



TRANSPORTATION TRANSFORMATION



2010 Annual Progress Report

Dear Friend of Transportation:

Twenty years ago, Orange County voters took matters into their own hands when they approved Measure M (M1), the half-cent sales tax for transportation improvements. Orange County finally had a reliable funding source in place to accelerate transportation infrastructure improvements that were for years dependent on scarce federal and state funding.

When the Orange County Transportation Authority (OCTA) first began delivering the Measure M 20-year Traffic Improvement and Growth Management Plan in 1991, the goal was to quickly put improvements in place to support Orange County's rapidly growing economy, as well as provide a sustainable funding source on which local agencies could rely to maintain our streets and roads. Now, 20 years later, it is easy to see how M1 has helped transform Orange County. Freeways and streets and roads have been widened and upgraded, and Metrolink rail service added – three lines now serve Orange County.

Orange County voters were so satisfied with the implementation of the program of projects in Measure M, they approved an extension of the transportation sales tax for another 30 years in November 2006 by a margin of nearly 70 percent. This extension, M2, will provide an ongoing local source of revenue until March 31, 2041.

Looking back on the past year, we accomplished a great deal despite tough economic times. The most significant M1 milestone was the completion of the I-5 Gateway Project, which also marked the completion of the Measure M Freeway Program. The last call for projects was issued for the competitive Streets and Roads Program and more than \$31.7 million was turned back to local agencies. Work also continued on the Metrolink Service Expansion Program, with numerous capital projects under way.

Progress was also made on the M2 Early Action Plan, which jump-started efforts to get improvements going prior to the start of collection of M2 sales tax revenues on April 1, 2011. While the economic downturn has affected M2 revenue forecasts, favorable construction bids have somewhat mitigated the reduction in projected revenues.

Though this annual progress report is meant to highlight both Measure M1 and M2 achievements during the past year, it also is an opportunity to thank all those who had the vision to invest in and transform Orange County's infrastructure more than 20 years ago. It truly has been a "Transportation Transformation."

Sincerely,



Will Kempton
Chief Executive Officer

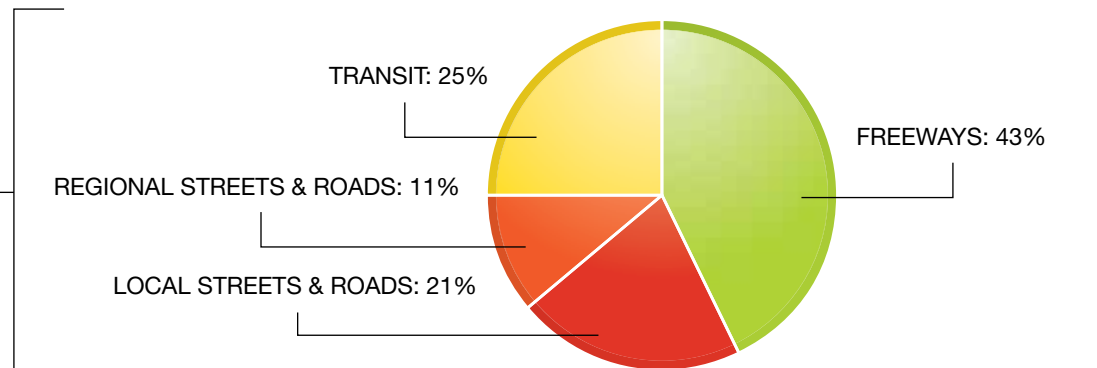
Finding a New Way

Remember traveling through Orange County 20 years ago, before the Santa Ana Freeway was doubled in size or when Metrolink rail service did not exist? During the 1980s, as our economy and population were rapidly growing and traffic congestion was on the rise, Orange County needed to find a new way to pay for much-needed transportation improvements, due to limited federal and state funding opportunities. Working together, county transportation and elected officials developed a long-range traffic improvement and growth management plan that could address Orange County's mobility issues.

The result was Measure M (M1), the voter-approved half-cent sales tax program which funded a specific plan of transportation improvements. Since 1991, M1 has transformed Orange County's transportation system by widening our freeways, improving our streets and roads and creating commuter rail service.



Measure M1 Fund Allocation
TOTAL \$4.07 BILLION*



*estimated total as of March 2011

Measure M: Freeways

For the past 20 years, Measure M has helped widen and improve Orange County's freeways and interchanges, creating one of the finest freeway systems in the country. In 2010, with the completion of the I-5 Gateway Project, OCTA and Caltrans finished the crowning jewel in the Measure M Freeway Program: the widening of Orange County's Main Street – the Santa Ana Freeway (I-5). The I-5 Gateway Project essentially doubled the size of the freeway through Buena Park from the I-5/Riverside Freeway (SR-91) Interchange to the Los Angeles County line. And, as part of the M2 Early Action Plan, a new eastbound lane on the Riverside Freeway from SR-241 to SR-71 was recently completed.

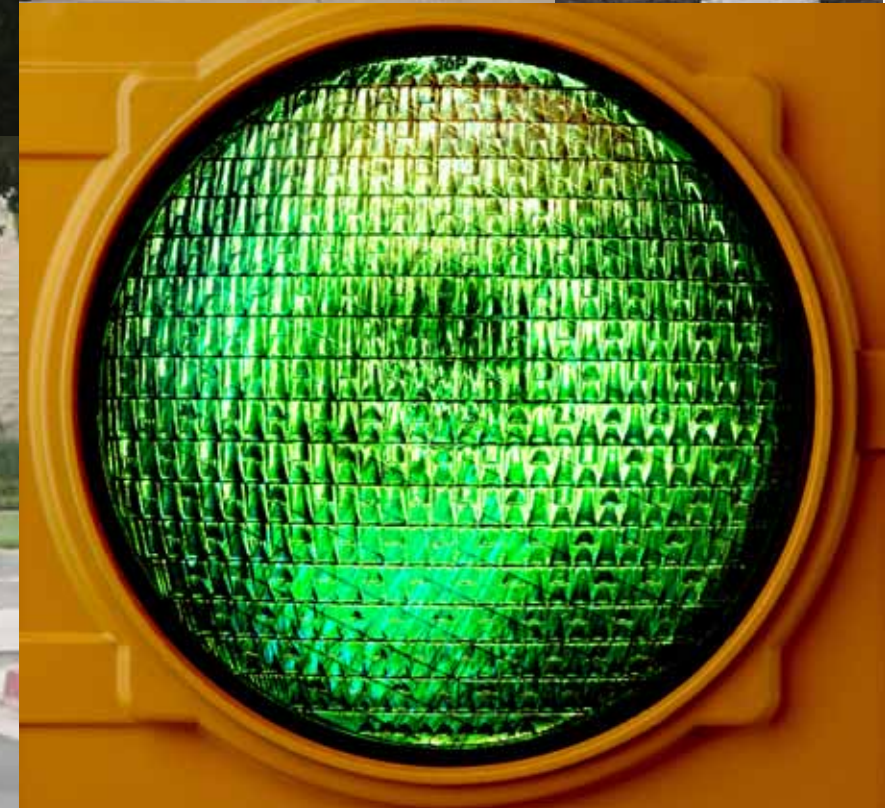


2010 Freeways Highlights

- The completion of the I-5 Gateway Project in late 2010 provided the final link in the M1 Freeway program. The \$335 million project transformed the I-5 at the Orange/Los Angeles County line from an antiquated facility built in the '50s to a high-tech, modern freeway that has been built to handle the projected 2020 traffic of 321,000 vehicles per day. As part of the project, an Orange County gateway monument sign was erected at the county line to welcome visitors to Orange County.
- M1 funds were used to accelerate development of carpool connector ramps linking the Garden Grove Freeway (SR-22), San Diego Freeway (I-405) and San Gabriel River Freeway (I-605). Significant progress was made on this project, known as the "West County Connectors." Final design was completed and construction began on the east segment.
- Opening in December 2010, the first M2 freeway project was completed in just one year, adding a 5.9 mile eastbound lane to the SR-91 between the SR-241 and the SR-71 freeways. While this project is designated in the M2 Freeway Plan, the project was paid for using federal American Recovery and Reinvestment Act funds, thereby freeing up future M2 funds for other projects (M2 – Project J).
- A new northbound lane on the Orange Freeway (SR-57) is being advanced to help reduce congestion and facilitate the regional flow of goods and services. Final design was completed and construction recently began on the segment between Orangethorpe and Lambert Avenues, and environmental analysis was completed on the segment between Katella and Lincoln Avenues (M2 – Project G).
- The environmental review for adding a new lane on SR-91 between I-5 and SR-57 was approved, clearing the way for OCTA to prepare the final design for the project (M2 – Project J).
- Following M2 guidelines, work proceeded on environmental impact reports for several freeway projects, including I-5 through San Clemente (M2 – Project C), and I-405 between the Costa Mesa Freeway (SR-55) and the I-605 (M2 – Project K).

Measure M: Streets and Roads

Streets and roads are a major part of Orange County's transportation network. Residents and commuters need to be able to maneuver around their communities and business destinations with ease. Since its inception, M1 has provided Orange County cities and the County of Orange more than \$562 million through "turnback" formula funds, for improving local streets and roads by filling potholes, maintaining existing streets and improving intersections. M1 has also helped improve nearly 170 intersections in the county. Through competitive grants, nearly \$700 million has been awarded to local agencies for various improvement projects during the past 20 years.



2010 Streets and Roads Highlights

- During Fiscal Year 2009-10, Measure M1 provided \$31.7 million in turnback funds and \$73.3 in competitive grants from the Combined Transportation Funding Programs (CTFP) to Orange County's 34 cities and the County of Orange for improving regional and local streets and roads. The combined \$104 million between the two programs enabled local jurisdictions to widen streets to provide more through lanes, add left and right turn lanes, install median islands, and restripe pavement to enhance traffic flow.
- As part of the Signal Improvement Program, three corridors utilized signal timing optimization equipment to improve the flow of traffic, including Alicia Parkway, Beach Boulevard and Chapman Avenue.
- The Southern California chapter of the American Public Works Association awarded OCTA's Regional Traffic Signal Synchronization Master Plan with the "Project of the Year" Award. The Master Plan will use M2 funds to synchronize 2,000 intersections in Orange County during the life of the program (M2 – Project P).
- A plan to build seven bridges to separate car and train traffic is moving forward as part of the OC Bridges Program to improve traffic flow and safety along the Orangethorpe rail corridor. Final design on the Placentia Avenue and Kraemer Boulevard underpasses was well under way in 2010. In addition, the right-of-way process was initiated for the Orangethorpe Avenue and Tustin Avenue/Rose Drive overpasses (M2 – Project O).

Measure M: Transit

Measure M has been instrumental in providing Orange County residents with travel alternatives by bringing Metrolink commuter rail service to Orange County, and by subsidizing bus fares for seniors and persons with disabilities. Now M1 is responsible for making track and signal improvements possible and enhancing Metrolink stations with extended passenger platforms and increased parking. M2 is helping to increase safety at rail crossings and enhance connections between Metrolink stations and surrounding communities.



2010 Transit Highlights

- Installation of pedestrian gate foundations, sidewalk improvements, raised medians and pedestrian swing gates were completed for most crossings in Orange and Anaheim as part of the M2 railroad crossing safety enhancement project. (M1 and M2 - Project R)
- Construction began on new parking structures for the Tustin Metrolink Station and the Fullerton Transportation Center to provide 823 and 813 parking spaces, respectively.
- Track and signal improvements were under way to prepare for increased Metrolink service between Fullerton and Laguna Niguel/Mission Viejo.
- The alternatives analysis and environmental clearance process was under way for the M2 Go Local fixed guideway projects in Anaheim and Santa Ana/Garden Grove, setting the stage for enhanced connections to Metrolink in those communities. (M1 and M2 - Project S)
- Project development continued on the M2 Anaheim Regional Transportation Intermodal Center (ARTIC) project. (M1 and M2 - Project T)

Measure M: Environmental Programs

An integral part of our planning and construction process for M2 is taking into consideration environmental impact and potential mitigation. We consider the impact of the actual construction projects as well water run-off from roadways. We want Orange County to continue to be one of the finest places in the world to live, and with the environmental provision of M2, we're taking measures to enhance the quality of life for our residents.



2010 Environmental Program Highlights

- The OCTA Board of Directors authorized staff to begin negotiations to acquire up to \$42 million worth of preserved open space through the M2 Freeway Mitigation Program. The program allows higher-value environmental benefits, such as habitat protection, wildlife corridors and resource preservation and restoration, in exchange for streamlined project approval for 13 M2 freeway projects.
- The Board approved six primary restoration projects and three secondary projects as a contingency, for \$5.5 million.
- Guidelines were approved for the Environmental Cleanup Program, which allows local jurisdictions to apply for grants for projects to improve the quality of water run-off (M2 - Project X).

Safeguarding Your Dollars

The Measure Ordinances require an oversight committee to monitor OCTA's use of Measure M funds. The key responsibility of the committee is to ensure all revenues collected are spent on transportation projects. Under M1, the committee began meeting in 1991 as the Citizens Oversight Committee. In 2007, the committee transformed into the Taxpayers Oversight Committee (TOC) under the M2 Ordinance, with essentially the same responsibilities. As of February 8, 2011, the TOC has found OCTA has been proceeding in accordance with M1 Ordinance for 20 years in a row, and with M2 Ordinance for three years in a row.

Current TOC Members as of January 1, 2011

David Sundstrom	County Auditor-Controller, Chair
Richard Egan	District 1
Diana Hardy	District 1
Howard Mirowitz	District 2
Anh-Tuan Le	District 2
Edgar Wylie	District 3
Dowling Tsai	District 3
Gregory Pate	District 4
John Stammen	District 4
Elliott "Tony" Rouff	District 5
James Kelly	District 5



One-Half Cent Goes a Long Way for Local Improvements

Local Support for Street and Road Maintenance and Improvement
Fiscal Year 2010 ended June 30, 2010

City	TOTAL FY 2010
Aliso Viejo	\$ 370,445.14
Anaheim	3,401,476.24
Brea	551,759.50
Buena Park	918,773.72
Costa Mesa	1,425,312.54
Cypress	557,217.38
Dana Point	337,237.66
Fountain Valley	638,507.63
Fullerton	1,292,410.30
Garden Grove	1,491,237.72
Huntington Beach	1,936,071.02
Irvine	2,474,139.04
Laguna Beach	261,178.68
Laguna Hills	360,153.28
Laguna Niguel	689,246.59
Laguna Woods	139,879.39
La Habra	543,652.46
Lake Forest	784,229.17
La Palma	203,336.95
Los Alamitos	132,927.86
Mission Viejo	963,648.10
Newport Beach	1,071,929.96
Orange	1,656,625.32
Placentia	473,464.16
Rancho Santa Margarita	430,384.87
San Clemente	568,867.89
San Juan Capistrano	384,696.66
Santa Ana	2,914,200.63
Seal Beach	262,245.42
Stanton	301,007.07
Tustin	848,148.36
Villa Park	53,983.61
Westminster	871,789.55
Yorba Linda	598,921.67
County Unincorporated	1,780,342.92
Totals	\$ 31,689,448.46

Local Support for Street and Road Maintenance and Improvement
Inception to June 30, 2010

Agency	Total Apportionments as of 6/30/2010
Aliso Viejo	\$ 3,826,855.41
Anaheim	61,524,124.45
Brea	10,011,529.01
Buena Park	15,219,951.94
Costa Mesa	26,393,823.15
Cypress	9,893,887.53
Dana Point	6,261,842.88
Fountain Valley	12,023,716.79
Fullerton	24,023,369.89
Garden Grove	27,411,213.94
Huntington Beach	35,885,616.06
Irvine	39,884,804.43
Laguna Beach	4,713,294.40
Laguna Hills	6,614,842.56
Laguna Niguel	11,988,088.45
Laguna Woods	1,772,487.12
La Habra	9,457,243.17
Lake Forest	12,534,465.63
La Palma	3,181,939.27
Los Alamitos	2,613,234.38
Mission Viejo	17,444,462.71
Newport Beach	17,544,877.35
Orange	29,212,021.62
Placentia	8,681,956.80
Rancho Santa Margarita	4,886,200.25
San Clemente	9,004,666.28
San Juan Capistrano	6,942,548.92
Santa Ana	54,833,846.61
Seal Beach	4,454,992.36
Stanton	5,519,480.25
Tustin	15,123,343.32
Villa Park	1,005,305.38
Westminster	16,461,803.50
Yorba Linda	10,440,397.42
County Unincorporated	35,604,678.34
Total	\$ 562,396,911.57

2010 Measure M1 Distribution

Total Measure M expenditures fiscal year ended June 30, 2010*

Project Description (G) (\$ in thousands)	Net Project Cost			Expenditures		
	Inception Through 6/30/10 (P)	Inception Through 6/30/09 (P)	FY 09/10	Inception Through 6/30/10 (P)	Inception Through 6/30/09 (P)	FY 09/10
Freeways (43%)						
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 771,127	\$ 726,877	\$ 44,250	\$ 856,652	\$ 809,616	\$ 47,036
I-5 between I-5/I-405 Interchange and San Clemente	59,936	59,936	-	70,294	70,294	-
I-5/I-405 Interchange	73,075	73,075	-	98,157	98,157	-
S.R. 55 (Costa Mesa Fwy) between I-5 and S.R. 91 (Riverside Fwy)	49,194	49,340	(146)	55,366	55,512	(146)
S.R. 57 (Orange Fwy) between I-5 and Lambert Road	22,758	22,758	-	25,617	25,617	-
S.R. 91 (Riverside Fwy) between Riverside County line & Los Angeles County line	105,389	105,389	-	123,995	123,995	-
S.R. 22 (Garden Grove Fwy) between S.R. 55 and Valley View Street	304,532	296,465	8,067	617,917	609,747	8,170
Subtotal Projects	1,386,011	1,333,840	52,171	1,847,998	1,792,938	55,060
Net (Bond Revenue)/Debt Service†	238,462	165,553	72,909	238,462	165,553	72,909
Total Freeways	\$ 1,624,473	\$ 1,499,393	\$ 125,080	\$ 2,086,460	\$ 1,958,491	\$ 127,969
Regional Street and Road Projects (11%)						
Smart Streets	\$ 163,033	\$ 150,626	\$ 12,407	\$ 174,772	\$ 154,115	\$ 20,657
Regionally Significant Interchanges	64,384	62,185	2,199	64,530	62,331	2,199
Intersection Improvement Program	89,313	77,223	12,090	89,527	77,437	12,090
Traffic Signal Coordination	52,564	46,313	6,251	53,811	46,445	7,366
Transportation Systems Management and Transportation Demand Management	7,591	7,312	279	7,740	7,461	279
Subtotal Projects	376,885	343,659	33,226	390,380	347,789	42,591
Net (Bond Revenue)/Debt Service†	1,842	1,279	563	1,842	1,279	563
Total Regional Street and Road Projects	\$ 378,727	\$ 344,938	\$ 33,789	\$ 392,222	\$ 349,068	\$ 43,154
Local Street and Road Projects (21%)						
Master Plan of Arterial Highway Improvements	\$ 108,101	\$ 86,412	\$ 21,689	\$ 108,200	\$ 86,511	\$ 21,689
Streets and Roads Maintenance and Road Improvements†	562,461	530,771	31,690	562,461	530,771	31,690
Growth Management Area Improvements	82,273	73,789	8,484	82,704	74,220	8,484
Subtotal Projects	752,835	690,972	61,863	753,365	691,502	61,863
Net (Bond Revenue)/Debt Service†	-	-	-	-	-	-
Total Local Street and Road Projects	\$ 752,835	\$ 690,972	\$ 61,863	\$ 753,365	\$ 691,502	\$ 61,863
Transit Projects (25%)						
Pacific Electric Right-of-Way	\$ 13,902	\$ 13,878	\$ 24	\$ 16,721	\$ 16,564	\$ 157
Commuter Rail	290,632	290,632	-	351,437	351,437	-
High-Technology Advanced Rail Transit	189,121	121,984	67,137	210,384	128,857	81,527
Elderly and Handicapped Fare Stabilization	17,000	17,010	1,990	19,000	17,010	1,990
Transitways	125,886	125,961	(75)	162,651	162,648	3
Subtotal Projects	638,541	569,465	69,076	760,193	676,516	83,677
Net (Bond Revenue)/Debt Service†	43,073	29,904	13,169	43,073	29,904	13,169
Total Transit Projects	\$ 681,614	\$ 599,369	\$ 82,245	\$ 803,266	\$ 706,420	\$ 96,846
Total Measure M Program	\$ 3,437,649	\$ 3,134,672	\$ 302,977	\$ 4,035,313	\$ 3,705,481	\$ 329,832

*Expenditures less reimbursement. **A portion of the Measure M Program was financed by bonds to advance freeway projects and take advantage of lower right-of-way and construction costs in the early 1990s. † Does not include administrative costs.

2010 Measure M1 Distribution

Total Measure M expenditures fiscal year ended June 30, 2010*

Project Description (G) (\$ in thousands)	Schedule of Net Project Costs			Schedule of Expenditures		
	Inception Through 6/30/10 (P)	Inception Through 6/30/09 (P)	FY 09/10	Inception Through 6/30/10 (P)	Inception Through 6/30/09 (P)	FY 09/10
Freeways (43% of Net Tax Revenues)						
A I-5 Santa Ana Freeway Interchange Improvements	\$ 7	\$ 7	\$ -	\$ 7	\$ 7	\$ -
B,C,D I-5 Santa Ana/San Diego Freeway Improvements	6,424	764	5,660	6,424	764	5,660
E SR-22 Garden Grove Freeway Access Improvements	1	1	-	1	1	-
F SR-55 Costa Mesa Freeway Improvements	362	68	294	362	68	294
G SR-57 Orange Freeway Improvements	18,969	14,938	4,031	18,969	14,938	4,031
H,I,J SR-91 Riverside Freeway Improvements	3,758	2,478	1,280	8,065	5,502	2,563
K,L I-405 San Diego Freeway Improvements	5,508	692	4,816	6,207	1,391	4,816
M I-605 Freeway Access Improvements	-	-	-	-	-	-
N All Freeway Service Patrol	-	-	-	-	-	-
Freeway Mitigation	437	119	318	437	119	318
Subtotal Projects	35,466	19,067	16,399	40,472	22,790	17,682
Net (Bond Revenue)/Debt Service	1,133	706	427	1,133	706	427
Total Freeways	\$ 36,599	\$ 19,773	\$ 16,826	\$ 41,605	\$ 23,496	\$ 18,109
Street and Roads Projects (32% of Net Tax Revenues)						
O Regional Capacity Program	\$ 18,429	\$ 3,272	\$ 15,157	\$ 18,429	\$ 3,272	\$ 15,157
P Regional Traffic Signal Synchronization Program	101	32	69	101	32	69
Q Local Fair Share Program	-	-	-	-	-	-
Subtotal Projects	18,530	3,304	15,226	18,530	3,304	15,226
Net (Bond Revenue)/Debt Service	538	125	413	538	125	413
Total Street and Roads Projects	\$ 19,068	\$ 3,429	\$ 15,639	\$ 19,068	\$ 3,429	\$ 15,639
Transit Projects (25% of Net Tax Revenues)						
R High Frequency Metrolink Service	\$ 32,198	\$ 15,135	\$ 17,063	\$ 37,207	\$ 15,135	\$ 22,072
S Transit Extensions to Metrolink	1	-	1	1	-	1
T Metrolink Gateways	-	-	-	-	-	-
U Expand Mobility Choices for Seniors and Persons with Disabilities	-	-	-	-	-	-
V Community Based Transit/Circulators	-	-	-	-	-	-
W Safe Transit Stops	-	-	-	-	-	-
Subtotal Projects	32,199	15,135	17,064	37,208	15,135	22,073
Net (Bond Revenue)/Debt Service	978	648	330	978	648	330
Total Transit Projects	\$ 33,177	\$ 15,783	\$ 17,394	\$ 38,186	\$ 15,783	\$ 22,403
Environmental Cleanup (2% of Revenues)						
X Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 496	\$ 182	\$ 314	\$ 496	\$ 182	\$ 314
Subtotal Projects	496	182	314	496	182	314
Net (Bond Revenue)/Debt Service	16	6	10	16	6	10
Total Environmental Cleanup	\$ 512	\$ 188	\$ 324	\$ 512	\$ 188	\$ 324
Total Measure M2 Program	\$ 89,356	\$ 39,173	\$ 50,183	\$ 99,371	\$ 42,896	\$ 56,475

2011 Board of Directors

Patricia Bates	Chair
Paul G. Glaab	Vice Chair
Jerry Amante	Director
Don Bankhead	Director
Peter Buffa	Director
Bill Campbell	Director
Carolyn V. Cavecche	Director
Larry Crandall	Director
William J. Dalton	Director
Don Hansen	Director
Peter Herzog	Director
John Moorlach	Director
Shawn Nelson	Director
Janet Nguyen	Director
Miguel Pulido	Director
Tom Tait	Director
Gregory T. Winterbottom	Director
Cindy Quon	Governor's Ex-Officio Member

Chief Executive Office

Will Kempton	Chief Executive Officer
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Orange County Transportation Authority

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