contract in November 2016. n in January 2017 and as of December 2018, etion is forecasted for May 2023.

will be added to the 405 with no full property ed. The majority of the ROW needed are temporary nents and some partial fee acquisitions. Local recrossings will be improved and widened according master plans. Design of the local facilities has been with each corridor city.

ovements have been coordinated with the West improvements at the 405/22/605 interchange that ed in construction. There will be a direct connector ress Lanes with SR-73 to the south.

nents will add one general purpose lane in each nended in the 405 MIS.

ort was completed in 2013. The environmental phase 2014 and was completed in August 2018. The design chedules are dependent on funding and have not

on and off ramps realignment at various locations, mes between on and off ramps where required. See

port was approved. The environmental phase began d was completed in October 2018. The design and ules are dependent on funding and have not been set

en coordinated with nearby planned improvements. D.

vided into 10 service areas, is available during peak all freeways. Four services areas are under contract 20, 2020. Two service areas are under contract 3, 2021. Four services areas are under contract 1, 2023. M2-funded construction FSP service for the started in July, 2018. Midday and weekend service

1	1	1	I	Ĭ	1	1	1
							funded by M2 was a service on June 2, 20 in May 2013. Benef completed in May 20 into future service pla on January 14, 2019
90.00	Requirements for Eligible Jurisdictions						
91.00	In order to be eligible to receive Net Revenues, has each jurisdiction satisfied the following requirements?	Att. B, Sec. III.A	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, see below for mo
91.01	Complied with the conditions and requirements of the Orange County Congestion Management Program (CMP)?	Att. B, Sec. III.A.1	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Required odd ye and was presented to Annual Eligibility Revi Please reference: "Fi <u>Review</u> " Staff Report
91.02	Assessed traffic impacts of new development and required new development to pay a fair share of improvements attributable to it?	Att. B, pp B- 7 to 10, Sec. III.A.2	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. This is require mitigation fee progra was presented to the Eligibility Review. The updated mitigation fe Please reference: "Fi
91.03	Adopted and maintained a Circulation Element of its General Plan consistent with the MPAH?	Att. B, Sec. III.A.3	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Review" Staff Report Yes. This is required b and was presented to Annual Eligibility Revi Please reference: "Fi <u>Review</u> " Staff Report
91.04	Adopted and updated biennially a Capital Improvement Program that includes all capital transportation projects?	Att. B, Sec. III.A.4	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. OCTA is requiri submitted to OCTA a 2018 as part of the A Please reference: " <u>Fi</u> <u>Review</u> " Staff Report
91.05	Participated in Traffic Forums as described in Attachment B?	Att. B, Sec. III.A.5	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. This is an annual one traffic forum or revenues. This requir 10, 2018 as part of th Please reference: " <u>Fi</u> <u>Review</u> " Staff Report

approved by the Board on May 14, 2012 and began 012. An M2 funded CHP dispatch position was filled efit/cost analysis of fiscal year 2016-17 service was 2018 and the results of the study will be incorporated planning. A staff report will be provided to the Board

nore on each jurisdiction under Item 91.

vears only. This requirement was submitted to OCTA to the Board on December 11, 2017 as part of the eview. The next submittal is due in 2019.

Fiscal Year 2017-18 Measure M2 Annual Eligibility rt Dated December 11, 2017.

red biennially except when there is an updated ram. This requirement was submitted to OCTA and he Board on December 11, 2017 as part of the Annual the next submittal is due in 2019 unless there is an fee program.

Fiscal Year 2017-18 Measure M2 Annual Eligibility rt Dated December 11, 2017.

biennially. This requirement was submitted to OCTA to the Board on December 11, 2017 as part of the eview. The next submittal is due in 2019.

Fiscal Year 2017-18 Measure M2 Annual Eligibility rt Dated December 11, 2017.

iring an annual 7-year CIP. This requirement was and was presented to the Board on December 10, Annual Eligibility Review.

Fiscal Year 2018-19 Measure M2 Annual Eligibility rt Dated December 10, 2018.

al requirement. Local agencies have to attend at least on an annual basis to remain eligible for M2 net uirement was presented to the Board on December the Annual Eligibility Review.

Fiscal Year 2018-19 Measure M2 Annual Eligibility rt Dated December 10, 2018.

91.06	Adopted and maintained a Local Traffic Signal Synchronization Plan that identifies signalization street routes and signals; a three-year plan showing costs, available funding and phasing of capital, operations and maintenance of the street routes and traffic signals; and included information on how the street routes and signals may be synchronized with signals and routes in adjoining jurisdictions; and is consistent with the Traffic Signal Synchronization Master Plan?	Att. B, Sec. III.A.6	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. This is required evolution of the second secon
91.07	Adopted and updated biennially a Pavement Management Plan (PMP) and issued, using a common format approved by the Authority, a report every two years regarding the status of road pavement conditions and implementation of the Pavement Management Plan?	Att. B, Sec. III.A.7	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. 14 agencies upo update on even-year Eligibility Review. Odd on December 11, 201 Board on December 1 M2 Annual Eligibility submitted and approv year's tracking matrix Please reference: "Fi <u>Review</u> " Staff Report And "Fiscal Year 2013 Report Dated Decemb
91.08	Included in its PMP: -Current status of pavement on roads -Six-year plan for road maintenance and rehabilitation, including projects and funding -Projected road conditions resulting from the maintenance and rehabilitation plan -Alternative strategies and costs necessary to improve road pavement conditions	Att. B, Sec. III.A.7.b-c	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, all local agencies Sec. III. A. 7. a. b. c submitted and appro year tracking matrix. Please reference: " <u>Fi</u> <u>Review</u> " Staff Report And " <u>Fiscal Year 2018</u> Report Dated Decemb
91.09	Adopted an annual Expenditure Report to account for Net Revenues, developer/traffic impact fees, and funds expended by the Eligible Jurisdiction which satisfy the Maintenance of Effort requirements?	Att. B, Sec. III.A.8	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, the Board was pr FY 2015-16 on May 8, Please reference: " <u>Ma</u> <u>FY 2015-16 Expendit</u> <u>Maintenance of Effor</u> And " <u>Fiscal Year 20</u> <u>Pavement Managem</u> <u>Maintenance of Effor</u>
91.10	Submitted the Expenditure Report by the end of six months following the end of the jurisdiction's fiscal year and included all Net Revenue fund balances and interest earned, and expenditures identified by type and program and project?	Att. B, Sec. III.A.8	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, all local agencies end of six months foll Board was presented 16 on May 8, 2017.

every three years. This requirement was adopted by ning bodies and was presented to the Board on 7 as part of the Annual Eligibility Review. The next 2020.

Fiscal Year 2017-18 Measure M2 Annual Eligibility t Dated December 11, 2017.

pdate PMPs on odd-year cycle, while 21 agencies ar cycle as part of the 2017-18 Measure M2 Annual Odd-year cycle reports were presented to the Board 017. Even-year cycle reports were presented to the r 10, 2018 as part of the Fiscal Year 2018-19 Measure ity Review. All prior reports to date have been oved per the requirements and noted in the previous rix.

'<u>Fiscal Year 2017-18 Measure M2 Annual Eligibility</u> rt Dated December 11, 2017.

18-19 Measure M2 Annual Eligibility Review" Staff nber 10, 2018.

ies have adopted PMPs fully compliant with Att. B, c., inclusive. All prior reports to date have been roved per the requirements and noted in previous α .

Fiscal Year 2017-18 Measure M2 Annual Eligibility rt Dated December 11, 2017.

<u>18-19 Measure M2 Annual Eligibility Review</u>" Staff nber 10, 2018.

presented with the Annual Expenditure Reports for 8, 2017, for all 35 local agencies.

<u>Aeasure M2 Eligibility Review Recommendations for</u> <u>diture Reports and City of San Juan Capistrano's</u> <u>ort Benchmark</u>", Staff Report Dated May 8, 2017 2018-19 Measure M2 Eligibility and Countywide ement Plan Guidelines and City of Placentia's <u>ort Benchmark</u>" Staff Report dated April 9, 2018.

ies have submitted the expenditure reports by the ollowing the end of the jurisdiction's fiscal year. The ed with the Annual Expenditure Reports for FY 2015-

							Please reference: " <u>M</u> <u>FY 2015-16 Expendi</u> <u>Maintenance of Effor</u> And " <u>Fiscal Year 20</u> <u>Pavement Manager</u> <u>Maintenance of Effor</u>
91.11	Provided the Authority with a Project Final Report within six months following completion of a project funded with Net Revenues?	Att. B, Sec. III.A.9	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, an ongoing mon M2 Document Cen <u>Compliance - 180 Da</u>
91.12	Agreed that Net Revenues for Regional Capacity Program projects and Traffic Signal Synchronization Program projects shall be expended or encumbered no later than the end of the fiscal year for which the Net Revenues are programmed, subject to extensions?	Att. B, Sec. III.A.10.a	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, net revenues an Extension requests approved by the Boa Please refer to: " <u>Comprehensive Tran</u> <u>Review – March 2018</u> " <u>Comprehensive Tran</u> <u>Review –September</u>
91.13	Any requests for extensions of the encumbrance deadline for no more than 24 months were submitted to the Authority no less than 90 days prior to the deadline?	Att. B, Sec. III.A.10.a	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, extensions follow on June 11, 2018 and Please refer to: " <u>Comprehensive Tran</u> <u>Review – March 2018</u> " <u>Comprehensive Tran</u> <u>Review –September 2018</u>
91.14	Agreed that Net Revenues for any program or project other than Regional Capacity Program projects or Traffic Signal Synchronization Program projects shall be expended or encumbered within three years of receipt, subject to extension?	Att. B, Sec. III.A.10.b	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, extensions follow on June 10, 2018 and Please refer to: " <u>Comprehensive Tran</u> <u>Review – March 2018</u> " <u>Comprehensive Tran</u> <u>Review –September 2018</u>
91.15	Agreed that if the above time limits were not satisfied, to return to the Authority any retained Net Revenues and interest earned on them to be available for allocation to any project within the same source?	Att. B, Sec. III.A.10.c	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Local agencies deadline were not expenditure deadline
91.16	Annually certified Maintenance of Effort requirements of Ordinance No. 3, Sec. 6?	Att. B, Sec. III.A.11	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, this is required Reports for FY 2015-

Measure M2 Eligibility Review Recommendations for diture Reports and City of San Juan Capistrano's ort Benchmark", Staff Report Dated May 8, 2017 2018-19 Measure M2 Eligibility and Countywide ement Plan Guidelines and City of Placentia's ort Benchmark" Staff Report dated April 9, 2018.

nitoring report is tracked frequently and uploaded to enter. Please reference: "<u>2.7.18 - M2 Eligibility</u> ay Tracking Report".

are being expended and encumbered as required. s as part of the CTFP Semi-Annual Review were bard on June 11, 2018 and December 10, 2018.

ansportation Funding Programs Semi-Annual 18", Staff Report dated June 11, 2018 ansportation Funding Programs Semi-Annual r 2018", Staff Report dated December 10, 2018 powing the deadline rules were approved by the Board and December 10, 2018.

ansportation Funding Programs Semi-Annual <u>18</u>", Staff Report dated June 11, 2018 ansportation Funding Programs Semi-Annual <u>r 2018</u>", Staff Report dated December 10, 2018

bwing the deadline rules were approved by the Board nd December 10, 2018.

ansportation Funding Programs Semi-Annual 18", Staff Report dated June 11, 2018 ansportation Funding Programs Semi-Annual r 2018", Staff Report dated December 10, 2018

s that did not meet the three year expenditure ot paid for expenditures incurred beyond the ne.

annually. The Board approved Annual Expenditure 5-16 on May 8, 2017.

							Please reference: "Mo FY 2015-16 Expendit Maintenance of Effor And " <u>Fiscal Year 20</u> Pavement Managen Maintenance of Effor
91.17	Agreed that Net Revenues were not used to supplant developer funding which has or will be committed for any transportation project?	Att. B, Sec. III.A.12	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. This is required approval on Decembe Please reference: " <u>Fi</u> <u>Review</u> " Staff Report
91.18	Considered as part of its General Plan, land use planning strategies that accommodate transit and non-motorized transportation?	Att. B, Sec. III.A.13	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. This is required approval on Decembe Please reference: " <u>Fi</u> <u>Review</u> " Staff Report
92.00	Has the Authority, in consultation with the Eligible Jurisdictions, defined a countywide management method to inventory, analyze and evaluate road pavement conditions and a common method to measure improvement of road pavement conditions?	Att. B, Sec. III.A.7.a	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, the Countywide implement Att. B, Sec in consultation with t the Board of Director The PMP guidelines April 9, 2018. Please reference: " <u>F</u> <u>Countywide Paveme</u> <u>Placentia's Maintena</u> 9, 2018.
93.00	Requirements Related to Specific Streets and Roads Projects						
94.00	Project O - Regional Capacity Program						
95.00	Prior to the allocation of Net Revenues for any Street and Road Project, has the Authority, in cooperation with affected agencies, determined the entity(ies) to be responsible for the maintenance and operation thereof, utilizing maintenance and operating agreements with each agency receiving streets and roads funding?	Att. B, Sec. II.C	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. OCTA relies on C 909 and 1800-1813 establishes the author maintain, and oper- implemented by OC separations), OCTA e maintenance prior to
96.00	Has each eligible jurisdiction contributed local matching funds equal to 50 percent of Project O project or program costs?	Att. A, p. 18, Project O and Att. B, p. B-	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, except when a funding recommenda the Board on June 11

Measure M2 Eligibility Review Recommendations for diture Reports and City of San Juan Capistrano's ort Benchmark", Staff Report dated May 8, 2017 2018-19 Measure M2 Eligibility and Countywide ement Plan Guidelines and City of Placentia's ort Benchmark" Staff Report dated April 9, 2018.

ed annually. This was presented to the Board for ber 10, 2018 as part of the Annual Eligibility Review.

Fiscal Year 2018-19 Measure M2 Annual Eligibility rt Dated December 10, 2018.

ed annually. This was presented to the Board for ber 10, 2018 as part of the Annual Eligibility Review.

Fiscal Year 2018-19 Measure M2 Annual Eligibility rt Dated December 10, 2018.

e Pavement Management Program Guidelines which ec. III. A.7.a. b. and c. were developed by OCTA staff the Technical Advisory Committee and approved by ors May 24, 2010.

s were last revised and approved by the Board on

"Fiscal Year 2018-19 Measure M2 Eligibility and nent Management Plan Guidelines and City of nance of Effort Benchmark" Staff Report dated April

California Streets and Highways Code Sections 900-13 for Counties and Cities, respectively, which nority and obligations of local agencies to construct, erate local streets and roads. For road projects CTA on behalf of local agencies (e.g. select grade enters cooperative agreements for construction and to implementation.

a match reduction has been approved Project O dations for 2018 Call for Projects were approved by 11, 2018.

		12, Sec. V.A.1					Additional informatio online on OCFUNDTRA <u>"Comprehensive Transformer Comprehensive Transformer Comprehensive Transformer Comprehense Transformer Comp</u>
97.00	Alternatively, jurisdictions qualified for a ten- and/or five- percent reductions as provided in Attachment B have met those reduced match levels?	Att. A, p. 18, Project O and Att. B, Sec. V.A.1.a-c	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Funding Recomm by the Board on June Additional informatio online on OCFUNE <u>Transportation</u> <u>Project O and Pr</u> <u>Recommendations ",</u>
98.00	Has a countywide competitive procedure for Project O been adopted by the Authority?	Att. B, Sec. V.A.2	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. The OCTA Board the 2019 CTFP Annu reference: " <u>Measure</u> <u>Programs - 2019 Ann</u> 13, 2018.
99.00	Have eligible Jurisdictions been consulted by the Authority in establishing criteria for determining priority for Project O allocations?	Att. B, Sec. V.A.2	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	The Technical Adviso modifications to the 2 Board's action. TAC Meeting Minute August 22, 2018: "TAC
100.00	Has funding under Project O been provided for construction of railroad over or underpass grade separations where high volume streets are impacted by freight trains along the Burlington Northern Santa Fe Railroad in northern Orange County?	Att. A, p. 18, Project O	Capital Programs, Planning	30-year	Done	Rose Casey & Adriann Cardoso	Yes, the Board author TCIF funding for sever " <u>OC Bridges Railroad</u> <u>Update</u> ", Staff Report " <u>OC Bridges Railroad</u>
101.00	Project P - Regional Traffic Signal Synchronization Program						
102.00	Have the Cities, the County of Orange and Caltrans, as required, worked together to prepare a common Traffic Signal Synchronization Master Plan and the necessary governance and	Att. A, p. 19, Project P and	Planning	One-time, start-up	Done	Anup Kulkarni	Yes. Please reference Effort Adjustment a Synchronization Plan

ion on each fund source and percentage is available RACKER. Please refer to:

<u>Transportation Funding Programs – 2018</u> <u>Project P – Call for Projects Programming</u> <u>", Staff Report dated June 11, 2018.</u>

nmendations for 2018 Call for Projects was approved ne 11, 2018.

tion on each fund source and percentage is available NDTRACKER. Please refer to: <u>"Comprehensive</u> <u>Funding Programs – 2018</u> <u>Project P – Call for Projects Programming</u> <u>", Staff Report dated June 11, 2018.</u>

rd approved the revised CTFP Guidelines and issued nual Calls for Projects on August 13, 2018. Please are M2 Comprehensive Transportation Funding nnual Calls for Projects", Staff Report dated August

isory Committee (TAC) recommended approval of 2019 CTFP Guidelines on June 27, 2018, prior to the

utes were approved at the following meeting on <u>AC Meeting Minutes 8.22.18</u>"

orized use of \$144.5 million in M2 funds as match for en Grade Separation projects. Please refer to:

ad Grade Separation Program Cost to Complete ort dated August 8, 2016.

d Grade Separation Program Funding Plan Update", November 14, 2016

arations have been opened to traffic and completed.

d Grade Separation Completion", Staff presentation ., 2017.

ogramming Update" Staff Report, dated November

ce: "<u>Fiscal Year 2017-18 Measure M2 Maintenance of</u> and Updates to the Eligibility and Local Signal <u>in Guidelines</u>", Staff Report dated April 10, 2017.

	legal arrangements before receiving funds, and has the Authority adopted and maintained the Master Plan which was a part of the MPAH?	Att. B, Sec. V.B.1					
103.00	Does the Master Plan include synchronization of street routes and traffic signals within and across jurisdictional boundaries and the means of implementing, operating and maintaining the programs and projects including necessary governance and legal arrangements?	Att. A, p. 19, Project P and Att. B,V.B.1	Planning	One-time, start-up	Done	Anup Kulkarni	Yes. Please reference: Effort Adjustment a Synchronization Plan
104.00	Has a countywide, competitive procedure been adopted by the Authority in consultation with eligible jurisdictions in establishing criteria for determining priority for allocations?	Att. B, Sec. V.B.2.a	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Procedures are jurisdictions and ther with the priority fo " <u>Measure M2 Compr</u> <u>Annual Call for Proje</u> "Comprehensive Tran 8.
105.00	Has the Authority given priority to programs and projects which include two or more jurisdictions?	Att. B, Sec. V.B.2.b	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Please reference Funding Programs –2 August 13, 2018, see Guidelines – 2018 Cal
106.00	Has the Authority encouraged the State to participate in the Regional Traffic Signal Synchronization Program and given priority to use of transportation funds as match for the State's discretionary funds used for implementing Project P?	Att. B, Sec. V.B.2.c	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Project P allows fulfilled with both in-l discretionary funds) is Please reference: " <u>Me</u> <u>Programs –2019 Annu</u> 2018, see "Comprehe – 2018 Call for Project
107.00	Has each local jurisdiction contributed matching local funds equal to 20 percent of the program or project cost? (May be satisfied all or in part with in-kind services provided by the Eligible Jurisdiction including salaries and benefits)	Att. A, p. 19, Project P and Att. B,V.B.3	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Project P require Please reference: <u>"Me</u> <u>Programs –2019 Annu</u> 2018, see "Comprehe – 2018 Call for Project
108.00	Has the project provided funding for ongoing maintenance and operation of the synchronization plan?	Att. A, p. 19, Project P	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Project P requir synchronization and p Please reference: " <u>Me</u> <u>Programs –2019 Annu</u> 2018, see "Comprehe – 2018 Call for Project
109.00	Have local jurisdictions publicly reported on the status and performance of their signal synchronization efforts at least every three years?	Att. A, p. 19, Project P and	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Status and perfor reported in the Loca completed June 30, 2

ce: "<u>Fiscal Year 2017-18 Measure M2 Maintenance of</u> and Updates to the Eligibility and Local Signal <u>in Guidelines</u>", Staff Report dated April 10, 2017.

e developed by staff in consultant with the local en approved by the Board for each Call for Projects for allocation updated as well. Please refer to: prehensive Transportation Funding Programs –2019 ojects," Staff Report dated August 13, 2018, see ansportation Funding Program Guidelines", chapter

nce: "<u>Measure M2 Comprehensive Transportation</u> <u>–2019 Annual Call for Projects</u>," Staff Report dated ee "Comprehensive Transportation Funding Program Call for Projects ", chapter 8, page 8-17.

ws state participation and allows for match to be n-kind and cash. Match beyond 20% (including State) is provided additional priority in the evaluation.

<u>Measure M2 Comprehensive Transportation Funding</u> <u>nual Call for Projects</u>," Staff Report dated August 13, hensive Transportation Funding Program Guidelines ects", chapter 8, page 8-17.

res a minimum 20% match.

<u>Measure M2 Comprehensive Transportation Funding</u> <u>nual Call for Projects</u>," Staff Report dated August 13, hensive Transportation Funding Program Guidelines ects", chapter 8, page 8-16.

uires ongoing maintenance and monitoring of the discrete provides funding for this task.

Measure M2 Comprehensive Transportation Funding nual Call for Projects," Staff Report dated August 13, hensive Transportation Funding Program Guidelines ects", chapter 8, page 8-3.

Formance of their signal synchronization efforts were cal Signal Synchronization Plan Updates that were 2017. The next submittal is due June 2020.

		Att. B, Sec. V.B.4					Please reference: <u>"Fi</u> <u>Review"</u> , Staff Report
110.00	Has signal equipment to give emergency vehicles priority at intersections been an eligible expense for projects implemented as part of this program?	Att. A, p. 19, Project P	Planning	Recurring	Done to date	Anup Kulkarni	Yes. Project P includ priority at intersectio Please reference: " <u>Ma</u> <u>Programs –2019 Anna</u> 2018, see "Comprehe – 2018 Call for Projec
111.00	Have eligible jurisdictions and Caltrans, with the County of Orange and the Orange County Division of League of Cities, established boundaries for Traffic Forums?	Att. B, Sec. III.A.5	Planning	Recurring	Done to date	Anup Kulkarni	Yes. See the guidelin Synchronization Plans see the latest annual reference: <u>"Guidelin Synchronization Plans 201718 Measure M2 N Eligibility and Local Si dated April 10, 2017.</u>
112.00	Project Q - Local Fair Share Program						
113.00	 Are Local Fair Share funds distributed by a formula that accounts for the following factors and weightings: Population - 50%? Street mileage - 25%? Amount of sales tax collection in each jurisdiction - 25%? 	Att. A, p. 20, Project Q Att. B, Sec. 5.C.1-3	Planning, F&A	Recurring	Done to date	Sean Murdock	Yes. See General According 2018. Also see the Agree Report for FY 2018 report for FY 2018 replease refer to: 1. 2. "OCLTA Report on Status Report" for FY
114.00	General Requirements Related to Transit Projects						
115.00	Have Metrolink extensions been evaluated against well-defined and well-known criteria detailed in the Renewed Measure M Transportation Investment Plan?	Att. A, p.23, Project S	Capital Programs – Rail & Planning (for Project S)	Recurring	Done to date	Jennifer Bergener & Joe Alcock/ Adriann Cardoso	Yes. The Board approversion of the Board approvement of the Board
116.00	Has the Authority made every effort to maximize state and federal transit dollars?	Att. B, Sec. II.B.1	Planning	Recurring	Done to date	Adriann Cardoso	Yes. Consistent with E OCTA has maximized projects, as well as ra \$326 million in state, local funds which wi funds. A regular revie

Fiscal Year 2017-18 Measure M2 Annual Eligibility ort dated December 11, 2017

udes signal equipment to give emergency vehicles ions as an eligible expense.

Measure M2 Comprehensive Transportation Funding nual Call for Projects," Staff Report dated August 13, hensive Transportation Funding Program Guidelines ects", chapter 8, page 8-13.

ines for the preparation of the original Local Signal ans that went to the Board on July 26, 2010 and also Jal eligibility guidelines from April, 10, 2017. Please <u>lines for the Preparation of the Local Signal</u> <u>ans</u>", Staff Report dated July 26, 2010 and "<u>Fiscal Year</u> <u>Maintenance of Effort Adjustment and Updates to the</u> <u>Signal Synchronization Plan Guidelines</u>", Staff Report 7.

counting payments for Local Fair Share funds for FY Agreed-Upon Procedures to the Measure M2 Status related to Local Fair Share disbursements.

1. <u>2018 Project Q Local Fair Share Payments</u> on Agreed-Upon Procedures Applied to Measure M2 Y 2018.

roved Project S funding guidelines for fixed guideway ber 13, 2010. Project S guidelines for Bus and Station ects were approved by the Board on December 12,

ect S Funding Guidelines for Preliminary Engineering Staff Report dated September 13, 2010 idelines for Bus and Station Van Extension Projects", December 12, 2011

n Board of Directors approved programming policies, ed state and federal transit dollars for rail capital rail rehab projects. To date, OCTA has programmed te, \$637 million in federal and \$104 million in other will be used for rail capital projects in place of M2 iew of project funding and status occurs monthly and

117.00Prior to the allocation of Net Revenues for a Transit Project, has the Authority obtained a written agreement from the appropriate jurisdiction that the project will be constructed, operated and maintained to minimum standards acceptable to the Authority?Att. B, Sec. II.B.2Capital Programs - Rail & Planning (for Project V)Done to dateJennifer Bergener & with Adriann agree the Adriann Adriann Agree	November 26, 2018. Yes. As transit project the OCTA Board to be or OCTA Board-appro OCTA Board-approve with each jurisdiction ohases as well as post agreements in place f
	he Orange Transport Agreements for all tr Center.
118.00 Requirements Related to Specific Transit Projects	
119.00Has a series of new, well-coordinated, flexible transportation systems, each one customized to the unique transportation vision the station serves, been developed?Att. A, p. 21 - General Transit, Att. A, p. 23, Project SCapital Programs - Rail & Planning (for Project S)Not yet requiredJennifer Bergener & Joe Alcock/ Adrian Cardoso119.00Has a series of new, well-coordinated, flexible transportation vision the station serves, been developed?Att. A, p. 21 - General Transit, Att. A, p. 23, Project SCapital Programs - Rail & Planning (for Project S)Not yet requiredJennifer 	Yes. The Board approv 13, 2010 and Decemb 22, 2010, the Board e of Anaheim and the fixed-guideway proje approved an amendm to conclude all plann Santa Ana-Garden G Funding Grant Agreer July 23, 2012, four ru for Projects. Two of th only one (in the City of Please refer to: <u>'Measure M2 Project</u> dated November 22, 2 <u>'Anaheim Rapid Cor</u> <u>Streetcar</u> ", Staff Repo <u>'Project S Bus and Sta</u> <u>Programming Recomm</u> <u>'Comprehensive Tran</u> <u>-September 2015</u> ", St
120.00 Project R - High Frequency Metrolink Service	

tions are made in accordance with the Board policies nd federal funding.

<u>Capital Programming Update</u>" Staff Report, dated

cts are approved for development and/or funding by be implemented or in any way augmented by OCTA roved funding, or in any way augmented by OCTA or ved funding, necessary agreements are entered into on to define roles and responsibilities during project ost-completion. At any given time, there are multiple e for projects. At the present time, there are active e for all funded capital projects. See example such as ortation Center Parking Structure contract <u>C-3-2065</u>. transit projects can be found in the M2 Document

roved the Project S funding guidelines on September mber 12, 2011 (See Item 115 notes). On November d evaluated and awarded Project S funds to the City e City of Santa Ana for preliminary engineering of

bjects. However, on June 27, 2016, the Board Iment to Agreement (C-1-3115) with City of Anaheim nning efforts on their fixed-guideway project. The Grove OC Streetcar project has an executed full ement with FTA and is in the construction phase. On rubber-tire projects were approved for the first Call the projects have implemented service but as of now y of Anaheim) remains in operation.

act S Programming Recommendations", Staff Report 2, 2010 Connection and Future Transit Connectivity to OC Coort dated June 27, 2016 Station Van Extension – 2012 Call for Projects Commendations", Staff Report dated July 23, 2012 Consportation Funding Programs Semi-Annual Review Staff Report dated December 14, 2015.

121.00	Has Project R increased rail services within the county and provided frequent Metrolink service north of Fullerton to Los Angeles?	Att. A, p. 23, Project R	Capital Programs - Rail	30-year	Done to date	Jennifer Bergener	Yes, through the conservice has been actimprovements have trains a day, but the Conly 59 are sustainal funds, and that numbintra-county trains ar since July 2011. Pleas November 26, 2012. OCTA continues to we to advance the discut County and Los And discussions and nego capacity between Full Please refer to: "Metrolink Service Environments" November 26, 2012.
122.00	Has Project R provided for track improvements, more trains, and other related needs to accommodate the expanded service?	Att. A, p. 23, Project R	Capital Programs - Rail	30-year	Done to date	Jim Beil	Yes, Project R has m infrastructure, with m improvements as need federal funding. Current improvements to end completion of CP Fou Niguel to San Juan Ca for the replacement various safety and s slope erosion control safety enhancements For note of OCX comp "Capital Programs - S Plan Performance Me Staff Report dated Fe For 2018 status of Pro- <u>"Capital Programs - Ferformance Metrics"</u>
123.00	Has the service included upgraded stations and added parking capacity; safety improvements and quiet zones along the tracks; and frequent shuttle service and other means to move arriving passengers to nearby destinations?	Att. A, p. 23, Project R	Capital Programs - Rail	30-year	Done to date	Jim Beil	Yes, 52 grade crossing has allowed the Cities Clemente, San Juan status. Parking struct and Tustin Metrolin

ompletion of the MSEP capital activities, additional added, providing more intra-county trains. MSEP e added infrastructure to support as many as 76 e Comprehensive Business Plan currently shows that hable based on projected revenues and operating her has been added over the past several years. Ten and two Inland Empire-OC trains have been added ase refer to the latest MSEP Update to the Board on 2.

work with partners at Metrolink, Metro, RCTC, BNSF cussion of additional train service between Orange angeles. Metrolink is currently leading necessary gotiations with the BNSF to allow for additional train ullerton and Los Angeles.

Expansion Program Update", Staff Report dated

made numerous improvements to passenger rail n more on the way. This is an ongoing program of needed, based on available Project R and state and rrent projects include track, signal, and rail crossing onhance rail operations and safety. Projects include burth Street, beginning of construction of the Laguna Capistrano passing siding, and project development nt of the aging San Juan Creek railroad bridge, and security improvements including rail right-of-way rol. It also included implementing 52 grade crossing its (OCX) to allow cities to implement quiet zones.

npletion, please reference:

Second Quarter Fiscal Year 2011-12 Capital Action <u>Metrics Update</u>", Rail and Station Projects portion of February 13, 2012.

Project R improvements, please reference:

<u>First Quarter Fiscal Year 2018-19 Capital Action Plan</u> <u>s</u>", Staff report dated December 10, 2018

ng safety improvements have been completed which es of Anaheim, Orange, Santa Ana, Tustin, Irvine, San n Capistrano and Dana Point to obtain quiet zone ctures have been completed at the Irvine, Fullerton ink stations as well as additional surface parking

							capacity at the La Additionally, the Or construction and is for improvements comp and undercrossing at replacements at vario and lighting enhance Metrolink station is passenger platforms improvements to elever
124.00	Has Project R included funding for improving grade crossings and constructing over or underpasses at high volume streets that cross Metrolink tracks?	Att. A, p. 23, Project R	Capital Programs - Rail	30-year	Done to date	Jason Lee/Jim Beil	Yes. Environmental through preliminary project in Santa Ana engineering has been Canyon grade separa separations with PS funding to proceed fu
125.00	Project S - Transit Extensions to Metrolink						
126.00	Has a competitive program been established for local jurisdictions to broaden the reach of the rail system to other activity centers and communities?	Att. A, p. 23, Project S	Planning	30-year	Done to date	Joe Alcock/Adri ann Cardoso	Yes. Project S Guidel rubber tire projects a Program (CTFP) Guide evaluated when cor updated annually, wi Please reference: " <u>M</u> <u>Programs – 2019 Ann</u> 2018
127.00	Have proposals for extensions been developed and supported by local jurisdictions and evaluated against well-defined and well-known criteria as follows: -Traffic congestion relief? -Project readiness with priority to projects that can be implemented within the first five years of the Plan? -Local funding commitments and the availability of right of way? -Proven ability to attract other financial partners, both public and private? -Cost-effectiveness? -Proximity to jobs and population centers? -Regional as well as local benefits? -Ease and simplicity of connections?	Att. A, p. 23, Project S	Planning	30-year	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Following the c guidelines specified f Board, the first round evaluated on Novem the Rubber Tire call for Project S Guidelines for the Metrolink Corr recommended to m forward are presen Programming Recom Board approved an a Anaheim to concluo project.

Laguna Niguel/Mission Viejo Metrolink station. Drange Metrolink Station parking structure is in forecasted to be opened in February 2019. Station pplete include enhancements to pedestrian access at Laguna Niguel/Mission Viejo (LN/MV), tactile strip rious stations, video surveillance systems at LN/MV, cements at San Clemente Pier. In addition, a new is planned in the City of Placentia, additional ns and station track at Anaheim Canyon, and levators for pedestrian overcrossing in Fullerton.

al clearance and supporting engineering efforts y engineering for the 17th Street grade separation ha were completed in November 2017. Preliminary en completed on State College in Anaheim. The Sand ration in Irvine is complete. There are 5 other grade PSR or PSR equivalents completed and awaiting further.

elines were developed for both fixed guideway and and are included in OCTA's Comprehensive Funding delines which specifies the criteria for projects to be ompeting for funding. The CTFP Guidelines are with the last update in August 2018.

Measure M2 Comprehensive Transportation Funding nnual Call for Projects," Staff Report dated August 13,

criteria identified in the Ordinance as well as the for Project S in the CTFP Guidelines adopted by the ind of applications for fixed guideway funding were mber 22, 2010. The same process was followed for for projects under Project S. The Board approved the for the Bus and Station Extension Projects Linking to prridor on December 12, 2011. All projects move forward and not recommended to move ented to the Board as part of Call for Project mmendations Staff Reports. On June 27, 2016, the n amendment to Agreement <u>C-1-3115</u> with City of ude all planning efforts on their fixed-guideway

	-Compatible, approved land uses? -Safe and modern technology? -A sound, long-term operating plan?						Please refer to the fol " <u>Measure M2 Project</u> (<u>Guideways Only</u>)", da " <u>Project S 2012 Guide</u> dated December 12, 2 " <u>Santa Ana/Garden G</u> <u>Implementation Plans</u> " <u>Fixed-Guideway Poli</u> " <u>Santa Ana/Garden G</u> <u>Memorandum of Unc</u> " <u>Anaheim Rapid Cor</u> <u>Streetcar</u> ", dated June
127.01	Has Project S, as required, not been used to fund transit routes that are not directly connected to or that would be redundant to the core rail service on the Metrolink corridor?	Att. A, p. 23, Project S	Planning	30-year	Done to date	Joe Alcock/ Adriann Cardoso	Streetcar, dated June Yes, any Project S fu been consistent with made available for a directly connect to a the Board approved to guideway projects. Th approved by the OCT, Please refer to the fol compliance: "Measure M2 Project November 22, 2010 "M2 Project S Cooper Santa Ana for Funding Fixed-Guideway Syste "Project S Bus and Sta Programming Recome "Santa Ana/Garden G Implementation Plans "OC Streetcar Project 2018
127.02	Has the emphasis been on expanding access to the core rail system and on establishing connections to communities and major activity centers that are not immediately adjacent to the Metrolink corridor?	Att. A, p. 23, Project S	Planning	30-year	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Planning activiti emphasis on expandi connections to com Streetcar alignment f includes detailed stu existing stations.

ollowing Staff Reports:
ct S Funding Guidelines for Preliminary Engineering

dated September 13, 2010

delines for Bus and Station Van Extension Projects", 2, 2011

Grove Fixed-Guideway Proposed Financial and Ins" dated August 11, 2014

<u>blicy Decisions Overview</u>", dated May 23, 2014 Grove Fixed-Guideway Project Approval and

nderstanding", dated July 13, 2015

onnection and Future Transit Connectivity to OC ine 27, 2016

funds that have been approved by the Board have the program guidelines and as such have only been r guideway projects and rubber tire projects that an existing Metrolink station. On August 11, 2014, d the use of Project S funds for operations of fixed-The OC Streetcar Project funding plan (revised) was CTA Board on July 9, 2018.

following staff reports for documentation of

ct S Programming Recommendations", dated

erative Agreements with Cities of Anaheim and ing the Preliminary Engineering Phase of Proposed stems", dated March 14, 2011 Station Van Extension - 2012 Call for Projects mmendations", dated July 23, 2012 Grove Fixed-Guideway Proposed Financial and ins", dated August 11, 2014 ect Revised Funding Plan", Staff Report dated July 9,

ities completed to date have been done with an ding access to the core rail system and establishing ommunities and major activity centers. The OC t fits this criterion. A key aspect of that evaluation study on passengers making connections at the

127.03	Have multiple transit projects been funded with no single project being awarded all the funding under this project?	Att. A, p. 23, Project S	Planning	30-year	Done to date	Joe Alcock/ Adriann Cardoso	Yes, there have been projects awarded fun project concept is adr one rubber tire pro Connection) is in oper Please refer to the compliance: " <u>Measure M2 Proje</u> November 22, 2010 " <u>Project S Bus and</u> <u>Programming Recomm</u>
128.00	Have Eligible Jurisdictions, in order to be eligible to receive Net Revenues for Transit Extensions, executed written agreements between the Authority and eligible jurisdictions regarding the respective roles and responsibilities pertaining to construction, ownership, operation and maintenance of the Transit Extensions to Metrolink?	Att. B, Sec. VI.A.2	Planning & Capital Programs - Rail	Recurring	Done to date	Jim Beil & Joe Alcock/Adri ann Cardoso	Yes, upon each awa agreement has been responsibilities and te On March 14, 2011, a executed with the Ci <u>2447</u>) to define rol preliminary engineer guideway projects (An On August 11, 2014, execute a cooperative Garden Grove to development throug Ana/Garden Grove F and May 9, 2016, OCT Ana (C-5-3583) and G design phase of the O Board approved an ag use of public right maintenance of the C Board approved agree Garden Grove (C-7-19 the OC Streetcar Proj and restated an agree Santa Ana Regional Te On June 27, 2016, th contract, concluding

en two fixed guideway projects and four rubber tire unding by the Board. Currently one fixed guideway advancing through the program (OC Streetcar), and project (Anaheim Canyon Metrolink Station Bus peration.

ne following staff reports for documentation of

ject <u>S</u> Programming Recommendations", dated

Station Van Extension - 2012 Call for Projects nmendations", dated July 23, 2012

ward of funding from the Board, a cooperative en executed with each agency to define roles, terms of funding.

, and May 20, 2011, respectively, agreements were Cities of Anaheim (<u>C-1-2448</u>) and Santa Ana (<u>C-1-</u> oles and responsibilities related to funding the ering phase of their respective proposed fixed-Anaheim Rapid Connection [ARC] and OC Streetcar).

4, the Board authorized the CEO to negotiate and tive agreement with the Cities of Santa Ana and define roles and responsibilities for project ugh construction of the OC Streetcar (Santa Fixed-Guideway Project). Effective August 1, 2015 CTA entered into agreements with the cities of Santa Garden Grove (C-5-3807) to define roles for the OC Streetcar project. On January 23, 2017 the OCTA agreement with the City of Santa Ana (C-6-1433 for nt-of-way for the construction, operations and OC Streetcar Project. On March 27, 2017 the OCTA eements with the cities of Santa Ana (<u>C-6-1516</u>) and 1556) to define roles for the construction phase of oject. On April 24, 2017, the OCTA Board amended eement with the City of Santa Ana (C-94-859) for the Transportation Center and the OC Streetcar.

the Board approved an amendment to Anaheim's ag all planning efforts on the ARC fixed-guideway

							project, and to detern future phases of the p For the Rubber Tire established with City <u>2-1667</u>). As of 2018, c
129.00	Has a countywide competitive procedure for Project S been prepared in consultation with eligible jurisdictions and adopted by the Authority which included an evaluation process and methodology applied equally to all candidate projects?	Att. B, Sec. VI.B.3	Planning	One-time	Done to date	Joe Alcock/Adri ann Cardoso	On September 13, guidelines which wer jurisdictions, and on awarded Project S fu engineering of fixed-g Please refer to: " <u>Measure M2 Project</u> (<u>Guideways Only</u> ", St " <u>Measure M2 Project</u> dated November 22, 2
130.00	Project T - Convert Metrolink Stations to Regional Gateways					1	
131.00	Has the program provided local improvements necessary to connect planned future high speed rail systems to stations on the Orange County Metrolink route?	Att. A, p. 24, Project T	Planning & Capital Programs - Rail	30-year	Done to date	Jim Beil & Joe Alcock/Adri ann Cardoso	Yes, ARTIC opened accommodate future southern terminus for Please reference: " <u>Ag</u> " <u>TT010 Project Maste</u> schedule dated Janua
132.00	Have eligible Jurisdictions, in order to be eligible to receive Net Revenues, executed written agreements with the Authority regarding the respective roles and responsibilities pertaining to construction, ownership, operation and maintenance of the facilities?	Att. B, Sec. VI.B.2	Capital Programs - Rail	Recurring	Done to date	Jim Beil	Yes, as part of proje agreements with ho responsibilities for t maintenance of impro Please reference: " <u>Ag</u>
133.00	Has a countywide competitive procedure for Project T been prepared in consultation with eligible jurisdictions and adopted by the Authority which included an evaluation process and methodology applied equally to all candidate projects?	Att. B, Sec. VI.B.3	Planning	One-time	Done	Joe Alcock/Adri ann Cardoso	Yes, a Call for Projects and funds were awar January 26, 2009. Pla <u>Funding Guidelines a</u> 2009. These guideline On December 14, 201

rmine OCTA would serve as the lead agency for any project (<u>C-1-3115</u>).

ire Program, Cooperative Agreements have been ty of Anaheim (<u>C-2-1668</u>) and City of Lake Forest (<u>C-</u> , only one project in Anaheim is in operation.

5, 2010, the Board approved Project S funding vere developed by staff in consultation with local on November 22, 2010, the Board evaluated and funds to Anaheim and Santa Ana for preliminary d-guideway projects.

ect S Funding Guidelines for Preliminary Engineering Staff Report dated September 13, 2010 ect S Programming Recommendations", Staff Report 2, 2010

d in December 2014. ARTIC was designed to re High Speed rail service and will serve as the for the California High Speed Rail Authority's Phase I.

greement C-9-0448 with City of Anaheim".

ter Schedule Complete 20150101" Project Controls ary 1, 2015.

oject development, OCTA enters into cooperative nost cities. These agreements define roles and the representative phase as well as ongoing provements.

greement C-9-0448 with City of Anaheim".

cts was issued in consultation with local jurisdictions varded based on OCTA Board-approved criteria on Please reference: "<u>Renewed Measure M Project T</u> <u>and Attachments</u>", Staff Report dated January 26, ines were modified on February 14, 2011 (add link). 015, an Ordinance Amendment was approved by the

134.00	Project U - Expand Mobility Choices for Seniors and Persons with	Disabilities					Board to closeout Proj report.
135.00	Has one percent of Net Revenues been allocated to the County to augment existing senior non-emergency medical transportation services funded with Tobacco Settlement funds?	Att. B, Sec. VI.C.3.a	F&A	Recurring	Done to date	Sean Murdock & Curt Burlingame	Yes. See General Acc Also see the Agreed-U for FY 2018 related to Please refer to: 1. <u>2018 Project U SNE</u> 2. " <u>OCLTA Report on A</u> <u>Status Report</u> " for FY 2
136.00	Has the County continued to fund these services in an amount equal to the same percentage of the total annual Tobacco Settlement funds received by the County?	Att. B, Sec. VI.C.3.a	F&A	Recurring	Done to Date	Sean Murdock & Curt Burlingame	Yes. The County is r Settlement Revenue M2. The County allo documentation from Settlement Revenues Please reference: " <u>F</u> dated January 10, 201
137.00	Have Net Revenues been annually allocated to the County in an amount no less than the Tobacco Settlement funds annually expended by the County for these services and no greater than one percent of Net Revenues plus any accrued interest?	Att. B, Sec. VI.C.3a	F&A	Recurring	Done to date	Sean Murdock & Curt Burlingame	Yes, the M2 SNEMT \$2,989,266.91 exceed funding is no less that revenue as required ut Please refer to: " <u>FY19 SNEMT MOE Ve</u> 2019. " <u>2018 M2 Project U SI</u>
138.00	Has one percent of Net Revenues been allocated to continue and expand the Senior Mobility Program provided by the Authority in 2006 with allocations determined pursuant to criteria and requirements as adopted by the Authority?	Att. B, Sec. VI.C.3.b	F&A, Transit	Recurring	Done to date	Sean Murdock & Curt Burlingame	Yes. See General Acco see the Agreed-Upon Status Report. Please reference: 1. <u>2018 Project U SMF</u> 2. " <u>OCLTA Report on A</u> <u>Status Report</u> " for FY

roject T. Please reference: Closeout of Project T staff

ccounting payments for SNEMT funds for FY 2018. -Upon Procedures to the Measure M2 Status Report to Senior Non-Emergency Medical Transportation.

IEMT Payments

n Agreed-Upon Procedures Applied to Measure M2 Y 2018.

s required to allocate at least 5.27% of Tobacco le (TSR) funds to meet their MOE obligation under llocation for FY 2018 was 5.27%. See supporting om the County showing Measure H Tobacco es allocated to SNEMT.

"<u>FY19 SNEMT MOE Verification</u>", correspondence 019.

T funding allocation to the County for FY 2018 of eded TSR funding of \$1,678,079. Therefore, the M2 than the TSR funding, and no more than 1% of net d under the Ordinance.

Verification", correspondence dated January 10,

SNEMT Payments"

counting payments for SMP funds for FY 2018. Also on Procedures applied to the FY 2018 Measure M2

<u>AP Payments</u> <u>Agreed-Upon Procedures Applied to Measure M2</u> Y 2018.

139.00	Has one and forty-seven hundreds percent (Ordinance amendment on 12/14/15 to increase allocation from 1% to 1.47%) of Net Revenues been allocated to partially fund bus and ACCESS fares for seniors and persons with disabilities in an amount equal to the percentage of funding as of the effective date of the Ordinance and to partially fund train and other transit fares for seniors and persons with disabilities as determined by the Authority?	Att. B, Sec. VI.C.3.c	F&A, Transit	Recurring	Done to date	Sean Murdock & Curt Burlingame	Yes. See General Acco In addition to the 1% Ordinance No. 3 on D which increased the I Net Revenues. Please refer to: 1. "M2 Fare Stabilization Stabilization Update", 2. " <u>Measure M2 Fa</u> September 28, 2015 " <u>Renewed Measure M</u> and Transportation In dated March 14, 2016 3. <u>2018 M2 Fare Stabilised</u>
140.00	Project V - Community Based Transit/Circulators						
141.00	Have all such projects [within Project V], in order to be considered for funding, met performance criteria for ridership, connection to bus and rail services, and financial viability?	Att. A, p. 25, Project V	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Per the current P February 12, 2018, p bus and rail services a defined as part of t receiving funding. Please reference: "20 <u>Program Guidelines a</u> 12, 2018.
142.00	Have all such projects been competitively bid?	Att. A, p. 25, Project V	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. Per the 2013, 20 OCTA Board on Nover 12. 2018, projects a including procuremen applicable to their pro Please refer to the mo "2018 Project V Comr Guidelines and Call fo
143.00	As a condition of being funded, have such projects been determined not to duplicate or compete with existing transit services?	Att. A, p. 25, Project V	Planning, Transit	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, OCTA staff evaluations for recommendations for either expand or pro transit services. OCTA 2018. OCTA staff will services funded with I

counting Fare Stabilization Revenue Allocation chart. %, the Board approved an amendment to the M2 December 14, 2015 (updated on March 14, 2016), e Fare Stabilization allocation from 1% to 1.47% of

tion Cash Flow", Attachment A of "<u>Measure M2 Fare</u>", Staff Report dated June 23, 2014 <u>Fare Stabilization Update</u>", Staff Report dated

M Local Transportation Authority Ordinance No. 3 Investment Plan Amendment Update", Staff Report 16

bilization Payments

Project V Guidelines adopted by the OCTA Board on performance criteria for ridership, connections to and financial viability are specifically required to be the application process prior to competing and

018 Project V Community-Based Transit/Circulators and Call for Projects", Staff Report dated February

2015 and 2018 Project V Guidelines adopted by the ember 26, 2012, November 23, 2015, and February are required to follow competitive procedures ent. Local Agencies followed the procedures where rojects and nature of procurement.

nost recent Staff Report:

nmunity-Based Transit/Circulators Program

for Projects", Staff Report dated February 12, 2018.

uated all project applications before preparing final or the Board to ensure that proposed services will rovide new services and not supplant the existing TA Board approved project allocations on June 25, ill continue to monitor the projects to ensure that n Project V do not duplicate existing transit services.

							Please reference the "2018 Measure M2 Call for Projects Prog June 25, 2018.
144.00	For any of its projects to be eligible for funding, has the Eligible Jurisdiction executed a written agreement with the Authority regarding the respective roles and responsibilities pertaining to construction, ownership, operation and maintenance of the project?	Att. B, Sec. VI.D.2	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. OCTA executed agency and identified construction, mainter funding agreements Document Center. A Anaheim, Costa Mesa Irvine, La Habra, Lak Beach, San Clemente found here in the Doc Please reference: " <u>Pl</u> December 31, 2018.
145.00	Have any allocations of Net Revenues to such projects been determined pursuant to a countywide competitive procedure adopted by the Authority?	Att. B, Sec. VI.D.3	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes, OCTA Board appr 2018 and issued the 2 in 2020. Please reference: " <u>20</u> <u>Program Guidelines a</u> 12, 2018.
146.00	Does the competitive procedure include an evaluation process and methodology applied equally to all candidate Community Based Transit/Circulator projects?	Att. B, Sec. VI.D.3	Planning	Recurring	Done to date	Joe Alcock/ Adriann Cardoso	Yes. See 2018 Project February 12, 2018. Please reference: "20 Program Guidelines a 12, 2018.
147.00	Have Eligible Jurisdictions been consulted by the Authority in the development of the evaluation process and methodology?	Att. B, Sec. VI.D.3	Planning	One-time	Done to date	Joe Alcock/ Adriann Cardoso	Yes, workshops with t for the most recent, eligible jurisdictions request was used to a funding and the type
148.00	Project W - Safe Transit Stops						
149.00	Have amenities been provided at the 100 busiest transit stops across the County? Were they designed to ease transfer between bus lines and provide amenities such as improved shelters, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines?	Att. A, p. 25, Project W	Planning	30-year	Done to date	Joe Alcock/ Adriann Cardoso	The OCTA Board adop to allocate funds for t July 14, 2014 OCTA Bo for OCTA text4next sy projects that install no no shelters at present that have become run able to implement the

e most recent staff report: <u>2 Community-Based Transit Circulators (Project V)</u> <u>ogramming Recommendations</u>", Staff Report dated

ed Cooperative Funding Agreements with each local ed roles and responsibilities pertaining to operation, tenance and uses of the facilities and vehicles. All M2 ts and Letter agreements are available in the M2 A list of the corresponding contract numbers with esa, County of Orange, Dana Point, Huntington Beach, take Forest, Laguna Beach, Mission Viejo, Newport onte, San Juan Capistrano, and Westminster can be Document Center.

Project V List of Contract Numbers DRAFT", dated

proved updated Project V Guidelines on February 12, 2018 call for projects. Next potential call may occur

2018 Project V Community-Based Transit/Circulators and Call for Projects", Staff Report dated February

ject V Guidelines adopted by the OCTA Board on

2018 Project V Community-Based Transit/Circulators and Call for Projects", Staff Report dated February

h the local jurisdictions were held for each round and ht, a request for letters of interest was sent to all is on November 13, 2017. The response to this o determine the timing for a future call for Project V be of eligible services.

opted the Project W framework on March 10, 2014 r the Top 100 Busiest Stops in Orange County. On Board approved Project W funds for 51 stops and system. Project W funding is eligible for including new transit shelters at locations where there are ent, and replace aging shelters, shade, and amenities run down over time. The City of Anaheim was not the improvements for their 8 projects, leaving the

							remaining 43 project addition, funds for ar 2014 and updated Ju provide funding for m February 2017 – and regular fixed route, c seniors and persons Please refer to the for " <u>Measure M2 Project</u> " <u>Measure M2 Project</u> <u>Recommendations</u> ", " <u>Comprehensive Tran</u> <u>Review – March 2016</u> "2019 Project W Safe
150.00	Requirements Related to Project X						
151.00	Have Environmental Cleanup funds been used on a countywide, competitive basis to meet federal Clean Water Act standards for controlling transportation-generated pollution as called for in Attachment A?	Att. A, p. 27, Project X	Planning	30-year	Done to date	Dan Phu	Yes, the OCTA Board calls for projects for program providing fr rounds of funding un by the Board. A tota million have been aw funding under the Ti amount of \$27.89 m 2013. To date, all Ora received funding und anticipated in spring the County to assist projects, it is anticipa calls during the next For the most recent <u>Measure M2 Environ</u> <u>Program Guidelines For Projects</u> ", Staff Repor
152.00	Does the program augment, not replace existing transportation related water quality expenditures and emphasize high impact capital improvements over local operations and maintenance costs?		Planning	30-year	Done to date	Dan Phu	Yes. Requirement is Transportation Fund guidelines gets perio

cts to move forward and are now complete. In an OCTA-initiated project were approved (July 14, June 8, 2015) for an OCTA-initiated project to mobile ticketing app. The app went system-wide in d provides mobile ticketing to express bus, OC Fair, college pass, and reduced fare purchases (for s with disabilities).

following Staff Reports: <u>ect W Safe Transit Stops</u>", dated March 10, 2014 <u>ect W Safe Transit Stops – 2014 Programming</u> ', dated July 14, 2014 <u>ansportation Funding Programs Semi-Annual</u> <u>16</u>", dated June 13, 2016 <u>fe Stops Call for Projects"</u>, dated October 22, 2018.

and has authorized several countywide competitive or both a Tier 1 and Tier 2 environmental cleanup funding to improve water quality. To date, eight under the Tier 1 grants program have been awarded tal of 166 projects in the amount of just over \$22 awarded since 2011. There have been two rounds of Tier 2 grants program. A total of 22 projects in the million have been awarded by the OCTA Board since Orange County cities plus the County of Orange have nder this program. The next Tier 1 Call for Projects is g 2019. As OCTA continues coordination efforts with t local jurisdictions in further developing Tier 2-type bated that there may be sufficient funds to issues two t decade (potentially 2021 and 2025).

t Tier 1 and Tier 2 guidelines, please refer to: onmental Cleanup Allocation Program - Tier 1 Grant ojects", Staff Report dated March 12, 2018 onmental Cleanup Allocation Program – Funding Revisions and Tier 2 Grant Program Call for ort dated June 10, 2013

is specified in Chapter 12 of the Comprehensive ding Guidelines. As a note, Chapter 12of the CTFP odic updates to improve on the process.

							Please reference: " <u>M</u> <u>Programs – 2019 Ann</u> 2018, see attached G
153.00	Has a comprehensive countywide capital improvement program for transportation related water quality improvements been developed?	Att. A, p. 27, Project X	Planning	One-time, start-up	Done	Dan Phu	Yes, the OCTA Board quality improvement Chapter 12 of the C guidelines. To date s and two rounds unde Please reference: See Item 151 for Tier Projects Staff Reports " <u>Measure M2 Environ Funding Approach</u> " S " <u>Measure M2 Compr</u> <u>Annual Call for Projec</u> attached Guidelines of
154.00	Has a competitive grant process to award funds to the highest priority, most cost-effective projects been developed?	Att. A, p. 27, Project X	Planning	One-time, start-up	Done	Dan Phu	Yes. The Tier 1 and the OCTA Board and Transportation Fundi guidelines gets period Please reference: " <u>M</u> <u>Programs – 2019 Ann</u> 2018, see attached G
155.00	Has a matching requirement to leverage federal, state and local funds for water quality improvement been established?	Att. A, p. 27, Project X	Planning	One-time, start-up	Done	Dan Phu	Yes. The Tier 1 and the OCTA Board and Transportation Fundi guidelines gets period Please reference: <u>Funding Programs –</u> August 13, 2018, see
156.00	Has a maintenance of effort requirement been established to ensure that funds augment, not replace existing water quality programs?	Att. A, p. 27, Project X	Planning	One-time, start-up	Done	Dan Phu	Yes, these are specific Transportation Fund evaluation process for Please reference: " <u>Manageron and specific Programs – 2019 Ann</u> 2018, see attached G
157.00	Has there been annual reporting on actual expenditures and assessment of water quality benefits provided?	Att. A, p. 27, Project X	Planning, External Affairs	Recurring	Done to date	Dan Phu & Marissa Espino	Yes. Reports have or which ended in Septe

Measure M2 Comprehensive Transportation Funding nual Call for Projects," Staff Report dated August 13, Guidelines Chapter 12

rd approved a two-tiered funding program for water nt projects. These guidelines are incorporated into Comprehensive Transportation Funding Programs seven rounds of funding under the Tier 1 program der the Tier 2 have been allocated for these purposes.

er 1 and Tier 2 Guideline Revisions and Call for rts.

onmental Cleanup Program – A Two-Tier Grant Staff Report dated May 24, 2010

<u>prehensive Transportation Funding Programs – 2019</u> <u>ects</u>," Staff Report dated August 13, 2018, see s chapter 12

d Tier 2 project evaluation criteria were adopted by nd integrated as Chapter 12 of the Comprehensive ding Guidelines. As a note, Chapter 12 of the CTFP odic updates to improve on the process.

Measure M2 Comprehensive Transportation Funding nual Call for Projects," Staff Report dated August 13, Guidelines chapter 12.

d Tier 2 project evaluation criteria were adopted by nd integrated as Chapter 12 of the Comprehensive ding Guidelines. As a note, Chapter 12 of the CTFP odic updates to improve on the process.

""<u>Measure M2 Comprehensive Transportation</u> – 2019 Annual Call for Projects," Staff Report dated ee attached Guidelines chapter 12.

pecified in Chapter 12 of the Comprehensive nding Guidelines. Also, this becomes part of the for candidate projects.

Measure M2 Comprehensive Transportation Funding nual Call for Projects," Staff Report dated August 13, Guidelines chapter 12.

occurred through the Semi-Annual Review Process, tember 2016.

							Please reference: " <u>C</u> <u>Semi-Annual Review</u> 10, 2018. Not applicable becaus
158.00	If there has been any misuse of these funds, have penalties been imposed?	Att. A, p. 27, Project X	Planning	Recurring	Done to date	Dan Phu	date. Assessment of a payment processes ar
159.00	 Has an Environmental Cleanup Allocation Committee (ECAC), including the following 12 voting members, but not including any elected public officer, been established: One representative of the County of Orange? Five representatives of cities (one per supervisorial district)? One representative of the Caltrans? Two representatives of water or wastewater public entities? One representative of the development industry? One representative of private or non-profit organizations involved in water quality protection/enforcement matters? 	Att. B, Sec. VII.B.1.i-vii	Planning, External Affairs	Recurring	Done to date	Dan Phu & Marissa Espino	Yes. Creation of ECAC to the Board on Augu ECAC members are vacancies. Member ro Center. Please refer to: " <u>Status Report on Rer</u> Report dated August 2 " <u>ECAC Roster 2018</u> " d
160.00	Does the ECAC also include one representative of the Santa Ana Regional Water Quality Control Board and one representative of the San Diego Regional Water Quality Control Board as non- voting members?	Att. B, Sec. VII.B.1.i-vii	Planning, External Affairs	Recurring	Done	Dan Phu	Yes. Creation of ECAC to the Board on Augu Member rosters for e Please refer to: " <u>Status Report on Rer</u> Report dated August 2 " <u>ECAC Roster 2018</u> " d
161.00	Has the Environmental Cleanup Allocation Committee recommended to the Authority for the Authority's adoption the following:	Att. B, Sec. VII.B.2.	Planning	One-time, start-up	Done	Dan Phu	See items 161.01 - 16
161.01	A competitive grant process for the allocation of Environmental Cleanup Revenues as set forth in Attachment B.	Att. B, Sec. VII.B.2.a	Planning	One-time, start-up	Done	Dan Phu	Yes, the Environment guidelines that were a is also included in Cha Please refer to: " <u>Measure M2 Environ</u> Incorporation into the and Tier 1 Grant Prog February 14, 2011 " <u>Measure M2 Environ</u> 2019 Call for Projects" attached Guidelines of

"<u>Comprehensive Transportation Funding Programs</u> w - <u>September 2018</u>", Staff Report dated December

ause there has been no finding of misuse of funds toof appropriate use occurs through the initial and final and Semi-Annual Review process.

AC occurred in 2008. The initial roster was presented gust 25, 2008 as Attachment B to the Staff Report. e recruited following the requirements upon any rosters for each year are saved in the M2 Document

enewed Measure M Environmental Programs", Staff st 25, 2008.

dated December 31, 2018

AC occurred in 2008. The initial roster was presented igust 25, 2008 as Attachment B to the Staff Report.

enewed Measure M Environmental Programs", Staff st 25, 2008. ' dated December 31, 2018

161.04

ental Cleanup Allocation Committee (ECAC) created e approved by the Board on February 14, 2011. This hapter 12 of the CTFP.

<u>onmental Cleanup Allocation Program -</u> the Comprehensive Transportation Funding Program ogram 2011 Call for Projects</u>", Staff Report dated

onmental Cleanup Program Tier 1 Grant Program ts", Staff Report dated March 12, 2018, see s chapter 12.

161.02	A process requiring that allocated Environmental Cleanup Revenues supplement and not supplant other applicable funding sources.	Att. B, Sec. VII.B.2.b	Planning	One-time, start-up	Done	Dan Phu	Yes, the ECAC ensure projects meet the crit guidelines which are Please reference: " <u>Ma Grant Program 2019</u> 2018, see attached G
161.03	Allocation of Environmental Cleanup Revenues for proposed projects and programs.	Att. B, Sec. VII.B.2.c	Planning	Recurring	Done to date	Dan Phu	Yes, the ECAC review funding allocation, w Please refer to the lat <u>Programs – Measure</u> <u>Tier 1 Projects</u> " Staff
161.04	An annual reporting procedure and method to assess water quality benefits provided by the projects and programs.	Att. B, Sec. VII.B.2.d	Planning, External Affairs	Recurring	Done to date	Dan Phu	Yes, the ECAC has dee by the funded Tier 1 is program. This is an of the ECAC and then to Please refer to: " <u>ECAC Agenda 12-11-</u> " <u>OCTA Measure M2</u> <u>Benefits of Funded Pro- 2015</u> " " <u>Measure M2 Environ</u> <u>Steps,</u> " Staff Report of
162.00	Safeguards and Audits						
163.00	The requirements listed in Attachment A page 28-29 are covered in other areas of the matrix as they relate to quarterly and annual reporting.	Att. A, p.28- 29					
164.00	Requirements Related to the Taxpayers Oversight Committee (TOC)						
165.00	Was a Taxpayers Oversight Committee established for the purpose of overseeing compliance with the Ordinance as specified in Attachment B, Section IV and organized and convened before any Revenues were collected or spent pursuant to the Ordinance?		External Affairs	One-time, start-up	Done	Alice Rogan	Yes. The TOC update Oversight Committee M2 in August 2007. Please reference: " <u>TC</u>
166.00	Has the TOC been governed by its 11 members and the provisions relating to membership (including initial and ongoing appointment, geographic balance, terms, resignation, removal,	Att. C, Secs. II, and III	External Affairs	Recurring	Done to date	Alice Rogan	Yes, the TOC is gover to membership (inclu

res that as part of the application process that riteria specified in the Ordinance. This is part of the e included in Chapter 12 of the CTFP.

Measure M2 Environmental Cleanup Program Tier 1 <u>9 Call for Projects</u>", Staff Report dated March 12, Guidelines chapter 12.

ws applications and makes recommendations on which is then approved by the Board.

latest "<u>Comprehensive Transportation Funding</u> re M2 Environmental Cleanup Program Revised 2018 ff Report, dated September 10, 2018.

leveloped a database to estimate the trash removed 1 and Tier 2 projects to report on benefits of the ongoing process. Updates have been provided to to the Board on December 11, 2017.

<u>1-2014</u>" <u>2 Tier 1 and Tier 2 – Potential Water Resources</u> <u>Projects Memo from Geosyntec Consultants 4-22-</u>

onmental Cleanup Program Updates and Next dated December 11, 2017

ated the former procedures from the M1 Citizens ee to accommodate additional responsibilities under

TOC Agenda Packet", dated August 28, 2007.

erned by its 11 members and the provisions relating cluding initial and ongoing appointment, geographic

	reappointment, and vacancies) consistent with Attachment C of the Ordinance been followed?						balance, terms, resig consistent with Attac Please reference: " <u>T</u> dated December 31, 2
167.00	Has the Committee carried out the following duties and responsibilities:	Att. C, Sec. IV	External Affairs	Recurring		Alice Rogan	See Items 167.01-167
167.01	Did the initial Members of the TOC adopt procedural rules and regulations as are necessary to govern the conduct of Committee meetings as described in Attachment C?	Att. C, Sec. IV.A	External Affairs	One-time, start-up	Done	Alice Rogan	Yes. The TOC update Oversight Committee M2 in August 2007. August 28, 2007. On Mission Statement responsibilities due to Please reference TOC
167.02	Did the Committee approve by a vote of not less than 2/3 of all Committee members, any amendments to the Plan which changed the funding category, programs or projects identified on page 31 of the Plan?	Att. C, Sec. IV.B	External Affairs	Recurring	Done to date	Alice Rogan	August 9, 2016. Yes. The TOC approve Investment Plan on November 10, 2015. approval. Please refer to: " <u>TOC M2 Amendment</u> " <u>TOC M2 Amendment</u> November 25, 2013.
167.03	Did the TOC receive and review, as a condition of eligibility for M2 funds, from each jurisdiction the following documents as defined in Att. B, Sec. I?	Att. C, Sec. IV.C and	Planning, External Affairs	Recurring	Done to date	Alice Rogan & Joe Alcock	The Annual Eligibili eligibility requiremen approved them on C below.
167.04	Congestion Management Program?	Att. C, Sec. IV.C.1 and Att. B, Sec. III.A.1	Planning, External Affairs	Recurring	Done to date	Alice Rogan & Joe Alcock	Please refer to: " <u>TOC</u> This is required on Congestion Manager determination was p part of the Fiscal Yea The next submittal is Please refer to: <u>Fiscal Year 2017-18 M</u> dated December 11, 2 " <u>TOC Agenda Packet</u> "

signation, removal, reappointment, and vacancies), achment C of the Ordinance.

"<u>TOC Member Terms Roster History (1997-2018)</u>", I, 2018. 67.11 below.

ated the former procedures from the M1 Citizens ee to accommodate additional responsibilities under 7. Please reference: "<u>TOC Agenda Packet</u>", dated On June 14, 2016, the TOC updated the committee's of and Policies and Procedures to remove to the close-out of M1.

DC Meeting Minutes in "TOC Agenda Packet" dated

oved the first amendment to the M2 Transportation n October 9, 2012 and the third amendment on L5. The second amendment did not require TOC

ent No. 1 Approval Memo", dated October 9, 2012 ment No. 2 Public Hearing," Staff Report dated

ent No. 3 Approval Memo", dated November 10, 2015 ility Review Subcommittee reviewed applicable ents on September 20, 2018, and the full TOC October 10, 2017. Also see Items 167.04-167.08

C Agenda Packet", dated October 9, 2018.

on odd numbered years. The TOC reviewed the gement Program on October 10, 2017. Eligibility presented to the Board on December 11, 2017 as ear 2017-18 Measure M2 Annual Eligibility Review. is due in 2019.

<u>Measure M2 Annual Eligibility Review</u>, Staff Report 1, 2017 <u>et</u>", dated October 10, 2017.

167.05	Mitigation Fee Program?	Att. C, Sec. IV.C.2 and Att. B, Sec. III.A.2	Planning, External Affairs	Recurring	Done to date	Alice Rogan & Joe Alcock	This is required on a k Program on October to the Board on Deco Measure M2 Annual I Please refer to: <u>Fiscal Year 2017-18 N</u> dated December 11, " <u>TOC Agenda Packet</u> "
167.06	Expenditure Report?	Att. C, Sec. IV.C.3 and Att. B, Sec. III.8	Finance and Administrati on, External Affairs	Recurring	Done to date	Alice Rogan & Sean Murdock	Yes. The TOC reviewe 2018 for all 35 local a to the Board of Direc local jurisdictions. P portion of " <u>TOC Ager</u>
167.07	Local Traffic Synchronization Plan?	Att. C, Sec. IV.C.4 and Att. B, Sec. III.A.6	Planning, External Affairs	Recurring	Done to date	Alice Rogan & Joe Alcock/ Adriann Cardoso	This is required every Plan review was recein and presented to the Year 2017-18 Measur is due in 2020. Please reference: " <u>Fiscal Year 2017-1</u> Report dated Decemin " <u>TOC Agenda Packet</u> "
167.08	Pavement Management Plan?	Att. C, Sec. IV.C.5 and Att. B, Sec. III.7	Planning, External Affairs	Recurring	Done to date	Alice Rogan & Joe Alcock/ Adriann Cardoso	Yes. 14 agencies up update on even-year TOC reviewed the Pa on October 10, 201 Board on December 2 M2 Annual Eligibili Management Plans f year cycle reports we as part of the Fiscal Y

a biennial basis. The TOC reviewed the Mitigation Fee er 10, 2017. Eligibility determination was presented ecember 11, 2017 as part of the Fiscal Year 2017-18 I Eligibility Review. The next submittal is due in 2019.

<u>Measure M2 Annual Eligibility Review</u>, Staff Report 1, 2017 <u>et</u>", dated October 10, 2017.

wed the FY 2016-17 Expenditure Reports on June 12, l agencies. Eligibility determination will be presented ectors upon final submittal of expenditure reports by Please reference: June 12, 2018 Meeting Minutes enda Packet", dated August 14, 2018.

ery three years. The last Local Signal Synchronization seived and reviewed by the TOC on October 10, 2017, ne Board on December 11, 2017, as part of the Fiscal ure M2 Annual Eligibility Review. The next submittal

-<u>18 Measure M2 Annual Eligibility Review</u>", Staff mber 11, 2017 <u>et</u>", dated October 10, 2017.

pdate PMPs on odd-year cycle, while 21 agencies ar cycle as part of the Annual Eligibility Review. The Pavement Management Plans for odd year agencies 17. Eligibility determination was presented to the r 11, 2017 as part of the Fiscal Year 2017-18 Measure ility Review. The TOC reviewed the Pavement s for even-year agencies on October 9, 2018. Evenwere presented to the Board on December 10, 2018 Year 2018-19 Measure M2 Annual Eligibility Review.

							Next approval for age TOC review in Octobe
	Has the Committee reviewed yearly audits and held an annual						Please reference: " <u>Fiscal Year 2017-18 M</u> Dated December 11, 2 " <u>Fiscal Year 2018-19 M</u> Dated December 10, 2 " <u>TOC Agenda Packet</u> " "TOC Agenda Packet" Yes. The last Annual H
167.09	hearing to determine whether the Authority is proceeding in accordance with the Plan?	Att. C, Sec. IV.D	External Affairs	Recurring	Done to date	Alice Rogan	April 10, 2018. Please 2018.
167.10	Has the Chair annually certified whether the Revenues have been spent in compliance with the Plan?	Att. C, Sec. IV.D	External Affairs	Recurring	Done to date	Alice Rogan	Yes. The last Annual H April 10, 2018. A mer Board on April 10, 202 Please reference pag titled: " <u>Taxpayer Ov</u> <u>Hearing Results and C</u> 2018.
167.11	Has the Committee received and reviewed the performance assessment conducted by the Authority at least once every three years to review the performance of the Authority in carrying out the purposes of the Ordinance?	Att. C, Sec. IV.E	External Affairs	Recurring	Done to date	Alice Rogan	Yes. The TOC has rece conducted by the Aut performance of the Ordinance. Assessme 14, 2010, April 9, 2013 Please refer to: " <u>TOC Agenda Packet</u> " " <u>TOC Agenda Packet</u> "

gencies on the odd year cycle will be considered for ber 2019 and Board approval by December 2019.

Measure M2 Annual Eligibility Review" Staff Report , 2017.

<u>Measure M2 Annual Eligibility Review</u>" Staff Report , 2018.

et", dated October 10, 2017.

t", dated October 9, 2018

I Hearing and Compliance Review was completed on ase reference: "<u>TOC Agenda Packet</u>", dated April 10,

I Hearing and Compliance Review was completed on nemo from the TOC Chairman was presented to the 2018.

age 272 of the Board of Directors Agenda Packet Oversight Committee Measure M Annual Public d Compliance Findings", Staff Report dated April 23,

eceived and reviewed the performance assessments authority at least once every three years to review the ne Authority in carrying out the purposes of the nents have been reviewed by the TOC on December 013, and June 14, 2016.

<u>t</u>", dated December 14, 2010 <u>t</u>", dated April 9, 2013 <u>t</u>", dated June 14, 2016

Information Items



October 11	, 2018
То:	Transit Committee
From:	Darrell E. Johnson, Chief Executive Officer
Subject:	Metrolink Fiscal Year 2017-18 Performance Report

Overview

The Southern California Regional Rail Authority is a five-member joint powers authority that operates the 400-mile commuter rail service known as Metrolink. A report on Metrolink ridership, revenue, and on-time performance for service in Orange County covering fiscal year 2017-18 is provided for consideration by the Board of Directors.

Recommendation

Receive and file as an information item.

Background

The Southern California Regional Rail Authority's (SCRRA) joint powers authority includes the Los Angeles County Metropolitan Transportation Authority (LA Metro), the Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission, the San Bernardino County Transportation Authority, and the Ventura County Transportation Commission (VCTC). SCRRA operates the Metrolink commuter rail service, which includes 171 weekday trains on seven lines, serving 62 stations, and carries approximately 40,000 riders each weekday.

SCRRA receives funding from its member agencies to support the on-going operations and maintenance of the Metrolink system. This funding is provided through the annual budget process and is based on formulas that include a number of factors covering each aspect of operations, maintenance, rehabilitation, and capital. OCTA staff continues to strengthen regional partnerships by actively participating in the Metrolink technical advisory committee, as well as decision making and performance improvements planning.

The three Metrolink lines that serve Orange County (OC) are outlined as follows:

- OC Line:
 - Oceanside to Los Angeles
 - Established in 1994
 - 29 daily trains (10 intracounty trains between Fullerton and Laguna Niguel/Mission Viejo)
- Inland Empire Orange County (IEOC) Line:
 - San Bernardino to Oceanside via Orange
 - Established in 1995
 - 16 daily trains
 - 91/Perris Valley (91/PV) Line:
 - Perris to Los Angeles via Fullerton
 - \circ Established in 2002
 - Nine daily trains

Metrolink trains serve 11 OC stations daily and carry an average of more than 18,500 daily passengers on the three lines serving OC. Weekend service is offered on all three lines, with 16 trips on Saturday and Sunday.

The 22-mile 91/PV Line extension opened in June 2016, with four new stations: Riverside-Hunter Park/University of California, Riverside, Moreno Valley/ March Field, Perris-Downtown, and Perris-South, resulting in increased ridership on this line. There is no weekend service on the PV extension.

Metrolink service along portions of each line in Orange County shares a rail corridor with the state-supported intercity passenger rail service known as the Amtrak Pacific Surfliner which is managed by the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.

The Rail 2 Rail (R2R) Program, which began in 2003, allows Metrolink monthly passholders the option of riding the Amtrak Pacific Surfliner trains at no additional charge to the rider, provided that they travel within the stations identified on the monthly pass. Pacific Surfliner monthly pass holders may also ride any Metrolink train within the station pairs on their Amtrak Pacific Surfliner monthly pass. The R2R Program is fully funded by the three-member agencies that benefit from the program, LA Metro, VCTC, and OCTA, with OCTA contributing 66 percent. In OC, a valid Metrolink ticket or monthly pass also permits a transfer to local OCTA bus routes that directly serve a Metrolink station, including StationLink routes, at no additional charge to the passenger.

Discussion

The report provides an update on Metrolink weekday and weekend ridership, revenue and on-time performance (OTP) for fiscal year (FY) 2017-18. In FY 2017-18, Metrolink changed the methodology used to calculate ridership from on-board conductor counts to ticket sales as a base measure; accordingly, ridership on this, and all subsequent reports, will be reported based on ticket sales. FY 2016-17 ridership has also been updated to reflect ticket sales data, and will not match the last annual report, which included data based on conductor counts. All performance data is obtained directly from Metrolink, unless otherwise noted. Metrolink performance: ridership, revenue, and OTP are detailed in Attachment A.

Ridership and Revenue

Total Ridership

Systemwide Metrolink ridership totaled 11.7 million riders for FY 2017-18, which represents a 0.4 percent increase from the previous FY. Combined FY 2017-18 ridership (weekday and weekend) for the three Metrolink lines serving OC, including R2R passengers, was 5.1 million, a decrease of 0.2 percent compared to FY 2016-17.

Metrolink Total Ridership						
	FY 2016-17	FY 2017-18	% Change			
OC Line	2,779,306	2,816,916	1.4%			
IEOC Line	1,424,599	1,368,651	-3.9%			
91/PV Line	881,795	888,190	0.7%			
OC Metrolink	5,085,700	5,073,757	-0.2%			
Systemwide	11,640,283	11,688,794	0.4%			

In FY 2017-18, OC Line ridership increased by 1.4 percent compared to the previous FY, and 91/PV Line ridership increased by 0.7 percent, though IEOC Line ridership declined by 3.9 percent. For several months, freight traffic along the service corridor has impacted passenger rail performance, resulting in a degradation of OTP, which may have also resulted in ridership losses. Metrolink is currently working with the BNSF Railway (BNSF) to develop processes aimed to improve OTP. In March 2017, the Riverside portion of the 91 Express Lanes (on State Route 91) opened, which could also have prompted

some Metrolink riders to switch to driving or carpooling instead of riding the IEOC Line.

Average Weekday Ridership

As Southern California's commuter rail system, the weekday work trip is Metrolink's target market. Train schedules are developed to best serve commuters during weekday peak periods.

In FY 2017-18, there were over 18,500 combined average weekday boardings on the OC, IEOC, and 91/PV lines, including R2R passengers. As the table below reflects, average weekday ridership experienced a slight decline on the OC and IEOC lines compared to FY 2016-17 but increased on the 91/PV line. Notably, the 91/PV Line experienced positive ridership changes that are attributed to the additional weekday service provided with the four new Perris Valley stations and steep fare discounts provided to incentivize riders to use the extended service.

Metrolink Average Weekday Ridership							
FY 2016-17 FY 2017-18 % Ch							
OC Line	10,579	10,431	-1.4%				
IEOC Line	4,900	4,844	-1.2%				
91/PV Line	3,258	3,263	0.2%				
OC Metrolink	18,737	18,537	-1.1%				
Systemwide	42,928	42,876	-0.1%				

The following table shows the change in average weekday station boardings in FY 2017-18, compared to FY 2016-17. All but a few stations show a decrease in average boardings, consistent with lower ridership reported numbers. The OC Metrolink lines, stations, and boardings are geographically portrayed in a map (Attachment B).

Metrolink Fiscal Year 2017-18 Performance Report

	Metrolink Average	Weekday Stat	ion Boardings	
Ora	ange County Station	FY 2016-17	FY 2017-18	% Change
1	Anaheim	510	501	-1.7%
2	Anaheim Canyon	350	322	-7.9%
3	Buena Park	586	576	-1.6%
4	Fullerton	1,595	1,603	0.5%
5	Irvine	1,441	1,453	0.9%
6	Laguna Niguel/Mission Viejo	330	324	-1.7%
7	Orange	721	693	-3.8%
8	San Clemente North Beach	122	113	-7.6%
9	San Juan Capistrano	147	140	-5.1%
10	Santa Ana	874	848	-3.0%
11	Tustin	1,209	1,182	-2.2%

In addition to local OC Bus routes that connect to rail stations, OCTA operates ten StationLink and iShuttle routes that are designed to meet certain trains. These rail feeder buses provide a commuter link to major employment centers, with nearly 2,000 average weekday boardings.

Weekend Ridership

Metrolink weekend service began in 2006 with two roundtrips on the OC Line. There are now four weekend roundtrips on the OC Line, two on the IEOC Line, and two on the 91/PV Line (excluding the Perris Valley extension).

Combined total weekend ridership on the OC, IEOC, and 91/PV lines during FY 2017-18 was approximately 463,000 passenger boardings, including R2R passengers. This represents an increase of 5.9 percent compared to FY 2016-17. OCTA continues to promote Metrolink weekend service through Metrolink weekend campaigns, which feature exclusive deals and travel itineraries.

Metrolink Fiscal Year 2017-18 Performance Report

Metrolink Total Weekend Ridership						
	FY 2016-17	FY 2017-18	% Change			
OC Line	206,483	222,313	7.7%			
IEOC Line	157,348	164,146	4.3%			
91/PV Line	73,585	76,848	4.4%			
OC Metrolink	437,416	463,307	5.9%			
Systemwide	992,031	1,027,389	3.6%			

Revenue

Systemwide revenue for FY 2017-18 was \$82.5 million, which is 0.4 percent less than FY 2016-17 and 1.6 percent below the budget assumption. Annual revenue for the three lines serving OC totaled \$35.7 million, which is 0.5 percent less than the previous FY. Revenue increased on the OC and 91/PV lines compared to last year, but decreased on the IEOC Line. The IEOC revenue decline is largely attributed to the ridership decline resulting from degraded OTP and reflects more riders buying tickets for short trips, and riders traveling on discounted fare media, such as the student and youth passes. Metrolink revenue for the three lines serving OC was 43 percent of the systemwide total of \$82.5 million.

Passenger fare revenue covers roughly half of Metrolink operating expenses, with the remainder covered by other revenues and member agency subsidies. The OC Line consistently has the highest farebox recovery rate, currently 67.1 percent, exceeding the systemwide average of 43.3 percent. A summary of Metrolink revenue is depicted in the table below:

Metrolink Total Revenue							
		FY 2016-17		FY 2017-18	% Change		
OC Line	\$	21,986,578	\$	22,139,666	0.7%		
IEOC Line	\$	8,164,423	\$	7,786,709	-4.6%		
91/PV Line	\$	5,718,615	\$	5,753,676	0.6%		
OC Metrolink	\$	35,869,616	\$	35,680,051	-0.5%		
Systemwide	\$	82,904,550	\$	82,537,713	-0.4%		

Trains can be delayed for a variety of reasons, including equipment issues, unscheduled delays (or meets) with other trains, delays from other operators utilizing the same tracks, construction or track maintenance, and incidents. Metrolink's OTP goal is 95 percent. A train is defined as on-time if it arrives at its final destination within five minutes of its scheduled arrival time. In FY 2017-18, Metrolink operated at a 93.8 percent systemwide OTP, a 0.5 percentage point increase from the prior year. The OC, IEOC, and 91/PV lines averaged 91.4, 88.5, and 94.2 percent OTP, respectively, for FY 2017-18.

Key Initiatives FY 2017-18

Metrolink undertook several efforts to enhance service during the year. The list below highlights some of these efforts:

- In coordination with member agencies, Metrolink operated special train service on the OC and 91/PV lines to seven Los Angeles Rams football home games at the Los Angeles Coliseum. There were nearly double the number of boardings (83 percent increase) on game days compared to boardings on a typical Sunday. Following the success of the past two years of Football Train service, staff is coordinating with Metrolink to serve five home games this fall, starting Sunday, September 16, 2018.
- Funded through a Mobile Source Reduction Review Committee grant, the Metrolink Angels Express service is in its eighth year of providing baseball fans with a rail transit option for weekday home games. Through game 45, almost 36,000 boardings have been recorded, an increase of five percent compared to the prior year.
- Following the rollout of mobile ticketing in March 2016, 39 percent of Metrolink passengers purchase tickets via the mobile application. Mobile app use is up from 23 percent the previous year, mainly due to the installation of optic readers at LA Metro rail gates, which provide a seamless transfer between Metrolink and connections in Los Angeles.
- In June 2018, in response to an increasing number of trespasser strikes on the railroad right-of-way, OCTA launched a rail safety campaign that targets trespassers in the south OC area. The awareness campaign was digital, with the tagline *the penalty for trespassing could be your life*, and gained approximately two million impressions.
- In 2013, Metrolink ordered 40 new Tier 4 clean diesel locomotives and currently has 15 in revenue service, with a goal of full implementation by fall 2019.
- In June 2015, Metrolink launched Positive Train Control (PTC) in revenue service demonstration across the entire Metrolink network owned by the member agencies. With this accomplishment, Metrolink became the

first railroad in the nation to have PTC running during regular service on all of its hosted lines. In October 2017, Metrolink achieved PTC interoperability with BNSF and is the first commuter railroad in the nation to achieve interoperable PTC with both BNSF and the Union Pacific Railroad.

Summary

The staff report provides an update on the Orange County Metrolink commuter rail ridership, revenue, and on-time performance for FY 2017-18. Total ridership in Orange County is down 0.2 percent, while weekend ridership has increased by 5.9 percent, compared to the previous year.

Attachments

- A. Metrolink Performance
- B. Metrolink Average Weekday Station Boardings (FY 2017-18)

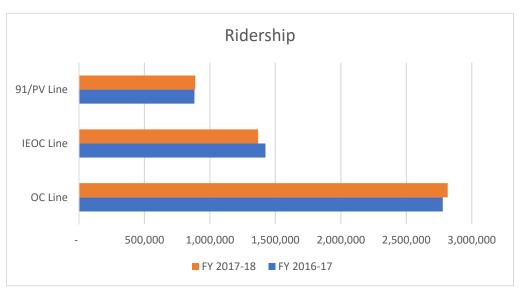
Prepared by:

Megan Le Master

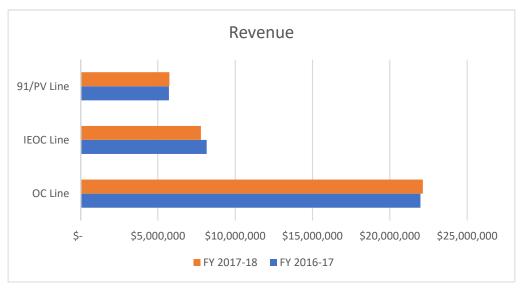
Megan LeMaster Senior Transportation Analyst (714) 560-5601

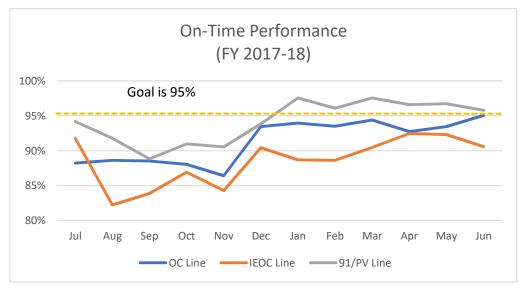
Approved by:

Jennifer L. Bergener Chief Operating Officer, Transit (714) 560-5462

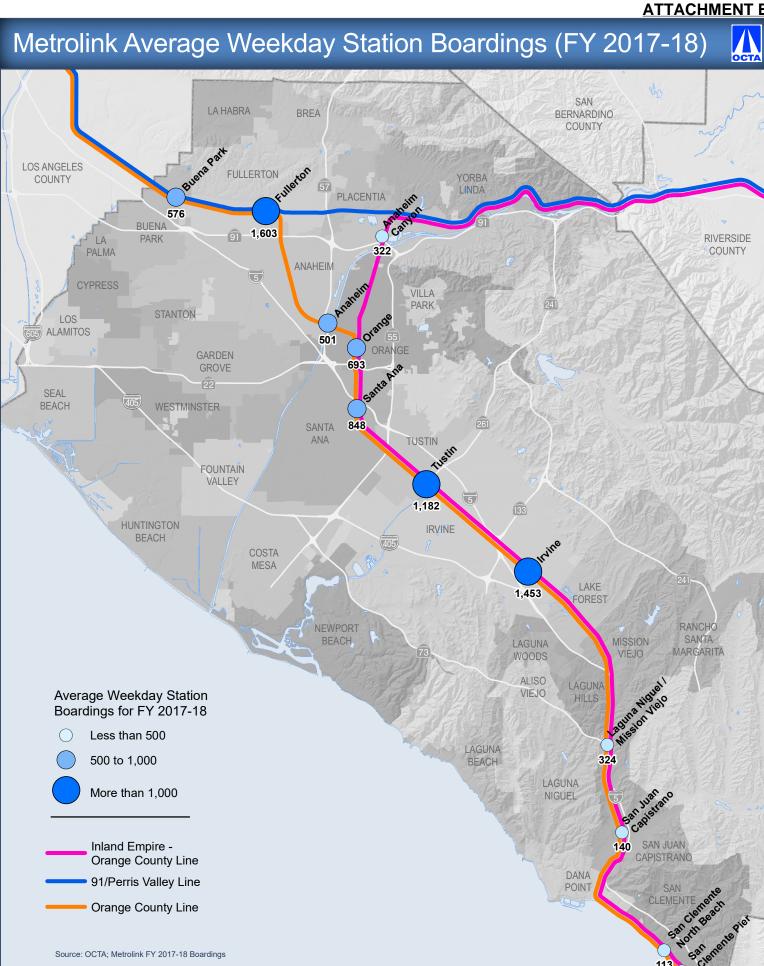


Metrolink Performance

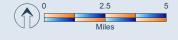




ATTACHMENT B



Source: OCTA; Metrolink FY 2017-18 Boardings



9/12/2018

50

N/A

113



October 11, 2018

	after
cecutive Officer	James

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From: Darrell E. Johnson, Chief Executive

Transit Committee

Subject: 2019 Project W Safe Stops Call for Projects

Overview

To:

Measure M2 Project W provides funding for passenger amenities at the 100 busiest bus stops in Orange County. Board of Directors approval is requested to update the Comprehensive Transportation Funding Guidelines and to authorize a second Project W allocation. This effort will include working with eligible local agencies to develop and refine a list of projects that could potentially be funded by a second Project W allocation.

Recommendations

- A. Approve proposed revisions to Chapter 3 (Project W section) of the Comprehensive Transportation Funding Programs Guidelines.
- B. Approve making \$3 million in Measure M2 Project W funds available for a second funding allocation.
- C. Direct staff to work with eligible local agencies and to return with Project W funding recommendations in early 2019.

Background

Measure M2 (M2) Project W provides funding for passenger amenities at the 100 busiest bus stops in Orange County. In 2014, the Orange County Transportation Authority (OCTA) Board of Directors (Board) authorized Project W's first allocation of \$1.5 million dollars. Funds were apportioned to locally-initiated bus stop improvement projects and to support regional technology improvements in order to enhance the overall transit experience (Attachment A).

To date, 43 of these improvements have either been completed or are nearing completion. In anticipation of Board authorization of a second Project W allocation, updates to the Comprehensive Transportation Funding Guidelines (Guidelines) have been developed (Attachment B). A discussion of pertinent Guidelines updates and next steps is provided (Attachment C).

Discussion

During summer 2018, OCTA initiated a review of Project W Guidelines to determine areas that needed to be adjusted and/or updated. The review focused upon issues and lessons learned from the 2014 allocation process. It also included input from local agencies and OCTA departments. Proposed changes were relatively minor. Key applicable components of the Guidelines include the following:

- Eligible projects include passenger waiting amenities at the 100 busiest bus stops in Orange County (Attachment D). Examples include shelters/shade structures, seating leaning/fixtures, waste receptacles, ad displays, lighting, solar panels, and other amenities. Ineligible elements include right-of-way acquisition, planning, maintenance, electricity (on-going charges or connections for non-passenger amenities and non-OCTA uses), and construction support.
- Eligible jurisdictions: 15 agencies
 - The listing of the 100 busiest bus stops excludes bus stops that were improved by the previous 2014 allocation. It should also be noted that bus stops where local agencies and OCTA have concurred that no improvement is needed will be removed from the list when final programming recommendations are approved by the Board.
- Funding: \$3 million in M2 Project W funds are available and proposed for a Board-approved 2019 allocation.
 - Up to \$1,000 in design funds are available per stop, subject to a dollar-for-dollar match. Other eligible activities would not require matching funds.
- Funding caps: \$35,000 for high-load bus stops and \$20,000 for normal-load bus stops.
 - High-load bus stops are defined as bus stops where eight or more passengers are waiting to board for an average of five minutes or more.

Next Steps

Upon Board approval of proposed updates to the Guidelines and authorization to initiate a second Project W allocation, in an amount not to exceed \$3 million, staff will work with local agencies to develop potential funding recommendations.

These efforts will include working with local agencies and the OCTA Operations Division to complete, as necessary, a needs assessment for the 100 busiest bus stops¹. The assessment will focus on several key consideration factors, generally including the following components (Attachment E):

- Current age of bus stop amenities;
- Current bus stop conditions;
- Types of improvements needed at bus stops;
- Ridership demand; and
- Other priority factors that enhance the overall transit experience by providing improved safety and convenience.

These factors, in addition to funding and eligibility requirements specified in the Guidelines, will then be used to screen and prioritize proposed funding recommendations. Once consensus (with eligible local agencies) on a final list of recommended improvements has been achieved, staff will return to the Board (in early 2019) to seek approval of final programming recommendations.

Summary

In anticipation of a second Project W allocation, staff has reviewed, and is recommending, proposed changes to the Guidelines. If these changes are approved and a second Project W allocation is authorized, staff will begin working with local agencies to identify needs at the 100 busiest bus stops in Orange County, as appropriate. This assessment will serve as the basis for future recommendations for a prioritized list of programming recommendations.

¹ Several OCTA-owned facilities are included in Attachment C, which makes them eligible for potential M2 Project W allocations. There is no funding "carve-out" for OCTA facilities. As such, OCTA would be required to complete the same application and evaluation processes as local agencies.

2019 Project W Safe Stops Call for Projects

Attachments

- A. Top Ridership Stops Improved with 2014 Project W Allocation
- B. Updated Comprehensive Transportation Funding Programs Guidelines Excerpt – Chapter 3
- C. 2019 Measure M Project W Allocation Process Summary and Comparison
- D. Draft Top 100 Ridership Stops (Not Already Improved Under Project W)
- E. Orange County Transportation Authority M2 Project W Safe Transit Stops, Draft Needs Assessment Survey

Prepared by: Alcoch orer

Joseph Alcock Section Manager, M2 Local Programs (714) 560-5372

Approved by:

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

TOP RIDERSHIP STOPS IMPROVED WITH 2014 PROJECT W ALLOCATION

	OCTA ID	Stop Name	Jurisdiction	Improvement
1	6073	BRISTOL-1ST	SANTA ANA	1 Shelter, 1 Bench, 1 Trash Receptacle
				2 Shelters, 2 Benches, 4 Trash Receptacles,
2	6048	BRISTOL-MCFADDEN	SANTA ANA	Replace Concrete, Curb Ramp, Bike Rack
				2 Shelters, 4 Benches, 4 Trash Receptacles,
3	5981	1ST-MAIN	SANTA ANA	Replace Concrete, Curb Ramp
				2 Shelters, 2 Benches, 4 Trash Receptacles, Curb
4	6521	MAIN-1ST	SANTA ANA	Ramp
5	1030	RING-BREA MALL	BREA	2 Shelters, Benches, Trash Receptacles
		CAMPUS-UNIVERSITY		
6	3246	CENTER	IRVINE	2 Shelters, 2 Benches, 2 Trash Receptacles
				2 Shelters, 2 Benches, 2 Trash Receptacles, Curb
7	6548	MCFADDEN-HARBOR	SANTA ANA	Ramp
				1 Shelter, 1 Bench, 2 Trash Receptacles, Curb
8	5895	WESTMINSTER-HARBOR	SANTA ANA	Ramp
9	6585	MCFADDEN-BRISTOL	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles
10	5608	THE CITY-CITY	ORANGE	2 Shelters, 2 Trash Receptacles
-				1 Shelter, 1 Bench, 4 Trash Receptacles, Curb
11	6410	HARBOR-MCFADDEN	SANTA ANA	Ramp
12	5602	THE CITY-DAWN	ORANGE	2 Shelters, 2 Trash Receptacles
13	5957	1ST-BRISTOL	SANTA ANA	2 Shelters, 2 Benches, 4 Trash Receptacle
14	6417	HARBOR-WESTMINSTER	SANTA ANA	2 Shelters, 2 Benches, 4 Trash Receptacles, 2 Trees
	0111		0, 111, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	1 Shelter, 2 Benches, 4 Trash Receptacles, Curb
15	5924	17TH-GRAND	SANTA ANA	Ramp
10	0021		0/ 11/ 1/ 11/ 1	2 Shelters, 2 Benches, 4 Trash Receptacles, Curb
16	6579	MCFADDEN-SYCAMORE	SANTA ANA	Ramp, Bike Rack
	0010		0, 111, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	2 Shelters, 2 Benches, 4 Trash Receptacles, Curb
17	6275	FAIRVIEW-WESTMINSTER	SANTA ANA	Ramp, 1 Tree, Bike Rack, Other
	02.0			1 Shelter, 2 Benches, 4 Trash Receptacles, Curb
18	6498	MAIN-1ST	SANTA ANA	Ramp
19	5515	MAIN-KATELLA	ORANGE	1 Shelter, 1 Trash Receptacle
20	5522	MAIN-CHAPMAN	ORANGE	1 Shelter, 1 Trash Receptacle
21	6052	BRISTOL-1ST	SANTA ANA	2 Shelters, 2 Benches, 4 Trash Receptacles
22	1195	HARBOR-VICTORIA	COSTA MESA	1 Shelter, 2 Trash Receptacles, 2 Benches
22	7514	WESTMINSTER-BEACH		2 Shelters, 2 Benches, 2 Trash Receptacles
23 24		MAIN-5TH		2 Shelters, 2 Benches, 4 Trash Receptacles
24	6519	MAIN-STH	SANTA ANA	
25	6221	EDINGER-MAIN	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles, Curb Ramp
25	0221	ORANGE TRANS CTR - DOCK	SANTA ANA	Папр
26	5667	1	ORANGE	1 Shelter, 2 Trash Receptacles
27	1371	' WILSON-HARBOR	COSTA MESA	1 Shelter, 1 Trash Receptacle, 2 Benches
				1 Shelter, 2 Benches, 4 Trash Receptacles
28	5975	1ST-GRAND	SANTA ANA	
29	6576	MCFADDEN-STANDARD	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles
20	0554			2 Shelters, 2 Benches, 4 Trash Receptacles,
30	6551	MCFADDEN-FAIRVIEW	SANTA ANA	Replace Concrete, Curb Ramp
31	5908	17TH-MAIN	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles
32	1220	HARBOR-WILSON	COSTA MESA	1 Shelter, 2 Trash Receptacles, 1 Bench
		17TH-ENT SANTA ANA		1 Shelter, 2 Benches, 4 Trash Receptacles, Replace
33	5901	COLLEGE	SANTA ANA	Concrete
34	5897	WESTMINSTER-FAIRVIEW	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles, 1 Tree
35	5987	1ST-BRISTOL	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles, 1 Tree
36	5526	MAIN-LA VETA	ORANGE	1 Shelter, 1 Trash Receptacle
				1 Shelter, 2 Benches, 4 Trash Receptacles, Curb
	6079	BRISTOL-EDINGER	SANTA ANA	Ramp

TOP RIDERSHIP STOPS IMPROVED WITH 2014 PROJECT W ALLOCATION

38	7329	BEACH-WESTMINSTER	WESTMINSTER	2 Shelters, 2 Benches, 2 Trash Receptacles
				1 Shelter, 2 Benches, 4 Trash Receptacles, Replace
39	5950	1ST-FAIRVIEW	SANTA ANA	Concrete
40	6499	MAIN-4TH	SANTA ANA	1 Shelter, 1 Bench, 1 Trash Receptacle
41	5640	TUSTIN-EAST VILLAGE WAY (ZONE4)	ORANGE	2 Shelters, 4 Trash Receptacles
42	6484	MAIN-WARNER	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles, Replace Concrete
43	5964	1ST-MAIN	SANTA ANA	1 Shelter, 2 Benches, 4 Trash Receptacles, Curb Ramp

Note: While project construction is generally complete for all projects, some projects (primarily those in Santa Ana) final report submittal/approval is still pending.



October 24, 2018

To: Finance and Administration C	ommitte	e
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From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval of the 2018 Measure M2 Plan of Finance, Issuance of Measure M2 Bonds, Selection of Underwriting Team, and Bond Counsel Services Amendment

Overview

Staff has completed an update to the Measure M2 Plan of Finance that identifies the program requirements over the next few years for the Measure M2 Program. The updated Measure M2 Plan of Finance highlights the need for the issuance of Measure M2 bonds to fund future expenditures. If a financing is approved, the selection of an underwriting team is recommended, along with additional funds required for bond counsel services.

Recommendations

- A. Authorize the selection of Bank of America Merrill Lynch; Barclays Capital, Inc.; Citigroup Global Markets, Inc.; Goldman Sachs & Co.; J.P. Morgan Securities LLC; and Stifel, Nicolaus & Company, Inc., from the Orange County Transportation Authority's underwriting pool, to assist with the next Measure M2 bond offering.
- B. Authorize the selection of Bank of America Merrill Lynch and Citigroup Global Markets, Inc., from the Orange County Transportation Authority's underwriting pool, to serve as the senior underwriting manager and co-senior underwriting manager, respectively, for the next Measure M2 bond transaction.
- C. Authorize the Chief Executive Officer to execute Amendment No. 5 to Agreement No. C-5-3099 between the Orange County Transportation Authority and Nossaman LLP, in the amount of \$200,000, to provide bond counsel services for the Orange County Transportation Authority Sales Tax Revenue Bonds, Series 2019 transaction. The total contract amount will be \$527,250.

- D. Authorize the issuance of sales tax revenue bonds to finance the Measure M2 Program.
- E. Adopt the 2018 Measure M2 Plan of Finance, which identifies the Measure M2 project requirements over the next several years.
- F. Direct staff to pursue financing opportunities through the Transportation Infrastructure Innovation Act for Measure M2 projects.

Background

The Measure M2 (M2) ordinance expresses a preference for pay-as-you-go project financing. The ordinance states that Orange County Transportation Authority (OCTA) may use bond financing as an alternative method if the planned expenditures make pay-as-you-go financing unfeasible. OCTA's Board of Directors (Board) has continued to advance implementation of M2 through the adoption of early delivery plans and address slower growth in sales tax revenue projections through strategic financing. In 2010, OCTA issued \$353 million in M2 bonds to support the Early Action Plan.

By 2041, OCTA plans to deliver \$13.1 billion of M2 transportation improvements to Orange County. The \$1.9 billion Interstate 405 Improvement Project (405 Project) is the largest project in the M2 plan and in OCTA's history. The general-purpose lanes portion of the 405 Project, 75 percent of the total cost, will be funded by a combination of local, state, and federal funds. The 405 Express Lanes portion of the 405 Project, 25 percent of the total cost, will be paid for by user-generated toll revenue from those who use the 405 Express Lanes.

A total of \$1.136 billion is programmed from M2 funds for the 405 Project. The current 405 Project Plan of Finance includes \$243 million pay-as-you-go M2 funds and approximately \$900 million of bond proceeds from the sale of M2 sales tax revenue bonds in 2019 and 2021.

On May 23, 2016, the Finance and Administration Committee approved the 405 Project Preliminary Plan of Finance. OCTA carefully reviewed the debt financing options for the 405 Express Lanes portion of the 405 Project (25 percent of total costs) that must be financed with non-M2 sources. To address this, OCTA closed a 35-year \$628.93 million Transportation Infrastructure Finance and Innovation Act (TIFIA) loan in July 2017. The non-recourse TIFIA loan is secured solely by future net toll revenues from the 405 Express Lanes. M2 funds cannot be used to repay the TIFIA loan.

Approval of the 2018 Measure M2 Plan of Finance, Issuance of Measure M2 Bonds, Selection of Underwriting Team, and Bond Counsel Services Amendment

The Build America Bureau (Bureau), which administers TIFIA loans for the United States Department of Transportation, ultimately required OCTA to secure committed M2 funds prior to the close of the TIFIA loan. OCTA chose a cost-effective solution to obtain a \$900 million line of credit (LOC) secured by a subordinate lien on future M2 receipts. Through a competitive procurement, OCTA selected Bank of America Merrill Lynch (BAML) to provide the LOC required by the Bureau. The BAML LOC is structured with two tranches, with one tranche for \$400 million maturing July 1, 2019, and one tranche for \$500 million maturing on July 1, 2021. The LOC was structured this way to match OCTA's anticipated M2 financing.

Discussion

Based on the projected construction spending curve for the 405 Project, OCTA's actual M2 sales tax receipts to date, and projected M2 sales tax receipts through 2023, OCTA's preference to complete the general purpose lanes portion of the 405 Project on a pay-as-you-go basis is unfeasible and bond financing is necessary. The cashflow to support this conclusion is outlined in the OCTA Fiscal Year 2018-19 Comprehensive Plan that was approved by the Board on September 24, 2018.

OCTA's objectives for the M2 financings include completing the funding of the 405 Project, achieving low cost of capital, and securing low long-term interest rates. Other objectives that are important to note include maximizing future financial management flexibility and minimizing risk.

With Board approval, OCTA plans to issue M2 sales tax revenue bonds producing approximately \$400 million in bond proceeds in early 2019 and M2 sales tax revenue bonds producing approximately \$500 million in bond proceeds in 2021. However, OCTA staff continues to evaluate various financing options and variables which could change its current 405 Project Plan of Finance recommendation.

Once the underwriting team is approved, OCTA staff will evaluate several alternatives to ensure the lowest cost of financing available. This will include an evaluation of issuing all \$900 million in bonds in 2019 to take advantage of low interest rates and eliminate the need for an LOC. Additionally, staff will work with the underwriting team to explore options for replacing the LOC with lower cost options and evaluate subordinate lien options. The details of the Plan of Finance are available in Attachment A.

Underwriting Team

In order to proceed with the recommended financing approach, OCTA will need to select underwriters for a \$400 million debt issuance.

In September 2016, the Board selected 11 firms to serve on an underwriting pool for a period of five years. At the time of the selection, staff specified that senior managers and co-managers would be selected for future debt issuances from the underwriting pool on a project-by-project basis. In 2017, OCTA selected BAML from the pool to provide TIFIA advisory services for the \$629 million loan.

On August 17, 2018, OCTA issued a mini request for proposals to the 11 firms from the underwriting pool for the next M2 financing. On September 6, 2018, 11 proposals were received. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management, Express Lanes Programs, Finance and Administration, Financial Planning and Analysis, as well as an external representative from OCTA's contracted financial advisory consultant, Sperry Capital, Inc., met to review all proposals received. The evaluation committee recommends six firms to serve on the underwriting team for the next M2 debt issuance. The recommended firms are BAML; Barclays Capital, Inc.; Citigroup Global Markets, Inc. (Citi); Goldman Sachs & Co.; J.P. Morgan Securities LLC; and Stifel, Nicolaus & Company, Inc.

The evaluation committee also recommends naming BAML and Citi as the senior underwriting managers for this next M2 debt issuance. BAML will serve as the lead senior manager and be responsible for maintaining the underwriting books for the debt transaction, while Citi will assist BAML with the financing. The other four firms will serve as co-managers on the transaction.

In their proposals, BAML and Citi highlighted their respective firms' vast experience with sales tax revenue bonds in California and throughout the nation. Both firms proposed project teams that have experience with sales tax revenue bonds and an understanding of OCTA's debt structure. The proposed lead banker for the BAML project team has been involved in previous financings with OCTA and has over 30 years of experience. The proposed lead banker for the Citi project team has 27 years of experience. Both firms' technical proposals included work plans with supporting recommendations and a detailed discussion on moving forward with OCTA's financing program. During the interviews, both firms demonstrated their recommendations for the next M2 debt issuance, which included proactive approaches for educating potential investors on the transaction, as well as provided responses to the evaluation committee's questions.

Anticipated Cost of Issuance Expenses and Underwriting Fees

Cost of issuance expenses for debt issuances are paid at the closing of a financing transaction. These costs include legal fees, financial advisory fees, rating fees, printing, roadshow, and other miscellaneous expenditures. The estimated cost of issuance expenses for an M2 debt issuance will total approximately \$550,000. In addition to these costs, the projected underwriting fees for the transaction are estimated at approximately \$582,000. Staff will determine the exact cost of issuance expenses for the transaction and provide those figures to the Board for approval.

Included in these costs are bond counsel services. OCTA currently contracts with Nossaman, LLP (Nossaman) to provide bond counsel services. Services include drafting and reviewing legal documents, providing opinions, and closing the transaction. The procurement for bond counsel services was originally handled in accordance with OCTA's Board-approved policies and procedures for professional services. On April 27, 2015, OCTA executed an agreement with Nossaman to provide bond counsel services. The original agreement was awarded on a competitive basis and includes a three-year initial term with two, one-year option terms and has been previously amended as described in Attachment B. OCTA is currently in the first option term of the contract and will look to exercise the second option term in early 2019. In order to proceed with the \$400 million M2 financing, funds will need to be added to the bond counsel agreement for the debt transaction.

Future TIFIA Loans

OCTA's Next 10 Delivery Plan identifies the need for future debt issuances after 2021. Staff would like to pursue a new TIFIA loan secured by M2 revenues in lieu of traditional bond financing. Subsequent TIFIA loans may offer a lower alternative cost of debt with more flexible repayment structures.

Next Steps

If the Board approves the recommended financing, selection of underwriters, and amendment to bond counsel services, staff will work with its financing team to develop the documents required for a transaction. Once the underwriting team is approved, staff will work with the financing team to evaluate alternatives and any changes to the recommended plan will be presented to the Board for approval. Once the recommended plan is finalized, staff will submit the financing documents to the Board for final review and approval. A tentative schedule is provided on the next page:

Approval of the 2018 Measure M2 Plan of Finance, Issuance of Measure M2 Bonds, Selection of Underwriting Team, and Bond Counsel Services Amendment

Finance and Administration Committee Meeting (Potential	October 24, 2018
Approval of Debt Issuance)	
Board of Directors Meeting (Potential Approval of Debt Issuance)	November 12, 2018
Develop Bond Documents	November/December 2018
Finance and Administration Committee Meeting (Potential Approval of Draft Final Documents)	December 12, 2018
Rating Agency/Investor Presentations	December 2018
Board Meeting (Potential Approval of Final Bond Documents)	January 2019
Bond Pricing	January 2019
Bond Closing	February 2019

Summary

Staff has developed an M2 Plan of Finance to support the 405 Project, which includes the use of bond financing. Approval is requested for the selection of underwriters, amendment to the bond counsel contract, approval of the M2 Plan of Finance, and issuance of sales tax revenue bonds to fund the 405 Project.

Approval of the 2018 Measure M2 Plan of Finance, Issuance of Measure M2 Bonds, Selection of Underwriting Team, and Bond Counsel Services Amendment

Attachments

- A. Orange County Transportation Authority, 405 Project, Measure M2 Plan of Finance, October 2018
- B. Nossaman LLP, Agreement No. C-5-3099 Fact Sheet

Prepared by:

ftl

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Approved by:

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require Algadessa

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Orange County Transportation Authority 405 Project, Measure M2 Plan of Finance October 2018

Introduction

On November 7, 2006, Orange County (OC) voters approved the renewal of the Measure M one-half cent sales tax for transportation improvements with 69.7 percent support. Voters originally endorsed Measure M in 1990 (known as M1) with a sunset in 2011. With the approval of Renewed Measure M (known as M2), the voters agreed to a continued investment of local tax dollars in OC's transportation infrastructure for 30 years, out to 2041.

Since M2's approval, OCTA's Board of Directors (Board) has continued to advance implementation of M2 through the adoption of a series of early delivery plans. These early delivery plans were designed to ensure the delivery of projects and programs through 2041 as promised to the voters, bring transportation improvements earlier to residents and commuters of OC and, as appropriate, address slower growth in sales tax revenue projections through strategic financing and successfully capturing and augmenting the program with external revenue.

By the year 2041, the M2 Transportation Investment Plan plans to deliver over \$13.1 billion worth of transportation improvements to OC. Major improvement plans target OC freeways, streets and roads, transit, and environmental programs. The successful completion of the M2 Program is both a necessity to enhance the quality of life in OC, as well as a management challenge based on many variables. The successful completion of the M2 Program is both a necessity to enhance the quality of life in OC, as well as a management challenge based on many variables.

The 405 Improvement Project

The M2 Transportation Investment Plan lists 14 major freeway projects. The \$1.91 billion I-405 Improvement Project (405 Project) is the largest project in the M2 Transportation Investment Plan and in OCTA's history. In April 2015, the Board identified \$1.254 billion of M2 funds for the 405 Project.

OCTA, in cooperation with the California Department of Transportation, is widening the San Diego Freeway (I-405) between State Route 73 (SR-73) and Interstate 605 (I-605).

The 405 Project will improve 16 miles of I-405 between the SR-73 freeway in Costa Mesa and I-605 near the Los Angeles County line. The 405 Project scope includes adding one general-purpose lane in each direction between Euclid Street and I-605 and making improvements to freeway entrances, exits, and bridges. In addition, the 405 Project will add the 405 Express Lanes, incorporating the existing

carpool lanes and a new lane in each direction between SR-73 and I-605. The 405 Express Lanes are expected to open in January 2023.

The general-purpose lanes portion of the 405 Project, 75% of the total cost, will be funded by a combination of local, state, and federal funds. The 405 Express Lanes portion of the 405 Project, 25% of the total cost, will be paid for by user-generated toll revenue from those who use the 405 Express Lanes.

OCTA awarded OC 405 Partners (DB Contractor) a \$1.217 billion contract to design and construct the 405 Project. The DB Contractor was issued a Notice to Proceed 1 in January 2017 and a Notice to Proceed 2 in July 2017. The DB Contractor has started construction in certain areas of the 405 Project.

The 405 Project Plan of Finance

The OCTA staff has been working on the 405 Project for many years. A Major Investment Study for the 405 Project was completed in 2006. The 405 Project draft Plan of Finance began in 2015 and has evolved each year based on refined funding commitments, construction costs, and financing requirements. The current 405 Project Plan of Finance includes local, state, and federal funds and grant monies. The largest commitment of construction funding is from OCTA's M2 sales tax receipts. In addition, the 405 Project construction funding includes State Highway Operation and Protection Program (SHOPP) funds, and federal and state grants.

OCTA's M2 Ordinance No. 3 states that pay-as-you-go financing is preferred. Ordinance No. 3, Section 5, authorizes bond financing and places no limit on the par amount outstanding. Ordinance No. 3 also states that bonds may be issued "at any time before, on, or after the imposition of taxes" net of the California Department of Tax and Fee Administration fee and the 2% set aside for environmental mitigation.

Based on the projected construction spending curve for the 405 Project, OCTA's actual M2 sales tax receipts to date, and projected M2 sales tax receipts through 2023, OCTA's preference to complete the general purpose lanes portion of the 405 Project on a pay-as-you-go basis is unfeasible and bond financing is necessary. The cashflow to support this conclusion is outlined in the OCTA Fiscal Year 2018-19 Comprehensive Plan that was approved by the Board on September 24, 2018.

A total of \$1.136 billion is programmed from M2 funds for the 405 Project. The current 405 Project Plan of Finance sources for the 405 Project include \$243 million pay-as-you-go M2 funds and approximately \$900 million of bond proceeds from the sale of M2 sales tax revenue bonds in 2019 and 2021. OCTA's M2 sales tax revenue bonds are currently rated Aa2, AA+, and AA+ by Moody's, Standard & Poor's (S&P), and Fitch respectively.

OCTA carefully reviewed the debt financing options for the 405 Express Lanes portion of the 405 Project (25% of total costs) that must be financed with non-M2 bond proceeds. In January 2016, OCTA decided to pursue a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan.

TIFIA loans generally have lower interest rates than toll revenue bonds, and TIFIA loans provide more flexible debt repayment structures than toll revenue bonds. In February 2016, OCTA submitted a Letter of Interest (LOI) for a TIFIA loan. In July 2016, OCTA received an indicative rating from S&P with a Plan of Finance based on pay-as-you-go M2 funds in 2017 and 2018, SHOPP funds, state and federal grants, and M2 bond issuance proceeds in 2019 and 2021. In August 2016, OCTA met with TIFIA loan officials and presented a similar plan of finance, which also included selling M2 sales tax revenue bonds in 2019 and 2021.

OCTA closed a 35-year \$628.93 million TIFIA loan in July 2017. The non-recourse TIFIA loan is secured solely by future net toll revenues from the 405 Express Lanes. M2 funds cannot be used to repay the TIFIA loan.

The TIFIA loan interest rate is 2.91%, one basis point above the 30-year U.S. Treasury rate on the day of the TIFIA loan closing. The TIFIA loan matures December 1, 2057. The TIFIA loan is rated Baa2 by Moody's. The rating reflects the completion risk of the 405 Project, the ramp-up risk, and the toll revenue risks of the new 405 Express Lanes. Based on the strong 405 Express Lanes toll revenue projections and the success of the new 91 Express Lanes in Riverside County and the Interstate 10 and Interstate 110 Express Lanes in Los Angeles County, the credit rating of the 405 Express Lanes are expected to improve over time.

The Build America Bureau (Bureau), which administers TIFIA loans for the U.S. Department of Transportation, ultimately required OCTA to secure committed M2 funds prior to the close of the TIFIA loan. Although OCTA had sufficient debt capacity to issue senior lien M2 bonds in the amount necessary to complete the funding of the 405 Project before the TIFIA loan financial close date, to satisfy the Bureau's committed funds requirement OCTA chose a cost-effective solution to secure a \$900 million line of credit (LOC) secured by a subordinate lien on future M2 receipts. Through a competitive procurement, OCTA selected Bank of America Merrill Lynch (BAML) to provide the LOC required by the Bureau. The BAML LOC is structured with two tranches, with one tranche for \$400 million maturing July 1, 2019 and one tranche for \$500 million maturing on July 1, 2021.

Current M2 Projections

In July 2018, OCTA presented a revised M2 sales tax forecast to the Board. The sales tax for the M2 Program is forecasted to be \$13.1 billion through 2041. This represents a decrease of \$0.4 billion compared to the previous year's forecast of \$13.5 billion. MuniServices' average annual short-term growth rate decreased by 70 basis points. The collective growth rates projected by Chapman University,

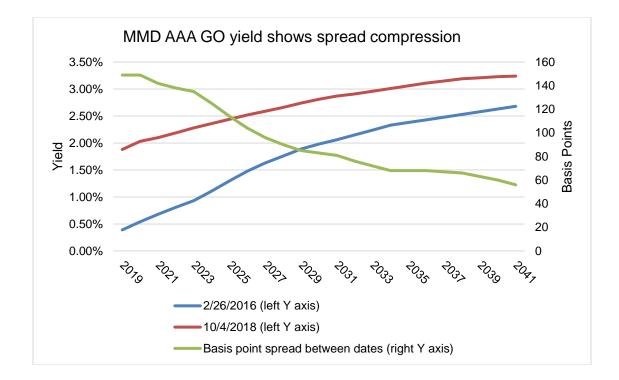
University of California, Los Angeles, and California State, Fullerton from 2017 to 2018 also decreased. The anticipated decline in short-term growth rates was driven by anticipated lower growth in general retail as online sales grow, slowing of growth in new auto sales, slowing of new construction, and declines in IT infrastructure spending due to trends toward cloud storage and software solutions. The long-term anticipated decline was due to lower inflation, lower payroll job growth, lower population growth, and higher migration outside of OC.

Current Capital Market Conditions

Capital market conditions have changed due to monetary policy since OCTA's original draft Plan of Finance in 2016. Since mid-2016, based on continuing positive economic indicators, the Federal Reserve has been gradually increasing the Fed Funds Rate which has resulted in rising short-term interest rates. For example, the two-year U.S. Treasury rate has risen from 0.75% in February 2016 when OCTA submitted its LOI for a TIFIA loan to 2.88% on October 5, 2018. However, long-term rates have been relatively steady. The spread between 10-year and 30-year US Treasury rates has tightened significantly since OCTA closed on its TIFIA loan July 26, 2017 (see chart below). Over the past six months, the spread between the 10-year and 30-year U.S. Treasury has averaged 15 basis points; the result has been a flattening yield curve.



The chart below illustrates the flattening of the municipal bond yield curve based on the Municipal Market Data (MMD) general obligation (GO) yields. In 2017, OCTA's M2 sales tax revenue bonds traded in a range of 10 to 15 basis points above the MMD GO benchmark. Today OCTA's bonds can trade at yields almost identical to or through the MMD GO benchmark.



Many economists and capital market observers expect short- and long-term interest rates to rise in 2019.

The Tax Cuts and Jobs Act of 2017 signed in December 2017 has had a significant impact on the tax-exempt bond market. Among many other provisions that affected tax-exempt debt, the Tax Cuts and Jobs Act of 2017 signed in December 2017 eliminated advance refundings and the State and Local Tax Deduction.

After a surge in tax-exempt bond issuance in December 2017, most municipal market observers predicted that 2018 tax-exempt bond issuance will be down 10% to 35% from the prior year. In addition to lower new issue volume, the elimination of SALT has increased the demand for California tax-exempt bonds.

Construction Fund Reinvestment

The increase in taxable short-term interest rates will have a positive impact on the reinvestment of the proposed 2019 M2 bond issuance. Therefore, OCTA could experience higher interest income on its bond proceeds than it pays in debt service.

The M2 bond proceeds must be invested pursuant to the permitted Investment Securities in the Indenture for the 2010 M2 sales tax revenue bonds. (Investment Securities is a defined term within the Indenture. The Investment Securities definition in the M2 indenture requires that Investment Agreements must be with providers that have minimum ratings of Aa2 by Moody's and AA by S&P.) Prior to the anticipated sale of the 2019 M2 sales tax revenue bonds, the OCTA staff will review current reinvestment rates and flexibility afforded by purchasing highly rated Investment Securities with maturities that approximate the estimated 405 Project construction spend requirements, the active management of the bond proceeds by one of the portfolio managers under contract with OCTA, or an investment agreement.

2018 405 Project Plan of Finance: Goals

The goal of the 405 Project Plan of Finance is to establish OCTA's objectives for the M2 financings required to complete the funding of the 405 Project, as well to leave sufficient M2 debt capacity to meet the needs of the Next 10 Delivery Plan project delivery requirements. The establishment of clear, measurable objectives is a prerequisite to the formulation of a 2018 405 Project Plan of Finance strategy. Objectives include:

- Achieving the lowest possible borrowing cost;
- Taking advantage of today's low long-term interest rates;
- Providing M2 sales tax revenue bond proceeds as needed;
- Maximizing future financial management flexibility; and
- Minimizing risk.

2018 Financing Team and Anticipated Cost of Issuance Expenses and Underwriting Fees

In September 2016, the Board selected 11 firms to serve on an underwriting pool for a period of five years. At the time of the selection, staff specified that senior managers and co-managers would be selected for future debt issuances from the underwriting pool on a project-by-project basis. On August 17, 2018, OCTA issued a mini request for proposals to the 11 firms from the underwriting pool. Of those 11 firms, six firms have been selected to serve on the underwriting team for the upcoming 405 Project issuance. The recommended firms are BAML as senior, Citi as co-senior, and Barclays, Goldman, JP Morgan, and Stifel as the four co-managers.

Cost of issuance expenses for debt issuances are paid at the closing of a financing transaction. These costs include legal fees, financial advisory fees, rating fees, printing, roadshow, and other miscellaneous expenditures. Nossaman LLP will serve as bond counsel on the transaction. The estimated cost of issuance expenses for a M2 debt issuance will total approximately \$550,000. In addition to these costs, the projected underwriting fees for the transaction are estimated at approximately \$582,000. Staff will determine the exact cost of issuance expenses for the transaction and provide those figures to the Board for approval.

2018 405 Project Plan of Finance Recommendation

With Board approval, OCTA plans to issue M2 sales tax revenue bonds producing approximately \$400 million in bond proceeds in early 2019 and M2 sales tax revenue bonds producing approximately \$500 million in bond proceeds in 2021.

The Bureau will allow OCTA to reduce the required LOC amount when OCTA issues M2 sales tax revenue bonds as planned. The \$400 million of M2 sales tax revenue bond proceeds in 2019 will reduce TIFIA's requirement for committed funds provided by the BAML LOC from \$900 million to \$500 million when the \$400 million M2 bond proceeds are deposited with OCTA's trustee. OCTA currently pays BAML a fee of 26 basis points, totaling \$1.04 million annually, for the \$400 million tranche maturing July 2019.

Similarly, when OCTA sells the planned \$500 million of M2 sales tax revenue bonds in 2021 and deposits the \$500 million M2 sales tax revenue bond proceeds with its trustee, TIFIA will no longer have a requirement for committed funds and the BAML LOC will terminate. OCTA currently pays BAML a fee of 36 basis points, totaling \$1.8 million annually, for the outstanding \$500 million tranche maturing July 2021

OCTA staff continues to review various financing options and variables which could change its current 405 Project Plan of Finance recommendation. The recent underwriter's proposals suggested several interesting alternatives to OCTA's current plans to issue M2 sales tax revenue bonds producing approximately \$400 million in bond proceeds in early 2019.

- Most of the underwriters discussed the potential benefits of issuing the entire \$900 million 405 Project funding requirements in 2019. The potential benefits of issuing \$900 million in 2019 included: locking in the current low interest rates; potential interest savings if interest rates were to climb significantly between 2019 and 2021; and early termination of the entire BAML LOC.
- Several underwriters suggested a hybrid approach involving the simultaneous issuance of \$400 million of M2 sales tax revenue bonds in 2019 and a two-year \$500 million Bond Anticipation Notes (BANs), which would provide BAN proceeds to replace the TIFIA requirement for the \$500 million LOC and could potentially be reinvested at a higher interest rate that could offset the cost of the BANs. The \$500 million BANs would then be repaid with the proceeds of the 2021 M2 sales tax revenue bonds.
- One underwriter suggested issuing subordinate lien M2 bonds rather than the current plan to issue senior lien M2 bonds. The potential benefit would be to preserve the current attractive debt service coverage of the M2 senior lien bonds and, due to today's market conditions, pay a similar interest rate.
- One underwriter suggested pursuing a TIFIA loan secured by a subordinate lien of M2 bonds for several of OCTA's Next 10 Delivery Plan projects. Such

a TIFIA loan may offer attractive pricing and would preserve the current attractive debt service coverage of the M2 senior lien bonds.

OCTA's staff will continue to evaluate if there are attractive alternatives to the current plan to issue \$400 million of M2 sales revenue bonds in 2019.

Future Issuances

In addition to the \$900 million for the 405 Project, OCTA expects to issue an additional \$1 billion in bonds from 2023 through 2041, based on M2 revenue forecasts and project funding requirements.

Conclusion

The Plan of Finance will be reviewed on an ongoing basis. Market changes and revisions in sales tax collections may affect the current strategy. As such, any changes to the strategy of the Plan of Finance will be submitted to the Board of Directors for approval.

ATTACHMENT B

Nossaman LLP Agreement No. C-5-3099 Fact Sheet

- 1. April 27, 2015, Agreement No. C-5-3099, \$215,000, approved by Contracts Administration and Materials Management (CAMM) Department.
 - Agreement to provide bond counsel services.
 - Initial term of the agreement is effective April 27, 2015 through March 31, 2018, with two, one-year option terms.
- 2. June 3, 2016, Amendment No. 1 to Agreement No. C-5-3099, \$0.00, approved by the CAMM Department.
 - To replace key personnel for federal and sales tax services.
- 3. May 8, 2017, Amendment No. 2 to Agreement No. C-5-3099, \$80,000, approved by the Board of Directors (Board).
 - To provide additional bond counsel services to support the review, closing, and opinions needed for a Letter/Line of Credit Request for Proposal required by the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Interstate 405 Improvement Project, from State Route 73 to Interstate 605.
- 4. December 22, 2017, Amendment No. 3 to Agreement No. C-5-3099, \$32,250, approved by the CAMM Department.
 - To provide additional bond counsel services related to the TIFIA loan for the Interstate 405 Improvement Project, from State Route 73 to Interstate 605.
- 5. March 30, 2018, Amendment No. 4 to Agreement No. C-5-3099, \$0.00, approved by the CAMM Department.
 - To exercise the first option term and extend the agreement through March 31, 2019.
- 6. November 12, 2018, Amendment No. 5 to Agreement No. C-5-3099, \$200,000, pending Board approval.
 - To provide bond counsel services related to the issuance of the Measure M2 Sales Tax Revenue Bonds, Series 2019.

Total committed to Nossaman LLP, Agreement No. C-5-3099: \$527,250.



December 3, 2018

To: Executive Committee

emite

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement with Grand Jurors Association of Orange County for Recruitment Services for Measure M2 Taxpayer Oversight Committee

Overview

Orange County's Measure M2 calls for the establishment of a Taxpayer Oversight Committee to ensure fidelity with the investment summary presented in Ordinance No. 3 – the Renewed Measure M Transportation Ordinance and Investment Plan. Eleven members serve staggered three-year terms, and each year the Grand Jurors Association of Orange County, as mandated by the ordinance, conducts a recruitment to replace outgoing members whose terms have expired. Board of Directors' approval is requested to execute a new five-year agreement with the Grand Jurors Association of Orange County for Taxpayer Oversight Committee recruitment services.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-8-2079 between the Orange County Transportation Authority and the Grand Jurors Association of Orange County, in the amount of \$47,500, for managing the annual Taxpayer Oversight Committee recruitment process through June 30, 2023.

Discussion

The Measure M2 Taxpayer Oversight Committee (TOC) is required by Ordinance No.3 – the Renewed Measure M Transportation Ordinance and Investment Plan (Measure M2). The TOC is an independent committee representing all five supervisorial districts in Orange County. Committee members serve three-year terms. The TOC is responsible for ensuring the transportation projects in Measure M2 are implemented according to the investment plan approved by the voters in 2006. Currently, the TOC meets bimonthly to review progress on the Measure M2 program.

Agreement with Grand Jurors Association of Orange County for Recruitment Services for Measure M2 Taxpayer Oversight Committee

To ensure an independent committee member selection process, the recruitment and selection of finalists must be conducted by a neutral body serving in the interests of the citizens of Orange County. The Grand Jurors Association of Orange County (GJAOC) was originally selected in 1990 to screen and recommend potential candidates as required by the Measure M1 ordinance based upon the following criteria:

- part of an independent organization without any political affiliation
- familiarity with evaluating government functions
- capable of understanding the function of an oversight committee
- not part of a local government agency

The Measure M2 ordinance also mandates the GJAOC as the contracted organization to screen and recommend TOC candidates. An agreement was negotiated in 1990 with the GJAOC for an annual fee, which includes application processing, data compilation and organization, copying, initial screening, and meeting and mileage expenses. The GJAOC performed the recruitment function for the formation of the initial Measure M Oversight Committee (formerly the Citizens Oversight Committee) in 1990 and has since conducted the annual recruitment for new members each spring to fill vacancies on the TOC. A five-member GJAOC selection panel screens all applications, interviews qualified individuals, and recommends candidates for membership on the committee. A lottery of potential TOC members is forwarded to the Orange County Transportation Authority's (OCTA) Board of Directors (Board) each June.

In 2014, the OCTA Board authorized the Chief Executive Officer to execute the previous agreement with the GJAOC for five years to conduct five annual recruitments. Staff is requesting a new sole source agreement be executed for the next five years, through June 30, 2023.

As in previous years, the agreement calls for an annual fee for managing the TOC application process and selecting the finalists. The annual fee of \$6,000, which is the same as in 2014, is paid to the GJAOC upon completion of services under the scope of work to conduct the application review and selection process for the year. In addition, selection panel members will be paid \$50 per meeting for review of applications and interviews, and are reimbursed for actual mileage and any duplication or copying costs. These expenses are anticipated to be approximately \$3,500 per year. The total cost per year of the agreement, including the annual fee and expenses, is \$9,500. The five-year total for the contract is \$47,500.

The formal recruitment process for 2019 begins in February 2019 and concludes in June 2019. The GJAOC selection panel will be using the enhanced criteria and application process that has been outlined in the Measure M TOC amendment, which the OCTA Board approved on November 25, 2013, and became effective on January 9, 2014. The GJAOC selection panel's recommended finalists (the ordinances allow five from each district) will be presented at the regular OCTA Board Meeting on June 24, 2019. The OCTA Chair will select the new members of the TOC by lottery at that meeting.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved policies and procedures for a sole source procurement.

The requirement was handled as a sole source procurement due to the unique circumstance in which OCTA is mandated to specifically contract with GJAOC to provide the services related to the formation of a TOC membership recommendation panel. The GJAOC has been providing this service to OCTA since 1990.

In accordance with OCTA's sole source procurement procedures, the Contracts Administration and Materials Management Department (CAMM) conducted a price review of GJAOC's proposed rates. The total cost per year of \$9,500 will remain the same as the existing contract. Therefore, CAMM determined the proposed rates are deemed fair and reasonable.

Based on the above, it is recommended that the contract is awarded to GJAOC.

Fiscal Impact

This project was approved in OCTA's Fiscal Year 2018-19 Budget, External Affairs, Public Communications, Account 0017-7629-M0201-JR8, and is funded through Measure M.

Summary

The annual recruitment to fill four positions on the Measure M Taxpayers Oversight Committee is beginning in February 2019. Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-8-2079 with the Grand Jurors Association of Orange County, as required by the Measure M2 ordinance, to manage the annual TOC new member recruitment process, in the amount of \$47,500, through June 30, 2023.

Agreement with Grand Jurors Association of Orange County for Recruitment Services for Measure M2 Taxpayer Oversight Committee

Attachment

None.

Prepared by:

alice J. Rogan

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lessa Inca

Virginia Abadessa Director, Contracts Administration and Materials Management 714-560-5623

Approved by:

Lunce M luson

Lance M. Larson Executive Director, External Affairs 714-560-5908



December 3, 2018

То:	Executive Committee
From:	Darrell E. Johnson, Chief Executive Officer
Subject:	Measure M2 Quarterly Progress Report for the Period of July 2018 Through September 2018

Overview

Staff has prepared a Measure M2 quarterly progress report for the period of July 2018 through September 2018, for review by the Orange County Transportation Authority Board of Directors. This report highlights progress on Measure M2 projects and programs, and will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, Orange County voters, by a margin of 69.7 percent, approved the Renewed Measure M Transportation Investment Plan (Plan) for the Measure M2 (M2) one half-cent sales tax for transportation improvements. The Plan provides a 30-year revenue stream for a broad range of transportation and environmental improvements, as well as a governing ordinance, which defines the requirements for implementing the Plan. Ordinance No. 3 designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring that OCTA's contract with the voters is followed.

OCTA is committed to fulfilling the promises made in M2. This means not only completing the projects described in the Plan, but adhering to numerous specific requirements and high standards of quality called for in the measure, as identified in the ordinance. Ordinance No. 3 requires that quarterly status reports regarding the major projects detailed in the Plan be brought to the

Measure M2 Quarterly Progress Report for the Period of July 2018 Through September 2018

OCTA Board of Directors (Board). On September 25, 2017, the Board approved rebranding M2 externally to OC Go to promote OCTA's Measure M awareness and public perception, as well as to avoid confusion with the recently approved, similarly named, Los Angeles Metropolitan Transportation Authority's "Measure M." M2 progress is summarized in these quarterly progress reports, which are posted online for public review.

Discussion

This quarterly report reflects current activities and progress across all M2 programs for the period of July 1, 2018 through September 30, 2018 (Attachment A). The quarterly report is designed to be easy to navigate and public friendly, reflecting OCTA's Strategic Plan transparency goals. The report includes budget and schedule information provided from the Capital Action Plan, and Local Fair Share and Senior Mobility Program payments made to cities during the quarter, as well as total distributions from M2 inception through September 2018. Additionally, Attachment A includes a summary of the Program Management Office activities that have taken place during the quarter. Two areas in particular are highlighted below.

Next 10 Delivery Plan

Annually, OCTA reviews the M2 Program assumptions and updates the cash flows as needed based on changes to the revenue forecast. In July 2018, the Board received a preliminary revised M2 sales tax revenue forecast of \$13.1 billion, which was \$400 million lower than the previous year. Additionally, at the Board's direction, staff also monitors cost pressure indicators related to delivery of infrastructure projects. With a rapidly changing construction market, staff looked to our contracted local economists for insights to better anticipate cost implications to our freeway program delivery. The consultant team analyzed annual trends in material costs, labor costs, and general economic conditions to determine a range of potential cost impacts, and a presentation was provided at the Board meeting on September 10, 2018.

As a result of a lower revenue forecast and the potential of higher costs in the near term as it relates to freeway delivery, staff prepared an updated 2018 Next 10 Plan, which incorporated protections into the cash flow. During the cash flow update, staff developed and analyzed two scenarios: one with current programmed commitments, which assumed current law with SB 1 (Chapter 5, Statutes of 2017) in place, and a second scenario in the event of a repeal. The result of this effort demonstrated a delivery plan that remains solvent.

The updated 2018 Next 10 Plan was approved by the Board at the September 10, 2018 meeting. On November 6, 2018, California voters rejected the gas tax repeal, preserving SB 1, which stabilizes state external revenue and provides for reduced risk to the Next 10 deliverables.

Safeguards

The M2 Ordinance includes a requirement for a performance assessment to be conducted at least once every three years to evaluate OCTA's efficiency and effectiveness in the delivery of M2, as promised to the voters. Three prior performance assessments have been completed covering fiscal year (FY) 2007 through FY 2009, FY 2010 through FY 2012, and FY 2013 through FY 2015. Findings and recommendations from assessments are presented to the Board, and recommendations are implemented as appropriate. Sjoberg Evashenk Consulting was selected to conduct the fourth performance assessment covering the period between July 1, 2015 and June 30, 2018. During this quarter, the consultant conducted site visits and interviewed staff and external stakeholders. A final report is anticipated to be brought to the Board in spring 2019.

Progress Update

The following provides an overview of M2 accomplishments to date by mode, as well as highlights of activities that occurred during the first quarter of FY 2019.

Freeway Program

The M2 Freeway Program currently consists of 27 projects or project segments identified in the Plan and approved by the voters to be delivered by 2041. Key freeway project activities taking place this quarter are highlighted below.

• After the three lowest bidders were deemed "unresponsive" and the remaining bidders rescinded their offers, the California Department of Transportation (Caltrans) rebid the Interstate 5 (I-5) between State Route 55 (SR-55) and State Route 57 (SR-57) project on August 18, 2018. Through the rebid process, bids were opened on October 18th. The apparent low bidder was 2.15 percent below the engineer's estimate. The contract is anticipated to be awarded in late 2018. (Project A)

Measure M2 Quarterly Progress Report for the Period of July 2018 Through September 2018

- Relief of maintenance was issued on August 23, 2018 for the I-5 between Avenida Pico to Avenida Vista Hermosa/Avenida Pico Interchange Project, meaning the project is deemed complete and Caltrans resumes responsibility. (Project C and Project D)
- Relief of maintenance was issued on July 3, 2018, for the I-5 between Pacific Coast Highway to San Juan Creek Road Project, meaning the project is deemed complete and Caltrans resumes responsibility. (Project C and Project D)
- The 100 percent plans, specifications, and estimates for I-5 between State Route 73 (SR-73) and Oso Parkway/Avery Parkway interchange were submitted to Caltrans on August 30, 2018. (Project C and Project D)
- In July, OCTA held neighborhood meetings in anticipation of the demolition and construction of the McFadden Avenue and Slater Avenue bridges for the Interstate 405 (I-405) between SR-73 to Interstate 605 Project. The first bridge construction began in August with the demolition of the McFadden Avenue bridge, followed by the Slater Avenue bridge at the end of September. Additionally, OCTA's toll lanes system integrator, Kapsch, is now under contract and working with OCTA and the design-builder. (Project K)
- All technical reports, the draft environmental document, and the draft project report were finalized for the SR-57 between the Orangewood Avenue and Katella Avenue Project. The public review/circulation period was held from October 11th to November 9th, with a Public Hearing on October 25th.
- The final project report and environmental document for the I-405 between I-5 and SR-55 were completed in August. The Next 10 Plan sets direction through 2026; as projects listed are completed, schedules and revenues will be reviewed, and the Board will adopt a new delivery plan providing direction on further project advancement. This project is shelf-ready for future advancement. (Project L)

Streets and Roads

Since 2011, \$744 million has been allocated to local jurisdictions for transportation improvements through the streets and roads competitive and formula funding programs. Key streets and roads project activities taking place this quarter are highlighted below.

Measure M2 Quarterly Progress Report for the Period of July 2018 Through September 2018

- On August 13, 2018, the Board authorized staff to issue the 2019 annual call for projects (call) for the Regional Capacity Program, providing \$32 million for potential projects. (Project O)
- Also on August 13, 2018, the Board authorized staff to issue the 2019 annual call for the Regional Traffic Signal Synchronization Program, providing \$8 million for potential projects. (Project P)

Transit

The M2 transit mode includes a number of programs designed to provide additional transportation options. M2 is the main funding source for Metrolink commuter rail service in Orange County, and also provides funding for rail station improvements and transit connections to extend the reach of the services. Key transit project activities taking place this quarter are highlighted below.

- On August 27, 2018, the Laguna Niguel to San Juan Capistrano Passing Siding Project was advertised for construction, and seven bids were received on October 22, 2018. The lowest bidder was \$3 million over the engineers estimate of \$14 million and, as a result staff, is reevaluating the project budget to determine the next step. (Project R)
- On July 9, 2018, the Board approved the revised funding plan for the OC Streetcar Project, which approved the use of up to \$108.41 million in additional M2 Transit Extensions to Metrolink Program funding. The overall project cost was increased to \$407.76 million. (Project S)
- The Federal Transit Administration notified OCTA of its intention to sign the Full Funding Grant Agreement for the OC Streetcar on November 30, 2018, following a 30-day Congressional review period, which is underway. (Project S)
- In August, OCTA began conducting outreach to seek feedback from the public on the vehicle design options that were reviewed by the Board. The Board selected the final design on November 12, 2018. (Project S)
- On September 24, 2018, the Board authorized the Chief Executive Officer to negotiate and execute the construction agreement between OCTA and Walsh Construction Company II, LLC, in the amount of \$220,538,649. Construction is anticipated to begin in late 2018. (Project S)

Environmental Programs

The M2 Program includes two innovative programs, the Environmental Cleanup Program (ECP) and the Environmental Mitigation Program (EMP). The ECP improves water quality by addressing transportation related pollutants, while the EMP off-sets biological impacts of freeway projects. Key program activities during this quarter are highlighted below.

- On September 10, 2018, the Board approved the programming recommendations for the eighth ECP Tier 1 call, awarding approximately \$2.5 million to 12 water quality improvement projects. (Project X)
- In September 2018, the Eagle Ridge and Pacific Horizon Preserves resource management plans (RMPs) were finalized, marking the completion of RMPs for each of the seven EMP Preserves. (EMP)

<u>Challenges</u>

Given current market trends pointing to higher construction costs in project delivery, it is imperative that OCTA continue to closely monitor construction bid activity and update project cost estimates as appropriate.

One project that may be affected by the changing market conditions is the I-5 between SR-73 and El Toro Road Project (three segments of Project C and Project D). While OCTA estimates indicate the project funding need may be lower, Federal Highway Administration requirements necessitated OCTA increase project funding. Cost estimates for the other segments of the I-5 Improvement Project, which are scheduled for advertisement in 2019, will be revisited after Segment 2 construction bid opening in January 2019 determine if project escalation is warranted. Additionally, to the San Juan Capistrano-Laguna Niguel Passing Siding Rail Project received bids above the engineer's estimate (Project R). Staff is working to review and update the project budget and will report to the Board.

Staff is working closely with Caltrans to complete the environmental phase for the I-5 between SR-55 and I-405 (Project B). The environmental document is nearing completion; however, the alternative selection has been delayed due to lack of agreement over design variations needed to limit right-of-way impacts to businesses and communities.

Measure M2 Quarterly Progress Report for the Period of July 2018 Through September 2018

Another issue staff is working with Caltrans to resolve is whether OCTA will be required to revise the completed design plans for the I-5 between SR-73 to Oso Parkway Project submitted to Caltrans for approval. A recent update to the Caltrans highway design standards requires a larger median barrier which affects the layout of the freeway lanes. Incorporating this change at this time would mean a significant amount of rework to plan sheets, resulting in increased design costs.

M2 project delivery is monitored closely, and progress, as well as challenges, are presented to the Board through these quarterly staff reports, individual project staff reports, as well as through the Capital Action Plan quarterly performance metrics reports from the Capital Programs Division.

Summary

As required by M2 Ordinance No. 3, a quarterly report covering activities from July 2018 through September 2018 is provided to update progress in implementing the Plan. The above information and the attached details indicate significant progress on the overall M2 Program. To be cost-effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 Quarterly Progress Report is made available through the OCTA website. Hard copies are available by mail upon request.

Attachment

A. Measure M2 Progress Report, First Quarter Fiscal Year 2018-19, July 1, 2018 through September 30, 2018

Prepared by:

Tamara Warren Manager, Program Management Office (714) 560-5590

Approved by:

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





MEASURE M2 PROGRESS REPORT

First Quarter of Fiscal Year 2018 – 19 July 1, 2018 through September 30, 2018

Fourth Quarter Highlights:

- Freeway Projects
- Streets and Roads
- Environmental Cleanup & Water Quality
- Freeway Mitigation Program
- Finance Matters
- Program Management Office
- Summary





MEASURE M2 PROGRESS REPORT

SUMMARY

On November 7, 2006, Orange County voters, by a margin of 69.7 percent, approved the renewal of the Measure M one-half cent sales tax for transportation improvements. Voters originally endorsed Measure M in 1990 with a sunset in 2011. The renewal of Measure M continues the investment of local tax dollars in Orange County's transportation infrastructure for another 30 years to 2041.

As required by the Measure M2 (M2) Ordinance No. 3, a quarterly report covering activities from July 1, 2018 through September 30, 2018 is provided to update progress in implementing the Measure M2 Transportation Investment Plan. On September 25, 2017, the Board of Directors (Board) approved externally rebranding M2 to OC Go to promote OCTA's Measure M awareness and public perception and to avoid confusion with Measure M in Los Angeles County.

To be cost effective and to facilitate accessibility and transparency of information available to stakeholders and the public, Measure M2 progress reports are presented on the Orange County Transportation Authority (OCTA) website. Hard copies are mailed upon request.



The cover photo shows the overnight demolition of the Slater Avenue bridge that began on September 29th. The Slater bridge is the second of more than 18 that will be built, replaced or widened as part of a \$1.9 billion Interstate 405 (I-405) Improvement Project.



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Americans with Disabilities Act	ADA
Annual Eligibility Review	AER
Board of Directors	Board
Burlington Northern Santa Fe	BNSF
California Department of Fish and Wildlife	CDFW
California Department of Tax and Fee Administration	CDTFA
California Department of Transportation	Caltrans
California Transportation Commission	CTC
Capital Action Plan	CAP
Capital Investment Grant	CIG
Chief Executive Officer	CEO
Cost Estimate Review	CER
Congestion Mitigation and Air Quality	CMAQ
Draft Environmental Document	DED
Draft Project Report	DPR
Environmental Cleanup Allocation Committee	ECAC
Environmental Cleanup Program	ECP
Environmental Document	ED
Environmental Impact Report	EIR
Environmental Impact Statement	EIS
Environmental Mitigation Program	EMP
Environmental Oversight Committee	EOC
Federal Highway Administration	FHWA
Federal Transit Administration	FTA
Federal Transportation Improvement Program	FTIP
Freeway Service Patrol	FSP
Full Funding Grant Agreement	FFGA
High Occupancy Vehicle	HOV
Interstate 15	I-15
Interstate 405	I-405
Interstate 5	I-5
Interstate 605	I-605
Invitation for Bids	IFB
Local Faire Share Program	LFSP
Los Angeles – San Diego – San Luis Obispo	LOSSAN
Los Angeles County Metropolitan Transportation Authority	LA Metro
Measure M2 or Renewed Measure M	M2
Memorandum of Understanding	MOU



Metrolink Service Expansion Program	MSEP
Notice to Proceed	NTP
Next 10 Delivery Plan	Next 10
Natural Community Conservation Plan/Habitat Conservation Plan	Conservation Plan
Orange County Transportation Authority	OCTA
Orange County Unified Transportation Trust	OCUTT
Pacific Coast Highway	PCH
Plans, Specifications and Estimates	PS&E
Program Management Office	PMO
Project Development Team	PDT
Project Study Report	PSR
Ready to List	RTL
Request for Proposals	RFP
Resource Management Plan	RMP
Right-of-Way	ROW
Riverside County Transportation Commission	RCTC
Santa Ana Regional Transportation Center	SARTC
Senate Bill 1	SB 1
Senior Mobility Program	SMP
Senior Non-Emergency Medical Transportation	SNEMT
Southern California Association of Governments	SCAG
State Route 133	SR-133
State Route 22	SR-22
State Route 241	SR-241
State Route 55	SR-55
State Route 57	SR-57
State Route 71	SR-71
State Route 74	SR-74
State Route 91	SR-91
State Transportation Improvement Program	STIP
State Water Resources Control Board	SWRCB
Southern California Regional Rail Authority	SCRRA



Camaa	
Conce	omar

Environmental

Design, Advertise, & Award

Design-Build

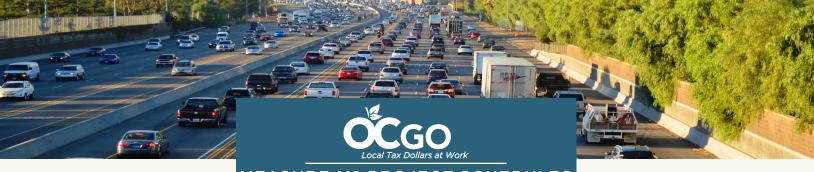
Complete

Construction

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	I-5, SR-55 to SR-57													
Α	1-3, 3K-33 10 3K-37													
В	I-5, I-405 to SR-55 (Further Schedule TBD)													
C,D	I-5, Avenida Pico to Avenida Vista													
	Hermosa/Avenida Pico Interchange													
С	I-5, Avenida Vista Hermosa to Pacific Coast Highway (Complete)													
С	I-5, Pacific Coast Highway to San Juan Creek Road													
C,D	I-5, SR-73 to Oso Parkway/Avery Parkway Interchange													
C,D	I-5, Oso Parkway to Alicia Parkway/La Paz Road Interchange													
С	I-5, Alicia Parkway to El Toro Road													
D	I-5, El Toro Interchange (Further Schedule TBD)													
D	I-5, Ortega Interchange (Complete)													
Е	SR-22, Access Improvements (Complete)	Comple	eted in 2	008										
F	SR-55, I-405 to I-5													
F	SR-55, I-5 to SR-91 (Further Schedule TBD)													
G	SR-57 NB, Katella Avenue to Lincoln Avenue (Complete)													
G	SR-57 NB, Orangethorpe Avenue to Yorba Linda Boulevard (Complete)													
G	SR-57 NB, Yorba Linda Boulevard to Lambert Road (Complete)													
G	SR-57 NB, Lambert Road to Tonner Canyon Road (Further Schedule TBD)													
G	SR-57, Orangewood Avenue to Katella Avenue (Further Schedule TBD)													
н	SR-91 WB, I-5 to SR-57 (Complete)													
1	SR-91 WB, SR-55 to Tustin Avenue Interchange (Complete)													
I	SR-91, SR-55 to SR-57 (Further Schedule TBD)													
J	SR-91, SR-55 to SR-241 (Complete)													
J	SR-91, SR-241 to SR-71 (Complete)	Comple	ted in 2	011										
	Project schedules are based on pha	se sta	art dat	es Sh	own s	ched	ules a	are sub	niect to	char	nde			

Project schedules are based on phase start dates. Shown schedules are subject to change.

¹ Projects managed by local agencies



MEASURE M2 PROJECT SCHEDULES

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
J	R-91, SR-241 to I-15 (Further Schedule TBD)													
K ^{I-4}	405, SR-73 to I-605					////			////					
L ^{I-4}	405, I-5 to SR-55 (Further Schedule TBD)													
	605, Katella Interchange (Further Schedule 3D)													
0 Kr	raemer Boulevard Grade Separation (Placentia)													
	akeview Avenue Grade Separation (Anaheim/ acentia)													
	rangethorpe Avenue Grade Separation maheim/Placentia)													
O Pla	acentia Avenue Grade Separation (Placentia)													
O Ra	aymond Avenue Grade Separation (Fullerton) ¹													
O Sta	tate College Blvd Grade Separation (Fullerton) ¹													
	ustin Ave/Rose Drive Grade Separation naheim/Placentia)													
R ^{Sa}	and Canyon Grade Separation (Irvine)													
	ail-Highway Grade Crossing Safety nhancement	Comple	ted in 2	011										
R ^{Sa}	an Clemente Beach Trail Safety Enhancements													
R Ar	naheim Canyon Metrolink Station Improvements													
R ^{Fu}	ullerton Transportation Center Improvements													
	aguna Niguel/Mission Viejo Metrolink Station mericans with Disabilities Act (ADA) Ramps													
St.	range Transportation Center Metrolink Parking tructure													
Pa	acentia Metrolink Station Improvements and arking Structure													
R ^{Sa}	an Clemente Pier Station Lighting													
	aguna Niguel to San Juan Capistrano Metrolink tation Passing Siding Project													
R	ustin Metrolink Station Parking Structure	Comple	ted in 2	011										
	naheim Regional Transportation Intermodal enter (ARTIC) ¹													
	C Streetcar													

Project schedules are based on phase start dates. Shown schedules are subject to change. ¹Projects managed by local agencies



M2 DELIVERY RISK UPDATE 👻

This section discusses the risks and challenges related to Measure M2 and the 2018 update of the Next 10 Delivery Plan (Next 10) that the Measure M2 Program Management Office (PMO) is monitoring – complete with associated explanations and proposed actions.

	Delivery Risk	Explanation	Proposed Action
Fina	incial		
1	The 2018 M2 revenue forecast estimate is \$13.1 billion, which represents a 46 percent decrease in forecasted revenue since M2 adoption. If sales tax revenue continues to be lower than projections, this will further challenge delivery.	Sales tax revenue has been impacted by the recession and changes in consumer spending habits.	The 2018 lower forecast results in greater reliance on external funding to deliver the entire Freeway Program as listed. OCTA will continue to actively pursue available state and federal revenue, and work with the California Department of Transportation (Caltrans) to identify lower cost freeway alternative options for approval.
2	Inability to scale the Freeway Program to available revenue and still deliver the promise.	The freeway program includes set project scopes leaving very little flexibility in what is delivered.	OCTA will work closely with Caltrans to review value engineering strategies on freeway projects.
3	Delay in receipt of OC Streetcar Full Funding Grant Agreement (FFGA) from the Federal Transit Administration (FTA), could impact the overall delivery schedule.	While the FTA and the Orange County Congressional delegation continue to show strong support for the project, authorization for the New Starts FFGA remains outstanding.	Continue to communicate the merits of the OC Streetcar and need for swift action on receipt of the FFGA to FTA, Congress, and the Administration. Signatures and execution of the FFGA is anticipated in late November. Move cautiously to protect the delivery schedule while at the same time minimizing financial risk.
4	Sustain Metrolink train service, as an attractive alternative to driving in Orange County with the limits of available revenue.	Operational cost of Metrolink service continues to grow as system ages, track-sharing arrangements with Burlington Northern Santa Fe Railway (BNSF) are revised, and new air quality requirements. These changes may impact service long term.	Staff will continue to work closely with Metrolink and our partners to ensure cost increases are minimized, while seeking external revenue.

On Track One to Watch



MEASURE M2 PROGRESS REPORT

	Delivery Risk	Explanation	Proposed Action
5	The Next 10 Market Conditions Forecast and Risk Analysis identified strong potential for an increasing-cost environment during the Next 10 delivery years.	A construction cost pressure index model was created to provide insight on forecasting capital costs. The index tracks four near-term cost risks: economic trends (building permits and unemployment), material costs, wage pressures, and economic conditions.	A program level line item for an economic uncertainty allowance has been included in the freeway cash flow intended to safeguard the program and protect against over- committing. OCTA will continue to monitor and track key early warning indicators and will report in March if significant changes warrant further discussion.
Org	anizational		
6	Availability of specialized staff, given the scope of the M2 capital program.	External demand for key talent is becoming more of an issue as large infrastructure programs move forward in the region. Timely completion of engineering and construction related support of the capital program is key to reduce project delivery risk.	Expert and timely coordination between OCTA and Caltrans are imperative to manage this risk. Staff is currently working with Caltrans to ensure resource needs are met. Internally OCTA's Human Resources Division continues to implement programs to retain and attract talent.
7	New operational responsibilities with the OC Streetcar.	With the implementation of the OC Streetcar service, OCTA will be increasing its overall role in operations. OCTA holds a strong track record in operating various transportation systems including both a fixed and demand-based bus network.	To ensure success of the OC Streetcar, OCTA hired a streetcar operations manager with proven start-up experience to oversee start-up and daily operations.
Poli			
8	New statewide directives create additional hurdles for the Freeway Program in particular.	New directives with greenhouse gas reductions and managed lane corridors focus, may impact approvals for four of the remaining freeway projects with general purpose lanes that are not yet environmentally cleared.	OCTA will work closely with Caltrans to ensure that when freeway improvement projects are reviewed the commitment to Orange County voters is understood.



Next 10 Delivery Plan

Contact: Tami Warren, PMO Manager • (714) 560-5590

On November 14, 2016, the Board approved the Next 10 Delivery Plan (Next 10), providing guidance to staff on delivery of M2 projects and programs between 2017 and 2026. The Next 10 was updated to address and incorporate the 2018 sales tax revenue forecast of \$13.1 billion. The 2018 update of then Next 10 incorporates current revenue projections, bonding assumptions, project costs and schedule, and adjustments ensuring continued delivery of the complete M2 Program by 2041 as promised.

Next 10 Plan Deliverables

The Next 10 Plan is based on ten deliverables intended to provide guidance on program and project delivery during the ten-year period. With nearly two years of the ten-year plan complete, progress on the ten deliverables and accomplishments to date is provided. Significant progress has been made, with projects completing construction, projects in and advancing towards construction, as well as regular funding allocations to local jurisdictions through programs.

1. Deliver \$3.5¹ billion of freeway improvements approved through construction (Projects A-M).

The M2 freeway program currently consists of 27 projects or project segments. At the point of Next 10 adoption in September 2016, nine projects were completed, and another nine were designated to be complete within the Next 10 time-frame. Together, the segments designated for completion by 2026 make up a \$3.1 billion delivery promise. Since Next 10 adoption, three segments of the Interstate 5 (I-5) between Avenida Pico and San Juan Creek Road, opened to traffic in March 2018, adding six miles of carpool lanes. The remaining six segments are in design or construction. Funded with 91 Express Lanes excess revenues, a tenth project, the SR-91 between SR-57 to SR-55 (Project I) was designated a priority project and is now part of Deliverable 1 (planned to be complete by 2029). With this project, OCTA will deliver \$3.5 billion of freeway improvements approved through construction. For more details, see <u>pages iii-iv</u> (Project Schedules) and the project updates contained in the following pages.

2. Invest approximately \$715¹ million more in revenues, bringing the completed Freeway Program improvements to \$4.3 billion (Projects A-M).

The final eight remaining project segments (of the 27 total) are on track to be environmentally cleared by 2026, making them "shelf ready" for future advancement. In all, during the Next 10 time-period, approximately \$4.3 billion in freeway improvements promised to the voters in M2 will be completed or underway by 2026. Using the guiding principles adopted by the Board, Deliverable 2 includes approximately \$715 million in funding to move another project (or projects) directly into design and construction if assumptions on revenues and costs hold. For more details, see <u>pages iii-iv</u> (Project Schedules) and the project updates contained in the following pages.

¹ Because Project I is now included with Deliverable 1, the original Deliverable 1 investment increased to \$3.5 billion, and the original Deliverable 2 investment of \$1.2 billion has been reduced to \$715 million. The overall freeway deliverable commitment remains the same at \$4.3 billion.



3. Allocate \$1 billion, with \$400 million in competitive funding to local jurisdictions to expand roadway capacity and synchronize signals (Project O and P) and \$600 million in flexible funding to local jurisdictions to help maintain aging streets or for use on other transportation needs, as appropriate (Project Q).

All seven bridges included in the OC Bridges program are complete. Since the adoption of the Next 10 Plan in November 2016, OCTA has awarded approximately \$82 million in competitive funding through the Regional Capacity Program (Project O) and Regional Traffic Signal Synchronization Program (Project P). Additionally, \$106.9 million in Local Fair Share (Project Q) funds have been distributed to local agencies. This brings the total allocation to date to \$188.9 million. On August 13, 2018, the Board approved the release of the 2019 Call for Projects for approximately \$32 million for Project O and \$8 million for Project P funding. Final programming recommendations will be presented to the Board by mid-2019. For more details, see the project updates on page 18.

4. Extend Metrolink service from Orange County into Los Angeles County, contingent upon cooperation and funding participation from route partners; complete six rail station improvements (Project R).

The Southern California Regional Rail Authority (SCRRA) continues to work on behalf of its members, the Riverside County Transportation Commission (RCTC), Los Angeles County Metropolitan Transportation Authority (LA Metro), and OCTA, to negotiate an agreement with the BNSF Railway for the shared use of their corridor and associated indemnification and liability. This agreement is necessary to secure additional operating slots in order to provide additional passenger rail service on railroad right-of-way (ROW) owned by the BNSF. Special counsel has been brought in to assist in these negotiations.

Within this program, funding is provided for rail corridor and station improvements to accommodate increased passenger train service - including station upgrades, parking expansions, and safety enhancements. The Next 10 Plan identifies six projects to be completed by 2026: 1) Laguna Niguel/Mission Viejo Metrolink Station ADA ramps (completed September 2017), 2) Orange Metrolink Station Parking Structure (construction 76% complete), 3) Placentia Metrolink Station (construction to begin mid-2019 contingent on BNSF memorandum of understanding approval), 4) Anaheim Canyon Metrolink Station Improvement Project (construction to begin late 2019), 5) Fullerton Transportation Center elevators (construction 57% complete), and 6) San Clemente Pier Metrolink/Amtrak Station Lighting Project (completed March 2017). For more details, see the project updates on page 24.

5. Complete design and construction, secure vehicles, and begin operating the OC Streetcar (Project S) and work with local agencies to consider recommendations from planning studies to guide development of future transit connections (Project S).

OC Streetcar

Activities continue to move forward, including final possession of remaining required ROW, procurement of demolition services, coordination with third parties on utility relocation, finalizing the California Public Utilities Commission safety approvals for the OC Streetcar's grade crossings certification, finalizing the scope of services for the operations and maintenance request for proposals, and continued coordination with the FTA on the status of the FFGA. The streetcar vehicle manufacturing contract has been executed and the notice to proceed has been issued. The FTA continues to show strong support for the project, and a FFGA is anticipated



in November 2018. See page 27 for more information.

Bristol Street Transit Corridor Study

On July 23, 2018 the OCTA Board approved the selection of WSP USA as the firm to prepare the Bristol Street Transit Corridor Study and authorized the Chief Executive Officer to execute a contract in the amount of \$538,158 to prepare the study. The study will analyze and develop up to six conceptual transit alternatives for the Bristol Street Corridor. The study is focused on Bristol Street between West 17th Street and Sunflower Avenue (South Coast Metro); and will also evaluate connections to the John Wayne Airport and the Santa Ana Regional Transportation Center. Following the Board approval, the project team began reaching out to the cities of Santa Ana, Costa Mesa, Irvine, and Newport Beach to inform them about the study and seek staff participation in monthly project development team meetings. Staff also reached out to Caltrans and the John Wayne Airport to seek participation on the project development team. The study kick-off and initial project team meetings are anticipated next quarter.

6. Provide up to \$115 million in funding to expand mobility choices for seniors and persons with disabilities (Project U).

Approximately \$20.5 million has been provided for the Senior Mobility Program (SMP), the Senior Non-Emergency Medical Transportation Program (SNEMT), and the Fare Stabilization Program since the Next 10 Plan adoption. See <u>page 29</u> for more information.

7. Work with local agencies to develop a plan for the next community circulator projects to provide grant opportunities for local agencies to implement effective local transit services (Project V).

In December 2017, OCTA staff requested letters from local agencies to determine interest for a future round of Project V funding. OCTA received 13 letters of interest and in February 2018, the Board initiated a 2018 Project V Call for Projects. On June 25, 2018 the Board awarded \$6.8 million to fund six Community-Based Transit Circulators Projects. For additional details and information on current project program performance and service see <u>page 30</u>.

8. Allocate up to \$7 million in funding to improve the top 100 busiest bus stops and support the modernization of the bus system to enhance the customer experience (Project W).

To date, the Board has approved up to \$1.2 million to support 51 city-initiated improvements and \$370,000 for OCTA initiated improvements. The City of Anaheim postponed development of eight stops. Of the remaining 43 stops, 14 stops have been completed and the remaining 29 stops are in the project closeout process. Closeout of all projects is anticipated next quarter. OCTA initiated improvements were originally programmed to support the "Text for Next" program. However, these funds were ultimately reallocated (in 2015) to support OCTA's mobile ticketing application.

A second Project W call for projects is anticipated to be released in October, providing up to \$3.0 million (in total) to eligible agencies to make bus stop amenity improvements including installation of bus benches or seating, shelters, lighting, and other passenger related amenities. Eligible agencies (including OCTA) may potentially qualify to receive between \$20,000 to 35,000 (per eligible bus stop) to make passenger amenity improvements. Final funding recommendations are anticipated to be presented to the Board in early 2019. For additional details see <u>page 31</u>.



9. Ensure the ongoing preservation of purchased open space (Preserves) which provides comprehensive mitigation of the environmental impacts of freeway improvements and higher-value environmental benefits in exchange for streamlined project approvals (Projects A-M).

The Freeway Mitigation Program Preserves includes seven properties (1,300 acres), and 12 restoration projects (350 acres). In 2017, OCTA received biological resource permits after completing a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) for the Environmental Mitigation Program, allowing streamlined project approvals for the freeway improvement projects. The Conservation Plan also includes a streamlined process for coordination of streambed alternation agreements. In January 2018, the OCTA secured programmatic permits and assurances for federal and state clean water permitting requirements. Receipt of these permits represent the culmination of years of collaboration and support by the Board, environmental community, and regulatory agencies.

To ensure ongoing preservation of the open space, an endowment was established to pay for the long-term management of the Preserves. Approximately \$2.9 million will be deposited an annually. The third deposit was made in August 2018. For more details, see the project updates on <u>page 32</u>.

10. Work with the Environmental Cleanup Allocation Committee (ECAC) to develop the next tiers of water quality programs, with a goal of providing \$40 million in grants to prevent the flow of trash, pollutants, and debris into waterways from transportation facilities. In addition, focus on improving water quality on a regional scale that encourages partnerships among the local agencies as part of the Environmental Cleanup Program (ECP) (Project X).

Since adoption of the Next 10 Plan in November 2016, OCTA issued two calls for Tier 1 ECP projects. The Board awarded approximately \$5.59 million to fund 28 Tier 1 projects. Staff is working with the ECAC and the County of Orange to determine the best timing for the next Tier 2 call based on projected cash flow and local jurisdictions' interest in potential viable Tier 2 projects. For more details, see the project updates on page 33.



INTERSTATE 5 (I-5) PROJECTS -

Segment: I-5, Between SR-55 and SR-57

Status: Design complete. Construction package advertised for bids.

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will increase high occupancy vehicle (HOV) capacity by adding a second HOV lane in both directions along I-5 between SR-55 and SR-57 in Santa Ana. In February, the project received federal authorization (E-76) allowing it to be advertised for construction. The project was advertised for bids on March 19, 2018 with Bid Opening held on May 8, 2018. However, all Bidders were subsequently deemed "unresponsive" as each did not meet the bidding requirements. The project was re-advertised on August 27, 2018 and bids will be opened on October 18, 2018. Due to changes in scope, the replacement of STIP funds with Congestion Mitigation and Air Quality (CMAQ) funds, and the need to re-advertise for construction bids, this project is marked "red" in the Capital Action Plan (CAP) due to a delay of 11 months beyond the original schedule. Construction is expected to begin in early 2019.

Segment: I-5, I-405 to SR-5

Status: Environmental Phase Underway - 90% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will add one general purpose lane in each direction of the I-5 corridor and improve interchanges in the area between SR-55 and SR-133 (near the El Toro "Y" and I-405) in Tustin and Irvine. The environmental study will consider the addition of one general purpose lane on I-5 between just north of I-405 to SR-55. Additional features of Project B include the addition of auxiliary lanes in some areas and re-established in other areas within the project limits. During the quarter, the consultant completed and obtained Caltrans approval for the Draft Environmental Document (DED) and the Draft Project Report (DPR). The DED was circulated from mid-May and held two open house format public hearings in late May. To limit community impacts, the Fact Sheet process is underway to address design variations due to tight ROW constraints. The completion of the environmental document is delayed due to lack of agreement over design variations needed to limit right-of-way impacts to businesses and communities. The final ED is expected to be complete in mid 2019.

PROJECT A

PROJECT B



I-5, Avenida Pico to San Juan Creek Road is one project broken into three segments, as described below.

Segment: I-5, Avenida Pico to Avenida Vista Hermosa/Avenida Pico Interchange

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This segment added a carpool lane in each direction on I-5 between Avenida Pico and Avenida Vista Hermosa in San Clemente, and included major improvements through reconstruction of the Avenida Pico Interchange (part of Project D). The project also added bicycle lanes in both directions on Avenida Pico. Construction began in February 2015. Construction of the carpool lanes were completed and all three segments of the I-5 between Avenida Pico to San Juan Creek were opened to traffic on March 13, 2018. During the quarter, the contractor worked on the punchlist items and relief of maintenance was issued on August 23, 2018. The one-year plant establishment period is ongoing until May 2019.

Segment: I-5, Avenida Vista Hermosa to Pacific Coast Highway

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This segment added a carpool lane in each direction of I-5 between Avenida Vista Hermosa and Pacific Coast Highway (PCH) in San Clemente, and also reconstructed on and off ramps at Avenida Vista Hermosa and Camino de Estrella. Construction began in September 2014 and relief of maintenance was obtained in July 2017. Construction of the carpool lanes were completed and all three segments of the I-5 between Avenida Pico to San Juan Creek were opened to traffic on March 13, 2018. The one-year plant establishment period was completed in May 2018.

Segment: I-5, Pacific Coast Highway to San Juan Creek Road

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This segment added one carpool lane in each direction of the I-5 between PCH and San Juan Creek Road in the Cities of San Clemente, Dana Point, and San Juan Capistrano. Project improvements also reconstructed the on and off ramps at PCH/Camino Las Ramblas. Construction began in March 2014. Construction of the carpool lanes were completed and all three segments of the I-5 between Avenida Pico to San Juan Creek were opened to traffic on March 13, 2018. During the quarter, the contractor worked on punchlist items and relief of maintenance was issued on July 3, 2018. The one-year plant establishment period is ongoing until March 2019.





PART OF PROJECT D



I-5, SR-73 to El Toro Road is one project broken into three segments, as described below. The OCTA cost estimate for this project is \$557.11 million, which is above the \$500 million threshold for a "Major Project" designation, as determined by the Federal Highway Administration (FHWA). Major projects require a Cost Estimate Review (CER) workshop, and a CER was conducted by the FHWA, Caltrans, and OCTA in February 2018. The CER estimates that the project may require additional funding up to \$55.75 million. While OCTA estimates indicate the project funding need may be lower, FHWA requirements necessitates that OCTA demonstrate sufficient funding. In June, the Board authorized an increase of \$55.75 million to the project, increasing the total to \$612.86 million. The segment from Oso Parkway to Alicia Parkway is scheduled for advertisement for construction bids on November 5, 2018. Cost estimates for the other segments of the I-5 Improvement Project, which are scheduled for advertisement next year, will be revisited after Segment 2 construction bid opening.

Segment: I-5, SR-73 to Oso Parkway/Avery Parkway Interchange

Status: Design Complete. Construction bid package preparation underway

Contact: Rose Casey, Capital Projects • (714) 560-5729

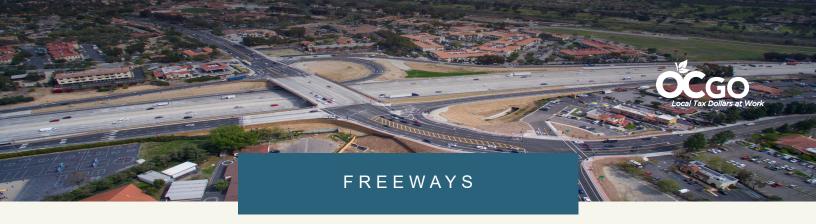
Summary: This project will make improvements along I-5 between SR-73 and Oso Parkway in the Cities of Laguna Hills, Laguna Niguel, and Mission Viejo. The proposed improvements include the addition of a generalpurpose lane in each direction and reconstruction of the Avery Parkway Interchange (part of Project D). During the quarter, the consultant continued working on ROW appraisals and coordinated with utility agencies. Staff continued to coordinate with Caltrans to finalize and approve the required Fact Sheet. The 100 percent Plans, Specifications, and Estimates (PS&E) was submitted to Caltrans on August 30, 2018. However, due to changes in the Caltrans Highway Design Manual standards, the submitted plans may be required to change. The plans identified a higher cost estimate due to unit price increases, rise in Caltrans support costs, and schedule changes to address bird nesting season restrictions. Due to extended ROW coordination, this project is marked "red" in the CAP, due to a delay of 11 months beyond the original schedule. On March 21, 2018, the CTC approved the 2018 STIP update and programmed approximately \$31.166 million over Orange County's share target. To maintain CTC funding limits in the next few years, STIP funding in this project was reduced to \$73.735 million. However, there is only \$35 million remaining in the FY18-19 STIP. Staff will work with the CTC staff and Caltrans to seek methods to maintain the existing schedule. In November, staff is scheduled to go to Board to request authorization of Proposition 1B Trade Corridors Improvement Funds for this project.

Segment: I-5, Oso Parkway to Alicia Parkway/La Paz Road Interchange

Status: Design Complete. Construction bid package preparation underway.

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will make improvements along I-5 between Oso Parkway and Alicia Parkway in the Cities of Mission Viejo, Laguna Hills, and Lake Forest. The proposed improvements include the addition of a general-



purpose lane in each direction and reconstruction of the La Paz Road Interchange (Part of Project D).

Major activities this quarter included federal authorization of the project (approval of the E-76) and submittal of the project advertisement package to Caltrans Headquarters. Additionally, in August the Board approved the selection of HDR, Inc. to provide construction management support services for this project. Staff also continued coordination of the service contract with SCRRA/Metrolink, and with Caltrans on ROW and utilities. OCTA and Caltrans are preparing the Draft Financial Plan and Draft Project Management Plan, in accordance with the FHWA's "Major Project" Guidance. The consultant continues to coordinate with two regulatory agencies to ensure all permits will be in place ahead of Advertisement, which is now scheduled for November 2018. Due to extended ROW coordination, this project is marked "red" in the CAP, due to a delay of nine months beyond the original schedule. This project is anticipated to begin construction in early 2019.

Segment: I-5, Alicia Parkway to El Toro Road

Status: Design Phase Underway - 95% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will make improvements along I-5 between Alicia Parkway to El Toro Road in the Cities of Lake Forest, Laguna Hills, Laguna Woods and Mission Viejo, including the extension of the second HOV lane from El Toro Road to Alicia Parkway. Major activities this quarter included continued coordination with Caltrans, Orange County Parks and Orange County Flood Control regarding the planned work at Aliso Creek and coordination with the Army Corps of Engineers and the State Department of Fish and Wildlife. In this quarter, the Design consultant received the third round of comments from Caltrans regarding the final ROW mapping, (originally submitted in April 2018). Due to extended ROW coordination with Caltrans and delayed design start date, this project is marked "red" in the CAP, due to a delay of over 12 months beyond the original schedule. The 100 percent Design Submittal is now anticipated for April 2019. The 2018 STIP increased STIP funds from \$58.9 million to \$69.1 million for this segment, but the segment is programmed in the STIP three years later than requested. Staff will work with the CTC staff and Caltrans to seek methods to maintain the existing schedule.

PROJECT D

This project will update and improve key I-5 interchanges at Avenida Pico, Ortega Highway, Avery Parkway, La Paz, and at El Toro Road. Three interchange improvements at La Paz, Avery Parkway, and Avenida Pico are part of Project C.

Segment: I-5, El Toro Interchange

Status: Environmental Phase Underway - 30% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project includes four build alternatives that consider modifications to the existing interchange, which range from a I-5 southbound direct connector to El Toro Road to modifications in how existing on and off ramp intersections operate. Work began in May 2017. Work during the quarter included preparation of engineering



and environmental technical studies for each of the four build Alternatives. A Public Scoping Meeting was held on July 25, 2018 at Laguna Woods City Hall. Caltrans will provide an update to the OCTA Board in October. The environmental phase is anticipated to be completed in late 2019.

Segment: I-5, Ortega Highway Interchange

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: Construction began in February 2013 to reconstruct the SR-74 Ortega Highway Bridge over I-5, and improve local traffic flow along SR-74 and Del Obispo Street in the City of San Juan Capistrano. All lanes on the new bridge were opened to traffic on September 4, 2015. A dedication ceremony was held on October 1, 2015. The project was officially completed on January 15, 2016.

STATE ROUTE 22 (SR-22) PROJECTS -

Segment: SR-22 Access Improvements

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: Completed in 2008, Project E made improvements at three key SR-22 interchanges (Brookhurst Street, Euclid Street, and Harbor Boulevard) in the City of Garden Grove to reduce freeway and street congestion in the area. This M2 project was completed early as a "bonus project" provided by the original Measure M (M1).

STATE ROUTE 55 (SR-55) PROJECTS -

Segment: SR-55, I-405 to I-5

Status: Design Phase Underway - 45% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will widen SR-55 in the Cities of Irvine, Santa Ana, and Tustin. Through a cooperative agreement, Caltrans completed a portion of the 35 percent design work in May 2018 and is responsible for developing and seeking approval of the required Fact Sheet addressing necessary design variations on the project. The Supplemental Fact Sheet was initiated in September 2018. OCTA's consultant was also involved in the delivery of the 35 percent design work in cooperation with Caltrans. Caltrans and OCTA's consultant have initiated the 65 percent design which will be completed in January 2019. The ROW cooperative agreement between OCTA and Caltrans was executed in June 2018. ROW and utility coordination have been initiated and are ongoing. The project is anticipated to be ROW Certified and ready to list (RTL) in December 2020. OCTA



PROJECT F





received \$12.6 million for this segment through the 2018 STIP, however the segment is currently programmed in the STIP one year later than requested. Staff will work with the CTC staff and Caltrans to seek methods to maintain the existing schedule.

Segment: SR-55, I-5 to SR-91

Status: Environmental Phase Underway - 60% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

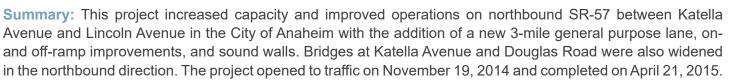
Summary: This project will study SR-55 between I-5 and SR-91 in the Cities of Santa Ana, Tustin, Orange and Anaheim. The environmental study will consider the addition of one general purpose lane in each direction between SR-22 and the I-5 and provide operational improvements between SR-22 and SR-91. During the quarter, the consultant continued working on technical studies and obtained approval on several technical studies. The environmental phase is anticipated to be complete in early 2020.

STATE ROUTE 57 (SR-57) PROJECTS ▼

Segment: SR-57 Northbound, Katella to Lincoln Avenue

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729



Segment: SR-57 Northbound, Orangethorpe to Yorba Linda Boulevard

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project increased capacity and improved operations on northbound SR-57 with a new 2.5mile northbound general-purpose lane between Orangethorpe Avenue in the City of Placentia to Yorba Linda Boulevard in the City of Fullerton. In addition to the new lane, capital improvements include reconstruction of northbound on- and off-ramps, widening of seven bridges, and the addition of soundwalls. The new general purpose lane was opened to traffic on April 28, 2014. The project was completed on November 6, 2014.



PROJECT G





Segment: SR-57 Northbound, Yorba Linda Boulevard to Lambert Road

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729



Summary: Completed on May 2, 2014, this project improved capacity, operations, and traffic flow on SR-57 with the addition of a new 2.5-mile northbound general-purpose lane between Yorba Linda Boulevard in the City of Fullerton and Lambert Road in the City of Brea. Additional project benefits include on- and off-ramp improvements, the widening and seismic retrofit (as required) of six bridges in the northbound direction and the addition of soundwalls. Existing lanes and shoulders were also widened to standard widths, enhancing safety for motorists. The new general purpose lane was opened to traffic on September 23, 2013. The project was completed on May 2, 2014.

Segment: SR-57 Northbound, Lambert Road to Tonner Canyon Road

Status: Environmental phase expected to begin in mid-2020

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: Caltrans previously completed a Project Study Report (PSR)/Project Development Support document for the Lambert Road to Tonner Canyon Road segment, which would add a truck-climbing lane from Lambert Road to Tonner Canyon Road in the City of Brea. The mainline project includes interchange and ramp improvements at Lambert Road. Through the SB 1 Trade Corridor Enhancement Program, funds were allocated to initiate the environmental phase for interchange improvements at Lambert Road which will complement and serve as a first phase to the freeway improvement project. Phase 2, which is the mainline improvements, was approved for STIP funding in March 2018 to initiate the environmental phase to study the truck-climbing lanes in mid-2020. This project will coordinate with and take into consideration any related work by LA Metro across the county line.

Segment: SR-57 Northbound, Orangewood Avenue to Katella Avenue

Status: Environmental Phase Underway - 70% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project studies the addition of a northbound general purpose lane on SR-57 from Orangewood Avenue to Katella Avenue in the Cities of Anaheim and Orange. The northbound general-purpose lane under this study would join the northbound general purpose lane which was opened to traffic in 2014 between Katella Avenue and Lincoln Avenue. During the quarter, all technical reports were approved and the Draft Environmental Document and Draft Project Report were finalized and ready for approval. On September 10, 2018, staff provided the Board an update on the project. In the next quarter, the Draft Environmental Document and Draft Project Report with the public review/circulation period from October 11, 2018 to November 9, 2018. A Public Hearing is also scheduled for October 2018. The environmental phase is anticipated



to be complete in early 2019. This project is marked "yellow" in the CAP, signifying a delay of one month beyond the original schedule.

STATE ROUTE 91 (SR-91) PROJECTS -

- Segment: SR-91 Westbound, I-5 to SR-57
- Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729



PROJECT H

Summary: This project increased capacity in the westbound direction of SR-91 by adding an additional general purpose lane in the westbound direction between Anaheim and Fullerton, and provided operational improvements at on and off-ramps between Brookhurst Street and State College Boulevard. The general purpose lane was opened to traffic on March 7, 2016. Construction is 100 percent complete, as of June 23, 2016.

Segment: SR-91, SR-55 to Tustin Avenue Interchange

Status: PROJECT COMPLETE



PROJECT I

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project improved traffic flow at the SR-55/SR-91 interchange by adding a westbound auxiliary lane beginning at the northbound SR-55 to westbound SR-91 connector through the Tustin Avenue interchange in the City of Anaheim. The project was intended to relieve weaving congestion in the area and included reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. The bypass lane was open to traffic on May 14, 2016. Construction completed on July 15, 2016 and Contract Acceptance was granted on October 31, 2016.

Segment: SR-91, SR-55 to SR-57

Status: Environmental Phase Underway - 82% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will improve traffic flow and operations along SR-91 within the Cities of Fullerton and Anaheim. The study will look at the addition of one general purpose lane eastbound between SR-57 and SR-55, and one general purpose lane westbound from the NB SR-57 connector to State College Boulevard. Additional features of this project include improvements to various interchanges. Auxiliary lanes will be added in some segments and re-established in others within the project limits. This quarter, the consultant continued working on the environmental and engineering technical studies, and obtained approval on several technical studies. The draft environmental document is anticipated to be complete and circulated for public review next quarter. Due to Caltrans requiring extra work to study interchange improvements outside of the completed PSR and the M2



promised project, the project is marked "red" in the CAP with a delay of 10 months from its original schedule. SR-91 Express Lanes excess revenue is designated to pay for the mainline freeway improvements included in M2. The environmental study is expected to be complete in mid-2019. This project is anticipated to proceed into design shortly following the completion of this study.

Segment: SR-91, SR-55 to SR-241

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This completed Project J segment added six miles in the westbound and eastbound direction to a key stretch of SR-91 between SR-55 and SR-241 in the Cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a much needed second eastbound exit lane at the Lakeview Avenue, Imperial Highway and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping and soundwalls. Completion of this project in March 2013 means a total of 18 lane miles have been added to SR-91 since December 2010. The lanes opened to traffic in December 2012, and construction completed on March 5, 2013.

Segment: SR-91, SR-241 to SR-71

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: Completed in January 2011, this segment added six miles through a key stretch of SR-91 between Orange County's SR-241 and Riverside County's SR-71. The project improves mobility and operations by reducing traffic weaving from traffic exiting at SR-71 and Green River Road. An additional eastbound general purpose lane on SR-91 was added and all existing eastbound lanes and shoulders were widened. The new facilities were opened to traffic on December 2, 2010 and construction completed January 31, 2011. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act funding for this M2 project, saving M2 revenues for future projects.

Segment: SR-91, SR-241 to I-15

Status: RCTC's Design-Build - Initial Phase Complete March 20, 2017

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The purpose of this project is to extend the 91 Express Lanes eastward from its current terminus in Anaheim to I-15 in Riverside County. This project will also add one general purpose lane in each direction of SR-91, from SR-71 to I-15, and construct various interchange and operational improvements. On March 20, 2017,



PROJECT J



the RCTC contractors completed the \$1.3 billion initial phase freeway improvement project which extended the 91 Express Lanes from Orange County to I-15 in Riverside County, added a general-purpose lane east of SR-71 to I-15, and provided tolled express connectors between SR-91 and I-15. While the portion of this project between SR-241 and the Orange County/Riverside County line is part of OCTA's M2 Project J, the matching segment between the county line and SR-71 is part of RCTC's Measure A. The ultimate project widens all SR-91 general purpose lanes to standard lane and shoulder widths from SR-241 to SR-71 (RCTC is responsible for the lane improvements between Green River and SR-71 while OCTA will be responsible for the lane improvements, which span both counties, will be scheduled to ensure coordinated delivery of both portions of the project, and will provide a continuous segment that stretches from SR-241 to SR-71. Construction of the final additional general-purpose lane between SR-241 and SR-71 will take place post-2035. This action is consistent with the 2018 SR-91 Implementation Plan.

INTERSTATE 405 (I-405) PROJECTS -

- Segment: I-405, SR-73 to I-605
- Status: Design-Build Underway

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: OCTA and Caltrans are working together to widen I-405 through the Cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. These improvements will add one general purpose lane, add a second lane to be combined with the existing HOV lane to provide a dual express lanes facility, and improve the local interchanges along the corridor from SR-73 to I-605.²

During the quarter, work continued on ROW acquisition, utility coordination, environmental permitting, and public outreach. Other work includes review of design-builder submittals including design and construction submittals. The final baseline schedule, a detailed schedule of design and construction activities, was approved. OCTA's toll lanes system integrator, Kapsch, is now under contract and working with OCTA and the design-builder. On September 10, 2018, staff provided the Board an update on the project. The update included that the first bridge construction began in August with the demolition of the McFadden Avenue bridge and the Slater Avenue bridge at the end of September. The Contractor generally completed the first phase of restriping the freeway and placing temporary concrete barrier to protect work areas. Clearing and grubbing and rough grading activities also continued during this quarter. The Contractor will continue to ramp up construction activities through the end of the year. Lastly, OCTA began targeted public outreach in July in the form of neighborhood meetings in anticipation of the demolition and construction of the McFadden Avenue and Slater Avenue bridges. Construction is scheduled to be completed in 2023.

²The general purpose lane portion of the project is a M2 project and will be funded by a combination of local, state and federal funds, with the express lanes portion of the project financed and primarily paid for by those who choose to pay a toll and use the 405 Express Lanes.

PROJECT K



Segment: I-405, I-5 to SR-55

Status: Environmental Phase Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project studied the addition of general purpose lanes on the I-405 corridor between I-5 and SR-55 in Irvine. The project development team reviewed the alternatives and public comments received during public circulation and as a result of the effort, recommended adding one general purpose lane in each direction. During the quarter, the final PR and ED were completed in August 2018. The Next 10 Plan sets direction through 2026; as projects listed are completed, schedules and revenues will be reviewed, and the Board will adopt a new delivery plan providing direction on further project advancement. Using only Measure M funding, this project is scheduled to move into design beyond 2026, however, projects that compete best for external funding are those that are already environmentally cleared. OCTA continually looks for opportunities to accelerate construction by taking advantage of state and federal dollars.

INTERSTATE 605 (I-605) PROJECTS -

Segment: I-605, Katella Interchange Improvements

Status: Environmental Phase Underway - 97% Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: This project will improve freeway access and the arterial connection to I-605 at Katella Avenue in the City of Los Alamitos and the County of Orange. Improvements under this project may include enhancements at the on-ramps and off-ramps in addition to operational improvements on Katella Avenue at the I-605 Interchange. The remaining two build alternatives include modification of interchange ramps and lane configurations on Katella Avenue from Coyote Creek Channel to Civic Center Drive. During the quarter, the consultant continued working on the Fact Sheet, FED and the FPR. The DED was circulated in mid-April and held an open house format public hearing in late April. The final ED is anticipated to be completed in October 2018.

FREEWAY SERVICE PATROL -

Status: Service Ongoing

Contact: Cliff Thorne • (714) 560-5975

Summary: M2's Freeway Service Patrol (FSP) began operation in June 2012 and provides tow truck service for motorists with disabled vehicles on the freeway system to help quickly clear freeway lanes and minimize congestion. During the quarter, the midday service provided assistance to 1,356 motorists and weekend service provided assistance to 932 motorists and during this quarter there was no M2 funded construction service offered to motorists. Since inception, M2 and construction-funded FSP has provided a total of 71,553 assists to motorists on the Orange County freeway system.

PROJECT L

PROJECT M

PROJECT N



REGIONAL CAPACITY PROGRAM -

Status: 2019 Call for Projects in Progress

Contact: Joseph Alcock, Planning • (714) 560-5372

Summary: This program, in combination with required local matching funds, provides funding for improvements on Orange County's Master Plan of Arterial Highways. Since 2011, 146 projects totaling more than \$295 million, including \$24 million in external funding, have been awarded through eight calls for projects by the Board. On August 6, 2018, the OCTA Board approved the release of the 2019 Call for Projects which made up to \$32 million available to fund additional road improvements throughout the County.

OC Bridges Railroad Program

This program built seven grade separations (either under or over passes) where high volume streets are impacted by freight trains along the BNSF Railroad in North County. With all seven grade separations open to traffic in late 2017, an OC Bridges completion ceremony was held on October 24, 2017. To date, the Board has approved approximately \$664 million in committed M2 and external funds for all seven of the OC Bridges Program grade separation projects. Minor activities this quarter include completion of punch list items and close out of projects.

Segment: Kramer Boulevard Grade Separation

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at Kraemer Boulevard railroad crossing is grade separated and open to traffic. The project separated the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. The grade separation was opened to traffic on June 28, 2014, and an event was held on July 8, 2014 to commemorate the opening. Project acceptance by the Cities of Anaheim and of Placentia, respectively, occurred in December 2014 and the cities assumed full maintenance responsibilities. In December 2015, the one-year warranty period expired with no issues or repairs identified.

Segment: Lakeview Avenue Grade Separation

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at Lakeview Avenue railroad crossing grade separated the local street from railroad tracks in the Cities of Anaheim and Placentia by building a bridge for vehicular traffic over the railroad

PROJECT O





crossing and reconfiguring the intersection of Lakeview Avenue and Orangethorpe Avenue. Construction began on July 1, 2014.

Lakeview Avenue was reopened on June 6, 2017. Construction acceptance from the Cities of Anaheim and Placentia was obtained on June 2, 2017 and OCTA has turned over the maintenance responsibilities to the cities and completed the one-year warranty on some constructed items. The one-year warranty was extended to July 2019 for some minor repair items. Close-out activities will be ongoing through fall 2018.

Segment: Orangethorpe Avenue Grade Separation

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at Orangethorpe Avenue railroad crossing is grade separated and open to traffic. The project separated the local street from railroad tracks in the Cities of Placentia and Anaheim by building a bridge for vehicular traffic over the railroad tracks. On May 17, 2016, a joint-grand opening event was held to commemorate the opening to traffic for the Orangethorpe and Tustin/Rose Grade Separation projects. Construction was completed in October 2016 and construction acceptance was obtained from the Cities of Anaheim and Placentia on October 25, 2016. OCTA has turned over the maintenance responsibilities to the cities and completed the one-year warranty on the majority of constructed items. The one-year warranty was extended to June 2019 for some minor repair items.

Segment: Placentia Avenue Grade Separation

Status: PROJECT COMPLETE



Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at Placentia Avenue railroad crossing is grade separated and open to traffic. This project separated the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. An event was held on March 12, 2014, to commemorate the opening. Project acceptance by the Cities of Anaheim and Placentia occurred in December 2014 and the cities assumed full maintenance responsibilities. In December 2015, the one-year warranty period expired with no issues or repairs identified.



Segment: Raymond Avenue Grade Separation

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at Raymond Avenue railroad crossing grade separated the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. The City of Fullerton is managing construction and OCTA is providing construction oversight, public outreach, railroad coordination, and ROW support. Construction began on June 2, 2014. Activities this quarter includes landscaping and project closeout documentation. Raymond Avenue has been opened to traffic since October 2017. OCTA received conditional construction acceptance in May while the contractor completed minor work. Construction acceptance by the City is anticipated in October 2018.

Segment: State College Boulevard Grade Separation

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at State College Boulevard railroad crossing grade separated the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. The City of Fullerton managed the construction and OCTA provided construction oversight, public outreach, railroad coordination, and ROW support. Activities this quarter continue to include work on pump station, landscape, irrigation, pavement and striping. State College Boulevard was opened to through traffic on November 1, 2017. Construction acceptance and maintenance responsibilities from the City of Fullerton was obtained on March 7, 2018 and the one-year warranty began. Close-out activities will be ongoing through fall 2018.

Segment: Tustin Avenue/Rose Drive Grade Separation

Status: PROJECT COMPLETE

Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project located at Tustin Avenue/Rose Drive railroad crossing is grade separated and open to traffic. The project separated the local street from railroad tracks in the Cities of Placentia and Anaheim by building a bridge over the railroad crossing for vehicular traffic. On May 17, 2016, a joint-grand opening event was held to commemorate the opening to traffic for the Orangethorpe and Tustin/Rose Grade Separation projects. Construction was completed in October 2016 and construction acceptance was obtained from the Cities of Anaheim and Placentia on October 25, 2016. OCTA has turned over the maintenance responsibilities to the cities and completed the one-year warranty on the majority of constructed items. The one-year warranty was extended to November 2018 for some minor repair items.







LOCAL FAIR SHARE -

21

end of this quarter.

Vicki Austin, Finance • (714) 560-5692

Summary: In order to help cities and the County of Orange keep up with the rising cost of repairing the aging street system, this program provides flexible funding intended to augment, not replace, existing transportation expenditures of the cities and the County. All local agencies have been found eligible to receive Local Fair Share funds. On a bi-monthly basis, 18 percent of net revenues are allocated to local agencies by formula. Approximately \$351.2 million in Local Fair Share payments have been provided to local agencies as of the

See pages 47-48 for funding allocation by local agency.

REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM

Status: 2019 Call for Projects in Progress

Antonio Pkwy

Contact: Anup Kulkarni, Planning • (714) 560-5867

Summary: This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate signals for 2,000 intersections along 750 miles of roadway as the basis for synchronized operation across Orange County. The program also leverages external funding to further enhance the efficiency of the street grid and reduce travel delay.

To date, OCTA and local agencies have synchronized more than 2,000 intersections along more than 619 miles

of streets (or 69 completed projects). Through a competitive process, there have been eight rounds of M2 funding awarded by the Board thus far. On June 11, 2018, the Board approved six projects for the 2018 Call for Projects Regional Traffic Signal Synchronization Program, funding \$8.9 million with M2 and leveraging \$6.6 million from SB-1. This program has provided a total of 103 projects totaling more than \$98 million, including \$18 million in external funding. On August 6, 2018, the OCTA Board approved the release of the 2019 Call for Projects which made up to \$8 million available to fund improvements throughout the County.

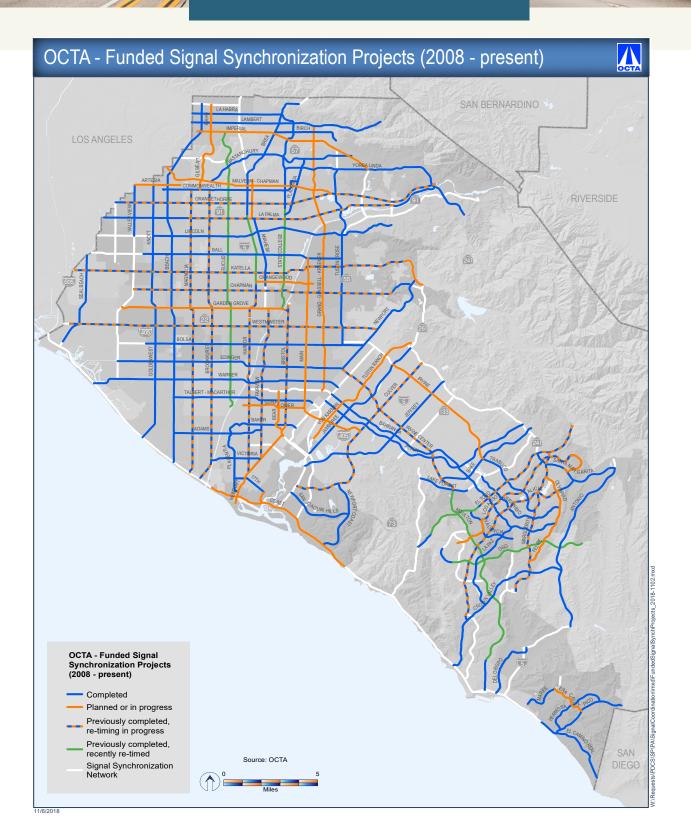
STREETS AND ROADS

PROJECT Q

PROJECT P









HIGH FREQUENCY METROLINK SERVICE -

Project R will increase rail services within the County and provides additional Metrolink service north of Fullerton to Los Angeles. The program provides for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks. This program also includes funding for grade crossing improvements at high volume arterial streets, which cross Metrolink tracks.

Project: Metrolink Grade Crossing Improvements

Status: PROJECT COMPLETE

Contact: Jennifer Bergener, Rail • (714) 560-5462



PROJECT R

Summary: Enhancement of the designated 52 Orange County at-grade rail-highway crossings was completed as part of the Metrolink Service Expansion Program (MSEP) in October 2012. Completion of the safety improvements provided each corridor city with the opportunity to establish a "quiet zone" at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The Cities of Anaheim, Dana Point, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin have established quiet zones within their communities.

Project: Metrolink Service Expansion Program

Status: Service Ongoing

Contact: Jennifer Bergener, Rail • (714) 560-5462

Summary: Following the completion of the MSEP improvements in 2012, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/Mission Viejo, primarily during the midday and evening hours. Efforts to increase ridership through a redeployment of the trains without significantly impacting operating costs have been underway since 2014. Average daily ridership on intra-county trains has increased by 32 percent since Fiscal Year 2012-13.

In April 2015, several schedule changes were implemented to connect a 91/Perris Valley Line train to an intracounty service train, at Fullerton. This allowed a later southbound peak evening departure option from Los Angeles to Orange County. Ridership on these two trains combined has increased by 33 percent since the improvement was implemented.

Part of OCTA's re-deployment plan involves providing new trips from Orange County to Los Angeles. SCRRA continues to work on behalf of its members, the RCTC, LA Metro, and OCTA, to negotiate an agreement with the BNSF Railway for the shared used of their corridor and associated indemnification and liability. This agreement is necessary to secure 24 additional operating slots to provide more passenger rail service on railroad ROW owned



by the BNSF. Operation of additional Metrolink trains to Los Angeles is contingent on the indemnification and liability agreement, following completion of the triple track project in early 2019, on the BNSF Railway between Fullerton and Los Angeles.

Rail Corridor and Station Improvements

Additionally, under MSEP, funding is provided for rail line and station improvements to accommodate increased service. Rail station parking lot expansions, better access to platforms, among other improvements have been made or are underway. For schedule information on station improvement projects, please see the CAP pages on pages 49-53 at the back of this report.

Segment: Anaheim Canyon Metrolink Station Improvements

Status: Design Phase Underway

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This OCTA-led project will include construction of a second main track and platform, lengthening the existing platform, and improved pedestrian circulation. The project will also include the addition of benches, shade structures, and ticket vending machines. The design plans have been competed to 60 percent and are being advanced to 90%. Plans are expected to be complete and ready to bid in July 2019. Construction of the project is expected to begin in December 2019 with completion anticipated in early 2021.

Segment: Fullerton Transportation Center Improvements

Status: Construction Phase Underway - 57% Complete

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: Completed early on, a new 5-level parking structure was constructed to provide additional transit parking at the Fullerton Transportation Center for both intercity rail service and commuter rail passengers. This City-led project was completed on June 19, 2012. After completion, an elevator upgrade project was initiated with leftover savings. The elevator project will modify the existing pedestrian bridge to add two new traction elevators, one on each side. The City of Fullerton is the lead on this project as well. Construction began in January 2016 and restroom improvements were completed. Work on the elevators was delayed due to construction contractor's elevator subcontractor issues. Construction began again in January 2017. Structural towers are complete and painted as well as all foundation work. The elevator installation is scheduled to begin in November and it is now anticipated the project will be completed in February 2019. This project is marked "red" in the CAP, signifying a delay of more than three months.



Segment: Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps

PROJECT COMPLETE Status:



Jim Beil, Capital Programs • (714) 560-5646 **Contact:**

Summary: The Laguna Niguel/Mission Viejo station accessibility improvements project was completed in September 2017. Improvements include new ADA-compliant access ramps on either side of the pedestrian undercrossing and a unisex ADA-compliant restroom, vending machine room, and three passenger canopies. Construction acceptance from the cities was obtained on September 20, 2017 and OCTA has turned over the maintenance responsibilities to the cities and commenced the one-year warranty. Close-out activities and final costs are underway.

Segment: **Orange Transportation Center Metrolink Parking Structure**

Status: Construction Phase Underway - 76% Complete

Jim Beil, Capital Programs • (714) 560-5646 **Contact:**

Summary: This project will include a 611-space, 5-level, shared use parking structure that will be located on Lemon Street between Chapman Avenue and Maple Street in Orange. Per a cooperative agreement between OCTA and the City of Orange, the City of Orange is the lead on the design phase, and OCTA is the lead on the construction phase of the project. Construction began on July 17, 2017. All surface decks on the parking structure are completed as well as the structural elevator towers and stairs. Precast brick panels are being installed and are anticipated to be completed by the end of October. The project is expected to be completed in February 2019.

Segment: Placentia Metrolink Station Improvements and Parking Structure

Status: Design Complete - Ready for Advertisement subject to BNSF construction and maintenance agreement

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: Plans for the proposed Placentia Metrolink Station Project were near completion when the City of Placentia requested to modify them to include a parking structure to be built where surface parking had been designed. On June 27, 2016, the Board approved a new Cooperative Agreement with the City of Placentia that revised the project's scope and budget, and with the changes the City of Placentia will contribute towards the cost. The station will include platforms, parking, a new bus stop, and passenger amenities. OCTA is the lead for design and construction of the project. The project will also include a third track which should assist with the on-time performance of train operations and provide operational flexibility for both freight and passenger trains. BNSF will be the lead on the rail construction. Design plans for the station are complete and will be ready to advertise for bidding once a track sharing agreement with BNSF is in place. Negotiations are underway for this



Segment: San Clemente Pier Station Lighting

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646



Summary: This project was completed on March 17, 2017 and is in the closeout phase. OCTA was the lead for design and installation of this project which added lighting to the existing platform and new decorative hand rails at the San Clemente Pier Station.

Additional rail corridor improvements include: completed Control Point project at Fourth Street in the City of Santa Ana, which provide rail operational efficiencies; replacement of the San Juan Creek railroad bridge in the City of San Juan Capistrano, which will also accommodate a future bike trail on the south end along the creek (design is 90 percent complete and ROW acquisition is in progress); the Railroad ROW Slope Stabilization project, which includes eight locations within the OCTA-owned LOSSAN rail corridor that have been identified for improvements to prevent future erosion and slope instability (construction contract awarded and construction to begin late 2018); and continued implementation of video surveillance systems and Positive Train Control.

Segment: Laguna Niguel to San Juan Capistrano Passing Siding Project

Status: Design complete. Construction package advertised for bids.

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: Design phase completed last quarter. Project currently in the advertise and award phase, this project will add approximately 1.8-miles of new passing siding railroad track adjacent to the existing mainline track, which will enhance operational efficiency of passenger services within the LOSSAN rail corridor. The project was advertised on August 27 and anticipated bid opening date on October 23. Construction is expected to begin in early-2019 after Board approval. This project is marked "red" in the CAP, signifying a delay of more than three months.

Segment: Sand Canyon Grade Separation





Contact: Rose Casey, Capital Projects • (714) 560-5729

Summary: The project separated the local street from railroad tracks in the City of Irvine by constructing an underpass for vehicular traffic. The westbound lanes were opened to traffic on June 12, 2014, and the eastbound lanes were opened to traffic on July 14, 2014. A road opening ceremony was held on August 11, 2014. The project is complete and construction acceptance was obtained from the City of Irvine on January 15, 2016. The project completed the one-year warranty period and no repairs were identified. The project closed out in mid-January 2017.



Segment: Tustin Metrolink Station Parking Structure

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: Also completed early on, this project provided additional parking at the Tustin Metrolink Station to meet increased requirements associated with the MSEP by constructing a new 4-story parking structure with approximately 735 spaces, plus on-site surface parking. The parking structure was opened to the public on September 22, 2011.

TRANSIT EXTENSIONS TO METROLINK -

In order to broaden the reach of Metrolink to other Orange County cities, communities, and activity centers, Project S includes a competitive program which allows cities to apply for funding to connect passengers to their final destination via transit extensions. There are currently two categories for this program: a fixed guideway program (street car) and a rubber tire transit program.

Project: OC Streetcar

- Status: Construction Contract Awarded, Kick-Off of Vehicle Manufacturing, Utility Relocation Work Ongoing
- Contact: Mary Shavalier, Rail (714) 560-5725

Summary: The OC Streetcar Project will serve the Santa Ana Regional Transportation Center through downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove. OCTA is serving as the lead agency for the project.

On July 9, 2018 the Board approved the OC Streetcar revised funding plan that includes up to \$108.41 million in additional Measure M2 Transit Extensions to Metrolink (Project S) program funding, contingent on construction contract award. The overall project cost was increased to \$407.76 million.

On July 23, 2018 the Board authorized the Chief Executive Officer to negotiate and execute Agreement No. C-8-1622 between OCTA and Sandwood Enterprises, Inc., the lowest responsive, responsible bidder, for demolition and clearance services for the OC Streetcar project in the City of Santa Ana – Maintenance and Storage facility Residential Property. On September 24, 2018 the Board authorized the Chief Executive Officer to negotiate and execute Agreement No. C-7-1904 between OCTA and Walsh Construction Company, the lowest responsive, responsible bidder, in the amount of \$220,538,649, for construction of the Project.

OCTA staff and Siemens Industries Inc, held the Vehicle kick-off meeting on September 5, 2018 in Sacramento and began coordination of key project submittals such as the document control process, master schedule and the vehicle design. Outreach was conducted to seek feedback from the public on the vehicle design options that



PROJECT S



were reviewed by the Board in August.

Work continues to progress on other key OC Streetcar activities, including final possession of remaining required ROW, coordination with third parties on utility relocation, finalizing the California Public Utilities Commission safety approvals for the OC Streetcar's grade crossings certification, finalizing the scope of services for the operations and maintenance request for proposals, and continued coordination with the FTA on the status of the FFGA which is anticipated in November 2018.

Project: Bus and Station Van Extension Projects

Status: Service Ongoing for Anaheim Canyon Metrolink Bus Connection

Contact: Joseph Alcock, Planning • (714) 560-5372

Summary: Bus and Station Van Extension projects help enhance the frequency of service in the Metrolink corridor by linking communities within the central core of Orange County to commuter rail. To date, the Board has approved one round of funding for bus and van extension projects, totaling over \$730,000. One project located within the City of Anaheim and three proposals within the City of Lake Forest were approved for funding by the Board on July 23, 2012. Currently, the Anaheim project is in service and the Lake Forest Projects have been canceled. The Anaheim Canyon Metrolink Station Bus Connection began service in February 2013 and is anticipated to continue providing service between the station and the Anaheim Resort area through 2020.

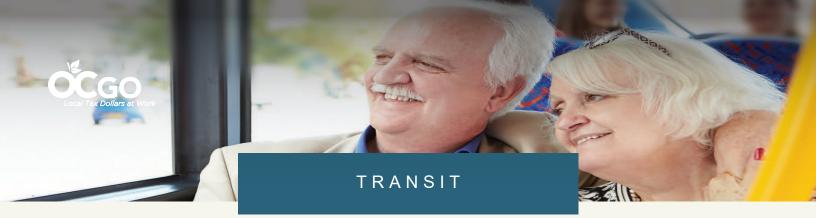
METROLINK GATEWAYS -

Status: PROJECT COMPLETE



Contact: Jennifer Bergener, Rail • (714) 560-5462

Summary: This project constructed the Anaheim Regional Transportation Intermodal Center (ARTIC) located at 2626 East Katella Avenue in the City of Anaheim. In addition to providing transit connections for OCTA bus service, Metrolink and Amtrak service, shuttle and charter bus service, taxis, bikes, and other public and private transportation services, ARTIC also accommodates future high-speed rail trains. The City of Anaheim, which led the construction effort, opened the facility to rail and bus service on December 6, 2014. A ribbon-cutting ceremony was held on December 8, 2014, with a grand opening celebration hosted on December 13, 2014. This facility replaced the former Anaheim Station that was located on the opposite side of the freeway in the Angel Stadium parking lot.



EXPAND MOBILITY CHOICES FOR SENIORS AND PERSONS WITH DISABILITIES -

Project U expands mobility choices for seniors and persons with disabilities, and includes the SMP, the SNEMT Program, and the Fare Stabilization Program. Since inception, approximately \$60.6 million in Project U funding has been provided under M2.

PROJECT U

Project: Senior Mobility Program

Status: Ongoing

Contact: Beth McCormick, Transit • (714) 560-5964

Summary: This program provides one percent of net M2 revenues to continue and expand local community transportation service for seniors under the SMP. According to the SMP Funding and Policy Guidelines, M2 revenue is allocated to local jurisdictions proportionally, relative to the total county's senior population, by the residents age 60 and above multiplied b available revenues. Remaining unallocated funds are distributed to the M2 Project U Fare Stabilization Program.

Since inception, more than \$17.9 million and 2,030,000 boardings have been provided for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This quarter, approximately \$463,000 was paid³ out to the 31 participating cities during the months of September. Additionally, this quarter, staff prepared revised guidelines for the program, which are scheduled to go to the Board for approval in November 2018.

Project: Senior Non-emergency Medical Transportation Program

Status: Ongoing

Contact: Beth McCormick, Transit • (714) 560-5964

Summary: This program provides one percent of net M2 revenues to supplement existing county-wide senior non-emergency medical transportation services. Since inception, more than \$19.5 million and 764,000 SNEMT boardings have been provided. This quarter, approximately \$489,000 in SNEMT funding was paid³ to the County of Orange in the months of September.

Project: Fare Stabilization Program

Status: Ongoing

Contact: Sean Murdock, Finance • (714) 560-5685

Summary: Between years 2011-2015, one percent of net M2 revenues was dedicated to stabilize fares and provide fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Effective January 28, 2016, an amendment to the M2 Ordinance No. 3, adjusted this amount to 1.47 percent of



net M2 revenues to be dedicated to the Fare Stabilization Program.

Approximately \$718,000³ in revenue was allocated this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. During the quarter, based on 3,400,000 program-related boardings recorded on fixed route and ACCESS services, approximately \$887,000 was utilized. Since inception of the program, more than \$23 million and 99 million program-related boardings have been provided.

COMMUNITY BASED TRANSIT/CIRCULATORS -

Status: Service Updates

Contact: Joseph Alcock, Planning • (714) 560-5372

Summary: This program provides funding for local jurisdictions to develop local bus transit services such as community-based circulators and shuttles that complement regional bus and rail services and meet needs in areas not adequately served by regional transit. On June 24, 2013, the Board approved the first round of funding for \$9.8 million to fund six projects. Funding was approved to implement vanpool services from local employment centers to transportation hubs, special event and seasonal services that operate during heavy traffic periods, and local community circulators that carry passengers between various shopping, medical, and transportation-related centers. On June 13, 2016 the Board approved the second round of Project V funding in the amount of \$26.7 million for 17 transit projects and \$323,780 for seven planning studies. On June 25, 2018 the Board awarded \$5.2 million to fund five Community-Based Transit Circulators Projects. Additionally, the Board awarded \$1.6 million for a sixth project in the City of San Clemente, contingent on submittal of ridership and usage documentation meeting OCTA's minimum performance requirements, prior to August 2018. To date, OCTA has not received complete documentation. Therefore, this funding is not authorized.

OCTA receives ridership reports from local agencies on a regular basis to monitor the success of these services against performance measures adopted by the Board. Staff will continue to monitor these services to ensure that performance standards are met. The most recent Project V Ridership report was presented to the Transit Committee on July 12, 2018 and Board on July 23, 2018.

Out of the projects programmed by OCTA: 19 are currently active; 3 have been canceled (due to low ridership); and 1 is anticipated to be canceled during the September Semi-Annual Review process. Consequently, most of these services were generally meeting their required performance standards. The next Project V Ridership report is scheduled for January 2019. Lessons learned from the success of implemented services are incorporated into recommendations for future funding guidelines and programming recommendations.

³Payments are made every other month (January, March, May, July, September, and November). July payments are based on June accruals, and therefore counted as June payments. The amount totaled for one fiscal year quarter either covers one or two payments, depending on the months that fall within that quarter.



SAFE TRANSIT STOPS -

PROJECT W

Status: City-Initiated Improvements Underway or Complete; Mobile Ticketing Underway

Contact: Joseph Alcock, Planning • (714) 560-5372

Summary: This program provides funding for passenger amenities at the 100 busiest transit stops across the County. Stop improvements are designed to ease transfers between bus lines and provide passenger amenities such as improved shelters and lighting.

To date, the Board has approved up to \$1,205,666 to support 51 city-initiated improvements and \$370,000 for OCTA-initiated improvements. The City of Anaheim postponed development of eight stops. Of the remaining 43 stops, 14 stops have been completed and the remaining 29 stop improvements are currently in the project closeout process. Closeout of all projects allocated in 2014 is anticipated to occur by the end of 2018.

For OCTA-initiated improvements funds were initially programmed for the Text for Next Program and were ultimately reallocated to support OCTA's mobile ticketing application.

In October 2018, the Board is anticipated to authorize a second Project W allocation process; providing up to \$3.0 million (in total) to eligible agencies to make bus stop amenity improvements including installation of bus benches or seating, shelters, lighting, and other passenger related amenities. Eligible agencies (including OCTA) may potentially qualify to receive between \$20,000 to 35,000 (per eligible bus stop) in order to make passenger amenity improvements. Final funding recommendations are anticipated to be presented to the Board in the early 2019.



CLEAN UP HIGHWAY AND STREET RUNOFF THAT POLLUTES BEACHES -

Project: Environmental Cleanup Program

Status: Ongoing

Contact: Dan Phu, Planning • (714) 560-5907

Summary: This program implements street and highway-related water quality improvement programs and projects that assist agencies countywide with federal Clean Water Act standards for urban runoff. It is intended to augment, not replace existing transportation-related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. The ECAC is charged with making recommendations to the Board on the allocation of funds for the ECP. These funds are allocated on a countywide, competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution.

Project X is composed of a two-tiered funding process focusing on early priorities (Tier 1), and a second program designed to prepare for more comprehensive capital investments (Tier 2). To date, there have been eight rounds of funding under the Tier 1 grants program. A total of 166 projects, amounting to approximately \$22.5 million, have been awarded by the Board since 2011. There have been two rounds of funding under the Tier 2 grants program. A total of \$27.89 million have been awarded by the Board since 2013. To date, all Orange County cities plus the County of Orange have received funding under this program. The next Tier 1 call for projects is anticipated in spring 2019 with in the amount of approximately \$2.8 million.

Staff estimates that over 6.2 million cubic feet of trash has been captured as a result of the installation of Tier 1 devices since the inception of the Tier 1 Program in 2011. This is equivalent to over 2,600 forty-foot shipping containers. Over time, the volume of trash captured is expected to increase. It is estimated that the funded Tier 2 projects, once fully functional, will have an annual groundwater recharge potential of approximately 157 million gallons of water from infiltration or through pumped and treated recharge facilities.

Staff continues to work with the ECAC and the County of Orange to recommend the appropriate timing for the next Tier 2 Call for Projects.

PROJECT X



FREEWAY MITIGATION -

Project: Environmental Mitigation Program

Status: Biological Permits Issued and Conservation Plan in Place

Contact: Dan Phu, Planning • (714) 560-5907

Summary: In June 2017, the United States Fish and Wildlife Service, and the California Department of Fish and Wildlife (Wildlife Agencies) finalized the issuance of their respective biological opinion, findings, and associated permits, as well as signed the Conservation Plan Implementing Agreement. Receipt of these permits represent the culmination of years of collaboration and support by the Board, environmental community, and Wildlife Agencies. As a result, the environmental process will be streamlined allowing OCTA to move forward with the M2 freeway projects (as described in the Conservation Plan) with little additional coordination from the Wildlife Agencies. The OCTA Conservation Plan is unique as it is only the second state/federal conservation plan approved in Orange County.

The Conservation Plan also includes a streamlined process for coordination for streambed alteration agreements for portions of freeway projects that cross through streams and riverbeds. In 2017, the United States Army Corps of Engineers (Corps) issued a programmatic permit to OCTA and Caltrans (as owner/operator of the state highway system). The State Board provided a letter to OCTA in 2018, which further secured assurances related to advanced mitigation and freeway project permit issuance. These efforts are the result of years of collaboration between OCTA, the Corps, and State Board, and constitute another groundbreaking milestone for the M2 Environmental Mitigation Program.

The program is proceeding as planned, with seven properties (Preserves) acquired (1,300 acres), and 12 restoration projects approved for funding by the Board, totaling approximately 350 acres. The restoration project plans have been approved by the wildlife agencies and are currently at various stages of implementation. The Board authorized \$42 million (inclusive of setting aside funds for long-term land management) for property acquisitions, \$10.5 million to fund habitat restoration activities, and \$2.5 million for conservation plan development and program support, for a total of approximately \$55 million.

As part of the Conservation Plan requirement, an endowment has been established to pay for the long-term management of the Preserves. It is estimated that it will take approximately 12 years to fully fund the endowment with deposits annually. The third and most recent deposit was made in August 2018. Staff will continue to oversee and provide endowment updates to the Finance and Administration and the Environmental Oversight Committee (EOC) on a regular basis.

The final two resource management plans (RMPs) for the Preserves were completed and finalized in September 2018. These RMPs guide the management of the Preserves as outlined within the Conservation Plan. Staff will continue to oversee and manage the Preserves until a long-term manager(s) is established.

In consultation with the local fire authority, staff has begun to work with a consultant to draft fire management plans (Plans) for the seven Preserves. The Plans will provide guidelines for decision-making at all stages including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible



ENVIRONMENTAL

with conservation and stewardship responsibilities. These Plans are a requirement of the Conservation Plan and will require approval by the Wildlife Agencies. The Plans are anticipated to be complete in 2020.

To date, multiple freeway projects have utilized the Conservation Plan and/or the Clean Water Act streamlined permitting process. The following projects are either in or near construction and were able to benefit from these mechanisms: Project K (Interstate 405 Improvement Project from State Route 73 to the Los Angeles County line), Project C (Interstate 5 Improvement Project from State Route 73 to El Toro Road), and Project M (Interstate 605 and Katella Interchange Project). If these mechanisms were not in place, it is anticipated that these projects would incur an additional \$700,000 to \$2.5 million in mitigation related costs and unknown schedule risks. Furthermore, a strong partnership has been forged through collaboration with the environmental community.

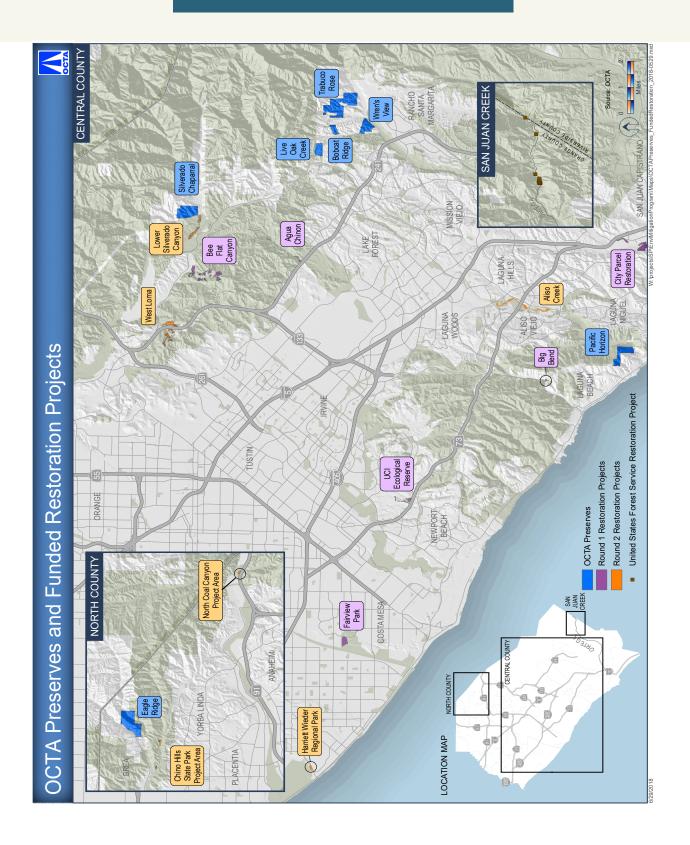
OCTA provides docent led hikes and equestrian rides in the Preserves. A list of scheduled 2018 wilderness Preserve tours is available on the M2 website at <u>www.PreservingOurLegacy.org</u>.

As part of the safeguards in place for the M2 Program, a 12-member EOC makes recommendations on the allocation of environmental freeway mitigation funds and monitors the implementation of the Conservation Plan between OCTA and state and federal Wildlife Agencies. The EOC has led efforts with policy recommendations to the Board and has operated in an open and transparent manner that has garnered the trust of stakeholders, ranging from the environmental community to the recreational community to Orange County citizens.

See map of Preserves and funded restoration properties on the following page.



ENVIRONMENTAL





PROGRAM MANAGEMENT OFFICE -

Contact: Tami Warren, PMO Manager • (714) 560-5590

The M2 PMO provides inter-divisional coordination for all M-related projects and programs. To ensure agencywide compliance, the PMO holds a bi-monthly committee meeting comprised of executive directors and key staff from each of the divisions, who meet to review significant issues and activities within the M2 programs. This quarter, the focus of the PMO has been on several major items, including the following.

Market Conditions Forecast and Risk Analysis

In September 2017, the Board was presented with a Next 10 Market Conditions Forecast and Risk Analysis Report conducted by Dr. Wallace Walrod and Dr. Marlon Boarnet. The consultant's analysis identified a strong potential for OCTA to experience an increasing cost environment during the Next 10 delivery years. This, coupled with a reduction in revenue, could present the potential for significant challenges in the delivery of M2 and Next 10.

Given this analysis, the Board directed staff to continue to work with the consultant to monitor and track key early warning indicators and provide the Board with updates in a timeline consistent with updates on the M2 sales tax revenue forecast. The scope includes providing presentations on a summary of findings from the monitoring effort to the Board bi-annually and, if noteworthy, more frequent updates will be provided through these M2 quarterly progress reports. With a rapidly changing construction market, staff looked to our contracted local economists for insights to better anticipate cost implications to our freeway program delivery. The consultant team analyzed annual trends in material costs, labor costs, and general economic conditions to determine a range of potential cost impacts and a presentation was provided at the Board meeting on September 10, 2018.

Next 10 Delivery Plan

On November 14, 2016, the Board adopted the Next 10 Delivery Plan providing staff guidance on the delivery of M2 projects and programs between 2017 and 2026. The PMO monitors the progress on the ten deliverables identified in the Plan and reports on them in this report. See pages 3-6 for status on deliverables.

Annually, OCTA reviews the M2 program assumptions and updates the cash flows as needed based on changes to the revenue forecast. In July 2018, the Board received a preliminary revised M2 sales tax revenue forecast of \$13.1 billion, which was \$400 million lower than the previous year. As a result of a lower revenue forecast and the potential of higher costs in the near term as it relates to freeway delivery, staff prepared an updated 2018 Next 10 Plan, which incorporated protections into the cash flow. During the cash flow update, staff developed and analyzed two scenarios: one with current programmed commitments, which assumed current law with SB 1 (Chapter 5, Statutes of 2017) in place, and a second scenario in the event of a repeal. The result of this effort demonstrated a delivery plan that remains solvent. The Next 10 Plan provides staff guidance on M2 delivery through 2026 and the deliverables remain virtually the same as originally adopted in 2016 with a few minor exceptions.



The updated 2018 Next 10 Plan was approved by the Board at the September 10, 2018 meeting. On November 6, 2018, California voters rejected the gas tax repeal, preserving SB 1 which stabilizes state external revenue and provides for reduced risk to the Next 10 deliverables.

M2 Performance Assessment

The M2 ordinance includes a requirement for a performance assessment to be conducted at least once every three years to evaluate OCTA's efficiency and effectiveness in delivery of M2 as promised to the voters. Three prior performance assessments have been completed covering fiscal years FY 2006-07 through FY 2008-09, FY 2009-10 through FY 2011-12, and FY 2012-13 through FY 2014-15. Findings and recommendations from assessments are presented to the Board and recommendations are implemented as appropriate. A fourth assessment began in July 2018 and covers the period between July 1, 2015 and June 30, 2018. During this quarter, the consultant, Sjoberg Evashenk Consulting, held a kick off meeting, began interviews with staff and external stakeholders, and started reviewing M2 related documents. Initial findings will be presented to staff in early 2019 and a final report is anticipated to be brought to the Board in spring 2019.

M2 Administrative Safeguards

M2 includes a one percent cap on administrative expenses for salaries and benefits of OCTA administrative staff on an annual basis. In a legal opinion on M2, it was determined that in years where administrative salaries and benefits are above one percent, only one percent can be allocated with the difference borrowed from other, non-M2 fund sources. Conversely, in years where administrative salaries and benefits are below one percent, OCTA can still allocate the full one percent for administrative salaries and benefits but may use the unused portion to repay the amount borrowed from prior years in which administrative salaries and benefits were above one percent.

Based on the original M2 revenue projections, OCTA expected to receive \$24.3 billion in M2 funds, with one percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined (currently \$13.1 billion or 46 percent lower) as a result of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the Early Action Plan (EAP) in 2007 required administrative functions four years prior to revenue collection. While the EAP resulted in project savings and significant acceleration of the program, administrative functions were required during this time with associated administrative costs.

As a result of the aforementioned factors, OCTA has incurred higher than one percent administrative costs. OCTA currently has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the one percent, with the understanding that those funds will be repaid with interest in future years that OCTA administrative costs fall below the one percent cap. As of June 30, 2012, OCTA had borrowed approximately \$5.2 million from OCUTT. Over the last few years, OCTA has experienced under-runs

PROGRAM MANAGEMENT

in the one percent administration cap and has made payments to OCUTT to reduce the outstanding balance. As of the most recent September 2018 Taxpayer Oversight Committee Report, the outstanding balance was \$1.3 million.

Staff meets quarterly to review all labor costs to ensure proper cost allocation under M2. After the quarter ended, staff met on July 18, 2018 to review labor reports for this quarter to ensure costs attributed to the one percent cap were accurately reported and there were no misplaced project related costs, as well as to ensure project costs were applied to the correct projects. Staff will meet again on October 17, 2018 to conduct this quarterly review.

Taxpayer Oversight Committee

101-00

The M2 Ordinance requires a Taxpayer Oversight Committee (TOC) oversee the implementation of the M2 plan and ensure compliance with all requirements of Measure M2 Ordinance No. 3. With the exception of the elected Auditor/Controller of Orange County who is identified as the chair in the Ordinance, all other members are not elected or appointed officials. Members are recruited and screened for expertise and experience independently by the Orange County Grand Jurors Association, and are selected from the qualified pool by lottery. The TOC meets every other month. The TOC upholds the integrity of the measure by monitoring the use of M2 funds and ensuring compliance. The responsibilities of the 11-member Measure M2 TOC are to:

•Ensure all transportation revenue collected from M2 is spent on the projects approved by the voters as part of the plan

•Ratify any changes in the plan and recommend any major changes go back to the voters for approval

•Participate in ensuring that all jurisdictions in Orange County conform with the requirements of M2 before receipt of any tax monies for local projects

•Hold annual public meetings regarding the expenditure and status of funds generated by M2

•Review independent audits of issues regarding the plan and performance of the Orange County local Transportation Authority regarding the expenditure of M2 sales tax monies

•Annually certify whether M2 funds have been spent in compliance with the plan.

The TOC met on August 14, 2018 to elect a new Co-Chair and hear presentations on the OC Streetcar Project, Measure M2 Project V Community Based Transit Circulators, and the Measure M2 Sales Tax Forecast. OCTA staff also provided updates on the Interstate 405 Improvement Project and the M2 Triennial Performance Assessment.

The TOC also met on October 9, 2018 to review the Annual Eligibility Review Subcommittee Report for the fiscal year of 2018-2019. The subcommittee recommended that the TOC affirm ordinance compliance regarding Pavement Management Plans for applicable jurisdictions, and find 35 local jurisdictions conditionally eligible to receive Measure M2 net revenues for fiscal year 2018-19. In addition they advised that the TOC direct OCTA



staff to send a letter to the City of Fullerton to acknowledge the improvement of their Pavement Condition Index. The committee also received a presentation on the Measure M2 Next 10 Plan Market Conditions Key Indicators Forecast and Delivery Plan. Staff updates included topics such as the OC Streetcar, M2 Triennial Performance Assessment Update, and I-405 Improvement project.

Two subcommittees assist the TOC with their safeguard responsibilities: the Annual Eligibility Review (AER) Subcommittee and the Audit Subcommittee. The AER Subcommittee meets a few times per year, as needed, to ensure local jurisdictions have submitted the following documents in order to be deemed eligible to receive M2 funding: Congestion Management Program, Mitigation Fee Program, Local Traffic Signal Synchronization Plan, Pavement Management Plan, and an Expenditure Report. The Audit Subcommittee meets bi-monthly and is responsible for reviewing the quarterly M2 Revenue and Expenditure Reports and the Annual M2 Audit, as well as any other items related to M2 audits.

M2 FINANCING AND SCHEDULE OF FUNDING -

Contact: Sam Kaur, Revenue and Grants • (714) 560-5685

Revenue Forecast and Collection

OCTA contracts with three universities (Chapman University; University of California, Los Angeles; and California State University, Fullerton) to provide a long-range forecast of taxable sales to forecast M2 revenues for purposes of planning projects and program expenditures. In the past, OCTA has taken an average of the three university taxable sales projections to develop a long-range forecast of M2 taxable sales. On March 28, 2016, as part of the FY 2016-17 budget development process, the Board approved a new sales tax forecast methodology. This methodology includes a more conservative approach by utilizing a five-year forecast from MuniServices, Inc. Historically, MuniServices, Inc. has been more conservative than the three universities over the first five years of M2 revenue collection (2011-2016).

Revenue forecast information is updated quarterly based on the actual revenues received for the previous quarter. As required by law, OCTA pays the California Department of Tax and Fee Administration (CDTFA) a fee to collect the sales tax. The M2 Ordinance estimated this fee to be 1.5 percent of the revenues collected over the life of the program.

Current Forecast

Based on long term forecasts received in July 2018 and methodology used (see the discussion below on CDTFA) to estimate the true up amount in September 2018, OCTA staff forecasts total nominal sales tax collections over the life of M2 to be approximately \$13.1 billion. Original projections in 2005 during the development of M2 estimated total nominal M2 sales tax collections at \$24.3 billion. Based on the current estimated forecast of \$13.1 billion, sales tax revenue will run approximately \$11.2 billion (46 percent) less than the original 2005 projection.



Final sales tax receipts through September 2018 will be received in future and growth rate for the quarter will be reflected accordingly. It is important to note that, this year the CDTFA changed the methodology of sales tax distribution. In addition, CDTFA encountered problems to process returns with their newly implemented system. As a result, OCTA did not receive the balance of the FY 2018 sales tax receipts with the September payment OCTA has worked with MuniServices to estimate sales tax receipts for FY 2018. MuniServices conducted an analysis which estimated the amount of M2 tax payments due to OCTA for FY 2018. Based on MuniServices analysis, OCTA is missing approximately \$15.9 million in M2 sales tax receipts for FY 2018. Based on this information, the estimated growth rate for the FY is 4.1 percent and the total annual sales tax receipts would be \$321 million. The forecasted amount of sales tax to support the M2 Program remains at \$13.1 billion, as reported to the Board in July.



Schedule of Revenues, Expenditures and Changes in Fund Balance as of September 30, 2018 (Unaudited) Schedule 1

(\$ in thousands)		Quarter Ended Sept 30, 2018	Year to Date Sept 30, 2018	Period from Inception to Sept 30, 2018
			(A)	(B)
Revenues:				
Sales taxes	\$	81,593	\$ 81,593	\$ 2,156,656
Other agencies' share of Measure M2 costs:				
Project related		889	889	625,199
Non-project related		-	-	454
Interest: Operating:				
Project related		163	163	755
Non-project related		2.143	2,143	25,255
Bond proceeds		898	898	52,216
Debt service		65	65	372
Commercial paper		-	-	393
Capital grants		-	-	-
Right-of-way leases		3	3	914
Proceeds on sale of assets held for resale		-	-	12,201
Donated assets held for resale		371	371	2,442
Miscellaneous:				
Project related		-	-	270
Non-project related		-		100
Total revenues		86,125	86,125	2,877,227
Expenditures: Supplies and services:				
State Board of Equalization (SBOE) fees		904	904	22 222
Professional services:		904	904	23,723
Project related		1,119	1,119	346,229
Non-project related		815	815	22,816
Administration costs:		010	010	22,010
Project related		2,432	2,432	65,613
Non-project related:		_,	_,	,
Salaries and Benefits		633	633	23,166
Other		1,284	1,284	37,997
Other:				
Project related		16	16	4,957
_ Non-project related		-	-	4,007
Payments to local agencies:				
Project related		16,166	16,166	854,100
Capital outlay:		5 000	5 000	004 005
Project related		5,293	5,293	861,995
Non-project related		-	-	31
Debt service: Principal payments on long-term debt				42,335
Interest on long-term debt and		-	-	42,555
commercial paper		10,327	10,327	168,265
		10,021	10,021	100,200
Total expenditures		38,989	38,989	2,455,234
Evenes (deficiency) of revenues				
Excess (deficiency) of revenues over (under) expenditures		47,136	47,136	421,993
		,	,	
Other financing sources (uses):				
Transfers out:		(2.050)	(0.050)	(44 457)
Project related Transfers in:		(2,850)	(2,850)	(41,457)
Project related				00 TOO
Non-project related		-	-	82,700
Bond proceeds		-	-	358,593
p				
Total other financian according to the second		(0.050)	(0.050)	000 000
Total other financing sources (uses)		(2,850)	(2,850)	399,836
Excess (deficiency) of revenues over (under)				
expenditures and other sources (uses)	\$	44,286	\$ 44,286	\$ 821,829
	¥	11,200	÷ 11,200	- 321,020



										30116
						Period from		Period from		
						Inception	(October 1, 2018		
	Qı	arter Ended	Y	ear to Date		through		through		
	Se	ept 30, 2018	Se	ept 30, 2018	5	Sept 30, 2018	- 1	March 31, 2041		
(\$ in thousands)		(actual)		(actual)		(actual)		(forecast)		Total
(**************************************		()		(C.1)		(D.1)		(E.1)		(F.1)
Revenues:				()		(=)		(=)		()
Sales taxes	\$	81,593	\$	81,593	\$	2,156,656	\$	10,905,020	\$	13,061,676
Operating interest		2,143		2,143		25,255		141,224		166,479
Subtotal		83,736		83,736		2,181,911		11,046,244	_	13,228,155
Other agencies share of M2 costs		-		-		454		-		454
Miscellaneous		-		-		100		-		100
Total revenues		83,736		83,736		2,182,465		11,046,244		13,228,709
Administrative expenditures:										
SBOE fees		904		904		23,723		122,922		146,645
Professional services		815		815		19,040		85,399		104,439
Administration costs:										
Salaries and Benefits		633		633		23,166		109,033		132,199
Other		1,284		1,284		37,997		178,620		216,617
Other		-		-		4,007		19,962		23,969
Capital outlay		-		-		31		-		31
Environmental cleanup		105		105		34,852		218,065		252,917
Total expenditures		3,741		3,741		142,816		734,000		876,816
Net revenues	\$	79,995	\$	79,995	\$	2,039,649	\$	10,312,244	\$	12,351,893
				(C.2)		(D.2)		(E.2)		(F.2)
Bond revenues:										
Proceeds from issuance of bonds	\$	-	\$	-	\$	358,593	\$	1,687,500	\$	2,046,093
Interest revenue from bond proceeds		898		898		52,216		10,170		62,386
Interest revenue from debt service funds		65		65		372		4,714		5,086
Interest revenue from commercial paper		-		-		393		-		393
Total bond revenues		963		963		411,574		1,702,384		2,113,958
Financing expenditures and uses:										
Professional services		-		-		3,776		5,906		9,682
Bond debt principal		-		-		42,335		2,059,739		2,102,074
Bond debt and other interest expense		10,327		10,327		168,265		791,468		959,733
Total financing expenditures and uses		10,327		10,327		214,376		2,857,113		3,071,489
Total interiority experiorities and uses		10,327		10,327		214,370		2,007,113		3,071,409
Net bond revenues (debt service)	\$	(9,364)	\$	(9,364)	\$	197,198	\$	(1,154,729)	\$	(957,531)



Schedule of Revenues, Expenditures and Changes in Fund Balance as of September 30, 2018 (Unaudited) Schedule 3

Project	Description (G) (\$ in thousands) Freeways (43% of Net Revenue	es)	Net Revenues through Sept 30, 2018 <i>(H)</i>		Total Net Revenues <i>(I)</i>
А	I-5 Santa Ana Freeway Interchange Improvements	\$	80,393	\$	486,851
В	I-5 Santa Ana/SR-55 to El Toro		51,349		310,963
С	I-5 San Diego/South of El Toro		107,251		649,481
D	I-5 Santa Ana/San Diego Interchange Upgrades		44,131		267,250
Е	SR-22 Garden Grove Freeway Access Improvemen	nts	20,526		124,302
F	SR-55 Costa Mesa Freeway Improvements		62,604		379,123
G	SR-57 Orange Freeway Improvements		44,250		267,975
Н	SR-91 Improvements from I-5 to SR-57		23,947		145,020
I	SR-91 Improvements from SR-57 to SR-55		71,242		431,433
J	SR-91 Improvements from SR-55 to County Line		60,243		364,828
K	I-405 Improvements between I-605 to SR-55		183,501		1,111,264
L	I-405 Improvements between SR-55 to I-5		54,684		331,163
Μ	I-605 Freeway Access Improvements		3,421		20,717
Ν	All Freeway Service Patrol		25,657		155,378
	Freeway Mitigation		43,852		265,566
	Subtotal Projects		877,051		5,311,314
	Net (Bond Revenue)/Debt Service		-		-
	Total Freeways %	\$	877,051	\$	5,311,314
	Street and Roads Projects (32% of Net	Re	venues)		
0	Regional Capacity Program	\$	203,967	\$	1,235,205
Р	Regional Traffic Signal Synchronization Program	-	81,583	-	494,060
Q	Local Fair Share Program		367,137		2,223,341
	Subtotal Projects		652,687		3,952,606

 Net (Bond Revenue)/Debt Service

 Total Street and Roads Projects
 \$ 652,687
 \$ 3,952,606

 %
 \$
 \$ 3,952,606



	Expenditures through Sept 30, 2018 <i>(J)</i>		imbursements through ept 30, 2018 <i>(K)</i>	5	Net M2 Cost (L)
\$	6,497	\$	2,322	\$	4,175
Ψ	9,023	Ψ	5,706	Ψ	3,317
	121,924		45,331		76,593
	1,951		40,001 527		1,424
	4		-		4
	15,367		3,409		11,958
	49,592		11,812		37,780
	34,710		824		33,886
	21,513		5,410		16,103
	6,934		5,294		1,640
	336,711		28,063		308,648
	8,910		6,496		2,414
	2,007		16		1,991
	2,305		-		2,305
	51,782		2,639		49,143
	669,230		117,849		551,381
	43,581		-		43,581
					,
\$	712,811	\$	117,849	\$	594,962
					38.8%
\$	713,475	\$	438,363	\$	275,112
	49,148		4,984		44,164
	352,777		77		352,700
	1 115 100		442 404		674 070
	1,115,400		443,424		671,976
	48,407		-		48,407
\$	1,163,807	\$	443,424	\$	720,383
- T	,,		-,	<u> </u>	46.9%



Project	Description		Net Revenues through Sept 30, 2018		Total Net Revenues					
R S T	High Frequency Metrolink Service Transit Extensions to Metrolink Metrolink Gateways	\$	190,836 180,054 28,780	\$	1,231,918 1,090,386 63,133					
U	Expand Mobility Choices for Seniors and Persons with Disabilities		64,958		428,304					
V W	Community Based Transit/Circulators Safe Transit Stops		40,782 4,501		246,972 27,260					
	Subtotal Projects Net (Bond Revenue)/Debt Service		509,911 -		3,087,973 -					
	Total Transit Projects %	\$	509,911	\$	3,087,973					
	Measure M2 Program	\$	2,039,649	\$	12,351,893					
	Environmental Cleanup (2% of Re	venu	ies)							
х	Clean Up Highway and Street Runoff that Pollutes Beaches	\$	43,638	\$	264,563					
	Net (Bond Revenue)/Debt Service		-		-					
	Total Environmental Cleanup %	\$	43,638	\$	264,563					
	Taxpayer Safeguards and Audits									
	Collect Sales Taxes (1.5% of Sales Taxes) %	\$	32,350	\$	195,925					
	Oversight and Annual Audits (1% of Revenues) %	\$	21,819	\$	132,282					



 Expenditures through Sept 30, 2018	Reimbursement through Sept 30, 2018	ts	Net M2 Cost
\$ 167,576 20,740 98,221	\$ 98,879 2,133 60,956	\$	68,697 18,607 37,265
 62,253 5,803 276	 88 462 26		62,165 5,341 250
 354,869 27,072	 162,544 -		192,325 27,072
\$ 381,941	\$ 162,544	\$	219,397 14.3%
\$ 2,258,559	\$ 723,817	\$	1,534,742
\$ 34,852	\$ 292	\$	34,560
 _	 -		-
\$ 34,852	\$ 292	\$	34,560 1.6%
\$ 23,723	\$ 	\$	23,723 1.1%
\$ 23,166	\$ 1,347	\$	21,819 1.0%



M2 Funds								
ENTITY	1st Quarter FY 2018-19	FUNDS TO DATE						
ALISO VIEJO	\$111,741	\$4,377,889						
ANAHEIM	\$957,762	\$38,081,938						
BREA	\$156,160	\$6,331,550						
BUENA PARK	\$232,966	\$9,973,291						
COSTA MESA	\$405,181	\$16,029,422						
CYPRESS	\$140,544	\$5,872,097						
DANA POINT	\$94,291	\$3,640,478						
FOUNTAIN VALLEY	\$167,604	\$6,880,163						
FULLERTON	\$356,860	\$14,374,242						
GARDEN GROVE	\$404,998	\$16,459,066						
HUNTINGTON BEACH	\$535,030	\$21,444,133						
IRVINE	\$775,322	\$29,488,101						
LAGUNA BEACH	\$70,300	\$2,819,974						
LAGUNA HILLS	\$93,476	\$3,769,171						
LAGUNA NIGUEL	\$178,760	\$7,391,830						
LAGUNA WOODS	\$34,451	\$1,413,812						
LA HABRA	\$142,230	\$5,827,944						
LAKE FOREST	\$219,548	\$8,710,487						

IN COCAL FAIR SHARE

M2 Funds								
ENTITY	1st Quarter	FUNDS TO DATE						
LINITI	FY 2018-19	TONDS TO DATE						
LA PALMA	\$41,441	\$1,858,043						
LOS ALAMITOS	\$35,698	\$1,433,486						
MISSION VIEJO	\$253,693	\$10,362,255						
NEWPORT BEACH	\$303,000	\$12,139,237						
ORANGE	\$453,910	\$18,195,653						
PLACENTIA	\$130,962	\$5,254,709						
RANCHO SANTA MARGARITA	\$116,078	\$4,686,104						
SAN CLEMENTE	\$156,540	\$6,188,502						
SAN JUAN CAPISTRANO	\$103,053	\$4,189,009						
SANTA ANA	\$764,129	\$30,746,061						
SEAL BEACH	\$66,853	\$2,793,038						
STANTON	\$81,001	\$3,323,007						
TUSTIN	\$247,388	\$9,854,546						
VILLA PARK	\$14,305	\$577,367						
WESTMINSTER	\$236,390	\$9,463,029						
YORBA LINDA	\$165,616	\$6,629,343						
COUNTY UNINCORPORATED	\$550,534	\$20,573,810						
TOTAL M2 FUNDS	\$8,797,816	\$351,152,788						



CAPITAL ACTION PLAN

Grey = Milestone achieved Green = Forecast milestone meets or exceeds plan Yellow = Forecast milestone is one to three months later than plan Red = Forecast milestone is over three months later than plan Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Canital	Projects	Cost Baseline/	Dian/Earaged					
	Forecast (millions)	Begin Environmental	Begin Design	Begin Construction	Complete Construction			
Freeway Projects:								
I-5, SR-55 to SR-57		\$38.1	Jul-11	Jun-15	Dec-17	Feb-20		
Project A	Cost/Schedule Risk	\$41.6	Jun-11	Jun-15	Nov-18	Jan-21		
I-5, I-405 to SR-55		TBD	May-14	TBD	TBD	TBD		
Project B		TBD	May-14	TBD	TBD	TBD		
I-5, Pico to Vista Hermosa		\$113.0	Jun-09	Jun-11	Dec-14	Aug-18		
Project C		\$83.1	Jun-09	Jun-11	Dec-14	Aug-18		
I-5, Vista Hermosa to Pacific Coa	ast Highway	\$75.6	Jun-09	Jun-11	Dec-13	Mar-17		
Project C		\$71.5	Jun-09	Jun-11	Jun-14	Jul-17		
I-5, Pacific Coast Highway to Sar	n Juan Creek Road	\$70.7	Jun-09	Jun-11	Oct-13	Sep-16		
Project C	Cost/Schedule Risk	\$75.1	Jun-09	Jun-11	Dec-13	Jul-18		
I-5, SR-73 to Oso Parkway		\$151.9	Sep-11	Mar-15	Dec-18	Jan-24		
Project C & D	Cost/Schedule Risk	\$188.1	Oct-11	Mar-15	Nov-19	Dec-24		
I-5, Oso Parkway to Alicia Parkwa	ау	\$196.2	Sep-11	Nov-14	Jun-18	Feb-23		
Project C & D	Cost/Schedule Risk	\$188.6	Oct-11	Nov-14	Feb-19	Nov-23		
I-5, Alicia Parkway to El Toro Roa	ad	\$133.6	Sep-11	Mar-15	May-19	Jun-23		
Project C	Cost/Schedule Risk	\$164.2	Oct-11	Mar-15	Jun-20	Jun-24		
I-5, SR-73 to El Toro Road (Land	lscape)	TBD	N/A	TBD	TBD	TBD		
Project C		\$12.4	N/A	Jan-22	Jun-24	Dec-25		
I-5, I-5/Ortega Interchange		\$90.9	Sep-05	Jan-09	Aug-12	Sep-15		
Project D		\$75.2	Sep-05	Jan-09	Aug-12	Jan-16		

CAPITAL ACTION PLAN

Grey = Milestone achieved Green = Forecast milestone meets or exceeds plan Yellow = Forecast milestone is one to three months later than plan Red = Forecast milestone is over three months later than plan Non-bolded = Planned/Baseline **Bold = Forecasted/Actual**

Capital Projects	Cost Baseline/	Schedule Plan/Forecast					
	Forecast (millions) E		Begin Design	Begin Construction	Complete Construction		
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A		
Project D	N/A	N/A	Jan-14	Sep-15	Sep-16		
I-5, I-5/EI Toro Road Interchange	TBD	Apr-17	TBD	TBD	TBD		
Project D	TBD	Apr-17	TBD	TBD	TBD		
SR-55, I-405 to I-5	\$410.9	Feb-11	Sep-17	Jul-21	Aug-25		
Project F Cost/Schedule Risk	\$410.9	May-11	Sep-17	Jul-21	Aug-25		
SR-55, I-5 to SR-91	TBD	Dec-16	TBD	TBD	TBD		
Project F	TBD	Dec-16	TBD	TBD	TBD		
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	TBD	Apr-16	TBD	TBD	TBD		
Project G	TBD	Apr-16	TBD	TBD	TBD		
SR-57 (NB), Katella Avenue to Lincoln Avenue	\$78.7	Apr-08	Jul-08	Aug-11	Sep-14		
Project G	\$38.0	Apr-08	Aug-08	Oct-11	Apr-15		
SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape)	N/A	N/A	N/A	N/A	N/A		
Project G	N/A	N/A	May-09	Sep-17	Jun-18		
SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard	\$80.2	Aug-05	Feb-08	Oct-10	May-14		
Project G	\$52.3	Aug-05	Feb-08	Oct-10	Nov-14		
SR-57 (NB), Yorba Linda Boulevard to Lambert Road	\$79.3	Aug-05	Feb-08	Oct-10	Sep-14		
Project G	\$54.1	Aug-05	Feb-08	Oct-10	May-14		
SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape)	N/A	N/A	N/A	N/A	N/A		
Project G	N/A	N/A	Oct-14	Feb-18	Apr-19		

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CAPITAL ACTION PLAN

Grey = Milestone achieved Green = Forecast milestone meets or exceeds plan Yellow = Forecast milestone is one to three months later than plan Red = Forecast milestone is over three months later than plan Non-bolded = Planned/Baseline Bold = Forecasted/Actual

Capital Projects	Cost Baseline/	Dian/Earaget				
	Forecast (millions)	Begin Environmental	Begin Design	Begin Construction	Complete Construction	
SR-57 (NB), Lambert Road to Tonner Canyon	TBD	TBD	TBD	TBD	TBD	
Project G	TBD	Jul-20	TBD	TBD	TBD	
SR-91 Westbound (WB), I-5 to SR-57	\$78.1	Jul-07	Oct-09	Nov-12	Apr-16	
Project H	\$59.2	Jul-07	Mar-10	Jan-13	Jun-16	
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A	
Project H	N/A	N/A	Nov-14	Mar-17	Nov-17	
SR-91, SR-57 to SR-55	TBD	Jan-15	TBD	TBD	TBD	
Project I Cost/Schedule Risk	TBD	Jan-15	TBD	TBD	TBD	
SR-91 (WB), Tustin Interchange to SR-55	\$49.9	Jul-08	Jul-11	Oct-13	Jul-16	
Project I	\$42.6	Jul-08	Jun-11	Oct-13	Jul-16	
SR-91, SR-55 to SR-241	\$128.4	Jul-07	Jun-09	Sep-11	Dec-12	
Project J	\$79.7	Jul-07	Apr-09	May-11	Mar-13	
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A	
Project J	N/A	N/A	May-12	Oct-13	Feb-15	
SR-91 Eastbound, SR-241 to SR-71	\$104.5	Mar-05	Jul-07	Jul-09	Nov-10	
Project J	\$57.8	Mar-05	Jul-07	Aug-09	Jan-11	
I-405, I-5 to SR-55	TBD	Dec-14	TBD	TBD	TBD	
Project L	TBD	Dec-14	TBD	TBD	TBD	
I-405, SR-55 to I-605 (Design-Build)	\$1,900.0	Mar-09	Mar-14	Nov-16	May-23	
Project K	\$1,900.0	Mar-09	Mar-14	Nov-16	May-23	

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Capital Projects	Cost Baseline/		Schedule Plan/Forecast				
	Forecast (millions)	Begin Environmental	Begin Design	Begin Construction	Complete Construction		
I-605, I-605/Katella Interchange	TBD	Aug-16	TBD	TBD	TBD		
Project M	TBD	Aug-16	TBD	TBD	TBD		
Grade Separation Projects:							
Sand Canyon Avenue Railroad Grade Separation	\$55.6	N/A	Jan-04	Feb-11	May-14		
Project R	\$61.9	N/A	Jan-04	Feb-11	Jan-16		
Raymond Avenue Railroad Grade Separation	\$77.2	Feb-09	Mar-10	May-13	Aug-18		
Project O	\$125.1	Feb-09	Mar-10	Feb-14	May-18		
State College Boulevard Railroad Grade Separation (Fullerton)	\$73.6	Dec-08	Jul-06	May-13	May-18		
Project O	\$100.3	Dec-08	Jul-06	Feb-14	Jan-18		
Placentia Avenue Railroad Grade Separation	\$78.2	Jan-01	Jan-09	Jun-11	Nov-14		
Project O	\$64.5	Jan-01	Jan-09	Jul-11	Dec-14		
Kraemer Boulevard Railroad Grade Separation	\$70.4	Jan-01	Jan-09	Aug-11	Oct-14		
Project O	\$63.8	Jan-01	Feb-09	Sep-11	Dec-14		
Orangethorpe Avenue Railroad Grade Separation	\$117.4	Jan-01	Feb-09	May-12	Sep-16		
Project O	\$108.6	Jan-01	Feb-09	Jan-13	Oct-16		
Tustin Avenue/Rose Drive Railroad Grade Separation	\$103.0	Jan-01	Feb-09	Aug-12	May-16		
Project O	\$98.3	Jan-01	Feb-09	Feb-13	Oct-16		
Lakeview Avenue Railroad Grade Separation	\$70.2	Jan-01	Feb-09	May-13	Mar-17		
Project O	\$110.6	Jan-01	Feb-09	Nov-13	Jun-17		
17th Street Railroad Grade Separation	TBD	Oct-14	TBD	TBD	TBD		
Project R	TBD	Oct-14	TBD	TBD	TBD		

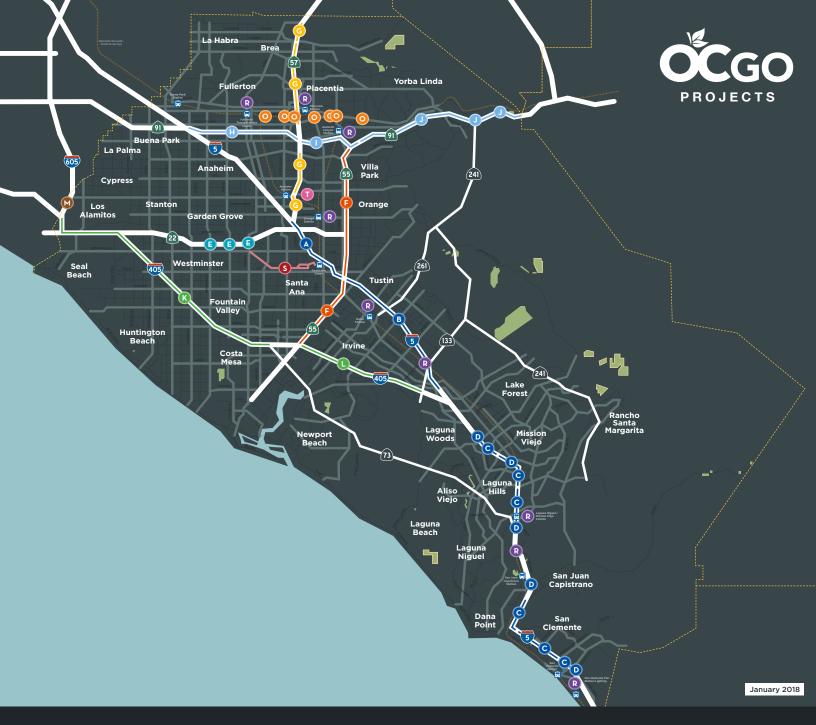


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Capital Projects	Cost Baseline/	Schedule Plan/Forecast			
	Forecast (millions)	Begin Environmental	Begin Design	Begin Construction	Complete Construction
Rail and Station Projects:					
Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Jan-08	Jan-08	Aug-09	Dec-11
Project R	\$90.4	Jan-08	Jan-08	Aug-09	Dec-11
San Clemente Beach Trail Safety Enhancements	\$6.0	Sep-10	Feb-12	Oct-12	Jan-14
Project R	\$5.0	Sep-10	Feb-12	May-13	Mar-14
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Mar-15	Dec-16	Jan-19
Cost/Schedule Risk	\$30.8	Aug-11	Mar-15	Jan-19	Feb-21
Placentia Metrolink Station and Parking Structure	\$34.8	Jan-03	Oct-08	TBD	TBD
Project R Cost/Schedule Risk	\$34.8	Jan-03	Oct-08	May-19	Jan-21
Anaheim Canyon Station	\$27.9	Jan-16	Mar-19	Nov-19	Mar-21
	\$27.9	Jan-16	Mar-18	Nov-19	Mar-21
Orange Station Parking Expansion	\$33.2	Dec-09	Nov-10	Nov-16	Feb-19
	\$32.3	Dec-09	Nov-10	Jun-17	Feb-19
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	Jan-12	Sep-14	Mar-17
Cost/Schedule Risk	\$4.6	N/A	Jan-12	Apr-15	Dec-18
Laguna Niguel/Mission Viejo Station ADA Ramps	\$3.5	Jul-13	Jul-13	Jan-15	Apr-17
	\$5.2	Jul-13	Jul-13	Oct-15	Sep-17
Anaheim Regional Transportation Intermodal Center	\$227.4	Apr-09	Jun-09	Jul-12	Nov-14
Project R & T	\$232.2	Apr-09	Jun-09	Sep-12	Dec-14
OC Streetcar	\$310.4	Aug-09	Feb-16	Aug-18	Aug-21
Project S Cost/Schedule Risk	\$418.9	Aug-09	Feb-16	Sep-18	Nov-21

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FREEWAY IMPROVEMENT PROGRAM

Interstate 5 (I-5) Projects

- (A) I-5, SR-55 to SR-57
- B I-5, El Toro "Y" Area to SR-55
- C I-5, SR-73 to El Toro Road
- C I-5, Avenida Pico to San Juan Creek Road
- D I-5 Highway Interchanges

State Route 22 (SR-22) Projects

E SR-22 Access Improvements

State Route 55 (SR-55) Projects

SR-55, I-405 to I-5 **SR-55**, I-5 to SR-91

State Route 57 (SR-57) Projects

- G SR-57 NB, Orangewood Avenue to Katella Avenue
- 🜀 SR-57 NB, Katella Avenue to Lincoln Avenue
- SR-57 NB, Orangethorpe Avenue to Lambert Road
- **SR-57** NB, Lambert Road to Tonner Canyon Road

- State Route 91 (SR-91) Projects
- 🕕 SR-91 WB, I-5 to SR-57
- **SR-91**, SR-57 to SR-55
- SR-91, SR-55 to Riverside County Line

Interstate 405 (I-405) Projects

L I-405, SR-55 to El Toro "Y" Area

Interstate 605 (I-605) Projects

- I-605 Katella Interchange Improvements
- Freeway Mitigation Restoration Projects Part of Projects A-M
- Freeway Mitigation Acquisition Projects Part of Projects A-M

STREETS & ROADS

Grade Separation Program (shown)
 Signal Synchronization Project Corridors

TRANSIT PROJECTS

- **R** Grade Separation and Station Improvement Projects
- S Transit Extensions to Metrolink
- Metrolink Station Conversion to accept Future High-Speed Rail Systems

OC GO PROJECTS NOT SHOWN

Project N: Freeway Service Patrol Project O: Streets & Roads -Regional Capacity Program Project Q: Local Fair Share Program

Project R: Grade crossing and Trail Safety Enhancements Project U: Senior Mobility Program (SMP), Senior Non-emergency Medical Transportation Program (SNEMT), and Fare Stabilization Programs Project V: Community Based Transit/Circulators Project W: Safe Transit Stops Project X: Environmental Cleanup Program



December 3, 2018

То:	Regional Highways and Planning Committee
From:	Darrell E. Johnson, Chief Executive Officer
Subject:	Measure M2 Environmental Mitigation Program Update

Overview

Measure M2 includes a program to deliver comprehensive mitigation for the environmental impacts of 13 freeway projects in exchange for streamlined project approvals from the state and federal resources agencies. To date, the Environmental Mitigation Program has acquired conservation properties and provided funding for habitat restoration projects as part of the Natural Community Conservation Plan/Habitat Conservation Plan. On a parallel path, a similar approach was developed to obtain state and federal clean water permits to facilitate the implementation of the Measure M2 freeway projects. A biannual status report of these efforts and program update is presented.

Recommendation

Receive and file as an information item.

Background

Measure M2 (M2) includes an innovative Environmental Mitigation Program (EMP) to address certain impacts as well as streamline the M2 freeway projects. This was achieved through a Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan), approved by the California Department of Fish and Wildlife and the United States Fish and Wildlife Service (Wildlife Agencies). An endowment was also established for the long-term management of the conservation properties (Preserves).

In a parallel process, the United States Army Corps of Engineers (Corps) and the State Water Resources Control Board (SWRCB) have also established a framework to expedite the regulatory permitting process. The EMP delivers more effective mitigation while supporting faster delivery of M2 freeway improvements.

Measure M2 Environmental Mitigation Program Update

The acquisition of seven conservation properties, as well as the funding of 12 habitat restoration projects, have largely met the mitigation needs for the M2 freeway projects. These Preserves and projects are depicted in Attachment A. Through the Conservation Plan, the Orange County Transportation Authority (OCTA) is well underway to satisfying these obligations. Many of the restoration projects are close to or have obtained approvals from the Wildlife Agencies. These projects are listed in Attachment B.

Discussion

Conservation Plan Update

A Conservation Plan permit was issued by the Wildlife Agencies in mid-2017. As a result, the M2 environmental process has been streamlined allowing OCTA to move forward more expeditiously with the M2 freeway projects. The Conservation Plan approval by the Wildlife Agencies requires the establishment of a \$34.5 million endowment to fund the long-term management of the Preserves. The first endowment deposit was made in early 2017. The third and most recent deposit was made in August 2018. Quarterly investment reports are provided to the Board of Directors (Board), with the most recent one given in September 2018. Staff will continue to oversee and provide regular endowment updates to the Finance and Administration Committee and the Environmental Oversight Committee (EOC).

In compliance with the Conservation Plan, resource management plans (RMPs) have been developed for each Preserve. The RMPs provide guidelines for the management and monitoring of each Preserve in accordance with the goals and objectives outlined in the Conservation Plan. Key components of the RMPs include guidance for ongoing protection, preservation, and adaptive management of the natural resources found within each Preserve.

OCTA released the two remaining RMPs (Eagle Ridge and Pacific Horizon) for a 90-day review and comment period in 2017. Public meetings and workshops were also held to solicit input. Staff will continue to oversee and manage the Preserves until a long-term manager(s) is established. These two remaining RMPs were finalized in September 2018.

In consultation with the local fire authority, OCTA began developing fire management plans (Plans) for the Preserves in September 2018. The Plans will provide guidelines for decision-making at all stages, including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. These Plans are a requirement of the Conservation Plan and will be approved by the Wildlife Agencies.

Restoration Project Updates

The North Coal Canyon and Chino Hills State Park (CHSP) restoration projects were approved by the EOC and OCTA Board as part of the EMP's second round of restoration funding in 2012, and were incorporated into the OCTA Conservation Plan. Due to limitations on the California Department of Parks and Recreation contracting process, CHSP was unable to implement these two restoration projects. At the direction of the EOC, staff is utilizing the Board-approved procurement procedures to identify qualified entity(ies) to implement these projects. It is anticipated the work will begin in early 2019.

In June 2018, the 155-acre Santiago wildfire impacted the OCTA-funded West Loma Restoration Project. This restoration project is being implemented by the Irvine Ranch Conservancy and is within unincorporated Orange County (Attachment A). The Santiago wildfire resulted in damage to restored habitat, estimated at \$12,500, and the damaged areas will be replanted this winter. Since the project had not received final sign off from the Wildlife Agencies, OCTA was required to restore the fire-damaged area. Once the restoration projects are signed off by the Wildlife Agencies, OCTA will no longer be responsible for the costs or management of these projects.

In October 2018, the Wildlife Agencies provided sign off on the 53-acre OCTA "City Parcel/2C Ranch" Restoration Project that began in April 2011. This project is within and sponsored by the City of San Juan Capistrano. Wildlife surveys have documented that both the coastal California gnatcatcher and the least Bell's vireo (Conservation Plan covered species) are utilizing the restored areas. This is the second OCTA restoration project to meet its success criteria, following the completion of the Big Bend Restoration Project.

Clean Water Act Permits Update

The M2 freeway projects are anticipated to impact jurisdictional waters, which will require mitigation. As a result, before construction activities can occur within jurisdictional waters, OCTA must obtain Sections 401 and 404 Clean Water Act permits from the Corps and SWRCB (regulatory agencies). To maximize the benefits of the investments on the Conservation Plan, OCTA was able to utilize some of the same mitigation to obtain programmatic 401 and 404 permits. These programmatic permits were issued in late 2017 and early 2018 and have reduced the time needed in obtaining project level sections 401 and 404 permits. These efforts are the result of years of collaboration between OCTA, the Corps, and the SWRCB, and constitute another groundbreaking milestone for the M2 EMP.

Freeway Projects Update

To date, multiple freeway projects have utilized the EMP streamlining mechanisms. The following projects are either in or near construction and were able to benefit from the EMP:

- Project C (Interstate 5 Improvement Project from State Route 73 [SR-73] to EI Toro Road);
- Project K (Interstate 405 Improvement Project from SR-73 to the Los Angeles County line); and
- Project M (Interstate 605 and Katella Interchange Project).

Without the EMP's established process, these projects could have incurred additional mitigation-related costs, resulting in project schedule risks. A strong partnership has been forged through collaboration with the environmental community as exemplified by their participation on the EOC. Furthermore, there has been substantial reduction in risk from the threat of potential lawsuits because of these partnerships.

Summary

M2 includes an EMP that provides funding for programmatic mitigation to off-set impacts of the 13 freeway projects. To expedite the delivery of the freeway projects, this program was initiated to implement early project mitigation through property acquisition and habitat restoration. This program is administered through a Conservation Plan, which was approved by the Wildlife Agencies in mid-2017. To maximize the benefits of the investments, OCTA has utilized some of that same mitigation to obtain Clean Water Act permits. A status report on the program is presented.

Attachments

- A. OCTA Preserves and Funded Restoration Projects
- B. OCTA M2 EMP-Funded Restoration Projects Summary

Prepared by:

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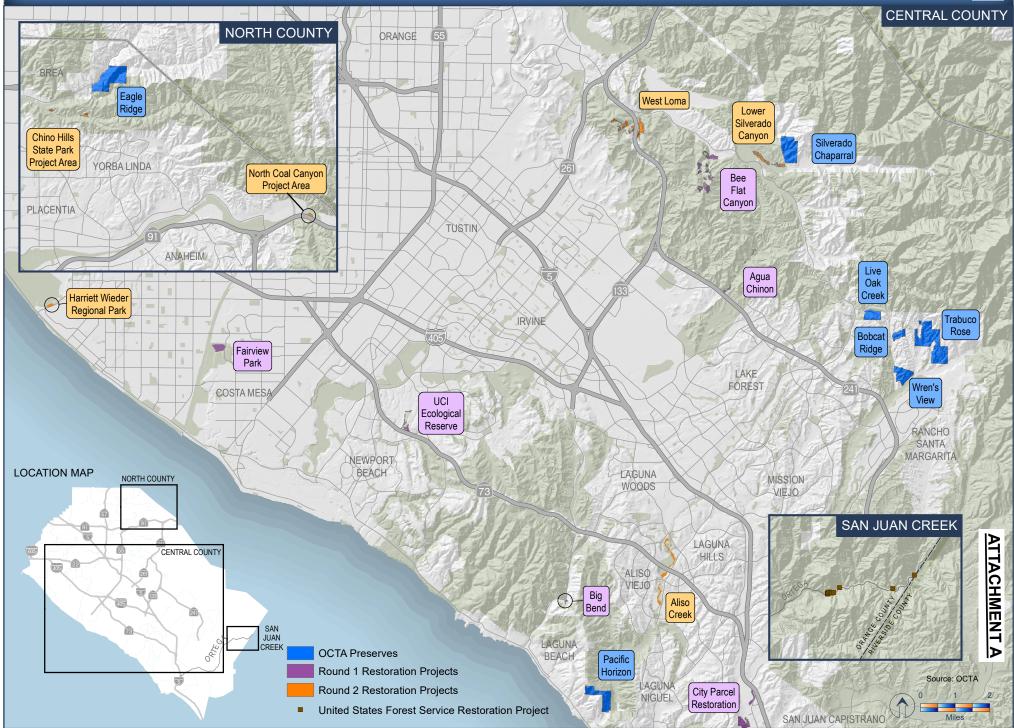
Lesley Hill Project Manager, Planning (714) 560-5372

Approved by:

r. Besteke

Kurt Brotcke Director, Strategic Planning (714) 560-5742

OCTA Preserves and Funded Restoration Projects



	Restoration Project	Sponsor	Proposed Cost	Approx. Acreage*	Geographic Area	General Habitat Types
2010 - Round One	City Parcel	City of San Juan Capistrano	\$1,500,000	53	San Juan Capistrano	Riparian corridor, coastal sage scrub, oak woodland and native grassland
	Fairview Park	City of Costa Mesa	\$2,000,000	23	Costa Mesa	Wetlands, native grassland, coastal sage scrub, willow scrub and oak woodland
	Irvine Ranch (Agua Chinon and Bee Flat Canyon)	Irvine Ranch Conservancy	\$1,450,00 (\$1,457,160)**	94.9 (90.1)**	Irvine	Chaparral, coastal sage scrub, coast live oak/sycamore, oak woodland, native grassland and riparian
	UCI Ecological Reserve	Nature Reserve of OC	\$325,000	8.5	Irvine	Cactus scrub
	Big Bend	Laguna Canyon Foundation	\$87,500	3.7	Laguna Beach	Coastal sage scrub and riparian woodland
2012 - Round Two	Aliso Creek	Laguna Canyon Foundation	\$1,105,000	55	Laguna Niguel	Riparian
	Chino Hills State Park	Chino Hills State Park	\$193,000	21	Yorba Linda	Willow riparian, oak-walnut woodland and cactus scrub
	Harriett Weider Regional Park	Bolsa Chica Conservancy	\$475,000	8.2	Huntington Beach	Native grassland, coastal sage scrub and riparian
	Lower Silverado Canyon	Irvine Ranch Conservancy	\$1,399,580 (\$1,414,435)**	44 (28.4)**	County of Orange	Riparian
	North Coal Canyon	California Department of Parks and Recreation	\$247,500	5.5	Yorba Linda	Coastal sage scrub
	West Loma	Irvine Ranch Conservancy	\$1,296,000 (\$1,322,800)**	80 (62.47)**	County of Orange	Scrub, riparian
2016	United States Forest Service Dam Removal	United States Forest Service	\$185,000	14 dams removed	San Juan Capistrano	Creek bed and riparian

Note: shaded projects were funded as part of Round 1 and the unshaded projects were part of Round 2.

*Proposed acreage is subject to change and may be adjusted slightly once the restoration work is completed.

**Amounts depicted in the table were revised/amended and approved by the OCTA Board of Directors in June 2016.

Acronyms EMP – Environmental Mitigation Program M2 – Measure M2 OCTA – Orange County Transportation Authority UCI – University of California, Irvine



December 3, 2018

То:	Regional Planning and Highways Committee
From:	Regional Planning and Highways Committee Darrell E. Johnson, Chief Executive Officer
Subject:	Fiscal Year 2018-19 Measure M2 Annual Eligibility Review

Overview

Measure M2 requires all local jurisdictions in Orange County to satisfy eligibility requirements to receive Measure M2 net revenues. The fiscal year 2018-19 Measure M2 eligibility documentation has been reviewed by staff and the Taxpayer Oversight Committee, and is presented for Board of Directors' review and approval.

Recommendation

Approve all local jurisdictions as conditionally eligible for Measure M2 net revenues for the fiscal year 2018-19, and direct staff to return with final eligibility findings for local jurisdictions, pending the adoption and submittal of the fiscal year 2017-18 expenditure reports by local jurisdictions.

Background

Local jurisdictions are required to meet Measure M2 (M2) eligibility requirements and submit eligibility verification packages to the Orange County Transportation Authority (OCTA) annually to remain eligible to receive M2 net revenues. There are 13 eligibility requirements that local jurisdictions must satisfy; however, not all 13 requirements require verification each year. The M2 eligibility requirements and submittal schedules are listed in Attachment A.

Per the Measure M2 Ordinance, the Taxpayer Oversight Committee (TOC) is responsible for reviewing five of the 13 M2 local jurisdicition eligibility requirements. The TOC relies on the Annual Eligibility Review (AER) Subcommittee to review the Congestion Management Program, Mitigation Fee Program, Local Signal Synchronization Plan, Pavement Management Plan (PMP), and expenditure reports. The remaining eight eligibility requirements are reviewed and evaluated by OCTA staff. The expenditure report reviews occur on a different cycle than the remaining 12; as such, the M2 eligibility for fiscal year (FY) 2018-19 is conditional until the review and approval of expenditure reports for FY 2017-18 have occurred. The expenditure report is tied to each local jurisdiction's Comprehensive Annual Financial Report and tracks financial activity for M2 and other improvement revenue sources. This report is used to validate eligible uses of M2 funds and to verify maintenance of effort expenditures.

Discussion

All 35 local jurisdictions (34 cities and the County of Orange) submitted the required M2 eligibility verification documents prior to the June 30, 2018, deadline. OCTA staff reviewed all submittals to ensure completion and accuracy.

The AER Subcommittee convened on September 20, 2018, to review and discuss the 21 PMP submittals that were due during this eligibility cycle. The AER Subcommittee found all PMP submittals to be in compliance with the M2 Ordinance and recommended approval to the TOC.

The AER Subcommittee presented its recommendations for M2 eligibility compliance for all 21 PMPs to the TOC on October 9, 2018. The TOC found all local jurisdictions to be in compliance with the M2 Ordinance requirements and recommended conditional eligibility approval for FY 2018-19, pending the review and approval of expenditure reports as further described below. The M2 eligibility review findings for FY 2018-19 are summarized in Attachment B.

The AER Subcommittee members also stated their desire to commend the City of Fullerton (City) for improving its local pavement conditions for this reporting period. Therefore, upon Board of Director (Board) approval of M2 eligibility findings, OCTA will send a letter to the City commending their efforts on improving local pavement conditions. A draft letter is included as Attachment C.

If these findings are approved by the Board, M2 eligibility for FY 2018-19 is conditional until the review and approval of expenditure reports for FY 2017-18 has occurred. Expenditure reports will be reviewed by staff and the TOC, and will be presented to the Board to determine final eligibility to receive M2 net revenues in summer 2019.

Summary

All local jurisdictions in Orange County have submitted the required M2 eligibility packages for FY 2018-19 required under the M2 Ordinance. OCTA staff and the TOC have reviewed and approved all appropriate documentation required for this cycle and have found that all local jurisdictions conditionally met the M2 eligibility requirements for FY 2018-19. Therefore, Board approval is requested to find all local jurisdictions conditionally eligible to receive M2 net revenues for FY 2018-19.

Attachments

- A. Measure M2 Eligibility Requirements and Submittal Schedule Summary For Fiscal Year 2018-19
- B. Fiscal Year 2018-19, Measure M2 Eligibility Review Summary
- C. Draft letter from Kia Mortazavi, Executive Director, Planning, Orange County Transportation Authority, to Acting Public Works Director, City of Fullerton, dated December 10, 2018, re: Improvement of Pavement Condition Index

Prepared by:

Brianna Martinez Transportation Funding Analyst, Associate (714) 560-5857

Approved by:

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

Measure M2 Eligibility Requirements and Submittal Schedule Summary For Fiscal Year 2018-19

Compliance Category	Frequency	Required This Cycle
Capital Improvement Program	Annual (June 30 th)	\checkmark
Circulation Element/Master Plan of Arterial Highways Consistency	Biennial (June 30 th)	
Congestion Management Program	Odd-Numbered Year (i.e. June 2017, 2019)	
Expenditure Report	Annual (December 31 st)	✓
Local Signal Synchronization Plan	Every Three Years Next deadline: June 30, 2020	
Maintenance of Effort	Annual (June 30 th)	✓
Mitigation Fee Program (MFP)	Biennial (June 30 th) ¹	
No Supplanting of Developer Fees	Annual (June 30 th)	✓
Pavement Management Plan (PMP)	Every Two Years (June 30 th) ²	✓
Timely Submittal of Project Final Reports	Within 180 Days of Project Completion	\checkmark
Timely Use of Net Revenues	Annual (June 30 th)	✓
Traffic Forum Participation	Annual	✓
Transit and Non-Motorized Transportation Land-Use Planning Strategies	Annual (June 30 th)	✓

¹A jurisdiction must submit their updated program and revised fee schedule or process methodology when the jurisdiction updates their MFP and/or nexus study.

²14 agencies update respective PMPs on odd-numbered fiscal years, while 21 agencies update on even-numbered fiscal years.

Fiscal Year 2018-19 Measure M2 Eligibility Review Summary

Agency	Capital Improvement Program	Expenditure Report	Land-Use Planning Strategies	Maintenance of Effort	No Supplanting of Developer Fees	Pavement Management Plan ¹	Timely Submittal of Final Reports	Timely Use of Net Revenues	Traffic Forum
Aliso Viejo	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Anaheim	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Brea	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Buena Park	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Costa Mesa	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
County of Orange	Satisfactory	Pending	Satisfactory	N/A ²	Satisfactory	N/A	Satisfactory	Satisfactory	√
Cypress	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Dana Point	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Fountain Valley	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Fullerton	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Garden Grove	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	√
Huntington Beach	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Irvine	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
La Habra	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
La Palma	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Beach	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Hills	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Niguel	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Woods	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Lake Forest	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Los Alamitos	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Mission Viejo	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Newport Beach	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Orange	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Placentia	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Rancho Santa Margarita	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
San Clemente	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
San Juan Capistrano	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Santa Ana	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Seal Beach	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Stanton	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	~
Tustin	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	N/A	Satisfactory	Satisfactory	~
Villa Park	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	~
Westminster	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	~
Yorba Linda	Satisfactory	Pending	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	~
Totals	s 35	-	35	35	35	14	35	35	35

N/A - Not applicable

¹14 agencies update respective Pavement Management Plans on odd-numbered fiscal years, while 21 agencies update on even-numbered fiscal years.

² Maintenance of effort is based on a three-year average of discretionary fund expenditures for transportation purposes prior to 1990, plus adjustments permitted by the Measure M2 Ordinance. However, Orange County Public Works and their predecessor agencies did not and do not use discretionary funds for transportation purposes. The sources of their transportation funds have been various restricted or partially restricted funds e.g., Highway Users Tax Account (HUTA), federal grants, assessment districts, developer impact fees, community facilities districts, Subdivision Map Act Highway, and bridge fees etc. It should be noted that about 40 percent of the HUTA revenues that come to Orange County local agencies go to the County. December 10, 2018

Acting Public Works Director Department of Public Works City of Fullerton 303 W. Commonwealth Avenue Fullerton, CA 92832

RE: Improvement of Pavement Condition Index

Dear Acting Public Works Director:

As you know, local agencies are required to submit Measure M2 (M2) eligibility verification packages to the Orange County Transportation Authority (OCTA) annually in order to remain eligible to receive M2 net revenues. The OCTA Taxpayer Oversight Committee (TOC) is responsible for reviewing eligibility requirements and designates a subcommittee to review this information, including local agencies' Pavement Management Plan (PMP).

Upon review of the City of Fullerton's (City) 2018 PMP submittal, the TOC asked that staff commend the City for achieving a notable increase in the pavement quality of local streets and roads. The City successfully increased its local streets and roads rating from poor to fair, and the TOC was pleased to see this upward trend in the City's pavement condition.

OCTA encourages successful PMP implementation by providing a ten percent local match reduction incentive for competitive grant applications submitted through the M2 Comprehensive Transportation Funding Programs Regional Capacity Program. The City currently qualifies for this incentive.

For more information on this incentive, or should you have any questions, please contact Joseph Alcock, Section Manager, Measure M2 Local Programs at (714) 560-5372 or jalcock@octa.net.

Sincerely,

Kia Mortazavi Executive Director, Planning

KM:bm

c: Joseph Alcock, OCTA



December 3, 2018

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Comprehensive Transportation Funding Programs Semi-Annual Review – September 2018

aft

Overview

The Orange County Transportation Authority recently completed the September 2018 semi-annual review of projects funded through the Comprehensive Transportation Funding Program. This process reviews the status of Measure M2 grant-funded projects and provides an opportunity for local agencies to update project information and request project modifications. Recommended project adjustments are presented for Board of Directors' review and approval.

Recommendations

- A. Approve adjustments to the Comprehensive Transportation Funding Programs projects and Local Fair Share funds.
- B. Authorize the Chief Executive Officer, or his designee, to negotiate and execute a cooperative agreement between the Orange County Transportation Authority and the City of San Clemente in support of the Americans with Disabilities Act complementary services component of the City of San Clemente's Rideshare Services-Beta Test Program, in an amount not to exceed \$900,000.
- C. Cancel the programming of \$1,649,700 in 2018 Measure M2 Project V funds for the City of San Clemente's Rideshare Services-Beta Test Program.

Background

The Comprehensive Transportation Funding Program (CTFP) is the mechanism which the Orange County Transportation Authority (OCTA) uses to administer funding for street, road, signal, transit, and water quality projects. The CTFP contains a variety of funding programs and sources, including Measure M2 (M2)

revenues, State-Local Partnership Program funds, and Local Partnership Program (LPP) funds. The CTFP provides local agencies with a comprehensive set of guidelines for administration and delivery of various transportation funding grants.

As needed, OCTA meets with representatives from local agencies to review the status of projects and proposed project changes. This process is known as the semi-annual review process. The goals of the semi-annual review process are to review project status, determine the continued viability of projects, address local agency concerns, confirm availability of local match funds, and ensure timely closeout of all projects funded through the CTFP.

Discussion

The September 2018 semi-annual review proposed adjustments include four timely use of funds extensions for CTFP projects, one-timely use of funds extension for the Local Fair Share Program, four project scope changes, six project transfers, and two cancellations. Adjustments are itemized in Attachment A and described in Attachment B.

Local agencies identified several reasons for semi-annual review proposed project adjustments, which included the following:

- Extensions (stakeholder/agency coordination issues, right-of-way issues, utility conflicts, and design issues),
- Scope changes (technology upgrades/enhanced project benefits, project service expansion, location modifications, and financial constraints),
- Transfers (project savings), and
- Cancellations (low ridership).

The reasons identified above are consistent with expectations for a September semi-annual review cycle, which generally sees more project phasing and scope adjustments, whereas the March semi-annual review cycle is typically influenced by the timing constraints of encumbrance and fund expenditure deadlines. Additional information regarding semi-annual review trends over the last seven years is provided in Attachment C.

Also provided for reference is an M2 CTFP summary table, which documents changes that have occurred since the last March 2018 semi-annual review update. These changes reflect the addition of approximately \$55.3 million in new funding allocations, which are primarily M2 funds, but also includes approximately \$6.7 million in LPP funds. Since M2 inception, OCTA has awarded a total of \$490 million in competitive funds, including \$36.5 million through state and federal partnership programs.

Comprehensive Transportation Funding Programs Semi-Annual Review – September 2018

This semi-annual review captures a \$19.5 million increase in started projects, a \$3.9 million increase in delivered projects (pending and completed), a \$727,260 increase in project cancellations, and captures over \$2.63 million in program savings.

M2 CTFP Summary Table										
	March 2018 Sem	i-Ann	ual Review	September 2018 Semi-Annual Review						
Project Status	Project Phases	Allocation		Allocation		Project Phases	Allocations ¹ (after adjustments)			
Planned ²	63	\$	53.3	95	\$	84.5				
Started ³	144	\$	190.3	131	\$	209.8				
Pending ⁴	67	\$	30.1	71	\$	29.8				
Completed ⁵	292	\$	138.1	309	\$	142.3				
Cancelled ⁶	29	\$	19.7	39	\$	20.4				
Total	595	\$	431.5	645	\$	486.8				

^{1.} Allocations in millions, pending Board of Directors (Board) approval of the September 2018 semi-annual review.

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

^{3.} Started - indicates that the project is underway, and funds are obligated.

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

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

⁶ Cancelled - indicates that the project work will not be completed, and project savings will be returned to the program.

Based upon review of the September 2018 semi-annual review proposed project adjustments and trends, staff has determined that these changes are consistent with prior semi-annual review requests and are also appropriate from a CTFP administration perspective. These changes have also been reviewed and approved by the Technical Advisory Committee. Therefore, Board approval of the semi-annual review adjustments is recommended. Upon Board approval of these adjustments, staff will monitor the implementation of these proposed changes through future semi-annual reviews, which are conducted and reported to the Board two times a year.

Other Actions

Staff is requesting authorization for OCTA's Chief Executive Officer (CEO), or his designee, to negotiate and execute a cooperative agreement between OCTA and the City of San Clemente (City). The intent of the proposed cooperative agreement would be to specify that the Americans with Disabilities Act (ADA) complementary services component of the City's Rideshare Services-Beta Test Program be reimbursed with separate Project V funds (which are not part of the City's existing 2016 Project V allocation).

Comprehensive Transportation Funding Programs Semi-Annual Review – September 2018

During the initial two years of the program, such an agreement was not necessary as the City was still in a "Beta-Test" phase. However, if the Board approves the City's request to extend the program, as included in Recommendation A, a formal payment process (specified through a separate cooperative agreement) will be required for the complementary ADA component of the City's service. The City is projecting the cost to provide this service in a manner similar to former routes 191 and 193 services, to be approximately \$900,000 over the next five years. As such, the cooperative agreement will specify a not-to-exceed amount of up to \$900,000. This action is consistent with the Board-approved CTFP Guidelines and will allow for payment of ADA complementary services consistent with other Project V services. Board approval of Recommendation B is requested.

Finally, Board approval is requested to cancel the programming recommendation for the City's 2018 Project V grant application. Based upon data received to date and the City's semi-annual review requests, there appears to be sufficient remaining capacity within the City's existing 2016 Project V grant to support this program over the next several years. As a result, programming of additional 2018 funds is not warranted at this time, and staff is requesting that the Board cancel the 2018 programming recommendation. With approval of this recommendation, the deprogrammed funds would be returned to the Project V program to support a future call for projects.

Staff will continue working closely with the City to both administer the program and to ensure that Project V funds are appropriately structured in order to support the unique needs of this program. Staff will also continue providing twice yearly Project V ridership updates to the Board.

Summary

OCTA has recently reviewed the status of 373 active project phases funded through the M2 CTFP. Staff recommends the approval of semi-annual review project adjustments requested by local agencies. Staff is also seeking authorization for the CEO to negotiate and execute an agreement with the City, which would formalize payment for ADA complementary services to the City's Rideshare Services-Beta Test Program, consistent with other Project V services. Deprogramming of the City's 2018 Project V application is also requested.

Attachments

- A. Comprehensive Transportation Funding Programs, September 2018 Semi-Annual Review Adjustment Requests
- B. Comprehensive Transportation Funding Programs, September 2018 Semi-Annual Review Adjustment Request Descriptions
- C. Comprehensive Transportation Funding Programs, September 2018 Semi-Annual Review Adjustment Trend Analysis

Prepared by:

Christina Moore Senior Transportation Funding Analyst (714) 560-5452

Approved by:

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

	Timely Use of Funds Extension Requests - CTFP*										
Agency	Project Number	Project	Project Title	Phase	Current FY	Current Allocation	Proposed Time Extension	Proposed Expenditure Deadline			
Anaheim	15-ANAH-ACE-3760 ¹		Lincoln Avenue from Harbor Boulevard to West Street	ENG	15/16	\$ 590,494	24	2/9/2021			
Anaheim	15-ANAH-ACE-3761 ²	()	Lincoln Avenue Widening (East Street to Evergreen Street)	ENG	15/16	\$ 762,904	24	4/12/2021			
Cypress	14-CYPR-ECP-3731 ³	X	Priority Sediment/Pollution Removal Project	CON	14/15	\$ 211,840	24	11/9/2020			
County of Orange	15-ORCO-ACE-3779 ⁴	0	Cow Camp Road - Segment II	ENG	15/16	\$ 1,565,238	24	4/12/2021			
	-	\$ 3,130,476									

Reasons for Project Adjustments

1 = Stakeholder/agency coordination issue

2 = ROW issue

3 = Utility conflicts

4= Design issue

~

*Once obligated, CTFP funds expire 36 months from the contract award date. Local agencies may request a one-time extension of up to 24 months.

Timely Use of Funds Extension Requests - LFS**									
Agency	FY	Disbursement Date	Disbursement Amount	Proposed Extension Amount	Proposed Interest Extension Amount	Proposed Extension Deadline			
		11/17/2015	\$ 377,606	\$ 377,606	\$-	11/17/2020			
Costa Mesa	15/16	1/12/2016	\$ 437,485	\$ 437,485	\$ -	1/12/2021			
		3/15/2016	\$ 395,532	\$ 395,532	\$ -	3/15/2021			

**Net revenues received by local jurisdictions through the LFS Program shall be expended or encumbered within three years. An extension may be granted but is limited to a total of five years from the date of receipt of funds. OCTA uses the check date as the date of receipt of funds. Requests for extension must be submitted as part of the semi-annual review process prior to the end of the third year from the date of receipt of funds. Requests for extensions must be submitted as part of the semi-annual review process prior to the end of the third year from the date of receipt of funds. Requests for extensions must include a plan of expenditure.

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Requests

	Scope Change Requests									
Agency	Project Number	Project	roject Project Title Phase Curr		Current FY	Current Allocation			Proposed Illocation	
Anaheim	14-ANAH-TSP-3701 ¹	Р	Anaheim Boulevard Regional Traffic Signal Synchronization	PI	14/15	\$	696,860	\$	696,860	
Fullerton	17-FULL-TSP-3874 ¹	Р	Gilbert Street and Idaho Street Corridor Regional Traffic Signal Synchronization	PI	17/18	\$	862,560	\$	862,560	
San Clemente	16-SCLM-CBT-3841 ²	V	San Clemente Rideshare Services	O&M	Multiple	\$	914,400	\$	914,400	
Santa Ana	14-SNTA-ECP-3751 34	Х	Residential South Catch Basin Project	CON	14/15	\$	200,000	\$	200,000	
	Scope Changes (4) - Total Phase Allocations \$ 2,673,820 \$ 2,673,820									

Reasons for Project Adjustments

1 = Technology upgrades/ enhanced project benefits

2 = Expand service period up to seven years

3 = Location modification

4 = Financial constraints

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Requests

	Transfer Requests (6) - Total Project Allocations										
Agency	Project Number	Project	Project Title Pr		Current FY		Current Allocation	Transfe Amour			Proposed Illocation
Costa Mesa	17-CMSA-ICE-3861 1	0	Hyland Avenue at MacArthur Boulevard	ROW	17/18	\$	129,972	\$ (129,	522)	\$	450
COSIA MESA	17-CIVISA-ICE-3801	0	Intersection Improvements	CON	18/19	\$	276,212	\$ 129	,522	\$	405,734
OCTA	11-OCTA-TSP-3558 ¹	Р	Warner Avenue	PI	11/12	\$	550,640	TBD			TBD
OCIA	11-001A-15P-3558	Г		O&M	12/13	\$	71,208	TBD			TBD
OCTA		Р	Pacific Park Drive and Oso Parkway	PI	12/13	\$	1,028,032	TBD			TBD
OCTA	12-OCTA-TSP-3616 ¹	Г	Signal Synchronization	O&M	13/14	\$	24,466	TBD			TBD
OCTA		Р	Los Alisos Boulevard Corridor (Paseo	PI	12/13	\$	309,261	TBD			TBD
OCTA	OCTA 12-OCTA-TSP-3618 ¹	Г	de Valencia to Altisima)	O&M	13/14	\$	23,356	TBD			TBD
OCTA	12-OCTA-TSP-3622 1	Р	Santa Margarita Parkway Signal	PI	12/13	\$	300,051	TBD			TBD
OCIA	12-001A-15P-3622	Г	Synchronization	O&M	13/14	\$	11,861	TBD			TBD
					16/17	\$	457,200	TBD			TBD
					17/18	\$	457,200	TBD			TBD
					18/19	\$	-	TBD			TBD
San Clemente	16-SCLM-CBT-3841 1	V	San Clemente Rideshare Services	O&M	19/20	\$	-	TBD			TBD
					20/21	\$	-	TBD			TBD
					21/22	\$	-	TBD			TBD
					22/23	\$	-	TBD			TBD
			Transfer Requests (6) - To	otal Proje	ect Allocations	\$	3,639,459	\$	-	\$	3,639,459

Reason for Adjustment

1 = Project savings in earlier phases/years can support work in later awarded phases/years

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Requests

	Cancellation Requests								
Agency	Project Number	Project	Project Title	Phase	Current FY	Current Allocation	Proposed Allocation		
Costa Mesa	16-CMSA-CBT-3821 ¹	V	Local Circulator from Costa Mesa to Anaheim	CAP	16/17	\$ 201,737	TBD		
Costa Mesa	16-CMSA-CBT-3821 ¹	V	Local Circulator from Costa Mesa to Anaheim	O&M	Multiple	\$ 2,588,901	TBD		
	Cancellations (2) - Total Phase Allocation								

Reasons for Project Adjustments

1 = Low ridership

Acronyms

CAP - Capital

CON - Construction

CTFP - Comprehensive Transportation Funding Programs

ENG - Engineering

FY - Fiscal year

4

LFS - Local Fair Share Program

O&M - Operations and Maintenance

OCTA - Orange County Transportation Authority

PI - Primary Implementation

ROW - Right of Way

TBD - To be Determined

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Request Descriptions

<u>Comprehensive Transportation Funding Programs (CTFP) Timely Use of Funds</u> <u>Extensions</u>

Once obligated, CTFP funds expire 36 months from the contract award date. Local agencies may request a one-time extension of up to 24 months. During this semi-annual review (SAR) cycle, the following timely use of funds extension requests were submitted.

The City of Anaheim (Anaheim) is requesting a 24-month timely use of funds extension for the engineering phase of the Lincoln Avenue Widening (Harbor Boulevard to West Street) Project (15-ANAH-ACE-3760), from February 2019 to February 2021. Additional time is required as Anaheim evaluates the viability and sustainability of the project's alternatives going forward. Anaheim is also requesting a 24-month timely use of funds extension for the engineering phase of the Lincoln Avenue Widening (East Street to Evergreen Street) Project (15-ANAH-ACE-3761), from April 2019 to April 2021. Additional time is required as final design has been delayed due to the extensive coordination required with adjacent property owners.

The City of Cypress awarded a construction contract on November 9, 2015 and is requesting a 24-month timely use of funds extension for the construction phase of the Priority Sediment/Pollution Removal Project (14-CYPR-ECP-3731), from November 2018 to November 2020, primarily due to utility conflicts and the contractor's availability.

The County of Orange (County) is requesting a 24-month timely use of funds extension for the engineering phase of the Cow Camp Road Segment II Project (15-ORCO-ACE-3779) from April 2019 to April 2021. Design is complete for segment 2A and in progress for segment 2B; however, additional time is requested to complete the design for segments 2C-2E and to process these plans for approval with the County.

Local Fair Share Timely Use of Funds Extensions

The City of Costa Mesa (Costa Mesa) is requesting a 24-month timely use of funds extension of \$1,210,623. The funds being considered for extension were disbursed in three separate installments and must be expended by the extension deadlines provided in Attachment A.

Scope Changes

Agencies may request minor scope changes for CTFP projects if they can assure that project benefits as committed to in the initial application can still be delivered. For Environmental Cleanup Program Tier 1 projects, the proposed modifications must mitigate the same pollutants, affect the same waterways, and meet all other provisions as stipulated in the CTFP Guidelines. The match rate percentage identified by

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Request Descriptions

implementing agencies in the project grant application shall remain constant throughout the project. The proposed modification must be accommodated within the existing approved grant budget. During this review cycle, the following scope change requests were submitted.

Anaheim is requesting a scope change for the primary implementation (PI) phase of the Anaheim Boulevard Traffic Signal Synchronization Project (14-ANAH-TSP-3701). The scope change involves changing out bluetooth (only) technology with bluetooth and single point articulation test technology on Anaheim Boulevard. This change would support both travel time collection data and connected vehicle applications. The additional change would include replacing an old P-cabinet at Anaheim Boulevard and Broadway Boulevard to a 333L. These changes provide engineers the ability to better monitor traffic for traffic signal coordination.

The City of Fullerton is requesting a scope change for the PI phase of the Gilbert Street and Idaho Street Traffic Signal Corridor Project (17-FULL-TSP-3874). The scope change involves installing new fiber in existing City-owned signal and interconnect conduits along remaining portions of Gilbert Street to complete a fiber optic communication ring. This proposed scope change constitutes a gap closure as defined in the CTFP Guidelines and is in compliance with the intent of the program.

The City of San Clemente (San Clemente) is requesting a scope change for the operations and maintenance (O&M) phase of the San Clemente Rideshare Services Beta-Test Project (16-SCLM-CBT-3841). The pilot program is nearing the end of the initial two-year term and the scope change would enable San Clemente to continue the services for up to an additional five years (to accommodate the total seven-year request as per the original application). The data is showing that the passengers per hour are trending upward with a relatively low cost. San Clemente also requested consideration of increasing the current 2016 project budget to include funding identified in the 2018 Project V call for projects. Based upon data received to date, there appears to be sufficient remaining capacity within the City's existing 2016 Project V grant to support this program over the next several years. As a result, programming of additional 2018 funds is not warranted at this time. Therefore, the proposed modification will be accommodated within the existing 2016 approved grant budget.

The City of Santa Ana (Santa Ana) is requesting a scope change for the construction phase of the Residential South Catch Basin Project (14-SNTA-ECP-3751). The scope change involves reducing the number of connector pipe screen devices from 576 to 547 due significant cost increases. Additionally, due to engineering and location constraints, Santa Ana has found there are insufficient site locations on minor streets to install the proposed 547 devices. As a result, Santa Ana would like to expand the scope to also include installation of municipal catch basins in major streets city-wide.

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Request Descriptions

<u>Transfers</u>

The CTFP Guidelines allow agencies to request to transfer 100 percent of savings of funds between subsequent phases within a project. Funds can only be transferred to a phase that has already been awarded competitive funds. Such requests must be made prior to the acceptance of a final report and submitted as part of the SAR process. During this review cycle, the following transfer requests were submitted.

Costa Mesa is requesting a transfer for the Hyland Avenue at MacArthur Boulevard Intersection Improvements Project (17-CMSA-ICE-3861). The request is to transfer project savings in the amount of \$129,522 from the right-of-way phase to the construction phase.

OCTA, as administrative lead, is requesting to transfer project savings from the PI phase to the O&M phase for the following projects. PI closeout is still in progress, and the exact dollar amount is to be determined.

- Warner Avenue Traffic Signal Synchronization Project (11-OCTA-TSP-3558)
- Pacific Park and Oso Parkway Traffic Signal Synchronization Project (12-OCTA-TSP-3616)
- Los Alisos Boulevard Traffic Signal Synchronization Project (12-OCTA-TSP-3618)
- Santa Margarita Traffic Signal Synchronization Project (12-OCTA-TSP-3622)

San Clemente is requesting a transfer for the San Clemente Rideshare Services Project (16-SCLM-CBT-3841). The transfer includes fiscal year (FY) 2016-17 and 2017-18 savings from the O&M phase in an amount to be determined and is to be distributed across the proposed remaining FYs 2018-19 through 2022-23.

Cancellations

Local agencies may request to cancel projects, as needed. Cancelled projects are eligible to reapply upon resolution of the issues that led to the original project cancellation. During this review cycle, the following cancellation request was received.

Costa Mesa is requesting to cancel both capital and O&M phases due to low ridership for the City of Costa Mesa Local Circulator Project (16-CMSA-CBT-3821).

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Trend Analysis

As part of the September 2018 semi-annual review process, staff conducted a trend analysis of all Measure M2 (M2) grant-funded project adjustments since inception (15 semi-annual review evaluations over seven years). The analysis yielded the following observations:

- Semi-annual review adjustment request types have generally broken down accordingly to the following percentages:
 - Funds extension (37%),
 - Scope change (21%),
 - Delay requests (21%),
 - Transfer (10%),
 - Cancellation (9%), and
 - Advancements (2%).
- There tends to be seasonal trends with respect to semi-annual review adjustment requests. The March semi-annual review process typically experiences a higher volume of adjustment requests than the September semi-annual review. Based upon trend data, the increase in March semi-annual review adjustment requests appears to be linked to the timing of both encumbrance and fund expenditure deadlines.
- There also appears to be an upward trend in the volume of adjustment requests each successive semi-annual review cycle. These increases appear to be attributable to the overall increase in total active project phases within the M2 program. Even year semi-annual review stats are listed below:

Year	Requests (March and September)	Total active Phases
2012	8	256
2014	33	248
2016	53	358
2018	60	373

• In terms of funds extension requests¹, the Regional Traffic Signal Synchronization Program (RTSSP) and the Regional Capacity Program (RCP) required the most adjustments. The RTSSP accounted for the largest number of requests (approximately 67% and the RCP approximately 27%). With respect to the RTSSP, it appears the high volume of funds extension requests is likely tied to the large amount of utility conflicts the program experiences. With respect to the RCP, these requests generally appear to be the result of procurement, right-of-way (ROW),

¹ Once obligated, M2 Comprehensive Transportation Funding Program funds expire 36 months from the contract award date. Funds extension requests allow local agencies to request a one-time extension of up to 24-months.

Comprehensive Transportation Funding Programs September 2018 Semi-Annual Review Adjustment Trend Analysis

and/or construction activities taking longer than anticipated. Also, both the RTSSP and RCP require a significant amount of coordination and interface with neighboring local agencies/project partners, which frequently impacts project initiation and delivery schedules.

- The majority of scope change adjustment requests have occurred within the RTSSP and Environmental Cleanup Program (ECP). This trend is likely due to the nature of each of these respective programs. These programs' scope adjustments have typically either been for location changes, site constraint issues, and/or for device type/technology modifications. It should be noted that with respect to these programs, site constraint issues do not appear to be well known nor readily apparent until after project initiation. Also, both programs are dependent upon technological devices, which are continuing to evolve during project delivery processes.
- For transfer requests, the majority of these adjustments have occurred within the RCP. This is likely due to engineering and/or ROW phase project savings being transferred to the subsequent construction phase. To a lesser extent, the RTSSP and Community Based Transit Circulators (CBT) Program also experience project savings. The requests for the RTSSP involve transferring funds from the primary implementation phase to the subsequent operations and maintenance phase. For the CBT Program, these requests typically involve transferring operations and maintenance funds from one fiscal year to another. Based upon past observations in the CBT Program, these requests typically occurred between years one and two of the program and have been attributed to taking longer to "ramp-up" service than initially anticipated.
- Most funds cancellation requests have been evenly distributed amongst the RCP, RTSSP, ECP, and to a lesser extent the CBT Program. Typical issues resulting in project cancellations have generally included stakeholder coordination challenges, lack of resolution of ROW impact/negotiations, site constraints, and for the CBT Program, low ridership.
- Project advancements have occurred much less frequently than other semi-annual review adjustment requests. Most of these requests have been associated with the RCP. Project advancement requests are primarily needed to accommodate procurements and/or earlier project develop phases being completed sooner than anticipated.

Staff will continue to monitor and report on M2 requested project adjustments to further identify, understand, and anticipate future trends which may emerge with respect to M2 project delivery.



January 23, 2019

- To: Finance and Administration Committee
- *From:* Darrell E. Johnson, Chief Executive Officer
- *Subject:* Issuance of Series 2019 Measure M2 Bonds, Measure M2 Financing Documents, and Trustee Services Amendment

Overview

The Orange County Local Transportation Authority Board of Directors has adopted a Plan of Finance for the Interstate 405 Improvement Project that requires the issuance of approximately \$400 million of Measure M2 sales tax revenue bonds in 2019. In addition, there is \$43.5 million of outstanding M2 bonds that can be refinanced at this time at a cost savings. Final approval for the issuance of the bonds and the financing documents for the proposed transaction are presented for review and approval.

Recommendations

- A. Approve the issuance and sale of the Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds, Series 2019.
- B. Approve the refinancing of \$43.5 million of the outstanding 2010 Series A Bonds, if market conditions are favorable and Orange County Transportation Authority realizes debt service savings.
- C. Authorize the Chairman, Vice-Chairman, Chief Executive Officer, Executive Director of Finance and Administration/Treasurer, and Director of Finance and Administration of the Orange County Transportation Authority to sign all documents on behalf of the Orange County Local Transportation Authority.
- D. Adopt Resolution No. 2019-008 authorizing the Orange County Local Transportation Authority to proceed with the issuance and sale of up to \$450 million in Measure M2 Sales Tax Revenue Bonds and approve the required financing documents necessary for the Orange County Local Transportation Authority to proceed with the issuance and sale of Measure M2 sales tax revenue bonds.

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- E. Approve a total of \$610,000 in cost of issuance expenses for bond counsel services, financial advisory services, rating fees, trustee services, and other miscellaneous expenses related to the issuance and sale of Series 2019 Measure M2 sales tax revenue bonds.
- F. Authorize the Chief Executive Officer to execute Amendment No. 1 to Purchase Order No. C-5-3790 between the Orange County Transportation Authority and the Bank of New York Mellon Trust Company, in the amount of \$8,500, to provide trustee services for the Orange County Local Transportation Authority Sales Tax Revenues Bonds. The total contract amount will be \$23,500.

Background

The Measure M2 (M2) ordinance expresses a preference for pay-as-you-go project financing. The ordinance states that the Orange County Transportation Authority (OCTA) may use bond financing as an alternative method if the planned expenditures make pay-as-you-go financing unfeasible. OCTA's Board of Directors (Board) has continued to advance implementation of M2 through the adoption of early delivery plans through strategic financing. In 2010, OCTA issued \$353 million in M2 bonds to support the Early Action Plan.

By 2041, OCTA plans to deliver \$13.1 billion of M2 transportation improvements to Orange County. The \$1.9 billion Interstate 405 Improvement Project (405 Project) is the largest project in the M2 plan and in OCTA's history. The general-purpose lanes portion of the 405 Project, 75 percent of the total cost, will be funded by a combination of local, state, and federal funds. The 405 Express Lanes portion of the 405 Project, 25 percent of the total cost, will be paid for by user-generated toll revenue from those who use the 405 Express Lanes.

A total of \$1.136 billion is programmed from M2 funds for the 405 Project. The current 405 Project Plan of Finance includes \$243 million pay-as-you-go M2 funds and approximately \$900 million of bond proceeds from the sale of M2 sales tax revenue bonds to be issued in 2019 and 2021.

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Source of Funds	of Funds Amount (million					
Local - M2						
Pay-as-you-go	\$	242.651				
Bond Financing		893.000				
Total	\$	1,135.651				
Federal & State						
TIFIA*	\$	628.930				
Federal & State Grants		135.419				
Total	\$	764.349				
Total Funding	\$	1,900.000				

* TIFIA - Transportation Infrastructure Finance and Innovation Act

On May 23, 2016, the Board approved the 405 Project Preliminary Plan of Finance. OCTA carefully reviewed the debt financing options for the 405 Express Lanes portion of the 405 Project (25 percent of total costs) that must be financed with non-M2 sources. To address this, OCTA closed a 35-year \$628.93 million TIFIA loan in July 2017. The non-recourse TIFIA loan is secured solely by future net toll revenues from the 405 Express Lanes. M2 funds cannot be used to repay the TIFIA loan or pay for the cost of the 405 Express Lanes.

The Build America Bureau (Bureau), which administers TIFIA loans for the United States Department of Transportation, ultimately required OCTA to secure committed M2 funds as a condition of closing the TIFIA loan. OCTA chose a cost-effective solution to this condition by obtaining an aggregate \$900 million line of credit (LOC) secured by a subordinate lien on future M2 receipts. Through a competitive procurement, OCTA selected Bank of America, N.A. (BANA) to provide the LOC required by the Bureau. The BANA LOC is structured with two tranches, with one tranche for \$400 million maturing July 1, 2019, and one tranche for \$500 million maturing on July 1, 2021. The LOC was structured this way to match OCTA's anticipated M2 financing. Once the bonds have been issued, the LOC associated with the respective series of bonds can be terminated.

On November 12, 2018, the Board approved the selection of an underwriting team and additional funds required for bond counsel services to support the transaction.

Discussion

Consistent with the adopted Plan of Finance for the 405 Project, OCTA plans to issue M2 sales tax revenue bonds producing approximately \$400 million in bond proceeds in early 2019 and M2 sales tax revenue bonds producing approximately \$500 million in bond proceeds in 2021.

Level Debt Service

Historically, OCTA has issued long-term fixed-rate sales tax revenue bonds utilizing a level debt service structure. A level debt service structure allows OCTA to make an annual payment that is level over the term of the offering, and the payment is combined to include both principal and interest. The level payment is sized to fully amortize, or retire, the outstanding principal by the final payment in 2041 when the sales tax sunsets.

Call Options

The call options for the sales tax revenue bonds are subject to market conditions and will be determined at the time of pricing. The proposed structure assumes a ten-year par call, the standard convention for fixed-rate tax-exempt bonds. However, based on market conditions at the time of pricing, shorter call options may be considered for all or some of the sales tax revenue bonds.

Line of Credit

The BANA LOC is structured with two tranches, with one tranche for \$400 million maturing July 1, 2019, and one tranche for \$500 million maturing on July 1, 2021. The LOC was structured this way to match OCTA's anticipated M2 financings. The Bureau will allow OCTA to reduce the required LOC amount when OCTA issues M2 sales tax revenue bonds as planned. The \$400 million of M2 sales tax revenue bond proceeds in 2019 will reduce TIFIA's requirement for committed funds provided by the BANA LOC by \$400 million to \$500 million when the \$400 million M2 bond proceeds are deposited with OCTA's trustee. OCTA currently pays BANA a fee of 26 basis points, totaling \$1.04 million annually, for the \$400 million tranche maturing July 2019. Similarly, when OCTA sells the planned \$500 million of M2 sales tax revenue bonds in 2021 and deposits the \$500 million M2 sales tax revenue bond proceeds with its trustee, TIFIA will no longer have a requirement for committed funds, and the BANA LOC will terminate. OCTA currently pays BANA a fee of 36 basis points, totaling \$1.8 million annually, for the outstanding \$500 million tranche maturing July 2021.

Refinancing

Separately, OCTA has evaluated the savings associated with a partial the outstanding M2 Sales Tax Revenue Bonds. defeasance of 2010 Series A (Taxable Build America Bonds), serial maturities 2021 to 2025. The serial maturities of the 2010 Series A Bonds contain an optional par call on February 15, 2020. Based on analysis from the underwriting team, OCTA could refund approximately \$43.540 million to achieve approximately \$1,000,000 in potential savings in today's current market. Due to the nominal size of par outstanding that could be refunded for potential savings, OCTA would recommend including the defeasance of a portion of the 2010 Series A as part of the Series 2019 financing if there continues to be savings from doing so.

Recommended Structure

- Level debt service
- Standard 10-year optional par call
- Refinance \$43.5 million of the 2010 Series A Bonds

Debt Service Costs Under the Recommended Structure

Staff recommends an approximate issue size not to exceed \$450 million for the recommended structure discussed above. Of that amount, \$400 million will fund M2 project expenses, \$43.5 million will partially defease the 2010 Series A Bonds, \$600,000 for underwriter's discount, and \$610,000 for cost of issuance expenses. For the Series 2019 proposed issue size, it is estimated that debt service costs will average \$25.598 million per year. The arbitrage yield is estimated at 2.62 percent.

Legal Documents

OCTA has also been working with the financing team to develop the documents for the transaction. The financing documents for the OCTA M2 Sales Tax Revenue Bonds, Series 2019, have been submitted to S&P Global Ratings (S&P) and Fitch Ratings (Fitch) for their review and ratings on the bonds. OCTA is scheduled to meet with S&P and Fitch on January 29, 2019, to provide an update of OCTA and discuss sales tax history and forecasts, in addition to the proposed financing. OCTA is targeting current ratings of AA+ from both S&P and Fitch for the proposed 2019 Bonds. It is anticipated that the ratings and commentary from S&P and Fitch will be released by February 4, 2019.

Issuance of Series 2019 Measure M2 Bonds, Measure M2 *Page* 6 Financing Documents, and Trustee Services Amendment

The financing documents for the proposed 2019 Bonds incorporate the recommended approximately \$400 million bond issue and approximately \$43.540 million refunded par for the 2010 Series A Bonds. To proceed with the issuance and sale of M2 sales tax revenue bonds, Orange County Local Transportation Authority (OCLTA) is required to execute several financing documents with related parties. Below is a list of items for approval with an accompanying description:

Resolution - The resolution (Attachment A) is the legal document which ratifies the approval of the issuance and sale of M2 sales tax revenue bonds, in an amount not to exceed \$450 million. The resolution has 23 whereas clauses which state the statutory existence of OCLTA, M2 sales tax, and the legal authority of the OCLTA to issue the sales tax revenue bonds. The resolution also notes that to accomplish the issuance of the sales tax revenue bonds, OCLTA must enter into the documents summarized below.

Third Supplemental Indenture - The Master Indenture and Third Supplemental Indenture (Attachment B and C) are written agreements with the Trustee that specify the terms and conditions for issuing sales tax revenue bonds. The Third Supplemental Indenture, along with the Master Indenture executed in 2010 (the "Indentures") describe the sales tax revenue bonds being offered, the maturity of the program, the protective covenants, and other terms. The Indentures describe the legal obligations of OCLTA to the bondholders and the powers of the trustee. The trustee has the responsibility for ensuring that interest and principal payments are made to registered holders of the sales tax revenue bonds. The indentures are an agreement between OCLTA and the trustee for the benefit of the bondholders.

Purchase Contract – This is the agreement between OCLTA and the underwriters, which outlines the final terms, conditions, and prices for the sale of the M2 sales tax revenue bonds. The final pricing for the bonds will occur after ratings have been obtained and premarketing efforts completed. This document is included as Attachment D.

Preliminary Official Statement – This is the preliminary version of the official statement which generally discloses material information about the bond issue, including the purpose of the bond issue, how the bonds will be repaid, and the financial, economic, and demographic characteristics of OCLTA and Orange County. It is used by underwriters to market the bonds to investors. The OCTA Board has the responsibility under federal securities laws to review the preliminary official statement to make sure there are no material misstatements or omissions of material facts. This document is included as Attachment E.

Issuance of Series 2019 Measure M2 Bonds, Measure M2 *Page 7* Financing Documents, and Trustee Services Amendment

Continuing Disclosure Certificate – This is the certificate prepared for the benefit of bondholders outlining the conditions OCLTA must comply with under the Securities and Exchange Commission Rule 15c2-12(b)(5). Under this rule, OCLTA is required to provide certain financial information and operating data no later than six months following the end of the fiscal year and to provide notices of the occurrence of certain enumerated events, if material. This information will be filed on an annual basis. This document is included as Attachment F.

Debt Policy

OCTA's Debt Management Policy contains the policies and procedures that govern all debt sales. The debt policy confirms the commitment of the Board, management, staff, advisors, and other decision makers to adhere to sound financial management practices, including full and timely repayment of all borrowings, achieving the lowest cost of capital within practical risk parameters, and maintaining required disclosures to rating agencies and investors. This document is included as Attachment G.

Cost of Issuance Expenses and Underwriting Fees

Cost of issuance expenses for debt issuances are paid at the closing of a financing transaction. These costs include legal fees, financial advisory fees, rating fees, printing, roadshow, and other miscellaneous expenditures. The estimated cost of issuance expenses for an M2 debt issuance will total approximately \$610,000. In addition to these costs, the underwriting fees for the transaction are estimated at approximately \$600,000.

Included in these costs are trustee and trustee counsel services. OCTA currently contracts with Bank of New York Mellon Trust Company to provide trustee services. To proceed with the M2 financing, funds will need to be added to the trustee services agreement for the debt transaction. The amendment is needed to fund trust services as part of closing the transaction and for trustee's legal counsel review of documents.

Next Steps

The financing documents for the M2 sales tax revenue bonds will be sent to the rating agencies for their review and ratings. On January 29, 2019, staff and OCTA's financing team will meet with the rating analysts in San Francisco and request formal ratings for the Series 2019 Bonds. It is anticipated that ratings from S&P and Fitch will be released by February 4, 2019.

Issuance of Series 2019 Measure M2 Bonds, Measure M2 *Page 8* Financing Documents, and Trustee Services Amendment

If the Board approves the recommended financing structure and amendment to trustee services, the financing team will release the preliminary official statement to the investment community. Investors will review the preliminary official statement and determine their level of interest in the bonds and whether they require additional information from staff and the financing team.

Following the release of the preliminary official statement, an investor presentation will be posted online the week of February 4, 2019. The presentation will focus on the details of the transaction, including the legal structure. The presentation will be recorded by staff and the financing team. Investors will have the option to contact staff or the underwriting team to request additional information or follow-up meetings.

On February 11, 2019, staff will be at the Bank of America Merrill Lynch offices in New York to meet with investors and answer any questions prior to pricing the transaction. It is anticipated that the retail order period will commence on February 12, 2019, and the institutional sales period will follow on February 13, 2019. Staff will meet with the financing team to review final structuring as it relates to recommended coupons and interest rate levels.

Once the bonds are sold, staff will be provided a list of investors and presented a final spreadsheet detailing the costs of the transaction. OCTA's Executive Director of Finance and Administration will execute the purchase contract and the transaction is expected to close on February 26, 2019. On the closing date, all legal documents are executed, and funds are exchanged between parties.

Summary

The financial documents for the 2019 Series Measure M2 Bonds are presented for approval by the Finance and Administration Committee and the Board of Directors.

Issuance of Series 2019 Measure M2 Bonds, Measure M2 *Page* 9 Financing Documents, and Trustee Services Amendment

Attachments

- A. Orange County Local Transportation Authority, Resolution No. 2019-008
- B. Master Indenture of Trust
- C. Third Supplemental Indenture
- D. Purchase Contract
- E. Preliminary Official Statement dated February ___, 2019
- F. Continuing Disclosure Certificate
- G. Orange County Transportation Authority Comprehensive Debt Management Policy
- H. Bank of New York Mellon, Agreement No. C-5-3790 Fact Sheet

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