



Measure M Taxpayer Oversight Committee
550 S. Main Street, Orange CA, Room 07
October 11, 2016 @ 5:00 p.m.

AGENDA

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. CEO Welcome**
- 4. Approval of Minutes/Attendance Report for August 9, 2016**
- 5. Presentation Items**
 - A. Sales Tax Update
Presentation – Andrew Oftelie, Executive Director, Finance and Administration
 - B. Measure M2 Next 10
Presentation – Tamara Warren, Measure M Program Manager, Planning
 - C. Comprehensive Transportation Funding Programs (CTFP) Overview
Presentation – Kia Mortazavi, Executive Director, Planning
 - D. OC Bridges Update
Presentation – Tresa Oliveri, Community Relations Officer
- 6. OCTA Staff Updates (5 minutes each)**
 - Other
- 7. Environmental Oversight Committee Report**
- 8. Committee Member Reports**
- 9. Public Comments***
- 10. Adjournment**

The next meeting will be held on December 13, 2016

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

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

Staff Report Title

Board Meeting Date

1. OC Streetcar Project Revised Capital Funding Plan

August 22, 2016

2. Measure M2 Quarterly Progress Report for the Period of April 2016 Through June 2016

September 12, 2016

3. Measure M2 Environmental Cleanup Program – 2016 Tier 1 Ware Quality Grant Funding Allocations

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

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

Measure M
Taxpayer Oversight Committee
Orange County Transportation Authority
550 S. Main Street, Orange CA, Room 07
August 9, 2016
5:00 p.m.

AGENDA

Committee Members Present:

Richie Kerwin Lim, First District Representative
Anthony Villa, First District Representative
Margie Drilling, Second District Representative
Alan P. Dubin, Second District Representative
Eugene Fields, Third District Representative
Stanley F. Counts, Fourth District Representative
Guita Sharifi, Fifth District Representative
Matt McGuinness, Fifth District Representative

Committee Member(s) Absent:

Eric Woolery, Orange County Auditor-Controller, Co-Chairman
Sony Soegiarto, Fourth District Representative
Dr. Ronald T. Randolph, Third District Representative

Orange County Transportation Authority Staff Present:

Jim Beil, Executive Director, Capital Programs
Julianne Brazeau, Public Reporter Specialist
Marissa Espino, Community Relations Officer, External Affairs
Kia Mortazavi, Executive Director, Planning
Sean, Murdock, Director, Finance & Administration
Andrew Oftelie, Executive Director, Finance & Administration
Alice Rogan, Public Outreach Manager, External Affairs
Mary Shavalier, Program Manager, Rail Programs & Facilities Engineering
Tamara Warren, Program Manager, M Program Management Office

1. Welcome

Alice Rogan, Public Outreach Manager, External Affairs welcomed everyone to the Orange County Transportation Authority (OCTA) Taxpayer Oversight Committee (TOC) meeting at 5:08 p.m.

Alice asked the committee members to introduce themselves.

2. Pledge of Allegiance

Anthony Villa led the Pledge of Allegiance to the Flag.

3. Approval of the Minutes/Attendance Report for June 14, 2016

A motion was made by Alan Dubin, seconded by Margie Drilling, and carried unanimously to approve the June 14, 2016 TOC Minutes/Attendance Report as presented.

4. Action Items

A. Co-Chair Election

Alice Rogan informed the committee of Dr. Ronald T. Randolph's interest in the position of Co-Chairman.

Anthony Villa nominated Margie Drilling to position of Co-Chairman. Margie declined the nomination, but said she would be a back-up Co-Chair.

A motion was made by Matt McGuinness, seconded by Stanley Counts, and carried unanimously to elect Dr. Ronald T. Randolph as the new Co-Chairman to the Taxpayer Oversight Committee.

Alice Rogan then asked Margie Drilling if she could run the remainder of the meeting.

5. Presentation Items

A. OC Streetcar Update/Capital Funding Plan

Jim Beil, Executive Director, Capital Programs, introduced Mary Shavaliar, Program Manager, Rail Programs & Facilities Engineering. Mary presented the update on the OC Streetcar project.

Margie Drilling asked if the OC Streetcar is similar to the system in Phoenix. Mary said the system in Phoenix is Light Rail where cars are coupled together and run on exclusive guideways. Jim Beil said Light Rail is generally a heavier rail vehicle that runs on its own right-of-way. He said Portland has a streetcar and light rail system in traffic lanes. He said Tucson has a modern streetcar running in vehicle lanes.

Guita Sharifi asked if the speed of the OC Streetcar would be impacted by traffic. Jim Beil said it will run at the speed of traffic, but at intersections the OC Streetcar will have priority. He said the intersections will be able to sense the streetcar's arrival and sync with it to give priority.

Matt McGuinness asked if there has been discussion about expanding the system to possibly go to Disneyland and other places. Jim Beil said a study is being conducted called the Central Harbor Boulevard Corridor Study that is

looking at transit needs on Harbor Boulevard which is OCTA's busiest bus route.

Eugene Fields asked if one vehicle would be used. Mary Shavaliar said OCTA will have eight vehicles in the fleet and six would be used during rush hour. Jim Beil said the headway during peak periods would be about 10 minutes and possibly 15 minutes on weekends.

Eugene Fields asked if there are existing bus lines along the route. Jim Beil said not on the Pacific Electric Right-of-Way (PEROW). He said there are busses running parallel in the Civic Center Area. He said there will be a bus/rail integration plan to see what needs to be adjusted as we get closer. Mary Shavaliar said the stops will only be for the OC Streetcars.

Eugene Fields asked if existing maintenance crews will be trained to maintain the vehicles. Jim Beil said OCTA will hire a new special trained crew to maintain the vehicles.

Matt McGuinness asked where funds come from to maintain the system. Jim Beil said the Board has approved funds from Measure M to maintain the system. Mary Shavaliar said funds also come from the fares and the City of Santa Ana and the City of Garden Grove will be contributing to the operations costs. Jim said the City of Santa Ana is obligated to contribute 10% of the "net farebox return" for operations and Maintenance.

Richie Lim asked what the fare would be for the OC Streetcar system. Jim Beil said it would be comparable to the bus system.

Margie Drilling said the bike trails along the Santa Ana River tend to get flooded and asked if there will be a problem for the OC Streetcar. Jim Beil said OCTA has looked at the elevations and the OC Streetcar will not be closed down with a flood. He said OCTA has worked with the Army Corps of Engineers. Mary Shavaliar said all the permitting is done with the Corps.

Matt McGuinness said it appears OCTA is getting a great deal on this project due to cost sharing. Mary Shavaliar said 31 percent is local and state funding. She said with the other 69 percent federal funding.

Matt McGuinness asked if the costs per mile are comparable to other systems. Mary Shavaliar said yes, but because this is totally new to Orange County, there are some additional upstart costs. Jim Beil said it's very comparable to Tucson.

Eugene Fields asked what the ridership projections are. Mary Shavaliier said 7,500 passengers per week day. She said the Federal Transit Administration (FTA) really scrutinizes these numbers. Jim Beil said the farebox return is typically 30 percent higher than fixed route buses. Mary said these vehicles carry a large amount of people and that is the reason for the high farebox return.

Richie Lim asked if this system can ever be self-contained. Jim Beil said no, it cannot.

B. Signal Synchronization

Kia Mortazavi, Executive Director, Planning presented OCTA's current Signal Synchronization plan.

Matt McGuinness asked if there is a reason Pacific Coast Highway (PCH) is not included in the plan. Kia Mortazavi said OCTA is working with Caltrans on the issue of PCH. He said PCH has a different pattern, some of the traffic patterns are seasonal and it takes a little more analysis to figure out how to best synchronize the signals. Kia said a PCH Corridor Study was recently completed and we are working with the cities and Caltrans to get the best solution.

Margie Drilling said she noticed that Euclid Avenue has gotten dramatically better with the synchronization. She asked whether the re-timing on streets is up to the cities. Kia Mortazavi said if a street runs through different cities, the cities need to apply jointly for the grants. Then the cities need to agree on who will time the signals – either one of the cities can do the timing or they can have OCTA handle the synchronization.

Richie Lim asked if the synchronization is expensive. Kia Mortazavi said it is inexpensive if there is no new hardware needed – about \$3,000-\$5,000 per intersection.

Matt McGuinness asked if timing has ever been hacked. Kia Mortazavi said it has happened. He said some of the cities did not change the passwords. He said OCTA has worked with the city traffic engineers to make sure they change passwords. He also said there are many fail-safes in place. Currently, the system does not allow all lights to have the same color at an intersection. He said the worse that can happen is all signals would flash red.

Guita Sharifi asked if the new ones are changing to fiber optics. Kia Mortazavi said it depends on the needs of the corridor. He said it is not a requirement. Kia said the bidding is competitive and fiber optics adds a cost to the overall project.

Guita Sharifi asked if there is a requirement for the cities to use the funds for synchronization or can they allocated it elsewhere. Kia Mortazavi said this is a grant program and the cities have to compete for the funds, if they get the funds it has to be used for the specific synchronization. If they don't use it for the specific intersection synchronization, they forfeit the money or have to pay it back to OCTA.

Richie Lim asked what the shelf-life is on the hardware. Kia Mortazavi said on the hardware it's about 10 years. He said the technology gets outdated more often.

C. SR-55 Improvement Project Update

Jim Beil, Executive Director, Capital Programs, provided an update on the SR-55 Improvement Project.

Eugene Fields asked if OCTA will have to declare eminent domain on this project. Jim Beil said the Ordinance compels us to work within the existing boundaries. He said there are a few spots where it will not be possible and the project will seek to acquire rights of way. He said often there is an auxiliary road running along the side of the freeway that can be used.

Eugene Fields asked where the money comes from. Jim Beil said right of way acquisitions are part of the project cost.

Matt McGuiness asked when the OCTA Board will approve the different alternatives. Jim Beil said on Monday the Board approved an amendment to the agreement with Caltrans to support Alternative 3.

Margie Drilling asked if the new carpool lanes will have the broken stripe for entering and exiting. Jim Beil said OCTA anticipates maintaining continuous access to the carpool lanes. Margie asked if this is a new program for Caltrans. Jim said yes Caltrans has decided the continuous access is acceptable.

6. OCTA Staff Updates

- Measure M Look Ahead - Tamara Warren, Measure M Program Manager, Planning, provided a brief overview of the upcoming actions regarding the Measure M2 program.
- Anaheim Rapid Connection (ARC) – Jim Beil, Executive Director, Capital Programs, presented an overview on the ARC. Kia Mortazavi, Executive Director, Planning, presented the next steps for the ARC.

Matt McGuinness asked if Anaheim had a larger scope in mind compared to the OC Streetcar Project. Kia Mortazavi said it was about the same, roughly a 3 mile segment.

Matt McGuinness asked if the ARC is expected have more cars and more ridership than the OC Streetcars. Jim Beil said there was some controversy regarding how the ridership calculations were done, controversy within the community regarding the alignment and right-of-way impacts, and uncertainty regarding the real costs of the project. Kia Mortazavi said there were concerns within the community about who would be served by the project. Matt said he is concerned that this project is being denied cost efficiencies by doing it piecemeal. Kia said OCTA is working to develop standardization.

Richie Lim asked if the ARC is able to be self-sustained with the tourist as the primary users. Kia Mortazavi said the project hasn't gotten that far.

- Finance Directors Workshop – Sean Murdock, Director, Finance & Administration, provided an update on the recent Measure M2 Finance Directors Workshop.

Guita Sharifi asked if the cities Finance Directors are required to come to the meeting. Sean Murdock said they are not required to come, but there is always good attendance. He said there were 28 of the local jurisdictions in attendance along with the County of Orange.

Guita Sharifi asked who attended from the City of San Juan Capistrano and the City of Newport Beach. Sean Murdock said he could provide that information later.

Margie Drilling asked if this is based on calendar year or fiscal year. Sean Murdock said it is based on their fiscal year.

Matt McGuinness asked if cities have to submit proposals for the money before the money is approved. Sean Murdock said we look at the money they have received and how they have spent it – to make sure they have spent the money in the right categories.

- Other – Alice Rogan asked if committee members are interest in a tour of the I-5 South Project. The committee said they were interested. Alice said she would provide some dates in the near future.

7. Annual Eligibility Review Subcommittee Report

There was nothing to report.

8. Audit Subcommittee Report

There was nothing further to report.

9. Environmental Oversight Committee (EOC) Report

Anthony Villa said at the last meeting the committee talked about the possible purchase of another parcel in the Ferber Ranch area.

10. Committee Member Reports

11. Public Comments

There were no additional Public Comments

12. Adjournment

The Measure M Taxpayer Oversight Committee meeting adjourned at 6:24 p.m.
The next meeting will be held on October 11, 2016

**Taxpayer Oversight Committee
Fiscal Year 2016-2017
Attendance Record**



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

Meeting Date	12-Jul	9-Aug	13-Sep	11-Oct	8-Nov	13-Dec	10-Jan	9-Feb	14-Mar	11-Apr	9-May	13-Jun
Stanley F. Counts		X										
Margie Drilling		X										
Alan Dubin		X										
Eugene Fields		X										
Richie Kerwin Lim		X										
Matt McGuinness		X										
Ronald Randolph		*										
Guita Sharifi		X										
Sony Soegiarto		*										
Anthony Villa		X										
Eric Woolery		*										

Absences Pending Approval

<u>Meeting Date</u>	<u>Name</u>	<u>Reason</u>
8/9/16	Ronald Randolph	Personal
8/9/16	Sony Soegiarto	Work Related
8/9/16	Eric Woolery	Work Related

***Presentation
Items***



COMMITTEE TRANSMITTAL

September 12, 2016

To: Members of the Board of Directors
From: ^{rw}Laurena Weinert, Clerk of the Board
Subject: Measure M2 M2020 Update and Next 10 Plan

Executive Committee Meeting of September 1, 2016

Present: Vice Chairman Hennessey and Directors Murray, Nelson, Spitzer, and Ury
Absent: Chair Donchak and Director Lalloway

Committee Vote

Following the discussion, no action was taken on this item.

Staff Recommendation

Provide guidance to staff on the development of the Next 10 Plan.

Committee Discussion

At the September 1, 2016, Executive Committee meeting, the Committee requested staff communicate the Next 10 Plan challenges and options to OCTA stakeholders and gather feedback.




ORANGE COUNTY TRANSPORTATION AUTHORITY

Measure M2 M2020 Update and Next 10 Plan

Staff Report



September 1, 2016

To: Executive Committee
From: Darrell Johnson, Chief Executive Officer 
Subject: Measure M2 M2020 Update and Next 10 Plan

Overview

The M2020 Plan was approved on September 10, 2012, to accelerate the delivery of the Measure M2 freeway, streets and roads, transit, and environmental projects through the year 2020. The adoption of the new sales tax revenue forecasting methodology (approved by the Board of Directors on March 28, 2016), prompted the need to revisit the assumptions built into the M2020 Plan. A review on progress of the M2020 Plan and a framework for the next ten years is presented for the Board of Directors' consideration and discussion.

Recommendation

Provide guidance to staff on the development of the Next 10 Plan.

Background

In early 2012, with the impact of the Great Recession resulting in a significant reduction in the Measure M2 (M2) sales tax revenue forecast, the Board of Directors (Board) requested staff review the Measure M plan and the ability to deliver on the promise to the voters. The Board's concern centered on the reduction in projected sales tax revenue from \$24.3 billion in 2005 (when the M2 Plan was developed) to \$15.5 billion. This effort resulted in the M2020 Plan which was approved by the Board on September 10, 2012, to provide guidance on program delivery priorities between 2013 and 2020. While the original M2 Plan was developed based on M2 revenue alone, in order to continue to deliver the plan as promised, the M2020 Plan incorporated external funding into the program. At that time, the Board made M2 projects the priority for external funding.

The M2020 Plan outlined 14 objectives which identified the projects and programs for all modes that were anticipated to be delivered on an expedited schedule by 2020, along with anticipated schedules and major milestones.

With the effects of sluggish M2 sales tax revenue proceeds, and the Board's decision to revise the methodology for forecasting revenues to ensure more realistic revenue assumptions, the 2015 revenue forecast (last year's forecast) was reduced from \$15.6 billion to \$14.8 billion. Given this change, the Board asked staff to relook at the M2020 Plan objectives to assess the implications of the revised long-term forecast, and determine what has been accomplished to date and what can be assumed moving forward. Since that time, staff has received the 2016 revenue forecast which has resulted in a further reduction. The new 2016 M2 sales tax revenue forecast is \$14.3 billion. A companion item is also being presented to the Board as part of this agenda to provide more insight on the key drivers and broader implications of the revised revenue forecast.

Discussion

In response to the Board's request, staff reviewed the M2020 Plan 14 objectives to account for the status. For a complete list of the M2020 14 objectives, including a more detailed status for each, see Attachment A.

While only in year four of the eight year plan, the Orange County Transportation Authority (OCTA) has made major progress and has accomplished, or is on track to accomplish, all 14 of the M2020 Plan objectives with the exception of one outlier within Objective 1 of the freeway program that is further discussed below.

Freeways

Major progress has been and continues to be made to meet the two freeway program objectives which identified specific progress to take place on 23 projects by 2020. Both objectives are on track with the exception of one project which is State Route 55 (SR-55), between Interstate 5 (I-5) and Interstate 405 (I-405), included in Objective 1.

Objective 1 – Complete/In Construction on 14 Freeway Projects by 2020

Seven of the 14 projects are complete, with another six projects on target for completion/begin construction by 2020. The remaining project, SR-55, between I-5 and I-405 (Project F), is currently in the environmental phase due to differing objectives between OCTA and the California Department of Transportation (Caltrans). Compared to the M2020 baseline schedule, this project has been delayed by six years. With the recent Board decision to augment the scope of improvements to address Caltrans' request to include a second high-occupancy vehicle lane along with the M2 general purpose lane, the project can move forward, but will not be in construction until 2023 at the earliest, which is beyond the M2020 Plan horizon.

Streets and Roads

Substantial investment has taken place to meet the two streets and roads objectives with nearly \$1.2 billion already advanced to local jurisdictions for streets and roads improvements, including providing flexible fair share funds to local agencies. Additionally, the second objective to synchronize 2,000 signalized intersections by 2020 is also planned to be met early, and is anticipated to occur by 2017.

Transit

Significant progress on all six objectives within the transit program has taken place. Metrolink station improvements, expanded mobility choices for seniors and persons with disabilities, and the implementation of transit circulators are moving forward as planned. The objective related to the fixed-guideway project has resulted in the OC Streetcar advancement into design. The OC Streetcar has received favorable reviews from the Federal Transit Administration and is on track to receive federal new starts funding. The study of a second fixed-guideway project, the Anaheim Rapid Connection, has concluded with the study elements being incorporated into the Harbor Transit Study to ensure a more regional approach.

Environmental

Acquisition, preservation, and conservation of land and water quality improvements are on schedule with significant accomplishments at or above the planned objectives goal.

Revenue Projections

With the revised methodology implemented in March and all four of OCTA's contracted forecasting agencies presenting to the Finance and Administration Committee, the new blended 2016 M2 sales tax revenue forecast is \$14.3 billion. When the M2020 Plan was adopted in 2012, the plan was based on a revenue forecast of \$15.5 billion. This projected revenue reduction, coupled with a sharp reduction in external revenues available to fund the freeway program, has greatly impacted the revenue assumptions for program delivery.

Cash Flow Review

To determine the status of the M2 Program, staff developed cash flows for each of the program elements to test whether commitments provided to the voters as part of the M2 approval in November 2006 remain achievable. The plan assumes availability of a viable amount of discretionary federal and/or state funds from 2017 to 2041, and makes specific assumptions about near term grants such as new starts, cap-and-trade, as well as the Transportation Infrastructure Finance and Innovation Act financial assumptions.

While a reduction in revenues affects the M2 Program as a whole, in many areas within the M2 Plan, programs can be scaled based on available revenues. The areas where this is not possible is in the freeway program, due to set scopes for project delivery. To ensure project costs are kept to a minimum, staff will work with Caltrans to seek cost saving measures on freeway projects through changes in design parameters where possible. The remaining area that is unable to be scaled is within the Transit Program, Project U Fare Stabilization Program. With the recent M2 amendment, which provided additional funding to support the Fare Stabilization Program, the cash flow appears to support this program with the revised revenue forecast although with a lower safety margin. This leaves the main area of delivery concern focused on the freeway program.

Freeway Program Status

With the current segment count of freeway projects, the program now consists of 27 projects (or project segments). Of the 27 projects, nine projects are complete, with another three currently in construction. Another six projects will be in construction in the near term, with SR-55 being the last one to go into construction, anticipated for 2023. The remaining nine projects, are slated to be cleared environmentally and will meet M2020 target completion dates. However, all of these nine projects cannot be readily expedited for construction given the M2 and external funding limitations. Attachment B shows a breakdown of the 27 projects and status.

Measure M2 Cash Flow

Using the 2016 revised revenue forecast and combined expenditures of the M2 Program, Attachment C shows the M2 program cash balance by year between now and 2041. The graph reflects a deficit in revenue during a 15 year spread from 2026 through 2040 when expenditures will exceed revenues, if current schedules are adhered. This deficit is primarily representative of the freeway program shortfall where set project scopes reduce flexibility to adapt to the reduction in revenue.

The sales tax revenue reduction is exacerbated by the reduction in State Transportation Improvement Program (STIP) funding and delays to previously programmed M2 projects, which in turn increases costs due to escalation. The STIP funding has been on the decline for the past ten years, which has severely limited Orange County's ability to advance projects. The reduction in 2016 STIP funding for OCTA of \$42.2 million and delays to previously programmed M2 projects include a one-year delay on a \$39 million project, and a two-year delay on a \$466 million project, resulted in an estimated \$30 million cost increase for both projects due to escalation. Given the recent

reduction in sales tax revenue and the current reduced availability of state and federal revenue for the freeway program, M2 revenue projected will not support delivery of the freeway program as currently defined. While the program remains solvent for the next ten years, staff is seeking direction now to ensure the program is able to remain solvent over the life of the M2 Plan. To manage this funding gap and meet the freeway program needs, there are several options for Board consideration.

These include:

	Options	Pro	Con
1.	Reduce project scopes, deliver some improvements within funding limitations	While not keeping the complete promise, some relief can be delivered	Impacts promise; requires environmental restart (time/cost), leads to delay and cost escalation
2.	Extend delivery deadlines, reassess in the future if new revenue stream becomes available	Postpone decision to act on reductions until more information is available	Delayed decision reduces options to manage the problem and cost escalation is a major risk
3.	Utilize local revenue via 91 and/or 405 Express Lanes excess revenue (ER) to fund eligible projects*	Mitigates the impact of reduced revenue and keeps the promise by using locally-controlled funding source	Gives M2 projects in the corridor priority over others
4.	Eliminate projects, reserving as first priority for future funding	Continue to deliver majority of promise	Impacts promise and poses difficult elimination decision

* Eligibility limited to M2 Project I and Project J for the 91 ER and Project L for 405 ER.

Draft Next 10 Plan

Looking forward, staff has developed proposed deliverables that, with Board direction, can be incorporated into a draft plan titled “Next 10”. A draft set of deliverables is included in Attachment D, and is intended to provide a framework on program and project delivery for the next ten years. The deliverables are intended to ensure delivery of a complete program. The first objective relates to the freeway program, and currently reflects the M2020 objective. Given the funding shortfall in the freeway program, staff is considering various options and is also looking for general policy direction on options outlined above.

The draft Next 10 Plan will outline the projects and programs for all modes that can be accomplished between now and the year 2026, along with anticipated schedules and major milestones. The Next 10 Plan is intended to ensure OCTA's commitment to Orange County voters and accomplish the following:

- Keep the freeway program moving,
- Continue to invest in streets and roads to improve and optimize the arterial system,
- Advance rail and transit options providing transportation alternatives, and
- Uphold the M2 environmental agreement.

Next Steps

With direction from the Board, staff will develop the Next 10 Plan and deliverables based on the 2016 M2 revenue forecast, future state and federal funding projections consistent with current trends, and project/program costs in year-of-expenditure dollars. Revenues and expenses will be merged into a high-level cash flow. Bond assumptions will also be included to assist with projected negative ending balances by year (compared to a pay-as-you-go scenario). Bond assumptions will be constrained by minimum debt coverage ratios.

Summary

The outline of a draft Next 10 Plan for all M2 projects and programs that can be accomplished between now and the year 2026 is presented for Board discussion. With Board direction, staff will develop the Next 10 Plan to provide guidance on projects and programs that can be advanced over the next ten years. The Next 10 Plan is intended to ensure delivery and to keep projects and programs moving providing mobility as soon as possible to Orange County residents.

Attachments

- A. Measure M2020 - M2020 Progress Report on Objectives
- B. M2 Freeway Project Status
- C. Measure M2 Program Cash Balance
- D. Draft Next 10 Deliverables

Prepared by:



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

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

Measure M2 M2020 Update and Next 10 Plan

Attachment A



M2020 Progress Report on Objectives

1. Deliver 14 Measure M2 Freeway Projects

Status: Seven of the 14 projects are complete. The remaining seven are on target for completion or will begin construction by 2020, with one exception. State Route 55 (SR-55), between Interstate 405 (I-405) and Interstate 5 (I-5) (Project F) is currently held up in the environmental phase, and due to conflicting priorities between the Orange County Transportation Authority (OCTA) and the California Department of Transportation (Caltrans), has been delayed by several years. With the recent Board of Directors (Board) decision to explore an augmented scope of improvements to address Caltrans' request to include a second high occupancy vehicle lane along with the Measure M2 (M2) general purpose lane, this project can move forward but will be completed beyond the 2020 plan horizon.

Completed *		Year
1. Project J	SR-91 between SR-241 and SR-55	2013
2. Project G	SR-57 between Yorba Linda Boulevard and Lambert Road	2014
3. Project G	SR-57 between Orangethorpe Avenue and Yorba Linda Boulevard	2014
4. Project G	SR-57 between Katella Avenue and Lincoln Avenue	2015
5. Project D	I-5 Ortega Highway I-5 Interchange	2016
6. Project H	SR-91 between I-5 and SR-57	2016
7. Project I	SR-91 Tustin Avenue Interchange to SR-55	2016
In Construction		Construction Complete
8. Project C	I-5 between Avenida Vista Hermosa and Pacific Coast Highway	2017
9. Project C	I-5 between Avenida Pico and Avenida Vista Hermosa	2018
10. Project C	I-5 between Pacific Coast Highway and San Juan Creek Road	2018
In Construction Soon		Begin Construction
11. Project K	I-405 between SR-73 and I-605	2016
In Design		Begin Construction
12. Project A	I-5 between SR-55 and SR-57	2017
13. Project C,D**	I-5 between SR-73 and El Toro Road (Avery Parkway and La Paz Road)	2018/19
In Environmental		Begin Construction
14. Project F	SR-55 between I-405 and I-5	2023

SR-91 – State Route 91 / SR-241 - State Route 241 / SR-55 – State Route 55 / SR-57 – State Route 57 / I-5 – Interstate 5 / I-405 – Interstate 405 / SR-72 – State Route 73 / I-605 – Interstate 605

- * M2 Freeway Program includes three additional projects that were completed prior to the start of M2020 and therefore were not part of the M2020 delivery plan.
 - o SR-91 between SR-55 and SR-241
 - o SR-91 eastbound lane from SR-241 to SR-73
 - o SR-22 interchange improvements
- ** Projects C, D after the adoption of the M2020 Plan was segmented into three separate projects
 - o I-5 between SR-73 and Oso Parkway (Avery Parkway)
 - o I-5 between Oso Parkway to Alicia Parkway (La Paz Road)
 - o I-5 between Alicia Parkway and El Toro Road

2. Complete Environmental Phase for Nine Remaining M2 Freeway Projects

Status: One of the nine projects is already environmentally cleared, with three currently in the environmental phase, and another five projects slated to begin the environmental phase in fiscal year 2016-17. All projects are scheduled to begin the environmental phase, and are slated to be environmentally cleared by 2020.

Environmentally Cleared		Year
1. Project J	SR-91 between SR-241 and I-15	2012
In Environmental		Scheduled to be Cleared
2. Project B	I-5 between I-405 and SR-55	2018
3. Project I	SR-91 between SR-55 and SR-57	2018
4. Project L	I-405 between I-5 and SR-55	2018
Begin Environmental in FY 2015-16		Anticipated to be Cleared
5. Project G	SR-57 NB Oranewood Avenue to Katella Avenue	2018
6. Project M	I-605 Katella Avenue interchange	2018
7. Project F	SR-55 between I-5 to SR-91	2019
8. Project D	I-5 El Toro Road interchange	2020
9. Project G	SR-57 NB Lambert Road to County Line	2020

I-15 – Interstate 15 / NB - northbound

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

Status: To date, OCTA has invested \$1.167 billion in the Regional Capacity Program (Project O), Regional Traffic Signal Synch Program (Project P), and Local Fair Share Program (Project Q). Nearly \$300 million in Project O and Project P has been awarded to local agencies, and OCTA has paid out over \$78.47 million of the awarded funding for local streets and roads improvements. The Board has committed to provide more than \$631 million in state, federal, and M2 funds for the OC Bridges program's grade separation projects. Since inception, approximately \$236 million of Local Fair Share funds (Project Q) has already been distributed to local agencies.

4. Synchronize 2,000 Traffic Signals Across Orange County (Project P)

Status: To date, OCTA and local agencies have synchronized more than 1,600 intersections along more than 430 miles of streets. The signal program will meet the target early (prior to 2020) of synchronizing at least 2,000 signalized intersections by 2017.

5. Expand Metrolink Peak Capacity and Improve Rail Stations and Operating Facilities (Project R)

Status: A total of 52 rail-highway grade crossings with safety improvements, as part of Project R’s Metrolink Service Expansion Program (MSEP), were completed, before the M2020 Plan adoption. These improvements established quiet zones at rail crossings in the cities of Anaheim, Dana Point, Fullerton, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin. Additionally, under MSEP, funding for the following rail line and station improvements to accommodate increased service are underway and anticipated to be complete by 2020.

In Construction	Scheduled Construction Complete
1. Laguna Niguel/Mission Viejo Station American Disabilities Act Ramps	2017
2. Fullerton Transportation Center Elevator Upgrades	2017
In Design	Anticipated Construction Complete
3. Orange Parking Structure	2018
4. Placentia Metrolink Station	2020
5. San Juan Capistrano/Laguna Niguel Passing Siding	2019
In Environmental	Anticipated Construction Complete
6. Anaheim Canyon Metrolink Station	2020

6. Expand Metrolink Service into Los Angeles (Project R)

Status: Following the completion of the MSEP improvements, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/Mission Viejo, primarily during midday and evening hours. Efforts to increase ridership through a redeployment of the trains to reach Los Angeles (LA) without significantly impacting operating costs have been underway. The first step toward the improvement of passenger service between LA and Orange County took place in April 2015, with a time adjustment to several 91 Line trains, improving connections between LA and Orange County via Fullerton. Additionally, part of OCTA’s re-deployment plan involves providing new trips on the Orange County Line between Orange County and LA. Staff continues to work with BNSF Railway, Riverside County Transportation Commission, and Los Angeles County Metropolitan Transportation Authority to address track-sharing issues, operating constraints and funding that will impact the options for this redeployment.

7. Provide up to \$575 Million to Implement Fixed-Guideway Projects (Project S)

Status: To date, the Board has awarded funding through preliminary engineering of approximately \$18 million to the City of Anaheim for the Anaheim Rapid Connection (ARC) project and approximately \$11 million to the City of Santa Ana for OC Streetcar, totaling approximately \$29 million. On July 25, 2016, the Board approved a revised project funding plan for the OC Streetcar Project, totaling \$297.91 million. This amount includes approximately \$51 million in committed M2 Project S funds. Implementation progress for fixed-guideway projects is provided below.

OC Streetcar

OCTA, in partnership with the Federal Transit Administration (FTA) proposed the OC Streetcar project under the FTA New Starts Program. The build alternative for the OC Streetcar, as defined in the Locally Preferred Alternative, will be a 4.15-route-mile (8.3-track-mile) modern streetcar line that will connect the Santa Ana Regional Transportation Center to Downtown Santa Ana and a new transportation hub located near the intersection of Harbor Boulevard and Westminster Avenue in the City of Garden Grove. The project will include 12 stops, with platforms in each direction, and a new maintenance and storage facility to accommodate the streetcar fleet. OC Streetcar construction is anticipated to be complete in March 2020.

ARC

Per Board direction on June 27, 2016, the agreement with the City of Anaheim was amended to conclude planning efforts for the ARC Project. Any potential future phases of the project will occur under OCTA-led direction.

8. Deliver Improvements that Position Orange County for Connections to Planned High-Speed Rail Project (Project T)

Status: M2 has contributed Project T funds for the construction of the Anaheim Regional Transportation Intermodal Center (ARTIC), which is already complete and operational. This station is designed to be the southern terminus for the planned high-speed rail system in California. The City of Anaheim led the construction effort to build ARTIC, which was opened to rail and bus service on December 6, 2014.

9. Provide up to \$75 Million of Funding to Expand Mobility Choices for Seniors and Persons with Disabilities (Project U)

Status: To date, approximately \$40 million in Project U funding has been provided under M2 for the Senior Mobility Program, the Senior Non-Emergency Medical Transportation Program, and the Fare Stabilization Program. This program is on target for meeting its objective of providing up to \$75 million in funding by 2020.

10. Provide up to \$50 Million of Funding for Community-Based Transit Services (Project V)

Status: To date, the OCTA Board has approved approximately \$36.8 million to fund two separate calls for projects under Project V. Funding was approved to implement vanpool services from local employment centers to transportation hubs, special event and seasonal services that operate during heavy traffic periods, and local community circulators that carry passengers between various shopping, medical, and transportation related centers.

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)

Status: The Freeway Mitigation Program is proceeding as planned, with seven properties (Preserves) acquired (1,300 acres), and 11 restoration projects approved for funding by the Board, totaling approximately 350 acres. The restoration project plans have been approved by the wildlife agencies and are currently at various stages of implementation. To date, the Board has authorized \$42 million for property acquisitions (inclusive of designating funds to pay for long-term property maintenance), \$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

Status: The Final Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP,) along with the final environmental impact report and environmental impact statement document, are anticipated to be brought to the Board for adoption in late 2016. Separate preserve-specific Resource Management Plans (RMP's) for the five Preserves within Trabuco and Silverado canyons were released in November 2015, and the comment period closed on February 8, 2016. These RMP's are currently being finalized and will determine the appropriate management needs (consistent with the NCCP/HCP) for each of the Preserves. The two remaining Preserves (Hayashi and Aliso Canyon) will be the subject of future releases and will follow a similar process. Docent-led public access events will continue to be held.

13. Implement Water Quality Improvements of up to \$20 Million to Prevent Flow of Roadside Trash into Waterways (Project X)

Status: To date, there have been five rounds of funding under the Tier 1 Grants Program. A total of 122 projects, in the amount of over \$14 million, have been awarded by the OCTA Board since 2011. The sixth Tier 1 call for projects (call) was approved by the Board for up to \$2.76 million on February 8, and the call was released on February 15, 2016. This program is on track for meeting its objective

by 2020. Board approval of the funding recommendations for the sixth call is anticipated in September 2016. Since inception of the program through February 2016, approximately 1.3 million cubic feet of trash is estimated to have been removed from public waterways.

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).

Status: There have been two rounds of funding under the Tier 2 Grants Program. A total of 22 projects, totaling almost \$28 million, has been awarded by the OCTA Board since 2013. Approximately \$10 million remains for a third call, which is anticipated to occur in mid-2017. Upon completion, the Tier 1 and Tier 2 projects have the potential to save up to 213 million gallons of water per year. Since inception of the program through December 2014, more than 213 million gallons of runoff water has been saved.



ORANGE COUNTY TRANSPORTATION AUTHORITY

Measure M2 M2020 Update and Next 10 Plan

Attachment B

M2 Freeway Project Status

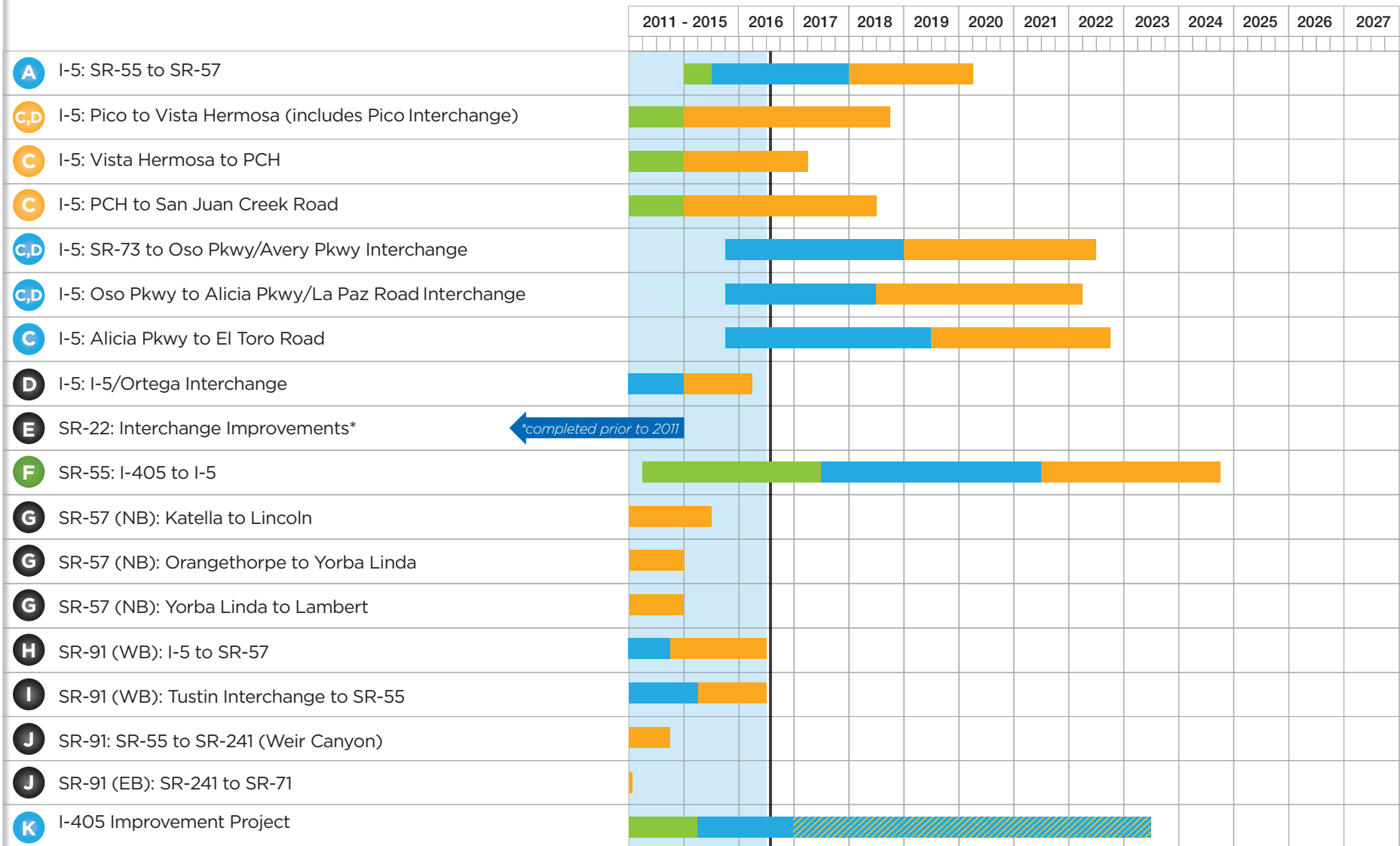
Environmental ■

Design/Advertise & Award ■

Construction ■

Design-Build ■

M2 Freeway Projects Through Construction



● Completed

M2 – Measure M2
 I-5 – Interstate 5
 SR-55 – State Route 55
 SR-57 – State Route 57
 PCH – Pacific Coast Highway

SR-73 – State Route 73
 Pkwy – Parkway
 SR-22 – State Route 22
 I-405 – Interstate 405
 NB – Northbound

SR-91 – State Route 91
 WB – Westbound
 SR-241 – State Route 241
 EB – Eastbound
 SR-71 – State Route 71

I-15 – Interstate 15
 I-605 – Interstate 605

M2 Freeway Project Status

Environmental █

M2 Freeway Projects Through Environmental Phase

	2011 - 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
B I-5 Widening (SR-55 to I-405)													
D I-5 / El Toro Road Interchange Improvements					<i>Schedule coming</i>								
F SR-55 Improvements (I-5 to SR-91)													
G SR-57 NB Widening (Orangewood Avenue to Katella Avenue)													
G SR-57 NB Widening (Lambert Road to County Line)					<i>Schedule coming</i>								
I SR-91 Widening (SR-57 to SR-55)													
J SR-91 Widening (SR-241 to I-15)*													
L I-405 Widening (SR-55 to I-5)													
M I-605 / Katella Avenue Interchange Improvements													

* Project environmentally cleared in 2012 as part of the Riverside County Transportation Commission's Corridor Improvement Project.



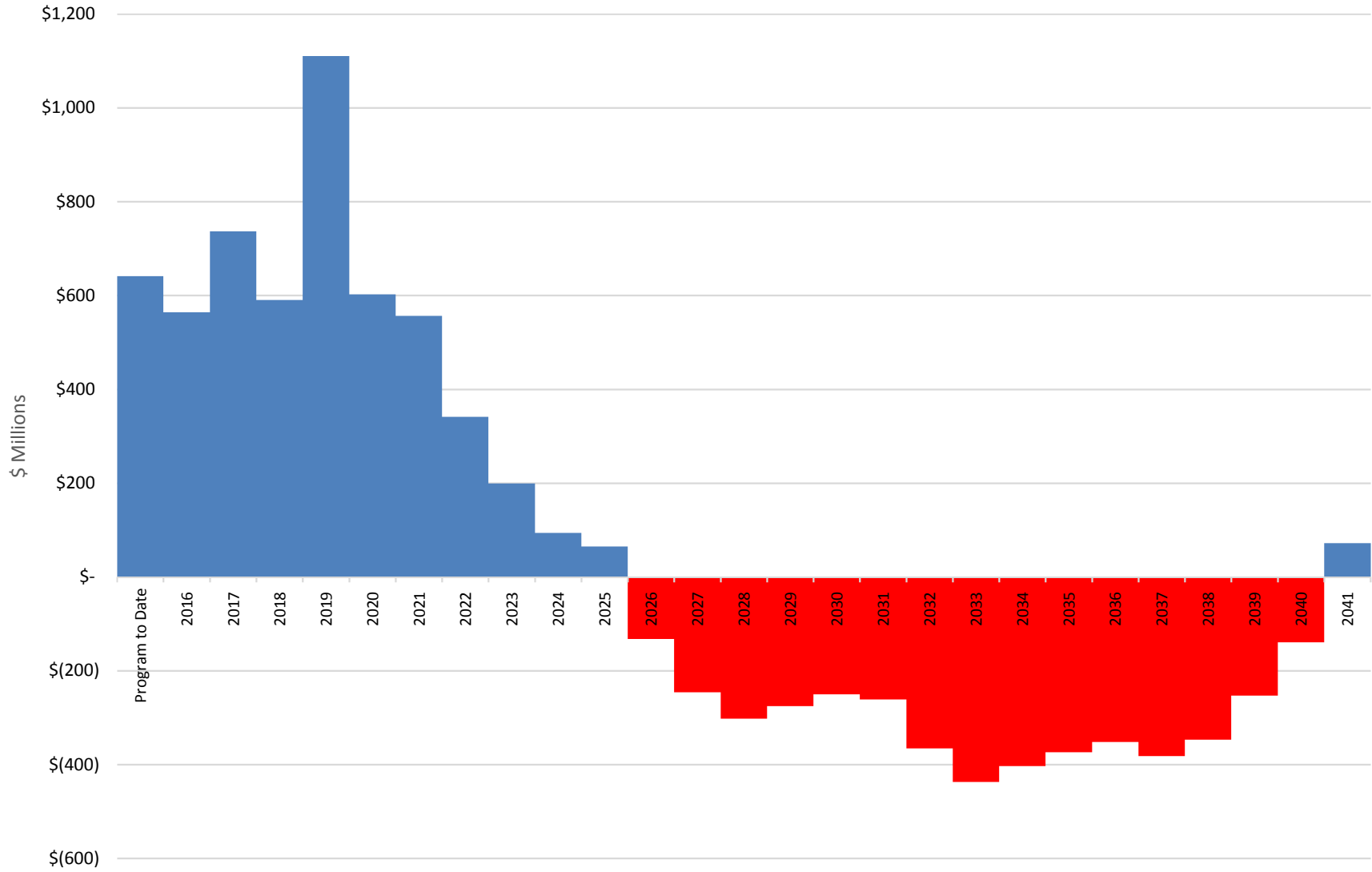
ORANGE COUNTY TRANSPORTATION AUTHORITY

Measure M2 M2020 Update and Next 10 Plan

Attachment C

Measure M2 Program Cash Balance

August 2016 M2 Sales Tax Revenue Forecast of \$14.3 Billion





ORANGE COUNTY TRANSPORTATION AUTHORITY

Measure M2 M2020 Update and Next 10 Plan

Attachment D



Deliverables

The Next 10 Plan is based on ten deliverables. These deliverables included below are intended to provide guidance on program and project delivery for the next ten years.

Freeways

- 1. Relieve freeway congestion by completing nearly half of the remaining Measure M2 (M2) freeway projects and environmentally clearing the rest to be shelf ready**
 - a. Complete construction of nine freeway project segments. Seven segments along Interstate 5 (I-5), one segment along Interstate 405 (I-405), and one along State Route 55 (SR-55) (projects A, C, F, and K).
 - b. Complete the environmental phase for the remaining nine project segments to be shelf ready. This includes one segment on I-5, I-405, SR-55, and two segments along State Route 57 and State Route 91, and two interchange projects, one at El Toro Road/I-5 and one at Katella Avenue/Interstate 605 (projects B, D, F, G, I, J, L, and M).
 - c. If additional external funding becomes available, conduct an analysis to determine if the cash flow supports funding one of the shelf ready projects through construction. In the event it does, bring a recommendation to the Board of Directors (Board) on a project to advance using the guiding principles developed.

Streets and Roads

- 2. Invest \$650 million of funding into streets and roads improvement projects to expand roadway capacity and optimize the system (projects O and P)**
- 3. Support local jurisdictions to ensure eligibility and provide \$600 million in flexible funding (Project Q)**

Transit

- 4. Ensure efficient and integrated Metrolink service for Orange County residents**
 - a. Maintain Metrolink peak period capacity (Project R).

- b. Complete six rail station improvements underway (Project R).
 - c. Expand Metrolink service into Los Angeles County, contingent upon cooperation and funding participation from route partners including BNSF Railway (Project R).
- 5. Assess and deliver transit options providing commuters last mile connections and alternatives to driving**
- a. Deliver and begin the OC Streetcar service (Project S).
 - b. Complete the Harbor Corridor Transit Study and the Orange County Transit Master Plan and bring recommendations to the Board on future transit connections for consideration.
- 6. Provide up to \$120 million in funding to expand mobility choices for seniors and persons with disabilities**
- a. Stabilize the Orange County Transportation Authority's bus fares and provide funds for senior community transportation programs and senior non-emergency medical transportation services (Project U).
- 7. Support local agency efforts to deliver Board-approved community transit projects**
- a. Continue to support local agency efforts to provide effective and complementary local transit services (Project V).
- 8. Advance improvements to the busiest transit stops to provide passenger amenities that ease transfers between bus lines**
- a. Continue to work with the local agencies to improve the busiest bus stops in Orange County (Project W).
 - b. Support the implementation of mobile ticketing to ensure ease of fare purchase and convenience for bus passengers (Project W).

Environmental

- 9. Ensure the ongoing preservation of M-funded purchased open space (Preserves) providing comprehensive mitigation of the environmental impacts of freeway improvements and higher-value environmental benefits in exchange for streamlined project approvals.**
- a. Oversee and manage the Preserves while the endowment is being established and determine long term land manager(s) and endowment holder(s).

- b. Focus environmental mitigation program resources funding as a first priority toward the establishment of the endowment for the Preserves.
- c. Complete the resource management plans on M2 Preserves including provisions for public access as appropriate (projects A-M).

10. Protect Orange County beaches by removing up to 25 tons* of trash from entering waterways and inlets that ultimately lead to the ocean

- a. Work with the Environmental Cleanup Allocation Committee to develop the next tiers of water quality programs with a goal of continued implementation of up to \$75 million of investments to prevent the flow of trash into waterways from transportation facilities. In addition, focus on improving water quality on a regional scale that encourages partnerships among the local agencies as part of the Environmental Cleanup Program (Project X).

* Trash removal achieved by funded projects will be additive with each new call for projects and will continue yielding greater benefits as equipment is in operation over time.

DRAFT

*Information
Items*



ORANGE COUNTY TRANSPORTATION AUTHORITY

OC Streetcar Project Revised Capital Funding Plan

Staff Report



August 22, 2016

To: Members of the Board of Directors
From: Darrell Johnson, Chief Executive Officer
Subject: OC Streetcar Project Revised Capital Funding Plan

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

Overview

On August 16, 2016, the California State Transportation Agency announced an award of a \$25.52 million Transit and Intercity Rail Capital Program grant to the OC Streetcar Project. An updated funding plan, as well as an authorizing resolution to accept the grant, is presented for approval to incorporate the recommended state funding.

Recommendations

- A. Adopt the Orange County Transportation Authority Resolution 2016-070 authorizing the Chief Executive Officer, or designee, to accept the \$25.52 million grant award and execute grant-related agreements with the California State Transportation Agency, and the California Department of Transportation as the administrative agency of the Transit and Intercity Rail Capital Program.
- B. Approve the redirection of \$9.17 million in Federal Transit Administration Section 5307 funds from the Anaheim Regional Connector Project to the OC Streetcar Project, increasing Federal Transit Administration Section 5307 funds from \$4.09 million to \$13.26 million.
- C. Approve the use of up to \$5.32 million in Measure M2 Project S funds, increasing Measure M2 funds from \$51.83 million to \$57.15 million.
- D. Approve the revised Capital Funding Plan and authorize staff to make all necessary amendments to the Federal Transportation Improvement Program, and execute any required agreements or amendments to facilitate the recommendation above.

Background

The State Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill 862 (Chapter 36, Statutes of 2014) to provide grants from the Greenhouse Gas (GHG) Reduction Fund to support capital and operational investments that will modernize, improve, and integrate bus and rail transit systems. The purpose of the TIRCP is to reduce GHG emissions by reducing vehicle miles traveled throughout the state.

On February 5, 2016, the California State Transportation Agency (CalSTA), in collaboration with the California Department of Transportation as the designated administrative agency, issued a competitive call for projects that made available a minimum of \$440 million through state fiscal year 2017-18 based on ten percent of cap-and-trade auction proceeds. The final amount of funding available is dependent on the level of cap-and-trade auction proceeds. In response to this opportunity, the Orange County Transportation Authority (OCTA) submitted a proposal to CalSTA requesting funding to support the OC Streetcar Project.

On July 25, 2016, OCTA's Board of Directors (Board) approved the capital funding plan for the OC Streetcar, providing a total of \$297.92 million for the project. The funding sources included the Federal Capital Investment Grant Program (New Starts), Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds, Federal Transit Administration (FTA) Section 5307, Measure M2 (M2) Project S, and TIRCP funding. On August 16, 2016, CalSTA announced the award of TIRCP funds to the OC Streetcar Project in the amount of \$25.52 million. As a result, a funding plan revision is required to incorporate the actual grant amount awarded by CalSTA.

Discussion

Projects pursuing a New Starts full funding grant agreement are required to show a committed and reasonably-anticipated funding plan for the project, including the local match. Consistent with the Board-adopted Capital Programming Policies and the M2 Ordinance, which requires that every effort be made to maximize state and federal funding for M2 projects, staff submitted an application to CalSTA in April 2016 to pursue TIRCP funds. The funding plan assumed that the project might receive up to \$40 million from this cap-and-trade program. The possibility that the OC Streetcar Project might not receive a full award, based on the lower than anticipated revenues for the grant program, was further discussed in the July 25, 2016, Board report.

Based on the announcement, CalSTA is awarding the OC Streetcar Project a \$25.52 million grant toward the New Starts project cost, contingent upon the receipt of a federal New Starts full funding grant agreement. The award leaves a \$14.48 million gap in the funding plan that the revised plan will address.

On June 27, 2016, the Board approved the City of Anaheim concluding all planning work on the Anaheim Regional Connector Project with OCTA taking over any future work on this concept. There is approximately \$9.17 million in FTA funds that remain available from that project, which is in the same FTA grant as the OC Streetcar. OCTA is limited in how it may redirect the remaining FTA funds and only projects within the existing grant are eligible to use the funds. For this reason, it is recommended that these funds be used for the OC Streetcar to avoid risk of their loss. This change will make up part of the funding gap in the plan. It is recommended that the remaining difference of \$5.32 million be funded using M2 Project S. The use of additional M2 Project S funds for this project fits well within the most recent Project S revenue projections.

The table below compares the July funding strategy to the proposed, revised funding plan.

Funding Sources (millions)	Prior Plan	Updated Plan	Difference	% of Project Funding
Federal New Starts*	\$ 148.96	\$ 148.96	\$ -	
Federal CMAQ	53.03	53.03	-	
Federal FTA 5307*	4.09	13.26	9.17	
Sub-Total Federal	\$ 206.08	\$ 215.25	\$ 9.17	72.2%
State Cap-and-Trade*	\$ 40.00	\$ 25.52	\$ (14.48)	8.6%
Sub-Total State and Federal	\$ 246.08	\$ 240.76	\$ (5.32)	80.8%
M2 - Project S	\$ 51.83	\$ 57.15	\$ 5.32	19.2%
TOTAL*	\$ 297.91	\$ 297.91	\$	100.0%

*Final amounts contingent upon state and federal approvals.

Another TIRCP grant of approximately \$2.48 million for mobile ticketing equipment will provide supplemental funding for a mobile ticketing project, which is beyond the existing scope for the OC Streetcar New Starts Capital Funding Plan. Staff intends to return to the Board at a later date on the specific scope and schedule for use of this grant award.

The Capital Funding Plan, which provides funding information for OCTA-funded commuter rail capital projects and also highlights the recommended changes included in this item is provided as Attachment A. A resolution that would authorize OCTA to accept the TIRCP grant is provided as Attachment B.

Next Steps

The project team will continue to prepare the annual New Starts application update and submit the application to FTA by September 2, 2016. Additionally, the project team will continue to develop the application to enter engineering, and, upon resolution of FTA comments, will submit a letter formally requesting entry into engineering. This request is anticipated to be made in fall 2016 following FTA's acceptance of the New Starts application annual update submittal.

Summary

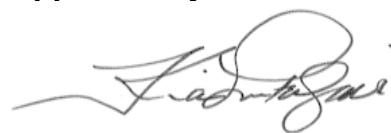
A revised funding plan for the OC Streetcar Project that reflects the award of \$25.52 million in TIRCP funding is presented. Staff is seeking Board approval OC Streetcar Project will use a total of \$240.76 million in state and federal funding to support approximately 80.8 percent of the overall project cost matched with 19.2 percent in Measure M2 funds.

Attachments

- A. Capital Funding Program Report
- B. Resolution No. 2016-070 - Orange County Transportation Authority - 2016 Transit and Intercity Rail Capital Grant Program Authorization

Prepared by:

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Capital Programming Manager
(714) 560-5915

Approved by:

Kia Mortazavi
Executive Director, Planning
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ORANGE COUNTY TRANSPORTATION AUTHORITY

OC Streetcar Project Revised Capital Funding Plan

Attachment A



Capital Funding Program Report

Pending Board of Directors (Board) Approval - August 22, 2016

Rail Project

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Fullerton Transportation Center Parking Expansion Project	M1/R	\$33,667	\$11,250	\$11,035			\$9,718		\$1,664
Laguna Niguel-Mission Viejo Station Parking Improvements and Expansion	M1/R	\$15,134			\$6,500		\$8,634		
Orange Transportation Center Parking Structure	M1/R	\$33,175	\$13,762		\$4,073	\$3,298	\$1,850	\$420	\$9,772
Sand Canyon Avenue Grade Separation Project	M1/R	\$61,962		\$28,104	\$10,536		\$3,116	\$5,352	\$14,854
M2 Project S Fixed-Guideway Anaheim Rapid Connection ¹	M1/S	\$10,286				\$1,516	\$6,000	\$1,335	\$1,435
OC Streetcar (Proposed New Starts) ²	M1/S	\$297,911	\$25,518		\$53,034	\$162,213		\$57,146	
OC Streetcar Preliminary Studies and Environmental	M1/S	\$7,014				\$341	\$4,977	\$554	\$1,142
Anaheim Regional Intermodal Transportation Center (ARTIC) Construction	M1/T	\$184,164	\$29,219		\$35,000	\$40,754	\$43,900	\$35,291	
Fullerton Transportation Station Expansion Planning, Environmental PSR	M1/T	\$875			\$775		\$100		
17th Street Grade Separation Environmental	R	\$3,500						\$3,500	
Anaheim Canyon Station Improvements	R	\$20,051			\$18,050	\$2,001			
Control Point at 4th Street	R	\$4,000				\$4,000			
Future Video Surveillance Systems	R	\$1,531				\$1,288			\$243
Laguna Niguel to San Juan Capistrano Passing Siding	R	\$25,274	\$3,000	\$2,483	\$19,791				
Metrolink Rehabilitation/Renovation - fiscal years 2011-12 to 2019-20	R	\$82,217				\$82,217			
Metrolink Station and Track Improvements, and Rehabilitation	R	\$2,230				\$1,784			\$446
Placentia Commuter Rail Station	R	\$34,825	\$2,500	\$400	\$50			\$8,000	\$23,875
Positive Train Control (Metrolink)	R	\$39,916		\$34,190		\$5,726			
Rail Station Platform Safety Improvements (Fullerton, Irvine, and Tustin)	R	\$788		\$788					
San Clemente Beach Trail Crossings Safety Enhancements	R	\$5,103		\$2,170				\$2,311	\$622
San Juan Creek Bridge Replacement	R	\$34,200		\$3,612		\$29,375		\$1,213	
Slope Stabilization Laguna Niguel-Lake Forest	R	\$2,000				\$2,000			
State College Grade Separation (LOSSAN)	R	\$79,284		\$46,000				\$33,284	
Ticket Vending Machines	R	\$6,857				\$6,857			
Video Surveillance Systems at Commuter Rail Stations	R	\$4,300				\$3,440			\$860
M2 Project S Transit Extensions to Metrolink (Rubber Tire)	S	\$733						\$733	
Mobile Ticketing Equipment for OC Streetcar ³	S	\$2,482	\$2,482						
Rail Project Totals		\$993,479	\$87,731	\$128,782	\$147,809	\$346,810	\$78,295	\$149,139	\$54,913
State Funding Total		\$216,513							
Federal Funding Total		\$494,619							
Local Funding Total		\$282,347							
Total Funding (000's)		\$993,479							

Rail Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Metrolink Grade Crossing Safety Improvements (OCX)	M1/R	\$85,009		\$18,595			\$6,305	\$36,299	\$23,810
Metrolink Rolling Stock	M1/R	\$158,009		\$36,300	\$42,230	\$35,390	\$44,089		

ATTACHMENT A



Capital Funding Program Report

Rail Project Completed

Project Title	M Code	Total Funding	State Funds		Federal Funds		Local Funds		
			STIP/Other	State Bonds	RSTP/CMAQ	Other Fed.	M1	M2	Local - Other
Metrolink Service Track Expansion	M1/R	\$119,957		\$51,399			\$68,558		
Santa Ana Grade Separation Planning and Environmental PSR	M1/T	\$1,333			\$1,180		\$153		
Santa Ana Transportation Station Planning and Environmental PSR	M1/T	\$1,003			\$888		\$115		
Control Point Stadium Crossover	R	\$6,490		\$3,245		\$3,245			
LOSSAN Corridor Grade Separations PSR in Anaheim, Orange, and Santa Ana	R	\$2,699						\$2,699	
Metrolink Grade Crossing Safety Improvements ROW	R	\$3,025						\$3,025	
North Beach Crossings Safety Enhancements	R	\$348		\$166				\$182	
Rail Crossing Signal Lights and Pedestrian Gates	R	\$252		\$252					
Safety Repairs for San Clemente Pier Station	R	\$122		\$122					
Transit Rail Security (Monitors, Fencing, Video Surveillance)	R	\$310		\$310					
Go Local	S	\$7,730					\$7,730		
ARTIC Environmental, ROW, Program Management Support, Site Plan	M1	\$42,888					\$42,888		
Fiber Optics Installation (Metrolink)	M1	\$24,600		\$12,300		\$10,903	\$1,397		
Laguna Niguel-Mission Viejo Station Parking Expansion (South Lot)	M1	\$4,135		\$695			\$3,440		
Tustin Rail Station Parking Expansion	M1	\$15,389	\$1,100	\$7,181			\$7,108		
Rail Project Totals		\$473,299	\$1,100	\$130,565	\$44,298	\$49,538	\$181,783	\$42,205	\$23,810
State Funding Total		\$131,665							
Federal Funding Total		\$93,836							
Local Funding Total		\$247,798							
Total Funding (000's)		\$473,299							

Board Actions:

1. Requesting Board approval to direct \$9.17 million in Federal Transit Administration (FTA) Section 5307 to the OC Streetcar (proposed New Starts) project. Project cost decreases from \$19.45 million to \$10.29 million.
2. Requesting Board approval to use \$9.17 million in FTA Section 5307 from the Anaheim Rapid Connection Project and increase up to \$5.31 million in M2 Project S funds. Project cost remains the same at \$297.91 million.
3. The California State Transportation Agency approved the use of \$2.48 million in Transit and Intercity Rail Capital Program funds for the project.

Acronyms:

- OCTA - Orange County Transportation Authority
- M Code - M1 = Measure M1, otherwise Project Codes in Measure M2 Program
- STIP - State Transportation Improvement Program
- RSTP/CMAQ - Regional Surface Transportation Program/Congestion Mitigation and Air Quality
- Fed. - Federal
- M1/M2 - Measure M1/Measure M2
- PSR - Project Study Report
- LOSSAN - Los Angeles-San Diego-San Luis Obispo Rail Corridor
- OCX - Rail-Highway Grade Crossing/Safety Enhancement Project
- ROW - Right-of-way



ORANGE COUNTY TRANSPORTATION AUTHORITY

OC Streetcar Project Revised Capital Funding Plan

Attachment B

RESOLUTION NO. 2016-070

ORANGE COUNTY TRANSPORTATION AUTHORITY

**2016 TRANSIT AND INTERCITY RAIL CAPITAL GRANT PROGRAM
AUTHORIZATION**

WHEREAS, the California State Transportation Agency, in collaboration with the California Department of Transportation, administers the Transit and Intercity Rail Capital Program to fund transformative capital improvements that will modernize the State's intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion, and;

WHEREAS, the Orange County Transportation Authority applied for and was awarded grant funds as an eligible grantee of Transit and Intercity Rail Capital Program funds, and;

WHEREAS, the California State Transportation Agency and California Department of Transportation requires the grantee to certify, by resolution, the acceptance of awarded grant funds and authority to execute grant-related agreements for the purpose of implementing the grant project;

THEREFORE, BE IT RESOLVED that the Board of Directors of the Orange County Transportation Authority authorizes the Chief Executive Officer, or designee, to file and execute grant applications and agreements, certifications and assurances, and other documents for and on behalf of the Orange County Transportation Authority for the purpose of obtaining financial assistance awarded through the Transit and Intercity Rail Capital Program.

ADOPTED, SIGNED, AND APPROVED this ____ day of _____, 2016.

AYES:

NOES:

ABSENT:

ATTEST:

Laurena Weinert
Clerk of the Board

Lori Donchak, Chair
Orange County Transportation Authority



COMMITTEE TRANSMITTAL

September 12, 2016

To: Members of the Board of Directors

From:  Lauren Weinert, Clerk of the Board

Subject: Measure M2 Quarterly Progress Report for the Period of April 2016 Through June 2016

Executive Committee Meeting of September 1, 2016

Present: Vice Chairman Hennessey and Directors Murray, Nelson, Spitzer, and Ury

Absent: Chair Donchak and Director Lalloway

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Receive and file as an information item.



ORANGE COUNTY TRANSPORTATION AUTHORITY


**Measure M2 Quarterly Progress Report for the Period of
April 2016 Through June 2016**

Staff Report



September 1, 2016

To: Executive Committee

From: Darrell Johnson, Chief Executive Officer 

Subject: Measure M2 Quarterly Progress Report for the Period of April 2016 through June 2016

Overview

Staff has prepared a Measure M2 quarterly progress report for the period of April 2016 through June 2016, for review by the Orange County Transportation Authority Board of Directors. This report highlights progress on Measure M2 projects and programs and will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

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

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

Discussion

This quarterly report reflects current activities and progress across all M2 programs for the period of April 1, 2016 through June 30, 2016 (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 Program, and Senior Mobility Program payments made to cities this quarter, as well as total payments from M2 inception through June 2016.

M2020 Plan Progress

Pages one through five of Attachment A (in every M2 quarterly report) include OCTA's progress on delivering the 14 objectives identified in the M2020 Plan. In summary, all 14 objectives are moving forward towards delivery as adopted by the Board, with the exception of one outlier within Objective 1 of the freeway program (State Route 55 {SR-55} between Interstate 405 {I-405} and Interstate 5 {I-5}). Although reported as "on hold", the environmental phase for this project began moving forward after the quarter. The Program Management Office (PMO), working closely with OCTA's division directors and project managers, will continue to monitor and analyze risks associated with delivering the M2 program of projects. Staff will continue to keep the Board informed on these challenges through Capital Programs metrics staff reports, separate project-specific staff reports, and these quarterly progress reports.

Additionally, Attachment A includes a summary of the PMO activities that have taken place during the quarter. Two areas in particular are highlighted below.

2012-2015 M2 Performance Assessment Update

The final M2 Performance Assessment report and findings were received in May 2016. The results of the Performance Assessment, including findings, were brought to the Taxpayer Oversight Committee on June 14, 2016, for information and were presented to the Board for review on August 8, 2016.

M2 Sales Tax Forecast Update and M2020 Plan Review

During the quarter, staff updated all M2 program cash flows based on the revised Board-approved forecast methodology to ensure a more realistic revenue assumption. This resulted in an \$800 million decrease, bringing the forecast to

\$14.8 billion. After the quarter, the 2016 forecast information was received from MuniServices, Inc., for years 2017-2021, along with forecast information from the three universities (California State University of Fullerton, University of California Los Angeles, and Chapman University). An update on these cash flows and their impact on the M2020 Plan is being prepared for presentation to the Board in September 2016.

Progress Update

The following highlights M2 Program accomplishments that occurred during the fourth quarter:

- Final design plans for the Orange Metrolink parking structure were completed on April 4, 2016, and environmental clearance was achieved on May 2, 2016 (Project R).
- On April 11, 2016, the Board awarded \$38 million to fund 19 Regional Capacity Program (RCP) projects and approximately \$12.4 million to fund seven local agency Regional Traffic Signal Synchronization Program (RTSSP) projects for the sixth RCP and RTSSP call for projects (call) (Project O and P).
- Also on April 11, 2016, a consultant was selected to complete the project report and environmental document for the SR-55 project, between I-5 and State Route 91 (SR-91) (Project F), and the Interstate 605/Katella Avenue Interchange Project (Project M).
- On April 25, 2016, the Board directed staff to pursue opportunities to acquire streetcar vehicles for the OC Streetcar Project by exercising unassigned options on another agency's vehicle contract (Project S).
- On April 29, 2016, the environmental phase began for the State Route 57 (SR-57) northbound project between Orangewood Avenue to Katella Avenue (Project G).
- The SR-91 improvement project between SR-55 and Tustin Avenue interchange was opened to traffic on May 14, 2016 (Project I).
- On May 17, 2016, a roadway opening celebration event was held for the Orangethorpe Avenue and Tustin Avenue/Rose Drive grade separation projects. Orangethorpe Avenue, from Miller Street to Chapman Avenue,

was reopened to traffic on June 23, 2016. Construction is anticipated to be complete for both projects next quarter (Project O).

- On May 18, 2016, the California Transportation Commission approved OCTA's application for a toll facility on I-405. On May 23, 2016, the Board approved the Initial Toll Policy and Preliminary Finance Plan (Project K).
- On June 13, 2016, the Board approved amendments for all 35 Senior Mobility Program agreements along with their Service Plans (for 31 cities and four participating agencies), extending their duration for an additional five years, and incorporating the new guideline requirements adopted by the Board in March (Project U).
- Additionally on June 13, 2016, the Board approved \$26.7 million in Project V funds for 17 Capital and Operations grants and \$323,780 for seven planning grants (Project V).
- The SR-91 westbound project between SR-57 to I-5 was officially completed on June 23, 2016 (Project H).
- On June 27, 2016, the Board approved an amendment to the agreement with the City of Anaheim (City) for the City to conclude all planning efforts on the Anaheim Rapid Connection Project, and to submit all work completed to date to OCTA. At that time, the Board also approved the study of a connection between the Anaheim Regional Transportation Intermodal Center and the Anaheim Resort Area into the Central Harbor Boulevard Corridor Study.
- A new cooperative agreement with the City of Placentia was approved by the Board on June 27, 2016, that revised the scope of the Placentia Station project and budget. There will now be a parking structure as part of the project, and the City of Placentia will contribute towards the cost (Project R).

The following recent activities and/or accomplishments have taken place after the close of the fourth quarter:

- On July 25, 2016, an RTSSP update was presented to the Board summarizing the associated fuel consumption, gas, and greenhouse gas savings, along with time, speed, and stop improvements for 38 implemented signal synchronization projects, equivalent to 1,682 signalized intersections and 436 miles of streets (Project P).

- The Board also directed staff to incorporate a modified Alternative 3 for the SR-55 Improvement Project between I-405 and I-5 on July 25, 2016. The modified alternative includes the addition of one high-occupancy vehicle (HOV) lane in each direction and exceptions to design standards to minimize additional right-of-way impacts and cost increases to Alternative 3 by staying within the same footprint. Additionally, the California Department of Transportation (Caltrans) has provided \$46.8 million towards the cost of this project. On August 8, 2016, the Board approved an amendment that incorporates this alternative into the draft environmental document and project report (Project F).
- On August 8, 2016, the Board approved the release of request for quotes to purchase 11, 32-foot compressed natural gas-powered cutaway buses for Community-Based Circulators (Project V).
- Two separate consultants were selected on August 8, 2016, to provide interim land management services and interim biological preserve monitoring for OCTA's acquired conservation lands for a five-year term. (Part of projects A-M).
- Along with revised Combined Transportation Funding Program guidelines, the Board authorized staff to issue the 2017 call on August 8, 2016, making approximately \$32 million available for RCP projects, and \$8 million for RTSSP projects. Guideline revisions include a tiered funding approach for RCP projects to clarify project readiness issues, define alternative level of service methodologies, and other minor changes (projects O and P).
- On August 8, 2016, the Board directed staff to return in the fall with an amended funding plan for OC Bridges grade separation projects (Project O).
- On August 11, 2016, the Transit Committee recommended approval of the OC Streetcar stop design criteria and directed staff to return to the Board to seek feedback on the conceptual design of the OC Streetcar stops (Project S).

A critical factor in delivering M2 freeway projects is to ensure project scope, schedules, and budgets remain on target. Project scope increases, project

delays, and resulting cost increases can quickly affect project delivery and have a cascading effect on other activities. In light of the recent reduction in the sales tax revenue forecast, this factor is even more significant.

Caltrans and OCTA continue to work together to move projects forward; however, there are a number of issues that create challenges. Caltrans' strategic policy direction has shifted away from system capacity enhancements, such as general purpose lane additions, and now includes a focus on construction and enhancement of managed lane systems, including HOV lanes.

This policy shift has impacted OCTA's ability to move forward with delivery on the SR-55 project, between I-5 and I-405. The project was put on hold in March, and alternatives and project need were discussed at length with Caltrans. Caltrans has proposed a Modified Alternative 3 and, as a result, the project report and environmental document will need to be revised. While this modification will add at least one year to the already delayed project (as well as additional cost), Caltrans has agreed to expedite project approval and contribute \$48.6 million toward this project. OCTA is appreciative of Caltrans' efforts to compromise amidst differing priorities; however, the associated risks continue to illustrate OCTA's concern over how non-M2-focused priorities may delay or impact the remaining M2 freeway projects.

Another recent challenge that the program is facing is related to the reduction in Orange County's share of State Transportation Improvement Program (STIP) funding of \$42.2 million and delays to previously programmed M2 projects. The impacts related to the STIP reduction include a one-year delay on Project A – a \$39 million project, and a two-year delay on Project C – a \$466 million project which will result in cost increases for both projects due to escalation. This loss of external funding is in addition to the reduction in M2 sales tax revenue as a result of the revised M2 sales tax revenue forecasting methodology discussed above. These changes will be reflected in the cash flow analysis update currently underway on all M2 programs. As stated earlier, an update on the M2 Program cash flows and analysis on the M2020 plan delivery will be presented to the Board in September 2016.

Summary

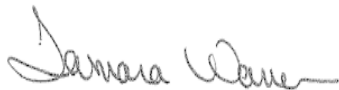
As required by M2 Ordinance No. 3, a quarterly report covering activities from April 2016 through June 2016 is provided to update progress in implementing the M2 Transportation Investment Plan. The above information and the attached details indicate significant progress on the overall M2 Program. To be

cost-effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 quarterly progress report is presented on the OCTA website. Hard copies are available by mail upon request.

Attachment


- A. Measure M2 Progress Report – Fourth Quarter of Fiscal Year 2015-16 – April 1, 2016 through June 30, 2016

Prepared by:



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

Approved by:



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



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Quarterly Progress Report for the Period of
April 2016 Through June 2016**

Attachment A



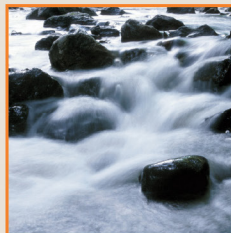
- FOURTH QUARTER HIGHLIGHTS:**
- Freeway Projects
 - Streets and Roads
 - Environmental Cleanup & Water Quality
 - Freeway Mitigation Program
 - Finance Matters
 - Program Management Office
 - Summary

Measure M2

Progress Report



Fourth Quarter of Fiscal Year 2015-16
 April 1, 2016 through June 30, 2016





SUMMARY

As required by the Measure M2 (M2) Ordinance No. 3, a quarterly report covering activities from **April 1, 2016 through June 30, 2016** 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

TABLE OF CONTENTS



SECTION	PROJECT	PAGE
M2 Delivery Risk Update		1
M2020 Plan Update		2
Freeway Program (Projects A - N)		6
Interstate 5 (I-5) Projects	[A – D]	6
State Route 22 (SR-22) Project	E	9
State Route 55 (SR-55) Projects	F	10
State Route 57 (SR-57) Projects	G	11
State Route 91 (SR-91) Projects	[H – J]	12
Interstate 405 (I-405) Projects	[K – L]	14
Interstate 605 (I-605) Project	M	16
Freeway Service Patrol	N	16
Streets and Roads (Projects O, P and Q)		17
Regional Capacity Program	O	17
Regional Traffic Signal Synchronization	P	20
Local Fair Share Program	Q	20
Transit Programs (Projects R, S, T, U, V and W)		22
High Frequency Metrolink Service	R	22
Transit Extensions to Metrolink	S	25
Regional Gateways for High-Speed Rail	T	27
Expand Mobility Choices for Seniors and Persons with Disabilities	U	28
Community Based Transit / Circulators	V	29
Safe Transit Stops	W	30
Environmental (Project X and Freeway Mitigation Program)		31
Environmental Cleanup	X	31
Freeway Mitigation Program (Part of Projects A – M)		32
Program Management Office		34
M2 Financing and Schedule of Funding		37
Local Fair Share M2 Funding by Agency		44
Capital Action Plan Status		46

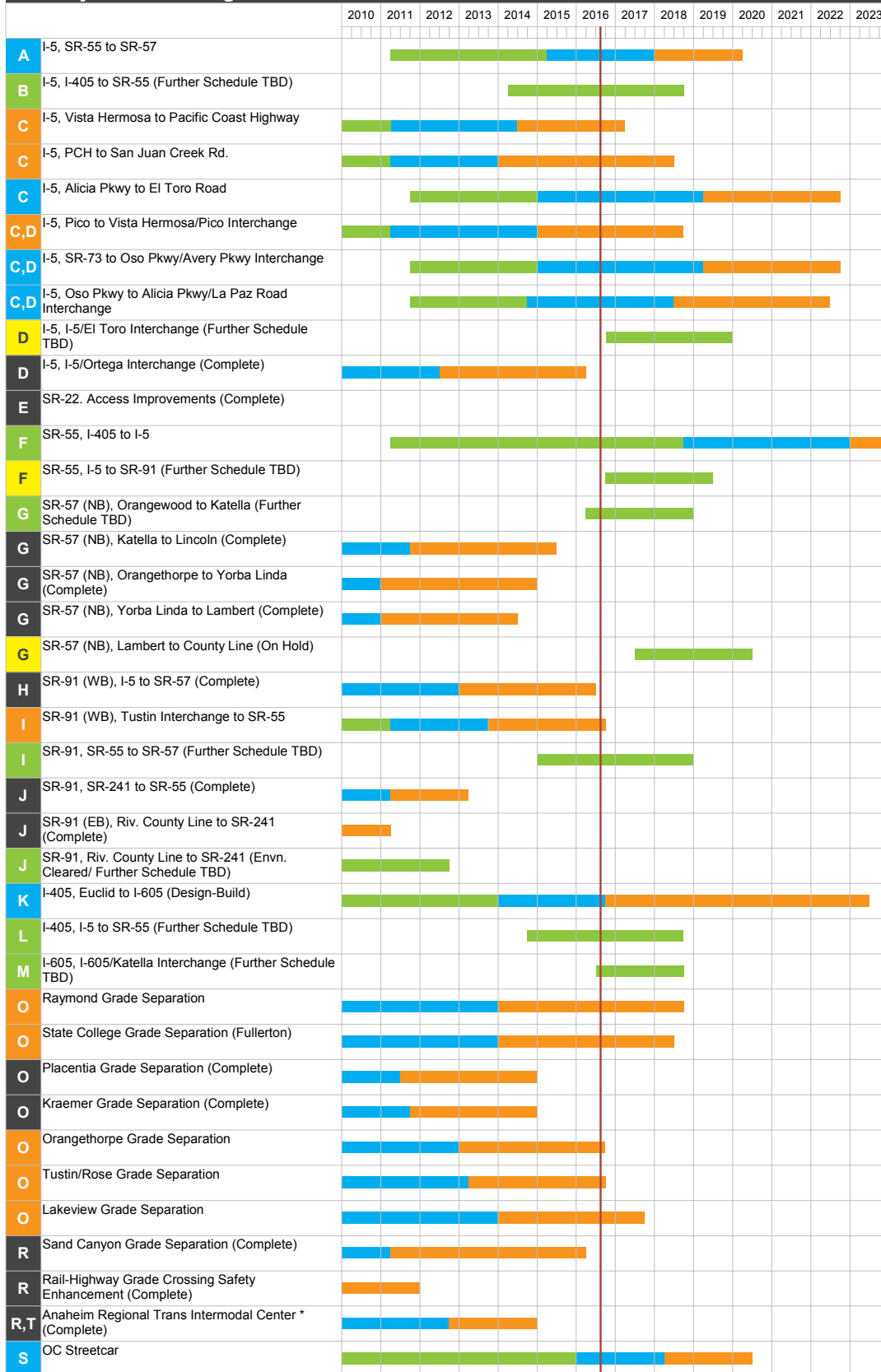


Project Schedules

M2 PROJECT SCHEDULES



M2 Projects and Programs



*Projects managed by local agencies.

Project K is a Design-Build project, with some overlap in activities during phases. Phase work can be concurrent.

Shown schedules are subject to change.



Key:

- One to Watch
- At Risk

M2 Delivery Risk Update

This section discusses the risks and challenges related to overall Measure M2 and M2020 Plan delivery that the Measure M Program Management Office is watching – complete with associated proposed actions and explanations.

Delivery Risk	Explanation	Proposed Action	
1	Delay in project phases affecting overall costs and ability to deliver projects. Caltrans and OCTA maintain varying perspectives with regard to freeway program delivery.	A critical factor in delivering M2 is keeping project costs and schedules on target. Caltrans and OCTA must remain coordinated, despite varying goals. OCTA is the funding agency, whose M2 mandate is to deliver projects promised to the voters while limiting impacts to the community. Caltrans' strategy is to address ultimate need for long-term solutions whenever possible. The challenge is how to balance these strategies.	OCTA and Caltrans will work together to find common ground and allow for project delivery, which is critical to the success of both agencies. Projects experiencing delays will continue to be highlighted in these quarterly reports as well as divisional metric reports as appropriate. If a project is nearing a critical delay, a separate and specific project staff report will be presented to the Board to ensure awareness.
2	Availability of specialized staff given the scope of right-of-way (ROW) activities for the various freeway construction activities.	Timely ROW acquisition and utility clearance has proven to be a key factor in reducing risk on construction projects. Expert and timely coordination between OCTA and Caltrans is imperative to manage this risk.	The heavy demand on Caltrans' ROW resources will be a challenge for early acquisition. This is further challenged by a change in meeting frequency by the California Transportation Commission, a necessary step in ROW settlement. OCTA and Caltrans will need to work closely to address the risk associated with Caltrans' limited ROW resources. If resource issues continue to be a problem, OCTA should consider taking responsibility for ROW activities.
3	Availability of management and technical capabilities to deliver/operate future rail guideway projects.	The OCTA Board has selected a project management consultant for the upcoming engineering and construction phases of the OC Streetcar project, who will assist with the development of plans related to project delivery, management and operations.	OCTA's Project Management Plan demonstrates OCTA has the technical and management capacity to construct and operate the OC Streetcar. Since submission of the Plan to FTA, the project has received a "medium-high" overall rating. OCTA is on track to submit a letter formally requesting entry into engineering in fall 2016.
4	Changes in priorities over the life of the program.	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.	Staff regularly monitors Plan performance and delivery constraints, and will highlight particular concerns as appropriate.
5	Decline in forecasted M2 revenues creates a need to rely on external funding to deliver the M2 Program.	For the last 3 years, the 3-University Forecast has reflected a higher forecast than actual sales tax revenue receipts. The Board asked Staff to look into a more conservative forecasting method to ensure the M2 Program was accurately reflected in terms of delivery. As a result of this change in forecasting methodology, the projected sales tax has been reduced.	Using the new 2016 forecast to update M2 program cash flows, staff is preparing an M2020 Update to bring to the Board to determine what is needed to deliver the M2 program as promised to voters.



M2020 Plan Update

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

On September 10, 2012, the OCTA Board of Directors (Board) 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. Below is a summary of our progress towards meeting the eight-year objectives.

Progress Update

The M2020 Plan identifies 14 objectives. Significant progress has been made in all areas, with several projects advancing to completion. A summary of the progress to date for each of the 14 objectives is outlined below.

M2020 Plan Objectives

1. Deliver 14 M2 freeway projects.

Six of the 14 projects are complete: SR-91 between SR-241 and SR-55 (Project J), SR-57 between Yorba Linda Boulevard and Lambert Road (Project G), SR-57 between Orangethorpe Avenue and Yorba Linda Boulevard (Project G), SR-57 between Katella Avenue and Lincoln Avenue (Project G), Ortega Highway I-5 interchange project (Project D), and SR-91 between I-5 to SR-57 (Project H). Additionally, another four projects are currently under construction: three segments of I-5 between Pico to Vista Hermosa, Vista Hermosa to Pacific Coast Highway, and Pacific Coast Highway to San Juan Creek Road (Project C); and SR-91 Tustin Avenue Interchange to SR-55 (Project I). Another three are in design, with one of the 14 projects in the environmental phase. Thus far, all but one of the 14 projects is scheduled to be completed or in construction by year 2020. For more details, see previous page (Project Schedules) and the project updates contained in the following pages.

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

One of the nine projects is already environmentally cleared – SR-91 between SR-241 and SR-15 (Project J) – which was cleared as part of RCTC's Corridor Improvement Program. Five projects are currently in the environmental phase, with another three projects slated to begin the environmental phase in 2016/17. All projects are scheduled to begin the environmental phase, as shown on the previous page (Project Schedules), and will be environmentally cleared by 2020. For more details, see the project updates contained in the following pages.

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

To date, OCTA has invested \$1.158 billion in the Regional Capacity Program (Project O), Regional Traffic Signal Synchronization Program (Project P), and Local Fair Share Program (Project Q). Approximately \$300 million in Project O and Project P funds have been awarded to local agencies and OCTA has paid out over \$78.4 million (or approximately

Continued from previous page...

26 percent) of the awarded funding for local streets and roads improvements. The Board has committed to provide more than \$631 million in state, federal, and M2 funds for the OC Bridges program's grade separation projects. Since inception, approximately \$236 million of Local Fair Share funds (Project Q) has been distributed to local agencies.

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

Through M2 Calls for Projects, more than 2,000 signals will be designated for improvements. To date, OCTA and local agencies have synchronized more than 1,600 intersections along more than 430 miles of streets. The signal program will meet the target early (prior to 2020) of synchronizing at least 2,000 signalized intersections by 2017.

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 in conjunction with the Metrolink Service Expansion Plan (MSEP). This enhanced 52 Orange County rail-highway grade crossings with safety improvements, whereby the cities of Anaheim, Dana Point, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin have established quiet zones at respective crossings. Additionally, within this Measure M program, funding is provided for rail line and station improvements to accommodate for increased service. Rail station parking lot expansions, such as improvements at Laguna Niguel/ Mission Viejo, Tustin, Fullerton, and Orange stations; better access to platforms, such as elevators, ramps, and/or safety improvements at Fullerton, Irvine, and Tustin; rehabilitation and renovation projects such as the San Juan Creek Bridge replacement and San Clemente pier lighting installation; video surveillance, fencing, and a passing siding project between Laguna Niguel and San Juan Capistrano have been made or are underway. For more details, see the project updates contained in the following pages.

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

The Riverside County Transportation Commission (RCTC), Los Angeles County Metropolitan Transportation Authority (Metro) and OCTA continue to work together to secure approval of a Memorandum of Understanding (MOU) with Burlington Northern Santa Fe (BNSF) Railway, which is necessary to operate train service on BNSF-owned tracks. Metrolink has taken the lead in the discussions with the BNSF Railway to evaluate the current shared use and indemnification/liability agreements that govern the use of each agencies respective railroad rights of way. Special counsel has been brought in to assist in these discussions. From a ridership perspective, data through June 2016 continues to show sustained ridership on MSEP as a result of the April 2015 schedule changes that improve intracounty train utilization. These changes include the new 91 Line connection at Fullerton which allows for a later southbound peak evening departure from Los Angeles to Orange County.

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

Two fixed guideway projects have received Board approval for funding through preliminary engineering: OC Streetcar and Anaheim Rapid Connection (ARC). To date, the Board has approved using up to \$55.92 million of M2 Project S funds for meeting New Starts match requirements for OC Streetcar project development/construction, in addition to using \$48.45 million in federal funds and \$12.1 million for preliminary studies. On June 27, 2016, the Board approved an amendment to the agreement with the City of Anaheim to conclude all planning efforts on the ARC project. Instead, this area will be studied under the Harbor Boulevard Corridor Study to ensure a more regional comprehensive evaluation of potential transit connections to OC Streetcar. Of the amount awarded to the City of Anaheim through preliminary studies for ARC, approximately \$8 million has been spent.

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

The City of Anaheim led the construction effort to build the Anaheim Regional Transportation Intermodal Center (ARTIC), which was opened to rail and bus service on December 6, 2014. A ribbon cutting ceremony was held on December 8, 2014, with a grand opening celebration on December 13, 2014. The City of Anaheim also issued a Notice of Substantially Complete at that time. This facility replaced the former Anaheim Station that was located on the opposite side of the freeway.

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

To date, approximately \$38 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 \$9.8 million to fund five projects received as part of the first Call for Projects. On June 13, 2016, the Board approved \$26.7 million for 17 Capital and Operations grants and \$323,780 for 7 planning grants, as part of the second call for projects. In total, the Board has approved approximately \$36.86 million to fund community-based transit service projects to date.

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 seven properties (Preserves) acquired (1,300 acres), and 11 restoration projects approved for funding by the Board, totaling approximately 350 acres. The restoration project plans have been approved by the wildlife agencies and are currently at various stages of implementation. To date, the Board has authorized \$42 million for property acquisitions (inclusive of designating funds to pay for long-term property maintenance), \$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 Final Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) along with the Final Environmental Impact Report and Environmental Impact Statement (EIR/EIS) document are anticipated to be brought to the Board for adoption in late-2016. Separate preserve-specific Resource Management Plans (RMP's) for the five Preserves within Trabuco and Silverado Canyons were available for public review between late 2015 and early 2016. These RMP's are currently being finalized and will determine the appropriate management needs (consistent with the NCCP/HCP) for each of the Preserves. The two remaining Preserves (Hayashi and Aliso Canyon) will be the subject of future releases and will follow a similar process. Docent-led public access events will continue to be held. A list of scheduled 2016 wilderness Preserve hiking and equestrian riding tours is available on the M2 website at www.PreservingOurLegacy.org.

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

To date, there have been five rounds of funding under the Tier 1 grants program. A total of 122 projects in the amount of over \$14 million have been awarded by the OCTA Board since 2011. The sixth Tier 1 Call for Projects was approved by the Board for up to \$2.76 million on February 8, and the call was released on February 15, 2016. Twenty-nine applications were received in April. Staff anticipates Board approval for funding recommendations in September 2016.

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).

There have been two rounds of funding under the Tier 2 grants program. A total of 22 projects totaling almost \$28 million have been awarded by the OCTA Board since 2013. Approximately \$10 million remains for a third Call for Projects, which is anticipated to occur in mid-2017.



Interstate 5 (I-5) Projects

Project A

I-5 (SR-55 to SR-57)

Status: Design Phase Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project will increase HOV capacity by adding a second HOV lane in both directions along I-5 between SR-55 and SR-57 in Santa Ana. This quarter, the Project Design Team (PDT) submitted 60 percent Engineering Plans, Specifications & Estimates (PS&E). Next quarter, final design plans will be submitted and work will continue on the final specifications and estimate. The design phase is expected to be complete by mid-2017. Funding for the construction phase of this project was impacted by the STIP reductions, and staff is evaluating alternative funding. Some overhead signs needed for this project that were to be included as part of the I-5 HOV Continuous Access project will need to be incorporated into this project.

Project B

I-5 (SR-55 to the El Toro "Y" Area)

Status: Environmental Phase Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project will add one general purpose lane in each direction of the I-5 corridor and improve the interchanges in the area between SR-55 and SR-133 (near the El Toro "Y" and I-405) in Tustin and Irvine. The environmental study will consider the addition of one general purpose lane on I-5 between just north of I-405 to SR-55. Additional features of Project B include improvements to various interchange ramps. Auxiliary lanes could be added in some areas and re-established in other areas within the project limits. During the quarter, the consultant continued working on technical studies and obtained approval on Traffic Forecast Volumes after a two-year delay; due to decision-making process discussions with Caltrans. With the concurrence on traffic methodology, the project schedule has been re-baselined and the final Environmental Document is expected to be complete in August of 2018.

Measure M2

Progress Report

FREEWAYS



Project C & Part of Project D

I-5 (SR-73 to Oso Parkway/ Avery Parkway Interchange)

Status: Design Phase Underway

Summary: This project will make improvements along I-5 between SR-73 and Oso Parkway in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. The proposed improvements include the addition of a general purpose lane in each direction and reconstruction of the Avery Parkway Interchange (part of Project D). During the quarter, 65 percent PS&E were completed and submitted to Caltrans on June 14, 2016. The ROW Cooperative Agreement between OCTA and Caltrans that was approved by the Board in October was also fully executed. Staff continued to work with Caltrans regarding ROW support services, and ROW mapping work began. Design work is anticipated to be complete in 2018. Due to extended ROW coordination, this project is marked “yellow” in the Capital Action Plan, signifying a delay of one to three months beyond the original schedule.

Contact: Rose Casey, Highways
(714) 560-5729

I-5 (Oso Parkway to Alicia Parkway/ La Paz Road Interchange)

Status: Design Phase Underway

Summary: This project will make improvements along I-5 between Oso Parkway and Alicia Parkway in the cities of Mission Viejo, Laguna Hills, and Lake Forest. The proposed improvements include the addition of a general purpose lane in each direction and reconstruction of the La Paz Road Interchange. The design phase is currently underway. Major activities this quarter included submittal of 65 percent PS&E to Caltrans in March, continued coordination with local cities and stakeholders on the aesthetics concept plan, off-site sound walls, service contract coordination with Southern California Rail Road Association (SCRRA) and Metrolink, and utility potholing and geotechnical investigations. The ROW Cooperative Agreement between OCTA and Caltrans that was approved by the Board in October for approval was also fully executed. Design work is anticipated to be complete in mid-2017. Due to extended ROW coordination, this project is marked “yellow” in the Capital Action Plan, signifying a delay of one to three months beyond the original schedule.

Contact: Rose Casey, Highways
(714) 560-5729

I-5 (Alicia Parkway to El Toro Road)

Status: Design Phase Underway

Summary: This project will make improvements along I-5 between Alicia Parkway to El Toro Road in the cities of Lake Forest, Laguna Hills, Laguna Woods and Mission Viejo, including the extension of the second HOV lane from Alicia Parkway to El Toro Road. Major activities this quarter included continued coordination with local cities and stakeholders on the aesthetics concept plan, and the continued development of a plan to address potential impacts to Avenida De La Carlota and Southern California Edison power lines therein. The ROW Cooperative Agreement between OCTA and Caltrans that was approved by the Board in October was also fully executed. The 65 percent PS&E is scheduled for submittal in August 2016.

Contact: Rose Casey, Highways
(714) 560-5729

Continues on the next page...

Measure M2

Progress Report

FREEWAYS



Project C & Part of Project D continued from previous page...

I-5 (Avenida Pico to Avenida Vista Hermosa)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This segment adds a carpool lane in each direction on I-5 between Avenida Pico and Avenida Vista Hermosa in San Clemente, and also includes major improvements to the Avenida Pico Interchange (part of Project D), which will also provide bicycle lanes in both directions of Avenida Pico. Construction began in February 2015. This quarter, the concrete pour for the westerly half of Avenida Pico Undercrossing bridge deck was completed. Retaining walls on the new southbound mainline are nearly complete, and construction of the roadway section is ongoing. Construction is now 46 percent complete and is anticipated to be 100 percent complete in August 2018.

I-5 (Avenida Vista Hermosa to PCH)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This segment adds a carpool lane in each direction of I-5 between Avenida Vista Hermosa and Pacific Coast Highway (PCH) in San Clemente, and also includes reconstructing on and off ramps at Avenida Vista Hermosa and Camino de Estrella. Construction began in September 2014. During the quarter, slope-paving work and approach slabs construction continued for the Avenida Vaquero bridge widening. Hot Mix Asphalt (HMA) paving work in southbound and northbound directions will continue into next quarter. Extended weekend closures of the Camino de Estrella southbound on-ramp and northbound loop on-ramp loop to I-5 allowed crews to demolish the existing pavement and repave and stripe the ramps to their new alignment. Crews also continued work on one remaining retaining wall, and construction of sound walls on both sides of the freeway, which will be completed next quarter. Next quarter, crews will begin constructing soundsorb for all of the sound walls. Construction is 67 percent complete and is scheduled to be 100 percent complete in early 2017.

I-5 (PCH to San Juan Creek Road)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

Summary: This segment will add a carpool lane in each direction of the I-5 between PCH and San Juan Creek Road in the cities of San Clemente, Dana Point, and San Juan Capistrano. Project improvements also include reconstructing on and off ramps at PCH/Camino Las Ramblas. Construction began in March 2014. This quarter, critical path work continued on Retaining Wall 349 with the new soldier pile wall and the cast-in-place wall which includes the bar reinforcing steel and form placement. Construction of the roadway section, including PCH/Camino Las Ramblas on-ramp work, the PCH connector bridge work, and Hot Mix Asphalt (HMA) paving is ongoing. A soil issue identified in Fall 2015 that was brought to the Board will delay project completion time. As a result, this project is marked "red" in the Capital Action Plan, signifying a delay of more than three months, with a revised completion date extending at least 19 months past original schedule (September 2016). Construction work is 79 percent complete (with structure work being 83 percent complete), and anticipated project completion by June 2018.



Project D

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

I-5 El Toro Road Interchange

Contact: Rose Casey, Highways
(714) 560-5729

Status: PSR/PDS Document Complete

Summary: Caltrans approved the Project Study Report/ Project Development Support (PSR-PDS) on February 20, 2015, and the document is considered final and complete. The PSR-PDS 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 project can now advance to the Environmental Phase for further detailed engineering and project development efforts, which is anticipated to begin in late 2016.

I-5/ Ortega Highway Interchange



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

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

State Route 22 (SR-22) Project

Project E

SR-22 Access Improvements



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

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



State Route 55 (SR-55) Projects

Project F

SR-55 (I-405 to I-5)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Environmental Phase on Hold

Summary: This project will widen SR-55 in the cities of Irvine, Santa Ana, and Tustin. The project was put on hold in March until an agreement on the preferred alternative selection is made between Caltrans and OCTA. The public comment period ended on January 22, 2016. Due to differences in believed project area need, alternative selection has been delayed. The PDT Preferred Alternative Recommendation meeting that was originally scheduled to take place in March has been delayed indefinitely, pending OCTA and Caltrans executive direction. This project is at risk of being delayed up to two years if a preferred alternative is not selected by July 1, 2016. The extent of the delay will depend on any new alternatives that may be introduced and the requirement to apply quantitative Air Quality Analysis (instead of qualitative analysis) to all four or more alternatives. Caltrans has proposed a Modified Alternative 3 and staff will present the recommendation to the Board in July. Because of prior delays in addition to current reasons, the project is marked "red" in the Capital Action Plan, signifying a delay of more than three months. This project has been delayed by more than four years from its original schedule.

SR-55 (I-5 to SR-91)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Procurement for the Environmental Phase Underway

Summary: The PSR/PDS was signed by Caltrans on January 12, 2015, completing the project initiation document phase. Once implemented, this project will add capacity between 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. All of the project alternatives in the draft PSR/PDS document include the addition of one general purpose lane in each direction between SR-22 and Fourth Street and operational improvements between Lincoln Avenue and SR-91. Other improvements being considered 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. During the quarter, a consultant was selected to complete the Project Report and Environmental Document. The Environmental Phase is anticipated to begin in late 2016 and be complete in 2019.



State Route 57 (SR-57) Projects

Project G

SR-57 NB (Lambert Road to Tonner Canyon Road)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Conceptual Phase Complete

Summary: OCTA previously completed a PSR/PDS document for the Lambert Road to Tonner Canyon Road segment, which will add a truck-climbing lane from Lambert Road to Tonner Canyon Road in the city of Brea. The segment will be cleared environmentally by 2020. Future work will be planned so that it coincides with related work by the Los Angeles Metropolitan Transportation Authority (Metro) across the county line. Funding for environmental phase for this project was proposed to be included in the 2016 STIP but was removed due to funding constraints. Staff will evaluate alternative funding sources.

SR-57 NB (Yorba Linda Boulevard to Lambert Road)

Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE



Summary: Completed on May 2, 2014, this project increased capacity and improved operations and traffic flow on SR-57 with the addition of a new 2.5-mile northbound general-purpose lane between Yorba Linda Boulevard in Fullerton and Lambert Road in Brea. Additional project benefits include on- and off-ramp improvements, the widening and seismic retrofit (as required) of six bridges in the northbound direction and the addition of soundwalls. Existing lanes and shoulders were also widened to standard widths, enhancing safety for motorists. The new general purpose lane was opened to traffic on September 23, 2013.

SR-57 NB (Orangethorpe Avenue to Yorba Linda Boulevard)

Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE



Summary: This project increased capacity and improved operations on northbound SR-57 with a new 2.5-mile northbound general-purpose lane between Orangethorpe Avenue in Placentia to Yorba Linda Boulevard in Fullerton. In addition to the new lane, capital improvements include reconstruction of northbound on and off ramps, widening of seven bridges, and the addition of soundwalls. The new general purpose lane was opened to traffic on April 28, 2014. The project was completed on November 6, 2014.

Measure M2

Progress Report

FREEWAYS



Project G continued from previous page...

SR-57 NB (Katella Avenue to Lincoln Avenue)

Status: PROJECT COMPLETE



Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project increased capacity and improved operations on northbound SR-57 between Katella Avenue and Lincoln Avenue with the addition of a new 3-mile general purpose lane, on and off-ramp improvements, and sound walls. Bridges at Katella Avenue and Douglas Road were also widened in the northbound direction. The project opened to traffic on November 19, 2014 and completed on April 21, 2015.

SR-57 NB (Orangewood Avenue to Katella Avenue)

Status: Environmental Phase Underway

Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project will add capacity in the northbound direction of SR-57 from Orangewood Avenue to Katella Avenue in the cities of Anaheim and Orange. Improvements under study include adding a northbound general purpose lane to join the northbound general purpose lane which was opened to traffic in 2014 between Katella Avenue and Lincoln Avenue. During the quarter, the Environmental Phase began in April 2016. A design variation identified in the consultant proposal for the Katella Avenue off ramp is being developed and incorporated into the project studies. The Environmental Phase is anticipated to be complete in late-2018.

State Route 91 (SR-91) Projects

Project H

SR-91 WB (SR-57 to I-5)

Status: PROJECT COMPLETE



Contact: Rose Casey, Highways
(714) 560-5729

Summary: This project increased capacity in the westbound direction of SR-91 by adding an additional general purpose lane in the westbound direction between Anaheim and Fullerton, and provided operational improvements at on and off-ramps between Brookhurst Street and State College Boulevard. This quarter, miscellaneous paving, concrete work, and punch list items were completed. Construction is 100 percent complete, as of June 23, 2016. Additional consultant-supplied construction management services were approved by the Board to meet the current construction completion timeline. The general purpose lane was opened to traffic on March 7, 2016.



Project I

SR-91 (SR-55 to Tustin Avenue Interchange)

Status: Construction Underway

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 in the City of Anaheim. The project includes reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. This quarter, miscellaneous drainage, paving and punch list work was completed. The bypass lane was open to traffic on May 14, 2016. Construction is approximately 98 percent complete, and will be 100 percent complete next quarter. Due to a slight delay caused by bat and bird interference on the Santa Ana river bridge, the project is marked “yellow” in the Capital Action Plan, signifying a delay of one to three months.

Contact: Rose Casey, Highways
(714) 560-5729

SR-91 (SR-57 to SR-55)

Status: Environmental Phase Underway

Summary: This project will improve traffic flow and operations along SR-91 within the cities of Fullerton and Anaheim. The study will look at the addition of one general purpose lane eastbound between SR-57 and SR-55, and one general purpose lane westbound from Glassell Street to State College Boulevard. Additional features of this project include improvements to various interchanges. Auxiliary lanes will be added in some segments and re-established in others within the project limits. This quarter, the consultant continued working on technical documents. M2 funds would pay for the mainline freeway improvements and future funding would need to be identified for connector portions of the project. Due to Caltrans requiring extra work for the unfunded study, this project has been delayed by more than one year from its original schedule. The project has been re-baselined and the environmental phase is expected to be complete in late 2018.

Contact: Rose Casey, Highways
(714) 560-5729

Project J

SR-91 Eastbound (SR-241 to SR-71)

Status: PROJECT COMPLETE

Summary: Completed in January 2011, this segment added six miles through a key stretch of SR-91 between Orange County’s SR-241 and Riverside County’s SR-71. The project improves mobility and operations by reducing traffic weaving from traffic exiting at SR-71 and Green River Road. An additional eastbound general purpose lane on SR-91 was added and all existing eastbound lanes and shoulders were widened. 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.



Contact: Rose Casey, Highways
(714) 560-5729

Continues on the next page...

Measure M2

Progress Report

FREEWAYS



Project J continued from previous page...

SR-91 (SR-241 to SR-55)

Status: PROJECT COMPLETE

Summary: This completed Project J segment added six miles in the westbound and eastbound direction to a key stretch of SR-91 between SR-55 and SR-241 in the cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a much needed second eastbound exit lane at the Lakeview Avenue, Imperial Highway and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping and soundwalls. Completion of this project in March 2013 means a total of 18 lane miles have been added to SR-91 since December 2010.



Contact: Rose Casey, Highways
(714) 560-5729

SR-91 (SR-241 to I-15)

Status: RCTC's Design-Build Construction Underway

Summary: The purpose of this project is to extend the 91 Express Lanes eastward from its current terminus in Anaheim to I-15 in Riverside County. This project will also add one general purpose lane in each direction of SR-91, from SR-71 to I-15, and construct various interchange and operational improvements. On December 11, 2013, the Riverside County Transportation Commission's (RCTC) contractors broke ground on this \$1.3 billion freeway improvement project. While the portion of this project between SR-241 and the Orange County/Riverside County line is part of OCTA's M2 Project J, the matching segment between the county line and SR-71 is part of RCTC's Measure A. With RCTC's focus on extending the 91 Express Lanes and adding a general purpose lane east of SR 71, construction of the final additional general purpose lane between SR-241 and SR-71 will take place post-2035. (RCTC is responsible for the lane between Green River and SR-71 while OCTA will be responsible for the lane west of Green River to SR-241.) To maintain synchronization, these general purpose lanes improvements, which span both counties, will be scheduled to ensure coordinated delivery of both portions of the project, and will provide a continuous segment that stretches from SR-241 to SR-71. This action is consistent with the 2014 SR-91 Implementation Plan.

Contact: Rose Casey, Highways
(714) 560-5729

Interstate 405 (I-405) Projects

Project K

I-405 (SR-55 to I-605)

Status: Design-Build Procurement Underway

Summary: OCTA and Caltrans have finalized the environmental studies to widen I-405 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. These improvements will add mainline capacity and improve the local interchanges along the corridor from SR-73 to I-605.

Contact: Rose Casey, Highways
(714) 560-5729

Measure M2

Progress Report

FREEWAYS



Project K continued from previous page...

On July 25, 2014, despite OCTA's Board recommendation to select Alternative 1 (the Measure M, single general purpose lane alternative) Caltrans informed OCTA that Alternative 3 (general purpose lane and second HOV lane to be combined with existing HOV lane providing dual tolled express lane facility) would be the Project preferred alternative. To ensure local control over how the express lane facility would be operated, the Board decided that OCTA would lead this project with the clear understanding that Measure M would only fund the general purpose lane portion of the project and that the second HOV lane/ Express lane facility would be funded separately.

On May 9, 2016, the Board approved cooperative agreements for project support services required during project implementation with the City of Seal Beach, Orange County Sanitation District and the Orange County Flood Control District. On May 18, 2016, the CTC approved OCTA's application for a toll facility on I-405. On May 23, 2016, the Board approved the Initial Toll Policy and Preliminary Finance Plan.

During the quarter, work continued on procurement of the DB contract, right of way acquisition, utility coordination, environmental re-validation and permitting. Other activities include FHWA Major Project Deliverables, OCTA/ Caltrans operating toll agreement, traffic and revenue study, and TIFIA loan pursuit.

Additional project risks include potential legal actions by opponents of the project, potential escalation of costs associated with further delay and compression of time available for ROW acquisition.

Project L

I-405 (SR-55 to the I-5)

Contact: Rose Casey, Highways
(714) 560-5729

Status: Environmental Phase Underway

Summary: This project will add one general purpose lane in each direction of the I-405 corridor and improve the interchanges in the area between I-5 and SR-55 in Irvine. Additional features of Project L include improvements to various interchanges, auxiliary lanes and ramps. During the quarter, the consultant continued working on technical studies and obtained approval on Traffic Forecast Volumes after a lengthy decision-making process discussion on traffic methodology with Caltrans, which resulted in a one-year delay. With the concurrence on traffic methodology, the project schedule has been re-baselined and the final Environmental Document is expected to be complete in July 2018. A separate project adding an auxiliary lane on southbound direction from SR-133 to University Drive within this corridor, completed the environmental phase five months ahead of schedule, and is ready to move into design. This project's funding was also impacted by the STIP reduction, and staff is evaluating alternative funding.



Interstate 605 (I-605) Project

Project M

I-605/Katella Interchange Improvements

Contact: Rose Casey, Highways
(714) 560-5729

Status: Procurement Initiated

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-ramps and off-ramps in addition to operational improvements on Katella Avenue at the I-605 Interchange. The PSR/PDS was signed on May 11, 2015 by Caltrans Executive Management. Three alternatives were approved within the document, including modification of interchange ramps and lane configurations on Katella Avenue from Coyote Creek Channel to Civic Center Drive. With the PSR/PDS approved, the project is ready to advance to the Environmental Phase for further detailed engineering and project development efforts. During the quarter, a consultant was selected to prepare the Project Report and Environmental Document. The Environmental Phase is anticipated to begin in fall of 2016.

Freeway Service Patrol

Project N

Freeway Service Patrol

Contact: Sue Zuhlke, Motorist Services
(714) 560-5574

Status: Service Ongoing

Summary: M2's Freeway Service Patrol (FSP) began operation in June 2012 and provides tow truck service for motorists with disabled vehicles on the freeway system to help quickly clear freeway lanes and minimize congestion. During this quarter, the midday service provided assistance to 1,776 motorists, weekend service provided assistance to 1,039 motorists, and construction service provided assistance to 470 motorists. Since inception, M2 and construction-funded FSP has provided a total of 47,828 assists to motorists on the Orange County freeway system.



Project O

Regional Capacity Program

Contact: Sam Kaur, Planning
(714) 560-5673

Status: 2016 Call for Projects in Development

Summary: This program, in combination with required local matching funds, provides funding for improvements on Orange County's Master Plan of Arterial Highways. On April 11, 2016, the Board awarded approximately \$38 million to fund 19 projects for the 2016 Call for Projects. Since 2011, 122 projects totaling more than \$231 million have been awarded by the Board to date.

OC Bridges Railroad Program

This program will build seven grade separations (either under or over passes) where high volume streets are impacted by freight trains along the BNSF Railroad in North County. A status for each of the seven projects is included below. As of the end of this quarter, five grade separation projects are under construction, two are complete (Kraemer and Placentia), and two others are scheduled to be complete by the end of this year.

Kraemer Boulevard Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE



Summary: The project located at Kraemer Boulevard railroad crossing is grade separated and open to traffic. The project separated the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. The grade separation was opened to traffic on June 28, 2014, and an event was held on July 8, 2014 to commemorate the opening. Construction is complete and construction close-out activities were performed this quarter. Project acceptance by the City of Anaheim and the City of Placentia, respectively, occurred in December 2014 and OCTA has turned over the maintenance responsibilities to the cities and commenced the one year warranty.

Lakeview Avenue Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

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 and reconfiguring the intersection of Lakeview Avenue and Orangethorpe Avenue. Construction began on July 1, 2014. Project activities this quarter continued to include street drainage facility work, retaining walls, retaining wall panels and barrier slabs, underground electrical conduits, lighting, signals, Connector Road grading and paving, monitoring of surcharge embankments, and forming the northern bridge abutment. Lakeview Avenue (north of



Project O continued from previous page...

Orangethorpe Avenue) was closed to traffic on February 25, 2015, and is expected to reopen with the connector road in late July 2016. Lakeview Avenue (south of Orangethorpe Avenue) was closed to through traffic on March 13, 2015, and is expected to reopen in spring 2017. Local access to all businesses will continue to be maintained. Construction progress is approximately 55 percent complete and is expected to be 100 percent complete by summer 2017. Due to utility conflicts and design changes, completion has been delayed four months. As a result, this project is marked “red” in the Capital Action Plan, signifying a delay of more than three months beyond the original schedule.

Orangethorpe Avenue Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

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. Construction activities this quarter included minor road work and 72” water line installation along Orangethorpe Avenue, signal and lighting work at the Orangethorpe Avenue/Chapman Avenue intersection, landscaping and irrigation. At Miller Street, construction activities include retaining walls, bridge approach slab, barrier slabs and barrier railings. Orangethorpe Avenue, from Miller Street to Chapman Avenue, was closed to traffic on August 11, 2014, and was reopened on June 23, 2016. Chapman Avenue was closed on January 5, 2015, and was opened to traffic on March 24, 2016. Construction progress is approximately 97 percent complete and the project is expected to be 100 percent complete by the end of summer 2016. On May 17, 2016, a joint-grand opening event was held to commemorate the opening to traffic for the Orangethorpe and Tustin/Rose Grade Separation projects.

Placentia Avenue Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE



Summary: The project located at Placentia Avenue railroad crossing is grade separated and open to traffic. This project separated the local street from railroad tracks in the city of Placentia by building an underpass for vehicular traffic. An event was held on March 12, 2014, to commemorate the opening to traffic. Construction is complete and construction close-out activities were performed this quarter. Project acceptance by the City of Anaheim and the City of Placentia, respectively, occurred in December 2014, and OCTA has turned over the maintenance responsibilities to the cities and commenced the one year warranty.

Raymond Avenue Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

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. The City of Fullerton

Measure M2

Progress Report

STREETS & ROADS



Project O continued from previous page...

is managing construction and OCTA is providing construction oversight, public outreach, railroad coordination and ROW support. Construction began on June 2, 2014. Activities this quarter continued to include pile driving for retaining wall foundation, placement of shoring for the retaining walls and pump station, and mass excavation. Bridge work included completion of the foundation, center bent, abutment walls, precast concrete girders and deck. The BNSF track-laying machine placed shoofly tracks (temporary bypass tracks) on June 10, 2015, and shoofly tracks were activated on October 9, 2015. Shoofly tracks will be in use through late August 2016. Afterwards, BNSF will place final tracks on the new railroad bridge. Construction progress is approximately 65 percent complete and is expected to be 100 percent complete in fall 2018.

State College Boulevard Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

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. The City of Fullerton is managing the construction and OCTA is providing construction oversight, public outreach, railroad coordination and right-of-way support. Construction activities this quarter continued to include retaining wall drilling and soldier beams, pump station, mass excavation, sewer and storm drain. Bridge work include completion of the foundation, center bent, abutment walls, precast concrete girders and deck. The BNSF track-laying machine placed the shoofly tracks on June 9, 2015, and shoofly tracks were activated on October 9, 2015. Shoofly tracks will be in use through late August 2016. Afterwards BNSF will place final tracks on the new railroad bridge. The intersection of State College Boulevard and East Valencia Drive was closed on January 9, 2015, for approximately two and a half years to allow for the construction of the new bridge at the railroad tracks. Construction progress is approximately 55 percent complete and is expected to be 100 percent complete in spring 2018.

Tustin Avenue/ Rose Drive Grade Separation

Contact: Rose Casey, Highways
(714) 560-5729

Status: Construction Underway

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 for this project. On December 7, 2015, the new Tustin Avenue/Rose Drive roadway was opened to traffic. Construction activities this quarter included picket fences, sidewalk, street lighting, bridge slope paving, landscaping, and irrigation. Construction progress is approximately 97 percent complete and is expected to be 100 percent complete by the end of summer 2016. On May 17, 2016, a joint-grand opening event was held to commemorate the opening to traffic for the Orangethorpe and Tustin/Rose Grade Separation projects. Due to ongoing punch list items, completion has been delayed two to three months. As a result, the project is marked "yellow" in the Capital Action Plan.



Project P

Contact: Anup Kulkarni, Planning
(714) 560-5867

Regional Traffic Signal Synchronization Program (RTSSP)

Status: Ongoing (See current RTSSP projects' statuses illustrated on the map on the next page)

Summary: This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate signals for 2,000 intersections along 750 miles of roadway as the basis for synchronized operation across Orange County. The program will enhance the efficiency of the street grid and reduce travel delay.

On April 11, 2016, the Board approved \$12.43 million for the RTSSP 2016 Call for Projects to fund seven local agency projects.

To date, OCTA and local agencies have synchronized more than 1,600 intersections along more than 430 miles of streets (or 38 projects). There have been six rounds of funding to date, providing a total of 79 projects with more than \$69.56 million in funding awarded by the Board since 2011. Post-Board approval, 3 projects have been cancelled, reducing the amount of projects being implemented to 76 projects.

Project Q

Contact: Vicki Austin, Finance
(714) 560-5692

Local Fair Share Program

Status: Ongoing

Summary: This program provides flexible funding to help cities and the County of Orange keep up with the rising cost of repairing the aging street system. This program is intended to augment, not replace, existing transportation expenditures of the cities and the County. All local agencies have been found eligible to receive Local Fair Share funds. On a bi-monthly basis, 18 percent of net revenues are allocated to local agencies by formula. To date, approximately \$236 million in Local Fair Share payments have been provided to local agencies as of the end of this quarter.

See pages 44-45 for funding allocation by local agency.

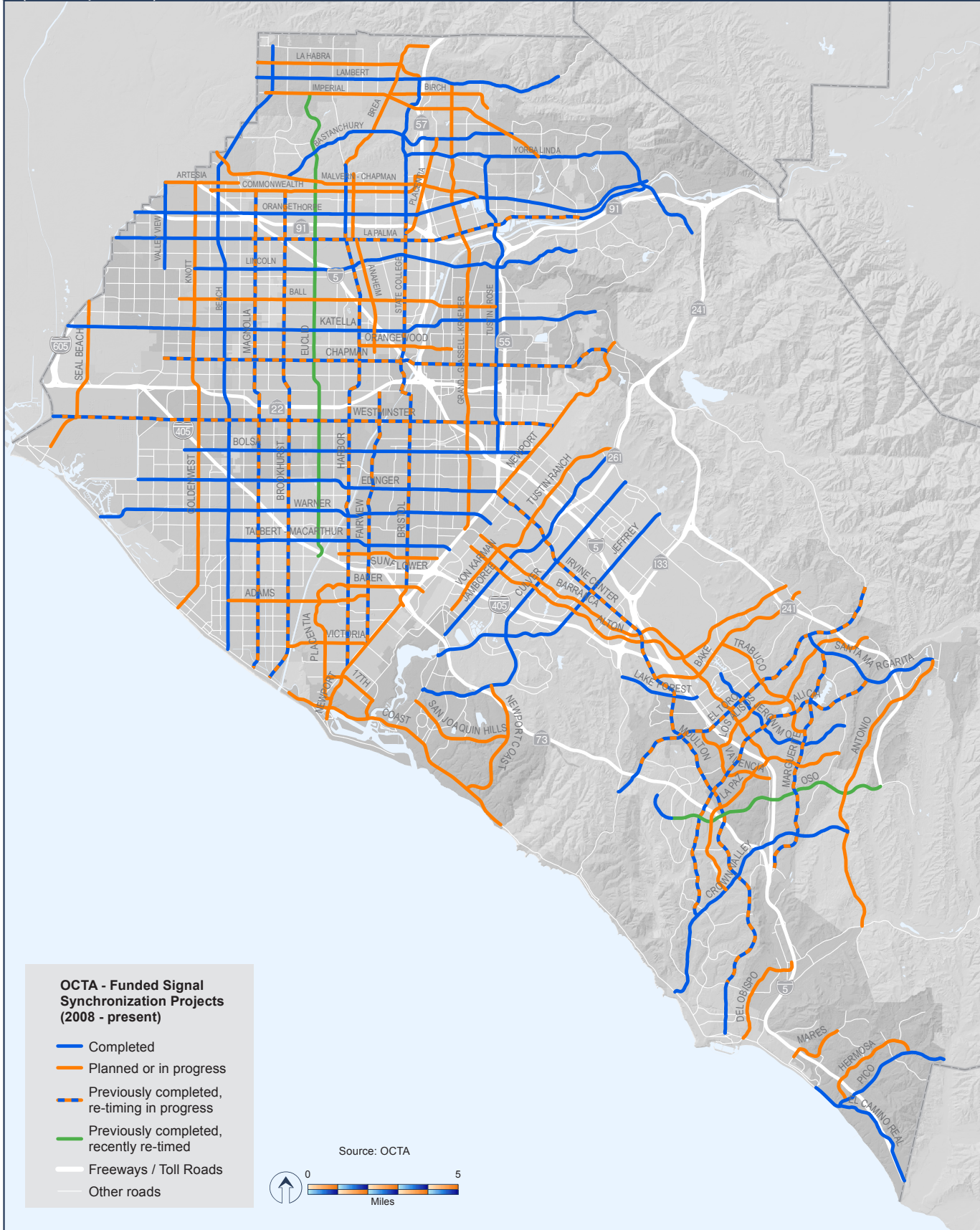
Measure M2

Progress Report

STREETS & ROADS



OCTA - Funded Signal Synchronization Projects (2008 - present)



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Project R

High Frequency Metrolink Service

Project R will increase rail services within the county and provide additional Metrolink service north of Fullerton to Los Angeles. The program will provide for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks. This program also includes funding for grade crossing improvements at high volume arterial streets, which cross Metrolink tracks.

Metrolink Grade Crossing Improvements

Status: **PROJECT COMPLETE**



Contact: Jennifer Bergener, Rail
(714) 560-5462

Summary: Enhancement of the designated 52 Orange County at-grade rail-highway crossings was completed as part of the Metrolink Service Expansion Program (MSEP) in October 2012. Completion of the safety improvements provided each corridor city with the opportunity to establish a “quiet zone” at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The cities of Anaheim, Dana Point, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin have established quiet zones within their communities.

Metrolink Service Expansion Program

Status: Service Ongoing

Contact: Jennifer Bergener, Rail
(714) 560-5462

Summary: Following the completion of the Metrolink Service Expansion Program (MSEP) improvements in 2012, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/ Mission Viejo, primarily during midday and evening hours. Efforts to increase ridership through a redeployment of the trains, without significantly impacting operating costs have been underway since 2014. In April 2015, several schedule changes added a connection between the 91 Line and the intra-county service at Fullerton to allow a later southbound peak evening departure from Los Angeles to Orange County. Staff will continue to monitor ridership on these trains, but data through March 2016 shows sustained ridership as a result of these schedule changes.

Part of OCTA’s re-deployment plan involves providing new trips from Orange County to Los Angeles. Staff continues to work with BNSF, RCTC, and Metro to address track-sharing issues, operating constraints and funding that will impact the options for redeployment. Metrolink has taken the lead in the discussions with the BNSF Railway to evaluate the current shared use and indemnification/liability agreements that govern the use of each agencies respective railroad rights of way. These discussions are on-going and special counsel has been brought in to assist. Operation of additional Metrolink trains to Los Angeles is contingent on addressing indemnification and liability agreements and the completion of a triple track project on the BNSF Railway between Fullerton and Los Angeles, currently anticipated in fall 2016.

Measure M2

Progress Report

TRANSIT



Project R continued from previous page...

Rail Corridor & Station Improvements

Additionally under the Metrolink Service Expansion Program, funding is provided for rail line and station improvements to accommodate increased service. Rail station parking lot expansions, better access to platforms, among other improvements have been made or are underway. For schedule information on station improvement projects, please see the Capital Action Plan pages at the back of this report.

Anaheim Canyon Metrolink Station

Preliminary engineering and environmental services for the Anaheim Canyon Metrolink Station have begun. This project will include construction of a second main track and platform, lengthening the existing platform, improved pedestrian circulation, and add benches and shade structures. This phase of the project is expected to be complete in December 2016.

Fullerton Transportation Center Improvements

Completed early on, a new 5-level parking structure, accommodating approximately 821 public parking spaces, was constructed to provide additional transit parking at the Fullerton Transportation Center for both intercity rail service and commuter rail passengers. This project was completed on June 19, 2012. After completion, an elevator upgrade project was proposed with leftover savings. This second project will modify the existing pedestrian bridge and its landings as well as other surrounding infrastructures to add two new traction elevators, resulting in one new and one existing elevator on each side of the railroad tracks for a total of four elevators. The City of Fullerton is the lead on this project. Notice to Proceed was issued in January 2016, however, work on the platform area has not begun. Renovations to the restrooms have been completed, but the contractor has experienced delays in starting on the elevator work due to subcontractor issues. Construction is expected to take one year, and is anticipated to be complete in 2017.

Laguna Niguel/Mission Viejo Station

The Laguna Niguel/Mission Viejo station accessibility improvements project is currently in the construction phase. Improvements include new Americans with Disabilities Act (ADA)-compliant access ramps on either side of the pedestrian undercrossing and a unisex ADA-compliant restroom. Initial demolition work has begun. The contractor is still working through various required submittals including the baseline schedule, and other time critical items. Because these items have taken longer than expected, staff is anticipating the project will be completed 1-3 months beyond the original schedule. As a result, this project is marked “yellow” in the Capital Action Plan. The project is expected to be complete in July 2017.

Orange Parking Structure

Environmental clearance and final plans for the Orange Metrolink parking structure were completed in April 2016. At the City’s request, OCTA has entered into a cooperative agreement with the City, to have OCTA be the lead agency on the project and programming additional money from OCTA and the City. Project costs increased due to escalation in costs from the original engineer’s estimate and additional contingency to cover the constraints of the site with adjacent properties. With the transfer of responsibilities from the City to OCTA, this delayed the start of

Continues on the next page...

Measure M2

Progress Report

TRANSIT



Project R continued from previous page...

construction while OCTA procures a contract for construction management services. Construction is expected to begin in early 2017. The finished result will be a 611-space, 5-level shared use parking structure that will be located on Lemon Street between Chapman Avenue and Maple Street in Orange. This project is marked “red” in the Capital Action Plan, signifying a delay of more than three months. As a result of design challenges, this project has been delayed by three years from its original schedule.

Placentia Station

Plans for the proposed Placentia Metrolink Station Project were near completion but the City of Placentia requested to modify the plans to include a parking structure to be built where surface parking had been designed. On June 27, 2016, the Board approved a new cooperative agreement with the City that revised the scope of the project and budget. There will now be a parking structure as part of the project and the City will contribute towards the cost. The previously completed design plans will need to be revised. The project is anticipated to begin construction in early 2018 and is anticipated to be complete in fall 2019.

San Clemente Pier Station Lighting

Currently in the construction phase, this project will add lighting to the existing platform of the San Clemente Pier Station. OCTA is the lead for design and installation. Preliminary conceptual plans were approved by the City of San Clemente in July 2015. During the design phase, the project was temporarily delayed while the City evaluated the continued operation of the station. Following the determining to keep the station open, OCTA advertised an Invitation for Bid in March 2016. During the quarter, OCTA awarded the construction contract in June 2016. Next quarter, a construction kick-off meeting and installation is anticipated.

San Juan Capistrano/Laguna Niguel Passing Siding Project

Currently in the design phase, this project will add approximately 1.8 miles of new passing siding railroad track adjacent to the existing mainline track, which will enhance operational efficiency of passenger services within the LOSSAN rail corridor. During the quarter, the project team continued working to prepare the 90 percent design plans and continued working with various jurisdictions including the California Public Utilities Commission to analyze the at grade crossing modifications. Custom proposed modifications to the project scope will have cost and schedule impacts. Environmental surveys for birds continue to provide the necessary information to support the permit applications. Completion of the design phase is expected in April 2017, with construction beginning in late 2017. Project completion is expected in late 2019. The project team continues to reduce the overall schedule impact wherever possible. This project is marked “red” in the Capital Action Plan, signifying a delay of more than three months. This project has been delayed by six months from its original schedule.

Tustin Parking Structure

Also completed early on, this project provided additional parking at the Tustin Metrolink Station to meet increased requirements associated with the MSEP by constructing a new 4-story parking structure with approximately 735 spaces, plus on-site surface parking. The parking structure was opened to the public on September 22, 2011.



Project R continued from previous page...

Additional rail corridor improvements include: completion of the San Clemente Beach Trail Audible Warning System (AWS) project, which provides additional safety improvements and AWS devices at seven pedestrian grade crossings along the beach trail (AWS activation occurred on June 24, 2016); completed PSR's or environmental clearance for six potential grade separation projects along the LOSSAN corridor (State College Avenue, Ball Road, 17th Street, Santa Ana Boulevard, Grand Avenue, and Orangethorpe Avenue); replacement of the San Juan Creek railroad bridge in the City of San Juan Capistrano, which will also accommodate a future bike trail on the south end along the creek (design is 30 percent complete, with CEQA clearance received in June 2016); the Control Point project at Fourth Street in the City of Santa Ana, which will provide rail operational efficiencies; the Railroad ROW Slope Stabilization project, which includes eight locations within the OCTA-owned LOSSAN rail corridor that have been identified for improvements to prevent future erosion and slope instability; video surveillance, and continued implementation of Positive Train Control.

Sand Canyon Grade Separation



Contact: Rose Casey, Highways
(714) 560-5729

Status: PROJECT COMPLETE

Summary: The project located at Sand Canyon Avenue railroad crossing is now grade separated and open to traffic. The project grade separated the local street from railroad tracks in the City of Irvine by constructing an underpass for vehicular traffic. The westbound lanes were opened to traffic on June 12, 2014, and the eastbound lanes were opened to traffic on July 14, 2014. A road opening ceremony was held on August 11, 2014. The project is completed and construction completion acceptance by the City of Irvine was obtained on January 15, 2016. The project is in the one-year warranty period and no repairs have been identified to date.

Project S

Transit Extensions to Metrolink

Project S includes a competitive program which allows cities to apply for funding to connect passengers to their final destinations using transit in order to broaden the reach of Metrolink to other Orange County cities, communities and activity centers. There are currently two areas of this program, a fixed guideway program (street car) and a rubber tire transit program.

Anaheim Rapid Connection (ARC) Project

Contact: Jennifer Bergener, Rail
(714) 560-5462

Status: Environmental Phase Underway

Summary: Last quarter, the City of Anaheim presented a revised Locally Preferred Alternative to the Transit Committee for this project. Committee Member feedback focused on the need for a larger transit vision along Harbor Boulevard in Central Orange County. On June 27, 2016, the Board approved an amendment to the agreement with

Continues on the next page...

Measure M2

Progress Report

TRANSIT



Project S continued from previous page...

the City of Anaheim for the City to conclude all planning efforts on the Anaheim Rapid Connection (ARC) project and to submit all work completed to date to OCTA. Additionally, the Board approved the study of a connection between the Anaheim Regional Transportation Intermodal Center (ARTIC) and the Anaheim Resort Area into the Central Harbor Boulevard corridor study. These actions were taken to ensure a more regional and comprehensive evaluation of potential transit connections to OC Streetcar.

OC Streetcar Project

Contact: Jennifer Bergener, Rail
(714) 560-5462

Status: Design Work Underway with Preparation for Entry into Engineering

Summary: OCTA is serving as the lead agency for the OC Streetcar project. FTA formally advanced the project into the Project Development phase of the federal New Starts program in May 2015. FTA has shown strong support for this project, including ascribing an overall medium-high rating to it in their Annual New Starts Report, which was released in February 2016. The full Notice to Proceed was also issued in February, and a consultant team was selected to prepare Plans, Specifications and Estimates for the Project.

During the quarter, the Board approved the vehicle acquisition strategy in April 2016, directing staff to pursue opportunities to acquire streetcar vehicles by exercising unassigned options on another agency's vehicle contract. Staff completed site visits with two agencies to explore opportunities to secure assignments of their existing vehicle contracts. A request for quotes (RFQ) will be issued in July to obtain pricing on the required vehicle modifications, commitment on production schedule, as well as revisions to commercial terms from the base contracts. Staff is scheduled to return to the Board in fall 2016 with recommendations on the viability of the piggybacking approach, and if viable, a recommendation on the contract award.

Thirty percent design plans were completed in May 2016, and are undergoing review by OCTA and the cities of Santa Ana and Garden Grove. The design effort produced a number of modifications to the Project to enhance operations, minimize conflicts with adjacent developments and utilities, and reduce long term operations and maintenance costs. Environmental technical analysis has been completed to address these design refinements, and staff is coordinating with FTA on federal environmental process requirements resulting from design modifications.

The Station and Urban Design effort is also underway with the development of aesthetic concepts for the streetcar stops. Community outreach for stop design will begin in July 2016. The technical criteria will be presented to the Board for discussion in August. A recommendation for the consultant selection of the CM contract is scheduled to be presented to the Board in July 2016. Design work continues in close coordination with the cities of Santa Ana and Garden Grove, with the 60 percent engineering planned for completion the end of December 2016.

Appraisals for ROW acquisitions for the Maintenance and Storage Facility (MSF) are ongoing. Staff continues to coordinate with FTA and its project management oversight consultant (PMOC) on the plans and documents required for approval into the next phase of the New Starts process – Engineering. The Project team will prepare the FTA annual New Starts application update for the Project and upon acceptance by FTA, will submit a letter formally requesting entry into Engineering in early fall 2016.



Project S continued from previous page...

Bus and Station Van Extension Projects

Status: Service Ongoing for Oakley Vanpool and Anaheim Canyon Metrolink Bus Connection

Contact: Sam Kaur, Planning
(714) 560-5673

Summary: Bus and Station Van Extension Projects will enhance the frequency of service in the Metrolink corridor to aid in linking communities within the central core of Orange County. To date, the Board has approved one round of funding, totaling over \$730,000*. Four projects located within the cities of Anaheim and Lake Forest were approved for funding by the Board on July 23, 2012. Two projects have implemented service, one has been revised with a scope change, and the other has been cancelled. The vanpool connection from the Irvine Metrolink Station to the Oakley employment center in the City of Lake Forest began in December 2012, and the Anaheim Canyon Metrolink Station Bus Connection began service in February 2013. Following detailed discussions with OCTA staff, the Board approved a scope change submitted by the City on behalf of Panasonic Avionics in December 2015, which utilizes the City's established shuttle program to provide trips between the Irvine Metrolink Station and the Panasonic employment center as an alternative to providing vanpool services. Service associated with Invensys Incorporated in the City of Lake Forest was cancelled at the request of the participant, and the funds have been returned to the program for use in future calls for projects. This quarter, OCTA reviewed the City's request for Oakley to employ changes to the existing OCTA routes to meet their needs. OCTA staff has looked at options to meet Oakley's needs and processed an agreement providing commuter transit services from Santa Ana to Lake Forest outside of Project S.

**In previous quarterly reports, this number was reported as \$9.8 million – the funding amount approved for Project V's first Call for Projects. This amount has been mistakenly reported under Bus and Station Van Extension projects since the FY 2013-14 Fourth Quarter Report, which was presented to the Board on August 25, 2014.*

Project T

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

Status: PROJECT COMPLETE



Contact: Jennifer Bergener, Rail
(714) 560-5462

Summary: This project constructed the Anaheim Regional Transportation Intermodal Center (ARTIC) located at 2626 East Katella Avenue in the City of Anaheim. In addition to providing transit connections for OCTA bus service, Metrolink and Amtrak service, shuttle and charter bus service, taxis, bikes, and other public and private transportation services, ARTIC also accommodates future high-speed rail trains. The City of Anaheim, which led the construction effort, opened the facility to rail and bus service on December 6, 2014. A ribbon-cutting ceremony was held on December 8, 2014, with a grand opening celebration hosted on December 13, 2014. This facility replaced the former Anaheim Station that was located on the opposite side of the freeway in the Angel Stadium parking lot.



Project U

Project U expands 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. Since inception, a total of approximately \$38 million in Project U funding has been provided under M2.

Senior Mobility Program (SMP)

Contact: Curt Burlingame, Transit
(714) 560-5921

Status: Ongoing

Summary: This program provides one percent of M2 net revenues to continue and expand local community transportation service for seniors under the SMP. Including this quarter and since inception of the program, more than 1,281,000 boardings have been provided for seniors traveling to medical appointments, nutrition programs shopping destinations, and senior and community center activities. This quarter, more than \$377,400 in SMP funding was paid out to the 31 participating cities during the month of May*. In addition, all 35 amendments to extend the agreements an additional five years along with their Service Plans (31 cities and four agencies) were approved by the Board of Directors on June 13, 2016.

**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 payments, depending on the months that fall within that quarter.*

Senior Non-emergency Medical Transportation Program (SNEMT)

Contact: Curt Burlingame, Transit
(714) 560-5921

Status: Ongoing

Summary: This program provides one percent of M2 net revenues to supplement existing countywide senior non-emergency medical transportation services. Including this quarter and since inception of the program, more than 482,575 SNEMT boardings have been provided. This quarter, more than \$398,600 in SNEMT Program funding was paid to the County of Orange. This amount reflects monies paid out during the month of May*.

**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 payments, depending on the months that fall within that quarter.*

Measure M2

Progress Report

TRANSIT



Project U continued from previous page...

Fare Stabilization Program

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

Status: Ongoing

Summary: Between years 2011-2015, one percent of net M2 revenues was dedicated to stabilize fares and provide fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Effective January 28, 2016, following the Ordinance No. 3 required amendment process, an amendment to the M2 Ordinance adjusted this amount to 1.47 percent of net M2 revenues to be dedicated to the Fare Stabilization Program.

Approximately \$909,641 in revenue was allocated this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. Throughout the quarter, approximately 3,474,601 program-related boardings were recorded on fixed route and ACCESS services. Since inception of the program, more than 69,188,299* program-related boardings have been provided.

**Last quarter, 69.75 million boardings were reported. That number should have been 65.71 million.*

Project V

Contact: Sam Kaur, Planning
(714) 560-5673

Community Based Transit / Circulators

Status: Service Ongoing for 2012 Call for Projects, Developing Agreements for 2016 Call for Projects

Summary: This project establishes a competitive program for local jurisdictions to develop local bus transit services such as community based circulators and shuttles that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. On June 24, 2013, the Board approved the first round of funding for \$9.8 million to fund five funding proposals from the cities of Dana Point, Huntington Beach, La Habra, Laguna Beach, and Lake Forest. Funding was approved to implement vanpool services from local employment centers to transportation hubs, special event and seasonal services that operate during heavy traffic periods, and local community circulators that carry passengers between various shopping, medical, and transportation-related centers. Prior to the second call for projects, Project V Guidelines were revised in 2015, per Board direction, to encourage more local agency participation. On June 13, 2016 the Board approved \$26.7 million in Project V funds for 17 Capital and Operations grants and \$323,780 for seven planning grants. OCTA staff is currently developing agreements with the agencies to implement these projects.



Project W

Safe Transit Stops

Contact: Sam Kaur, Planning
(714) 560-5673

Status: Executed All Agreement Documents

Summary: This project provides funding for passenger amenities at the 100 busiest transit stops across the County, determined by average daily weekday passenger boardings. Stop improvements will be designed to ease transfers between bus lines and provide passenger amenities such as improved shelters and lighting. On July 14, 2014, the Board determined that 80 percent of available Project W funding (\$4.47 million) would be designated for supporting city-initiated projects, and the remaining 20 percent (\$1.12 million) would be directed towards the development and implementation of regional, customer-facing technologies that benefit the 100 busiest stops. On that date, the Board approved up to \$1,205,666 for city-initiated improvements and \$370,000 for OCTA-initiated improvements in fiscal year 2014-15.

According to October 2012 ridership data, 15 cities (containing at least one of the 100 busiest stops) are eligible for Safe Transit Stops funding. Seven cities applied for funds, and 51 projects were approved for funding per the July 2014 Board approval. Letter agreements with local agencies to allow the use of funds are complete. The City of Anaheim was not able to initiate the improvements for their projects and will reapply for funds through the next call for projects. The remaining 43 projects have been moving forward. The Cities of Irvine, Westminster, Costa Mesa, Orange, and Brea have completed their projects. The City of Santa Ana awarded their contract in April 2016 and will report completion of the projects to OCTA in the near future.

For OCTA-initiated improvements, the \$370,000 investment has been contributed towards a mobile ticketing application (app) that will make it more convenient for bus customers to purchase bus passes, obtain trip information, and board buses using smart phone devices to display bus passes as proof of payment. The smart phone app was launched on June 15, 2016, for OC Fair and Express Bus users and received positive reviews. It is planned to be expanded to include OCTA fixed route and college pass fare purchases next quarter and then to seniors and disabled fare purchases early next year.



Project X

Environmental Cleanup

Status: Ongoing

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

Summary: This program implements street and highway-related water quality improvement programs and projects that assist agencies countywide with federal Clean Water Act standards for urban runoff. It is intended to augment, not replace existing transportation-related water quality expenditures and to emphasize high-impact capital improvements over local operations and maintenance costs. The Environmental Cleanup Allocation Committee (ECAC) is charged with making recommendations to the Board on the allocation of funds for the Environmental Cleanup Program (ECP). These funds are allocated on a countywide, competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution.

Project X is composed of a two-tiered funding process focusing on early priorities (Tier 1), and a second program designed to prepare for more comprehensive capital investments (Tier 2). To date, there have been five rounds of funding under the Tier 1 grants program. A total of 122 projects, amounting to just over \$14 million, have been awarded by the Board since 2011. There have been two rounds of funding under the Tier 2 grants program. A total of 22 projects in the amount of \$27.89 million have been awarded by the OCTA Board since 2013. To date, 33 of the 34 Orange County cities plus the County of Orange have received funding under this program. The sixth Tier 1 call for projects was released on February 15, 2016, providing approximately \$2.8 million. Twenty-nine applications were received in April. Staff anticipates Board approval for funding recommendations in September 2016.

With approximately \$10 million in Tier 2 funding remaining, staff continues to work with the ECAC to recommend the appropriate timing of a third Tier 2 Call for Projects which is anticipated in 2017.



Part of Projects A-M

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

Freeway Mitigation Program

Status: Executing Agreement Documents; Final Conservation Plan and EIR/EIS Under Development

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 Projects A-M. The program is proceeding as planned, with seven properties (Preserves) acquired (1,300 acres), and 11 restoration projects approved for funding by the Board, totaling approximately 350 acres. The restoration project plans have been approved by the wildlife agencies and are currently at various stages of implementation. To date, 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.

The program's Draft Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) and Draft Environmental Impact Report and Environmental Impact Statement (EIR/EIS) are currently being finalized. The final NCCP/HCP and EIR/EIS are anticipated to be brought to the Board for adoption in late-2016.

There was a 90-day public comment period for preserve-specific Resource Management Plans (RMP's) for five Preserves within Trabuco and Silverado Canyons, which ended in early 2016. These RMP's are currently being finalized and the remaining two Preserves (Hayashi and Aliso Canyon) will be the subject of future releases and will follow a similar process once the NCCP/HCP and EIR/EIS are finalized. Public access events will continue to be held on the Ferber Preserve as well as the O'Neill Oaks and Aliso Canyon Preserves. A list of scheduled 2016 wilderness Preserve hiking and equestrian riding tours is available on the M2 website. A new landing page (www.PreservingOurLegacy.org) was launched to promote the hikes and rides and offers detailed information about the events.

As part of the safeguards in place for the M2 Program, a 12-member Environmental Oversight Committee (EOC) makes funding allocation recommendations to assist OCTA in acquiring land and restoring habitats in exchange for streamlined project approvals for the M2 freeway improvement projects (A-M).

See map of Preserves and funded restoration properties on the following page.

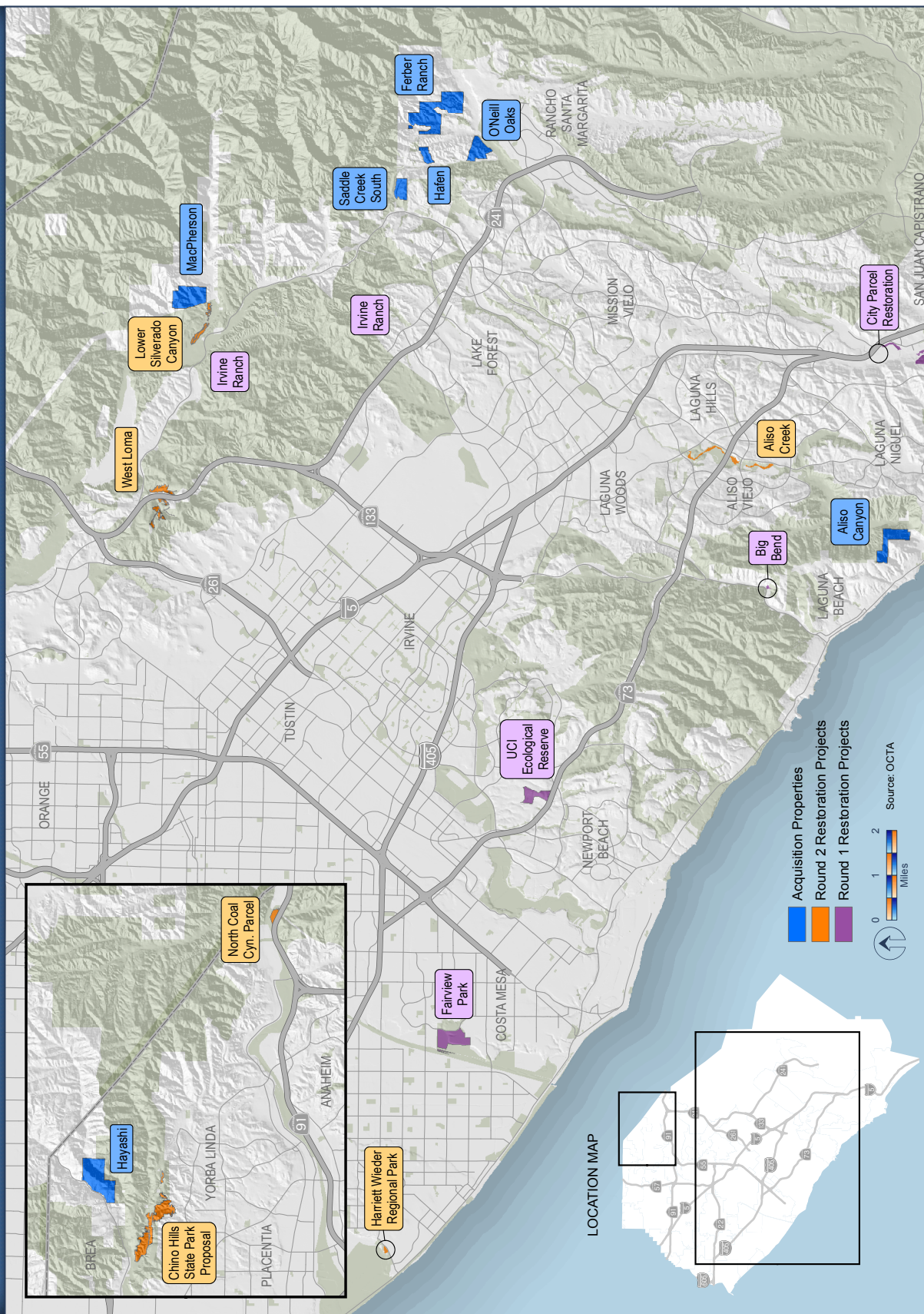
Measure M2

Progress Report

ENVIRONMENTAL



Acquisition Properties and Funded Restoration Projects





Program Management Office

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

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 significant issues and activities within the Measure M programs. This quarter, the focus of the PMO has been on several major items, including the following.

M2020 Plan Review

The PMO regularly reviews and reports on the progress of the M2020 Plan and its 14 objectives. The last comprehensive review of the M2020 Plan was completed in October 2015, as part of the M2 Comprehensive Ten-Year Review, covering M2 progress during November 8, 2006 through June 30, 2015. During the quarter, staff updated all M2 program cash flows based on the \$14.8 billion M2 sales tax revenue forecast. An update on these cash flows and their impact on the M2020 Plan is being prepared and will be presented to the Board in September and October 2016. A quarterly update on OCTA's progress on delivering the 14 objectives identified in the M2020 Plan, along with an overview of challenges is included in the Executive Summary of this report (pages 2-5), and the accompanying staff report.

2012-2015 M2 Performance Assessment Update

Measure M2's Ordinance No. 3 requires that a M2 performance assessment be conducted every three years. To date there have been two prior performance assessments and the most recent assessment reviewed the time period of July 1, 2012 through June 30, 2015. The final report and findings were received in May 2016. The results of the Performance Assessment including findings were brought to the Taxpayer Oversight Committee (TOC) on June 14, 2006 for information and will be presented to the Board for review and any required action in August 2016.

M2 Awareness and Signage

In response to preliminary Performance Assessment findings regarding M2 awareness and public perception, the PMO has been reviewing signage procedures in place for all projects and programs included under M2. Currently, there are no uniform guidelines in place that document proper procedures to follow for each of the M2 programs (Freeway, Streets & Roads, Transit, and Environmental projects). The PMO has put together a draft document that illustrates current signage efforts for each program alongside suggestions for potential improvements. Next quarter, the PMO will work with the program and project managers to develop an M2 Signage Guidelines Manual to ensure that M2 is properly credited and highlighted in a way that is conducive to each program.

Next 10 Delivery Plan Development

Last quarter, the Board asked the PMO to re-examine the M2020 Plan to determine the viability of delivering all 14 objectives. The PMO is evaluating the objectives against new sales tax forecast information and will prepare an update for the Board next quarter. Based on what is financially possible, the M2020 objectives will be reformatted as the "Next 10 Deliverables".

Measure M2

Progress Report

PROGRAM MGMT



PMO Continued from previous page...

M2 Administrative Cost Safeguards

Both M1 and M2 include one 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 one percent, only one 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 one percent, OCTA can still allocate the full one percent for administrative salaries and benefits but may use the unused portion to repay the amount borrowed from prior years in which administrative salaries and benefits were above one percent.

Based on the original M2 revenue projections, OCTA expected to receive \$24.3 billion in M2 funds, with one percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined (currently projected to be 39 percent) as a result of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the Early Action Plan (EAP) in 2007 required administrative functions four years prior to revenue collection. While the EAP resulted in project savings and significant acceleration of the program, administrative functions were required during this time with associated administrative costs.

As a result of the above mentioned factors, OCTA has incurred higher than one percent administrative costs. OCTA currently has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the one percent, with the understanding that those funds will be repaid with interest in future years that OCTA administrative costs fall below the one percent cap. As of June 30, 2012, OCTA had borrowed approximately \$5.2 million from OCUTT. Following recommendations received through the February 2013 M2 Performance Assessment Final Report, staff adjusted the approach to apply the allocation of state planning funds to areas that are subject to the one percent administration cap and adjusted OCTA's cost allocation plan to ensure that administrative charges are more precisely captured. Over the last few years, OCTA has experienced underruns in the one percent administration cap and has made payments to OCUTT to reduce the outstanding balance. As of June 2016, the outstanding balance was \$3.5 million.

Staff continues to meet quarterly to review all labor costs to ensure proper cost allocation to both M1 and M2. During the quarter, staff met on May 5, 2016, to review the labor reports to ensure costs attributed to the one percent cap were accurately reported and there were no misplaced project related costs, as well as to ensure project costs were applied to the correct projects. Staff will meet again on July 13, 2016, to conduct this quarterly review.

Taxpayer Oversight Committee

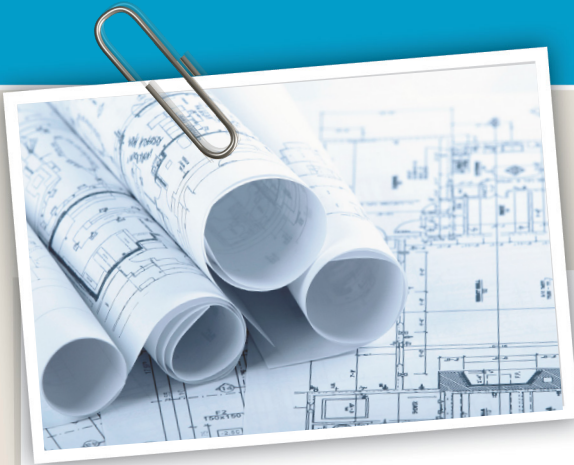
The M2 Ordinance requires a Taxpayer Oversight Committee (TOC) to oversee the implementation of the M2 plan. With the exception of the elected Auditor/Controller of Orange County who in Ordinance No. 3 is identified as the chair of the TOC, all other members are not elected or appointed officials. Members are recruited and screened for expertise and experience by the Orange County Grand Jurors Association, and are selected from the qualified pool by lottery. The TOC meets every other month. The TOC upholds the integrity of the measure by monitoring the use of Measure M

Continues on the next page...

Measure M2

Progress Report

PROGRAM MGMT



PMO continued from previous page...

funds and ensuring that all revenue collected from Measure M is spent on voter-approved transportation projects. The responsibilities of the 11-member Measure M TOC are to:

- Ensure all transportation revenue collected from Measure M is spent on the projects approved by the voters as part of the plan
- Ratify any changes in the plan and recommend any major changes go back to the voters for approval
- Participate in ensuring that all jurisdictions in Orange County conform with the requirements of Measure M before receipt of any tax monies for local projects
- Hold annual public meetings regarding the expenditure and status of funds generated by Measure M
- Review independent audits of issues regarding the plan and performance of the Orange County local Transportation Authority regarding the expenditure of Measure M sales tax monies
- Annually certify whether Measure M funds have been spent in compliance with the plan.

The TOC met on April 12, 2016 to hold its annual Measure M public hearing, vote on the Compliance Findings and Local Jurisdictions Eligibility Findings, and hear updates on the sales tax forecast methodology, OC Streetcar, I-405 Improvement Project, M2 Senior Mobility Program Guidelines and the State Transportation Improvement Program. The committee unanimously found that OCTA is proceeding in accordance with the ordinances that were approved by voters first in 1990 and renewed in 2006, and that Measure M is being delivered as promised to voters for the 25th consecutive year. This was the final compliance finding by the TOC for the original Measure M (1991-2011), which was recently closed out.

The TOC also met on June 14, 2016 to receive updated financial information on the M2 Quarterly Revenue & Expenditure Report (March 2016), approve updating the TOC mission statement and policies and procedures, and hear program/project updates on the Comprehensive Transportation Funding Programs (CTFP) Semi-Annual Review, CTFP Programming Recommendations, and the I-405 Improvement Project Preliminary Finance Plan. OCTA staff also provided the committee with information on the Measure M Performance Assessment, recently opened Measure M projects, Project V and an update on the sales tax forecast.



M2 Financing

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

Revenue Forecast and Collection

OCTA contracts with three universities (Chapman University; University of California, Los Angeles; and California State University, Fullerton) to provide a long-range forecast of taxable sales to forecast Measure M2 revenues for purposes of planning projects and program expenditures. In the past, OCTA has taken an average of the three university taxable sales projections to develop a long-range forecast of Measure M2 taxable sales. However, on June 8, 2015, after reviewing the actual sales tax revenue data, the Board decided to take a more conservative approach and used the lowest of the three universities' forecasts for FY 2015-16 (Chapman University forecast of 5.68 percent). On March 28, 2016, as part of the FY 2016-17 budget development process, the Board approved a new sales tax forecast methodology. The new methodology includes a more conservative approach by utilizing a five-year forecast from MuniServices, Inc. MuniServices, Inc. has historically been more conservative than the three universities over the first five years.

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

Based on long term forecasts received in May 2015, OCTA staff forecasts total nominal sales tax collections over the life of M2 to be approximately \$14.8 billion. Original projections in 2005 estimated total nominal M2 sales tax collections at \$24.3 billion. Based on the current estimated forecast of \$14.8 billion, sales tax revenue will run approximately \$9.5 billion (39.1 percent) less than the original 2005 projection of \$24.3 billion. The revenue forecast for the life of the M2 Program will vary as actual sales tax revenue data is incorporated.

Final sales tax receipts through the third quarter of fiscal year 2015-16 (March 31, 2016) were received at the end of the fourth quarter (June 2016), and reflected a growth in sales tax revenue of 3.96 percent over the same period of the prior fiscal year. The growth, while positive, is less than the budgeted sales tax growth rate of 5.68 percent for fiscal year 2015-16. Consistent with the Board's desire to be conservative, the FY 2016-17 budget assumes a sales tax growth rate of 4.4 percent for FY 2016-17. Staff will continue to closely monitor sales tax receipts.

Measure M2

Progress Report

REVENUE & EXPENDITURES



DRAFT 7/27/2016

Schedule 1

Measure M2
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of June 30, 2016
(Unaudited)

(\$ in thousands)	Quarter Ended June 30, 2016	Year to Date June 30, 2016 (A)	Period from Inception to June 30, 2016 (B)
Revenues:			
Sales taxes	\$ 77,286	\$ 303,156	\$ 1,452,528
Other agencies' share of Measure M2 costs:			
Project related	23,941	87,782	470,735
Non-project related	-	73	438
Interest:			
Operating:			
Project related	-	-	2
Non-project related	(132)	268	11,299
Bond proceeds	-	9,431	35,997
Debt service	11	30	74
Commercial paper	-	-	393
Right-of-way leases	19	110	814
Miscellaneous:			
Project related	1	72	270
Non-project related	-	-	7
Total revenues	<u>101,126</u>	<u>400,922</u>	<u>1,972,557</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	934	3,571	15,888
Professional services:			
Project related	17,203	43,575	266,208
Non-project related	730	1,832	14,760
Administration costs:			
Project related	2,163	8,658	44,670
Non-project related :			
Salaries and Benefits	771	3,086	18,161
Other	1,114	4,452	26,411
Other:			
Project related	72	229	1,632
Non-project related	65	107	3,789
Payments to local agencies:			
Project related	26,437	102,326	604,844
Capital outlay:			
Project related	28,440	83,201	540,454
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	-	7,210	27,085
Interest on long-term debt and commercial paper	7	21,613	115,537
Total expenditures	<u>77,936</u>	<u>279,860</u>	<u>1,679,470</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,190</u>	<u>121,062</u>	<u>293,087</u>
Other financing sources (uses):			
Transfers out:			
Project related	(1,787)	(5,972)	(18,013)
Transfers in:			
Project related	-	20,647	72,451
Non-project related	-	(20,647)	9,030
Bond proceeds	-	-	358,593
Total other financing sources (uses)	<u>(1,787)</u>	<u>(5,972)</u>	<u>422,061</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 21,403</u>	<u>\$ 115,090</u>	<u>\$ 715,148</u>



DRAFT 7/27/2016

Schedule 2

Measure M2
Schedule of Calculations of Net Revenues and Net Bond Revenues (Debt Service)
as of June 30, 2016
(Unaudited)

(\$ in thousands)	Quarter Ended June 30, 2016 (actual)	Year to Date June 30, 2016 (actual)	Period from Inception through June 30, 2016 (actual)	Period from July 1, 2016 through March 31, 2041 (forecast)	Total
	(C.1)	(D.1)	(E.1)	(F.1)	
Revenues:					
Sales taxes	\$ 77,286	\$ 303,156	\$ 1,452,528	\$ 13,359,584	\$ 14,812,112
Operating interest	(132)	268	11,299	224,117	235,416
Subtotal	<u>77,154</u>	<u>303,424</u>	<u>1,463,827</u>	<u>13,583,701</u>	<u>15,047,528</u>
Other agencies share of M2 costs	-	73	438	-	438
Miscellaneous	-	-	7	-	7
Total revenues	<u>77,154</u>	<u>303,497</u>	<u>1,464,272</u>	<u>13,583,701</u>	<u>15,047,973</u>
Administrative expenditures:					
SBOE fees	934	3,571	15,888	200,474	216,362
Professional services	730	1,832	10,984	91,546	102,530
Administration costs :					
Salaries and Benefits	771	3,086	18,161	133,574	151,735
Other	1,114	4,452	26,411	234,882	261,293
Other	65	107	3,789	23,036	26,825
Capital outlay	-	-	31	-	31
Environmental cleanup	1,946	9,596	18,159	267,192	285,351
Total expenditures	<u>5,560</u>	<u>22,644</u>	<u>93,423</u>	<u>950,704</u>	<u>1,044,127</u>
Net revenues	<u>\$ 71,594</u>	<u>\$ 280,853</u>	<u>\$ 1,370,849</u>	<u>\$ 12,632,997</u>	<u>\$ 14,003,846</u>
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 358,593	\$ 2,000,000	\$ 2,358,593
Interest revenue from bond proceeds	-	9,431	35,997	25,760	61,757
Interest revenue from debt service funds	11	30	74	54	128
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>11</u>	<u>9,461</u>	<u>395,057</u>	<u>2,025,814</u>	<u>2,420,871</u>
Financing expenditures and uses:					
Professional services	-	-	3,776	17,020	20,796
Bond debt principal	-	7,210	27,085	2,242,636	2,269,721
Bond debt and other interest expense	7	21,613	115,537	1,507,609	1,623,146
Total financing expenditures and uses	<u>7</u>	<u>28,823</u>	<u>146,398</u>	<u>3,767,265</u>	<u>3,913,663</u>
Net bond revenues (debt service)	<u>\$ 4</u>	<u>\$ (19,362)</u>	<u>\$ 248,659</u>	<u>\$ (1,741,451)</u>	<u>\$ (1,492,792)</u>

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2016
(Unaudited)

DRAFT 7/27/2016
 Schedule 3

Project	Description	Net Revenues through June 30, 2016	Total Net Revenues
(G)		(H)	(I)
(\$ in thousands)			
Freeways (43% of Net Revenues)			
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 54,033	\$ 551,963
B	I-5 Santa Ana/SR-55 to El Toro	34,512	352,552
C	I-5 San Diego/South of El Toro	72,081	736,343
D	I-5 Santa Ana/San Diego Interchange Upgrades	29,660	302,993
E	SR-22 Garden Grove Freeway Access Improvements	13,795	140,927
F	SR-55 Costa Mesa Freeway Improvements	42,076	429,827
G	SR-57 Orange Freeway Improvements	29,741	303,815
H	SR-91 Improvements from I-5 to SR-57	16,095	164,415
I	SR-91 Improvements from SR-57 to SR-55	47,882	489,133
J	SR-91 Improvements from SR-55 to County Line	40,490	413,620
K	I-405 Improvements between I-605 to SR-55	123,331	1,259,886
L	I-405 Improvements between SR-55 to I-5	36,753	375,452
M	I-605 Freeway Access Improvements	2,299	23,488
N	All Freeway Service Patrol	17,244	176,159
	Freeway Mitigation	29,473	301,083
	Subtotal Projects	589,465	6,021,656
	Net (Bond Revenue)/Debt Service	-	-
	Total Freeways	\$ 589,465	\$ 6,021,656
	%		
Street and Roads Projects (32% of Net Revenues)			
O	Regional Capacity Program	\$ 137,087	\$ 1,400,402
P	Regional Traffic Signal Synchronization Program	54,832	560,136
Q	Local Fair Share Program	246,753	2,520,692
	Subtotal Projects	438,672	4,481,230
	Net (Bond Revenue)/Debt Service	-	-
	Total Street and Roads Projects	\$ 438,672	\$ 4,481,230
	%		

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2016
(Unaudited)

DRAFT 7/27/2016

Schedule 3

Expenditures through June 30, 2016 (J)	Reimbursements through June 30, 2016 (K)	Net M2 Cost (L)
\$ 4,538	\$ 939	\$ 3,599
4,522	2,191	2,331
83,061	30,222	52,839
1,803	527	1,276
4	-	4
7,471	23	7,448
45,211	10,281	34,930
31,751	608	31,143
16,097	1,620	14,477
6,933	5,294	1,639
51,037	3,192	47,845
5,388	3,234	2,154
625	16	609
143	-	143
<u>45,961</u>	<u>1,688</u>	<u>44,273</u>
304,545	59,835	244,710
<u>30,327</u>	<u>-</u>	<u>30,327</u>
<u>\$ 334,872</u>	<u>\$ 59,835</u>	<u>\$ 275,037</u>
		27.6%

\$ 586,980	\$ 323,161	\$ 263,819
21,661	3,580	18,081
<u>237,068</u>	<u>77</u>	<u>236,991</u>
845,709	326,818	518,891
<u>33,684</u>	<u>-</u>	<u>33,684</u>
<u>\$ 879,393</u>	<u>\$ 326,818</u>	<u>\$ 552,575</u>
		55.4%

Continues on following page

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2016
(Unaudited)

DRAFT 7/27/2016
 Schedule 3

Project	Description	Net Revenues through June 30, 2016	Total Net Revenues
(G)		(H)	(I)
(\$ in thousands)			
Transit Projects (25% of Net Revenues)			
R	High Frequency Metrolink Service	\$ 136,722	\$ 1,396,676
S	Transit Extensions to Metrolink	121,014	1,236,215
T	Metrolink Gateways	7,007	71,577
U	Expand Mobility Choices for Seniors and Persons with Disabilities	47,534	485,585
V	Community Based Transit/Circulators	27,410	280,003
W	Safe Transit Stops	3,025	30,905
	Subtotal Projects	342,712	3,500,961
	Net (Bond Revenue)/Debt Service	-	-
	Total Transit Projects	\$ 342,712	\$ 3,500,961
	%		

Measure M2 Program

\$ 1,370,849 \$ 14,003,847

Project	Description	Revenues through June 30, 2016	Total Revenues
(G)		(H.1)	(I.1)
(\$ in thousands)			
Environmental Cleanup (2% of Revenues)			
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 29,277	\$ 300,951
	Net (Bond Revenue)/Debt Service	-	-
	Total Environmental Cleanup	\$ 29,277	\$ 300,951
	%		

Taxpayer Safeguards and Audits

	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 21,788	\$ 222,182
	%		
	Oversight and Annual Audits (1% of Revenues)	\$ 14,638	\$ 150,475
	%		

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2016
(Unaudited)

DRAFT 7/27/2016

Schedule 3

Expenditures through June 30, 2016 (J)	Reimbursements through June 30, 2016 (K)	Net M2 Cost (L)
\$ 161,418	\$ 94,063	\$ 67,355
5,688	2,074	3,614
98,215	60,956	37,259
40,010	88	39,922
2,014	120	1,894
63	26	37
<u>307,408</u>	<u>157,327</u>	<u>150,081</u>
<u>18,838</u>	<u>-</u>	<u>18,838</u>
<u>\$ 326,246</u>	<u>\$ 157,327</u>	<u>\$ 168,919</u>
		17.0%
<u><u>\$ 1,540,511</u></u>	<u><u>\$ 543,980</u></u>	<u><u>\$ 996,531</u></u>

Expenditures through June 30, 2016 (J)	Reimbursements through June 30, 2016 (K)	Net M2 Cost (L)
\$ 18,159	\$ 292	\$ 17,867
-	-	-
<u>\$ 18,159</u>	<u>\$ 292</u>	<u>\$ 17,867</u>
		1.2%

\$ 15,888	\$ -	\$ 15,888
		1.1%
\$ 18,161	\$ 3,523	\$ 14,638
		1.0%

Measure M2

Progress Report LOCAL FAIR SHARE



M2 FUNDS

ENTITY	4th Quarter FY 2015/16	FUNDS TO DATE
ALISO VIEJO	\$204,941.28	\$2,945,619.75
ANAHEIM	\$1,785,761.42	\$25,437,784.03
BREA	\$289,611.28	\$4,277,436.60
BUENA PARK	\$487,770.02	\$6,966,171.06
COSTA MESA	\$747,259.32	\$10,685,510.00
CYPRESS	\$273,112.51	\$4,004,602.86
DANA POINT	\$170,295.08	\$2,444,916.31
FOUNTAIN VALLEY	\$323,273.74	\$4,676,784.13
FULLERTON	\$674,858.69	\$9,704,685.28
GARDEN GROVE	\$767,149.14	\$11,122,472.82
HUNTINGTON BEACH	\$1,010,243.43	\$14,495,349.23
IRVINE	\$1,408,680.92	\$19,464,787.42
LAGUNA BEACH	\$133,561.37	\$1,893,103.82
LAGUNA HILLS	\$177,108.70	\$2,550,303.84
LAGUNA NIGUEL	\$344,744.10	\$5,005,884.23
LAGUNA WOODS	\$66,475.33	\$963,971.56
LA HABRA	\$272,207.73	\$3,959,825.68
LAKE FOREST	\$405,091.36	\$5,819,097.82

Measure M2

Progress Report

LOCAL FAIR SHARE



M2 FUNDS

ENTITY	4th Quarter FY 2015/16	FUNDS TO DATE
LA PALMA	\$89,033.75	\$1,318,564.50
LOS ALAMITOS	\$67,765.24	\$965,930.11
MISSION VIEJO	\$485,005.55	\$6,996,505.95
NEWPORT BEACH	\$574,337.33	\$8,180,527.72
ORANGE	\$860,556.63	\$12,222,066.17
PLACENTIA	\$247,414.54	\$3,534,941.59
RANCHO SANTA MARGARITA	\$220,202.71	\$3,169,568.26
SAN CLEMENTE	\$288,410.02	\$4,137,668.93
SAN JUAN CAPISTRANO	\$198,502.12	\$2,842,259.22
SANTA ANA	\$1,438,482.78	\$20,636,154.03
SEAL BEACH	\$127,105.90	\$1,925,262.60
STANTON	\$155,978.89	\$2,251,617.21
TUSTIN	\$461,964.62	\$6,588,931.60
VILLA PARK	\$27,158.40	\$388,710.85
WESTMINSTER	\$439,827.94	\$6,364,196.75
YORBA LINDA	\$311,163.61	\$4,462,969.18
COUNTY UNINCORPORATED	\$954,620.54	\$13,544,000.52
TOTAL M2 FUNDS	\$16,489,675.99	\$235,948,181.63

Measure M2

Progress Report

CAPITAL ACTION PLAN



Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

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

Red = Forecast milestone is over three months later than plan

Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
FREEWAY PROJECTS					
I-5, Pico to Vista Hermosa	\$113.0	Jun-09	Dec-11	Oct-13	Aug-18
Project C	\$90.5	Jun-09	Oct-11	Oct-13	Aug-18
I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Feb-13	Mar-17
Project C	\$71.0	Jun-09	Oct-11	May-13	Mar-17
I-5, PCH to San Juan Creek Rd.	\$70.7	Jun-09	Dec-11	Jan-13	Sep-16
Project C	\$71.2	Jun-09	Oct-11	Jan-13	Apr-18
I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Nov-11	Sep-15
Project D	\$80.3	Sep-05	Jun-09	Dec-11	Jan-16
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	Oct-14	Oct-16
I-5, SR-73 to Oso Parkway	\$151.9	Sep-11	Jun-14	Jan-18	Apr-22
Project C & D	\$151.9	Oct-11	May-14	Jan-18	Jul-22
I-5, Oso Parkway to Alicia Parkway	\$196.2	Sep-11	Jun-14	Jun-17	Mar-22
Project C & D	\$196.2	Oct-11	May-14	Jun-17	Apr-22
I-5, Alicia Parkway to El Toro Road	\$133.6	Sep-11	Jun-14	Jun-18	Sep-22
Project C	\$133.6	Oct-11	May-14	Jun-18	Sep-22
I-5, I-5/El Toro Road Interchange	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Nov-16	Oct-19	TBD	TBD
I-5, I-405 to SR-55	TBD	May-14	Aug-18	TBD	TBD
Project B	TBD	May-14	Aug-18	TBD	TBD
I-5, SR-55 to SR-57	\$37.1	Jul-11	Jun-13	Mar-17	Feb-20
Project A	\$37.1	Jun-11	Apr-15	Mar-17	Feb-20

*For detailed project information, please refer to the individual project section within this report.

Measure M2

Progress Report

CAPITAL ACTION PLAN



Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

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

Red = Forecast milestone is over three months later than plan

Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
SR-55, I-405 to I-5	TBD	Feb-11	Nov-13	TBD	TBD
Project F	\$375.9	May-11	Jan-18	Aug-21	Jan-27
SR-55, I-5 to SR-91	TBD	TBD	TBD	TBD	TBD
Project F	TBD	Nov-16	May-19	TBD	TBD
SR-57 (NB), Orangewood to Katella	TBD	Apr-16	Dec-18	TBD	TBD
Project G	TBD	Apr-16	Dec-18	TBD	TBD
SR-57 (NB), Katella to Lincoln	\$78.7	Apr-08	Jul-09	Nov-10	Sep-14
Project G	\$40.7	Apr-08	Nov-09	Dec-10	Apr-15
SR-57 (NB), Katella to Lincoln (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	N/A	Jul-10	Apr-18
SR-57 (NB), Orangethorpe to Yorba Linda	\$80.2	Aug-05	Dec-07	Dec-09	May-14
Project G	\$52.8	Aug-05	Dec-07	Jul-09	Nov-14
SR-57 (NB), Yorba Linda to Lambert	\$79.3	Aug-05	Dec-07	Dec-09	Sep-14
Project G	\$54.7	Aug-05	Dec-07	Jul-09	May-14
SR-57 (NB), Orangethorpe to Lambert (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	N/A	Oct-16	Apr-18
SR-57 (NB), Lambert to Tonner Canyon (On Hold)	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Jul-17	Jun-20	TBD	TBD
SR-91 Westbound (WB), I-5 to SR-57	\$78.1	Jul-07	Apr-10	Feb-12	Apr-16
Project H	\$61.3	Jul-07	Jun-10	Apr-12	Jun-16
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project H	N/A	N/A	N/A	Aug-16	Apr-18

*For detailed project information, please refer to the individual project section within this report.

Measure M2

Progress Report

CAPITAL ACTION PLAN



Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

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

Red = Forecast milestone is over three months later than plan

Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
SR-91, SR-57 to SR-55	TBD	Jan-15	Oct-18	TBD	TBD
Project I	TBD	Jan-15	Oct-18	TBD	TBD
SR-91 (WB), Tustin Interchange to SR-55	\$49.9	Jul-08	Jul-11	Mar-13	Jul-16
Project I	\$45.1	Jul-08	May-11	Feb-13	Sep-16
SR-91, SR-55 to SR-241	\$128.4	Jul-07	Jul-09	Jan-11	Dec-12
Project J	\$79.6	Jul-07	Apr-09	Aug-10	Mar-13
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project J	N/A	N/A	N/A	Feb-13	Feb-15
SR-91 Eastbound, SR-241 to SR-71	\$104.5	Mar-05	Dec-07	Dec-08	Nov-10
Project J	\$57.8	Mar-05	Dec-07	Dec-08	Jan-11
I-405, I-5 to SR-55	TBD	Dec-14	Jul-18	TBD	TBD
Project L	TBD	Dec-14	Jul-18	TBD	TBD
I-405 Southbound, SR-133 to University Drive	TBD	Mar-15	Aug-16	Apr-17	TBD
Project L	\$13.4	Mar-15	Feb-16	Apr-17	Jan-19
I-405, SR-55 to I-605 (Design-Build)	\$1,900.0	Mar-09	Mar-13	Nov-15	Apr-23
Project K	\$1,900.0	Mar-09	May-15	Nov-15	Apr-23
I-605, I-605/Katella Interchange (Draft)	TBD	TBD	TBD	TBD	TBD
Project M	TBD	Aug-16	Jul-18	TBD	TBD
GRADE SEPARATION PROJECTS					
Sand Canyon Avenue Railroad Grade Separation	\$55.6	N/A	Sep-03	Jul-10	May-14
Project R	\$61.7	N/A	Sep-03	Jul-10	Jan-16
Raymond Avenue Railroad Grade Separation	\$77.2	Feb-09	Nov-09	Aug-12	Aug-18
Project O	\$124.8	Feb-09	Nov-09	Dec-12	Aug-18

*For detailed project information, please refer to the individual project section within this report.

Measure M2

Progress Report

CAPITAL ACTION PLAN



Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

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

Red = Forecast milestone is over three months later than plan

Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
State College Blvd. Grade Separation (Fullerton)	\$73.6	Dec-08	Jan-11	Aug-12	May-18
Project O	\$97.0	Dec-08	Apr-11	Feb-13	May-18
Placentia Ave. Grade Separation	\$78.2	Jan-01	May-01	Mar-10	Nov-14
Project O	\$64.4	Jan-01	May-01	Jun-10	Dec-14
Kraemer Blvd. Grade Separation	\$70.4	Jan-01	Sep-09	Jul-10	Oct-14
Project O	\$63.5	Jan-01	Sep-09	Jul-10	Dec-14
Orangethorpe Blvd. Grade Separation	\$117.4	Jan-01	Sep-09	Dec-11	Sep-16
Project O	\$108.6	Jan-01	Sep-09	Oct-11	Sep-16
Tustin Ave./Rose Dr. Grade Separation	\$103.0	Jan-01	Sep-09	Dec-11	May-16
Project O	\$98.3	Jan-01	Sep-09	Jul-11	Aug-16
Lakeview Ave. Grade Separation	\$70.2	Jan-01	Sep-09	Oct-11	Mar-17
Project O	\$107.4	Jan-01	Sep-09	Jan-13	Jul-17
17th St. Grade Separation	TBD	Oct-14	Jun-16	TBD	TBD
Project R	TBD	Oct-14	Jun-17	TBD	TBD
RAIL AND STATION PROJECTS					
Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Jan-08	Oct-08	Sep-08	Dec-11
Project R	\$90.4	Jan-08	Oct-08	Sep-08	Dec-11
San Clemente Beach Trail Safety Enhancements	\$6.0	Sep-10	Jul-11	Apr-12	Jan-14
Project R	\$5.3	Sep-10	Jul-11	Jun-12	Mar-14
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	May-16	Jan-19
	\$25.3	Aug-11	Mar-14	Apr-17	Dec-19

*For detailed project information, please refer to the individual project section within this report.

Measure M2

Progress Report

CAPITAL ACTION PLAN



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Capital Projects*	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
OC Streetcar	TBD	Aug-09	Mar-12	TBD	TBD
Project S	\$306.4	Aug-09	Mar-15	Jul-17	Apr-20
Placentia Metrolink Station and Parking Structure	\$34.8	Jan-03	May-07	Jan-11	TBD
	\$34.8	Jan-03	May-07	Feb-11	Apr-20
Anaheim Canyon Station	TBD	Jan-16	Dec-16	TBD	TBD
	\$21.0	Jan-16	Dec-16	Oct-18	Jul-20
Orange Station Parking Expansion	\$33.2	Dec-09	Dec-12	Apr-13	Jun-18
	\$33.2	Dec-09	May-16	Apr-16	Jun-18
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Dec-13	Mar-17
	\$4.0	N/A	N/A	Dec-13	Mar-17
Laguna Niguel/Mission Viejo Station ADA Ramps	\$3.5	Jul-13	Jan-14	Aug-14	Apr-17
	\$4.6	Jul-13	Feb-14	Jul-15	Jul-17
Anaheim Regional Transportation Intermodal Center	\$227.4	Apr-09	Feb-11	Feb-12	Nov-14
	\$230.4	Apr-09	Feb-12	May-12	Dec-14

*For detailed project information, please refer to the individual project section within this report.

LOS ANGELES

SAN BERNARDINO

ORANGE COUNTY

California

RIVERSIDE


SAN DIEGO





COMMITTEE TRANSMITTAL

September 12, 2016

To: Members of the Board of Directors
From:  Laurena Weinert, Clerk of the Board
Subject: Measure M2 Environmental Cleanup Program – 2016 Tier 1 Water Quality Grant Funding Allocations

Regional Planning and Highways Committee Meeting of September 1, 2016

Present: Directors Bartlett, Do, Miller, Nelson, Spitzer, and Ury

Absent: Directors Donchak and Lalloway

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Approve the Tier 1 programming recommendations for \$2,769,943 of Measure M2 Environmental Cleanup Program funding.
- B. Conditionally approve the Tier 1 programming recommendations for the cities of Anaheim, Orange, and Placentia contingent upon the cities submitting approved resolutions by September 15, 2016.




ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Environmental Cleanup Program – 2016 Tier 1
Water Quality Grant Funding Allocations**

Staff Report



September 1, 2016

To: Regional Planning and Highways Committee
From: Darrell Johnson, Chief Executive Officer 
Subject: Measure M2 Environmental Cleanup Program – 2016 Tier 1 Water Quality Grant Funding Allocations

Overview

The Orange County Transportation Authority's Environmental Cleanup Program Project X, provides Measure M2 funding for water quality improvement projects to address transportation-generated pollution. The Tier 1 Grant Program fiscal year 2016-17 call for projects was issued on February 15, 2016. Evaluations have been completed, and a list of projects is presented for review and approval of funding allocations.

Recommendations

- A. Approve the Tier 1 programming recommendations for \$2,769,943 of Measure M2 Environmental Cleanup Program funding.
- B. Conditionally approve the Tier 1 programming recommendations for the cities of Anaheim, Orange, and Placentia contingent upon the cities submitting approved resolutions by September 15, 2016.

Background

In May 2010, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved a two-tiered approach to fund the Measure M2 (M2) Environmental Cleanup Program (ECP), Project X. The funding plan called for up to \$19.5 million in Tier 1 grants on a "pay-as-you-go" basis through seven funding cycles. Approximately \$2.8 million is available for each cycle of Tier 1 calls for projects (call). The fiscal year (FY) 2016-17 call is the sixth cycle. In addition, the Board approved up to \$38 million in Tier 2 grants via bonding through two to three cycles of calls.

The Tier 1 Grant Program is designed to remove the more visible forms of pollutants, such as litter and debris, which collect on roadways and in catch basins, or "storm drains", prior to being deposited in waterways and the ocean.

These funds are available for Orange County local governments to purchase equipment and upgrades for existing catch basins and other related best management practices (BMP) that supplement current requirements. Examples include screens, filters, and inserts for catch basins, as well as other devices designed to remove the above mentioned pollutants. Proposed projects must demonstrate a direct nexus to the reduction of transportation-related pollution as developed and defined by the Environmental Cleanup Allocation Committee (ECAC).

The Board has approved funding for 122 projects through five Tier 1 calls, totaling just over \$14 million. Staff has estimated that over a million cubic feet of trash has been captured as a result of the installation of Tier 1 devices since the inception of the Tier 1 program in 2011.

Discussion

The Board approved the release of the Tier 1 call in February 2016. During this process, the Board inquired whether the M2 ECP funds could be used to pay for “purple pipes” projects for conveyance of reclaimed/recycled water. The Board requested that staff engage the ECAC to discuss the eligibility of such projects. The ECAC revisited the M2 Ordinance to reconfirm the intent of this program. Based on a review of the ordinance, the ECAC believes the intent of this program is to improve the quality of stormwater runoff from public transportation facilities (i.e., roadways). Projects that solely convey recycled water via purple pipes would not likely be eligible for funding consideration since this project feature alone would not provide a direct nexus to a reduction of transportation related pollution. However, if in the future a project application is submitted that includes features related to recycled water, but the primary project attributes meet the transportation nexus, then this type of project would warrant consideration.

OCTA issued the FY 2016-17 Tier 1 call on February 15, 2016. Twenty-nine applications were submitted from 22 cities and the County of Orange by April 15, 2016. Applications were reviewed and evaluated by OCTA staff and the Chairman of the ECAC. The applications were ranked based on the following Board-approved criteria:

- the proposed project’s effectiveness at removing trash and debris,
- identification of the affected waterway and the pollutant(s) treated by the proposed BMP,

- an operations and maintenance plan adequate to maintain the efficiency of the proposed BMP for regularly scheduled inspections, maintenance, and cleaning/disposal of pollutants,
- a clear and detailed work plan with a specific implementation period, and
- project readiness.

The evaluation team recommended 16 projects for funding based on total points earned (Attachment A). This item was presented to the ECAC for review and discussion on July 14, 2016. The ECAC endorsed the action to move forward with the recommendation to approve funding for 16 projects, in the amount of \$2,769,943. The Tier 1 proposals recommended for funding by the ECAC include four types of projects. A brief description of each project type and the number of projects in each category is provided below.

- 1) Automatic retractable screens and other debris screens or inserts (13 projects): These screens or insert units prevent debris from entering the storm drain system.
- 2) Continuous deflective separator (CDS) (one project): CDS units divert runoff away from waterways and screen out trash and debris from the storm drain flow. CDS units screen, separate, and trap debris, sediment, oil, and grease from storm water runoff.
- 3) Marina trash skimmer (one project): Marina trash skimmers use an electric motor to draw in floating and partially submerged debris, sediment, oil, grease, and marine vegetation.
- 4) Trash boom (one project): A floating boom placed across a channel captures trash and debris that have reached flood channels from being further conveyed to downstream receiving waters.

As part of this grant program, local agencies agree to contribute a minimum match of 25 percent of the project cost. These matching funds can be provided with capital funding and/or in-kind services such as the cost of maintenance and operations of the improvements. Given the limited amount of funding available for each call cycle and the competitive nature of this program, applications are evaluated and scored based upon the thoroughness of the responses to application questions related to water quality benefits of the proposed project. Attachment B lists projects that were beyond the funding capacity of this cycle. Staff will continue outreach efforts to the sponsor agencies and offer assistance on how their applications can be strengthened.

Per the Comprehensive Transportation Funding Programs (CTFP) Guidelines, a resolution or minute action must be approved by the local jurisdiction's governing body prior to Board approval of grant funds. Due to city council meeting scheduling conflicts, the cities of Anaheim, Orange, and Placentia (cities) were unable to submit an approved resolution prior to the proposed Board approval date. The cities have committed to providing approved resolutions by September 15, 2016. If any of the cities fail to provide a resolution by this date, the project will not be funded for this round.

Next Steps

Upon approval of the recommendation by the Board, each agency will be requested to execute a letter agreement. Further, staff will continue to monitor project status and project delivery through the CTFP semi-annual review process.

The next Tier 1 call is anticipated for mid-2017. It is also anticipated that approximately \$2.8 million will be available. Prior to the release of the next call, the ECAC will review the CTFP Guidelines and scoring criteria to determine if changes should be recommended.

Fiscal Impact

This project was approved in OCTA's FY 2016-17 Budget, Planning Division, Account 0017-7831-MX001-T6S, and is funded with M2 funds.

Summary

Proposed programming recommendations for the M2 ECP- Tier 1 Water Quality Grant Program have been developed by staff and endorsed by the ECAC. Staff is seeking the Board's approval to fund 16 projects, totaling \$2,769,943.

Attachments

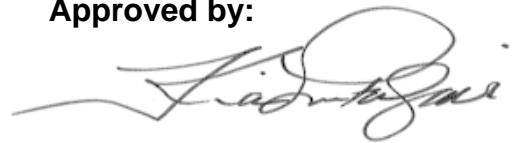
- A. 2016 Orange County Transportation Authority Environmental Cleanup Program – Tier 1 Call for Projects Funding Recommendations – Funded Projects List
- B. 2016 Orange County Transportation Authority Environmental Cleanup Program – Unfunded Projects List

Prepared by:



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Approved by:



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Executive Director, Planning
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ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Environmental Cleanup Program – 2016 Tier 1
Water Quality Grant Funding Allocations**

Attachment A

2016 Orange County Transportation Authority Environmental Cleanup Program – Tier 1 Call for Projects Funding Recommendations – Funded Projects List

	Agency	Project Title	Project Description	Cumulative Programming	Funds Requested	Local Match	Score
1	Brea	Citywide Catch Basin Inserts Project 7524 - Phase 6	Install 120 storm drain inlet inserts at existing catch basins throughout the city of Brea.	\$197,885	\$197,885	\$359,924	86
2	Brea	Citywide Catch Basin Inserts Project 7524 - Phase 7	Install 114 storm drain inlet inserts at existing catch basins throughout the city of Brea.	\$396,427	\$198,542	\$370,805	86
3	Brea	Citywide Catch Basin Inserts Project 7524 - Phase 8	Install 45 storm drain inlet inserts at existing catch basins throughout the city of Brea.	\$475,127	\$78,700	\$155,894	86
4	Tustin	Median Irrigation Replacement and Storm Drain Retrofits	Install a drip irrigation system, and install 24 automatic retractable screens (ARS) throughout Tustin.	\$675,127	\$200,000	\$769,304	86
5	Fullerton	Catch Basin Enhancement Project	Install curb inlet filters and ARS at various locations throughout Fullerton.	\$875,127	\$200,000	\$263,439	85
6	Huntington Beach	Huntington Harbour Marina Trash Skimmers (MTS) Trash Removal Project	Install seven marina trash skimmers throughout Huntington Harbour.	\$948,244	\$73,118	\$24,373	85
7	La Habra	Installation of Full Capture Catch Basin Screens Phase 3	Install 207 connector pipe screens (CPS) in catch basins with ARS. Install both ARS and CPS at 44 new locations in La Habra.	\$1,148,244	\$200,000	\$66,667	85
8	Anaheim	Storm Drain Full Capture Catch Screen Project	Install 185 CPS at storm drain catch basins throughout the city of Anaheim.	\$1,346,194	\$197,950	\$66,446	84
9	Mission Viejo	Marguerite Parkway Roadway Pollutant and Runoff Abatement Project: Alarcon to Santa Margarita	Install seven ARS and retrofit the median irrigation system to use a drip irrigation system on Marguerite Parkway.	\$1,546,194	\$200,000	\$67,000	81
10	Aliso Viejo	Aliso Viejo Stormwater Litter Control Project - Phase IV	Install 109 Bio Clean high capacity filter inserts into storm drains throughout the city of Aliso Viejo	\$1,746,193	\$199,999	\$111,180	80
11	County of Orange	Trash Booms Phase I	Install trash booms at six new locations and replace trash booms at five locations throughout the County of Orange.	\$1,946,193	\$200,000	\$67,000	80
12	Lake Forest	Connector Pipe Screen and Automatic Retractable Screen Catch Basin Retrofit, Phase I	Retrofit 110 catch basins with CPS where ARS are already deployed, and install both CPS and ARS at 88 new catch basin locations in Lake Forest.	\$2,133,693	\$187,500	\$62,500	77
13	Westminster	Catch Basin Screen Installation Project	Install new drop inlet screens to 27 catch basins with grate inlets, ARS to 28 existing catch basins, and CPS to six catch basins throughout Westminster.	\$2,219,943	\$86,250	\$28,820	77
14	Buena Park	City of Buena Park G2 Full Capture Catch Basin Insert Project	Install ARS and CPS at 152 catch basins throughout the city of Buena Park	\$2,419,943	\$200,000	\$111,050	74
15	Orange	Orangewood Avenue Bio Clean Unit Installation	Install a hydrodynamic separation unit at the downstream end of a storm drain line on Orangewood Avenue and 10 CPS on Katella Avenue in Orange.	\$2,569,943	\$150,000	\$50,000	74
16	Placentia	Catch Basin Inserts Project - Phase 3	Install ARS and CPS in 80 catch basins and retrofit 55 catch basins with CPS throughout Placentia.	\$2,769,943	\$200,000	\$66,700	74



ORANGE COUNTY TRANSPORTATION AUTHORITY

**Measure M2 Environmental Cleanup Program – 2016 Tier 1
Water Quality Grant Funding Allocations**

Attachment B

2016 Orange County Transportation Authority Environmental Cleanup Program – Unfunded Projects List

	Agency	Project Title	Project Description	Cumulative Programming	Funds Requested	Local Match	Score
17	Garden Grove	Magnolia Street Irrigation Retrofit & Curb Inlet Filter Installation	Retrofit the median irrigation system to use a drip irrigation system and install curb inlet filters at catch basin along Magnolia Street from Trask Avenue to Garden Grove Blvd.	\$2,969,943	\$200,000	\$106,000	70
18	Garden Grove	Euclid Street Irrigation Retrofit & Bio Clean Round Curb Inlet Filter Installation (Westminster to Trask and Chapman to Katella)	Retrofit the median irrigation system to use a drip irrigation system and install round curb inlet filters at existing catch basins along Euclid Street from Westminster to Trask and Chapman to Katella.	\$3,169,943	\$200,000	\$107,720	70
19	Garden Grove	Euclid Street Irrigation Retrofit & Bio Clean Round Curb Inlet Filter Installation (Lampson to Chapman)	Retrofit the median irrigation system to use a drip irrigation system and install round curb inlet filters at existing catch basins along Euclid Street from Lampson Ave to Chapman Ave.	\$3,269,943	\$100,000	\$35,300	69
20	Laguna Hills	Debris Gate Project Phase VI	Install automatic retractable screens (ARS) at 32 catch basin locations.	\$3,343,360	\$73,417	\$24,473	69
21	Seal Beach	2016 Environmental Cleanup Program Project	Filter Insert Installation project to install 24 DrainPacs at various catch basins, specifically where inserts are missing.	\$3,356,110	\$12,750	\$4,250	66
22	Cypress	Connector Pipe Screen Installation Project No. 174	Install 286 connector pipe screens (CPS) at catch basins with ARS throughout the city.	\$3,465,737	\$109,627	\$38,318	65
23	Fountain Valley	Brookhurst Street Median Island Irrigation Improvement Project	Replace existing median turf irrigation system with high efficiency, low flow irrigation system on Brookhurst Street from Warner Avenue north to the City limit.	\$3,624,237	\$158,500	\$58,620	65
24	Fountain Valley	Euclid Street Median Island Irrigation Improvement Project	Replace existing median island turf irrigation with high efficiency, low flow irrigation system on Euclid Street from Warner Avenue north to the City limit.	\$3,782,737	\$158,500	\$58,620	65
25	Villa Park	Catch Basin Debris Filerts Installation Project Round 3	Install, maintain, and evaluate round curb inlet filters on 115 city catch basin locations	\$3,982,737	\$200,000	\$66,816	65
26	Irvine	Catch Basin Filter Installation Project	Install catch basin inserts, full capture devices, at several storm drain catch basins in three specific regions: Irvine Spectrum Center, University Park, and University Town Center.	\$4,182,737	\$200,000	\$69,650	64
27	Westminster	Beach Boulevard Irrigation Modernization Project	Build a mow strip that slows into the median and relocate and replace the irrigation system to a drip and bubbler system.	\$4,382,737	\$200,000	\$68,000	61
28	Yorba Linda	Arterial Roadway Connector Pipe Screen and Irrigation Retrofit Project	Install 197 CPS screens along four arterial roadways and roadways within a commercial and industrial area.	\$4,531,737	\$149,000	\$164,000	61
29	Laguna Niguel	Catch Basin Installation Project	Install 149 ARS on catch basins mainly on City's arterial streets.	\$4,731,737	\$200,000	\$148,805	54