



**Measure M**  
**Taxpayer Oversight Committee**  
at the Orange County Transportation Authority  
600 S. Main Street, Orange CA, Room 154  
April 8, 2014  
6:00 p.m.



**AGENDA**

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Approval of Minutes/Attendance Report for February 11, 2014**
- 4. Action Items**
  - A. Huntington Beach Expenditure Report – Eligibility Findings  
Presentation – Jack Wu, Annual Eligibility Review Subcommittee Chair
- 5. Presentation Items**
  - A. Rail Program Update  
Presentation – Jennifer Bergener, Director, Capital Programs
  - B. Santa Ana/Garden Grove Fixed Guideway Update  
Presentation – Jennifer Bergener, Director, Capital Programs
  - C. Organizational Assessment  
Presentation – Tamara Warren, Manager, M Program Office
- 6. OCTA Staff Updates (5 minutes each)**
  - Metrolink – Andrew Oftelie, Executive Director, Finance and Administration
  - Other
- 7. Committee Member Reports**
- 8. Public Comments\***
- 9. Adjournment**

\*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



### INFORMATION ITEMS

- 1. Local, State and Federal Funding Changes and Amendments to Cooperative Agreements for the Anaheim Regional Transportation Intermodal Center in the City of Anaheim and the Sand Canyon Avenue Grade Separation in the City of Irvine** **Jan. 13, 2014**
- 2. Measure M1 Progress Report for the Period of October 2013 Through December 2013 and Closeout Overview** **Feb. 24, 2014**
- 3. Measure M2 Progress Report for October 2013 through December 2013**
- 4. Measure M Taxpayer Oversight Committee Annual Public Hearing Results and Compliance Findings** **Mar. 10, 2014**
- 5. Measure M2 Environmental Cleanup Allocation Program – Funding Program Guidelines Revisions and Tier 1 Grant Program Call for Projects**
- 6. Measure M2 Project W Safe Transit Stops**
- 7. Measure M2 Eligibility Findings for Fiscal Year 2012-13 Expenditure Reports**

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**Measure M2  
Taxpayer Oversight Committee**

**February 11, 2014  
Meeting Minutes**

**Committee Members Present:**

Jan Grimes, Orange County Acting Deputy Auditor-Controller, Co-Chairman  
Narinder “Nindy” Mahal, First District Representative  
Linda Rogers, First District Representative  
Howard Mirowitz, Second District Representative, Co-Chairman  
Jack Wu, Second District Representative  
Terre Duensing, Third District Representative  
Randy Holbrook, Third District Representative  
Philip C. La Puma, PE, Fourth District Representative  
Cynthia Hall, Fourth District Representative  
Terry Fleskes, Fifth District Representative  
Nilima Gupta, Fifth District Representative

**Committee Member(s) Absent:**

None

**Orange County Transportation Authority Staff Present:**

Jim Beil, Executive Director, Capital Programs  
Rose Casey, Director of Highway Programs  
Marissa Espino, Strategic Communications Officer  
Janice Kadlec, Public Reporter Specialist  
Kia Mortazavi, Executive Director, Planning  
Andy Oftelie, Executive Director, Finance and Administration  
Ken Phipps, Deputy Executive Director  
Alice Rogan, Strategic Communications Manager, External Affairs  
Tamara Warren, Program Manager, M Program Management Office

**Guest(s)**

Jean Parker, Fountain Valley Resident  
Melanie Schlotterbeck, Vice-Chair of the Environmental Oversight Committee (EOC)

**1. Welcome**

Chair Jan Grimes welcomed everyone to the Taxpayer Oversight Committee (TOC) meeting and began the meeting 6:00 p.m. She introduced new TOC First District Representative Linda Rogers who is replacing Anh-Tuan Le who resigned from the committee due to increased business commitments. Linda Rogers said this is her second time to serve on the TOC and is very happy to be a member again.

## **2. Pledge of Allegiance**

Chair Jan Grimes asked everyone to join her in the Pledge of Allegiance to the Flag.

## **3. ANNUAL MEASURE M PUBLIC HEARING**

### **a. Overview of Taxpayers Oversight Committee**

Co-Chairman Howard Mirowitz introduced himself and gave a brief background of Measure M and the TOC as well as reviewed the major activities of the TOC in 2013. He asked each TOC member to introduce themselves and to indicate what supervisorial district they represented and when their term expires.

### **b. Review of the 2013 Taxpayers Oversight Committee Actions**

Co-Chairman Jan Grimes reported on the key activities of the TOC during 2013.

### **c. Local Eligibility Subcommittee Report**

Jack Wu, Chairman of the Annual Eligibility Review Subcommittee (AER), reviewed the duties of the AER and reported on the major actions of the Subcommittee during 2013.

### **d. Audit Subcommittee Report**

Co-Chairman Jan Grimes introduced the members of the TOC Audit Subcommittee, reviewed the duties of the Audit Subcommittee, and reported on the major actions of the Subcommittee during 2013.

### **e. Public Comments**

Jean Parker, resident of the City of Fountain Valley, spoke against the proposed braided ramps on the Northbound I-405 Freeway as part of the I-405 Improvement Project.

### **f. Adjournment of Public Hearing**

Co-Chairman Jan Grimes said any comments or questions by the public during the Public Comments item will be responded to at a later date. Co-Chairman Jan Grimes adjourned the Annual Measure M Public Hearing at 6:12 p.m.

## **4. Approval of Minutes/Attendance Report for December 10, 2013**

Chair Jan Grimes asked if there were any additions or corrections to the December Meeting Minutes and Attendance Report.

Terry Fleskes asked for the following correction on page 6, paragraph 3, and sentence 4: *Kia Mortazavi said the first project cost \$450,000 and the second project cost \$1.25 billion million.*

A motion was made by Linda Rogers, seconded by Howard Mirowitz, and carried unanimously to approve the December 10, 2013 TOC minutes and attendance report as corrected.

## **5. Action Item(s)**

### **A. Measure M1 Revenue & Expenditure Quarterly Report (Dec 13)**

Andy Oftelie gave a brief overview of the M1 Revenue and Expenditure Quarterly Report for the period ending December 2013.

A motion was made by Randy Holbrook, seconded by Linda Rogers, and carried unanimously receive and file the Measure M1 Revenue and Expenditure Quarterly Report for December 2013.

### **B. Measure M2 Revenue & Expenditure Quarterly Report (Dec 13)**

Andy Oftelie gave a brief overview of the M2 Revenue and Expenditure Quarterly Report for the period ending December 2013.

Jack Wu asked what the State Board of Equalization (SBOE) fee was. Andy Oftelie said the SBOE charges OCTA to collect and distribute the sales tax. By law, the State takes a percentage of the revenues collected for administering the sales tax. Currently the percentage being taken is about one and a half percent.

Linda Rogers observed the High Speed Rail (HSR) is on again off again. Is this going to significantly impact how much money will be spent on the Anaheim Regional Transportation Intermodal Center (ARTIC) if HSR does not materialize? Andy Oftelie said no.

Howard Mirowitz asked if the \$7.2 million of net project costs after reimbursements from Orange County Unified Transportation Trust (OCUTT) seems to be more than one percent of \$674,000 net tax revenue program to date to actual. Andy Oftelie said the one percent equals sales tax plus interest.

Howard Mirowitz questioned why the figures did not balance between two comparable M1 and M2 program charts. Andy Oftelie said he needed to subtract the bond proceeds to make it balance. Howard Mirowitz said it still does not balance. Andy Oftelie said he will get back to him on how to balance the figures.

### **C. 2014 Annual Hearing Follow-Up and Compliance Findings**

A motion was made by Randy Holbrook, seconded by Jack Wu, and carried unanimously to approve the letter to the OCTA Board with the TOC finding OCTA in compliance with the M1 and M2 plans for 2013.

### **D. Local Jurisdictions Expenditure Reports – Eligibility Findings**

Jack Wu reported the Annual Eligibility Review (AER) Subcommittee had reviewed the Local Jurisdictions Expenditure Reports which are due six months

after the close of the fiscal year (December 31). They found all jurisdictions in compliance with the Measure M Ordinance 3 with the City of Huntington Beach as an exception since this local jurisdiction follows the Federal fiscal year ending September 30 - they will submit their Expenditure Report on March 31, 2013. The subcommittee reviewed Expenditure Reports for 34 local jurisdictions with the exception of the City of Huntington Beach. It is to be noted the City of Seal Beach submitted an amended Expenditure Report which included Senior Mobility Plan expenses inadvertently left out of their previous submittal. The changes were circulated to the AER subcommittee members and no exceptions were found.

Terry Fleskes asked if it was the cities' practice not to submit the Expenditure Reports until six months after the end of the fiscal year. Andy Oftelie said yes, typically they want the cities to tie the Expenditure Reports into their financial statements (their CAFR's) and it takes approximately six months to complete those.

Terry Fleskes asked what is going on during the six month period. Andy Oftelie said work is being done on accruing back expenditures and sometimes accruing revenue depending on their recognition period. They are doing all the normal closing activities needed to close the financial statements. OCTA accepts unaudited Expenditure Reports, but requires these Expenditure Reports to go through their City Councils or Boards. The majority of the cities like these to line up with their other reports to avoid questions from their Council/Board Members.

The AER made three recommendations:

1. Approve the expenditure reports for the 34 local jurisdictions in Orange County and find the local jurisdictions eligible to receive local Fair Share and Competitive grant net revenues for fiscal year 2013-2014.
2. Direct staff to return with an eligibility finding for the City of Huntington Beach pending adoption and submittal of their fiscal year 2012/2013 expenditure report.
3. Recommend to the TOC Audit Subcommittee that the cities of Aliso Viejo, Seal Beach, and Westminster be considered for audit next year.

A motion was made by Cynthia Hall, seconded by Terre Duensing, and carried unanimously to approve the findings of the Annual Eligibility Review Subcommittee.

## **6. Presentation Items**

### **A. Organizational Assessment**

This Item was continued to the next TOC meeting.

## **B. Environmental Mitigation Program**

Dan Phu introduced Melanie Schlotterbeck, Vice Chair of the Measure M Environmental Oversight Committee (EOC) and member of one of the over 30 Measure M Environmental Support Groups. Melanie Schlotterbeck gave an overview of the work being done by the EOC.

Linda Rogers said by reading the Press Release, the EOC aims the acquisitions at the most environmentally sensitive areas. Once this has been done, are there any crumbs for other projects? Melanie Schlotterbeck said no, the Environmental Mitigation program funds are linked only to the type of habitat impacted by the freeway improvements.

Howard Mirowitz said the trust fund being set up for maintenance of the acquired properties is approximately \$56 million. The amount of acreage acquired is 1,150. Assuming 5% or \$2.8 million of the \$56 million would be taken each year for to maintain 1150 acres – does this seem like a reasonable amount. Melanie Schlotterbeck said the EOC formed a finance subcommittee to figure this out. The proposed \$56 million for endowments follows OCTA's investment policy. They are looking at options on how long it would take to fulfill the endowment, the rate of inflation, and interest. The \$56 million is the number being looked at now. In the future, they may go to the OCTA Board and ask for an adjustment that accommodates a different type of investment policy because managing properties is very different from managing other programs related to transportation.

Phillip La Puma asked Dan Phu to explain about the parties who will be managing the properties ultimately. Dan Phu said OCTA acquired five properties in 2011. Four of these properties are located inside the Foothill/Trabuco Specific Plan Area and generally close to O'Neil Regional Park. One of these properties is across from O'Neil State and is currently being managed by the Orange County Parks on a temporary basis. Another property acquired in 2013 is in the Silverado/Modjeska area. These properties are strategically aligned to a logical land manager. Also a North County property acquired in 2011 next to Chino Hills State Park is currently being managed by the State Park. Ultimately from a cost saving stand point and a management stand point, the intent is to integrate the 296 acre piece into the State Park, but with slightly different set of management parameters since they are subject to a Conservation Plan approval. During the interim period while the acquired properties are waiting for the Conservation Plan to be approved, they have looked to logical land managers and using that as experience for OCTA as well as the prospective land managers. Eventually OCTA will need to issue a Request for Qualifications for Property Managers.

Phillip La Puma said the reason he asked the question about land managers was because the endowment and the ongoing management will be reviewed by the TOC's Audit Subcommittee.

Phillip La Puma said he wanted to acknowledge Melanie Schlotterbeck and Dan Phu and how important they are to the EOC; they are the stars that hold the program together. They have been extremely helpful to w the groups impacted by the properties. They do an excellent job.

Randy Holbrook asked how the current drought was going to affect the EOC's goals on restoration, land management, and acquisition. Melanie Schlotterbeck said most of the properties acquired are in pretty good shape. There are some areas that will need to be restored and this will come under the Conservation Plan. It should not impact much because the vegetation they are trying to establish experiences wet and dry years.

### **C. Highway Program Update**

Rose Casey gave a Power Point update on the Highway Program.

Howard Mirowitz said Rose Casey said earlier the I-405 Environmental Impact Report (EIR) was almost finished being prepared. Will there be an opportunity to address Jean Parker's public comment? Rose Casey said OCTA is aware of the issues and concerns. Right now they are looking at the traffic benefits that might be provided by the braided ramps with respect to the impacts to the local community. As part of the final environmental document there will be a response to every comment and time to address the public concerns.

## **7. OCTA Staff Updates**

Timely Use of Funds: Andy Oftelie reported when staff reviewed the cities' Expenditure Reports, they noticed eight local jurisdictions that have not spent their Measure M funds in a timely fashion. The Ordinance does require local jurisdictions spend their sales tax dollars within two years of receipt. Four local jurisdictions did not spend any as of June 2013. The OCTA Director of Planning has sent a reminder notice to the agencies.

Metrolink: Andy Oftelie gave an update on Metrolink.

Staff Update: Alice Rogan reported the recruitment for the second and third district TOC members will begin soon. She encouraged the TOC members tell their friends and colleagues about it.

HOV Degradation Update: Kia Mortazavi gave an update on HOV Degradation. Phillip La Puma said his concern was whatever the choices are being presented by Caltrans - what are the impacts of these choices going to be on the Measure M Program. Kia Mortazavi said there are certain limits on widening the freeways and the Orange County Freeways are almost at their limit. The next question is what else can be done. The State of California has done some things to help – ramp meters and carpool lanes are just examples. What we have right now is not going to work



anymore. There has to be some change. Measure M2's commitment is to add one lane to the I-405 and the discussion with Caltrans is how to manage it. OCTA is not pursuing a priced Managed Lane option.

**8. Committee Member Reports**

Nindy Mahal said he recently read a report that the State of California was opening up 30-40 new DMV Offices. Is the State's expectation of extra drivers on the road a concern? Kia Mortazavi said OCTA can't address these issues directly but indirectly when they forecast numbers for the future they calibrate what's on the ground today relative to the population.

**9. Public Comments**

There was no future Public Comments.

**10. Adjournment**

The Measure M Taxpayers Oversight Committee meeting adjourned at 7:40 p.m. The next meeting will be April 8, 2014.



**Taxpayers Oversight Committee**  
**Fiscal Year 2013-2014**  
**Attendance Record**



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

Meeting Date	9-Jul	13-Aug	10-Sep	8-Oct	12-Nov	10-Dec	14-Jan	11-Feb	11-Mar	8-Apr	13-May	10-Jun
Terre Duensing		X		X		X		X				
Terry Fleskes		E		X		X		X				
Jan Grimes		X		X		X		X				
Nilima Gupta		X		X		X		X				
Cynthia Hall		X		X		X		X				
Randy Holbrook		X		X		E		X				
Phil La Puma		X		X		X		X				
Anh-Tuan Le		E		X		E		--				
Nindy Mahal		X		X		X		X				
Howard Mirowitz		X		X		X		X				
Linda Rogers		--		--		--		X				
Jack Wu		X		X		E		X				

**Absences Pending Approval**

Meeting Date

Name

Reason



# *Action Items*





***April 8, 2014***

***To:*** Taxpayers Oversight Committee

***From:*** Annual Eligibility Review Subcommittee

***Subject:*** Measure M2 Annual Eligibility Review Subcommittee Recommendation for the City of Huntington Beach's Fiscal Year 2012-13 Expenditure Report

***Overview***

The Measure M2 ordinance requires all local jurisdictions in Orange County to annually satisfy eligibility requirements in order to receive Measure M2 net revenues. The Annual Eligibility Review subcommittee review process for the City of Huntington Beach's fiscal year 2012-13 expenditure report has been completed.

***Recommendation***

Approve the expenditure report for the City of Huntington Beach and find the City of Huntington Beach eligible to receive Measure M2 net revenues for fiscal year 2013-14.

***Background***

The Taxpayer's Oversight Committee (TOC) is responsible for reviewing local agencies Local Signal Synchronization Plan, Mitigation Fee Program, Expenditure Report, Congestion Management Plan, and Pavement Management Plan for compliance with the ordinance. The Annual Eligibility Review (AER) subcommittee has been designated by the TOC to review the eligibility submittals with support from Orange County Transportation Authority (OCTA) staff. The AER subcommittee members include Jack Wu (Chair), Terre Duensing, Nilima Gupta, Narinder Mahal, and Cynthia Hall.

The eligibility component due this eligibility cycle includes Huntington Beach's expenditure report for fiscal year 2012-13. Local jurisdictions are required to annually submit expenditure reports six months after the close of the fiscal year (December 31<sup>st</sup>). The Taxpayers' Oversight Committee approved the expenditure reports for all local jurisdictions in Orange County except for the City of Huntington Beach on February 11, 2014. The City of Huntington Beach follows a federal fiscal year (October 1 to September 30), and must submit an expenditure report by March 31<sup>st</sup>.

***Discussion***

The City of Huntington Beach (City) submitted the expenditure report for fiscal year 2012-13 by the March 31<sup>st</sup> deadline. OCTA staff reviewed the expenditure report to ensure consistency and accuracy. The AER subcommittee convened on March 20, 2014 to review the expenditure report for the City.

The AER subcommittee found the City's expenditure report in compliance with the ordinance and recommends the expenditure report to the TOC for eligibility approval. Upon TOC approval, OCTA staff will present the eligibility findings to the Regional Planning and Highways Committee on June 2, 2014 and to the OCTA Board of Directors on June 9, 2014.

***Summary***

The Annual Eligibility Review subcommittee reviewed the City of Huntington Beach's fiscal year 2012-13 expenditure report and found the city compliant with the ordinance.



# *Presentation Items*





COMMITTEE TRANSMITTAL

**March 24, 2014**

**To:** Members of the Board of Directors

**From:** Wendy Knowles, <sup>WK</sup> Clerk of the Board

**Subject:** Rail Programs and Facilities Engineering Quarterly Report

Transit Committee Meeting of March 13, 2014

**Present:** Directors Donchak, Jones, Nguyen, Pulido, Shaw, and Winterbottom

**Absent:** Director Tait

***Committee Vote***

This item was passed by the Members present.

***Committee Recommendation***

Receive and file as an information item.





**March 13, 2014**

**To:** Transit Committee  
**From:** Darrell Johnson, Chief Executive Officer  
**Subject:** Rail Programs and Facilities Engineering Quarterly Report

A handwritten signature in blue ink, appearing to read "Darrell Johnson", is written over the "From:" line of the header.

**Overview**

The Rail Programs and Facilities Engineering Department is responsible for the Orange County Transportation Authority's rail project development, rail capital programs, rail operations, and transit facilities engineering projects. This report provides an update on rail and facilities engineering programs through the second quarter of fiscal year 2013-14.

**Recommendation**

Receive and file as an information item.

**Background**

The Rail Programs and Facilities Engineering Department (Department) is responsible for implementing the Orange County Transportation Authority's (OCTA) railroad capital projects, including station parking enhancements and expansions, new station developments, expanded rail services, transit extensions to Metrolink (fixed-guideways), and transit facilities engineering. Additionally, the Department is responsible for improved and expanded operations of Orange County's rail system by providing rail service that supports and matches the growth and development patterns of Orange County and the region.

**Discussion**

This report provides an update on the Department's programs and the projects therein. The Department consists of four basic functional units: Rail Capital, Transit Extensions to Metrolink, Rail Operations, and Transit Facilities Engineering.

### Rail Capital

Rail capital projects include a wide range of projects necessary to sustain existing Metrolink service and support future increased service. This includes new station development, station parking expansions and enhancements, grade separations and grade crossing enhancements, and various other track and infrastructure projects. The Department defines the scope, schedule, and budget of each project based on the program needs, and then implements the projects.

#### Station Improvements

Construction of a surface parking lot to expand parking at the Laguna Niguel/Mission Viejo (LN/MV) Metrolink Station began April 2013, and was completed in October 2013. The new parking lot increased the parking count at the station by 176 spaces for a total parking count of 460 spaces. Design efforts are currently underway for the Americans with Disabilities Act (ADA)-compliant access ramps that will utilize the existing pedestrian underpass (currently served only by stairs). The ADA access ramps will replace the existing elevators which are frequently out of service, requiring bus service to transport passengers from one side of the station to the other. Completion of final design is estimated in August 2014. OCTA is the lead on both of these projects.

Design efforts are currently underway to expand parking at the Orange Metrolink Station. The project, led by the City of Orange, represents a longstanding effort between the City of Orange and OCTA to increase the parking capacity at the station for existing and anticipated future growth in ridership. The Orange Metrolink Station parking structure conceptual plans were approved by the City of Orange, following extensive community outreach efforts. Environmental clearance is expected in the second quarter of fiscal year (FY) 2014-15. Final design is estimated to be completed in early 2015, and construction to start shortly after.

The Placentia Metrolink Station will be the newest Orange County Metrolink station. OCTA is the lead on the project, which will be located on the BNSF Railway (BNSF) right-of-way. It is currently in the design phase. Plans for the platforms, station amenities, and parking are 90 percent complete. The station design has been put on hold pending the outcome of the City of Placentia's negotiations with private developers for a possible transit-oriented development on city-owned property where surface parking lots were planned to be constructed. BNSF work related to the station was completed to the 30 percent stage in February 2014. This allows OCTA to enter into an agreement with BNSF for the remainder of the rail and signal design work.

The Anaheim Canyon Station improvement project includes the addition of a second station track, platform, extensions of the existing platform, and associated passenger amenities, including ticket vending machines, benches, canopies, and signage. The project is anticipated to move forward with OCTA as the lead agency on all phases of project development, including environmental. OCTA staff is currently working to resolve outstanding scope issues with the City of Anaheim. Pending resolution, OCTA and the City of Anaheim will finalize a memorandum of understanding that defines roles and responsibilities and funding for the project, which will be presented to the Board for approval. OCTA anticipates releasing a request for proposals (RFP) for the environmental and design work in March 2014.

The City of Anaheim is the lead agency for the Anaheim Regional Transportation Intermodal Center (ARTIC). The ARTIC intermodal terminal building is to be located directly north of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor. General design features include a terminal building for ticketing, waiting, and passenger circulation for all transportation providers that provide a direct connection to Metrolink, Amtrak, OCTA buses, other bus carriers, and 1,078 surface parking spaces. The project is under construction and is on schedule for substantial completion in November 2014.

The City of Fullerton is the lead agency on two projects at the Fullerton Transportation Center. The parking structure project was completed in June 2013 and is in the closeout phase. The elevator project, which will add an elevator tower to each side of the existing pedestrian bridge, design phase was completed in December 2013, and will be advertised for construction bids in April 2014. There has been a delay in advertising the project for construction bids due to the need to formally move Proposition 116 savings from the parking structure project to the elevator project through the California Transportation Commission (CTC). The CTC is scheduled to consider this request at its meeting on June 25 and June 26, 2014. The construction contract cannot be awarded before the CTC action, but can be advertised.

#### LOSSAN Grade Separations

There are currently eight grade separation projects along the LOSSAN rail corridor in various stages of project development. On July 22, 2013, the Board of Directors (Board) approved a plan for advancing two of the existing eight projects, Ball Road in the City of Anaheim and 17<sup>th</sup> Street in the City of Santa Ana, through the environmental clearance phase to ensure projects are ready to advance to the design and construction phase should funds be made available through external sources. Staff has prepared the scope of work for the procurement of consultant preparation of the project report and environmental documents for the 17<sup>th</sup> Street grade separation.

Although not within this reporting period, the Board took action on January 13, 2014, to defer the advancement of the Ball Road grade separation and proceed with the environmental clearance phase of the 17<sup>th</sup> Street grade separation project. Staff will continue with procurement of the consultant services necessary for the next phase and report back to the Board with a consultant selection recommendation in the fourth quarter of FY 2013-14.

The Sand Canyon Avenue grade separation located in the City of Irvine is currently under construction. Project duration was extended due to utility relocation and hazardous materials removal activities. The Board took action in November 2013 to amend the consultant services agreement for additional construction management services to support the project through the end of construction. The construction is approximately 76 percent complete and is expected to be completed by fall 2014.

The Santa Ana Boulevard grade separation located in the City of Santa Ana is led by the City of Santa Ana. The project is currently in the project report and environmental document phase. The City of Santa Ana held a public information meeting on December 18, 2013, to inform the public that the current project progress is near completion and seek public suggestions and comments. It is anticipated this phase of the project will be completed in the fourth quarter of FY 2013-14.

The preliminary engineering plans were completed for the State College Boulevard grade separation located in the City of Anaheim. Pending a final agreement for state Proposition 1A funding, staff will return to the Board with an update and request approval to release the RFP for the final design of the project.

#### Rail Corridor Improvements

Rail corridor improvements consist of capital and rehabilitation projects that improve the safety, operations, or reliability of the rail infrastructure. OCTA owns over 45 miles of operating railroad for which OCTA is directly responsible.

During the fourth quarter of FY 2012-13, Metrolink, on behalf of OCTA, issued the first contract task order for construction of the San Clemente Beach Trail Audible Warning System (AWS) project. This represents a major milestone for a project that has encountered various challenges through the development and engineering phase. The project will provide additional safety improvements and audible warning devices at seven pedestrian crossings along the San Clemente beach trail. There are regulatory issues that do not currently allow AWS to replace the use of train horns. OCTA and the City of San Clemente continue to cooperatively seek avenues to address this issue.



During this reporting period, staff completed the draft environmental document to comply with the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) for the Laguna Niguel to San Juan Capistrano Passing Siding Project which adds approximately 1.8 miles of new passing siding railroad track adjacent to the existing main track. The project will enhance operational efficiency of passenger services within the LOSSAN rail corridor. The proposed draft environmental document to comply with CEQA is an initial study with mitigated negative declaration (IS/MND). The document was released for public comments, and staff expects to seek Board adoption of the IS/MND in the third quarter of FY 2013-14. The proposed draft environmental document to comply with NEPA is categorical exclusion and was transmitted to the Federal Transit Administration (FTA) for review and approval.

OCTA's consultant is performing a geotechnical study for slope stabilization in eight identified locations within the LOSSAN rail corridor in Orange County to prevent future erosion. The study will determine preferred slope stabilization methods or remedial actions for future improvements, and will be reported to the Board.

#### Positive Train Control (PTC)

The PTC project is being led by Metrolink on behalf of the five member agencies. The project is part of the federal mandate, the Rail Safety Act of 2008, and Metrolink continues to advance the implementation of PTC on the entire Metrolink rail system well in advance of the federal deadline (2015) and other agencies. This enhanced communication and train control system is intended to prevent train-on-train collisions, over-speed derailments, and other human errors by allowing for remote and automatic controls for stopping and slowing of the train. The project is jointly funded by all five member agencies and is anticipated to be complete in late 2014. The first trains began revenue service in February 2014.

#### Transit Extensions to Metrolink

The transit extensions to Metrolink program is intended to broaden the reach of Orange County's backbone rail system to key employment, population, and activity centers. There are currently two fixed-guideway projects advancing through this program: the City of Anaheim's Anaheim Rapid Connection (ARC) project, serving ARTIC through The Platinum Triangle, Anaheim Resort, and The Anaheim Convention Center, and the Santa Ana/Garden Grove (SA/GG) Fixed-Guideway Project, which will serve the Santa Ana Regional Transportation Center through downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove.

### ARC Project

On July 8, 2013, the City of Anaheim presented a summary of completed ARC project milestones to the Board. The Board provided approval for the ARC project to advance into the next project phase, which is the completion of draft environmental documents of the locally preferred streetcar alternative. In addition, the City of Anaheim was directed to seek compatibility of the ARC project with the SA/GG Fixed-Guideway Project and to develop capital cost containment strategies. Technical work in these areas has been initiated consistent with Board direction.

On November 7, 2013, OCTA and the ARC project team held a conference call with the FTA to discuss environmental document notices and scoping. The FTA provided direction that an environmental assessment (EA) would be the appropriate document for compliance with NEPA. OCTA continued to work closely with the ARC project team on environmental work, including discussions on scope, schedule, and supporting engineering work. A public environmental scoping meeting for the ARC project was held on January 14, 2014.

### SA/GG Fixed-Guideway Project

On July 23, 2013, the Santa Ana City Council held a meeting to confirm the support of the SA/GG Fixed-Guideway Project. During the reporting period, the SA/GG Fixed-Guideway Project team made significant progress in responding to comments and revising its EA/draft environmental impact report (EA/DEIR) for re-submittal to the FTA. The FTA is reviewing the EA/DEIR and, following FTA approval, it will be released to the public for comment. Upon the public release of the EA/DEIR, the City of Santa Ana will update the Board on completed project milestones.

On September 5, 2013, OCTA and the SA/GG Fixed-Guideway Project team held a conference call with the FTA and the State Historic Preservation Officer (SHPO) to discuss comments received from SHPO on the project's Cultural Resources Evaluation Report. OCTA assisted the SA/GG Fixed-Guideway Project team on meeting cultural resource requirements specified by the FTA and SHPO.

OCTA continues to work on the development of draft policy guidelines for the implementation of the fixed-guideway projects as it relates to the overall implementation strategy. These draft policy considerations will be presented to the Board in April 2014.

### Rail Operations

As one of the five member agencies that comprises Metrolink, OCTA participates in the design and operation of Metrolink service in Orange County.

Rail Operations staff serve as the liaison with Metrolink and are involved in route and service planning, funding, and implementation. In addition to coordination of daily Metrolink operations, the team coordinates the StationLink service, special trains, promotional activities, and outreach. The Rail Operations staff is also responsible for representing OCTA's interests in the LOSSAN Joint Powers Authority, including the ongoing coordination and service integration efforts on the LOSSAN rail corridor. In August 2013, OCTA was selected as the managing agency for the LOSSAN Rail Corridor Agency; Rail Operations provides the primary staffing for the managing agency duties.

The total FY 2013-14 second quarter ridership (weekday and weekend) for the three Metrolink lines serving Orange County, including Rail 2 Rail passengers, has increased by 0.3 percent compared to the same quarter last year, and decreased by seven percent from the previous quarter.

Second quarter on-time performance for the three lines serving Orange County averaged 93.4 percent, compared to the systemwide average of 95 percent during this quarter.

Systemwide Metrolink revenue for the second quarter of FY 2013-14 has shown an increase of 6.1 percent, compared to FY 2012-13 from the same period. In comparison to the previous quarter, there was a systemwide decrease of one percent, likely due to the holiday season. The Orange County Line experienced an increase of almost four percent, the Inland Empire/Orange County Line had an increase of 14 percent, and the 91 Line had a three percent increase in revenue compared to the same period last year. At the time the report was generated, the revenue data was considered a preliminary draft from Metrolink and may be subject to adjustment. These are summarized in the table below.

<u>Second Quarter – Orange County</u>	<u>Ridership</u>	<u>Revenue</u>	<u>On-Time Performance</u>
FY 2012-13	1,060,069	\$ 7,859,000	95.8 percent
FY 2013-14	1,063,359	\$ 8,339,000	93.4 percent
FY 2012-13 vs FY 2013-14	0.3 percent	6.1 percent	-2.5 percent

The increases in revenue may be attributed to the two new fare policy changes that went into effect on July 1, 2013. This includes the five percent systemwide fare increase and the change from the weekend pass to a weekend day pass.

The Angels Express completed service for the season on September 24, 2013, and served all 48 Los Angeles Angels of Anaheim regular season weekday home games that began at 7:05 p.m. The Angels Express reached over 34,000 boardings for the 2013 season.

In 2013, OCTA funded a Metrolink station capital maintenance project to replace tactile strips and painted guidelines, and refinish the platform surface at the San Clemente Pier rail station. The construction was funded with \$130,000 Proposition 1B California Transit Security Grant and Commuter and Urban Rail Endowment funds and was completed in December 2013.

#### Transit Facilities Engineering

The Department is responsible for the ongoing capital rehabilitation and new capital projects for all OCTA transit facilities, including the five bus bases and seven park and ride lots. Specifically, the Department is responsible for the development and implementation of capital and rehabilitation projects and facility modifications. Five projects were completed during this period, and there are two projects currently underway in the construction phase, including projects such as security upgrades and underground storage tank removals.

#### ***Summary***

The Department is responsible for OCTA's rail project development, rail capital improvement programs, rail operations, and transit facilities engineering projects. For the period covering the second quarter of FY 2013-14, projects progressed consistent with scope and schedule. Of specific note is the completion of the construction for the LN/MV Metrolink Station parking expansion, award of construction contract task orders for the San Clemente AWS Project, and continued year-over-year increase of ridership on the Angels Express trains.

**Attachment**

- A. Metrolink Orange County Ridership

**Prepared by:**



Jennifer Bergener  
Director, Rail Programs and Facilities  
Engineering  
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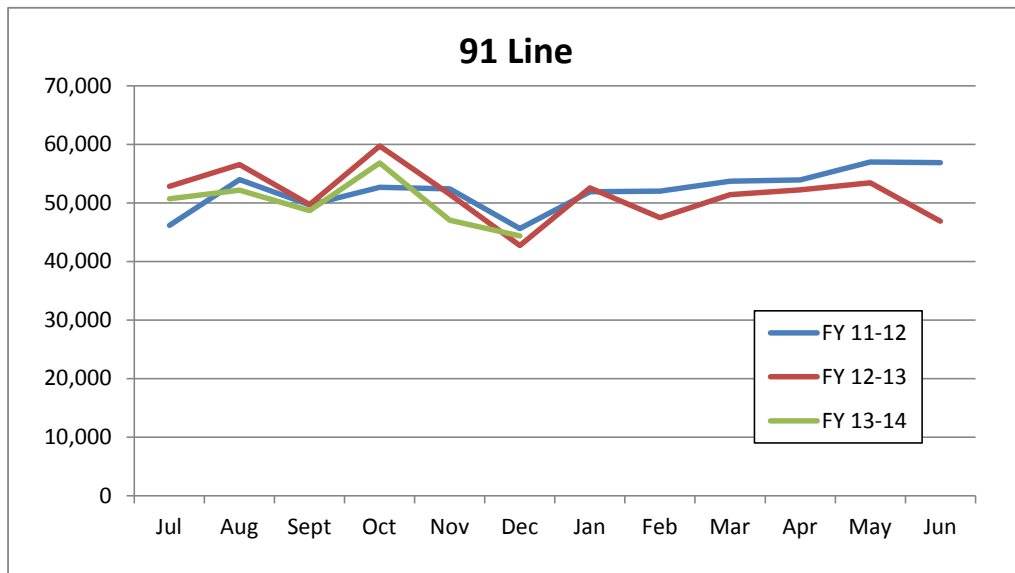
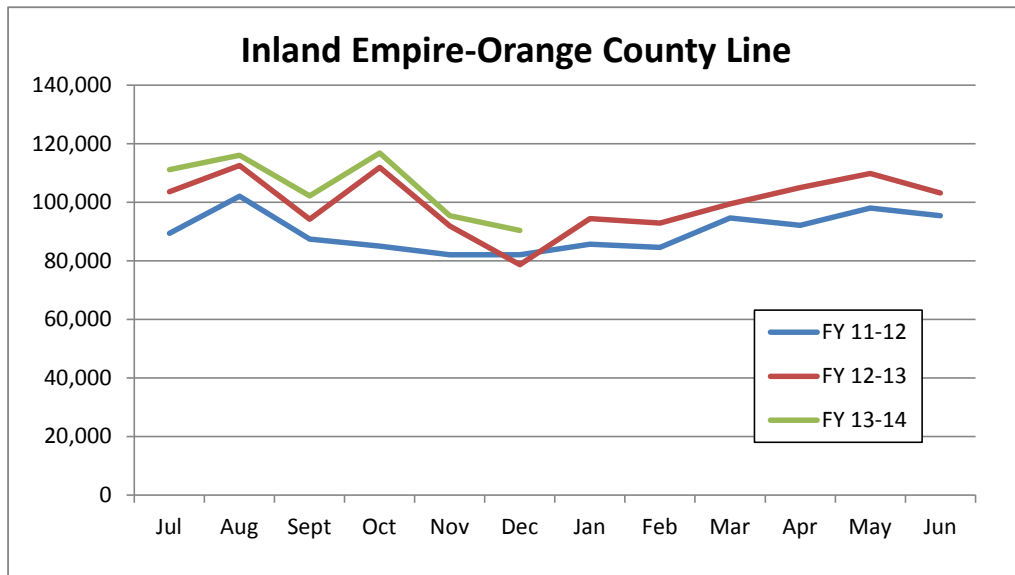
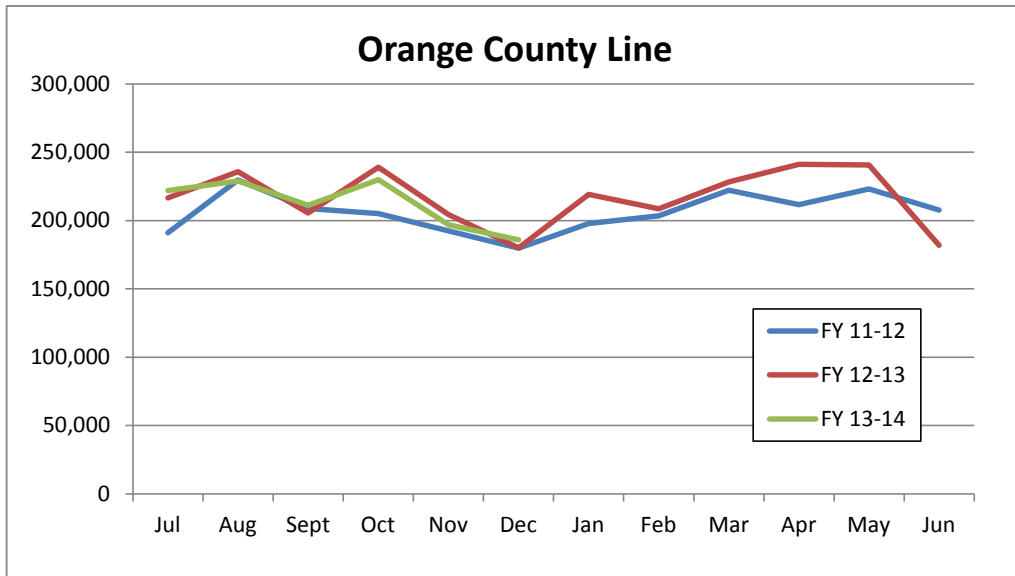
**Approved by:**



Jim Beil  
Executive Director, Capital Programs  
(714) 560-5646



# Metrolink Orange County Ridership







*Information  
Items*





COMMITTEE TRANSMITTAL

**January 13, 2014**

**To:** Members of the Board of Directors  
*WK*

**From:** Wendy Knowles, Clerk of the Board

**Subject:** Local, State, and Federal Funding Changes and Amendments to Cooperative Agreements for the Anaheim Regional Transportation Center Intermodal Center in the City of Anaheim and the Sand Canyon Grade Separation in the City of Irvine

Regional Planning and Highways Committee Meeting of January 6, 2014

**Present:** Directors Bates, Donchak, Lalloway, Miller, Nelson, and Spitzer

**Absent:** Directors Harper and Murray

**Committee Vote**

This item was passed by the Members present.

**Committee Recommendations**

- A. Authorize funding changes for the Anaheim Regional Transportation Intermodal Center and the Sand Canyon Avenue Grade Separation Project that correspond to the cooperative agreements amendments presented below.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Cooperative Agreement No. C-9-0448, between the Orange County Transportation Authority and the City of Anaheim, to incorporate the use of \$35,000,000 in federal Regional Surface Transportation Program and/or Congestion Mitigation and Air Quality funds in place of \$30,366,000 in Measure M2 - Project T, and \$4,634,000 in Measure M2 - Project R funds for the Anaheim Regional Transportation Intermodal Center.
- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-0-1511, between the Orange County Transportation Authority and the City of Irvine,



## COMMITTEE TRANSMITTAL

to fund a total additional amount of \$8,414,000, which includes a cost increase of \$6,830,000, and an additional contingency of \$1,584,000 for the Sand Canyon Avenue Grade Separation Project by using:

- \$4,634,000 in Measure M2 - Project R funds;
  - \$1,533,000 in Proposition 1B Transit System Safety, Security, and Disaster Response Account funds;
  - \$1,123,000 in Regional Surface Transportation Program funds;
  - \$2,506,000 in BNSF Railway and Irvine Ranch Water District funds;
  - A reduction of \$1,382,000 in Proposition 1B Highway Railroad Crossing Account funds.
- D. Direct staff to defer the environmental study associated with the proposed grade separation project at Ball Road along the Los Angeles – San Diego – San Luis Obispo rail corridor in the City of Anaheim.
- E. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, administer any required budget adjustments directly attributable to the actions above, submit Federal Transit Administration grant applications, submit the Proposition 1B Transit System Safety, Security, and Disaster Response Account Application, and execute or amend any necessary agreements to facilitate the above actions.

### ***Committee Discussion***

The Regional Planning and Highways Committee (Committee) approved the staff recommendations and requested staff to provide supplemental information to the Board of Directors (Board) regarding the background of the Sand Canyon Grade Separation Project, expectations with respect to purchase of the 21-acre property from City of Irvine (City), and potential future uses of Measure M2 (M2) Project T funds.

This item provides additional regional funding to address the \$8.4 million needed to complete the Sand Canyon Grade Separation Project in the City. Funding to complete the Sand Canyon project is provided from a combination of M2 Project R funds from the Anaheim Regional Transportation Intermodal Center (ARTIC) and other state and federal grants. The Committee asked about the City contribution towards the cost increase. Staff indicated that the City had confirmed its commitment to contribute its share of initial project shortfall (\$4.5 million). In addition, the City was forgoing a



## COMMITTEE TRANSMITTAL

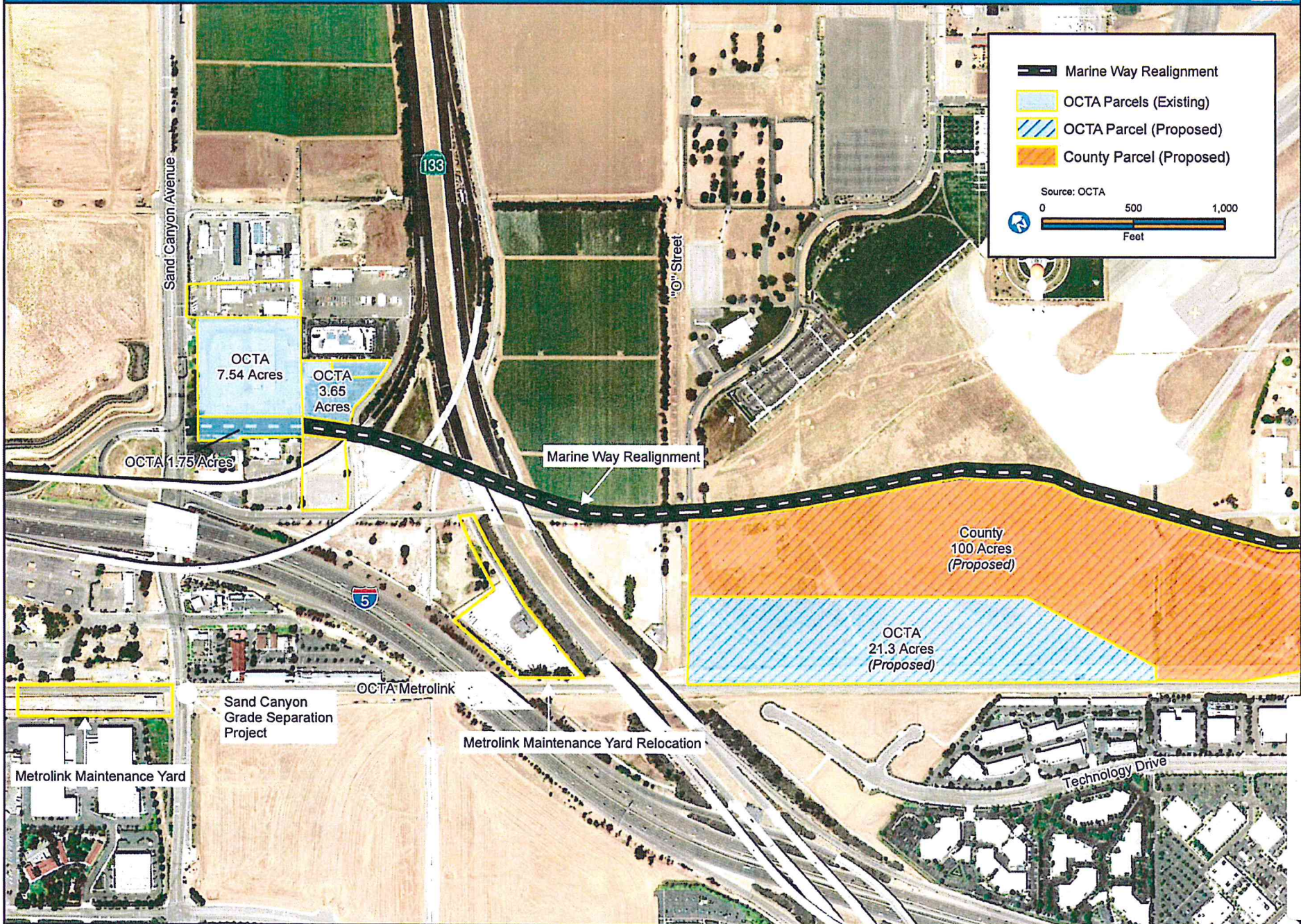
\$2.6 million grant for the Irvine Transportation Center. Further, the City was providing the Orange County Transportation Authority (OCTA) with three years of additional time (through June 2017) to purchase a 21-acre property at 2010 appraised land value. This site is of value to OCTA given its shape and adjacency to the railroad tracks. Staff also reviewed the background of the project and noted that the \$64 million grade separation project included \$22 million of Proposition 116 funds and \$12 million of City funds. The City was the original recipient of \$121 million in Proposition 116 funds for a fixed-guideway project. Ultimately, the City opted to release these grants to OCTA under agreement for a 30-year repayment to the City. The Proposition 116 grant had a strict expiration date, and OCTA successfully applied the funds towards a number of Orange County commuter rail projects, including positive train control, as well capital projects to support Metrolink service expansion, station parking expansion projects, and grade crossing safety enhancements. OCTA's use of the Proposition 116 grant helped reduce the need for M2 bonds to fund early delivery of M2 rail projects.

The Committee raised issues related to potential deed restriction and "O" Street and Marine Way access requirements that the City may request as part of the purchase and sale of the 21-acre parcel. OCTA staff indicated the current agreement does not include any deed restriction language. While access to O Street and Marine Way are not addressed in the current agreement, a land locked property would not be of value to OCTA (Exhibit A). At the meeting, City staff suggested deed restrictions may be included in the purchase and sale of the property given other language in the existing agreement. Direction was provided to staff to negotiate as much flexibility as possible related to the deed restriction issue, with a strong preference for no deed restrictions for the 21-acre parcel purchase. Further, access to O Street and Marine Way should be addressed as part of the amendment to the cooperative agreement with the City.

For the ARTIC Project, the Committee asked whether the new federal funds placed on the project would expand OCTA-provided funding for the ARTIC Project or replace M2 Project T funds. Staff responded that the M2 funds would revert back to Project T. In the future, these Project T funds could be reprogrammed for other M2 transit projects or programs with the appropriate Board and Taxpayer Oversight Committee approvals. OCTA staff noted that, at a minimum, this re-programming action will return to the Board as part of the M2 ten-year review that starts in 2015. Director Bates recommended that these funds be directed to Metrolink rail operations as part of that future item to resolve long-term rail operations funding issues.



# Sand Canyon / Marine Way Vicinity Map









**January 6, 2014**

**To:** Regional Planning and Highways Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Local, State, and Federal Funding Changes and Amendments to Cooperative Agreements for the Anaheim Regional Transportation Intermodal Center in the City of Anaheim and the Sand Canyon Avenue Grade Separation in the City of Irvine

**Overview**

The Orange County Transportation Authority is responsible for programming funding for rail projects. Funding actions and corresponding amendments to cooperative agreements, which increase the use of federal and state funds and decrease the overall use of Measure M2 funds, are presented for Board of Directors' consideration. These actions are consistent with policy to use state/federal funds first to preserve Measure M2 funds.

**Recommendations**

- A. Authorize funding changes for the Anaheim Regional Transportation Intermodal Center and the Sand Canyon Avenue Grade Separation Project that correspond to the cooperative agreements amendments presented below.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Cooperative Agreement No. C-9-0448, between the Orange County Transportation Authority and the City of Anaheim, to incorporate the use of \$35,000,000 in federal Regional Surface Transportation Program and/or Congestion Mitigation and Air Quality funds in place of \$30,366,000 in Measure M2 - Project T, and \$4,634,000 in Measure M2 - Project R funds for the Anaheim Regional Transportation Intermodal Center.
- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-0-1511, between the Orange County Transportation Authority and the City of Irvine, to fund a total additional amount of \$8,414,000, which includes a cost

increase of \$6,830,000, and an additional contingency of \$1,584,000 for the Sand Canyon Avenue Grade Separation Project by using:

- \$4,634,000 in Measure M2 - Project R funds;
- \$1,533,000 in Proposition 1B Transit System Safety, Security, and Disaster Response Account funds;
- \$1,123,000 in Regional Surface Transportation Program funds;
- \$2,506,000 in BNSF Railway and Irvine Ranch Water District funds;
- A reduction of \$1,382,000 in Proposition 1B Highway Railroad Crossing Account funds.

- D. Direct staff to defer the environmental study associated with the proposed grade separation project at Ball Road along the Los Angeles – San Diego – San Luis Obispo rail corridor in the City of Anaheim.
- E. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program, administer any required budget adjustments directly attributable to the actions above, submit Federal Transit Administration grant applications, submit the Proposition 1B Transit System Safety, Security, and Disaster Response Account Application, and execute or amend any necessary agreements to facilitate the above actions.

***Discussion***

Staff is recommending funding changes for the Anaheim Regional Transportation Intermodal Center (ARTIC) Project and the Sand Canyon Avenue Grade Separation Project. These changes will:

- Preserve Measure M2 (M2) funds by using state and federal funds, consistent with Orange County Transportation Authority (OCTA) Board of Directors (Board)-adopted State and Federal Programming Guidelines.
- Ensure that OCTA maximizes the use of federal funds consistent with the fiscal year (FY) 2013-14 federal Obligation Authority (OA) Plan.
- Meet the shortfall for the Sand Canyon Avenue Grade Separation Project in the City of Irvine (Irvine), consistent with Board direction from the October 11, 2013 Board meeting.

**Local, State, and Federal Funding Changes and Amendments to Cooperative Agreements for the Anaheim Regional Transportation Intermodal Center in the City of Anaheim and the Sand Canyon Avenue Grade Separation in the City of Irvine**

The scope of each of the rail projects in this report and proposed funding changes are provided in Attachment A.

ARTIC Project

Staff is proposing to use \$35,000,000 in Regional Surface Transportation Program (RSTP) and/or Congestion Mitigation and Air Quality (CMAQ) funds for the construction of the ARTIC Project in place of \$30,366,000 in M2 Project T, and \$4,634,000 in M2 Project R funds for several reasons.

- The replacement of Project T funds will also reduce the need for bonding and further reduce the cost to the Project T Program. The action will preserve M2 funds, consistent with Board policy.
- The use of \$35,000,000 in federal funds for the ARTIC Project was included in the OCTA FY 2013-14 federal OA Plan. Using federal funds on this project allows OCTA to quickly re-obligate any cost savings that may derive from grade separation projects, high-occupancy vehicle (HOV) projects, or from projects which may close out this year<sup>1</sup>. This action allows OCTA to ensure timely use of federal funds, and may allow OCTA to use more federal funds this year than it would otherwise due to cost savings in other projects, further preserving Measure M (M1)/M2 funds.

The proposed changes are further described below.

Current and Proposed Funding for Construction of the  
ARTIC Project (\$000s)

Funding	M1 Transit	M2 (Project T)	M2 (Project R) <sup>2</sup>	STIP	HSIP	FTA Funds	CMAQ/RSTP <sup>1</sup>	TOTAL
Current	\$43,900	\$66,099	\$4,634	\$29,219	\$300	\$40,012		\$184,163
Proposed	\$43,900	\$35,733	\$0	\$29,219	\$300	\$40,012	\$35,000	\$184,163
Change	\$0	(\$30,366)	(\$4,634)	\$0	\$0	\$0	\$35,000	\$0

STIP – State Transportation Improvement Program  
HSIP – Highway Safety Improvement Program  
FTA – Federal Transit Administration

1. To date, the Interstate 5 HOV extension project between Pacific Coast Highway and San Juan Creek Road has realized just over \$7,000,000 in cost savings. Additional funds are expected from other projects going out to bid over the next six – 12 months.
2. The savings in M2 (Project R) are proposed for reprogramming to the Sand Canyon Avenue Grade Separation Project.

The savings in M2 Project T funds will return to the Project T Program and will be considered as part of the M2 ten-year review, scheduled for 2016. For that review, one option that might be considered could include the transfer of the

funds to Project R to support future commuter rail operations. Based on the most recent Comprehensive Business Plan, the rail operating fund is expected to be exhausted in the calendar year 2040 - 2041 timeframe, with limited opportunities to add any new rail service in the future. In addition, the Metrolink operations costs are expected to rise as the positive train control system is activated.

If approved, Cooperative Agreement No. C-9-0448, between OCTA and the City of Anaheim for this project, will be amended to incorporate the above changes in funding.

#### Sand Canyon Avenue Grade Separation Project

On October 11, 2013, staff presented to the Board the Sand Canyon Avenue Grade Separation Project budget update, which identified a funding need of \$6,830,000 due to increased cost for utility protection and relocation, railroad flagging, construction field changes, construction support services, and temporary construction easements time extensions. The Board requested that staff return with a funding plan and a proposed amendment to Cooperative Agreement No. C-0-1511 with Irvine for the Sand Canyon Avenue Grade Separation Project. Irvine has confirmed that it would provide the \$4,500,000 that was noted as "Local - Shortfall (City)" in the funding schedule exhibit in the cooperative agreement, but that it cannot provide any funding toward the \$6,830,000 additional funding need.

OCTA staff performed a comprehensive analysis of the existing programmed revenues to confirm the eligible use within each phase. Federal, state, and other external funds were maximized based on the eligibility and timing of remaining expenses. Staff is proposing that the following fund sources be used for the Sand Canyon Avenue Grade Separation Project.

- \$4,634,000 in M2 Project R made available from the ARTIC Project.
- \$1,533,000 in state Proposition 1B Transit System Safety, Security, and Disaster Response Account (TSSSDRA) funds from unprogrammed FY 2013-14 TSSSDRA funds, originally being reserved for a Transit Security Operations Center which requires further study and project development.
- \$1,123,000 in federal RSTP from anticipated future cost savings for freeway projects funded with RSTP.
- \$2,506,000 in BNSF Railway and Irvine Ranch Water District (IRWD) funding.

**Local, State, and Federal Funding Changes and Amendments to Cooperative Agreements for the Anaheim Regional Transportation Intermodal Center in the City of Anaheim and the Sand Canyon Avenue Grade Separation in the City of Irvine**

- A reduction of \$1,382,000 in Proposition 1B Highway Railroad Crossing Safety Account (HRCSA) funds that could not be used on the project based on the reimbursement rate determined by the California Department of Transportation.

The additional funding that is proposed for the project (\$8,414,000) is higher (\$1,584,000) than originally estimated (\$6,830,000). However, the project has utilized 100 percent of the contingency budget and is only 70 percent complete, therefore, it is recommended that this additional funding be added to the project to ensure there are sufficient funds for project completion. Any M2 funds not used at the end of the project would be reprogrammed to other projects or directed into the Commuter Urban Rail Endowment fund at a future date. The proposed changes are further described below.

Original and Proposed Funding for the Sand Canyon Avenue Grade Separation Project in Irvine (\$000s)

Project Funding	City	RSTP	M1/M2 <sup>3</sup>	BNSF/IRWD	HRCSA	Prop 116	TSSSDRA	TOTAL
Cooperative agreement Board-approved on May 24, 2010	\$12,348	\$747	\$12,500	\$0	\$8,000	\$22,004	\$0	\$55,599
Prior Board approval (May 24, 2010)	\$12,348	\$9,413	\$3,834	\$0	\$8,000	\$22,004	\$0	\$55,599
Proposed	\$12,348	\$10,536	\$8,468	\$2,506	\$6,618	\$22,004	\$1,533	\$64,013
Change	\$0	\$1,123	\$4,634	\$2,506	(\$1,382)	\$0	\$1,533	\$8,414

Prop 116 - Proposition 116

3. Proposed M2 funds include a contingency of \$1.584 million

It is proposed that Cooperative Agreement No. C-0-1511 between OCTA and Irvine for this project be amended to incorporate the above changes in funding. Attachment B provides a summary of additional contractual changes that will be included in amendment No. 1 to Cooperative Agreement No. C-0-1511.

The agreement also included terms related to a grant of \$2.66 million awarded by OCTA to Irvine for an Irvine Station Expansion Study. Irvine has determined that the study for expansion of the Irvine Station is not needed at this time and the grant funds have expired so these funds will be removed from the cooperative agreement. Irvine initially requested that OCTA consider redirection of these funds to another station-related project. Upon Board approval, this request will be considered fulfilled through OCTA's commitment of additional funds to the Sand Canyon Avenue Grade Separation Project.

To facilitate the proposed funding solution, OCTA is requesting that Irvine extend the time frames for the purchase of 21 acres of Irvine property for a future rail maintenance facility by five years. The added time is needed to allow OCTA to address cost pressures on M2 - Project R as highlighted in this report. As of the time of writing this report, Irvine staff had not agreed to the time extension. However, due to the need to address the shortfall on the ongoing Sand Canyon Grade Separation Project, staff believes it is necessary to present the proposal for Board consideration and action.

#### Future Grade Separation Projects

Cost pressures associated with the Sand Canyon Avenue Grade Separation Project and rising cost of commuter rail operations are likely to put pressure on the availability of local funds for future rail capital projects. As such, staff is recommending that OCTA curtail its commitment to new grade separation projects. The State College Avenue grade separation in the City of Anaheim (Anaheim) is slated to receive significant external funding through Proposition 1A; therefore, staff would recommend continuing to support this project. However, the Board previously approved preparing environmental studies for grade separations along the Los Angeles – San Diego – San Luis Obispo rail corridor at Ball Road in Anaheim and at 17<sup>th</sup> Street in the City of Santa Ana. Staff is recommending the deferral of the studies associated with the grade separation at Ball Road. Project development activities would continue on the 17<sup>th</sup> Street Grade Separation Project, as this project is ranked higher on the California Grade Separation Priority List by Rank by the Public Utilities Commission (PUC) for distribution of state funds through Section 190 of the Street and Highways Code, commonly referred to as PUC 190 funding.

The changes that are requested in this report have been added to the overall OCTA Capital Funding Program for rail and are provided in Attachment D.

#### **Summary**

Staff is proposing to use federal CMAQ and/or RSTP funds for the ARTIC Project in order to preserve M2 funds. This will make available M2 Project R funds to meet the funding need for the Sand Canyon Avenue Grade Separation Project. Additional funds have also been identified to meet the funding need for the Sand Canyon Avenue Grade Separation Project. Amendments to the cooperative agreements for both the ARTIC and Sand Canyon Avenue grade separation projects are required to incorporate these changes.

**Attachments**

- A. Rail Project Descriptions and Proposed Funding Changes
- B. Summary of Changes in Amendment No. 1 to Cooperative Agreement No. C-0-1511 with the City of Irvine for the Sand Canyon Avenue Grade Separation Project
- C. Capital Funding Program

Prepared by:

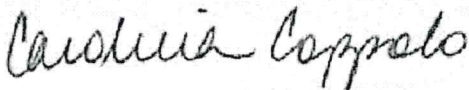


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## **Rail Project Descriptions and Proposed Funding Changes**

### **Anaheim Regional Transportation Intermodal Center Project**

The Anaheim Regional Transportation Intermodal Center (ARTIC) Project is located in the City of Anaheim near the existing Amtrak/Metrolink Station. The existing Metrolink station has limited site access and capacity to expand the station parking. As a result of the limited capacity, a new location for the Metrolink station has been identified.

The current and proposed funding plans are provided below in \$000s:

Funding	M1 Transit	M2 (Project T) <sup>1</sup>	M2 (Project R) <sup>2</sup>	STIP	HSIP	FTA Funds	CMAQ/ RSTP <sup>3</sup>	TOTAL
Current	\$43,900	\$66,099	\$4,634	\$29,219	\$300	\$40,012		\$184,163
Proposed	\$43,900	\$35,733	\$0	\$29,219	\$300	\$40,012	\$35,000	\$184,163
Change	\$0	(\$30,366)	(\$4,634)	\$0	\$0	\$0	\$35,000	\$0

M1 – Measure M1

M2 – Measure M2

STIP – State Transportation Improvement Program

HSIP – Highway Safety Improvement Program

FTA – Federal Transit Administration

CMAQ/RSTP – Congestion Mitigation and Air Quality/Regional Surface Transportation Program

1. The savings in M2 Project T funds will go back to the program. The use of these funds will be considered as part of the M2 ten-year review which will take place in 2016, and one option could include transfer to Project R.
2. The savings in M2 (Project R) is proposed for reprogramming to the Sand Canyon Avenue Grade Separation Project.
3. CMAQ/RSTP funds are made available from costs savings at contract award or project closeout and through the advance of future year apportionments. As an example, the Orange County Transportation Authority (OCTA) has already realized just over \$7,000,000 in CMAQ funds due to bid savings from the Interstate 5 (I-5) high-occupancy vehicle (HOV) project between Pacific Coast Highway and San Juan Creek Road.

### **Sand Canyon Avenue Grade Separation**

The project is located in the City of Irvine at Sand Canyon Avenue and the Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail corridor crossing. Nearby streets include Oak Canyon Road to the south and Burt Road, Marine Way, and I-5 to the north. The project proposes to construct an underpass at the Sand Canyon Avenue crossing and widen the roadway from four to six lanes between Oak Canyon and Burt Road.

The original and proposed funding plans are provided below in \$000s:

Project Funding	City	RSTP	M1/M2 <sup>1</sup>	BNSF/ IRWD	HRCSA	Prop 116	TSSSDRA	TOTAL
Cooperative agreement Board-approved on May 24, 2010	\$12,348	\$747	\$12,500	\$0	\$8,000	\$22,004	\$0	\$55,599
Prior Board approval (May 24, 2010)	\$12,348	\$9,413	\$3,834	\$0	\$8,000	\$22,004	\$0	\$55,599
Proposed	\$12,348	\$10,536	\$8,468	\$2,506	\$6,618	\$22,004	\$1,533	\$64,013
Change	\$0	\$1,123	\$4,634	\$2,506	(\$1,382)	\$0	\$1,533	\$8,414

RSTP - new funds are from anticipated future cost savings for freeway projects funded with RSTP

IRWD - Irvine Ranch Water District

HRCSA - Highway-Railroad Crossing Safety Account

Prop 116 - Proposition 116

TSSSDRA - Transit System Safety, Security, and Disaster Response Account (Prop 1B)

Board - Board of Directors

1. Includes a contingency amount of \$1.584 million

### **State College Avenue Grade Separation in Anaheim**

The project is located in the City of Anaheim at State College Boulevard, and will build a grade separation at State College Boulevard by constructing a six lane roadway underpass beneath the existing LOSSAN corridor. The proposed underpass will begin at the north side of Katella Avenue and end approximately 400 feet north of Howell Avenue. The grade separation is designed to meet future expansion of mainline tracks for Metrolink's Expansion Program, as well as LOSSAN and California High-Speed Rail projects. Currently, 22 Amtrak and 29 Metrolink trains operate through the Anaheim Metrolink Station each weekday.

### **17<sup>th</sup> Street Grade Separation in Santa Ana**

The 17<sup>th</sup> Street at-grade crossing of the LOSSAN corridor runs parallel to Lincoln Avenue, west of Linwood Avenue and east of Main Street, in the City of Santa Ana. Currently, 22 Amtrak and 45 Metrolink trains operate through the crossing each weekday. A grade separation at this location would provide significant benefits to vehicle/truck traffic traveling on 17<sup>th</sup> Street due to the elimination of the delay and traffic congestion associated with the existing at-grade crossing. The project would provide safety benefits due to elimination of conflicts between trains operating in the LOSSAN rail corridor and vehicles traveling on 17<sup>th</sup> Street. The grade separation and the significant reduction in the potential for accidents between vehicle and train traffic would provide significant benefits to safety and reliability for both travel modes at the project site.

### **Ball Road Grade Separation in Anaheim**

The Ball Road at-grade crossing of the LOSSAN corridor is located west of State College Boulevard and east of Anaheim Boulevard, in the City of Anaheim. Currently, 22 Amtrak and 29 Metrolink trains operate through the crossing each weekday. A grade separation at this location would provide significant benefits to vehicle/truck traffic traveling on Ball Road due to the elimination of the delay and traffic congestion associated with the existing at-grade crossing. The project would provide safety benefits due to elimination of conflicts between trains operating in the LOSSAN rail corridor and vehicles traveling on Ball Road. The grade separation and the significant reduction in the potential for accidents between vehicle and train traffic would provide significant benefits to safety and reliability for both travel modes at the project site.



**Summary of Changes in Amendment No. 1 to  
Cooperative Agreement No. C-0-1511 with the City of Irvine for  
the Sand Canyon Avenue Grade Separation Project**

On May 24, 2010, the Orange County Transportation Authority (OCTA) Board of Directors approved a cooperative agreement with the City of Irvine (City) to build a grade separation at Sand Canyon Avenue on the Orange Subdivision of the Los Angeles-San Diego-San Luis Obispo Rail Corridor. The total project cost in the agreement was a not-to-exceed amount of \$55.6 million. A total of \$46.6 million in funding was identified, and the shortfall of \$9 million was to be shared equally by the City and OCTA.

The current project cost for the Sand Canyon Avenue grade separation is estimated to be \$62.42 million. With a slight contingency, the funding that is proposed for the project is \$63.58 million. The project cost increase is primarily due to increased cost for utility protection and relocation, railroad flagging, construction field changes, construction support services, and temporary construction easements time extensions. Additional funding has been identified to meet this increased cost.

The agreement also included terms related to a federal grant of \$2.66 million awarded by OCTA to the City for an Irvine Station Expansion Study. The City has determined that the study for expansion of the Irvine Station is not needed at this time.

Amendment No. 1 to Cooperative Agreement No. C-0-1511 will include the following changes:

- Revisions to the project funding schedule (Exhibit D [attached]) to reflect current funding sources and description of project components. Revised Exhibit D will also include the Irvine Ranch Water District (IRWD) reimbursement and the BNSF railway contribution as required for federal projects.
- Inclusion of provisions which detail the method and timing for the City payment to OCTA for the project, including reimbursements the City receives from BNSF and IRWD.
- Removal of the \$2.66 million federal grant for the Irvine Station Expansion Study, which the City has determined is not needed at this time.
- Inclusion of provisions which detail OCTA's and the City's maximum financial obligation.
- Subject to further negotiation with the City, addition of a three-year time frame for purchase of a 21-acre parcel at 2010 prices, plus extending the first right of refusal to purchase the property at market prices for a seven-year time frame.

The original and proposed funding for the Sand Canyon Avenue grade separation is described below:

Project Funding	City	RSTP	M1/M2 <sup>1</sup>	BNSF/ IRWD	HRCSA	Prop 116	TSSSDRA	TOTAL
Cooperative agreement Board-approved on May 24, 2010	\$12,348	\$747	\$12,500	\$0	\$8,000	\$22,004	\$0	\$55,599
Prior Board approval (May 24, 2010)	\$12,348	\$9,413	\$3,834	\$0	\$8,000	\$22,004	\$0	\$55,599
Proposed	\$12,348	\$10,536	\$8,468	\$2,506	\$6,618	\$22,004	\$1,533	\$64,013
Change	\$0	\$1,123	\$4,634	\$2,506	(\$1,382)	\$0	\$1,533	\$8,414

RSTP - Regional Surface Transportation Program

M1 - Measure M1

M2 - Measure M2

HRCSA - Highway-Railroad Crossing Safety Account

Prop 116 - Proposition 116

TSSSDRA - Transit System Safety, Security, and Disaster Response Account

Board - Board of Directors

1. M2 includes contingency of \$1.584 million

**Funding Schedule**

**Sand Canyon Avenue Grade Separation**

<b>Funding Source</b>	<b>Fiscal Year Funding Available</b>	<b>Funding Amount</b>	<b>Phase</b>
<b>Proposition 116</b>	2009-10	\$22,004,000	Construction
<b>Proposition 1B (HRCSA)</b>	2009-10	\$8,000,000	Construction
<b>RSTP (FHWA)</b>	Prior Years	\$746,868	Design
<b>Measure M (OCTA Transit)</b>	2010-11	\$8,000,000	Design, Right-of-Way, Construction
<b>Local (CITY)</b>	2008-09 & 2009-10	\$7,848,000	Environmental, Design, Right-of-Way
<b>Renewed Measure M-Shortfall (OCTA Transit)</b>	2010-11 & 2011-12	\$4,500,000	Construction
<b>Local-Shortfall (CITY)</b>	2010-11 & 2011-12	\$4,500,000	Construction
<b>Total</b>		\$55,598,868	
	<b>Not-To-Exceed</b>	\$55,600,000	





## Capital Funding Program

As of January 13, 2014

RAIL CAPITAL FUNDING PROGRAM	(in thousands) Total Programmed Funding	STATE		FEDERAL		LOCAL	
		STIP/Other State	State Bonds	RSTP/CMAQ	Federal Other	M1/M2	Local Other
Metrolink service track expansion <sup>1</sup>	\$ 119,957	-	51,399	-	-	68,558	-
Metrolink rolling stock	\$ 158,009	-	36,300	42,230	35,390	44,089	-
Positive train control (Metrolink)	\$ 39,916	-	34,190	-	5,726	-	-
Fiber optics installation (Metrolink)	\$ 24,415	-	11,465	-	11,553	1,397	-
Control point stadium crossover	\$ 6,490	-	3,245	-	3,245	-	-
Control point at 4th Street	\$ 4,000	-	-	-	4,000	-	-
Slope Stabilization Laguna Niguel-Lake Forest	\$ 2,000	-	-	-	2,000	-	-
Anaheim Regional Intermodal Transportation Center (ARTIC)	\$ 184,163	29,219	-	35,000	40,312	79,632	-
ARTIC environmental, right-of-way (ROW), program management <sup>2</sup> support, site plan	\$ 42,888	-	-	-	-	42,888	-
Fullerton Transportation Center Parking Expansion Project <sup>4</sup>	\$ 33,538	11,250	10,535	-	-	9,795	1,958
Anaheim Canyon Station improvements	\$ 22,050	-	-	18,049	2,001	-	2,000
Placentia Rail Station	\$ 23,420	2,500	400	8,350	-	8,000	4,170
Orange Transportation Center parking expansion <sup>3</sup>	\$ 22,860	-	-	2,938	13,762	1,850	4,310
Tustin Rail Station parking expansion	\$ 15,389	1,100	7,181	-	-	7,108	-
Laguna Niguel to San Juan Capistrano Passing Siding Project	\$ 26,806	-	-	12,100	14,706	-	-
Laguna Niguel-Mission Viejo Station and parking improvements and expansion (Camino Capistrano)	\$ 15,134	-	-	6,500	-	8,634	-
Laguna Niguel-Mission Viejo Station and parking expansion (south lot)	\$ 4,344	-	695	-	-	3,649	-
Metrolink Station, and track improvements, and rehabilitation	\$ 2,230	-	-	-	1,784	-	446
Metrolink grade crossing safety improvements	\$ 85,009	-	18,595	-	-	56,213	10,201
Sand Canyon Avenue Grade Separation Project	\$ 64,013	-	30,155	10,536	-	8,468	14,854
State College grade separation (LOSSAN)	\$ 90,423	-	49,310	-	-	41,113	-
San Clemente wayside horn	\$ 4,500	-	2,250	-	-	2,250	-
Dana Point and San Clemente beach trail safety enhancements	\$ 4,200	-	2,100	-	-	2,100	-
Transit rail security (monitors, fencing, video surveillance)	\$ 1,231	-	1,231	-	-	-	-
North Beach crossings safety enhancements <sup>5</sup>	\$ 348	-	174	-	-	174	-
M2 Project S fixed-guideway Anaheim Rapid Connection	\$ 19,452	-	-	-	10,682	7,335	1,435
M2 Project S fixed-guideway Santa Ana/Garden Grove fixed-guideway	\$ 12,129	-	-	-	4,433	6,554	1,142
Go Local	\$ 7,730	-	-	-	-	7,730	-
Fullerton Transportation Station expansion planning and environmental project study report (PSR)	\$ 875	-	-	775	-	100	-
Irvine Transportation Station expansion planning and environmental PSR (was \$2.66 million)	\$ -	-	-	-	-	-	-
Santa Ana grade separation planning and environmental PSR	\$ 1,500	-	-	1,328	-	172	-
Santa Ana Transportation Station planning and environmental PSR	\$ 1,500	-	-	1,328	-	172	-
LOSSAN corridor grade separations PSR in Anaheim, Santa Ana, and Orange	\$ 3,050	-	-	-	-	3,050	-
California-Nevada high-speed rail	\$ 500	-	-	-	-	500	-
<b>RAIL CAPITAL FUNDING TOTAL</b>	<b>\$ 1,044,069</b>	<b>\$ 44,069</b>	<b>\$ 259,225</b>	<b>\$ 139,134</b>	<b>\$ 149,594</b>	<b>\$ 411,531</b>	<b>\$ 40,516</b>
State Funding Total	\$ 303,294						
Federal Funding Total	\$ 288,728						
Local Funding Total	\$ 452,047						

1. Includes ROW costs.

2. Includes previously expended ARTIC ROW.

3. 2014 STIP projects, California Transportation Commission approval.

4. Includes Fullerton Elevators Project.

5. Part of the Orange County Transportation Authority Rail-Highway Grade Crossing/Safety Enhancement Project, includes \$441,000 Proposition 116 and \$441,000 M2 savings.

STIP - State Transportation Improvement Program

RSTP/CMAQ - Regional Surface Transportation Program/Congestion Mitigation and Air Quality

M1/M2 - Measure M1/Measure M2

LOSSAN - Los Angeles-San Diego-San Luis Obispo





**February 24, 2014**

**To:** Members of the Board of Directors

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Measure M1 Progress Report for the Period of October 2013 Through December 2013 and Closeout Overview

**Overview**

Staff has prepared a Measure M1 progress report for the period of October 2013 through December 2013 for review by the Orange County Transportation Authority Board of Directors. Measure M1 closeout activities continue to proceed in a number of areas.

**Recommendation**

Receive and file as an information item.

**Background**

Local Transportation Ordinance No. 2 (Measure M1 [M1]) and the Traffic Improvement and Growth Management Plan became effective on April 1, 1991, following approval of a ballot measure in November 1990. Over the 20-year period in which M1 was in effect, the Orange County Transportation Authority (OCTA) received approximately \$4 billion in sales tax revenue available for projects described in the M1 Expenditure Plan. Through effective project management, strategic use of bonding, and acquisition of state and federal funds, OCTA successfully fulfilled its promise to voters. OCTA managed to complete an additional freeway project, State Route 22 improvements, and has a small remaining balance of funds.

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

M1 obligations (remaining balance); and, the interest earned on retained M1 funds until those funds are fully expended.

***Discussion***

M1 net sales tax revenues continue to be monitored, with the final amount still estimated to be approximately \$4.07 billion. All M1 projects have an estimated cost at completion; however, actual costs will vary pending closeout of remaining open agreements. The current estimated balance for M1 is nearly \$92 million. Approximately \$11 million of this balance is from the freeway program, another estimated \$1.6 million is from the streets and roads program, and approximately \$79 million is from the transit program.

Per prior Board direction, these remaining balances are committed and will be used for Measure M2 projects that are in the same mode and that are related to the original M1 Expenditure Plan. Specifically, the freeway funds will be directed at the Interstate 5 widening project between Avenida Pico and Pacific Coast Highway and/or the State Route 57 widening project between Katella Avenue and Lincoln Avenue. The streets and roads funds will be applied to street improvement projects through future OCTA competitive calls for projects, and the transit funds will be deposited into OCTA's long-term operating fund for the provision of Metrolink service. More details on project activities during the quarter are included in Attachment A.

Use of the funds is tracked similarly to grants to ensure that funds are used only for M1-intended projects. The latest M1 schedule of revenues and expenditures summary report, as of December 31, 2013, is included as Attachment B. The numbers included in this report have additional assumptions based on oversight costs, anticipated project progress, sale of excess property, and potential increases or decreases in scope and schedule. Additionally, the forecast of M1 net tax revenues includes future interest earnings on a diminishing fund balance while allowing for ongoing program administration costs, quarterly reporting, annual financial reports, and oversight and audit functions.

***Summary***

Measure M1 has concluded and fulfilled the promise of congestion relief to the voters. Remaining fund balances are being finalized, and actions for closing out the Measure M1 Program continue. The plan is to use the available balances to advance Measure M2 freeway and streets and roads, as well as provide for Metrolink rail operations. Further review on the closeout progress will continue to be provided with the Measure M1 quarterly updates.

***Attachments***

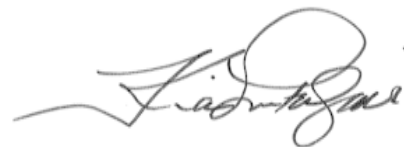
- A. Measure M1 Closeout and Quarterly Update
- B. Measure M1 – Schedule of Revenues, Expenditures and Changes in Fund Balance as of December 31, 2013

**Prepared by:**



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**Approved by:**



Kia Mortazavi  
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**Measure M1 Closeout and Quarterly Update**

**Interest Earnings on Funds During Closeout Phase**

Measure M (M1) funds continue to earn interest until fully expended. Interest accrual will continue until program closeout is complete, which is currently estimated to be at the end of fiscal year 2014-15. The amount of interest earned will decrease each year as remaining payments are made. Interest earned on the M1 fund balance is M1 revenue and will continue to be managed according to the formula set forth in the M1 Ordinance. The interest earned, in excess of administrative costs, will be distributed to the four M1 categories on the following ordinance-required percentage basis: freeways – 43 percent; regional streets and roads – 11 percent; local streets and roads – 21 percent; and, transit – 25 percent.

**Freeways**

On March 14, 2011, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved a plan to use the balance of M1 freeway funds for portions of Measure M2's (M2) Project C – widening of Interstate 5 (I-5) between Avenida Pico and Pacific Coast Highway, and Project G – widening of State Route 57 between Katella Avenue and Lincoln Avenue. The Board subsequently deferred immediate use of the funds for M2 projects as a hedge against uncertainty of the state's ability to meet the cash flow needs of the West County Connectors (WCC) Project, which relies on state bonds for construction. In 2011, the state implemented a process to meet the cash flow requirements of bond-funded projects and, therefore, in 2012, \$15 million of the then \$27.9 million remaining M1 balance was allocated to M2 – Project C, as authorized by the Board.

For the past year, staff has been reporting a remaining M1 freeway balance of \$12.9 million. On September 23, 2013, the Board approved \$1.7 million from the M1 freeway balance to be transferred to the WCC Project to fund an additional soundwall. As a result, the M1 freeway balance is \$11.2 million, and this amount includes anticipated proceeds from the sale of eight excess parcels along the I-5 in the cities of Anaheim and Buena Park. No immediate allocation of these funds is anticipated due to the timing for receipt of the remaining right-of-way (ROW) sales proceeds, as well as potential construction risks on the WCC Project. A summary of activities on the WCC Project and the I-5 Gateway Project during this period includes:

WCC Project – Construction is well underway on the WCC Project, which will link high-occupancy vehicle lanes (HOV)/carpool lanes on Interstate 405 (I-405) with those on State Route 22 (SR-22) and Interstate 605 (I-605) to create a seamless HOV connection among the three freeways. The construction is divided into two segments.

- On the east segment, the new southbound I-405 to the eastbound SR-22 connector was completed in early August 2013. Work is now concentrated in the middle of the freeway, as pile driving for the new SR-22/I-405 HOV connector is underway there. Construction of the east segment is anticipated to be completed in late 2014.
- On the west segment, the reconstruction of the west half of the Seal Beach Boulevard bridge over the I-405 was completed in mid-September 2013. On the I-405/I-605 HOV connector, concrete pours for the new bridge structure are well underway. The eastbound SR-22 to northbound I-405 connector bridge was completed in late October 2013. Construction of the College Park West soundwall is scheduled to begin in January 2014. The west segment is scheduled to be completed in late 2014.
- Funded almost entirely with federal and state funds, the WCC Project has \$10 million of M1 funds allocated to the project to cover construction elements not eligible for federal funding. Currently, all of the \$10 million has been designated for specific items. On September 23, 2013, the Board approved an additional \$1.74 million of the M1 Freeway Program unprogrammed balance to be used to fund the cost of an additional soundwall in the College Park West project area.

I-5 Gateway Project – Administrative coordination is ongoing with various utility companies to close out utility agreements and the California Department of Transportation to close out the maintenance responsibility for the Orange County gateway monument. Construction activity this quarter is for landscape plant establishment maintenance and will continue until April 2015.

### Streets and Roads

On November 23, 2009, the Board approved the use of M1 streets and roads funds for future M2 calls for projects. As of December 2013, \$24.8 million of M1 project savings has been awarded under the Comprehensive Transportation Funding Program (CTFP) for streets and roads projects consistent with M1 funding requirements. The current remaining balance of M1 regional and local streets and roads funds is estimated to be \$1.6 million. This amount, along with any additional project savings, will be used towards future streets and roads projects. An update on streets and roads activities this quarter is included below.

During the quarter, the CTFP provided more than \$2.8 million in payments towards streets and roads projects throughout the County and closed out 23 project phases. The result of issuing final payments, in the amount of \$2.8 million, is the complete closeout of project allocations valued at \$7.4 million.

The current status of the program (as of December 31, 2013) is reflected in the table below. Of the \$678.2 million in total project allocations, there is a remaining



balance of \$42.3 million in outstanding payments to open projects. Staff anticipates completion of the M1 competitive program by the end of calendar year 2014.

Status	Definition	Allocations (in millions)
Completed	Project work is complete, final report is filed, approved, and the final payment has been made	\$ 572.1
Pending	Project work has been completed and only final report submittal/approval is pending	\$ 57.7
Started	Project has begun and the funds have been obligated	\$ 48.4
	Total Project Allocations	\$ 678.2

### Transit

The 1990 M1 Transit Program is focused on developing a backbone rail system that includes protection of ROW and commuter train service to Los Angeles and Riverside counties. A key to continued delivery of this objective has been the establishment of the Commuter Urban Rail Endowment (CURE) to fund ongoing operations. The Board has previously taken action to designate remaining M1 Transit Program fund balances for Metrolink operations and for the Metrolink Service Expansion Program (MSEP). The OCTA Comprehensive Business Plan assumes that unspent M1 transit funds will be used for ongoing Metrolink operations.

Consistent with prior Board action on November 25, 2005, the M1 transit mode balance will be transferred into the CURE account. The current M1 transit balance is estimated to be \$79 million. Additional M1 funding for a CURE transfer may be identified once the remaining active contracts are finalized and closed. The balance will remain in M1 transit projects until such time. All projects are anticipated to be completed by June 2015. Recent activities include:

Several parking expansion projects at Metrolink stations are underway to support the MSEP.

The City of Anaheim continues moving forward on the Anaheim Regional Transportation Intermodal Center. Douglass Road was closed for grading and installation of underground utilities and is scheduled to re-open in late March 2014. Other construction activities this quarter included replacement of a railroad bridge over Douglass Road, the paving of one of three parking lots, the continuation of work on the underground pedestrian and baggage tunnels and associated ramps, and the start of the steel roof arch placement at the Main Terminal Building. The substantial

completion date remains on schedule for November 2014. Construction is on schedule and is anticipated to be complete by late 2014.

Construction on a parking expansion project at the Laguna Niguel/Mission Viejo Metrolink Station was completed in October 2013. The project added 176 spaces to the existing parking lot for a total of 460 spaces available for transit use. Additionally, to address an issue with unreliable elevators for passenger access at the station, OCTA is adding new ramps that will utilize the existing pedestrian underpass and provide Americans with Disabilities Act (ADA) compliant ramps to access each side of the station platforms. The project will remove the existing elevators and reuse the elevator shafts to create an ADA compliant restroom, vending space for snacks and drinks, and storage space for city maintenance. Design is underway and is 30 percent complete. The design is scheduled to be completed in August 2014.

The City of Orange is the lead on a parking expansion project to add a parking structure to an existing surface parking lot located on Lemon Street, between Chapman Avenue and Maple Street. The design of the five-level parking structure is expected to be completed in early 2015. The City of Orange is currently in the environmental phase, and schematic plans have been completed. Total construction costs are estimated to be \$20.4 million. A cooperative agreement defining roles and responsibilities for the construction phase was approved by the OCTA Board on November 25, 2013, and by the Orange City Council on January 14, 2014. It now needs approval by the State Department of Finance because of the City of Orange's request to use funds that are regulated. This approval process is anticipated to take up to six months. OCTA's participation in construction funding will be \$16.7 million and the City of Orange's \$3.7 million.

The City of Fullerton is the lead on a project that will upgrade the elevators at the Fullerton Transportation Center. This project will add two new elevator towers at the existing pedestrian overpass. The funding for the project is from bid savings on the parking structure project and is estimated to be \$3.5 million. Plans have been completed, and the project is expected to go to bid in April 2014 and be completed in May 2015. There is a lag in advertising the project for bid due to additional funding needed. OCTA plans to amend the Proposition 116 Program of Projects at the June 25-26, 2014 California Transportation Commission (CTC) meeting. The contract cannot be awarded before the CTC action, but can be advertised.

#### City-Initiated Transit Extensions to Metrolink

Project development continued with the two Board-approved Go Local fixed-guideway projects, one in the City of Anaheim, and the other in the cities of Santa Ana and Garden Grove. OCTA initiated work on the development of draft policy guidelines for the implementation of the fixed-guideway projects as it relates to governance structure and funding strategy. These policy considerations are anticipated to be presented to the Board next quarter. For a detailed summary of the two fixed-guideway projects, refer to the M2 quarterly report.

**Measure M1**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**as of December 31, 2013**

(\$ in thousands)	Quarter Ended Dec 31, 2013	Year to Date Dec 31, 2013	Period from Inception through Dec 31, 2013
		(A)	(B)
<b>Revenues:</b>			
Sales taxes	\$ -	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs:			
Project related	3,400	4,036	581,942
Non-project related	-	-	620
Interest:			
Operating:			
Project related	-	-	1,745
Non-project related	674	1,092	269,172
Bond proceeds	-	-	136,067
Debt service	-	-	82,054
Commercial paper	-	-	6,072
Orange County bankruptcy recovery	-	-	42,268
Capital grants	-	-	156,434
Right-of-way leases	20	120	6,386
Proceeds on sale of assets held for resale	-	2,256	26,831
Miscellaneous:			
Project related	-	-	26
Non-project related	1	1	777
Total revenues	<u>4,095</u>	<u>7,505</u>	<u>5,314,366</u>
<b>Expenditures:</b>			
Supplies and services:			
State Board of Equalization (SBOE) fees	-	-	56,883
Professional services:			
Project related	208	276	207,135
Non-project related	103	103	35,747
Administration costs:			
Project related	200	431	23,771
Non-project related	366	701	96,089
Orange County bankruptcy loss	-	-	78,618
Other:			
Project related	16	26	2,095
Non-project related	4	6	15,966
Payments to local agencies:			
Turnback	-	-	594,009
Other	3,530	4,290	941,974
Capital outlay	1,464	1,479	2,093,505
Debt service:			
Principal payments on long-term debt	-	-	1,003,955
Interest on long-term debt and commercial paper	-	-	561,842
Total expenditures	<u>5,891</u>	<u>7,312</u>	<u>5,711,589</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,796)</u>	<u>193</u>	<u>(397,223)</u>
<b>Other financing sources (uses):</b>			
Transfers out:			
Project related	-	(17,750)	(406,433)
Non-project related	-	-	(5,116)
Transfers in: project related	-	-	1,829
Bond proceeds	-	-	1,169,999
Advance refunding escrow	-	-	(931)
Payment to refunded bond escrow agent	-	-	(152,930)
Total other financing sources (uses)	<u>-</u>	<u>(17,750)</u>	<u>606,418</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ (1,796)</u>	<u>\$ (17,557)</u>	<u>\$ 209,195</u>

**Measure M1**  
**Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)**  
**as of December 31, 2013**

<i>(\$ in thousands)</i>	Quarter Ended Dec 31, 2013 (actual)	Year Ended Dec 31, 2013 (actual)	Period from Inception through Dec 31, 2013 (actual)	Period from January 1, 2014 forward (forecast)	Total
		(C.1)	(D.1)	(E.1)	(F.1)
<b>Tax revenues:</b>					
Sales taxes	\$ -	\$ -	\$ 4,003,972	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs	-	-	620	-	620
Operating interest	674	1,092	269,172	1,847	271,019
Orange County bankruptcy recovery	-	-	20,683	-	20,683
Miscellaneous, non-project related	1	1	777	-	777
Total tax revenues	<u>675</u>	<u>1,093</u>	<u>4,295,224</u>	<u>1,847</u>	<u>4,297,071</u>
<b>Administrative expenditures:</b>					
SBOE fees	-	-	56,883	-	56,883
Professional services, non-project related	103	103	26,886	-	26,886
Administration costs, non-project related	366	701	96,089	1,666	97,755
Transfers out, non-project related	-	-	5,116	-	5,116
Orange County bankruptcy loss	-	-	29,792	-	29,792
Other, non-project related	4	6	6,866	-	6,866
Total administrative expenditures	<u>473</u>	<u>810</u>	<u>221,632</u>	<u>1,666</u>	<u>223,298</u>
<b>Net tax revenues</b>	<u>\$ 202</u>	<u>\$ 283</u>	<u>\$ 4,073,592</u>	<u>\$ 181</u>	<u>\$ 4,073,773</u>
<hr/>					
(C.2) (D.2) (E.2) (F.2)					
<b>Bond revenues:</b>					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 1,169,999	\$ -	\$ 1,169,999
Interest revenue from bond proceeds	-	-	136,067	-	136,067
Interest revenue from debt service funds	-	-	82,054	-	82,054
Interest revenue from commercial paper	-	-	6,072	-	6,072
Orange County bankruptcy recovery	-	-	21,585	-	21,585
Total bond revenues	<u>-</u>	<u>-</u>	<u>1,415,777</u>	<u>-</u>	<u>1,415,777</u>
<b>Financing expenditures and uses:</b>					
Professional services, non-project related	-	-	8,861	-	8,861
Payment to refunded bond escrow	-	-	153,861	-	153,861
Bond debt principal	-	-	1,003,955	-	1,003,955
Bond debt interest expense	-	-	561,842	-	561,842
Orange County bankruptcy loss	-	-	48,826	-	48,826
Other, non-project related	-	-	9,100	-	9,100
Total financing expenditures and uses	<u>-</u>	<u>-</u>	<u>1,786,445</u>	<u>-</u>	<u>1,786,445</u>
<b>Net bond revenues (debt service)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,668)</u>	<u>\$ -</u>	<u>\$ (370,668)</u>

**Measure M1  
Schedule of Revenues and Expenditures Summary  
as of December 31, 2013**

Project Description (G)	Net Tax Revenues Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance Total Net Tax Revenues to Est at Completion (L)	Variance Project Budget to Est at Completion (M)	Expenditures Quarter Ended Dec 31, 2013 (N)	Reimbursements Quarter Ended Dec 31, 2013 (O)	Expenditures through Dec 31, 2013 (N)	Reimbursements through Dec 31, 2013 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)
<b>Freeways (43%)</b>												
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 982,243	\$ 982,287	\$ 810,010	\$ 788,022	\$ 194,265	\$ 21,988	\$ 36	\$ 16	\$ 879,956	\$ 87,996	\$ 791,960	97.8%
I-5 between I-5/I-405 Interchange and San Clemente	68,744	68,747	72,862	74,962	(6,215)	(2,100)	-	-	70,294	10,358	59,936	82.3%
I-5/I-405 Interchange	87,251	87,255	72,802	73,075	14,180	(273)	-	-	98,157	25,082	73,075	100.4%
SR-55 (Costa Mesa Fwy) between I-5 and SR-91 (Riverside Fwy)	58,168	58,170	44,511	49,349	8,821	(4,838)	-	-	55,514	6,172	49,342	110.9%
SR-57 (Orange Fwy) between I-5 and Lambert Road	29,084	29,085	24,128	22,758	6,327	1,370	-	-	25,617	2,859	22,758	94.3%
SR-91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line	125,590	125,595	116,136	105,389	20,206	10,747	-	-	123,995	18,606	105,389	90.7%
SR-22 (Garden Grove Fwy) between SR-55 and Valley View St.	400,565	400,583	313,297	311,943	88,640	1,354	1,705	2,846	660,084	348,762	311,322	99.4%
Subtotal Projects	1,751,645	1,751,722	1,453,746	1,425,498	326,224	28,248	1,741	2,862	1,913,617	499,835	1,413,782	
Net (Bond Revenue)/Debt Service	-	-	311,917	311,917	(311,917)	-	-	-	311,917	-	311,917	
<b>Total Freeways</b>	<b>\$ 1,751,645</b>	<b>\$ 1,751,722</b>	<b>\$ 1,765,663</b>	<b>\$ 1,737,415</b>	<b>\$ 14,307</b>	<b>\$ 28,248</b>	<b>\$ 1,741</b>	<b>\$ 2,862</b>	<b>\$ 2,225,534</b>	<b>\$ 499,835</b>	<b>\$ 1,725,699</b>	<b>44.7%</b>
<b>%</b>				<b>43.0%</b>							<b>44.7%</b>	
<b>Regional Street and Road Projects (11%)</b>												
Smart Streets	\$ 153,633	\$ 153,639	\$ 151,230	\$ 151,230	\$ 2,409	\$ -	\$ 148	\$ -	\$ 157,664	\$ 11,939	\$ 145,725	96.4%
Regionally Significant Interchanges	89,619	89,624	89,624	89,624	-	-	-	-	83,826	146	83,680	93.4%
Intersection Improvement Program	128,026	128,033	128,033	128,033	-	-	220	-	115,060	3,720	111,340	87.0%
Traffic Signal Coordination	64,014	64,016	64,016	64,016	-	-	536	-	67,792	3,747	64,045	100.0%
Transportation Systems Management and Transportation Demand Management	12,803	12,803	12,803	12,803	-	-	-	-	11,277	149	11,128	86.9%
Subtotal Projects	448,095	448,115	445,706	445,706	2,409	-	904	-	435,619	19,701	415,918	
Net (Bond Revenue)/Debt Service	-	-	2,409	2,409	(2,409)	-	-	-	2,409	-	2,409	
<b>Total Regional Street and Road Projects</b>	<b>\$ 448,095</b>	<b>\$ 448,115</b>	<b>\$ 448,115</b>	<b>\$ 448,115</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 904</b>	<b>\$ -</b>	<b>\$ 438,028</b>	<b>\$ 19,701</b>	<b>\$ 418,327</b>	<b>10.8%</b>
<b>%</b>				<b>11.1%</b>							<b>10.8%</b>	

**Measure M1**  
**Schedule of Revenues and Expenditures Summary**  
as of December 31, 2013

Project Description (G)	Net Tax Revenues Program to date	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures Quarter Ended Dec 31, 2013	Reimbursements Quarter Ended Dec 31, 2013	Expenditures through Dec 31, 2013	Reimbursements through Dec 31, 2013	Net Project Cost	Percent of Budget Expended
	Actual (H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(N)	(O)	(P)	(Q)
<i>(\$ in thousands)</i>												
<b>Local Street and Road Projects (21%)</b>												
Master Plan of Arterial Highway Improvements	\$ 160,710	\$ 160,721	\$ 160,721	\$ 160,721	\$ -	\$ -	\$ 889	\$ -	\$ 148,554	\$ 99	\$ 148,455	92.4%
Streets and Roads Maintenance and Road Improvements	594,744	594,771	594,771	594,771	-	-	-	-	594,025	-	594,025	99.9%
Growth Management Area Improvements	100,000	100,000	100,000	100,000	-	-	1,195	-	96,286	431	95,855	95.9%
Subtotal Projects	855,454	855,492	855,492	855,492	-	-	2,084	-	838,865	530	838,335	
Net (Bond Revenue)/Debt Service	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Local Street and Road Projects</b>	<b>\$ 855,454</b>	<b>\$ 855,492</b>	<b>\$ 855,492</b>	<b>\$ 855,492</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,084</b>	<b>\$ -</b>	<b>\$ 838,865</b>	<b>\$ 530</b>	<b>\$ 838,335</b>	<b>21.7%</b>
<b>%</b>												
<b>Transit Projects (25%)</b>												
Pacific Electric Right-of-Way	\$ 19,711	\$ 19,712	\$ 15,000	\$ 14,200	\$ 5,512	\$ 800	\$ 13	\$ 4	\$ 17,491	\$ 3,342	\$ 14,149	94.3%
Commuter Rail	367,648	367,665	367,665	337,665	30,000	30,000	-	-	411,438	60,805	350,633	95.4%
High-Technology Advanced Rail Transit	446,781	446,802	446,802	440,688	6,114	6,114	673	554	468,474	154,215	314,259	70.3%
Elderly and Handicapped Fare Stabilization	20,000	20,000	20,000	20,000	-	-	-	-	20,000	-	20,000	100.0%
Transitways	164,258	164,265	146,381	127,150	37,115	19,231	3	-	163,418	36,765	126,653	86.5%
Subtotal Projects	1,018,398	1,018,444	995,848	939,703	78,741	56,145	689	558	1,080,821	255,127	825,694	
Net (Bond Revenue)/Debt Service	-	-	56,342	56,342	(56,342)	-	-	-	56,342	-	56,342	
<b>Total Transit Projects</b>	<b>\$ 1,018,398</b>	<b>\$ 1,018,444</b>	<b>\$ 1,052,190</b>	<b>\$ 996,045</b>	<b>\$ 22,399</b>	<b>\$ 56,145</b>	<b>\$ 689</b>	<b>\$ 558</b>	<b>\$ 1,137,163</b>	<b>\$ 255,127</b>	<b>\$ 882,036</b>	<b>22.8%</b>
<b>%</b>												
<b>Total Measure M1 Program</b>	<b>\$ 4,073,592</b>	<b>\$ 4,073,773</b>	<b>\$ 4,121,460</b>	<b>\$ 4,037,067</b>	<b>\$ 36,706</b>	<b>\$ 84,393</b>	<b>\$ 5,418</b>	<b>\$ 3,420</b>	<b>\$ 4,639,590</b>	<b>\$ 775,193</b>	<b>\$ 3,864,397</b>	



**February 24, 2014**

**To:** Members of the Board of Directors

**From:** Darrell Johnson, Chief Executive Officer 

**Subject:** Measure M2 Progress Report for October 2013 Through December 2013

**Overview**

Staff has prepared a Measure M2 progress report for the period of October 2013 through December 2013 for review by the Orange County Transportation Authority Board of Directors. Implementation of Measure M2 continues at a fast pace. 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 renewal of the Measure M Plan (Plan) 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 an operating ordinance which defines all the requirements for implementing the Plan. The ordinance designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring OCTA's contract with the voters is followed.

The Measure M2 (M2) Transportation Ordinance and investment plan, Ordinance No. 3, requires quarterly status reports regarding the major projects detailed in the ordinance be filed with the OCTA Board of Directors (Board). All M2 progress reports are posted online for public review.

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***Discussion***

This quarterly report reflects current activities and progress within the overall M2 Program for the period of October 1, 2013 through December 31, 2013 (Attachment A).

The quarterly report is designed to be easy to navigate and public friendly, reflecting OCTA's Strategic Plan transparency goals. The report includes budget and schedule information included in the Capital Action Plan, Local Fair Share, and Senior Mobility Program payments made to cities this quarter, as well as total payments from M2 inception to December 2013.

Each quarter, the M2020 section is updated to provide further progress/status towards meeting the fourteen objectives and managing the ten major risks outlined in the M2020 Plan.

The following highlights reflect second quarter activities; recent developments are also included if available during the production of this staff report:

- The draft Project Study Report/Project Development Support (PSR/PDS) document for the State Route 57 northbound from Orangewood Avenue to Katella Avenue segment (Project G) was finalized during the quarter and was submitted to the California Department of Transportation (Caltrans) for approval on January 14, 2014.
- The construction contract for the State Route 91 project between the State Route 55 (SR-55) and the Tustin Avenue interchange (Project I) was awarded on November 10, 2013, and construction began in January 2014.
- The final Interstate 405 (I-405) PSR/PDS document for the I-405 project between the SR-55 and Interstate 5 (Project L) was approved and signed by Caltrans on December 10, 2013. This includes alternatives that consider the addition of general purpose lanes between Culver Drive and State Route 133 (SR-133), and operational improvements at the I-405 and SR-133 interchange. A request for proposals to conduct an environmental study was released on January 27, 2014. The environmental study is planned to begin in December 2014.
- Staff presented the Orange County Bridges Railroad Grade Separation Program's (Project O) amended funding plan to the Board on October 11, 2013. The Board approved staff's recommended funding plan to



support the revised estimated cost of \$623.75 million to complete the program. The project budget was subsequently increased by the Board to \$634.66 million in January of 2014 to address various project cost changes.

- The Metrolink Service Expansion Program (Project R) continues to be a challenge. OCTA deployed a total of ten new Metrolink intra-county trains in 2011, but despite reduced price day passes and extensive marketing efforts, ridership on these trains remains lower than desired. Staff has been working with partner agencies to address track sharing issues with the goal of modifying the service to extend to Los Angeles. Staff will return to the Board after further discussions with BNSF Railway, the Riverside County Transportation Commission, and the Los Angeles County Metropolitan Transportation Authority conclude and agreements are reached on the best approach on the redeployment of this service.
- The two fixed-guideway projects, the Anaheim Rapid Connection (ARC) and the Santa Ana-Garden Grove Fixed-Guideway (both of Project S), continue to move forward through the project development process. OCTA has also initiated work on the development of draft policy guidelines for the implementation of the fixed-guideway projects as it relates to governance structure and funding strategy. These policy considerations are anticipated to be presented to the Board next quarter.

During the quarter, staff continued to work with the ARC project team on environmental work, including discussions on scope, schedule, and supporting engineering work. Consistent with Board's direction, staff is working with the City of Anaheim to develop cost containment strategies. A public environmental scoping meeting for the ARC project took place on January 14, 2014.

OCTA continued to facilitate the efforts of the Santa Ana-Garden Grove project team on meeting environmental requirements specified by the Federal Transit Administration (FTA) and the State of California. The draft environmental assessment/environmental impact report is pending FTA approval before it is released to the public for comment.

- The Fare Stabilization Program (Project U) continues to be closely monitored. Since the inception of the program, staff has been providing regular updates to the OCTA Board to reflect a concern with program funding levels due to the impacts of the recession and higher participation levels. The last program update to the Board (February 2013) reported that funding levels may only be sufficient until fiscal year (FY) 2019-20.

The most recent review of the funding levels indicates the shortfall will occur in the current FY. Staff plans to bring an item on this matter to the Finance and Administration Committee on February 26, 2014.

- The Environmental Cleanup Program's (Project X) funding recommendations for the third Tier 1 call for projects was approved by the OCTA Board on September 23, 2013, in the amount of \$2.83 million. The execution of letter agreements is underway for these projects. The second Tier 2 call for projects concluded on September 20, 2013, with approximately \$25.3 million available. Staff has been working with the M2 Allocation Committee on the evaluation of the 17 project applications received. Board approval of the Tier 2 funding recommendations is anticipated in April 2014.
- An Organizational Readiness Study was conducted to ensure successful delivery of the Board-approved M2020 Plan. The study was initiated in November 2012, and a final report was presented this quarter to the Board (November 25, 2013). The findings were recommendations centered on process improvements, staff resource modifications, and structural adjustments to reflect changes in the work effort as a result of the progression of projects and programs within M2. Along with the staff report to the Board, staff prepared an action list of items of follow-up items along with timelines. The Program Management Office will ensure all items are addressed as indicated.
- The M2 Performance Assessment required in M2 Ordinance No. 3 concluded in early 2013. This second assessment, covering the time period of July 1, 2009 through June 30, 2012, was presented to the Board in April 2013 and included 12 findings. Staff presented an action plan to respond to each of the findings and committed to address all findings by the end of the 2013 calendar year. All findings have been addressed and a staff report summarizing the actions was presented to the Board on January 27, 2014.

### **Summary**

As required by M2 Ordinance No. 3, a quarterly report covering activities from October 2013 through December 2013 is provided to update progress in implementing the M2 Transportation Investment Plan. The above information and the attached details indicate significant progress on the overall M2 Program. To be cost effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 progress report is presented on the OCTA website. Hard copies are available by mail upon request.

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**Attachment**

- A. Measure M2 Progress Report – Second Quarter of Fiscal Year 2013-14 –  
October 1, 2013 through December 31, 2013

**Prepared by:**



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

**Approved by:**



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





# Second Quarter Highlights:

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



# Measure M2

## Progress Report

Second Quarter of Fiscal Year 2013-14  
October 1, 2013 through December 31, 2013



# Measure M2

## Progress Report



### PROGRESS REPORT

#### SUMMARY



As required by the Measure M2 (M2) Ordinance No. 3, a quarterly report covering activities from October 1, 2013 through December 31, 2013, is provided to update progress in implementing the M2 Transportation Investment Plan.

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

# Measure M2

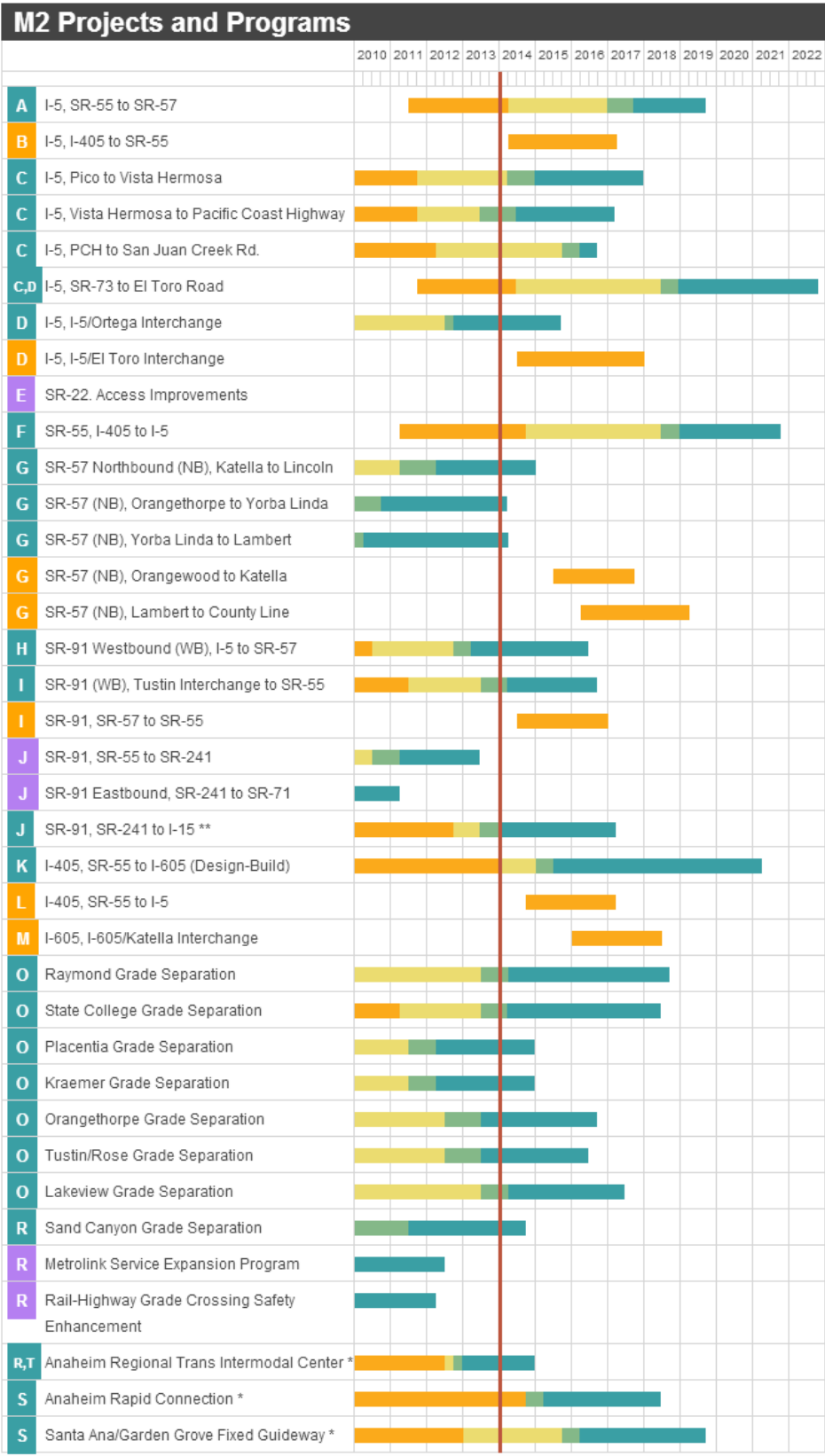
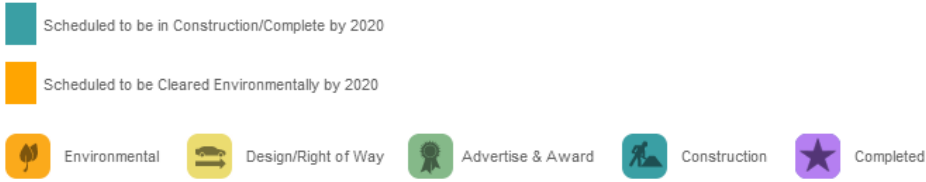
## Progress Report



SECTION	PROJECT	PAGE
M2020 Plan Update		1
Freeway Program (Projects A-N)		6
Interstate 5 (I-5) Projects	[A - D]	6
State Route 22 (SR-22) Projects	[E]	8
State Route 55 (SR-55) Projects	[F]	8
State Route 57 (SR-57) Projects	[G]	9
State Route 91 (SR-91) Projects	[H - J]	9
Interstate 405 (I-405) Projects	[K - L]	11
Interstate 605 (I-605) Projects	[M]	12
Freeway Service Patrol	[N]	12
Streets and Roads (Project O, P and Q)		13
Regional Capacity Program	[O]	13
Regional Traffic Signal Synchronization	[P]	15
Local Fair Share Program	[Q]	17
Transit Programs (Projects R, S, T, U, V and W)		17
High Frequency Metrolink Service	[R]	17
Transit Extensions to Metrolink	[S]	18
Regional Gateways for High-Speed Rail	[T]	19
Expand Mobility Choices for Seniors and Persons with Disabilities	[U]	19
Community Based Transit / Circulators	[V]	20
Safe Transit Stops	[W]	21
Environmental (Project X and Freeway Mitigation Program)		21
Environmental Cleanup	[X]	21
Freeway Mitigation Program (part of Projects A - M)		21
Program Management Office		23
M2 Financing and Schedule of Funding		26
M2 Local Funding by Agency		33
Capital Action Status		35



### Project Schedules



\* Projects managed by local agencies  
 \*\* Project managed and funded by Riverside County Transportation Commission (RCTC)  
 Project S Schedule is subject to Board direction and approved funding





### M2020 UPDATE

## M2020 Plan

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

On September 10, 2012, the Board of Directors approved the M2020 Plan which is an eight-year plan that outlines projects and programs for all modes of transportation to be delivered on an expedited schedule between now and the year 2020. The plan also positions OCTA on a course to go beyond the early implementation projects if additional external funds can be accessed sooner. Below is a summary of our progress towards meeting the eight-year objectives, including a summary of the risks identified in the adopted plan.

### Progress Update

The M2020 Plan identified 14 objectives. Significant progress has been made, with many projects advancing to construction.

Although funded separately, the M2020 Plan also includes a provision for issuing bicycle and pedestrian calls for projects, contingent on available Congestion Mitigation Air Quality (CMAQ) funds. Two calls have been held to date. The first call on August 13, 2012, provided \$9.4 million in funding for 23 projects. On August 12, 2013, the Board approved to release the BCIP 2014 call providing up to \$4.3 million in funding. Approval of projects is expected in January 2014.

A summary of the progress to date for each of the 14 objectives identified in the Plan is outlined below.

### M2020 Plan Objectives

#### 1. Deliver 14 M2 freeway projects.

One of the 14 projects is already complete, SR-91 between SR-55 and SR-241 (Project J) and seven projects are either currently under construction or will begin construction next quarter. Two more are slated to begin construction in mid to late 2014. The four remaining projects are moving through the project development process and are currently in the environmental phase. For more details, see previous page (Project Schedules).

#### 2. Complete environmental phase for 9 remaining M2 freeway projects.

One of the nine projects is already environmentally cleared through RCTC's Corridor Improvement Program, SR-91 between SR-241 and SR-71 (Project J) and the remaining eight projects are scheduled to begin environmental phasing as shown on the previous page (Project Schedules).

#### 3. Invest \$1.2 billion for Streets and Roads projects (Projects O, P, and Q).

To date, more than \$4 million in projects are complete, with more than \$39 million currently in construction phases, as well as more than \$634 million committed to the OC Bridges grade separation projects, which are currently in construction. This accounts for the Project O and P portion of the proposed \$1.2 billion to date. In addition, approximately \$104 million of Local Fair Share funds (Project Q) has already been distributed to local agencies, with approximately \$50 million expected to be distributed yearly through 2020.



#### **4. Synchronize 2,000 traffic signals across Orange County (Project P).**

Through M2 Calls for Projects so far, more than 2,000 signals have been designated for improvements. The current Call for Projects totaling \$12 million was released on August 25, 2013 with the deadline for applications on October 25, 2013. To date, OCTA and local agencies have synchronized 1,074 intersections along 269 miles of streets. It is anticipated that over the next three years, more than 1,350 signals will be synchronized. 2,000 signals will be synchronized as planned by 2020.

#### **5. Expand Metrolink peak capacity and improve rail stations and operating facilities (Project R).**

Although well underway before the M2020 Plan was adopted, part of Project R (Metrolink Grade Crossing Improvements) was completed as part of the Metrolink Service Expansion Plan (MSEP). This enhanced 52 Orange County rail-highway grade crossings with safety improvements, whereby the cities of Anaheim, Tustin, Orange, Santa Ana, Irvine, and San Clemente established quiet zones at respective crossings.

#### **6. Expand Metrolink service into Los Angeles (Project R).**

OCTA is reviewing plans to determine the best approach for peak capacity service expansion. This includes a determination on how to re-deploy a number of the trains for improved service results. This involves possible options to provide new trips from Orange County to Los Angeles and San Diego counties, contingent on available funding and cooperation with involved counties. OCTA is currently working with Burlington Northern Santa Fe (BNSF) and the Los Angeles County Metropolitan Transportation Authority (LA Metro) to address any track-sharing issues, and will return to the Board with the agreed plan.

#### **7. Provide up to \$575 million to implement fixed-guideway projects (Project S).**

At this time, two fixed-guideway projects are in the process of being implemented: the Anaheim Rapid Connection (ARC) Project and the Santa Ana-Garden Grove Fixed-Guideway project. To date, the Board has awarded funding through preliminary engineering of approximately \$18 million to the City of Anaheim and approximately \$11 million to the City of Santa Ana, totaling approximately \$29 million. This total is not included in the proposed \$575 million amount. OCTA continues to work on the development of draft policy guidelines which will be presented to the Board in early 2014.

#### **8. Deliver improvements that position Orange County for connections to planned high-speed rail projects (Project T).**

The City of Anaheim continues moving forward on the Anaheim Regional Transportation Intermodal Center (ARTIC) with construction underway. The substantial completion date remains on schedule for November 2014.

#### **9. Provide up to \$75 million of funding to expand mobility choices for seniors and persons with disabilities (Project U).**

To date, more than \$16 million in Project U funding has been provided under M2 for the Senior Mobility Program (SMP), the Senior Non-emergency Medical Transportation Program (SNEMT), and the Fare Stabilization Program.



### **10. Provide up to \$50 million of funding for community-based transit services (Project V).**

On June 24, 2013, the OCTA Board of Directors approved up to \$9.8 million to fund five projects received as part of the first Call for Projects. OCTA staff continues to work with the cities to execute any necessary agreements and procure buses for the community circulators. All participating cities will have services in place by the end of 2014. The next Project V Call for Projects is anticipated to be held in 2016.

### **11. Acquire and preserve 1,000 acres of open space, establish long-term land management, and restore approximately 180 acres of habitat in exchange for expediting the permit process for 13 of the M2 freeway projects (Projects A-M).**

The Freeway Mitigation Program is proceeding as planned, with six properties acquired (1,150 acres), and eight of the 11 restoration projects approved by the Board underway (totaling approximately 400 acres). The Board has authorized \$42 million for property acquisitions, \$10.5 million to fund habitat restoration activities, and \$2.5 million for conservation plan development and program support, for a total of approximately \$55 million.

### **12. Complete resource management plans to determine appropriate public access on acquired properties.**

The draft interim resource management plans are under preparation concurrent with the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/ HCP) and Draft Environmental Impact Report/ Statement (DEIR/ DEIS). Public release of the draft NCCP/ HCP and DEIR/ DEIS is expected to take place in early 2014. The public will have an opportunity to provide input on the NCCP/ HCP, DEIR/ DEIS, and draft interim resource management plans before they are finalized.

### **13. Implement water quality improvements of up to \$20 million to prevent flow of roadside trash into waterways (Project X).**

Screens and inserts for water quality improvement projects have been funded at various locations throughout Orange County. A total of \$8.4 million have been authorized by the OCTA Board totaling 86 Tier 1 projects. These projects will be completed within a one- to two-year timeframe.

### **14. Provide up to \$38 million to fund up to three major regional water quality improvement projects as part of the Environmental Cleanup Program (Project X).**

Eight Tier 2 projects have been authorized by the OCTA Board totaling \$12.71 million. These projects are expected to be in construction by June 2014.



**Key:**

On Track

At Risk

One To Watch

Complete

### M2020 Risk Update

The M2020 Plan identified 10 major risks as a result of the aggressive advancement of M2 projects and programs. OCTA recognized that these risks need to be actively addressed to ensure delivery of the plan by 2020. The 10 major risks are listed below with the actions taking place to address them.

	Organizational Risk	Proposed Action	Explanation
	1 Organizational readiness to tackle multi-billion dollar capital program considering scale of projects.	An organizational assessment of M2 with a special emphasis on organizational structure has been completed.	Findings from the completed organizational assessment indicate some resource needs and adjustments but no fatal flaws.
	2 Realistic assessment of delivery schedules and required resources.	The organizational assessment reviewed best practices and peer agency approaches to project schedule and resource analysis.	Findings indicate that OCTA's use of Project Controls is very effective in this area. The addition of a Project Controls function in the PMO department will provide added value.
	3 Availability of specialized staff given the scope of right-of-way (ROW) activities - between 202 and 365 parcels affected (includes temporary construction easements) by the I-405 alone depending on the alternative selected.	The organizational assessment assessed the ROW department's resources, capabilities, and workload, and developed recommendations to address the needs of M2 and the M2020 Plan.	Findings have indicated an issue with the current ROW resources. Recommendations on how to address this issue will be included in the 2014/15 proposed budget.
	4 Availability of management and technical capabilities to deliver/operate future rail guideway projects.	Prepare a report on guideway project delivery and operation management plans concurrent with completion of the respective environmental phase.	The current project status has not yet reached the point to move forward with initiating the management plans. Findings from the Organizational Assessment indicate the need for additional resources if OCTA decides to move forward as the owner/ operator of guideways projects.
	5 Exposure to added bond costs due to schedule changes.	A Plan of Finance to address the optimal finance dates and structure was developed and approved by the Board on November, 26, 2012. The plan includes a conservative approach with three debt issuance dates which allows for flexibility in how much debt to incur and when.	The adopted Plan of Finance is in line with current project and program plans. Staff reviewed the M2020 Plan and the Plan of Finance. It was presented to the Board on September 9, 2013, and showed that the M2020 Plan is still deliverable to date.

# Measure M2

## Progress Report



6	Delay in project phases affecting overall costs and ability to deliver M2020.	Identify critical program activities and develop strategies to minimize delays.	A critical factor in delivering the M2020 Plan is based on keeping project costs and schedules on target. The recirculation of the I-405 (Project K) and delay in selecting a preferred alternative did impact the delivery schedule. This project, as well as others, will be closely monitored and impacts will be communicated to the Board.
7	Changes in priorities over the life of the program.	Implement a defined process to assess tradeoffs of changes in priorities.	The Plan of Finance adopted by the Board in 2012 included M2020 Plan Priorities and Commitments with 12 core principles to guide the Board in the event of a needed change.
8	Legislative authority to use design/build (D/B) for delivery methods.	OCTA has sponsored legislation to allow for the delivery of the I-405 improvements utilizing a design/build delivery method. Assemblyman Tom Daly is the author of this bill (AB 401).	The bill passed the California Senate on September 10 and the Assembly on September 12. The bill was enrolled and presented to the Governor for signature on September 25.
9	Internal/external agency functional units not available, overloaded, or have competing priorities.	The organizational assessment conducted a workload analysis to determine what is required for staffing and contracting out to deliver the M2020 Plan. The review in particular focused on contracting, project management, project controls, and accounts payable resources. Proposed actions also include partnering with Caltrans to align priorities and resources, and ensuring timely implementation of Breaking Down Barriers objectives.	The Organizational Assessment recommended department structure changes and resource needs. Caltrans resources are also a concern and OCTA staff will continue to work with them to address our needs. OCTA resource needs adjustments will be included in the 2014/15 proposed budget.
10	Ability of local agencies to balance pavement management needs with new capacity and transit project funds for matching requirements.	Provide a comprehensive overview in a workshop setting of all funding opportunities to local agencies to support strategic decision making at the local level.	OCTA conducted a workshop in June 2013 providing local agencies with information to help them make informed decisions.

Staff will continue to provide updates on the progress of the M2020 Plan and the associated risks in these quarterly reports.



### FREEWAY PROJECTS

#### Interstate 5 (I-5) Projects

##### Project A

**Segment:** I-5 Between SR-55 and SR-57  
**Status:** Environmental Study Underway

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

**Summary:** This project will increase HOV lane capacity by adding a second HOV lane in both directions along I-5 between SR-55 and SR-57 in Santa Ana. During this quarter, work continued on the noise study report and the mandatory design exception fact sheets. Ramp Options A and B, which proposes to replace the I-5 southbound on-ramp at 1st Street, was eliminated from further consideration due to design and operational issues from Caltrans and the City of Santa Ana. OCTA staff held a Stakeholder Working Group Meeting in November and continued to work with the Discovery Science Center and the City of Santa Ana to develop a way-finding signage package. The final environmental document is expected to be completed in late 2014.

##### Project B

**Segment:** I-5 Between the SR-55 and the El Toro “Y” Area  
**Status:** Environmental Study Will Begin Soon

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

**Summary:** This project will improve traffic flow and operations along the I-5 within the cities of Irvine and Tustin. The environmental study will consider the addition of one general purpose lane on the I-5 between just north of I-405 to SR-55. Additional features of Project B include improvements to various interchanges. Auxiliary lanes will be added in some segments and re-established in other segments within the project limits. During this quarter, negotiations with the selected consultant concluded and the contract package was submitted to Caltrans in November for audit. Environmental study work is anticipated to begin in February 2014.

##### Project C & Part of Project D

**Segment:** I-5 Between SR-73 and El Toro Road  
**Status:** Finalizing Environmental Study

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

**Summary:** The environmental study for improvements along the I-5 between the SR-73 and El Toro Road in the cities of Lake Forest, Laguna Hills, Laguna Niguel, Laguna Woods and Mission Viejo was circulated for public review during this quarter. The study evaluates lane additions and interchange improvements to improve traffic flow through this area. These improvements include reconstruction of the La Paz Road and Avery Parkway interchanges (part of Project D). During the previous quarter, the Environmental Assessment was approved by Caltrans and the Draft Environmental Document was released for a 30-day public review period. During this quarter, the public review period closed on October 7, 2013. Approximately 80 comment letters were received from regional and local agencies and members of the public. Draft responses were prepared and reviewed with Caltrans staff. On November 20, 2013, the Project Development Team made up of technical stakeholders from OCTA, project area cities, county and Caltrans recommended Alternative 2 as the Preferred Alternative. Coordination is continuing with the cities on the proposed soundwalls throughout the project limits. Preparation of the Final Environmental Document and Final Project Report began and will be submitted to Caltrans for review. The Final Environmental Document is anticipated to be complete in mid-2014.

# Measure M2

## Progress Report



**Segment:** I-5 Between Avenida Pico and San Juan Creek Road  
**Status:** Final Design Underway

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

**Summary:** Transportation improvements will soon be underway along the I-5 between Avenida Pico and San Juan Creek Road in San Clemente, Dana Point, and San Juan Capistrano. The project will widen the I-5 to add a carpool lane in each direction and includes major interchange improvements to Avenida Pico (part of Project D). This project is divided into three segments for design and construction phases. Segment 1 is from Avenida Pico to Avenida Vista Hermosa, Segment 2 from Avenida Vista Hermosa to PCH, and Segment 3 from PCH to San Juan Creek Road. During this quarter, Segment 1 final design comments were received from Caltrans, the project consultant is currently working on responding to those comments, and a cooperative agreement with Caltrans for Segment 1's construction phase was executed. For Segment 2, applications to obtain the E-76 for construction were submitted to Caltrans and the Federal Highway Administration. This project will be advertised as soon as the E-76 for construction is approved which is anticipated to take place next quarter. Segment 3's construction contract was awarded, a field office was selected, and contract negotiation is underway. Construction for Segment 3 is anticipated to begin in early 2014 with the other two segments to follow in mid to late 2014. The project public outreach team conducted several community open houses in San Juan Capistrano and San Clemente in November 2013. The open houses were a chance for the local residents, businesses and motorists to learn more about the upcoming construction work, talk with project representatives and sign up to receive the latest project information. Procurement for a community outreach contract is underway for the construction phase of the project. Segment 1's construction is anticipated to be complete in 2017, with Segment 2 and 3 anticipated in 2016.

## Project D

**Segment:** I-5 / El Toro Road Interchange  
**Status:** Final Draft PSR-PDS Complete and Under Final Review

**Contact:** Charlie Larwood, Planning  
(714) 560-5683

**Summary:** Project D will update and improve key I-5 interchanges to relieve street congestion around older interchanges and on-ramps. The I-5/ El Toro Road Interchange Study includes alternatives that consider modifications to the existing interchange to provide a new access ramp to El Toro Road and one alternate access point adjacent to the interchange. The final draft Project Study Report/ Project Development Support (PSR-PDS) Report was submitted to Caltrans for final review in November 2013. The final draft PSR-PDS report is anticipated for approval in January 2014.

**Segment:** I-5 / Ortega Highway Interchange  
**Status:** Construction Underway

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

**Summary:** Caltrans began construction in February 2013 on the two-year \$86 million project that will reconstruct the SR-74 Ortega Highway bridge over the freeway and improve local traffic flow along the SR-74 and Del Obispo Street in the City of San Juan Capistrano. During this quarter, crews have been working to reconstruct the south half of the bridge. Falsework and forms were constructed to shape the new south half of the bridge and several concrete pours were completed in November and December 2013. The south half of the bridge is expected to be complete in summer 2014. At this time, crews will begin work to demolish and reconstruct the north half of the bridge. The entire bridge is scheduled to be complete in 2015.



### State Route 22 (SR-22) Projects

#### Project E

**Segment:** SR-22 Access Improvements

**Status:** SR-22 Interchanges at Brookhurst Street, Euclid Street and Harbor Boulevard – **Project Complete**



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

**Summary:** Completed in 2008, Project E added improvements at key SR-22 interchanges to reduce freeway and street congestion in the area. The project was completed early as part of a “bonus project” provided by the original Measure M.

### State Route 55 (SR-55) Projects

#### Project F

**Segment:** SR-55 (I-405 to I-5)

**Status:** Environmental Study Underway

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

**Summary:** The purpose of this project is to increase capacity on SR-55 in the cities of Irvine, Santa Ana, and Tustin. The Environmental Study will evaluate the addition of general purpose lanes, carpool lanes, and auxiliary lanes. This quarter, the Project Study Team has worked to revise technical studies and prepare a revised administrative Draft Project Report. The project team has continued to coordinate with Caltrans and city staffs to incorporate comments into the project documents. The draft Environmental Document is expected to be completed in May 2014.

**Segment:** SR-55 (I-5 to SR-91)

**Status:** Draft PSR Underway

**Contact:** Charlie Larwood, Planning  
(714) 560-5683

**Summary:** This project will add capacity between the I-5 and SR-22, and provide operational improvements between SR-22 and SR-91 in the cities of Orange, Santa Ana, Tustin, and Anaheim. The Project Study Team has reviewed the draft Project Study Report (PSR), and the document is being updated to address all comments prior to submitting to Caltrans for review. All of the alternatives in the draft PSR include the addition of one general purpose lane in each direction between SR-22 and Fourth Street. Other improvements being considered beyond the lane additions consist mostly of operational improvements at ramps and merge locations between SR-22 and SR-91, as well as a potential interchange project at First Street and the I-5 connector ramp. This quarter, OCTA staff negotiated, finalized, and executed a cooperative agreement with Caltrans to provide independent quality assurance of the Project Study Report/ Project Development Support (PSR/ PDS) document, which is the first step in initiating Caltrans review and finalization of a PSR/ PDS document. The draft SR-55 (I-5 to SR-91) PSR/PDS will be submitted for Caltrans’ review in early 2014.





### State Route 57 (SR-57) Projects

#### Project G

**Segment:** SR-57 Northbound  
**Status:** Construction Underway



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

**Summary:** Construction moved forward on the SR-57 Northbound Freeway Widening Project, which will increase capacity and improve operations by adding a new, 8-mile northbound general purpose lane to the SR-57, as well as other improvements, through the cities of Anaheim, Fullerton, Placentia, and Brea. Work is underway at three northbound SR-57 segments:

During this quarter for the project's northern most segment, located between Yorba Linda Boulevard and Lambert Road, construction milestones included completing major ramp reconstruction and lane paving work. For the segment between Yorba Linda Road and Orangethorpe Avenue, crews entered the final leg of construction at the northbound Orangethorpe Avenue on-ramp as well as between Nutwood Avenue and Yorba Linda Road in the City of Fullerton. These northern segments are anticipated to be complete in March 2014.

Paving operations are fully underway on the project's southern-most segment, Katella Avenue to Lincoln Avenue. As part of this effort, crews imported tons of base material and concrete for lane paving work adjacent to various commercial and residential areas between Katella Avenue and Lincoln Avenue in the City of Anaheim. In support of this work, communication and outreach efforts included neighborhood meetings, canvassing and direct mailers. This segment is now approximately 84% complete and is on pace to be completed late 2014.

**Segment:** SR-57 Northbound from Orangewood Avenue to Katella Avenue  
**Status:** Draft PSR Complete

**Contact:** Charlie Larwood, Planning  
(714) 560-5683

**Summary:** OCTA initiated a Project Study Report (PSR) to add capacity in the northbound direction of SR-57 in the cities of Anaheim and Orange. Improvements under study include adding a northbound general purpose lane to join the northbound general purpose lane currently under construction between Katella and Lincoln Avenue. One alternative would remove the existing lane-drop at Orangewood Avenue. Another alternative would create an auxiliary lane between the Orangewood Avenue loop on-ramp and Katella Avenue. The final alternative would create an auxiliary lane between the Orangewood Avenue diamond on-ramp and the Katella Avenue off-ramp. This quarter, OCTA staff negotiated, finalized, and executed a cooperative agreement with Caltrans to provide independent quality assurance of the Project Study Report/ Project Development Support (PSR/ PDS) document, which is the first step in initiating Caltrans review and finalization of a PSR/ PDS document. Staff also finalized development of the draft PSR/ PDS document for Caltrans review, and anticipate submitting the document, consistent with Caltrans' request, early in next quarter.

### State Route 91 (SR-91) Projects

#### Project H

**Segment:** SR-91 Between SR-57 and I-5  
**Status:** Construction Underway

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

**Summary:** OCTA and Caltrans broke ground on this third series of "A Better 91" projects on May 1, 2013. Implementation of this project will provide an additional general purpose lane on SR-91 in the westbound direction between Anaheim and Fullerton. Construction crews have been demolishing the north edges of six bridges to add additional width for expansion needs. The bridges remain open to traffic. Construction is underway with progress at approximately 20%. This project is anticipated to be complete in mid-2016. On the public communications front, staff has conducted briefings and presentations for city officials, as well as hosted neighborhood meetings in key residential communities.



### Project I

**Segment:** SR-91 Between SR-55 and Tustin Avenue Interchange  
**Status:** Construction to Begin Soon

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

**Summary:** This project will improve traffic flow at the SR-55/ SR-91 interchange by adding a westbound auxiliary lane beginning at the northbound SR-55 to westbound SR-91 connector through the Tustin Avenue interchange. The project is intended to relieve weaving congestion in this area. The project includes reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. The contract is moving through the Caltrans award process, with construction expected to start in January 2014.

**Segment:** SR-91 Between SR-57 to SR-55  
**Status:** PSR-PDS Under Review

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

**Summary:** This project will increase freeway capacity by adding both an eastbound general purpose lane between SR-57 and SR-55 and a westbound general purpose lane between Kraemer Boulevard to State College Boulevard, and will make freeway-to-freeway connector improvements in the northbound direction between SR-57 and SR-91. OCTA initiated a Project Study Report-Project Development Support Document (PSR-PDS), and during this quarter, the draft PSR continues to be reviewed by Caltrans. Approval of the PSR-PDS is expected in early 2014.

### Project J

**Segment:** SR-91, Between State Route 241 (SR-241) and State Route 71 (SR-71)

**Status:** **Project Complete**



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

**Summary:** This completed project added six miles through a key stretch of SR-91 between SR-241 and SR-71 in Riverside County. The project improves mobility and operations by reducing traffic weaving from traffic exiting at the SR-71 and Green River Road. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act (ARRA) funding for this M2 project – saving M2 revenues for future projects. Construction was complete January 2011. Construction of this project provided an additional eastbound general purpose lane on SR-91 and widened all existing eastbound lanes and shoulders to standard widths.

# Measure M2

## Progress Report



**Segment:** SR-91, Between SR-55 and SR-241  
**Status:** Project Complete



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

**Summary:** This completed project 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 twelve 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 means a total of eighteen lane miles have been added to SR-91 since December 2010.

**Segment:** Segment: SR-91, Between SR-241 and I-15  
**Status:** RCTC's Design-Build Underway

**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 the city of Anaheim to I-15 in Riverside County. This project will also add one general purpose lane in each direction of SR-91, from SR-241 to I-15. While the portion of this project between SR-241 and the Orange County/ Riverside County line is part of Project J, the matching segment between the county line and SR-71 is part of the Riverside County Transportation Commission (RCTC)'s Measure A. On December 11, 2013, RCTC's contractors broke ground on this \$1.3 billion freeway improvement project, which will deliver new general purpose lanes, extend tolled express lanes and construct various interchange and operational improvements between State Route 241 in northeastern Orange County and Interstate 15 in Riverside County. During this quarter, contractors established a project field office, conducted pre-construction meetings and began developing and implementing a comprehensive communications, media relations and outreach program in coordination with OCTA, Caltrans, as well as other partners and stakeholders.

### Interstate 405 (I-405) Projects

#### Project K

**Segment:** I-405, Between SR-55 and I-605  
**Status:** Draft Environmental Impact Statement/Draft Environmental Impact Report (EIS/EIR) Released

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

**Summary:** OCTA is preparing an environmental study to widen the I-405 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. These improvements will add mainline capacity and improve the local interchanges along the corridor. After subsequent OCTA studies were completed, on December 9, 2013, the OCTA Board of Directors voted to reaffirm the Board of Directors' original October 22, 2012 decision selecting Alternative 1 as the locally preferred alternative, which adds one general purpose lane in each direction on Interstate 405 between Euclid Street and Interstate 605, while simultaneously working with federal, state, regional, and local partners on managed lanes issues. Within the Draft Environmental Impact Statement/ Draft Environmental Impact Report (EIS/EIR), the OCTA Board of Directors recommended that the California Department of Transportation select Alternative 1. The Preferred Alternative is scheduled to be selected by the Project Development Team in January 2014.

# Measure M2

## Progress Report



### Project L

**Segment:** I-405 Between SR-55 and the El Toro "Y"  
**Status:** PSR-PDS Approved

**Contact:** Charlie Larwood, Planning  
(714) 560-5683

**Summary:** This project will add new lanes to the freeway from SR-55 to the I-5, and will also improve chokepoints at interchanges and add merging lanes near on/off ramps. This quarter, the final I-405 Project Study Report/ Project Development Support (PSR/ PDS) for Project L was approved by Caltrans. This includes alternatives that consider the addition of one or two general purpose lanes between Culver Drive and State Route 133, and operational improvements at the Interstate 405 and State Route 133 interchange. The next step for this project is to begin the preparation of the Project Report and the environmental review process of the alternatives. The release of the request for proposals is anticipated next quarter and the study is anticipated to begin in late 2014.

### Interstate 605 (I-605) Projects

### Project M

**Segment:** I-605 Interchange Improvements  
**Status:** PSR-PDS Underway

**Contact:** Charlie Larwood, Planning  
(714) 560-5683

**Summary:** This project will improve freeway access and arterial connection to I-605 at Katella Avenue in the City of Los Alamitos and the County of Orange. Improvements under this project may include enhancements at the on- and off-ramps in addition to operational improvements on Katella Avenue at the I-605 interchange. The project study team is developing the Purpose and Need Statement for the project. The Project Study Report-Project Development Support (PSR-PDS) report is anticipated to be complete in December 2014.

### Project N

**Status:** **Freeway Service Patrol**  
Service On-going

**Contact:** Sue Zuhlke, Motorist Services  
(714) 560-5683

**Summary:** Renewed Measure M'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 quickly clear freeway lanes and minimize congestion. During this quarter, the mid-day service provided assistance to 1,051 motorists, weekend service provided assistance to 595 motorists, and construction service provided assistance to 1,240 motorists.



## STREETS & ROADS

### Project O

**Status:** **Regional Capacity Program**  
2014 Call for Projects Underway

**Contact:** Roger Lopez, Planning  
(714) 560-5438

**Summary:** This program, in combination with required local matching funds, provides a funding source to complete the Orange County Master Plan of Arterial Highways. Last quarter in August 2013, the Board authorized staff to issue the 2014 Regional Capacity Program Call for Projects, with approximately \$35 million in funding available for programming. This quarter, 26 applications for funding were received from 15 local agencies. During the months of November and December 2013, OCTA staff worked with the local agencies to review and prioritize the applications. OCTA staff anticipates bringing programming recommendations to the Technical Advisory Committee in the next quarter, with anticipated final approval by the OCTA Board of Directors early in summer 2014.

**Status:** **OC Bridges Railroad**  
Grade Separation Program

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

**Summary:** On October 11, 2013, OCTA staff presented an amended funding plan for the OC Bridges Railroad Grade Separation Program Budget Update to the OCTA Board of Directors. The Board approved the staff's recommended funding plan to support the revised estimated cost of \$623.749 million to complete the OC Bridges Railroad Grade Separation Program.

**Segment:** **Raymond Grade Separation**  
**Status:** Construction to Begin Soon

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

**Summary:** The project located at Raymond Avenue Railroad crossing will grade separate the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. At the request of the City of Fullerton, on August 13, 2012, the OCTA Board of Directors approved an amendment to the cooperative agreement with the City of Fullerton, making OCTA the lead agency for property acquisition and tenant relocation for this project. The City released the advertisement for construction on October 10, 2013 and the bid opening was held on December 9, 2013 with the low bidder's proposal coming in over the committed funding. The previous anticipated total cost at completion was \$98.14 million, and the new estimated cost at completion is \$112.19 million. A funding plan and program adjustment will be brought to the Board in January 2014. A contract for the clearance of right-of-way was awarded on October 28, 2013. Advanced utility work is anticipated to begin in January 2014, with construction following in early 2014 with expected completion in early 2017.

**Segment:** **State College Boulevard Grade Separation**  
**Status:** Construction to Begin Soon

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

**Summary:** The project located at State College Boulevard railroad crossing will grade separate the local street from railroad tracks in the City of Fullerton by taking vehicular traffic under the railroad crossing. At the request of the City of Fullerton, on August 13, 2012, the OCTA Board of Directors approved an amendment to the cooperative agreement with the City of Fullerton, making OCTA the lead agency for property acquisition and tenant relocation. The City released the advertisement for construction on September 30, 2013 and the bid opening was held on November 4, 2013 with the low bidder's proposal coming in over the committed funding.

# Measure M2

## Progress Report



The previous anticipated total cost at completion was \$80.25 million, and the new estimated cost at completion is \$86.00 million. A funding plan and program adjustment will be brought to the Board in January 2014. Advanced utility work began in December 2013. Construction is anticipated to begin in early 2014 and is expected to be completed by mid-2016.

**Segment:** Placentia Avenue Grade Separation  
**Status:** Construction Underway

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

**Summary:** The project located at Placentia Avenue railroad crossing will grade separate the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. OCTA is overseeing construction, which continued during the quarter. The main elements of work included construction of the pump station, retaining walls, export of dirt removal and preparation for the upcoming closure of Placentia Avenue in January 2014. Construction progress is approximately 79% complete, with total project completion anticipated by summer of 2014.

**Segment:** Kraemer Boulevard Grade Separation  
**Status:** Construction Underway

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

**Summary:** The project located at Kraemer Boulevard railroad crossing will grade separate the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. OCTA is overseeing construction which continued during the quarter. The main elements of work this quarter included construction of the pump station, retaining walls, sound walls, large drainage facilities, reconstruction of masonry walls within residential backyards, and export of dirt removal. Construction progress is approximately 74% complete with total project completion anticipated by summer of 2014.

**Segment:** Tustin Avenue/ Rose Drive Grade Separation  
**Status:** Construction Underway

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

**Summary:** The project located at Tustin Avenue/ Rose Drive railroad crossing will grade separate the local street from railroad tracks in the Cities of Placentia and Anaheim by building a bridge for vehicular traffic over the railroad crossing. OCTA is overseeing construction which continued during the quarter. The main elements of work included utility relocation, excavation and utility reconstruction near the Del Cerro property, clearing of vegetation, and construction of sound blankets, Del Cerro driveway, retaining walls, sewer line, and temporary bridge crossing at the Atwood Channel. Construction progress is approximately 10% complete and the project is expected to be completed by mid-2016.

**Segment:** Lakeview Avenue Grade Separation  
**Status:** Construction to Begin Soon

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

**Summary:** The project located at Lakeview Avenue railroad crossing will grade separate the local street from railroad tracks in the Cities of Anaheim and Placentia by building a bridge for vehicular traffic over the railroad crossing. OCTA released the advertisement for construction on September 20, 2013, and the bid opening was held on October 29, 2013. The OCTA Board of Directors awarded the bid on November 25, 2013. Advanced utility work is anticipated to begin in January 2014. Construction is anticipated to begin by early 2014, and is expected to be completed by mid-2016.

# Measure M2

## Progress Report



**Segment:** Orangethorpe Grade Separation  
**Status:** Construction Underway

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

**Summary:** The project located at Orangethorpe Avenue railroad crossing will grade separate the local street from railroad tracks in the Cities of Placentia and Anaheim by building a bridge for vehicular traffic over the railroad tracks. OCTA is overseeing construction which continued during the quarter. The main elements of work this quarter included utility relocation, clearing of vegetation, stockpile of imported dirt, and construction of sewer line, water line, storm drain and bypass road. Construction progress is approximately 8% complete and the project is expected to be completed by mid-2016.

## Project P

**Status:** **Regional Traffic Signal Synchronization Program (RTSSP)**  
On-going

**Contact:** Ron Keith, Planning  
(714) 560-5990

**Summary:** This program targets over 2,000 signalized intersections across Orange County for coordinated operation. When completed, this project can increase the capacity of the street grid and reduce traffic delay by over six million hours annually. To date, OCTA and local agencies have synchronized 1,074 intersections along 269 miles of streets. (See map on the following page.)

Sixteen fiscal year (FY) 2010-11 Regional Traffic Signal Synchronization Program (RTSSP) projects are all underway. All sixteen projects will implement new signal timing and signal system improvements by December 2014. When completed, these projects will synchronize 550 intersections on 151 miles of roadways.

Twenty-three FY 2011-12 RTSSP projects are underway with implementation of signal timing and signal system improvements having begun. All twenty-three projects are in progress with implementation of signal timing and signal system improvements to be completed in December 2015. When completed, these projects will synchronize 522 intersections on 288 miles of roadways.

Fourteen FY 2012-13 RTSSP projects have been funded. Administrative agreements are being developed for the fourteen projects. All projects are expected to start soon with implementation of signal timing and signal system improvements anticipated to be completed in December 2016. When completed, these projects will synchronize 416 intersections on 108 miles of roadways.

A Call for Projects (call) for FY 2013-14 RTSSP was released for Project P on August 25, 2013. Local agencies submitted applications by October 25, 2013 and are currently being reviewed by OCTA staff. For this current call, up to \$12 million will be allocated towards providing signal synchronization benefits to Orange County streets. Award recommendations are expected to be presented to the Board of Directors in spring of 2014.

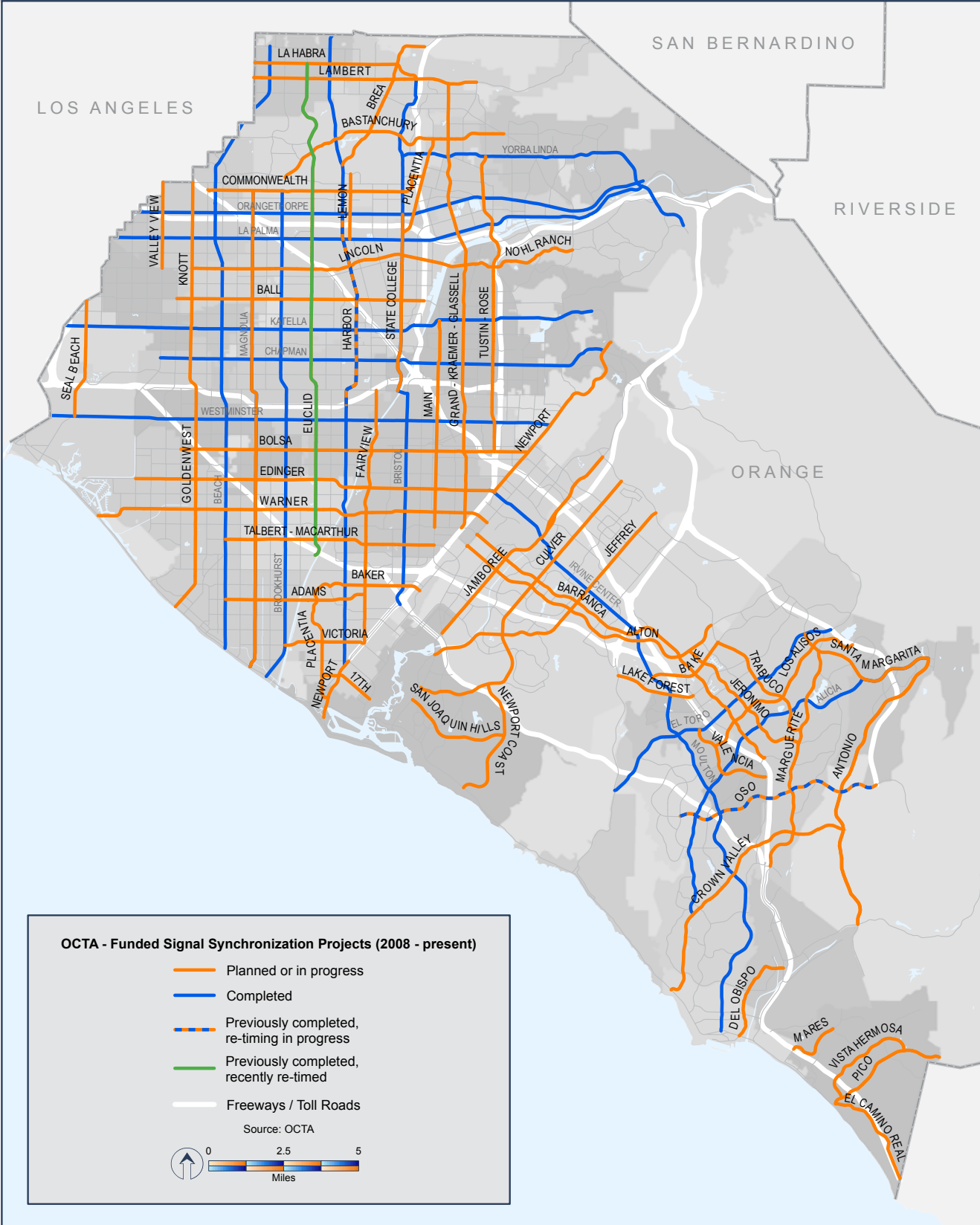
A separate project that works in tandem with the RTSSP is an update to the Intelligent Transportation Systems (ITS) Strategic Deployment Plan (SDP). The SDP is a long range planning document that communicates strategies for ITS deployment for all modes of transportation (auto, mass transit, bicycle, and pedestrian) within Orange County. This update is complete and has been reviewed by OCTA and the local agencies. The SDP Update for 2013 was submitted to the Southern California Association of Governments (SCAG) and Federal Highway Administration (FHWA) for incorporation into the Regional ITS Architecture in October 2013.

# Measure M2

## Progress Report



### OCTA - Funded Signal Synchronization Projects (2008 - present)







### Project Q

#### Local Fair Share Program

**Contact:** Vicki Austin, Finance  
(714) 560-5990

**Summary:** This program is intended to augment existing transportation expenditures of the cities of Orange County. All local agencies have been found eligible to receive M2 Local Fair Share funds. On a bi-monthly basis, 18 percent of net revenues are allocated to local agencies by formula. To date, approximately \$104 million in Local Fair Share payments have been provided to local agencies as of the end of the quarter.

See page 33 for funding allocation by local agency.

### Project R

## TRANSIT PROGRAMS

#### High Frequency Metrolink Service

**Status:** Metrolink Grade Crossing Improvements – **Project Complete**



**Contact:** Michael Litschi  
(714) 560-5581

**Summary:** Enhancement of the designated 52 Orange County at-grade rail-highway crossings was completed as part of the Metrolink Service Expansion Program (MSEP). Completion of the safety improvements provides 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, Tustin, Orange, Santa Ana, Irvine, San Juan Capistrano, Dana Point, and San Clemente have established quiet zones within their communities.

#### High Frequency Metrolink Service

**Status:** Metrolink Service Expansion Program – Service Ongoing

**Contact:** Michael Litschi  
(714) 560-5581

**Summary:** Following the completion of Metrolink Service Expansion Program (MSEP) improvements in 2011, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/ Mission Viejo, primarily during mid-day and evening hours. Despite reduced price day passes and extensive marketing efforts, ridership on the intra-county MSEP trains remains lower than desired. As a result, OCTA has eliminated the OC Link day pass as of July 2, 2013. In addition, OCTA is currently considering options to re-deploy a number of the trains in order to maximize ridership without significantly impacting operating costs, including providing new trips to from Orange County to Los Angeles and San Diego counties. Part of OCTA's re-deployment consideration involves possible options to provide new trips from Orange County to Los Angeles and San Diego counties, contingent on available funding and cooperation with involved counties. OCTA is currently working with BNSF, the Riverside County Transportation Commission, and the Los Angeles County Metropolitan Transportation Authority to address any track-sharing issues, and plans to return to the OCTA Board of Directors with an update once an agreement is reached.

#### Sand Canyon Grade Separation

**Status:** Construction Underway

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

**Summary:** The project located at Sand Canyon Avenue railroad crossing will grade separate the local street from railroad tracks in the City of Irvine by building an underpass for vehicular traffic. OCTA is overseeing construction, which continued during this quarter. The main elements of work underway this quarter included construction of the pump station, retaining walls, storm drains, water line and sewer, relocation of Kinder Morgan facilities and export of dirt removal. Construction is approximately 74% complete and the project is expected to be completed by mid-2014.



## Project S

**Summary:** This project established a competitive program for local jurisdictions to broaden the reach of the rail system and link communities with the central core of Orange County. OCTA continues to work on the development of draft policy guidelines for the implementation of the fixed-guideway projects as it relates to governance structure and funding strategy. These policy considerations will be presented to the OCTA Board of Directors in early 2014.

### Anaheim Rapid Connection (ARC) Project

**Status:** Public Scoping for Environmental Document Underway

**Contact:** Kelly Hart, Rail  
(714) 560-5725

**Summary:** On November 7, 2013 OCTA and the ARC project team held a conference call with the Federal Transit Administration (FTA) to discuss environmental document notices and scoping. FTA provided direction that an Environmental Assessment (EA) would be the appropriate document for compliance with the National Environmental Policy Act (NEPA). OCTA continued to work closely with the ARC project team on environmental work, including discussions on scope, schedule, and supporting engineering work. Consistent with Board of Directors' direction, OCTA is also working with the City of Anaheim to develop cost containment strategies including a peer system cost review and streetcar design database. A public environmental scoping meeting for the ARC project is scheduled for January 14, 2014.

### Santa Ana-Garden Grove Fixed Guideway Project

**Status:** Development of Revised EA/ EIR

**Contact:** Kelly Hart, Rail  
(714) 560-5725

**Summary:** OCTA continued to work with the Santa Ana-Garden Grove project team on meeting cultural resource requirements specified by the Federal Transit Administration (FTA) and the State Historic Preservation Office (SHPO). OCTA reviewed the revised letter to SHPO and supporting documentation prepared by the Santa Ana-Garden Grove project team, and held conference calls to discuss comments and next steps. The Draft Environmental Assessment/Environmental Impact Report (EA/ EIR) is pending FTA approval before it is released to the public for comment.

### Transit Extensions to Metrolink (Bus and Station Van Extension Projects)

**Status:** Services Ongoing for Oakley Vanpool and Anaheim Canyon Connection;  
Service Pending for Panasonic Vanpool Connection

**Contact:** Roger Lopez, Planning  
(714) 560-5915

**Summary:** On July 23, 2012, the board approved funding for four project applications received as part of the 2012 Project S Call for Projects. Of these four, the City of Irvine's Vanpool connection from Oakley to the Irvine Station and the Anaheim Canyon Metrolink Station Bus Connection (Route 20) in the City of Anaheim are both in service. The City of Lake Forest's Vanpool connection from Panasonic to the Irvine Station is scheduled to begin in early 2014. The service associated with Invensys Incorporated has been cancelled at the request of the participant, and the funds have been returned to the program for use in future calls for projects.



### Project T

#### Convert Metrolink Stations to Regional Gateways that Connect Orange County with High-Speed Rail Systems (ARTIC)

**Contact:** James Kramer, Rail  
(714) 560-5866

**Status:** Construction Underway

**Summary:** The City of Anaheim continues moving forward on the Anaheim Regional Transportation Intermodal Center (ARTIC). Douglass Road was closed for grading and installation of underground utilities, and is scheduled to re-open in late March 2014. Other construction activities this quarter included replacement of a railroad bridge over Douglass Road, the paving of one of three parking lots, the continuation of work on the underground pedestrian and baggage tunnels and associated ramps, and the start of the steel roof arch placement at the Main Terminal Building. The substantial completion date remains on schedule for November 2014.

### Project U\*\*

**Summary:** This project will expand mobility choices for seniors and persons with disabilities, including the Senior Mobility Program (SMP), the Senior Non-emergency Medical Transportation Program (SNEMT), and the Fare Stabilization Program. In total, more than \$16 million in Project U funding has been provided under M2.

#### Senior Mobility Program\*

**Contact:** Dana Wiemiller, ACCESS  
(714) 560-5718

**Status:** Distribution of Funds to Participating City Agencies is On-going

**Summary:** One percent of net revenues continues and expands local community van service for seniors under the Senior Mobility Program (SMP). More than \$386,729 in M2 Project U funding was paid out during the quarter to 29 cities participating in the SMP. This amount reflects monies paid out during the month of November 2013. The SMP continues to grow. When the program was initiated in 2011, 20 cities participated, and as of December 2013 that number has increased to 30. With 34 cities in the county, we expect nearly all cities to participate in the Senior Mobility Program within the next year and nearly all of the one percent M2 funding allocation will be utilized.

*\*Payments are made every other month (January, March, May, July, September, and November). The amount totaled for one fiscal year quarter either covers one or two payment cycles, depending on the months that fall within that quarter.*

*\*\*The last edition of this report (M2 Progress Report, First Quarter of FY 2013-14) incorrectly reported total amount paid out (\$778,352) during that quarter under SMP due to an addition of two payment cycles instead of one. The correct amount paid out in the First Quarter of FY 2013-14 for SMP was \$392,057.*

# Measure M2

## Progress Report



### Senior Non-emergency Medical Transportation Program\*

**Status:** Distribution of Funds is On-going

**Summary:** One percent of net revenues supplement existing countywide senior non-emergency medical transportation services. Between the SMP and the SNEMT Program, nearly 61,000 SMP trips were provided this quarter for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. More than \$422,229 in M2 Project U funding was paid to the County of Orange during the quarter to provide services for the Senior Non-emergency Medical Transportation Program (SNEMT). This amount reflects monies paid out during the month of November 2013.

*\*Payments are made every other month (January, March, May, July, September, and November). The amount totaled for one fiscal year quarter either covers one or two payment cycles, depending on the months that fall within that quarter.*

### Fare Stabilization Program

**Status:** On-going

**Contact:** Sean Murdock, Finance  
(714) 560-5685

**Summary:** One percent of net revenues are dedicated to stabilize fares and provide fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Approximately \$686,000 in revenue was received this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. It is anticipated that all of the funding received this quarter will be utilized to stabilize fares for the second quarter. Since the inception of the Fare Stabilization Program, staff has been providing regular updates to the OCTA Board of Directors to reflect a concern with funding levels for the program due to the impacts of the recession. The last program update to the Board in February 2013 reported that funding levels may only be sufficient until FY 2019-20. The most recent review of the funding levels indicate the shortfall will occur even sooner than reported. Staff will return to the Board next quarter with an update based updated revenue and expenditure information. Staff continues to monitor the status of the Fare Stabilization Program, and any necessary amendments to the Fare Stabilization Program will be discussed with the Board and considered as part of the Ten-Year Comprehensive Program Review which is scheduled to take place in 2016.

## Project V

### Community Based Transit/ Circulators

**Status:** Status: Executing Agreement Documents

**Contact:** Roger Lopez, Planning  
(714) 560-5438

**Summary:** The OCTA Board of Directors approved five funding applications for the cities of Dana Point, Huntington Beach, La Habra, Laguna Beach, and Lake Forest on June 24, 2013, for a total of up to \$9.8 million. The funding will be used to begin new community based transit services slated to be implemented over the next year. These include: 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. Staff continues to work with the cities to execute any necessary agreements and procure buses for the community circulators. All participating cities will have services in place by the end of 2014. The next Project V Call for Projects is anticipated to be held in 2016.



**ENVIRONMENTAL**

### Project W

#### Safe Transit Stops

Status: Guidelines Development On-going

Contact: Gary Hewitt, Planning  
(714) 560-5715

**Summary:** Staff continues to develop draft Project W guidelines that will be brought to the OCTA Board of Directors in spring 2014. The initial round of funding will be focused on installing or upgrading shelters, lighting, seating, and waste receptacles at the 50 busiest bus stops. Staff is proposing that local agencies be responsible for design, construction, and maintenance of these passenger amenities. Funding would be allocated via negotiated agreements with the 11 jurisdictions containing the top 50 busiest bus stops. Staff also proposes allocating up to 20% of the funds toward OCTA development of regional, customer-facing technologies that benefit these bus stops.

### Project X

#### Environmental Cleanup

Status: On-going

Contact: Dan Phu, Planning  
(714) 560-5907

**Summary:** The M2 Allocation Committee is charged with making recommendations to the OCTA Board of Directors on the allocation of funds for the Environmental Cleanup Program (Project X). These funds are allocated on a countywide competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution. Project X is composed of a two-tiered funding process focusing on early priorities (Tier 1), and to prepare for more comprehensive capital investments (Tier 2). The OCTA Board of Directors approved the funding recommendations for the third Tier 1 call for projects on September 23, 2013 in the amount of \$2.83 million. The execution of letter agreements are underway for these projects. The second Tier 2 call for projects concluded on September 20, 2013 with approximately \$25.3 million available. Staff has been working with the M2 Allocation Committee on the evaluation of the 17 project applications received. The Board of Directors' approval of the Tier 2 funding recommendations is anticipated in early 2014.

### Part of Projects A - M

#### Freeway Mitigation Program

Contact: Dan Phu, Planning  
(714) 560-5907

**Summary:** The Freeway Mitigation Program provides higher-value environmental benefits such as habitat protection, wildlife corridors, and resource preservation in exchange for streamlined project approvals and greater certainty in the delivery of the 13 M2 freeway projects (A-M).

#### Restoration Update

**Summary:** To date, the OCTA Board of Directors has approved 11 restoration projects for funding, totaling approximately 400 acres. Five Round One projects are currently underway and staff is engaged in the review process as well as facilitating the implementation of these projects. All of the restoration project plans are near completion and have been approved or are near approval by the wildlife and regulatory agencies. These steps are required in order for the regulatory agencies to issue permits to OCTA for the M2 freeway improvement projects. During this



quarter, OCTA staff continued to work with the four Second Round project sponsors (for six different projects) on the technical documents and draft restoration plans. While technical documents and draft restoration plans are developed and completed, OCTA staff will coordinate with the Army Corps of Engineers (Corps), the State Water Resources Control Board, the California Department of Fish & Wildlife (CDFW), and the U.S. Fish and Wildlife Service (USFWS) to achieve consensus for each of the restoration projects. This quarter, staff worked closely with the Corps and was able to obtain verification on three of the Second Round restoration projects containing federal jurisdictional resources. These project sponsors are in the process of completing technical documents based on the Corps input. A field visit is still needed for one additional restoration project containing federal jurisdictional resources. Two of the restoration projects do not contain federal jurisdictional resources and as such, only require coordination with the wildlife agencies. OCTA staff continues to work with the project sponsors to execute the remaining restoration project contracts and finalize the remaining technical documents.

### Acquisition Update

As of this quarter, OCTA has acquired approximately 950 acres of open space property in the Trabuco Canyon area and in the City of Brea. From the original \$42 million allocated for the purchase of open space, approximately \$8.5 million (inclusive of the long-term management cost) remains for additional acquisitions, and the funds are expected to be allocated within the next several months. After updating appraisals of the remaining Group 1 (high biological value) properties, OCTA staff will engage the Environmental Oversight Committee in determining which properties should receive offers using the remaining funds. OCTA staff is currently finalizing an offer for an additional property. If the transaction is successful, the purchase will be announced in early 2014. Staff also conducted field verification visits with the Corps this quarter on all of the acquired properties in order to verify the federal jurisdictional resources/ waters. These resources have been documented and revised to reflect suggested edits by the Corps in the biological technical documents for the properties. The resources are important to document in order to capture “credit” that OCTA can use in the future permitting efforts for thirteen M2 freeway projects.

### Natural Community Conservation Plan/ Habitat Conservation Plan (NCCP/ HCP) Environmental Impact Report/ Environmental Impact Statement (EIR/ EIS) Update

OCTA staff continues to work towards the public release of the draft NCCP/ HCP and draft EIR/ EIS. OCTA staff revised these documents based on the wildlife agencies’ input, which included more comments than originally anticipated. In January 2014, OCTA staff will seek approval to release these documents to the public for a 90-day comment period. If the OCTA Board of Director’s approve the release, the documents are expected to become available to the public in February 2014 with an anticipated completion of the final NCCP/ HCP in 2015. OCTA began the NCCP/ HCP process in summer 2010, and has been working very closely and diligently with the wildlife agencies since the early development stages of the NCCP/ HCP. Historically, the NCCP/ HCP planning process can take between five to ten years, from initiation to approval of the final documents. OCTA is on target to complete the NCCP/ HCP in a shorter timeframe than the norm. Typically, a NCCP/ HCP is completed prior to acquiring properties or restoring habitat as mitigation measures, but OCTA accelerated the mitigation process by acquiring more than 950 acres of open space lands and approved funding for approximately 400 acres of habitat restoration prior to the completion of the NCCP/ HCP. This allowed for protection and restoration of more mitigation properties at lower cost, but also means the acquired lands and funded habitat restoration projects will need to be integrated into the draft NCCP/ HCP. This requires investing more time upfront, but will save time and effort toward the end of the NCCP/ HCP planning process, and will result in a better outcome.



## PROGRAM MGMT

### Program Management Office

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

**Summary:** The Measure M (M1 and M2) Program Management Office (PMO) provides interdivisional coordination for all M-related projects and programs. To ensure agency-wide compliance, the PMO also holds a bi-monthly committee meeting made up of executive directors and key staff from each of the divisions, which meets to review key issues and activities within the Measure M programs.

In the second quarter, the focus of the PMO has been on several key items. These include:

#### OCTA Organizational Readiness Assessment

To ensure successful delivery of the OCTA Board of Directors (Board) approved M2020 Plan, an Organizational Readiness Study was initiated in November 2012 and a final report was presented to the Board on November 25, 2013. The findings were overall positive with recommendations centered around process improvements, staff resource modifications and adjustments to department structure to reflect changes in the work effort as a result of the progression of projects and programs within M2. Along with the staff report to the Board was an action list for follow up. The PMO will ensure all items are addressed as indicated.

#### Project Manager Academy

The Project Manager Academy (Academy) was established by the Development Division (prior to the separation of Planning and Capital Programs Divisions) in 2008 to enhance uniformity and consistency in managing projects. It has since been held two times, once in 2008 and again in 2011.

As recommended by the recent M2 Performance Assessment (2009-2012), the M2 Program Management Office (PMO) worked with the Capital Programs Division to refresh Academy materials and broaden the focus to include all M2 project managers. The Academy was intended to provide all M2 project managers with an understanding of OCTA's expectations, procedures, and objectives when managing projects. This 10-week Academy started on September 18, and concluded in November 2013. A graduation ceremony will take place in January 2014 to recognize the attendees who completed the program.

#### 2009-12 M2 Performance Assessment Update

The second performance assessment, covering the time period of July 1, 2009 through June 30, 2012, was presented to the Board on April 8, 2013. The assessment included 12 findings. Staff presented an action plan to respond to each of the findings and committed to addressing all of them by the end of the 2013 calendar year. All findings have been addressed and a staff report summarizing the actions taken will be presented to the Board in January 2014.

#### M2 Document Management

The M2 Document Center site is designed to provide a unified approach to saving M2 project and program files. Progress has been made to begin the upload of back log project completion reports and other pertinent documents from years preceding. Software has been purchased to assist in the effort of saving staff reports going back to the passage of M2 in 2006 and is in the process of being set up. To ensure that the document center is populated consistently and that Ordinance No. 3 requirements are met, the PMO has hired consultant service for additional support. Currently, more than 3,000 documents have been uploaded into the center.



### **M2 Administrative Ordinance Amendment**

On October 11, 2013, the Board directed staff to schedule a public hearing to consider an amendment to Ordinance No. 3 to modify the Taxpayers Oversight Committee (TOC) membership eligibility requirements. A public hearing on the proposed amendment took place on November 25, 2013. Following the public hearing the Board approved the Ordinance amendment which strengthens the eligibility and selection process for TOC members to prevent any person with a financial conflict of interest from serving as a member of the TOC. In addition, it requires currently elected or appointed officers who are applying to serve on the TOC to complete an "Intent to Resign" form as part of the application process. Following Board approval on November 25, the amendment becomes effective 45 days later which will be January 9, 2014.

### **M2 Administrative Cost Safeguards**

Both M1 and M2 include 1 percent caps on administrative expenses for salaries and benefits of OCTA administrative staff, but the M2 language sets the cap on an annual basis, whereas the M1 cap was set as an annual average over the life of the measure. In a legal opinion on M2, it was determined that in years where administrative salaries and benefits are above 1 percent, only 1 percent can be allocated with the difference borrowed from other, non-Measure M fund sources. Conversely, in years where administrative salaries and benefits are below 1 percent, OCTA can still allocate the full 1 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 1 percent.

Based on the original M2 revenue projections, OCTA expected to receive \$24.3 billion in M2 funds, with 1 percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined 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 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. One final impact of the EAP is that with the acceleration of the M2 Program, as well as early work on developing a multitude of M2 programs and projects, this requires significant early effort including administrative responsibilities.

As a result of the above mentioned factors, OCTA has incurred higher than 1 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 1 percent, with the understanding that those funds will be repaid with interest in future years that OCTA administrative costs fall below the 1 percent cap. As of June 30, 2012, OCTA had borrowed approximately \$5.2 million from OCUTT. Following recommendations received through the February 2013 M2 Performance Assessment Final Report, staff adjusted the approach to the allocation of state planning funds to areas that are subject to the 1 percent administration cap and adjusted OCTA's cost allocation plan to ensure that administrative charges are more precisely captured.

In FY 2012-13, administrative cost charges totaled \$4.6 million, but with the application of state planning funds, actual charges were \$1.8 million. The 1 percent allowance for FY 2012-13 was roughly \$2.6 million, resulting in an overage of \$800,000 in which OCTA will repay OCUTT, leaving a total amount borrowed of \$4.4 million. Efforts are ongoing to monitor the administrative salaries and benefits impact to the 1 percent cap provision within M2.



# Measure M2

## Progress Report



Staff continues to meet quarterly to review all labor costs to ensure proper cost allocation to both M1 and M2. Staff met on October 16, 2013 to review the past quarter's labor reports to ensure costs attributed to the 1 percent cap were accurately reported and are not misplaced project related costs as well as to ensure project costs were applied to the correct projects.

### **Key Upcoming Activities**

During the next quarter, the PMO will present to the Board the M2 Performance Assessment summary of all actions taken to address the findings. The PMO will also continue the annual update of the Ordinance Matrix which tracks all requirements in Ordinance No. 3 to ensure we document our compliance.



## FINANCE MATTERS

### M2 Financing

#### Revenue Forecast and Collection

**Contact:** Sean Murdock, Finance  
(714) 560-5685

**Summary:** OCTA contracts with three universities to provide a long-range forecast of taxable sales to forecast Measure M2 revenues for purposes of planning projects and program expenditures. Annually, OCTA takes an average of the three university taxable sales projections to develop a long-range forecast of Measure M2 taxable sales. Revenue forecast information is updated quarterly based on the actual revenues received for the previous quarter. As required by law, OCTA pays the State Board of Equalization a fee to collect the sales tax. The M2 Ordinance estimated this fee to be 1.5 percent of the revenues collected over the life of the program.

#### Current Forecast

OCTA staff projects that given the estimated sales tax receipts for fiscal year (FY) 2013-14, coupled with the blended growth rates from the universities for the remaining years in the M2 period (FY 2013-14 through FY 2040-41), the total nominal M2 sales tax collections will be approximately \$15.3 billion. The revenue forecast for the life of the M2 Program varies on a quarterly basis due to actual receipts from the previous quarter. Original projections in 2005 estimated total nominal M2 sales tax collections at \$24.3 billion.

Based on the estimated sales tax receipts for FY 2013-14, staff utilized current projections for the life of M2 and found they are approximately \$9 billion less than the original 2005 projection of \$24.3 billion. This projection is up from the lowest point in 2010 when the revenue projections were \$13.7 billion or \$10.6 billion less than the original projection. Over the last four quarters, the forecast has ranged between \$15.3 billion and \$15.6 billion. Sales tax receipts through the first quarter (FY 2012-13) were on budget, but fell below budget in the second quarter (FY 2012-13) due to less than anticipated receipts. Year-over-year sales tax receipts grew 5.46% from the first half of the prior fiscal year at 0.52% below the budget growth rate of 5.98%.

An update on the current annual projection, based on new university projections, was provided to the OCTA Board of Directors in October 2013. As of the close of this quarter, the current annual projection is \$15.3 billion. The three universities will present their economic updates to the Finance and Administration Committee in first quarter of FY 2014-15.

**Measure M2**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance as of December 31, 2013**  
(Unaudited)

# Measure M2

## Progress Report



(\$ in thousands)	Quarter Ended Dec. 31, 2013	Year to Date Dec. 31, 2013	Period from Inception to Dec. 31, 2013
<b>Revenues:</b>		(A)	(B)
Sales taxes	\$69,320	\$ 140,628	\$718,856
Other agencies' share of Measure M2 costs:			
Project related	\$30,041	\$42,536	\$198,564
Interest			
Operating:			
Non-project related	\$1,070	\$1,996	\$3,522
Bond proceeds	(\$374)	\$2,714	\$18,922
Debt service	\$1	\$3	\$35
Commercial paper	---	---	395
Right-of-way leases	\$45	\$45	\$396
Miscellaneous			
Project related	---	---	\$13
Non-project related	---	---	\$7
<b>Total revenues</b>	<b>\$100,137</b>	<b>\$188,001</b>	<b>\$940,790</b>
<b>Expenditures:</b>			
Supplies and services:			
State Board of Equalization (SBOE) fees	\$806	\$1,612	\$7,384
Professional services:			
Project related	\$4,887	\$5,343	\$166,580
Non-project related	\$685	\$882	\$9,154
Administration costs:			
Project related	\$1,753	\$3,506	\$23,241
Non-project related	\$1,375	\$2,749	\$26,696
Other:			
Project related	\$70	\$94	\$815
Non-project related	\$7	\$13	\$3,513
Payments to local agencies:			
Project related	\$34,242	\$41,107	\$267,384
Capital outlay:			
Project related	\$39,981	\$53,853	\$284,551
Non-project related	---	---	\$32
Debt service:			
Principal payments on long-term debt	---	---	\$6,410
Interest on long-term debt and commercial paper	\$27	\$11,134	\$60,841
<b>Total expenditures</b>	<b>\$83,833</b>	<b>\$120,293</b>	<b>\$856,601</b>
Excess (deficiency) of revenues over (under) expenditures	\$16,304	\$67,708	\$84,189
Other financing sources (uses):			
Transfers out:			
Project related	(\$457)	(\$922)	(\$6,803)
Transfers in:			
Project related	\$1,326	\$1,326	\$33,249
Non-project related	(\$1,326)	\$16,424	\$16,424
Bond proceeds	---	---	\$358,593
<b>Total other financing sources (uses)</b>	<b>(\$457)</b>	<b>\$16,828</b>	<b>\$401,463</b>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	\$15,847	\$84,536	\$485,652

# Measure M2

## Progress Report



**Measure M2**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance as of December 31, 2013**  
(Unaudited)

(\$ in thousands)	Quarter Ended Dec. 31, 2013 (actual)	Year Ended Dec. 31, 2013 (actual)	Period from Inception to Dec. 31, 2013 (actual)	Period from Jan. 1, 2014 through March 31, 2041 (forecast)	Total
		(C.1)	(D.1)	(E.1)	(F.1)
<b>Tax Revenues:</b>					
Sales taxes	\$69,320	\$140,628	\$718,856	\$14,722,876	\$15,441,732
Operating Interest	\$1,070	\$1,996	\$3,522	\$772,632	\$776,154
Total tax revenues	\$70,390	\$142,624	\$722,378	\$15,495,508	\$16,217,886
<b>Administrative expenditures:</b>					
SBOE fees	\$806	\$1,612	\$7,384	\$220,932	\$228,316
Professional services, non-project related	\$577	\$774	\$5,797	\$100,099	\$105,896
Administration costs, non-project related	\$1,375	\$2,749	\$26,696	\$140,603	\$167,299
Transfers out, non-project related	---	---	---	\$20,608	\$20,608
Other, non-project related	\$7	\$13	\$3,513	\$26,497	\$30,010
Capital outlay, non-project related	---	---	\$32	---	\$32
Environmental cleanup	\$2,152	\$2,737	\$4,720	\$309,910	\$314,630
<b>Total expenditures</b>	<b>\$4,917</b>	<b>\$7,885</b>	<b>\$48,142</b>	<b>\$818,650</b>	<b>\$866,792</b>
Net tax revenues	\$65,473	\$134,739	\$674,236	\$114,676,858	\$15,351,094
		(C.2)	(D.2)	(E.2)	(F.2)
<b>Bond revenues:</b>					
Proceeds from issuance of bonds	---	---	\$358,593	\$1,450,000	\$1,808,593
Interest revenue from bond proceeds	(\$374)	\$2,714	\$18,922	\$26	\$18,948
Interest revenue from debt service funds	\$1	\$3	\$35	\$55	\$90
Interest revenue from commercial paper	---	---	\$395	---	\$395
<b>Total bond revenues</b>	<b>(\$373)</b>	<b>\$2,717</b>	<b>\$377,945</b>	<b>\$1,450,081</b>	<b>\$1,828,026</b>
<b>Financing expenditures and uses:</b>					
Professional services, non-project related	\$108	\$108	\$3,357	---	\$3,357
Bond debt principal	---	---	\$6,410	\$1,450,058	\$1,456,468
Bond debt and other interest expense	\$27	\$11,134	\$60,841	\$1,066,040	\$1,126,881
<b>Total financing expenditures and uses</b>	<b>\$135</b>	<b>\$11,242</b>	<b>\$70,608</b>	<b>\$2,516,098</b>	<b>\$2,586,706</b>
Net bond revenues (debt service)	(\$508)	(\$8,525)	\$307,337	(\$1,066,017)	(\$758,680)

# Measure M2

## Progress Report



**Measure M2**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance as of December 31, 2013**  
(Unaudited)

Project	Description	Net Tax Revenues Program to Date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion
(G)	(\$ in thousands)	(H)	(I)	(J)	(K)
<b>Freeways (43% of Net Tax Revenues)</b>					
A	I-5 Santa Ana Freeway Interchange Improvements	\$26,575	\$605,065	\$604,672	\$604,672
B,C,D	I-5 Santa Ana/San Diego Freeway Improvements	\$67,014	\$1,525,794	\$1,435,535	\$1,435,535
E	SR-22 Garden Grove Freeway Access Improvements	\$6,785	\$154,485	\$154,485	\$154,485
F	SR-55 Costa Mesa Freeway Improvements	\$20,695	\$471,178	\$469,971	\$469,971
G	SR-57 Orange Freeway Improvements	\$14,628	\$333,043	\$322,828	\$322,828
H, I, J	SR-91 Riverside Freeway Improvements	\$51,380	\$1,169,836	\$1,165,048	\$1,165,048
K, L	I-405 San Diego Freeway Improvements	\$78,736	\$1,792,667	\$1,299,540	\$1,299,540
M	I-605 Freeway Access Improvements	\$1,131	\$25,747	\$25,747	\$25,747
N	All Freeway Service Patrol	\$8,481	\$193,106	\$193,106	\$193,106
	Freeway Mitigation	\$14,496	\$330,049	\$318,850	\$318,850
Subtotal Projects		\$289,921	\$6,600,970	\$5,989,782	\$5,989,782
Net (Bond Revenue)/Debt Service		---	---	\$611,189	\$611,189
<b>Total Freeways</b>		<b>\$289,921</b>	<b>\$6,600,970</b>	<b>\$6,600,971</b>	<b>\$6,600,971</b>
					43.0 %
<b>Street &amp; Roads Project (32% of Net Tax Revenues)</b>					
O	Regional Capacity Program	\$67,425	\$1,535,128	\$1,489,846	\$1,489,846
P	Regional Traffic Signal Synchronization Program	\$26,969	\$614,024	\$613,906	\$613,906
Q	Local Fair Share Program	\$121,362	\$2,763,197	\$2,763,197	\$2,763,197
Subtotal Projects		\$215,756	\$4,912,349	\$4,866,949	\$4,866,949
Net (Bond Revenue)/Debt Service		---	---	\$45,400	\$45,400
<b>Total Street and Roads Project</b>		<b>\$215,756</b>	<b>\$4,912,349</b>	<b>\$4,912,349</b>	<b>\$4,912,349</b>
					32.0%

continue on following page

# Measure M2

## Progress Report



**Measure M2**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance as of December 31, 2013**  
(Unaudited)

Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget Est at Completion	Expenditures through Dec 31, 2013	Reimbursements through Dec 31, 2013	Net Project Cost	Percent of Budget Expended
(L)	(M)	(N)	(O)	(P)	(Q)
\$393	---	\$1,010	---	\$1,585	0.3%
\$90,259	---	\$36,853	\$8,536	\$28,317	2.0%
---	---	\$4	---	\$4	0.0%
\$1,207	---	\$5,579	\$13	\$5,566	1.2%
\$10,215	---	\$38,153	\$8,769	\$29,384	9.1%
\$4,788	---	\$24,080	\$6,162	\$17,918	1.5%
\$493,127	---	\$19,572	\$774	\$18,798	1.4%
---	---	\$64	---	\$64	0.2%
---	---	\$40	---	\$40	0.0%
\$11,199	---	\$36,324	\$1,305	\$35,019	11.0%
\$611,188	---	\$162,254	\$25,559	\$136,695	
(\$611,189)	---	\$17,694	---	\$17,694	
<b>(\$1)</b>	---	<b>\$179,948</b>	<b>\$25,559</b>	<b>\$154,389</b>	27.7%
\$45,282	---	\$288,763	\$130,392	\$158,371	10.6%
\$118	---	\$5,665	\$272	\$5,393	0.9%
---	---	\$104,440	---	\$104,440	3.8%
\$45,400	---	\$398,868	\$130,664	\$268,204	
(\$45,400)	---	\$19,045	---	\$19,045	
---	---	<b>\$417,913</b>	<b>\$130,664</b>	<b>\$287,249</b>	51.5%

# Measure M2

## Progress Report



**Measure M2**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance as of December 31, 2013**  
(Unaudited)

Project	Description	Net Tax Revenues Program to Date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion
	(G) (\$ in thousands)	(H)	(I)	(J)	(K)
<b>Transit Projects (25% of Net Tax Revenues)</b>					
R	High Frequency Metrolink Service	\$60,359	\$1,374,254	\$1,346,199	\$1,346,199
S	Transit Extensions to Metrolink	\$60,359	\$1,355,146	\$1,313,602	\$1,313,602
T	Metrolink Gateways	\$13,487	\$307,076	\$274,584	\$274,584
U	Expand Mobility Choices for Seniors/ Persons with Disabilities	\$20,225	\$460,479	\$460,479	\$460,479
V	Community Based Transit/Circulators	\$13,481	\$306,941	\$306,941	\$306,941
W	Safe Transit Stops	\$1,488	\$33,879	\$33,879	\$33,879
	Subtotal Projects	\$168,559	\$3,837,775	\$3,735,684	\$3,735,684
	Net (Bond Revenue)/Debt Service	---	---	\$102,091	\$102,091
	<b>Total Transit Projects</b>	<b>\$168,559</b>	<b>\$3,837,775</b>	<b>\$3,837,775</b>	<b>\$3,837,775</b>
	%				25.0 %
	<b>Measure M2 Program</b>	<b>\$674,236</b>	<b>\$15,351,094</b>	<b>\$15,351,095</b>	<b>\$15,351,095</b>
Project	Description	Revenues Program to Date Actual	Total Revenues	Project Budget	Estimate at Completion
	(G) (\$ in thousands)	(H.1)	(I.1)	(J)	(K)
<b>Environmental Cleanup (2% of Revenues)</b>					
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$14,448	\$324,358	\$324,358	\$324,358
	<b>Total Environmental Cleanup</b>	<b>\$14,448</b>	<b>\$324,358</b>	<b>\$324,358</b>	<b>\$324,358</b>
	%				2.0%
	Taxpayer Safeguards and Audits				
	Collect Sales Taxes (1.5% of Sales Taxes)	\$10,783	\$231,626	\$231,626	\$231,626
	%				1.5%
	Oversight and Annual Audits (1% of Revenues)	\$10,783	\$162,179	\$162,179	\$162,179
	%				1.0%

continue on following page

# Measure M2

## Progress Report



**Measure M2**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance as of December 31, 2013**  
(Unaudited)

Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget Est at Completion	Expenditures through Sept. 30, 2013	Reimbursements through Sept. 30, 2013	Net Project Cost	Percent of Budget Expended
(L)	(M)	(N)	(O)	(P)	(Q)
\$28,055	---	\$136,916	\$71,198	\$65,718	4.9%
\$41,544	---	\$884	\$312	\$572	0.0%
\$32,492	---	\$28,351	\$4,366	\$23,985	8.7%
---	---	\$17,358	\$16	\$17,342	3.8%
---	---	\$18	\$10	\$8	0.0%
---	---	\$5	---	\$5	0.0%
\$102,091	---	\$183,532	\$75,902	\$107,630	
(\$102,091)	---	\$8,107	---	\$8,107	
---	---	\$191,639	\$75,902	\$115,737	20.8%
(\$1)	---	\$789,500	\$232,125	\$557,375	
Variance Total Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures through Sept. 30, 2013	Reimbursements through Sept 30, 2013	Net Project Cost	Percent of Budget Expended
(L)	(M)	(N)	(O)	(P)	(Q)
---	---	\$4,720	\$177	\$4,543	1.4%
---	---	\$4,720	\$177	\$4,543	0.6%
---	---	\$4,720	---	7,384	3.2%
---	---	\$4,720	\$3,822	7,224	4.5%
---	---	\$4,720	\$3,822	7,224	1.0%





### LOCAL FAIR SHARE

Entity	FY 2013-14 Second Quarter M2 Funds	M2 Funds to Date
Aliso Viejo	\$94,295.02	\$1,301,134.16
Anaheim	\$815,949.71	\$11,209,024.40
Brea	\$144,237.06	\$1,887,516.61
Buena Park	\$226,335.47	\$3,040,778.04
Costa Mesa	\$339,618.78	\$4,707,379.81
Cypress	\$128,358.12	\$1,802,863.19
Dana Point	\$82,112.01	\$1,075,326.42
Fountain Valley	\$149,341.72	\$2,083,910.02
Fullerton	\$311,078.72	\$4,295,048.86
Garden Grove	\$358,873.79	\$4,936,810.26
Huntington Beach	\$484,143.57	\$6,352,489.40
Irvine	\$617,002.60	\$8,406,660.10
Laguna Beach	\$59,956.92	\$834,389.32
Laguna Hills	\$80,869.37	\$1,129,500.84
Laguna Niguel	\$158,521.93	\$2,233,565.45
Laguna Woods	\$30,642.41	\$431,256.85
La Habra	\$131,213.98	1,751,522.55
Lake Forest	\$186,197.17	\$2,580,217.21
La Palma	\$46,310.57	\$602,647.78
Los Alamitos	\$30,396.01	\$426,782.86

# Measure M2

## Progress Report



<b>Entity</b>	<b>FY 2013-14 Second Quarter M2 Funds</b>	<b>M2 Funds to Date</b>
Mission Viejo	\$221,955.73	\$3,110,629.49
Newport Beach	\$266,354.19	\$3,593,031.46
Orange	\$388,787.06	\$5,387,583.80
Placentia	\$113,453.96	\$1,559,911.39
Rancho Santa Margarita	\$101,636.92	\$1,402,677.51
San Clemente	\$132,394.49	\$1,836,746.67
San Juan Capistrano	\$93,356.60	\$1,240,439.37
Santa Ana	\$657,839.72	\$9,151,670.33
Seal Beach	\$66,106.75	\$865,481.66
Stanton	\$75,141.58	\$991,794.48
Tustin	\$210,405.47	\$2,887,298.16
Villa Park	\$12,380.28	\$172,011.74
Westminster	\$203,999.06	\$2,817,130.59
Yorba Linda	\$144,034.12	\$1,968,060.78
County of Orange	\$436,831.46	\$5,868,872.94
<b>Total M2 Funds</b>	<b>\$7,600,132.32</b>	<b>\$103,942,164.50</b>



### CAPITAL PROGRAMS

- 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

Capital Projects	Cost Budget/Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
<b>FREEWAY PROJECTS</b>					
I-5, Pico to Vista Hermosa Project C	\$113.0	Jun-09	Dec-11	Oct-13	Feb-18
	\$110.7	<b>Jun-09</b>	<b>Oct-11</b>	<b>Oct-13</b>	Nov-17
I-5, Vista Hermosa to Pacific Coast Highway Project C	\$75.6	Jun-09	Dec-11	Feb-13	Mar-17
	\$75.0	<b>Jun-09</b>	<b>Oct-11</b>	<b>May-13</b>	Mar-17
I-5, Pacific Coast Highway to San Juan Creek Road Project C	\$70.7	Jun-09	Dec-11	Jan-13	Sep-16
	\$63.1	<b>Jun-09</b>	<b>Oct-11</b>	<b>Jan-13</b>	Sep-16
I-5, I-5/Ortega Interchange Project D	\$90.9	Sep-05	Jun-09	Nov-11	Sep-15
	\$81.0	<b>Sep-05</b>	<b>Jun-09</b>	<b>Dec-11</b>	Sep-15
I-5, I-5/Ortega Interchange Project D	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	Dec-14	Aug-16
I-5, SR-73 to El Toro Road Project C & D	TBD	Sep-11	Jun-14	TBD	TBD
	\$525.8	<b>Oct-11</b>	May-14	Oct-17	Aug-22
I-5, I-5/El Toro Road Interchange Project D	TBD	TBD	TBD	TBD	TBD
	TBD	Dec-14	Dec-17	TBD	TBD
I-5, I-405 to SR-55 Project B	TBD	Sep-13	Jun-16	TBD	TBD
	TBD	Feb-14	Oct-16	TBD	TBD
I-5, SR-55 to SR-57 Project A	TBD	Jul-11	Jun-13	TBD	TBD
	\$42.3	<b>Jun-11</b>	Dec-14	Oct-16	Jul-19
SR-55, I-405 to I-5 Project F	TBD	Feb-11	Nov-13	TBD	TBD
	\$274.6	<b>May-11</b>	Oct-14	Oct-17	Aug-21
SR-55, I-5 to SR-91 Project F	TBD	TBD	TBD	TBD	TBD
	TBD	Jan-15	Jun-17	TBD	TBD
SR-57 Northbound (NB), Orangethorpe to Katella Project G	TBD	TBD	TBD	TBD	TBD
	TBD	Jul-15	Jun-17	TBD	TBD
SR-57 (NB), Katella to Lincoln Project G	\$78.7	Apr-08	Jul-09	Nov-10	Sep-14
	\$38.4	<b>Apr-08</b>	<b>Nov-09</b>	<b>Dec-10</b>	Sep-14
SR-57 (NB), Katella to Lincoln Project G	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	<b>Jul-10</b>	Mar-16
SR-57 (NB), Orangethorpe to Yorba Linda Project G	\$80.2	Aug-05	Dec-07	Dec-09	Mar-14
	\$56.9	<b>Aug-05</b>	<b>Dec-07</b>	<b>Jul-09</b>	Jun-14
SR-57 (NB), Yorba Linda to Lambert Project G	\$79.3	Aug-05	Dec-07	Dec-09	Jul-14
	<b>\$56.5</b>	<b>Aug-05</b>	<b>Dec-07</b>	<b>Jul-09</b>	Feb-14

# Measure M2

## Progress Report



Capital Projects	Cost Budget/Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
SR-57 (NB), Orangethorpe to Lambert Project G	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	Jun-14	Dec-15
SR-57 (NB), Lambert to Tonner Canyon Project G	TBD	TBD	TBD	TBD	TBD
	TBD	Jun-16	May-19	TBD	TBD
SR-91 Westbound (WB), I-5 to SR-57 Project H	\$78.1	Jul-07	Apr-10	Feb-12	Apr-16
	\$67.8	<b>Jul-07</b>	<b>Jun-10</b>	<b>Apr-12</b>	<b>Apr-16</b>
SR-91, SR-57 to SR-55 Project I	TBD	Feb-14	Sep-16	TBD	TBD
	TBD	<b>Mar-14</b>	<b>Nov-16</b>	TBD	TBD
SR-91 (WB), Tustin Interchange to SR-55 Project I	\$49.9	Jul-08	Jul-11	Mar-13	Jul-16
	\$47.8	<b>Jul-08</b>	<b>May-11</b>	<b>Feb-13</b>	<b>Jul-16</b>
SR-91, SR-55 to SR-241 Project J	\$128.4	Jul-07	Jul-09	Jan-11	Dec-12
	\$80.9	<b>Jul-07</b>	<b>Apr-09</b>	<b>Aug-10</b>	<b>Mar-13</b>
SR-91, SR-55 to SR-241 Project J	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	<b>Feb-13</b>	Dec-14
SR-91 Eastbound, SR-241 to SR-71 Project J	\$104.5	Mar-05	Dec-07	Dec-08	Nov-10
	\$57.8	<b>Mar-05</b>	<b>Dec-07</b>	<b>Dec-08</b>	<b>Jan-11</b>
I-405, I-5 to SR-55 Project L	TBD	TBD	TBD	TBD	TBD
	TBD	Nov-14	Jun-17	TBD	TBD
I-405 Southbound, SR-133 to University Drive Project L	TBD	TBD	TBD	TBD	TBD
	TBD	Nov-14	Sep-15	Dec-16	Sep-18
I-405, SR-55 to I-605 Project K	TBD	Mar-09	Mar-13	TBD	TBD
	\$1,254.5	<b>Mar-09</b>	<b>Nov-14</b>	Sept-14	Jan-20
I-605, I-605/Katella Interchange Project M	TBD	TBD	TBD	TBD	TBD
	TBD	Feb-16	Jan-18	TBD	TBD
<b>Grade Separation Projects</b>					
Sand Canyon Grade Separation Project R	\$55.6	N/A	Sep-03	Jul-10	May-14
	\$62.4	N/A	<b>Sep-03</b>	<b>Jul-10</b>	<b>Aug-14</b>
Raymond Grade Separation Project O	\$77.2	Feb-09	Nov-09	Aug-12	Jul-18
	\$112.2	<b>Feb-09</b>	<b>Nov-09</b>	<b>Dec-12</b>	<b>Aug-18</b>
State College Grade Separation (Fullerton) Project O	\$73.6	Dec-08	Jan-11	Aug-12	Mar-18
	\$86.0	<b>Dec-08</b>	<b>Apr-11</b>	<b>Feb-13</b>	<b>Mar-18</b>
Placentia Grade Separation Project O	\$78.2	Jan-01	May-01	Mar-10	Nov-14
	\$69.4	<b>Jan-01</b>	<b>May-01</b>	<b>Jun-10</b>	<b>Aug-14</b>



### CAPITAL PROGRAMS

Capital Projects	Cost Budget/Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
Kraemer Grade Separation Project O	\$70.4	Jan-01	Sep-09	Jul-10	Oct-14
	\$66.6	<b>Jan-01</b>	<b>Sep-09</b>	<b>Jul-10</b>	Jul-14
Orangethorpe Grade Separation Project O	\$117.4	Jan-01	Sep-09	Dec-11	Sep-16
	\$110.5	<b>Jan-01</b>	<b>Sep-09</b>	<b>Oct-11</b>	Sep-16
Tustin/Rose Grade Separation Project O	\$103.0	Jan-01	Sep-09	Dec-11	May-16
	\$98.8	<b>Jan-01</b>	<b>Sep-09</b>	<b>Jul-11</b>	May-16
Lakeview Grade Separation Project O	\$70.2	Jan-01	Sep-09	Oct-11	Mar-17
	\$101.6	<b>Jan-01</b>	<b>Sep-09</b>	<b>Jan-13</b>	Mar-17
17th Street Grade Separation Project R	TBD	TBD	TBD	TBD	TBD
	TBD	Aug-14	Apr-17	TBD	TBD
<b>Rail and Station Projects</b>					
Rail-Highway Grade Crossing Safety Enhancement Project R	\$94.4	Jan-08	Oct-08	Sep-08	Dec-11
	\$94.4	<b>Jan-08</b>	<b>Oct-08</b>	<b>Sep-08</b>	<b>Dec-11</b>
San Clemente Beach Trail Safety Enhancements Project R	\$6.0	Sep-10	Jul-11	Apr-12	Jan-14
	\$6.0	<b>Sep-10</b>	<b>Jul-11</b>	<b>Jun-12</b>	Jan-14
San Juan Capistrano Passing Siding	TBD	Aug-11	Jan-13	TBD	TBD
	\$26.9	<b>Aug-11</b>	Mar-14	Sep-15	Mar-18
Anaheim Rapid Connection Project S	TBD	Jan-09	Oct-14	TBD	TBD
	TBD	<b>Jan-09</b>	Nov-14	TBD	TBD
Santa Ana/Garden Grove Fixed-Guideway Project S	TBD	Aug-09	Mar-12	TBD	TBD
	TBD	<b>Aug-09</b>	Jul-14	Feb-17	Sep-19
Placentia Metrolink Station & Parking Structure	TBD	Jan-03	May-07	Jan-11	TBD
	TBD	<b>Jan-03</b>	<b>May-07</b>	<b>Feb-11</b>	TBD
Orange Station Parking Expansion	\$18.6	Dec-09	Dec-12	Apr-13	TBD
	\$18.6	<b>Dec-09</b>	Oct-14	Mar-15	Feb-17
Laguna Niguel/Mission Viejo Metrolink Station Parking Lot	\$4.3	Sep-07	Dec-07	Aug-12	Oct-13
	\$4.3	<b>Jul-07</b>	<b>Dec-07</b>	<b>Aug-12</b>	<b>Oct-13</b>
Laguna Niguel/Mission Viejo Metrolink Station ADA Ramps	TBD	Jul-13	Jan-14	Aug-14	Feb-16
	TBD	<b>Jul-13</b>	Jan-14	Aug-14	Feb-16
Anaheim Regional Transportation Intermodal Center Project R & T	\$227.4	Apr-09	Feb-11	Feb-12	Nov-14
	\$227.4	<b>Apr-09</b>	<b>Feb-12</b>	<b>May-12</b>	Nov-14



- Metrolink Stations
- Metrolink Rail
- Freeways / Toll Roads
- Proposed SR-241 Extension

Source: OCTA

0 2 4 Miles



**March 10, 2014**

**To:** Members of the Board of Directors

**From:** Darrell Johnson, Chief Executive Officer

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

**Overview**

Measure M, Orange County's one-half cent sales tax for transportation, passed in 1990 and renewed in 2006, calls for an independent committee to ensure compliance with the Measure M Ordinance. As required by the Measure M Ordinance, the Taxpayer Oversight Committee conducted the 23<sup>rd</sup> Annual Public Hearing on February 11, 2014. The Taxpayer Oversight Committee found the Orange County Local Transportation Authority has acted in accordance with Measure M Ordinances No. 2 and No. 3 during 2013.

**Recommendation**

Receive and file as an information item.

**Background**

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

Annually, the TOC is required to hold a public hearing to receive comments from citizens regarding Measure M as part of its oversight effort to determine whether the Orange County Transportation Authority (OCTA), acting as the Orange County Local Transportation Authority (OCLTA), is proceeding in accordance with the Measure M (M1) Countywide Traffic Improvement and Growth Management Plan, dated May 22, 1989, and the Renewed

Measure M (M2) Transportation Ordinance and Investment Plan, dated July 24, 2006.

The results of the hearing and the findings of the TOC are transmitted to the OCTA Board of Directors annually. The TOC has consistently found OCTA in compliance for the past 22 years.

***Discussion***

The 23rd Measure M Annual Public Hearing took place on February 11, 2014. The hearing was publicized through news releases, public notices, and posted on OCTA's social media sites. Members of the public attended the public hearing.

Following the public hearing and review of the annual financial audit of OCLTA and all other information the committee members have been provided to date, the TOC made the determination at its February 11, 2014 meeting that during 2013, OCTA has proceeded in accordance with the M1 Countywide Traffic Improvement and Growth Management Plan and the M2 Transportation Ordinance and Investment Plan. Jan Grimes, Chair of the TOC, prepared an official letter stating its findings (Attachment A).

Additionally, in accordance with M1 Ordinance No. 2, Section 12, Paragraph B.3, Chair Grimes certified that the expenditures from the trust fund, through the fiscal year ending June 30, 2013, have been spent on specific transportation needs identified in the M1 Expenditure Plan. Also, in accordance with M2 Ordinance No. 3, Section 10, Paragraph 3, Chair Grimes certified that the revenues, through fiscal year ending June 30, 2013, have been spent in compliance with the Ordinance.

***Summary***

Subsequent to bimonthly meetings and the Measure M Annual Public Hearing on February 11, 2014, the TOC has determined that OCTA is proceeding in accordance with the M1 Countywide Traffic Improvement and Growth Management Plan and the M2 Transportation Ordinance and Investment Plan.



***Attachment***

- A. Memo to Shawn Nelson, Chairman, Orange County Transportation Authority, from Jan Grimes, Chair, Measure M Taxpayer Oversight Committee, dated Feb 11, 2014, Subject – 23<sup>rd</sup> Annual Measure M Public Hearing

**Prepared by:**

*Alice T. Rogan*

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Alice T. Rogan  
Strategic Communications Manager  
714-560-5577

**Approved by:**

*Ellen S. Burton*

---

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





# Measure M Taxpayer Oversight Committee



February 11, 2014

To: Shawn Nelson, Chairman  
Board of Directors  
Orange County Transportation Authority

From: Taxpayer Oversight Committee

Subject: 23rd Annual Measure M Public Hearing

In accordance with both Policy Resolution No. 1 "Citizens Oversight Committee," and Attachment C "Taxpayer Oversight Committee," the Taxpayer Oversight Committee (TOC) is required to conduct an annual public hearing to determine whether the Orange County Transportation Authority (Authority) is proceeding in accordance with the Measure M (M1) Countywide Traffic Improvement and Growth Management Plan, dated May 22, 1989 and the Renewed Measure M (M2) Transportation Ordinance and Investment Plan dated July 24, 2006.

The TOC conducted the annual public hearing on February 11, 2014. No items were presented at the hearing to indicate that the Authority was not proceeding in accordance with the M1 and the M2 Plans during 2013.

Based upon the above-mentioned hearing, 2012/13 Local Transportation Authority (LTA) financial audit results and all other information the TOC has to date, the TOC hereby finds the Authority is proceeding in accordance with both the M1 and the M2 Plans.

Also, in accordance with Ordinance No. 2, Section 12, Paragraph B.3, I certify that the expenditures from the trust fund, through fiscal year ending June 30, 2013, have been spent on specific transportation purposes identified in the M1 Expenditure Plan. In addition, in accordance with Ordinance No. 3, Section 10, Paragraph 2, I certify that the M2 revenues, through fiscal year ending June 30, 2013, have been spent in compliance with the M2 Transportation Ordinance and Investment Plan.

Sincerely,

A handwritten signature in blue ink that reads 'Jan Grimes'.

Jan Grimes, Chair  
Measure M Taxpayer Oversight Committee  
Orange County Auditor-Controller





COMMITTEE TRANSMITTAL

**March 10, 2014**

**To:** Members of the Board of Directors

*WK*

**From:** Wendy Knowles, Clerk of the Board

**Subject:** Measure M2 Environmental Cleanup Allocation Program –  
Funding Program Guidelines Revisions and Tier 1 Grant  
Program Call for Projects

Regional Planning and Highways Committee Meeting of March 3, 2014

**Present:** Directors Bates, Donchak, Harper, Lalloway, Miller, Murray,  
Nelson, and Spitzer

**Absent:** None

**Committee Vote**

This item was passed by the Members present.

**Committee Recommendations**


- A. Approve the revised Environmental Cleanup Program Tier 1 Comprehensive Transportation Funding Program Guidelines.
- B. Authorize staff to issue the fiscal year 2014-15 call for projects for the Tier 1 Grant Program, totaling approximately \$2.8 million.





**March 3, 2014**

**To:** Regional Planning and Highways Committee

**From:** Darrell Johnson, Chief Executive Officer 

**Subject:** Measure M2 Environmental Cleanup Allocation Program – Funding Program Guidelines Revisions and Tier 1 Grant Program Call for Projects

**Overview**

The Measure M2 Environmental Cleanup Program, Project X, provides funds to help meet federal Clean Water Act standards for controlling transportation-related pollution. In February 2011, the Board of Directors approved the inclusion of the Environmental Cleanup Program to the Comprehensive Transportation Funding Programs. The guidelines have been updated to reflect lessons learned from last year’s call for projects. Staff is seeking approval of the guidelines and authorization to release the next Tier 1 call for projects.

**Recommendations**

- A. Approve the revised Environmental Cleanup Program Tier 1 Comprehensive Transportation Funding Program Guidelines.
- B. Authorize staff to issue the fiscal year 2014-15 call for projects for the Tier 1 Grant Program, totaling approximately \$2.8 million.

**Background**

The Environmental Cleanup Program, Project X (ECP), provides for the allocation of two percent of annual gross Measure M2 (M2) revenues to improve overall water quality in Orange County. Funding is allocated on a countywide competitive basis to assist jurisdictions in controlling transportation-related pollution. These funds are intended to supplement, not supplant, existing transportation-related water quality programs. Funds are awarded to priority projects that improve water quality in streams, harbors, and other waterways that have a nexus to transportation-related pollution consistent with the Orange County Transportation Authority’s (OCTA) Ordinance No. 3.

In May 2010, the Board of Directors (Board) approved a two-tiered approach to fund the M2 ECP. Specifically, the funding plan called for up to \$19.5 million in Tier 1 grants on a “pay-as-you-go” basis through fiscal year (FY) 2017-18, and up to \$38 million in Tier 2 grants via bonding through FY 2014-15. The Tier 1 Grant Program consists of funding for equipment purchases and upgrades to existing storm drains and related best management practices. The Tier 2 Grant Program consists generally of funding for regional, potentially multi-jurisdictional, capital-intensive projects. Separate recommendations will be brought to the Board on the Tier 2 Program in April 2014.

The FY 2013-14 Tier 1 call for projects (call) was finalized on September 16, 2013, with the approval of \$2,831,240 of funding. Specifically, the Board approved funding allocations for 19 projects based on the scoring criteria. The past three Tier 1 calls have resulted in funding of 86 projects, totaling approximately \$8.5 million.

### ***Discussion***

Staff has taken into consideration the experience from the FY 2013-14 Tier 1 call and evaluation process. As a result, refinements to the Comprehensive Transportation Funding Program Guidelines (Guidelines) are proposed. This will improve the processes as well as the anticipated type of projects geared for the Tier 1 grants program. Consequently, on January 23, 2014, the Environmental Cleanup Allocation Committee endorsed the approval of revisions to the Tier 1 Guidelines (Attachment A). Some of the changes to the Guidelines include:

- Expanding the definition of “supplanting.”
- Adding small-scale “Tier 2-type” projects, such as bioswales and detention/retention basins to Tier 1 project types.
- Capital equipment purchases related to regular, ongoing street maintenance efforts, including, but not limited to: trash receptacles, vacuum trucks and/or equipment, street sweepers, signage, etc., added to ineligible expenditures.

Staff is recommending authorization to issue the FY 2014-15 ECP Tier 1 Grant Program call for approximately \$2.8 million. The evaluation approach remains similar to the previous call, with each proposal having the potential to receive a maximum of 110 points (including bonus points).



**Next Steps**

With Board approval, staff will initiate the Tier 1 call for projects which is anticipated to occur between March 17, 2014 and May 16, 2014. During this period, staff will also hold workshops and one-on-one meetings to assist local agencies in the application process during the call for projects. Applications are due on May 16, 2014, and staff will return with funding recommendations to the Board by late summer 2014.

**Fiscal Impact**

This project was approved in OCTA's FY 2013-14 Budget, Planning Division, Account 0017-7831-MX001-T6S, and is funded with M2 funds.

**Summary**

The Orange County Transportation Authority staff is recommending approval of the revised Tier 1 Comprehensive Transportation Funding Program Guidelines and authorization to issue the fiscal year 2014-15 call for projects for the Tier 1 Grant Program, totaling approximately \$2.8 million.

**Attachment**

- A. Draft Comprehensive Transportation Funding Programs Guidelines

**Prepared by:**



Alison Army  
Senior Transportation Analyst  
(714) 560-5537

**Approved by:**



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



**Draft Comprehensive Transportation Funding Programs Guidelines**

**Overview**

The Environmental Cleanup Program (ECP) provides for Measure M2 (M2) revenues to improve overall water quality in Orange County from transportation-generated pollution. Specifically, the Orange County Local Transportation Authority's Ordinance No. 3 (M2 Ordinance) dated July 24, 2006, provides 2 percent of gross M2 revenue dedicated to protecting Orange County beaches and waterways from the conveyance of urban runoff associated with transportation generated pollution. The M2 ECP ensures that funds will be used on a countywide, competitive basis to meet federal Clean Water Act standards for controlling transportation-generated pollution by funding nationally recognized Best Management Practices (BMPs).

As required by the M2 Ordinance, an Environmental Cleanup Allocation Committee (ECAC), representing a broad cross-section of the water quality community, was formed in October 2007 to provide guidance on program design and funding. The goal of the ECP is to fund projects on a countywide, competitive basis. This will assist the County of Orange and Orange County cities in reducing transportation-related water quality pollution by meeting Clean Water Act standards for local waterways and beaches.

Proposed projects must demonstrate a direct nexus (connection) to a reduction of transportation-related pollution as developed and defined by the ECAC in conformity with the M2 Ordinance. All proposing agencies must demonstrate an understanding of how their proposed projects meet the following transportation pollution nexus definition:

- Transportation-related activities can be a contributor of pollutants and/or impairments to receiving waters via aerial deposition, storm, and non-storm water discharges. Transportation-related activities are associated with the operation, construction, and maintenance of public roads, highways, and other ground transportation systems.
- The conveyance of transportation-related pollutants to surface and groundwater can occur from precipitation, runoff, and leaching entering or discharging from public roads, highways, and other ground transportation systems via drainage systems; such as catch basins, curbs, gutters, ditches, manmade channels, retention basins, or storm drains. The quality and quantity of these discharges vary considerably and are affected by hydrology, geology, land use, season, and sequence and discharge of hydrologic events.
- Pollutant sources can encompass right-of-way, properties, facilities, and activities related to motor vehicles, highway maintenance, construction site runoff, maintenance facility runoff, illegal dumping, spills, and landscaping care.

Pollutant categories include, but are not limited to: metals (such as copper, lead, and zinc), organic chemicals and compounds (hydrocarbons and pesticides), sediment, nutrients (nitrogen and phosphorus), litter, oxygen demanding substances (decaying vegetation, animal waste, and other organic matter), groundwater dewatering discharges, and pathogenic material.

The M2 ECP funds are designed to supplement, not supplant existing water quality programs. Proposed projects must improve and not replace existing pollution reduction efforts by an eligible party. Funds will be awarded to the most competitive projects with the highest benefit to water quality.

The intent of the ECP is to provide funding for water quality projects that do not replace existing transportation water quality expenditures. In other words, if a project has components which would replace features already in place or which would fulfill project specific mitigation, those components would not be eligible for M2 funding consideration. Some upgrades and expansions may be eligible. The eligibility of the project and its components will be determined during the evaluation process (contact program manager for details).

In May 2010, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved a two-tiered approach to fund the M2 ECP. Specifically, the funding plan called for up to \$19.5 million in Tier 1 grants on a “pay-as-you-go” basis through fiscal year (FY) 2017-18, and up to \$38 million in Tier 2 grants via bonding through FY 2014-15. The Board has now approved the funding guidelines for both the Tier 1 and Tier 2 Grant Programs.

## **Organization of Chapter 12**

The first part of the chapter consists of funding guidelines for the Tier 1 Grant Program. The second part of the chapter consists of funding guidelines for the Tier 2 Grant Program.

### **Section 12.1 – Tier 1 Grant Program**

#### **Overview**

The Tier 1 Grant Program is designed to mitigate the more visible forms of pollutants, such as litter and debris, which collect on the roadways and in the catch basins (storm drains) prior to being deposited in waterways and the ocean. It consists of grant funding for Orange County local governments to purchase equipment and upgrades for existing catch basins and other related BMPs (i.e., “street-scale” low flow diversion projects). Examples include screens, filters, and inserts for catch basins, as well as other devices designed to remove the above mentioned pollutants. However, three calls for projects have been held to date for Tier 1. Through that process, most of the opportunities for street-scale BMP’s have been fulfilled. Therefore, the Tier 1 project types have been reassessed and expanded as the program needs have changed. Water quality projects,

regardless of technology, are eligible for Tier 1 funding provided they have a verifiable benefit to water quality and fall within the maximum per project programming cap. The intent of this funding program is for project applicants to complete the work generally within one year from the letter agreement execution.

### **Tier 1 Project Types**

The Tier 1 projects funded in the past include the following types. A description of each project type is provided below:

- 1) Automatic retractable screen and other debris screens or inserts: screen or insert units prevent debris from entering the storm drain system.
- 2) Irrigation system retrofits to reduce runoff: these projects decrease runoff from highway medians by using more efficient irrigation systems and/or replacing existing landscape to reduce the amount of water used in irrigation.
- 3) Continuous deflection separator (CDS): CDS units divert runoff away from waterways and screen storm drain flows from trash and debris. CDS units screen, separate, and trap debris, sediment, oil, and grease from storm water runoff.
- 4) Linear radial gross solid removal device (GSRD): GSRDs are certified full capture systems which efficiently remove large solids from runoff water flows.
- 5) Marina trash skimmer: marina trash skimmers draw in floating debris, such as plastics, bottles, paper, oil sheen, and drift wood. The installation of marina trash skimmers is expected to reduce the amount of trash and debris reaching the open ocean.
- 6) Bioswales and bioretention systems: pollutants and sedimentation are captured and subsequently removed from stormwater runoff.

### **Pre-Application Process**

In order to ensure the best use of M2 funds and assist eligible jurisdictions with the Tier 1 Grant Program, applicants may engage in a pre-application process with OCTA staff in project planning, cost estimate development, and determination of likely projected competitiveness. Specific meeting times will be established once the call is initiated. Subsequent to the call for projects deadline and submittal of the grant application, applicants will not be able to change the content of the application or scope of the project.

### **Eligible Applicants**

ECP funds can be used to implement street and highway-related water quality improvement projects to assist Orange County cities and the County of Orange to meet federal Clean Water Act standards for urban runoff. Applicants eligible for ECP funds include the 34 Orange County cities plus the County of Orange. Eligible applicants must meet the transportation requirements discussed in the M2 Ordinance.

Third parties, such as water and wastewater public entities, environmental resource organizations, nonprofit 501(c) environmental institutions, and homeowners associations cannot act as the lead agency for a proposed project, however; these agencies can jointly apply with an Orange County city and/or the County of Orange.

Two or more agencies may participate in a project. If a joint application among agencies and/or third party entities is submitted, a preliminary agreement with joint or third party entities must be provided as part of the application. In order to meet M2 Ordinance requirements, an eligible applicant must be the lead agency for the funding application. Per Chapter 9, if a project includes more than one jurisdiction and is being submitted as a joint application, one agency shall act as lead agency and must provide a resolution of support from all joint applicants.

Each eligible jurisdiction must meet the eligibility criteria as set forth in Chapter 1 of these guidelines.

### **Project Programming**

The Tier 1 Grant Program approach is designed to be consistent with Chapter 2 of this Combined Transportation Funding Program (CTFP) Manual regarding the provisions below:

- Program consolidation
- Funding projections
- Programming adjustments
- Project cost escalation
- Programming policies
- Schedule change requests
- Project advancements
- Semi-annual review

Refer to Chapter 2 for explanations of the above provisions.

### **Funding Estimates**

A total of up to \$19.5 million is available for the Tier 1 Grant Program over a seven-year window from FY 2011-12 through FY 2017-18.

The maximum amount for the Tier 1 Grant Program is \$200,000 per project. To ensure that ECP funds are distributed to the highest number of eligible agencies, entities submitting more than one proposal must designate which project is the highest priority for funding. As part of the proposal scoring criteria, an extra 15 points will be awarded to the designated priority project. The maximum amount that an applicant can receive in a funding period is \$500,000.

## **Matching Funds**

For the Tier 1 Grant Program, a minimum local match of 25 percent of the eligible project cost is required. These matching funds can be provided by cash contributions and/or in-kind services. In-kind services can include salaries and benefits for employees who work directly on the project. In addition, ongoing operations and maintenance of the project for a maximum of ten years can be pledged on a match. For projects wherein ongoing operations and maintenance are pledged as match, the local agency will report on actual operations and maintenance expenditures as part of the semi-annual review process (pages 2-7). Local agencies must complete form 10-17 for each grant project.

Retroactive expenditures cannot be credited towards the matching fund threshold.

## **Overmatch**

For the Tier 1 Grant Program, administering agencies may “overmatch” ECP projects; that is, an additional cash match may be provided for the project. Applicants will receive additional points in the evaluation process for matching with cash above the minimum requirement. Proposals that exceed the 25 percent minimum funding match will be given an additional one-half point for every five percent over the minimum cash match (up to five bonus points). Projects that achieve an overmatch using a combination of cash and in-kind services shall not be awarded bonus points.

Additionally, administering agencies must commit to cover any future cost overruns if the project is underfunded. Any work not eligible for ECP reimbursement must be funded by other means by the project applicant and cannot count as match. These non-eligible items should not be included in the cost estimate breakdown in the application.

## **Reimbursements**

For the Tier 1 Grant Program, OCTA will release funds through two payments. The initial payment will constitute 75 percent of the contract award or programmed amount at contract award. OCTA will disburse the final payment, approximately 25 percent of eligible funds, after approval of the final report. Further information on reimbursements can be located within Chapter 10 of the most recent version of the CTFP Guidelines.

## **Scope Reductions/Modifications and Cost Savings**

Any proposed scope reductions of an approved project must be submitted to OCTA to ensure consistency with the Tier 1 Grant Program requirements. If the proposed scope reduction is approved by OCTA, cost savings will be proportionally shared between OCTA and the grantee - a reduction in ECP funds must be applied proportionally to maintain the approved local match percentage. All cost savings will be returned to the Tier 1 Grant Program for reallocation for the subsequent call of projects.

Any minor scope modifications, such as BMP device quantities and/or the adjustment of device locations, must be submitted to OCTA for administrative approval prior to the implementation of the project. The proposed modifications must mitigate the same pollutants, affect the same waterways, and meet all other provisions as stipulated in these guidelines.

### **2014 Tier 1 Call for Projects**

2014 Tier 1 Call for Projects applications must be received by OCTA **no later than 5:00 PM, May 16, 2014**. Projects that do not award construction contracts by June 30, 2015 will not be considered. OCTA allocates funds on July 1 of each year. Funds will become available upon execution of a letter agreement. Approximately \$2.8 million will be available for the 2014 Tier 1 call for projects.

After the Tier 1 applications are reviewed by OCTA, an advisory panel will review and rank projects. Following a review by the ECAC, a recommended priority list of projects will be forwarded to the OCTA Board for approval in late summer 2014. Funds allocated for projects are final once approved by the OCTA Board. No additional funds will be allocated to the project. Grantees are responsible for any costs exceeding the allocated amount.

### **Tier 1 Selection Criteria**

OCTA will evaluate all proposals that meet the mandatory prerequisites based on competitive selection criteria (Exhibit 12-1) with the following categories:

- Problem and source identification
- Project design
- Project implementation and readiness
- Operations and maintenance
- Project benefits
- Performance metrics

Each proposal can receive a maximum of 100 points, exclusive of ten bonus points associated with up to five points related to a cash overmatch, and up to five points related to eligible agencies that have previously funded the implementation of structural BMP's to mitigate pollutant loading. Previous projects funded by M2 Competitive Grant funds cannot be used for bonus points consideration. Proof of documentation such as invoices or payment request must be available on the purchase of the equipment or services provided by vendors. These latter bonus points are based on the ECAC's recommendations that previous local funding of structural BMPs should be acknowledged and rewarded. See Exhibit 12-1 for scoring categories and point distribution.



## Exhibit 12-1 (Tier 1 Scoring Criteria)

Scoring Criteria	Points Possible
1. Describe the need for the selected BMP(s), including nexus to transportation pollutants, and detail the benefits to water quality the BMP(s) will achieve. (up to 10 Points)	10
2. Is this the lead agency's highest priority project? (15 points)	15
3. List the waterway(s) associated with this project, including applicable 303(d) listings. (2 points per 303(d) listing, up to 12 points)	12
4. List the pollutant(s) that would be addressed by the proposed project and the source(s) generating those pollutants. (2 points per pollutant, up to 16 points)	16
5. How effective will the proposed project be in dealing with the more visible forms of pollutants, such as a litter and debris? (up to 10 points)	10
6. What other BMP types were considered for this project? Why was the proposed BMP chosen? (5 points)	5
7. Provide information on proposed BMP performance efficiency and/or effectiveness, including pollutant capture, storage capacity, flow capacity, etc. (up to 6 points)	6
8. Project Readiness: following approval of funding, how long until the proposed BMP will be operational? (up to 6 points) Less than 4 Months (6 points) 4 - 8 months (4 points) 8 - 12 months (2 points) More than 12 months (1 point)	6
9. What is the methodology for measuring pollutant reduction before and after the BMP is implemented? How frequently will monitoring and performance assessment occur? (up to 10 points)	10
10. Provide an operations and maintenance plan for the lifespan of the proposed project. Include schedule of inspections, cleaning, removal and disposal of pollutants, repairs, etc. (up to 5 points)	5
11. Will the proposed project provide any benefits beyond water quality improvement (i.e., recreation, habitat, drainage) (up to 5 points)	5
	100
12. <b>BONUS:</b> how many different Tier 1 type BMP's are currently installed within the local agency's jurisdiction, excluding BMP's funded by previous ECP grants. (1 point per BMP type, up to 5 points)	5
13. <b>BONUS:</b> are local matching funds in excess of the 25% minimum being proposed? If yes, at what percentage? (.5 point for each 5% cash overmatch, up to 5 points) Note: overmatch bonus points can only be granted to projects whose match is entirely cash, no in-kind services.	5
	110

## Exhibit 12-2 (Tier 1 Sample Resolution)

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL/BOARD OF THE CITY/COUNTY OF \_\_\_\_\_  
AUTHORIZING AN APPLICATION FOR FUNDS FOR THE ENVIRONMENTAL CLEANUP, TIER 1 GRANT  
PROGRAM UNDER ORANGE COUNTY LOCAL TRANSPORTATION ORDINANCE NO. 3 FOR

(NAME OF PROPOSAL) PROJECT.

WHEREAS, Orange County Local Transportation Ordinance No.3, dated July 24, 2006, and is known and cited as the Renewed Measure M Transportation Ordinance and Investment Plan makes funds available through the Environmental Cleanup Program to help protect Orange County beaches and waterways from transportation-generated pollution (urban runoff) and improve overall water quality.

WHEREAS, the Environmental Cleanup, Tier 1 Grant Program consists of funding purchases and installation to catch basins with Best Management Practices, such as screens, filters, inserts, and other "street-scale" low flow diversion projects.

WHEREAS, OCTA has established the procedures and criteria for reviewing proposals; and

WHEREAS, (ADMINISTERING AGENCY) possesses authority to nominate water quality improvement projects that have a transportation pollution nexus to finance and construct the proposed project; and

WHEREAS, by formal action the (GOVERNING BODY) authorizes the nomination of (NAME OF PROPOSAL), including all understanding and assurances contained therein, and authorizes the person identified as the official representative of the (ADMINISTERING AGENCY) to act in connection with the nomination and to provide such additional information as may be required; and

WHEREAS, the (ADMINISTERING AGENCY) will maintain and operate the equipment acquired and installed; and

WHEREAS, the (ADMINISTERING AGENCY) will give OCTA's representatives access to and the right to examine all records, books, papers or documents related to the funded Tier 1 Grant Project; and

WHEREAS, the (ADMINISTERING AGENCY) will cause work on the project to be commenced within a reasonable time after receipt of notification from OCTA and that the project will be carried to completion with reasonable diligence; and

WHEREAS, the (ADMINISTERING AGENCY) will comply where applicable with provisions of the California Environmental Quality Act, the National Environmental Policy Act, the American with Disabilities Act, and any other federal, state, and/or local laws, rules and/or regulations;

WHEREAS, the (ADMINISTERING AGENCY) must include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Renewed Measure M Ordinance eligibility requirement.

WHEREAS, the (ADMINISTERING AGENCY) authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board of Directors.

NOW, THEREFORE, BE IT RESOLVED that the City/County of \_\_\_\_\_, hereby authorizes (NAME OF AGENCY REPRESENTATIVE) as the official representative of the (ADMINISTERING AGENCY) to accept funds for the Environmental Cleanup, Tier 1 Grant Program for (NAME OF PROPOSAL).

BE IT FURTHER RESOLVED that the City/County of \_\_\_\_\_, agrees to fund its share of the project costs and any additional costs over the identified programmed amount.

## Application Process

The following information, which is to be completed within the Tier 1 Grant Application Form, available electronically from OCTA, is required to evaluate and select projects. A checklist is included in the Tier 1 Grant Application Form to assist eligible agencies in assembling project proposals. The following project information will be necessary as part of the application process:

- Project title
- Lead agency information
- Joint-application (if applicable)
- Proposed schedule
- Project management
- Description and scope of proposed project
- Integrated regional water management plan identification (if applicable)Water bodies and 303(d) listings
- Project readiness
- Performance metrics
- Detailed project estimate

In addition to the completed Tier 1 Grant Application, the following documentation is required as part of the application process:

- Project design or concept drawings, including preliminary design calculations, of proposed BMP
- Precise maps to show tributary drainage area and proposed location(s) for BMP installation
- Digital project site photos
- A project master schedule
- Preliminary agreements with joint and/or third party entities if part of the funding application
- A city council resolution. If a final resolution is not provided with the application, the lead agency must provide the date the resolution will be approved by the city council.

For the Tier 1 Grant Program, an unbound original and three copies (total of four) of the completed application form and supporting documentation are to be submitted, plus a CD/DVD copy of the complete application. Use separate sheets of paper if necessary.

There is no maximum length for proposals. All pages must be numbered and printed on 8 1/2 x 11 sheets of white paper. Maps and drawings can be included on 11 x 17 sheets, folded into the proposal. The original proposal should be left unbound for reproduction purposes.

## **Eligible Expenditures**

- ECP funds must be for capital improvement. Construction management and project management cannot exceed 15 percent of the total construction costs. Eligible jurisdictions may use in-kind services to meet all or part of the matching funds requirement. These services can include salaries and benefits for employees of the eligible jurisdiction who perform work on the project or programs. Only those employees' salaries and benefits working directly on the project will be considered for the matching requirement.
- ECP funds can only be used for facilities that are in public ownership for public use; however, water quality improvements on private property, which are connected to municipal separate storm sewer systems, are eligible. (For example, a homeowner association can apply for funding through an eligible agency if the proposed project is connected to a public facility.)
- Reducing volume of surface flows is an integral factor of improving water quality, therefore, projects that have water-saving features (i.e., drip systems) are eligible for funding considerations.

## **Ineligible Expenditures**

- Operations and maintenance plans are not eligible expenditures. However, up to ten years of ongoing operations and maintenance costs can be utilized as in-kind services as a source of matching funds.
- ECP funds are not to be used for planning.
- Expenditures prior to the grantee executed letter agreement date cannot be considered eligible for funding or match.
- Landscaping installation and replacement are not eligible for funding consideration.
- Capital equipment purchases related to regular on-going street maintenance efforts, including, but not limited to: trash receptacles, vacuum trucks and/or equipment, street sweepers, signage, etc.).

## **Reporting and Reimbursement**

Chapter 10 of the CTFP Guidelines outlines the process and requirements regarding reimbursements and reporting for the Tier 1 Grant Program. A final report must be filed within 180 days of the project being completed with information as shown in form 10-16.

Additionally, an exception to Precept #36: Agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the approving bodies for this program.

## **Technical and/or Field Review**

Once an agency submits a final report for a project, OCTA shall review the report for compliance with the CTFP guidelines and may conduct a field review. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. Only CTFP eligible items listed on a project's cost estimate form will be reimbursed. See Chapter 11 for independent audit requirements beyond the technical and/or field review.

## **Additional Information**

Completed applications and questions regarding these procedures and criteria should be directed to:

By mail:

Dan Phu  
Orange County Transportation Authority  
P.O. Box 14184  
Orange, CA 92863-1584  
Tel: (714) 560-5907  
Fax: (714) 560-5794

In person:

Orange County Transportation Authority  
600 South Main Street  
Orange, CA 92863-1584





COMMITTEE TRANSMITTAL

**March 10, 2014**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board *WK*  
**Subject:** Measure M2 Project W Safe Transit Stops

Executive Committee meeting of March 3, 2014

Present: Chairman Nelson, Vice Chairman Lalloway, and  
Directors Donchak, Hennessey, Shaw, Spitzer, and  
Winterbottom  
Absent: None

**Committee Vote**

The item was passed by the Committee Members present.

Director Winterbottom was not present to vote on this item.

**Committee Recommendation**

Direct staff to work with local agencies and return with funding recommendations in August 2014.







**March 3, 2014**

**To:** Executive Committee  
**From:** Darrell Johnson, Chief Executive Officer  
**Subject:** Measure M2 Project W Safe Transit Stops

**Overview**

Measure M2 establishes a program through Project W to provide funding for passenger amenities at the 100 busiest bus stops across Orange County. The intent is to improve passenger amenities at major transfer points. Staff is requesting that the Board of Directors' direct staff to work with local agencies and develop recommendations for a list of projects to be funded.

**Recommendation**

Direct staff to work with local agencies and return with funding recommendations in August 2014.

**Background**

Measure M2 includes Project W Safe Transit Stops (Attachment A). This program provides funding for passenger amenities at the 100 busiest bus stops in Orange County, determined by average daily weekday passenger boardings. The M2020 Plan approved by the Orange County Transportation Authority (OCTA) Board of Directors (Board) on September 10, 2012, identified \$5.5 million on a pay-as-you-go basis through 2020 for Project W.

**Discussion**

In order to provide Project W funds for the regional and local transit amenities, OCTA's proposed framework (Attachment B) splits the program into two categories. These two categories include:

City-Initiated Bus Stop Improvements: 80 percent of the available Project W funds (\$4,470,000 through 2020) will be provided to construct local bus stop

amenities implemented by cities. Local agencies will be responsible for project planning, design, right-of-way, utility relocation, and for maintaining the bus stop improvements. Project W funds will be provided for the construction of transit amenities such as bus shelters, lighting, seating, and waste receptacles.

OCTA-Initiated Improvements: Up to 20 percent of the available Project W funds (\$1,120,000 through 2020) are proposed to be directed towards the development and implementation of regional, customer-facing technologies, such as real time text4next system and other elements that benefit the 100 busiest stops, as well as the overall bus system.

The proposed framework will provide up to \$950,000 for city-initiated improvements, and \$240,000 for OCTA-initiated improvements in fiscal year 2014-15.

OCTA staff will work with the eligible local agencies to prepare a needs assessment for the first 100 busiest OCTA bus stops (Attachment C). The needs assessment will consider the following factors:

- Ridership demand;
- Improvements needed to the transit stops;
- Current age of the bus stops and amenities;
- Current conditions; and
- Other priority factors identified by the local agencies.

The mechanism referenced above will serve as a screening tool to assure that the Measure M2 funds are utilized to provide transit amenities at the busiest transit stops with the highest need.

The OCTA proposed framework for Project W will provide up to \$30,000 for the eligible transit amenities at each bus stop. Staff will work with the local agencies to develop priorities and bring back a prioritized project list to the OCTA Board for consideration and final funding recommendations. OCTA anticipates funding for the next cycle of projects in 2016.

### ***Summary***

Project W will provide funding for the transit amenities at the 100 busiest OCTA bus stops in Orange County on a pay-as-you-go basis. Staff is seeking direction to work with local agencies and to bring project recommendations back to the Board by August 2014.

**Attachments**

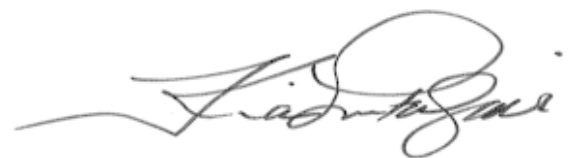
- A. Transit Projects – Community-Based Transit/Circulators – Safe Transit Stops
- B. Draft Project W Framework
- C. List of 100 Busiest Orange County Transportation Authority Transit Stops in Orange County

**Prepared by:**



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**Approved by:**



Kia Mortazavi  
Executive Director, Planning  
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## Transit Projects

### Community Based Transit/Circulators Safe Transit Stops

#### Project **W**

##### Safe Transit Stops

##### Description:

This project provides for passenger amenities at 100 busiest transit stops across the County. The stops will be designed to ease transfer between bus lines and provide passenger amenities such as improved shelters, lighting, current information on bus and train timetables and arrival times, and transit ticket vending machines.

##### Cost:

The estimated cost of this project is \$25.0 million.





## **Draft Project W Framework**

### **PURPOSE**

This is a fixed-scope program which provides funding for passenger amenities at the 100 busiest bus stops in Orange County determined by average daily weekday passenger boardings (October 2012 data).

#### **City-Initiated Bus Stop Improvements**

Eighty percent of the available Project W funding (\$4,470,000) will be made available to support city-initiated projects. The Orange County Transportation Authority (OCTA) is functioning as the funding agency for the local bus stop amenity improvements implemented by cities under this program. Local jurisdictions have the authority and responsibility for designing, constructing, and maintaining bus stop improvements. Local agencies will retain local control and responsibility for these improvements including, but not limited to, shelters, lighting, seating, and waste receptacles.

#### **OCTA-Initiated Bus Stop Improvements**

Twenty percent of available Project W funding (\$1,120,000) is proposed to be directed towards the development and implementation of regional, customer-facing technologies that benefit the 100 busiest stops. Examples include design of the real-time "text4next" system, ticketing vending machines, and other regional elements that benefit the region, as well as the 100 busiest stops. OCTA would implement these passenger amenities working in cooperation with local agencies.

### **ELIGIBLE APPLICANTS**

Eligible applicants for the "city-initiated bus stop improvements" funding include the 15 local agencies in Orange County which have at least one of the top 100 busiest bus stops as defined above. Bus stops on private property would need to be submitted by the city on behalf of the property owner.

### **APPLICATION**

Required to Include:

- Proposed maintenance plan;
- Photos of the proposed project site in the weekday AM peak and PM peak period;
- Project design or concept drawings;
- Shelter size and covered passenger waiting area footage; and
- Needs assessment.

## EVALUATION CRITERIA

If sufficient funds are not available during a funding cycle to fund all the projects that are submitted, projects will be prioritized for funding based on a combination of boarding ranking and the needs of each stop.

## AVAILABLE FUNDING

Five and a half million on a pay-as-you-go basis is available for Project W between fiscal year (FY) 2012-13 through FY 2019/20. Funding for the city-initiated bus stop improvements will be offered biennially. The amount available through FY 2020, as well as the amount available for each round of funding, is shown below.

Project W Estimated Funding by FY (in thousands)									
FY	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	Total
Total Revenue	\$580	\$610	\$650	\$690	\$720	\$750	\$780	\$810	\$5,590
City-Initiated 80%	\$460	\$490	\$520	\$550	\$580	\$600	\$620	\$650	\$4,470
OCTA-Initiated 20%	\$120	\$120	\$130	\$140	\$140	\$150	\$160	\$160	\$1,120

The first round of funding for Project W funds will target \$950,000 for city-initiated improvements, and \$240,000 for OCTA-initiated improvements. These figures are comprised of the amounts available from FYs 2012-13 and 2013-14.

Project W Funding Available Biennially for City Project Applications and Stops Improved (in thousands)					Total
FYs	12/13 and 13/14	14/15 and 15/16	16/17 and 17/18	18/19 and 19/20	
City Available Funds Biennially	\$950	\$1,070	\$1,180	\$1,270	\$4,470
Bus Stops Improved	30+	35+	35+	TBD	

## ELIGIBLE COSTS

Project W will pay for up to \$20,000 for "normal load stops" and up to \$30,000 for "high load stops.\* A high load stop is where the 90th percentile of boarding events have ten or more passengers waiting. The following expenses are eligible for reimbursement under the program:

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\*The average cost of a single width shelter and bench is approximately \$15,000 and the average cost of a double width shelter and bench is \$25,000.



### Eligible

- Passenger Waiting Amenities
  - Bus shelters or shade structures (required);
  - Seating/leaning fixtures (required);
  - Waste receptacles (required);
  - Ad displays; and
  - Bus stop lighting.
  
- Other Amenities
  - Transit/pedestrian information display;
  - Security cameras (monitored by local police department);
  - Bicycle lockers or racks;
  - Mature street trees;
  - Minor improvements to sidewalks necessary to accommodate shelters; and,
  - Installation of electric service on bus shelters for future OCTA uses.

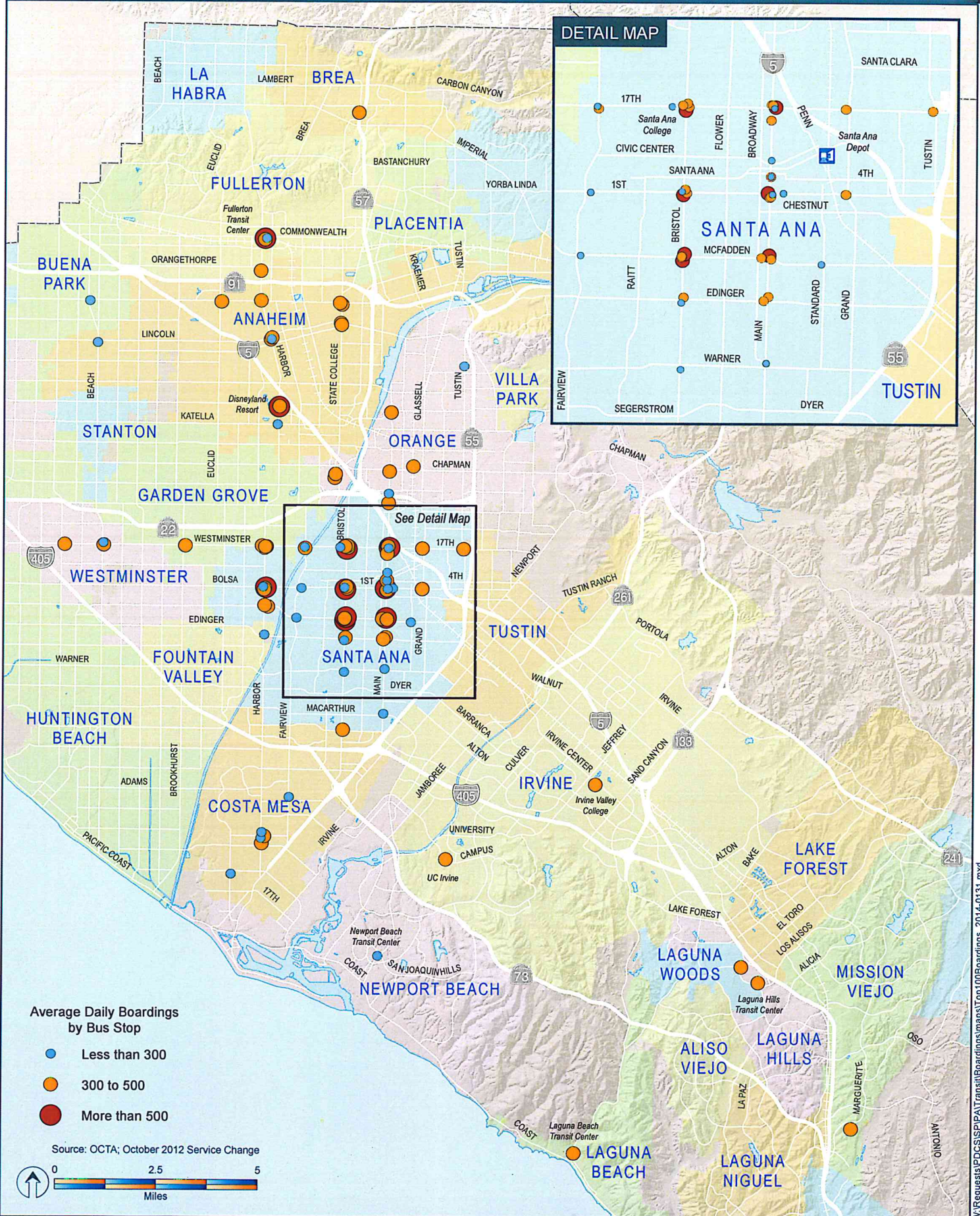
### Not Eligible

- Right-of-way acquisition;
- Planning and design;
- Maintenance; and
- Electricity.

### Other OCTA-Funded Items

- Installation of Bus stop signage;
- Real-time information display improvements will be provided in future; and
- Ticket vending machines can be installed as funding becomes available in future.

# Orange County 100 Busiest OCTA Bus Stops



**List of 100 Busiest Orange County Transportation Authority  
Transit Stops in Orange County**

Rank	On Street	At Street	City	Average Daily Boardings
1	BRISTOL STREET	17TH STREET	Santa Ana	632
2	17TH STREET	MAIN STREET	Santa Ana	625
3	BRISTOL STREET	MCFADDEN AVENUE	Santa Ana	558
4	TRANSPORTATION CENTER ROADWAY	SANTA FE AVENUE	Fullerton	546
5	MAIN STREET	MCFADDEN AVENUE	Santa Ana	544
6	BRISTOL STREET	1ST STREET	Santa Ana	541
7	BRISTOL STREET	MCFADDEN AVENUE	Santa Ana	533
8	1ST STREET	MAIN STREET	Santa Ana	529
9	1ST STREET	HARBOR BOULEVARD	Santa Ana	514
10	HARBOR BOULEVARD	EAST SHUTTLE AREA	Anaheim	501
11	MAIN STREET	17TH STREET	Santa Ana	499
12	MAIN STREET	1ST STREET	Santa Ana	497
13	MCFADDEN AVENUE	BRISTOL STREET	Santa Ana	490
14	RING ROADWAY	BREA MALL NORTH	Brea	487
15	17TH STREET	BRISTOL STREET	Santa Ana	469
16	INTERIOR RDWY	OCEAN AVENUE	Laguna Beach	468
17	LINCOLN AVENUE	STATE COLLEGE BOULEVARD	Anaheim	452
18	BRISTOL STREET	SUNFLOWER AVENUE	Santa Ana	448
19	CAMPUS DRIVE	UNIVERSITY CENTER	Irvine	447
20	MCFADDEN AVENUE	HARBOR BOULEVARD	Santa Ana	442
21	WESTMINSTER AVENUE	HARBOR BOULEVARD	Santa Ana	437
22	COLLEGE DRIVE	COLLEGE DRIVE WEST	Mission Viejo	436
23	MCFADDEN AVENUE	BRISTOL STREET	Santa Ana	436
24	THE CITY DRIVE	CITY WAY	Orange	436
25	BRISTOL STREET	17TH STREET	Santa Ana	420
26	HARBOR BOULEVARD	LA PALMA AVENUE	Anaheim	409
27	HARBOR BOULEVARD	1ST STREET	Santa Ana	409
28	HARBOR BOULEVARD	MCFADDEN AVENUE	Santa Ana	393
29	STATE COLLEGE BOULEVARD	LA PALMA AVENUE	Anaheim	386
30	THE CITY DRIVE	DAWN WAY	Orange	386
31	1ST STREET	BRISTOL STREET	Santa Ana	384
32	LAGUNA HILLS TRANSPORTATION CENTER ROADWAY	DOCK 5	Laguna Hills	383
33	HARBOR BOULEVARD	WESTMINSTER AVENUE	Santa Ana	380
34	17TH STREET	GRAND AVENUE	Santa Ana	376
35	WESTMINSTER AVENUE	HARBOR BOULEVARD	Garden Grove	374
36	EL TORO ROAD	PASEO DE VALENCIA	Laguna Hills	372
37	TRANSPORTATION CENTER ROADWAY	SANTA FE AVENUE	Fullerton	368
38	MCFADDEN AVENUE	SYCAMORE STREET	Santa Ana	367
39	FAIRVIEW STREET	WESTMINSTER AVENUE	Santa Ana	363
40	HARBOR BOULEVARD	1ST STREET	Santa Ana	360
41	HARBOR BOULEVARD	WESTMINSTER AVENUE	Santa Ana	360
42	MAIN STREET	1ST STREET	Santa Ana	358

**List of 100 Busiest Orange County Transportation Authority  
Transit Stops in Orange County**

Rank	On Street	At Street	City	Average Daily Boardings
44	MAIN STREET	CHAPMAN AVENUE	Orange	353
45	BRISTOL STREET	1ST STREET	Santa Ana	353
46	HARBOR BOULEVARD	VICTORIA STREET	Costa Mesa	348
47	WESTMINSTER BOULEVARD	BEACH BOULEVARD	Westminster	348
48	MAIN STREET	17TH STREET	Santa Ana	345
49	COLLEGE DRIVE	IRVINE CENTER DRIVE	Irvine	344
50	LA PALMA AVENUE	STATE COLLEGE BOULEVARD	Anaheim	342
51	17TH STREET	BRISTOL STREET	Santa Ana	340
52	MAIN STREET	EDINGER AVENUE	Santa Ana	340
53	HARBOR BOULEVARD	LINCOLN AVENUE	Anaheim	339
54	17TH STREET	TUSTIN AVENUE	Santa Ana	334
55	STATE COLLEGE BOULEVARD	LINCOLN AVENUE	Anaheim	327
56	MAIN STREET	5TH STREET	Santa Ana	324
57	MAIN STREET	MAIN PLACE DRIVE	Santa Ana	323
58	BRISTOL STREET	EDINGER AVENUE	Santa Ana	319
59	EDINGER AVENUE	MAIN STREET	Santa Ana	312
60	LA PALMA AVENUE	EUCLID STREET	Anaheim	310
61	ORANGE TRANSPORTATION CENTER ROADWAY	DOCK 1	Orange	309
62	WILSON STREET	HARBOR BOULEVARD	Costa Mesa	308
63	HARBOR BOULEVARD	EAST SHUTTLE AREA	Anaheim	307
64	MCFADDEN AVENUE	MAIN STREET	Santa Ana	306
65	WESTMINSTER BOULEVARD	GOLDEN WEST STREET	Westminster	305
66	HARBOR BOULEVARD	ORANGETHORPE AVENUE	Fullerton	304
67	LINCOLN AVENUE	HARBOR BOULEVARD	Anaheim	304
68	1ST STREET	GRAND AVENUE	Santa Ana	302
69	WESTMINSTER AVENUE	BROOKHURST STREET	Garden Grove	302
70	MAIN STREET	15TH STREET	Santa Ana	301
71	BRISTOL STREET	WARNER AVENUE	Santa Ana	298
72	MCFADDEN AVENUE	STANDARD AVENUE	Santa Ana	296
73	MCFADDEN AVENUE	FAIRVIEW STREET	Santa Ana	294
74	17TH STREET	MAIN STREET	Santa Ana	291
75	HARBOR BOULEVARD	WILSON STREET	Costa Mesa	284
76	17TH STREET	ENTRANCE TO SANTA ANA COLLEGE	Santa Ana	283
77	WESTMINSTER AVENUE	FAIRVIEW STREET	Santa Ana	283
78	TRANSPORTATION CENTER ROADWAY	POMONA AVENUE	Fullerton	280
79	1ST STREET	BRISTOL STREET	Santa Ana	280
80	MAIN STREET	LA VETA AVENUE	Orange	277
81	BRISTOL STREET	EDINGER AVENUE	Santa Ana	275
82	FAIRVIEW ROAD	ARLINGTON DRIVE	Costa Mesa	273
83	HARBOR BOULEVARD	WILSON STREET	Costa Mesa	271
84	BEACH BOULEVARD	WESTMINSTER BOULEVARD	Westminster	270
85	BEACH BOULEVARD	LINCOLN AVENUE	Anaheim	268

**List of 100 Busiest Orange County Transportation Authority  
Transit Stops in Orange County**

Rank	On Street	At Street	City	Average Daily Boardings
86	LA PALMA AVENUE	BEACH BOULEVARD	Buena Park	267
87	1ST STREET	DOWNTOWN PLAZA	Santa Ana	263
88	1ST STREET	FAIRVIEW STREET	Santa Ana	262
89	MAIN STREET	4TH STREET	Santa Ana	261
90	TUSTIN STREET	EAST VILLAGE WAY	Orange	259
91	MAIN STREET	WARNER AVENUE	Santa Ana	257
92	HARBOR BOULEVARD	LINCOLN AVENUE	Anaheim	257
93	MAIN STREET	MACARTHUR BOULEVARD	Santa Ana	253
94	1ST STREET	HARBOR BOULEVARD	Santa Ana	253
95	PLACENTIA AVENUE	19TH STREET	Costa Mesa	253
96	MAIN STREET	CIVIC CENTER DRIVE	Santa Ana	252
97	KATELLA AVENUE	HARBOR BOULEVARD	Anaheim	252
98	HARBOR BOULEVARD	EDINGER AVENUE	Fountain Valley	249
99	1ST STREET	MAIN STREET	Santa Ana	249
100	INTERIOR ROADWAY	DOCK 6	Newport Beach	248

Summary of Transit Stops	
Santa Ana	56
Anaheim	13
Fullerton	4
Brea	1
Laguna Beach	1
Irvine	1
Mission Viejo	1
Orange	7
Laguna Hills	2
Costa Mesa	6
Westminster	3
Garden Grove	2
Buena Park	1
Fountain Valley	1
Newport Beach	1
Total	100





COMMITTEE TRANSMITTAL

**March 10, 2014**

**To:** Members of the Board of Directors

*WK*

**From:** Wendy Knowles, Clerk of the Board

**Subject:** Measure M2 Eligibility Findings for Fiscal Year 2012-13  
Expenditure Reports

Regional Planning and Highways Committee Meeting of March 3, 2014

**Present:** Directors Bates, Donchak, Harper, Lalloway, Miller, Murray,  
Nelson, and Spitzer

**Absent:** None

**Committee Vote**

This item was passed by the Members present.

**Committee Recommendations**

- A. Approve fiscal year 2012-13 expenditure reports and find 34 local agencies eligible to receive Measure M2 revenues for fiscal year 2013-14.
- B. Direct staff to return with an eligibility finding for the City of Huntington Beach pending adoption and submittal of the fiscal year 2012-13 expenditure report.







**March 3, 2014**

**To:** Regional Planning and Highways Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Measure M2 Eligibility Review Recommendations for Fiscal Year 2012-13 Expenditure Reports

**Overview**

Measure M2 requires all local agencies in Orange County to annually satisfy eligibility requirements in order to receive fair share and competitive grant net revenues. Fiscal year 2012-13 expenditure reports and resolutions have been submitted by the local agencies and reviewed by staff and the Taxpayers Oversight Committee. Recommendations are presented to the Board of Directors for eligibility determination.

**Recommendations**

- A. Approve fiscal year 2012-13 expenditure reports and find 34 local agencies eligible to receive Measure M2 revenues for fiscal year 2013-14.
- B. Direct staff to return with an eligibility finding for the City of Huntington Beach pending adoption and submittal of the fiscal year 2012-13 expenditure report.

**Background**

Local agencies are required to satisfy requirements (Attachment A) on an annual basis to remain eligible to receive Measure M2 (M2) net revenues. These requirements are listed in the M2 Eligibility Guidelines and are included in Attachment A for reference. The Taxpayers Oversight Committee (TOC) is responsible for reviewing specific eligibility requirements, which include the local agencies expenditure reports, for compliance with M2 Ordinance No. 3. The annual eligibility review (AER) subcommittee has been designated by the TOC to review the specific eligibility submittals with support from Orange County Transportation Authority (OCTA) staff.

Each local agency must adopt an annual expenditure report to account for M2 funds, developer/traffic impact fees, and funds expended by the local agency that satisfy maintenance of effort requirements. Local agencies are required to annually submit expenditure reports within six months of the close of the local agencies fiscal year, typically on December 31<sup>st</sup>, with the exception of the City of Huntington Beach. This allows the cities to finalize the certified annual financial reports and use it to submit the M2 Expenditure Report. The City of Huntington Beach follows a federal fiscal year (October 1 to September 30), and will submit an expenditure report by March 31<sup>st</sup>.

### ***Discussion***

With the exception of the City of Huntington Beach, all expenditure reports and resolutions were received by the December 31, 2013 deadline and are summarized in Attachment B. OCTA staff reviewed the expenditure reports to ensure compliance with Ordinance No. 3. The AER subcommittee convened on January 21, 2014 to review the expenditure reports, and presented the recommendations of eligibility compliance to the TOC on February 11, 2014.

The TOC approved the expenditure reports for 34 local jurisdictions and found 34 local jurisdictions eligible to receive local fair share and competitive grant net revenues for fiscal year (FY) 2013-14. In addition, the TOC directed OCTA staff to return with an eligibility finding for the City of Huntington Beach pending adoption and submittal of the FY 2012-13 expenditure report.

### ***Summary***

With the exception of the City of Huntington Beach, all local agencies have submitted fiscal year 2012-13 expenditure reports that are consistent with the Measure M2 Ordinance. The Taxpayers Oversight Committee reviewed and approved the Measure M2 expenditure reports. These local agencies have met the eligibility requirements for fiscal year 2013-14. The City of Huntington Beach's expenditure report for fiscal year 2012-13 will be submitted and presented for approval of fiscal year 2013-14 eligibility in summer 2014.

***Attachments***

- A. Eligibility Requirements For Net Revenues Per Measure M2 Eligibility Guidelines
- B. Fiscal Year (FY) 2013-14 Measure M2 Eligibility Review of FY 2012-13 Expenditure Reports Summary

**Prepared By:**



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

**Approved By:**



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



Eligibility Requirements For Net Revenues  
Per Measure M2 Eligibility Guidelines:

- Comply with the conditions and requirements of the Orange County Congestion Management Program
- Establish a policy which requires new development to pay its fair share of transportation-related improvements associated with their new development
- Adopt a general plan circulation element consistent with the Master Plan of Arterial Highways
- Adopt and update a Capital Improvement Program
- Participate in traffic forums
- Adopt and maintain a Local Signal Synchronization Plan
- Adopt and update biennially a Pavement Management Plan
- Adopt and provide an annual expenditure report to the Orange County Transportation Authority (OCTA)
- Provide OCTA with a project final report within six months following completion of a project funded with net revenues
- Agree to expend all local fair share revenues received through Measure M2 within three years of receipt
- Satisfy maintenance of effort requirements
- Agree that net revenues shall not be used to supplant developer funding
- Consider, as part of eligible jurisdiction's general plan, land use and planning strategies that accommodate transit and non-motorized transportation



**Fiscal Year (FY) 2013-14 Measure M2 Eligibility Review  
of FY 2012-13 Expenditure Reports Summary**

<b>Agency</b>	<b>Expenditure Report Received by 12/31/13</b>	<b>Resolution Received by 12/31/13</b>	<b>Maintenance of Effort Reported</b>	<b>Expenditure Report Found Compliant by Taxpayers Oversight Committee</b>
Aliso Viejo	Yes	Yes	Yes	Yes
Anaheim	Yes	Yes	Yes	Yes
Brea	Yes	Yes	Yes	Yes
Buena Park	Yes	Yes	Yes	Yes
Costa Mesa	Yes	Yes	Yes	Yes
County of Orange	Yes	Yes	N/A	Yes
Cypress	Yes	Yes	Yes	Yes
Dana Point	Yes	Yes	Yes	Yes
Fountain Valley	Yes	Yes	Yes	Yes
Fullerton	Yes	Yes	Yes	Yes
Garden Grove	Yes	Yes	Yes	Yes
Huntington Beach*	N/A	N/A	N/A	N/A
Irvine	Yes	Yes	Yes	Yes
La Habra	Yes	Yes	Yes	Yes
La Palma	Yes	Yes	Yes	Yes
Laguna Beach	Yes	Yes	Yes	Yes
Laguna Hills	Yes	Yes	Yes	Yes
Laguna Niguel	Yes	Yes	Yes	Yes
Laguna Woods	Yes	Yes	Yes	Yes
Lake Forest	Yes	Yes	Yes	Yes
Los Alamitos	Yes	Yes	Yes	Yes
Mission Viejo	Yes	Yes	Yes	Yes
Newport Beach	Yes	Yes	Yes	Yes
Orange	Yes	Yes	Yes	Yes
Placentia	Yes	Yes	Yes	Yes
Rancho Santa Margarita	Yes	Yes	Yes	Yes
San Clemente	Yes	Yes	Yes	Yes
San Juan Capistrano	Yes	Yes	Yes	Yes
Santa Ana	Yes	Yes	Yes	Yes
Seal Beach	Yes	Yes	Yes	Yes
Stanton	Yes	Yes	Yes	Yes
Tustin	Yes	Yes	Yes	Yes
Villa Park	Yes	Yes	Yes	Yes
Westminster	Yes	Yes	Yes	Yes
Yorba Linda	Yes	Yes	Yes	Yes

\*City of Huntington Beach follows a federal fiscal year and must submit the Measure M2 Expenditure Report for FY 2012-13 by March 31, 2014.

