



Measure M
Taxpayer Oversight Committee
at the Orange County Transportation Authority
600 S. Main Street, Orange CA, Room 154
December 9, 2014
6:00 p.m.



AGENDA

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Approval of Minutes/Attendance Report for October 14, 2014**
- 4. Chairman's Report**
- 5. CEO Report**
Darrell Johnson, OCTA Chief Executive Officer
- 6. Action Items**
 - A. M1/M2 Quarterly Review & Expenditure Reports (June 14)
Andy Oftelie, Executive Director, Finance and Administration
 - B. M1/M2 Quarterly Review & Expenditure Reports (September 14)
Andy Oftelie, Executive Director, Finance and Administration
- 7. Presentation Items**
 - A. Rail Program Update
Presentation – Jennifer Bergener, Director, Rail Programs
 - B. Investment Policy Overview
Presentation – Kirk Avila, Treasurer, Finance & Administration
 - C. Annual Hearing Planning
Presentation – Alice Rogan, Strategic Communications Manager, External Affairs
- 8. OCTA Staff Updates (5 minutes each)**
 - I-405/Project K Update – Jim Beil, Executive Director, Capital Programs
 - Other
- 9. Annual Eligibility Review Subcommittee Report**
- 10. Audit Subcommittee Report**
- 11. Environmental Oversight Committee Report**
- 12. Committee Member Reports**
- 13. Public Comments***
- 14. Adjournment**

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

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



Measure M Taxpayer Oversight Committee



INFORMATION ITEMS

- 1. Metrolink Ridership and Revenue Annual Report** **Oct. 13, 2014**
- 2. Measure M2 Sales Tax Forecast**
- 3. Environmental Mitigation Program Endowment Recommendation to Fund Preserved Lands**
- 4. Third Quarter 2014 Investment and Debt Report** **Oct. 27, 2014**
- 5. Fiscal Year 2014-15 Measure M2 Annual Eligibility Review** **Nov. 10, 2014**
- 6. Capital Program Division – First Quarter Fiscal Year 2014-15 Capital Action Plan Performance Metrics**
- 7. Measure M1 Progress Report for the Period of July 0214 through September 2014 and Closeout Overview** **Nov. 24, 2014**
- 8. Measure M2 Progress Report for the Period of July 2014 Through September 2014**

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Measure M Taxpayer Oversight Committee

October 14, 2014
Meeting Minutes

Committee Members Present:

Jan Grimes, Orange County Auditor-Controller, Co-Chairman
Linda Rogers, First District Representative, Co-Chairman
Jack Wu, Second District Representative
Terre Duensing, Third District Representative
Dr. Ron Randolph, Third District Representative
Cynthia Hall, Fourth District Representative
Philip C. La Puma, PE, Fourth District Representative
Terry Fleskes, Fifth District Representative
Nilima Gupta, Fifth District Representative

Committee Member(s) Absent:

Margie Drilling, Second District Representative
Narinder "Nindy" Mahal, First District Representative

Orange County Transportation Authority Staff Present:

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

1. Welcome

Chair Jan Grimes welcomed everyone to the Orange County Transportation Authority (OCTA) Taxpayer Oversight Committee (TOC) meeting at 6:05 p.m.

2. Pledge of Allegiance

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

3. Approval of Minutes/Attendance Report for August 12, 2014

Chair Jan Grimes asked if there were any additions or corrections to the August 12, 2014 Meeting Minutes and Attendance Report. Terry Fleskes asked for a correction to Page 5, Item 8, **Audit Subcommittee Report**. The Audit Subcommittee did meet on August 12, 2014 before the regular TOC meeting, but they met in closed session.

A motion was made by Philip La Puma, seconded by Linda Rogers, and carried unanimously to approve the August 12, 2014 TOC minutes and attendance report as corrected.

4. Chairman's Report

There was no report.

5. Action Item

A. AER Subcommittee Eligibility Report FY 14-15

Jack Wu, Annual Eligibility Review (AER) Subcommittee Chairman reported the Measure M2 Ordinance requires all local jurisdictions in Orange County to annually satisfy eligibility requirements in order to receive M2 net revenues. The AER subcommittee members convened a meeting on September 25 with OCTA staff and their consultant to review eligibility requirements to ensure compliance with the Ordinance.

As part of the M2 Eligibility Review for fiscal year (FY) 2014-15, the AER subcommittee reviewed:

1. Pavement Management Plan Certifications for even-numbered year agencies, and
2. Local Signal Synchronization Plans.

Jack Wu said the AER recommends all jurisdictions in Orange County be conditionally eligible for FY 2014-2015 until review of their expenditure reports.

Upon approval, recommendations from the TOC and OCTA staff will be presented to the OCTA Highways Committee and the Board of Directors for approval in December 2014. The AER subcommittee is tentatively scheduled to review expenditure reports for all local agencies in March 2015.

A motion was made by Terre Duensing, seconded by Linda Rogers, and passed unanimously to approve the AER recommendation to find all jurisdictions in Orange County to be conditionally eligible for FY 2014-15 until review of their expenditure reports.

6. Presentation Items

A. Highway Program Update

Rose Casey gave an update on the highway programs.

Terry Fleskes asked why the OCTA Board's vote to proceed on the I-405 project was not unanimous - two OCTA Board members voted against proceeding. Why did these Board Members not agree? Rose Casey said, as she understood, those

Board Members were concerned with Caltrans' preferred alternative (Alternative 3) which includes an express lane facility. Even though OCTA is moving the Measure M Project K forward, Caltrans may build a second phase as a follow-up project with toll lanes. Those Board Members' votes reflected their issue with toll lanes.

Terry Fleskes asked if there is a risk more money would be spent than necessary or it will not be as economical as possible – what is at stake. Rose Casey said she believed the Board Members' primary objection was to the toll lane portion of Alternative 3. As far as she is aware, they totally support Measure M's promise to fund only one general purpose lane in each direction.

Terry Fleskes asked if there was a risk that once Project K is completed, the lanes could be converted to toll lanes by Caltrans. Rose Casey said currently there is one HOV 2+ carpool lane on the 405. Caltrans as the owner operator of the state freeways can convert this lane to an HOV 3+ at any time. They could also change this at some point to make it an express lane. According to Caltrans, Alternative 3, which includes two express lanes in each direction, would manage the traffic best. Ultimately they could choose to move forward with any of the options in the future.

Alice Rogan asked Terry Fleskes if he was questioning whether or not the general purpose lanes OCTA is adding could be changed into toll lanes. Terry said yes. Rose Casey said the general purpose lanes OCTA is adding cannot be converted to toll lanes.

Nilima Gupta asked if the HOV lanes would be two people or more per car or three people per car. Rose Casey said currently with the M2 project, the plan for the existing HOV lanes is for one lane to remain and be restriped for continuous access. If Caltrans finds the money to implement the express lanes portion of their alternative they could keep it HOV 2+ or increase it to HOV 3+. They would need to study the impacts on traffic and on any potential toll revenue.

Nilima Gupta asked if the cost estimates for the Grade Separation Projects were fixed. Rose Casey said the costs are the current cost and reflect what the Board approved.

Philip La Puma asked if once the OCTA managed Grade Separation Projects are complete, they are turned over to the cities to maintain. Rose Casey said yes, when the construction is complete and the contractor has been relieved, the cities will accept maintenance and operation responsibilities.

B. Measure M Program Management Office (PMO) Report

Tamara Warren gave an overview of the PMO and gave a brief review of the PMO quarterly report.

Terry Fleskes said he has looked at the M1 revenue and expenses and currently the numbers are over \$193 million of excess revenues over expenses. In the documents emailed to the TOC members, that number comes down to approximately \$99 million which gets carried over to M2. So it is expected that next year the \$100 million will be spent leaving approximately \$99 million. Tamara Warren said that is correct, but these are just the anticipated numbers and could change.

7. OCTA Staff Updates

Other: Alice Rogan reported the ARTIC will be opening in December and TOC members will receive invitations to the opening.

8. Annual Eligibility Review Subcommittee Report

The Annual Eligibility Review Subcommittee had nothing further to report.

9. Audit Subcommittee Report

Jan Grimes reported the Audit Subcommittee met earlier in the evening and receive reports on the TOC Audit Subcommittee Draft Audit Charter and the M2 Sales Tax Forecast.

Andrew Oftelie gave a brief review of the Sales Tax Forecast. OCTA just received their end of the fiscal year 2014 final sales tax collection numbers. OCTA finished the year at 4.8 percent growth which is good but below the 5.89 budgeted for the year resulting in an approximate \$3.5 million under run for the fiscal year. It is nothing to panic about in itself, but it is something to be concerned about. They are concerned about the trend – they had growth in the first part of the year of 6% and growth of less than 4% in the last part of the year. They are watching this closely; OCTA is budgeting 6.7% this year. The net effect of the \$3.5 million lower over a 30 year period is approximately \$173 million, but they feel they can still deliver all OCTA's programs.

Linda Rogers asked of the three university forecasts is any one of them more accurate and/or dependable. Andrew Oftelie said they are all different. In the long term they have a graph that showed their forecasts for a 30 year period and they are all together. In the short term (3 – 5 years) there are noticeable differences. UCLA is the most bullish, Cal State Fullerton is the most pessimistic, Chapman seems the most consistent and they are usually in the middle.

10. Environmental Oversight Committee Report

Philip La Puma, TOC Environmental Oversight Committee representative reported the following:

In July 2014, the Environmental Oversight Committee approved a set of recommendations on developing the framework for an endowment fund. The

endowment fund will serve as a revenue stream to pay for long term land management of the acquired properties under the M2 Freeway Environmental Mitigation Program.

Yesterday, the Board of Directors approved the set of recommendations, which included establishing a non-wasting endowment target of approximately \$34.5 million; coming back at a later time with the recommended parameters for the endowment; and directing staff to work with others in the County to come up with a strategic approach on land management. These processes will be vetted through the EOC, the Finance and Administration Committee and ultimately the Board.

This fall, we are still on target to release the draft Conservation Plan, which examines potential environmental benefits and impacts within broad geographic areas and identifies conservation and mitigation measures to protect habitat and species.

This long-term conservation program is approved by state and federal wildlife agencies, including the California Department of Fish and Wildlife and the United States Fish and Wildlife Service.

The draft Conservation Plan is expected to be available for public review and comment in November and the public will be notified once the date is set.

During the early part of 2015, OCTA will release a suite of the Resource Management Plans for the individual preserves (aka mitigation properties) and the public will have an opportunity to weigh in on issues such as public access and protection of the preserves.

11. Committee Member Report

There were no other reports.

12. Public Comments

There were no comments from the public.

13. Adjournment

The Measure M Taxpayer Oversight Committee meeting adjourned at 6:45 p.m. The next meeting will be December 9, 2014.

Taxpayer Oversight Committee
Fiscal Year 2014-2015
Attendance Record



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

Meeting Date	8-Jul	12-Aug	9-Sep	14-Oct	11-Nov	9-Dec	13-Jan	10-Feb	10-Mar	14-Apr	12-May	9-Jun
Margie Drilling		X		*								
Terre Duensing		X		X								
Terry Fleskes		X		X								
Jan Grimes		E		X								
Nilima Gupta		X		X								
Cynthia Hall		E		X								
Phil La Puma		X		X								
Nindy Mahal		X		*								
Ronald Randolph		X		X								
Linda Rogers		X		X								
Jack Wu		E		X								

Absences Pending Approval

<u>Meeting Date</u>	<u>Name</u>	<u>Reason</u>
10/14/14	Margie Drilling	Out of town
10/14/14	Nindy Mahal	Personal

*Action
Items*

Measure M1
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of June 30, 2014

(\$ in thousands)	Quarter Ended June 30, 2014	Year to Date June 30, 2014 (A)	Period from Inception through June 30, 2014 (B)
Revenues:			
Sales taxes	\$ -	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs:			
Project related	7,814	13,683	591,588
Non-project related	-	-	620
Interest:			
Operating:			
Project related	-	-	1,745
Non-project related	645	2,083	270,163
Bond proceeds	-	-	136,067
Debt service	-	-	82,054
Commercial paper	-	-	6,072
Orange County bankruptcy recovery	-	-	42,268
Capital grants	-	-	156,434
Right-of-way leases	118	323	6,590
Proceeds on sale of assets held for resale	-	2,256	26,831
Miscellaneous:			
Project related	-	1	27
Non-project related	-	1	777
Total revenues	<u>8,577</u>	<u>18,347</u>	<u>5,325,208</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	-	-	56,883
Professional services:			
Project related	991	1,792	208,651
Non-project related	219	395	36,039
Administration costs:			
Project related	167	759	24,099
Non-project related	(143)	963	96,351
Orange County bankruptcy loss	-	-	78,618
Other:			
Project related	15	52	2,121
Non-project related	8	16	15,976
Payments to local agencies:			
Turnback	-	-	594,009
Other	11,384	24,468	962,152
Capital outlay	5,819	10,201	2,102,227
Debt service:			
Principal payments on long-term debt	-	-	1,003,955
Interest on long-term debt and commercial paper	-	-	561,842
Total expenditures	<u>18,460</u>	<u>38,646</u>	<u>5,742,923</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,883)</u>	<u>(20,299)</u>	<u>(417,715)</u>
Other financing sources (uses):			
Transfers out:			
Project related	(2,999)	(20,749)	(409,432)
Non-project related	-	-	(5,116)
Transfers in: project related	-	-	1,829
Bond proceeds	-	-	1,169,999
Advance refunding escrow	-	-	(931)
Payment to refunded bond escrow agent	-	-	(152,930)
Total other financing sources (uses)	<u>(2,999)</u>	<u>(20,749)</u>	<u>603,419</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ (12,882)</u>	<u>\$ (41,048)</u>	<u>\$ 185,704</u>

Measure M1
Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)
as of June 30, 2014

<i>(\$ in thousands)</i>	Quarter Ended June 30, 2014 (actual)	Year Ended June 30, 2014 (actual)	Period from Inception through June 30, 2014 (actual)	Period from July 1, 2014 forward (forecast)	Total
		(C.1)	(D.1)	(E.1)	(F.1)
Tax revenues:					
Sales taxes	\$ -	\$ -	\$ 4,003,972	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs	-	-	620	-	620
Operating interest	645	2,083	270,163	1,025	271,188
Orange County bankruptcy recovery	-	-	20,683	-	20,683
Miscellaneous, non-project related	-	1	777	-	777
Total tax revenues	<u>645</u>	<u>2,084</u>	<u>4,296,215</u>	<u>1,025</u>	<u>4,297,240</u>
Administrative expenditures:					
SBOE fees	-	-	56,883	-	56,883
Professional services, non-project related	219	395	27,178	-	27,178
Administration costs, non-project related	(143)	963	96,351	1,100	97,451
Transfers out, non-project related	-	-	5,116	-	5,116
Orange County bankruptcy loss	-	-	29,792	-	29,792
Other, non-project related	8	16	6,876	-	6,876
Total administrative expenditures	<u>84</u>	<u>1,374</u>	<u>222,196</u>	<u>1,100</u>	<u>223,296</u>
Net tax revenues	<u>\$ 561</u>	<u>\$ 710</u>	<u>\$ 4,074,019</u>	<u>\$ (75)</u>	<u>\$ 4,073,944</u>
<hr/>					
(C.2) (D.2) (E.2) (F.2)					
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 1,169,999	\$ -	\$ 1,169,999
Interest revenue from bond proceeds	-	-	136,067	-	136,067
Interest revenue from debt service funds	-	-	82,054	-	82,054
Interest revenue from commercial paper	-	-	6,072	-	6,072
Orange County bankruptcy recovery	-	-	21,585	-	21,585
Total bond revenues	<u>-</u>	<u>-</u>	<u>1,415,777</u>	<u>-</u>	<u>1,415,777</u>
Financing expenditures and uses:					
Professional services, non-project related	-	-	8,861	-	8,861
Payment to refunded bond escrow	-	-	153,861	-	153,861
Bond debt principal	-	-	1,003,955	-	1,003,955
Bond debt interest expense	-	-	561,842	-	561,842
Orange County bankruptcy loss	-	-	48,826	-	48,826
Other, non-project related	-	-	9,100	-	9,100
Total financing expenditures and uses	<u>-</u>	<u>-</u>	<u>1,786,445</u>	<u>-</u>	<u>1,786,445</u>
Net bond revenues (debt service)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,668)</u>	<u>\$ -</u>	<u>\$ (370,668)</u>

Measure M1
Schedule of Revenues and Expenditures Summary
as of June 30, 2014

Project Description	Net Tax Revenues Program to date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures through June 30, 2014	Reimbursements through June 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
<i>(\$ in thousands)</i>										
Freeways (43%)										
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 982,346	\$ 982,328	\$ 810,010	\$ 788,022	\$ 194,306	\$ 21,988	\$ 881,312	\$ 88,035	\$ 793,277	97.9%
I-5 between I-5/I-405 Interchange and San Clemente	68,750	68,750	72,862	74,962	(6,212)	(2,100)	70,294	10,359	59,935	82.3%
I-5/I-405 Interchange	87,261	87,259	72,802	73,075	14,184	(273)	98,157	25,082	73,075	100.4%
SR-55 (Costa Mesa Fwy) between I-5 and SR-91 (Riverside Fwy)	58,174	58,173	44,511	49,349	8,824	(4,838)	55,514	6,172	49,342	110.9%
SR-57 (Orange Fwy) between I-5 and Lambert Road	29,087	29,086	24,128	22,758	6,328	1,370	25,617	2,859	22,758	94.3%
SR-91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line	125,603	125,600	116,136	105,389	20,211	10,747	123,995	18,606	105,389	90.7%
SR-22 (Garden Grove Fwy) between SR-55 and Valley View St.	400,607	400,599	313,297	311,943	88,656	1,354	668,167	353,243	314,924	100.5%
Subtotal Projects	1,751,828	1,751,795	1,453,746	1,425,498	326,297	28,248	1,923,056	504,356	1,418,700	
Net (Bond Revenue)/Debt Service	-	-	311,917	311,917	(311,917)	-	311,917	-	311,917	
Total Freeways	\$ 1,751,828	\$ 1,751,795	\$ 1,765,663	\$ 1,737,415	\$ 14,380	\$ 28,248	\$ 2,234,973	\$ 504,356	\$ 1,730,617	44.5%
%				42.8%						
Regional Street and Road Projects (11%)										
Smart Streets	\$ 153,649	\$ 153,646	\$ 151,237	\$ 151,237	\$ 2,409	\$ -	\$ 157,808	\$ 11,939	\$ 145,869	96.5%
Regionally Significant Interchanges	89,628	89,627	89,627	89,627	-	-	84,160	146	84,014	93.7%
Intersection Improvement Program	128,041	128,038	128,038	128,038	-	-	119,858	3,831	116,027	90.6%
Traffic Signal Coordination	64,020	64,019	64,019	64,019	-	-	68,405	3,977	64,428	100.6%
Transportation Systems Management and Transportation Demand Management	12,804	12,804	12,804	12,804	-	-	11,277	217	11,060	86.4%
Subtotal Projects	448,142	448,134	445,725	445,725	2,409	-	441,508	20,110	421,398	
Net (Bond Revenue)/Debt Service	-	-	2,409	2,409	(2,409)	-	2,409	-	2,409	
Total Regional Street and Road Projects	\$ 448,142	\$ 448,134	\$ 448,134	\$ 448,134	\$ -	\$ -	\$ 443,917	\$ 20,110	\$ 423,807	10.9%
%				11.0%						

Measure M1
Schedule of Revenues and Expenditures Summary
as of June 30, 2014

Project Description (G)	Net Tax Revenues Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance Total Net Tax Revenues to Est at Completion (L)	Variance Project Budget to Est at Completion (M)	Expenditures through June 30, 2014 (N)	Reimbursements through June 30, 2014 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)
Local Street and Road Projects (21%)										
Master Plan of Arterial Highway Improvements	\$ 160,737	\$ 160,732	\$ 160,732	\$ 160,732	\$ -	\$ -	\$ 152,191	\$ 99	\$ 152,092	94.6%
Streets and Roads Maintenance and Road Improvements	594,807	594,796	594,796	594,796	-	-	594,025	-	594,025	99.9%
Growth Management Area Improvements	100,000	100,000	100,000	100,000	-	-	97,526	557	96,969	97.0%
Subtotal Projects	855,544	855,528	855,528	855,528	-	-	843,742	656	843,086	
Net (Bond Revenue)/Debt Service	-	-	-	-	-	-	-	-	-	
Total Local Street and Road Projects	\$ 855,544	\$ 855,528	\$ 855,528	\$ 855,528	\$ -	\$ -	\$ 843,742	\$ 656	\$ 843,086	
%				21.1%					21.7%	
Transit Projects (25%)										
Pacific Electric Right-of-Way	\$ 19,713	\$ 19,713	\$ 15,000	\$ 14,200	\$ 5,513	\$ 800	\$ 17,486	\$ 3,423	\$ 14,063	93.8%
Commuter Rail	367,689	367,682	352,500	360,107	7,575	(7,607)	411,438	60,805	350,633	99.5%
High-Technology Advanced Rail Transit	446,828	446,820	428,264	440,688	6,132	(12,424)	482,000	158,929	323,071	75.4%
Elderly and Handicapped Fare Stabilization	20,000	20,000	20,000	20,000	-	-	20,000	-	20,000	100.0%
Transitways	164,275	164,272	146,381	127,150	37,122	19,231	163,461	36,765	126,696	86.6%
Subtotal Projects	1,018,505	1,018,487	962,145	962,145	56,342	-	1,094,385	259,922	834,463	
Net (Bond Revenue)/Debt Service	-	-	56,342	56,342	(56,342)	-	56,342	-	56,342	
Total Transit Projects	\$ 1,018,505	\$ 1,018,487	\$ 1,018,487	\$ 1,018,487	\$ -	\$ -	\$ 1,150,727	\$ 259,922	\$ 890,805	
%				25.1%					22.9%	
Total Measure M1 Program	\$ 4,074,019	\$ 4,073,944	\$ 4,087,812	\$ 4,059,564	\$ 14,380	\$ 28,248	\$ 4,673,359	\$ 785,044	\$ 3,888,315	

Measure M2
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of June 30, 2014
(Unaudited)

(\$ in thousands)	Quarter Ended June 30, 2014	Year to Date June 30, 2014	Period from Inception to June 30, 2014
	(A)	(A)	(B)
Revenues:			
Sales taxes	\$ 69,397	\$ 279,587	\$ 857,815
Other agencies' share of Measure M2 costs:			
Project related	66,737	121,385	277,413
Non-project related	134	134	134
Interest:			
Operating:			
Non-project related	1,312	4,282	5,809
Bond proceeds	(168)	5,439	21,647
Debt service	1	5	38
Commercial paper	-	-	393
Right-of-way leases	29	230	582
Miscellaneous:			
Project related	185	185	198
Non-project related	-	-	7
Total revenues	<u>137,627</u>	<u>411,247</u>	<u>1,164,036</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	739	3,157	8,930
Professional services:			
Project related	10,223	20,778	182,016
Non-project related	1,530	3,053	11,323
Administration costs:			
Project related	1,905	7,620	27,354
Non-project related :			
Salaries and Benefits	463	1,852	11,989
Other	918	3,697	17,508
Other:			
Project related	359	493	1,214
Non-project related	47	67	3,566
Payments to local agencies:			
Project related	63,753	161,964	388,242
Capital outlay:			
Project related	45,700	123,164	353,862
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	-	6,600	13,010
Interest on long-term debt and commercial paper	14	22,264	71,971
Total expenditures	<u>125,651</u>	<u>354,709</u>	<u>1,091,016</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,976</u>	<u>56,538</u>	<u>73,020</u>
Other financing sources (uses):			
Transfers out:			
Project related	(908)	(2,798)	(8,680)
Transfers in:			
Project related	12,029	13,355	45,278
Non-project related	(9,030)	7,394	7,394
Bond proceeds	-	-	358,593
Total other financing sources (uses)	<u>2,091</u>	<u>17,951</u>	<u>402,585</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 14,067</u>	<u>\$ 74,489</u>	<u>\$ 475,605</u>

Measure M2
Schedule of Calculations of Net Revenues and Net Bond Revenues (Debt Service)
as of June 30, 2014
(Unaudited)

<i>(\$ in thousands)</i>	Quarter Ended June 30, 2014 (actual)	Year Ended June 30, 2014 (actual)	Period from Inception through June 30, 2014 (actual)	Period from July 1, 2014 through March 31, 2014 (forecast)	Total
	(C.1)	(C.1)	(D.1)	(E.1)	(F.1)
Revenues:					
Sales taxes	\$ 69,397	\$ 279,587	\$ 857,815	\$ 15,070,292	\$ 15,928,107
Operating interest	1,312	4,282	5,809	894,046	899,855
Subtotal	<u>70,709</u>	<u>283,869</u>	<u>863,624</u>	<u>15,964,338</u>	<u>16,827,962</u>
Other agencies share of M2 costs	134	134	134	-	134
Miscellaneous	-	-	7	-	7
Total revenues	<u>70,843</u>	<u>284,003</u>	<u>863,765</u>	<u>15,964,338</u>	<u>16,828,103</u>
Administrative expenditures:					
SBOE fees	739	3,157	8,930	226,145	235,075
Professional services	1,436	2,740	7,761	101,465	109,226
Administration costs :					
Salaries and Benefits	463	1,852	11,989	150,679	162,668
Other	918	3,697	17,508	212,481	229,989
Other	47	67	3,566	25,854	29,420
Capital outlay	-	-	31	-	31
Environmental cleanup	1,106	2,399	6,342	301,406	307,748
Total expenditures	<u>4,709</u>	<u>13,912</u>	<u>56,127</u>	<u>1,018,030</u>	<u>1,074,157</u>
Net revenues	<u>\$ 66,134</u>	<u>\$ 270,091</u>	<u>\$ 807,638</u>	<u>\$ 14,946,308</u>	<u>\$ 15,753,946</u>
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 358,593	\$ 1,450,000	\$ 1,808,593
Interest revenue from bond proceeds	(168)	5,439	21,647	25,760	47,407
Interest revenue from debt service funds	1	5	38	55	93
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>(167)</u>	<u>5,444</u>	<u>380,671</u>	<u>1,475,815</u>	<u>1,856,486</u>
Financing expenditures and uses:					
Professional services	94	313	3,562	12,340	15,902
Bond debt principal	-	6,600	13,010	1,795,540	1,808,550
Bond debt and other interest expense	14	22,264	71,971	1,439,032	1,511,003
Total financing expenditures and uses	<u>108</u>	<u>29,177</u>	<u>88,543</u>	<u>3,246,912</u>	<u>3,335,455</u>
Net bond revenues (debt service)	<u>\$ (275)</u>	<u>\$ (23,733)</u>	<u>\$ 292,128</u>	<u>\$ (1,771,097)</u>	<u>\$ (1,478,969)</u>

Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2014
(Unaudited)

Project	Description	Net Revenues Program to Date Actual	Total Net Revenues	M2 Project Budget	Variance Total Net Revenues to M2 Project Budget	Expenditures through June 30, 2014	Reimbursements through June 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	
<i>(\$ in thousands)</i>									
Freeways (43% of Net Revenues)									
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 31,833	\$ 620,944	\$ 620,010	\$ 934	\$ 1,909	\$ -	\$ 1,909	0.3%
B,C,D	I-5 Santa Ana/San Diego Freeway Improvements	80,274	1,565,835	1,343,949	221,886	41,823	10,896	30,927	2.3%
E	SR-22 Garden Grove Freeway Access Improvements	8,128	158,539	158,539	-	4	-	4	0.0%
F	SR-55 Costa Mesa Freeway Improvements	24,789	483,543	480,019	3,524	6,400	13	6,387	1.3%
G	SR-57 Orange Freeway Improvements	17,522	341,783	320,574	21,209	40,254	9,961	30,293	9.4%
H,I,J	SR-91 Riverside Freeway Improvements	61,546	1,200,535	1,188,798	11,737	31,590	6,304	25,286	2.1%
K,L	I-405 San Diego Freeway Improvements	94,314	1,839,711	933,023	906,688	21,509	953	20,556	2.2%
M	I-605 Freeway Access Improvements	1,355	26,423	26,423	-	357	-	357	1.4%
N	All Freeway Service Patrol	10,160	198,174	198,174	-	63	-	63	0.0%
	Freeway Mitigation	17,364	338,710	311,619	27,091	39,076	1,549	37,527	12.0%
	Subtotal Projects	347,285	6,774,197	5,581,128	1,193,069	182,985	29,676	153,309	
	Net (Bond Revenue)/Debt Service	-	-	1,193,069	(1,193,069)	18,807	-	18,807	
	Total Freeways	\$ 347,285	\$ 6,774,197	\$ 6,774,197	\$ -	\$ 201,792	\$ 29,676	\$ 172,116	
	%							25.1%	
Street and Roads Projects (32% of Net Revenues)									
O	Regional Capacity Program	\$ 80,765	\$ 1,575,415	\$ 1,465,318	\$ 110,097	\$ 382,783	\$ 170,830	\$ 211,953	14.5%
P	Regional Traffic Signal Synchronization Program	32,304	630,138	629,858	280	9,913	1,012	8,901	1.4%
Q	Local Fair Share Program	145,375	2,835,710	2,835,710	-	136,339	-	136,339	4.8%
	Subtotal Projects	258,444	5,041,263	4,930,886	110,377	529,035	171,842	357,193	
	Net (Bond Revenue)/Debt Service	-	-	110,377	(110,377)	21,891	-	21,891	
	Total Street and Roads Projects	\$ 258,444	\$ 5,041,263	\$ 5,041,263	\$ -	\$ 550,926	\$ 171,842	\$ 379,084	
	%							55.3%	

Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2014
(Unaudited)

Project	Description	Net Revenues Program to Date Actual	Total Net Revenues	M2 Project Budget	Variance Total Net Revenues to M2 Project Budget	Expenditures through June 30, 2014	Reimbursements through June 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	
<i>(\$ in thousands)</i>									
Transit Projects (25% of Net Revenues)									
R	High Frequency Metrolink Service	\$ 72,301	\$ 1,410,316	\$ 1,359,550	\$ 50,766	\$ 149,178	\$ 74,754	\$ 74,424	5.5%
S	Transit Extensions to Metrolink	71,296	1,390,709	1,309,342	81,367	1,669	737	932	0.1%
T	Metrolink Gateways	16,156	315,135	271,852	43,283	68,972	46,258	22,714	8.4%
U	Expand Mobility Choices for Seniors and Persons with Disabilities	24,226	472,563	472,563	-	22,639	16	22,623	4.8%
V	Community Based Transit/Circulators	16,148	314,995	314,995	-	508	11	497	0.2%
W	Safe Transit Stops	1,782	34,768	34,768	-	40	-	40	0.1%
	Subtotal Projects	201,909	3,938,486	3,763,070	175,416	243,006	121,776	121,230	
	Net (Bond Revenue)/Debt Service	-	-	175,416	(175,416)	12,736	-	12,736	
	Total Transit Projects	\$ 201,909	\$ 3,938,486	\$ 3,938,486	\$ -	\$ 255,742	\$ 121,776	\$ 133,966	19.6%
	Measure M2 Program	\$ 807,638	\$ 15,753,946	\$ 15,753,946	\$ -	\$ 1,008,460	\$ 323,294	\$ 685,166	

Measure M2
Schedule of Revenues and Expenditures Summary
as of June 30, 2014
(Unaudited)

Project	Description	Revenues Program to Date Actual	Total Revenues	M2 Project Budget	Variance Total Net Revenues to M2 Project Budget	Expenditures through June 30, 2014	Reimbursements through June 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H.1)	(I.1)	(J)	(K)	(L)	(M)	(N)	(O)	
	Environmental Cleanup (2% of Revenues)								
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 17,272	\$ 336,559	\$ 336,559	\$ -	\$ 6,342	\$ 177	\$ 6,165	1.8%
	Net (Bond Revenue)/Debt Service	-	-	107	(107)	21	-	21	
	Total Environmental Cleanup	\$ 17,272	\$ 336,559	\$ 336,666	\$ (107)	\$ 6,363	\$ 177	\$ 6,186	0.7%
	%								
	Taxpayer Safeguards and Audits								
	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 12,867	\$ 238,922	\$ 238,922	\$ -	\$ 8,930	\$ -	\$ 8,930	3.7%
	%							1.0%	
	Oversight and Annual Audits (1% of Revenues)	\$ 8,636	\$ 168,280	\$ 168,280	\$ -	\$ 11,989	\$ 3,353	\$ 8,636	5.1%
	%							1.0%	

Measure M1
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of September 30, 2014

(\$ in thousands)	Quarter Ended Sept 30, 2014	Year to Date Sept 30, 2014 (A)	Period from Inception through Sept 30, 2014 (B)
Revenues:			
Sales taxes	\$ -	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs:			
Project related	1,617	1,617	593,205
Non-project related	-	-	620
Interest:			
Operating:			
Project related	-	-	1,745
Non-project related	340	340	270,503
Bond proceeds	-	-	136,067
Debt service	-	-	82,054
Commercial paper	-	-	6,072
Orange County bankruptcy recovery	-	-	42,268
Capital grants	-	-	156,434
Right-of-way leases	143	143	6,733
Proceeds on sale of assets held for resale	305	305	27,136
Miscellaneous:			
Project related	-	-	27
Non-project related	-	-	777
Total revenues	<u>2,405</u>	<u>2,405</u>	<u>5,327,613</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	-	-	56,883
Professional services:			
Project related	88	88	208,739
Non-project related	3	3	36,042
Administration costs:			
Project related	159	159	24,258
Non-project related	272	272	96,623
Orange County bankruptcy loss	-	-	78,618
Other:			
Project related	21	21	2,142
Non-project related	8	8	15,984
Payments to local agencies:			
Turnback	-	-	594,009
Other	597	597	962,749
Capital outlay	67	67	2,102,294
Debt service:			
Principal payments on long-term debt	-	-	1,003,955
Interest on long-term debt and commercial paper	-	-	561,842
Total expenditures	<u>1,215</u>	<u>1,215</u>	<u>5,744,138</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,190</u>	<u>1,190</u>	<u>(416,525)</u>
Other financing sources (uses):			
Transfers out:			
Project related	-	-	(409,432)
Non-project related	-	-	(5,116)
Transfers in: project related	-	-	1,829
Bond proceeds	-	-	1,169,999
Advance refunding escrow	-	-	(931)
Payment to refunded bond escrow agent	-	-	(152,930)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>603,419</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 1,190</u>	<u>\$ 1,190</u>	<u>\$ 186,894</u>

Measure M1
Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)
as of September 30, 2014

<i>(\$ in thousands)</i>	Quarter Ended Sept 30, 2014 (actual)	Year Ended Sept 30, 2014 (actual)	Period from Inception through Sept 30, 2014 (actual)	Period from October 1, 2014 forward (forecast)	Total
		(C.1)	(D.1)	(E.1)	(F.1)
Tax revenues:					
Sales taxes	\$ -	\$ -	\$ 4,003,972	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs	-	-	620	-	620
Operating interest	340	340	270,503	845	271,348
Orange County bankruptcy recovery	-	-	20,683	-	20,683
Miscellaneous, non-project related	-	-	777	-	777
Total tax revenues	<u>340</u>	<u>340</u>	<u>4,296,555</u>	<u>845</u>	<u>4,297,400</u>
Administrative expenditures:					
SBOE fees	-	-	56,883	-	56,883
Professional services, non-project related	3	3	27,181	-	27,181
Administration costs, non-project related	272	272	96,623	646	97,269
Transfers out, non-project related	-	-	5,116	-	5,116
Orange County bankruptcy loss	-	-	29,792	-	29,792
Other, non-project related	8	8	6,884	-	6,884
Total administrative expenditures	<u>283</u>	<u>283</u>	<u>222,479</u>	<u>646</u>	<u>223,125</u>
Net tax revenues	<u><u>\$ 57</u></u>	<u><u>\$ 57</u></u>	<u><u>\$ 4,074,076</u></u>	<u><u>\$ 199</u></u>	<u><u>\$ 4,074,275</u></u>
<hr/>					
(C.2) (D.2) (E.2) (F.2)					
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 1,169,999	\$ -	\$ 1,169,999
Interest revenue from bond proceeds	-	-	136,067	-	136,067
Interest revenue from debt service funds	-	-	82,054	-	82,054
Interest revenue from commercial paper	-	-	6,072	-	6,072
Orange County bankruptcy recovery	-	-	21,585	-	21,585
Total bond revenues	<u>-</u>	<u>-</u>	<u>1,415,777</u>	<u>-</u>	<u>1,415,777</u>
Financing expenditures and uses:					
Professional services, non-project related	-	-	8,861	-	8,861
Payment to refunded bond escrow	-	-	153,861	-	153,861
Bond debt principal	-	-	1,003,955	-	1,003,955
Bond debt interest expense	-	-	561,842	-	561,842
Orange County bankruptcy loss	-	-	48,826	-	48,826
Other, non-project related	-	-	9,100	-	9,100
Total financing expenditures and uses	<u>-</u>	<u>-</u>	<u>1,786,445</u>	<u>-</u>	<u>1,786,445</u>
Net bond revenues (debt service)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (370,668)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (370,668)</u></u>

Measure M1
Schedule of Revenues and Expenditures Summary
as of September 30, 2014

Project Description	Net Tax Revenues Program to date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures through Sept 30, 2014	Reimbursements through Sept 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
<i>(\$ in thousands)</i>										
Freeways (43%)										
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 982,360	\$ 982,408	\$ 810,010	\$ 786,150	\$ 196,258	\$ 23,860	\$ 881,347	\$ 88,363	\$ 792,984	97.9%
I-5 between I-5/I-405 Interchange and San Clemente	68,752	68,755	72,862	74,962	(6,207)	(2,100)	70,294	10,359	59,935	82.3%
I-5/I-405 Interchange	87,262	87,266	72,802	73,075	14,191	(273)	98,157	25,082	73,075	100.4%
SR-55 (Costa Mesa Fwy) between I-5 and SR-91 (Riverside Fwy)	58,175	58,178	44,511	49,349	8,829	(4,838)	55,514	6,172	49,342	110.9%
SR-57 (Orange Fwy) between I-5 and Lambert Road	29,087	29,089	24,128	22,758	6,331	1,370	25,617	2,859	22,758	94.3%
SR-91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line	125,605	125,611	116,136	105,389	20,222	10,747	123,995	18,606	105,389	90.7%
SR-22 (Garden Grove Fwy) between SR-55 and Valley View St.	400,612	400,632	313,297	313,850	86,782	(553)	668,398	354,812	313,586	100.1%
Subtotal Projects	1,751,853	1,751,939	1,453,746	1,425,533	326,406	28,213	1,923,322	506,253	1,417,069	
Net (Bond Revenue)/Debt Service	-	-	311,917	311,917	(311,917)	-	311,917	-	311,917	
Total Freeways	\$ 1,751,853	\$ 1,751,939	\$ 1,765,663	\$ 1,737,450	\$ 14,489	\$ 28,213	\$ 2,235,239	\$ 506,253	\$ 1,728,986	44.5%
%				42.8%						
Regional Street and Road Projects (11%)										
Smart Streets	\$ 153,651	\$ 153,658	\$ 151,249	\$ 151,249	\$ 2,409	\$ -	\$ 157,818	\$ 11,982	\$ 145,836	96.4%
Regionally Significant Interchanges	89,630	89,634	89,634	89,634	-	-	84,160	146	84,014	93.7%
Intersection Improvement Program	128,042	128,049	128,049	128,049	-	-	119,992	3,831	116,161	90.7%
Traffic Signal Coordination	64,021	64,024	64,024	64,024	-	-	68,426	3,986	64,440	100.6%
Transportation Systems Management and Transportation Demand Management	12,804	12,805	12,805	12,805	-	-	11,277	217	11,060	86.4%
Subtotal Projects	448,148	448,170	445,761	445,761	2,409	-	441,673	20,162	421,511	
Net (Bond Revenue)/Debt Service	-	-	2,409	2,409	(2,409)	-	2,409	-	2,409	
Total Regional Street and Road Projects	\$ 448,148	\$ 448,170	\$ 448,170	\$ 448,170	\$ -	\$ -	\$ 444,082	\$ 20,162	\$ 423,920	10.9%
%				11.0%						

Measure M1
Schedule of Revenues and Expenditures Summary
as of September 30, 2014

Project Description (G)	Net Tax Revenues Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance Total Net Tax Revenues to Est at Completion (L)	Variance Project Budget to Est at Completion (M)	Expenditures through Sept 30, 2014 (N)	Reimbursements through Sept 30, 2014 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)
Local Street and Road Projects (21%)										
Master Plan of Arterial Highway Improvements	\$ 160,741	\$ 160,754	\$ 160,754	\$ 160,754	\$ -	\$ -	\$ 152,196	\$ 99	\$ 152,097	94.6%
Streets and Roads Maintenance and Road Improvements	594,815	594,844	594,844	594,844	-	-	594,025	-	594,025	99.9%
Growth Management Area Improvements	100,000	100,000	100,000	100,000	-	-	97,530	557	96,973	97.0%
Subtotal Projects	855,556	855,598	855,598	855,598	-	-	843,751	656	843,095	
Net (Bond Revenue)/Debt Service	-	-	-	-	-	-	-	-	-	
Total Local Street and Road Projects	\$ 855,556	\$ 855,598	\$ 855,598	\$ 855,598	\$ -	\$ -	\$ 843,751	\$ 656	\$ 843,095	
%				21.1%					21.7%	
Transit Projects (25%)										
Pacific Electric Right-of-Way	\$ 19,713	\$ 19,714	\$ 15,000	\$ 14,200	\$ 5,514	\$ 800	\$ 17,487	\$ 3,511	\$ 13,976	93.2%
Commuter Rail	367,695	367,713	352,537	360,188	7,525	(7,651)	411,438	60,805	350,633	99.5%
High-Technology Advanced Rail Transit	446,834	446,856	428,308	440,688	6,168	(12,380)	482,489	158,957	323,532	75.5%
Elderly and Handicapped Fare Stabilization	20,000	20,000	20,000	20,000	-	-	20,000	-	20,000	100.0%
Transitways	164,277	164,285	146,381	127,150	37,135	19,231	163,463	36,765	126,698	86.6%
Subtotal Projects	1,018,519	1,018,568	962,226	962,226	56,342	-	1,094,877	260,038	834,839	
Net (Bond Revenue)/Debt Service	-	-	56,342	56,342	(56,342)	-	56,342	-	56,342	
Total Transit Projects	\$ 1,018,519	\$ 1,018,568	\$ 1,018,568	\$ 1,018,568	\$ -	\$ -	\$ 1,151,219	\$ 260,038	\$ 891,181	
%				25.1%					22.9%	
Total Measure M1 Program	\$ 4,074,076	\$ 4,074,275	\$ 4,087,999	\$ 4,059,786	\$ 14,489	\$ 28,213	\$ 4,674,291	\$ 787,109	\$ 3,887,182	

Measure M2
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of September 30, 2014
(Unaudited)

(\$ in thousands)	Quarter Ended Sept 30, 2014	Year to Date Sept 30, 2014	Period from Inception to Sept 30, 2014
	(A)	(A)	(B)
Revenues:			
Sales taxes	\$ 65,867	\$ 65,867	\$ 923,682
Other agencies' share of Measure M2 costs:			
Project related	7,015	7,015	284,428
Non-project related	196	196	330
Interest:			
Operating:			
Non-project related	1,165	1,165	6,974
Bond proceeds	2,880	2,880	24,527
Debt service	-	-	38
Commercial paper	-	-	393
Right-of-way leases	49	49	631
Miscellaneous:			
Project related	(181)	(181)	17
Non-project related	-	-	7
Total revenues	<u>76,991</u>	<u>76,991</u>	<u>1,241,027</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	819	819	9,749
Professional services:			
Project related	905	905	182,920
Non-project related	148	148	11,472
Administration costs:			
Project related	1,905	1,905	29,260
Non-project related :			
Salaries and Benefits	463	463	12,452
Other	924	924	18,432
Other:			
Project related	29	29	1,243
Non-project related	8	8	3,575
Payments to local agencies:			
Project related	13,200	13,200	401,441
Capital outlay:			
Project related	12,726	12,726	366,588
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	-	-	13,010
Interest on long-term debt and commercial paper	10,972	10,972	82,943
Total expenditures	<u>42,099</u>	<u>42,099</u>	<u>1,133,116</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,892</u>	<u>34,892</u>	<u>107,911</u>
Other financing sources (uses):			
Transfers out:			
Project related	(463)	(463)	(9,143)
Transfers in:			
Project related	-	-	45,278
Non-project related	-	-	7,394
Bond proceeds	-	-	358,593
Total other financing sources (uses)	<u>(463)</u>	<u>(463)</u>	<u>402,122</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 34,429</u>	<u>\$ 34,429</u>	<u>\$ 510,033</u>

Measure M2
Schedule of Calculations of Net Revenues and Net Bond Revenues (Debt Service)
as of September 30, 2014
(Unaudited)

<i>(\$ in thousands)</i>	Quarter Ended Sept 30, 2014 (actual)	Year Ended Sept 30, 2014 (actual)	Period from Inception through Sept 30, 2014 (actual)	Period from October 1, 2014 through March 31, 2041 (forecast)	Total
	(C.1)	(C.1)	(D.1)	(E.1)	(F.1)
Revenues:					
Sales taxes	\$ 65,867	\$ 65,867	\$ 923,682	\$ 14,826,155	\$ 15,749,837
Operating interest	1,165	1,165	6,974	407,072	414,046
Subtotal	<u>67,032</u>	<u>67,032</u>	<u>930,656</u>	<u>15,233,227</u>	<u>16,163,883</u>
Other agencies share of M2 costs	196	196	330	-	330
Miscellaneous	-	-	7	-	7
Total revenues	<u>67,228</u>	<u>67,228</u>	<u>930,993</u>	<u>15,233,227</u>	<u>16,164,220</u>
Administrative expenditures:					
SBOE fees	819	819	9,749	222,482	232,231
Professional services	58	58	7,820	100,636	108,456
Administration costs :					
Salaries and Benefits	463	463	12,452	148,238	160,690
Other	924	924	18,432	208,513	226,945
Other	8	8	3,575	25,461	29,036
Capital outlay	-	-	31	-	31
Environmental cleanup	117	117	6,459	296,523	302,982
Total expenditures	<u>2,389</u>	<u>2,389</u>	<u>58,518</u>	<u>1,001,853</u>	<u>1,060,371</u>
Net revenues	<u>\$ 64,839</u>	<u>\$ 64,839</u>	<u>\$ 872,475</u>	<u>\$ 14,231,374</u>	<u>\$ 15,103,849</u>
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 358,593	\$ 1,450,000	\$ 1,808,593
Interest revenue from bond proceeds	2,880	2,880	24,527	25,760	50,287
Interest revenue from debt service funds	-	-	38	55	93
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>2,880</u>	<u>2,880</u>	<u>383,551</u>	<u>1,475,815</u>	<u>1,859,366</u>
Financing expenditures and uses:					
Professional services	90	90	3,652	12,340	15,992
Bond debt principal	-	-	13,010	1,795,540	1,808,550
Bond debt and other interest expense	10,972	10,972	82,943	1,428,069	1,511,012
Total financing expenditures and uses	<u>11,062</u>	<u>11,062</u>	<u>99,605</u>	<u>3,235,949</u>	<u>3,335,554</u>
Net bond revenues (debt service)	<u>\$ (8,182)</u>	<u>\$ (8,182)</u>	<u>\$ 283,946</u>	<u>\$ (1,760,134)</u>	<u>\$ (1,476,188)</u>

Measure M2
Schedule of Revenues and Expenditures Summary
as of September 30, 2014
(Unaudited)

Project	Description	Net Revenues Program to Date Actual	Total Net Revenues	M2 Project Budget	Variance Total Net Revenues to M2 Project Budget	Expenditures through Sept 30, 2014	Reimbursements through Sept 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	
<i>(\$ in thousands)</i>									
Freeways (43% of Net Revenues)									
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 34,389	\$ 595,320	\$ 594,388	\$ 932	\$ 1,980	\$ 2	\$ 1,978	0.3%
B,C,D	I-5 Santa Ana/San Diego Freeway Improvements	86,718	1,501,220	1,279,751	221,469	43,527	10,938	32,589	2.5%
E	SR-22 Garden Grove Freeway Access Improvements	8,780	151,997	151,996	1	4	-	4	0.0%
F	SR-55 Costa Mesa Freeway Improvements	26,779	463,590	460,073	3,517	6,479	23	6,456	1.4%
G	SR-57 Orange Freeway Improvements	18,928	327,679	306,510	21,169	40,422	9,967	30,455	9.9%
H,I,J	SR-91 Riverside Freeway Improvements	66,487	1,150,994	1,139,279	11,715	32,397	6,336	26,061	2.3%
K,L	I-405 San Diego Freeway Improvements	101,887	1,763,793	858,810	904,983	21,739	1,017	20,722	2.4%
M	I-605 Freeway Access Improvements	1,463	25,333	25,333	-	360	16	344	1.4%
N	All Freeway Service Patrol	10,975	189,996	189,996	-	71	-	71	0.0%
	Freeway Mitigation	18,758	324,733	297,693	27,040	39,308	1,549	37,759	12.7%
	Subtotal Projects	375,164	6,494,655	5,303,829	1,190,826	186,287	29,848	156,439	
	Net (Bond Revenue)/Debt Service	-	-	1,190,826	(1,190,826)	21,685	-	21,685	
	Total Freeways	\$ 375,164	\$ 6,494,655	\$ 6,494,655	\$ -	\$ 207,972	\$ 29,848	\$ 178,124	24.9%
	%								
Street and Roads Projects (32% of Net Revenues)									
O	Regional Capacity Program	\$ 87,248	\$ 1,510,404	\$ 1,400,514	\$ 109,890	\$ 392,656	\$ 172,190	\$ 220,466	15.7%
P	Regional Traffic Signal Synchronization Program	34,899	604,135	603,855	280	9,913	1,262	8,651	1.4%
Q	Local Fair Share Program	157,046	2,718,693	2,718,693	-	144,212	77	144,135	5.3%
	Subtotal Projects	279,193	4,833,232	4,723,062	110,170	546,781	173,529	373,252	
	Net (Bond Revenue)/Debt Service	-	-	110,170	(110,170)	25,243	-	25,243	
	Total Street and Roads Projects	\$ 279,193	\$ 4,833,232	\$ 4,833,232	\$ -	\$ 572,024	\$ 173,529	\$ 398,495	55.7%
	%								

Measure M2
Schedule of Revenues and Expenditures Summary
as of September 30, 2014
(Unaudited)

Project	Description	Net Revenues Program to Date Actual	Total Net Revenues	M2 Project Budget	Variance Total Net Revenues to M2 Project Budget	Expenditures through Sept 30, 2014	Reimbursements through Sept 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	
<i>(\$ in thousands)</i>									
Transit Projects (25% of Net Revenues)									
R	High Frequency Metrolink Service	\$ 78,105	\$ 1,352,120	\$ 1,301,450	\$ 50,670	\$ 150,184	\$ 79,618	\$ 70,566	5.4%
S	Transit Extensions to Metrolink	77,019	1,333,320	1,252,106	81,214	1,753	746	1,007	0.1%
T	Metrolink Gateways	17,453	302,130	258,928	43,202	74,469	46,258	28,211	10.9%
U	Expand Mobility Choices for Seniors and Persons with Disabilities	26,171	453,062	453,062	-	23,955	17	23,938	5.3%
V	Community Based Transit/Circulators	17,445	301,997	301,997	-	659	20	639	0.2%
W	Safe Transit Stops	1,925	33,333	33,333	-	48	26	22	0.1%
	Subtotal Projects	218,118	3,775,962	3,600,876	175,086	251,068	126,685	124,383	
	Net (Bond Revenue)/Debt Service	-	-	175,086	(175,086)	14,685	-	14,685	
	Total Transit Projects	\$ 218,118	\$ 3,775,962	\$ 3,775,962	\$ -	\$ 265,753	\$ 126,685	\$ 139,068	
	%								19.4%
Measure M2 Program		\$ 872,475	\$ 15,103,849	\$ 15,103,849	\$ -	\$ 1,045,749	\$ 330,062	\$ 715,687	

Measure M2
Schedule of Revenues and Expenditures Summary
as of September 30, 2014
(Unaudited)

Project	Description	Revenues Program to Date Actual	Total Revenues	M2 Project Budget	Variance Total Net Revenues to M2 Project Budget	Expenditures through Sept 30, 2014	Reimbursements through Sept 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H.1)	(I.1)	(J)	(K)	(L)	(M)	(N)	(O)	
	Environmental Cleanup (2% of Revenues)								
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 18,613	\$ 323,278	\$ 323,172	\$ 106	\$ 6,459	\$ 292	\$ 6,167	1.9%
	Net (Bond Revenue)/Debt Service	-	-	106	(106)	24	-	24	
	Total Environmental Cleanup	\$ 18,613	\$ 323,278	\$ 323,278	\$ -	\$ 6,483	\$ 292	\$ 6,191	0.7%
	%								
	Taxpayer Safeguards and Audits								
	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 13,855	\$ 236,248	\$ 236,248	\$ -	\$ 9,749	\$ -	\$ 9,749	4.1%
	%							1.1%	
	Oversight and Annual Audits (1% of Revenues)	\$ 9,307	\$ 161,639	\$ 161,639	\$ -	\$ 12,452	\$ 3,145	\$ 9,307	5.8%
	%							1.0%	

Presentation Items



COMMITTEE TRANSMITTAL

September 22, 2014

To: Members of the Board of Directors
From: Wendy Knowles, ^{WK} Clerk of the Board
Subject: Rail Programs and Facilities Engineering Quarterly Report

Transit Committee Meeting of September 11, 2014

Present: Directors Nguyen, Pulido, Shaw, and Winterbottom
Absent: Directors Donchak, Jones, and Tait

Committee Vote

No action was taken on this receive and file item.

Staff Recommendation

Receive and file as an information item



September 11, 2014

To: Transit Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Rail Programs and Facilities Engineering Quarterly Report

Overview

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

Recommendation

Receive and file as an information item.

Background

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

Discussion

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

Rail Capital

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

Station Improvements

At the Laguna Niguel/Mission Viejo Metrolink Station, design efforts are progressing towards completion for the Americans with Disabilities Act (ADA)-compliant access ramps that will utilize the existing pedestrian underpass. The ADA access ramps will replace the existing elevators which are frequently out of service, requiring bus service to transport passengers from one side of the station to the other. The project will also re-use the existing elevator rooms to add a restroom and vending machine area. Additional benches and shade structures will also be added to the platforms. The original design was scheduled for completion by August 2014. During a final review by a stakeholder in June 2014, a utility conflict was discovered, and relocation of this utility is now required to build the project. Staff is working to complete the utility relocation design for inclusion into the project, identify the underlying utility right-of-way (ROW) ownership, and the financial responsibility for utility relocation work. Final design is now estimated to be complete in January 2015.

The parking expansion project at the Orange Metrolink Station, led by the City of Orange (City), represents a longstanding effort between the City and OCTA to increase the parking capacity at the station for existing and anticipated future growth in ridership. As previously reported, this project is behind schedule due to several issues related to the abolishment of the Orange Redevelopment Agency (RDA). The City planned to use RDA funds to cover its share of costs for this project. Furthermore, the site for the parking structure was purchased with RDA funds, requiring the City to go through a lengthy process with the state in order to assume ownership of the parcel and retain the ability to own and maintain the property for this purpose. These issues have since been resolved, and the City has proceeded with design and environmental analysis. Conceptual plans for the parking structure were approved by the City in August 2013 following extensive community outreach efforts. Environmental clearance is expected in December 2014, final design in June 2015, and the project is expected to begin construction in November 2015. Construction is expected to last 15 months.

The proposed Placentia Metrolink Station platforms and parking will be located on BNSF Railway and City of Placentia ROW and will be the newest Orange County Metrolink station. OCTA is the lead for design and construction of the project. Plans for the platforms, station amenities, and parking are 90 percent complete; however, finalization of the design is on hold pending the outcome of the City of Placentia's negotiations with private developers for a possible transit-oriented development on city-owned property where surface parking lots were planned to be constructed. On August 25, 2014, the Board of Directors (Board) approved a funding adjustment to remove federal funding from the project and replace a portion of those funds with 91 Express Lanes excess toll revenue.

The Anaheim Canyon Station improvement project includes the addition of a second station track, platform, extensions of the existing platform, and associated passenger amenities, including ticket vending machines, benches, canopies, and signage. The project is anticipated to move forward with OCTA as the lead agency on all phases of project development, including environmental. OCTA staff is currently working with the City of Anaheim to finalize a cooperative agreement that defines roles, responsibilities, and funding for the project, which was presented to the Board for approval in August 2014 (outside of the reporting period for this report). OCTA anticipates releasing a request for proposals for a consultant to perform the environmental and preliminary design work in September 2014.

The City of Fullerton is the lead agency on a project at the Fullerton Transportation Center (FTC), which will add an elevator tower to each side of the existing railroad pedestrian bridge. The design phase was completed in December 2013, and the construction contract will be advertised for bids in late August 2014. There has been a delay in advertising the project for construction bids due to the need for a funding adjustment to program Proposition 116 savings from other projects onto the elevator project through the California Transportation Commission (CTC). The CTC approved the Proposition 116 programming on August 19, 2014.

In addition to the elevator project at FTC, OCTA staff is working with Metrolink to relocate a ticket vending machine to the west end of the platform in order to provide easier access for passengers using the new parking structure west of Harbor Boulevard and the pedestrian bridge crossing Harbor Boulevard. This work is expected to be fully complete by the end of September 2014.

Los Angeles – San Diego – San Luis Obispo (LOSSAN) Grade Separations

There are currently eight grade separation projects along the LOSSAN rail corridor that have completed project study reports. Two of these grade separation projects are currently progressing in the preliminary engineering and

environmental clearance phase, and one grade separation project is currently under construction.

On May 23, 2014, the Board approved the selection of a consultant to prepare the project report and environmental document for the 17th Street grade separation in the City of Santa Ana. Staff is working with the selected consultant to complete the necessary documentation to finalize the scope and fee for contract execution. It is anticipated the consultant would start work on this project by late September 2014.

The Santa Ana Boulevard grade separation located in the City of Santa Ana is led by the City of Santa Ana. The project is currently in the preliminary engineering and environmental clearance phase. The City of Santa Ana is progressing towards completion of the project report and environmental document for this project. The draft environmental document was submitted to the California Department of Transportation (Caltrans) for review and approval in compliance with the National Environmental Policy Act. It was determined by Caltrans that this project meets the requirements of a categorical exclusion and was approved on July 8, 2014. The City of Santa Ana is expected to file a notice of exemption for this project in compliance with the California Environmental Quality Act. The project report is being updated to reflect the preferred bridge structure type, additional crossing gates needed for the temporary at-grade crossing with the shoofly track, and a revised project estimate. It is anticipated that the environmental clearance phase of the project will be completed by the end of September 2014. Funding for design ROW acquisition and construction has not been identified.

The Sand Canyon Avenue grade separation located in the City of Irvine is currently under construction. The construction continues with work on installation of the pump station and storm drain systems. The construction is approximately 85 percent complete, the roadway was opened to traffic in August 2014 (outside of the reporting period), and the contract is expected to be completed in late October 2014.

Rail Corridor Improvements

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

On March 31, 2014, Metrolink, on behalf of OCTA, completed construction of the San Clemente Beach Trail Audible Warning System (AWS) project. This represents a major milestone for a project that has encountered various challenges through the development and engineering phase. The project

provides additional safety improvements and audible warning devices at seven pedestrian crossings along the San Clemente Beach Trail. There are regulatory issues that do not currently allow AWS to replace the railroad's use of train horns. OCTA, the City of San Clemente, along with state and federal regulatory agencies continue to cooperatively develop and receive a waiver to allow for the use of the AWS in lieu of the routine sounding of the train horns to mitigate train noise in this area (the waiver was submitted in August 2014, outside of this reporting period).

The Laguna Niguel to San Juan Capistrano passing siding project adds approximately 1.8 miles of new passing siding railroad track adjacent to the existing mainline track. The project will enhance operational efficiency of passenger services within the LOSSAN rail corridor. On August 25, 2014, the Board approved the selection of a consultant to prepare the plans, specifications, and estimate, and to negotiate and execute a cooperative agreement with the Southern California Regional Rail Authority to provide engineering and engineering review services for this project.

Staff continues to work with the rail corridor cities to fine tune and address any concerns with the grade crossings that were improved through the Rail-Highway Grade Crossing Safety Enhancement Program. During the reporting period, the City of Santa Ana filed a notice of intent to establish a quiet zone (QZ) at the 4th Street and Santa Ana Boulevard grade crossings. This QZ went into effect in late August 2014 (outside of the reporting period). The Del Obispo Road crossing in the City of San Juan Capistrano is in close proximity to the San Juan Capistrano Station (Station) and is impacted when trains move into and through the Station. OCTA continues to work with the City to refine the traffic and railroad signal operations to limit the duration of time that the crossing gate arms are in the down position while a train is stopped at the Station, and also explore long term solutions.

Geotechnical studies were completed at eight locations within the LOSSAN rail corridor to determine strategies to prevent slope failures and erosion. Staff is developing a scope of work for the development and environmental clearance of improvements at three locations. Preliminary engineering and final design service scopes of work are being developed for all locations.

Transit Extensions to Metrolink

The Transit Extensions to Metrolink Program is intended to broaden the reach of Orange County's backbone rail system to key employment, population, and activity centers. There are currently two fixed-guideway projects advancing through this program: the City of Anaheim's Anaheim Rapid Connection (ARC) project, serving the Anaheim Regional Transportation Intermodal Center through

the Platinum Triangle, Anaheim Resort, and the Anaheim Convention Center, and the Santa Ana/Garden Grove (SA/GG) Fixed-Guideway Project, which will serve the Santa Ana Regional Transportation Center through downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove.

ARC Project

Preparation of environmental documentation for the proposed ARC project is well underway. As part of this effort, the City of Anaheim is evaluating alternative alignments to address concerns regarding project costs and ROW needs. Once the City of Anaheim selects the alternatives to carry forward in the environmental documentation, an updated schedule will be provided to OCTA.

The following draft technical studies are being developed and will be submitted to OCTA for review upon completion: traffic analysis, conceptual engineering, drainage, basis of design, engineering feasibility report, operations and maintenance report, and other environmental documentation.

SA/GG Fixed-Guideway Project

With approval from the Federal Transit Administration, public review of the draft environmental assessment/environmental impact report (EA/EIR) was conducted from May through July 2014. Three public meetings were held in June 2014 to discuss the document and obtain comments. In total, approximately 100 members of the public attended the meetings and provided comments. Some of the topics raised at the public meetings included the preference of the 4th Street versus 5th Street Alternatives, parking impacts, safety issues, and construction impacts on local businesses. During the next quarter, the City of Santa Ana will respond to comments to support the development of the final EA/EIR.

In May 2014, the Board directed staff to develop a proposed project implementation plan for the project with OCTA serving as the lead agency, and develop a financial plan to fund capital, operations, and maintenance requirements. The financial and implementation plans were presented and approved by the Board in August 2014.

Rail Operations

As one of the five member agencies of Metrolink, OCTA participates in the design and operation of Metrolink service in Orange County. Rail Operations staff serves as the liaison with Metrolink and are involved in route and service planning, funding, and implementation. In addition to coordination of daily Metrolink operations, the team coordinates the StationLink service, special

trains, promotional activities, and outreach. The Rail Operations staff is also responsible for representing OCTA's interests in the LOSSAN Joint Powers Authority, including the ongoing coordination and service integration efforts on the LOSSAN rail corridor. In August 2013, OCTA was selected as the Managing Agency for the LOSSAN Rail Corridor Agency, and Rail Operations provides the primary staffing for the Managing Agency duties.

The total fourth quarter ridership of fiscal year (FY) 2013-14 (weekday and weekend) for the three Metrolink lines serving Orange County, including Rail 2 Rail passengers, has decreased by one percent compared to the same quarter last year, and increased by 3.7 percent from the previous quarter.

Fourth quarter on-time performance for the three lines serving Orange County averaged 92.8 percent, compared to the systemwide average of 94 percent. Systemwide Metrolink revenue for the fourth quarter of FY 2013-14 has shown an increase of 0.1 percent, compared to the fourth quarter of FY 2012-13. In comparison to the previous quarter, there was a systemwide increase of 0.8 percent. While the systemwide average was less than one percent, the three lines serving Orange County have shown a 3.4 percent increase. Specifically, the Orange County Line experienced an increase of 3.4 percent, the Inland Empire/Orange County Line had an increase of 6.8 percent, and the 91 Line experienced no change in revenue compared to the same period last year. At the time the report was generated, the revenue data was considered a preliminary draft from Metrolink and may be subject to adjustment. These are summarized in the table below.

<u>Fourth Quarter – Orange County</u>	<u>Ridership</u>	<u>Revenue</u>	<u>On-Time Performance</u>
FY 2012-13	1,134,290	\$ 8,090,000	94.6 percent
FY 2013-14	1,123,000	\$ 8,394,000	92.8 percent
FY 2012-13 vs FY 2013-14	-1 percent	3.8 percent	-1.9 percent

The increases in revenue may be attributed to the two fare policy changes that went into effect on July 1, 2013. This includes a five percent systemwide fare increase and the change from the weekend pass to a weekend day pass. Overall, ridership has been on the decline since September 2013, especially on lines feeding into Los Angeles County, but is expected to increase again throughout the next reporting period.

The Angels Express began seasonal service on March 31, 2014, and will serve all 51 Los Angeles Angels of Anaheim regular season 7:05 p.m. weekday

home games. The Angels Express reached 33,115 total boardings for the first 39 games served from March 31 through August 12, 2014. The July 'Kids Ride Free' promotion allowed children 18 years old and under to ride the Angels Express service free to home games starting at 7:05 p.m., Monday through Thursday. Approximately 600 children rode the Angels Express for the month of July 2014. Last year, nearly 35,000 fans used the service to get to the game, which was made possible by a \$208,520 grant from the Air Quality Management District (AQMD) Mobile Source Air Pollution Reduction (MSRC) Committee. Staff is currently developing a grant funding application to fund Angels Express trains in 2015 through AQMD's MSRC program.

The University of California, Irvine chartered two 12-car Metrolink trains destined for the Anaheim Metrolink Station for its commencement ceremony, with President Barack Obama as the University's guest speaker. The commencement took place at Angel Stadium of Anaheim on June 14, 2014, and 14,900 passengers rode from Los Angeles and Orange counties to attend the event.

Transit Facilities Engineering

The Department is responsible for the ongoing capital rehabilitation and new capital projects for all OCTA transit facilities, including the five bus bases and seven park and ride lots. Specifically, the Department is responsible for the development and implementation of capital and rehabilitation projects, and facility modifications. Design is underway on five projects this period, including the vehicle inspection station equipment canopy and operations building heating, ventilation, and air conditioning replacement at the Garden Grove Bus Base, bus wash run-off mitigation and brake check pit safety nets at all bus bases, and trellis beam repair at the Newport Transportation Center. There are three projects entering the construction phase this period, including the additional parking at the Golden West Transportation Center, pavement repair seal coat and striping at the Fullerton Park and Ride, and facility modifications at the Irvine Construction Circle base. Four projects are currently under construction, including security fence and gate upgrades at all bus bases, replacement of underground storage tanks at the Irvine Sand Canyon, Garden Grove, and Anaheim bus bases, pavement reconstruction at the Brea Park and Ride, and painting and coatings at the Anaheim and Garden Grove bus bases.

Summary

The Department is responsible for OCTA's rail project development, rail capital improvement programs, rail operations, and transit facilities engineering projects. For the period covering the fourth quarter of FY 2013-14, projects generally progressed consistent with scope and schedule.

Attachment

- A. Metrolink Orange County Ridership

Prepared by:



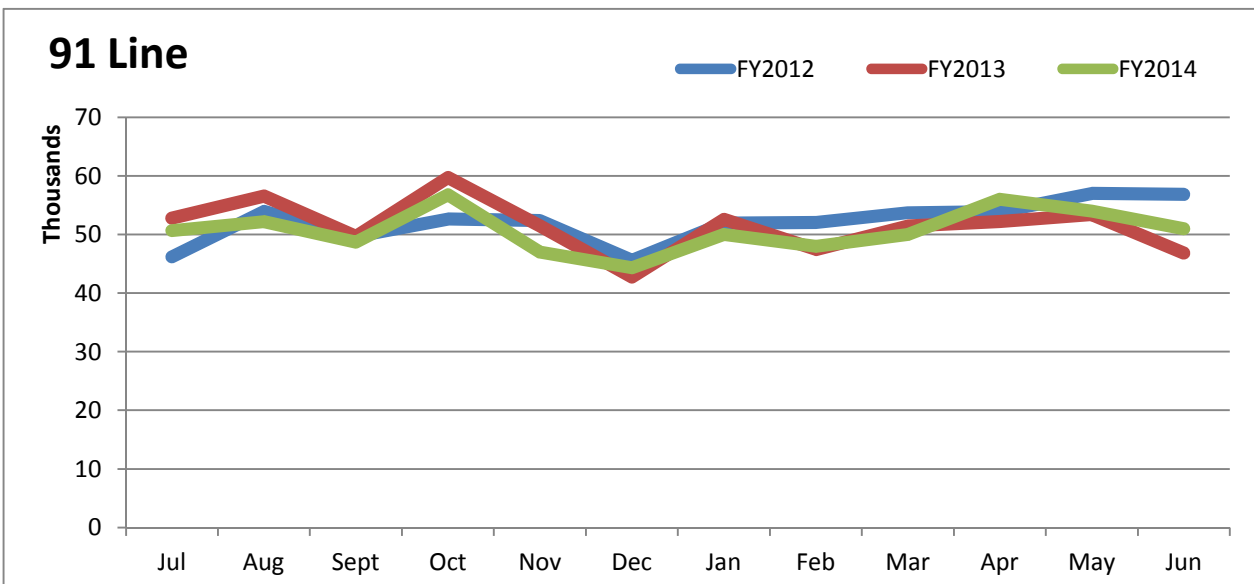
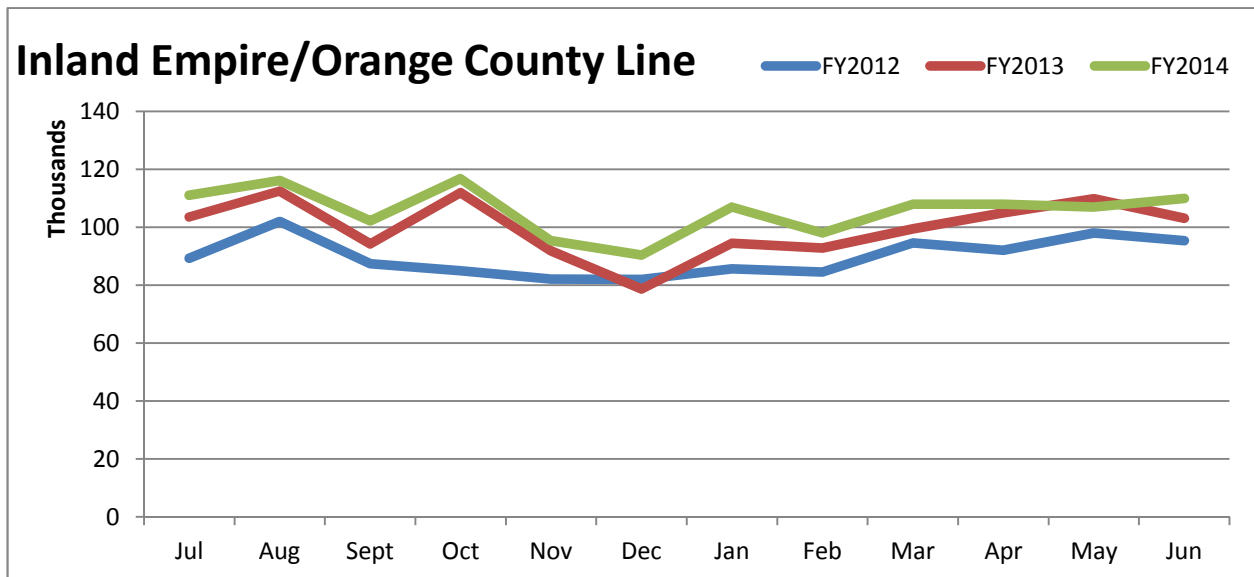
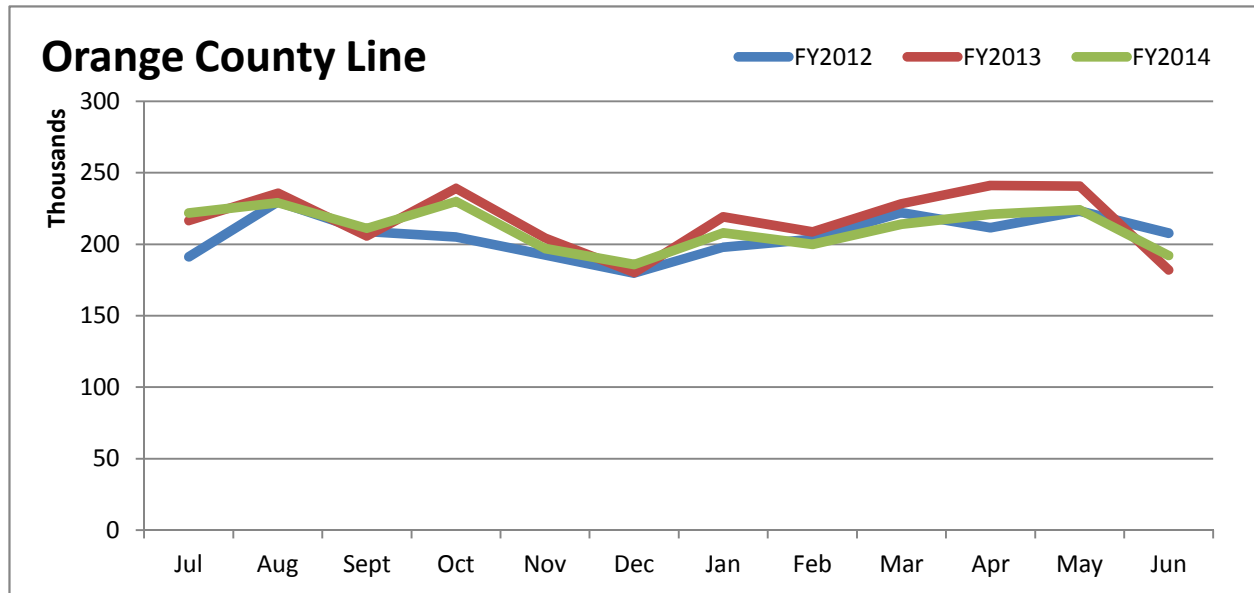
Jennifer Bergener
Director, Rail Programs and Facilities
Engineering
(714) 560-5462

Approved by:



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

Metrolink Orange County Ridership



*Information
Items*



COMMITTEE TRANSMITTAL

October 13, 2014

To: Members of the Board of Directors
From: Wendy Knowles, ^{WK} Clerk of the Board
Subject: Metrolink Ridership and Revenue Annual Report

Transit Committee Meeting of October 9, 2014

Present: Directors Donchak, Jones, Nguyen, Pulido, Shaw, Tait, and Winterbottom
Absent: None

Committee Vote

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

Staff Recommendation

Receive and file as an information item.



October 9, 2014

To: Transit Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Metrolink Ridership and Revenue Annual Report

A handwritten signature in blue ink, appearing to be "DJ", is written over the "From:" line of the memo.

Overview

The Southern California Regional Rail Authority is a five-member joint powers authority that operates the 400-mile commuter rail system known as Metrolink. A report on Metrolink ridership, revenue, and on-time performance for service in Orange County covering fiscal year 2013-14 is provided for Board of Directors' review.

Recommendation

Receive and file as an information item.

Background

Metrolink's five-agency membership includes the Los Angeles County Metropolitan Transportation Authority, the Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission (RCTC), the San Bernardino Associated Governments, and the Ventura County Transportation Commission. Metrolink operates 170 weekday trains on seven lines, serving 55 stations, and carries over 43,000 riders each weekday.

There are three lines that provide service to Orange County. The Orange County (OC) Line, running between Oceanside and Los Angeles Union Station, began in 1994, followed by the Inland Empire – Orange County (IEOC) Line, running between Oceanside and San Bernardino, in 1995, and the 91 Line, running from Riverside to Los Angeles via Fullerton, in 2002. The three lines serving Orange County provide a total of 54 trains (19 OC Line, 16 IEOC Line, nine 91 Line, and ten intracounty trains) each weekday, serving 11 Orange County stations and carrying an average of more than 16,000 daily passengers.

The Rail 2 Rail Program, which began in 2003, allows Metrolink monthly passholders the option of riding Amtrak Pacific Surfliner trains at no additional

charge, provided that the passholder travels within the stations identified on the monthly pass. In Orange County, a valid Metrolink ticket or monthly pass also permits free transfers to local OCTA bus routes that directly serve a Metrolink station, including StationLink.

Discussion

This report provides an update on weekday and weekend ridership, revenue, and on-time performance for fiscal year (FY) 2013-14.

Ridership and Revenue

Total Ridership and Revenue

The total FY 2014 ridership (weekday and weekend) for the three Metrolink lines serving Orange County, including Rail 2 Rail passengers, exceeded 4.4 million, a decrease of 0.1 percent compared to FY 2012-13. Annual revenue totaled \$33.5 million, which is six percent higher than the previous FY.

Systemwide Metrolink ridership totaled 11.7 million riders for FY 2013-14, which represents a 2.7 percent decline from the previous FY. Systemwide revenue for FY 2013-14 was \$85.9 million, which was 1.4 percent more than FY 2012-13. Detailed ridership and revenue data by route is included in Attachment A.

Weekday Ridership

Combined average weekday ridership on the OC, IEOC, and 91 lines for FY 2013-14 was 16,595 passengers, including Rail 2 Rail. This represents an increase of 0.7 percent compared to the previous FY. Ridership has grown on one of the three Orange County lines: IEOC Line up 6.5 percent, 91 Line down 1.8 percent, and OC Line down 0.7 percent, compared to the previous FY.

Metrolink average systemwide weekday ridership started to decline in January 2013, though ridership trends differ by line and county. Stations in Orange County and along the IEOC Line continue to show ridership growth despite the slow economic recovery and decreased job availability in downtown Los Angeles.

Metrolink recently assessed their customer comment system to help determine why ridership has decreased systemwide, in addition to jobs shifting away from downtown Los Angeles. The total number of customer complaints per 100,000 boardings has gone up during the last several years, from an average of 19.7 between FY 2005-06 and FY 2010-11, to 35.7 in FY 2013-14. A large factor in this increase was the growing number of complaints about malfunctions

of ticket vending machines (TVMs). On-time performance complaints represent the largest category; the percentage share of all complaints about on-time performance has remained within historic ranges. The proportion of complaints about TVMs, on the other hand, has increased four-fold, from four percent to 15 percent of all complaints. Complaints about policies grew to 18 percent with the introduction of the Quiet Cars in FY 2012-13, but have slightly declined since then.

Metrolink is taking action to address the issues it deems to be directly associated with declining ridership and retention. This includes a mobile ticketing pilot project that would help address TVM complaints and the improvement of train reliability which addressed on-time performance.

Weekend Ridership

Orange County weekend service began in 2006 operating two trains, and was increased in July 2012 to four round trips. Additionally, all trips were extended to serve Oceanside. At the same time, the IEOC Line increased from one round trip to two round trips between San Bernardino and Oceanside. Weekend trains have operated year-round at these service levels, providing more travel options for Metrolink passengers.

Combined average weekend ridership on the OC and IEOC lines during FY 2013-14 was 5,538 passengers. This represents an increase of one percent compared to FY 2012-13. Average weekend ridership year over year on the OC Line was up seven percent on Saturdays and down 1.4 percent on Sundays. Average Saturday ridership on the IEOC Line is down three percent over the previous FY, and the Sunday ridership on the IEOC Line is down 3.8 percent.

Revenue

Passenger fare revenue covers roughly half of Metrolink operating expenses, with the remainder covered by member agency subsidies. FY 2013-14 revenue, compared to the previous FY, increased by 4.5 percent on the OC Line, 12.4 percent on the IEOC Line, and 2.1 percent on the 91 Line. Metrolink revenue for the three lines serving Orange County surpassed \$33.5 million, or 39 percent of the systemwide total of \$85.9 million, and systemwide revenue for FY 2013-14 was just 1.4 percent above the same period last year. The OC Line consistently has the highest farebox recovery rate, exceeding the systemwide average of approximately 50 percent.

On-Time Performance

On-time performance is an integral component of providing quality service. A Metrolink train is considered to be on time if it arrives within five minutes of

the scheduled arrival at its end point. Metrolink's on-time performance goal is 95 percent.

Trains can be delayed for a variety of reasons, including equipment issues, unscheduled delays (or "meets") with other trains, delays from other operators utilizing the same tracks, construction or track maintenance, and incidents. Metrolink operated at a 94.4 percent systemwide on-time performance for FY 2013-14. The OC, IEOC, and 91 lines averaged 94.3, 91.8, and 92.8 percent on-time performance, respectively, for the same period.

On-time performance for the three lines serving Orange County is shown by quarter in Attachment B.

New Service

On July 1, 2014, Metrolink introduced weekend service on the 91 Line, with two round trips between Riverside and Los Angeles Union Station. The new service is averaging 100 passengers per train.

OCTA staff is also working with its partners at Metrolink, RCTC, and BNSF Railway to redeploy four midday intracounty Metrolink trains. Ridership on the intracounty trains has been lower than anticipated, in spite of several promotional efforts. The trains are proposed to be redeployed to serve Los Angeles, a market that has been requested in several surveys, and would be included in the spring 2015 schedule change.

Special Trains and Promotions

OCTA and Metrolink continue to promote ridership through special trains such as the 2014 Angels Express service and weekend events like the Lunar New Year celebration at the Irvine Transportation Center. These train promotions have proven to generate a lot of interest in service and provide an excellent opportunity to raise awareness of transit.

Summary

This report provides an update on Orange County commuter rail ridership, revenue, and on-time performance for FY 2013-14. Total average weekday ridership in Orange County is up 2.6 percent versus the previous FY, while average weekend ridership has grown by one percent. FY 2013-14 revenue has increased on all three lines compared to FY 2012-13. The average rate of on-time performance for FY 2013-14 is 93 percent.

Attachments

- A. Metrolink Ridership and Revenue
- B. Metrolink On-Time Performance Fiscal Year 2013-14

Prepared by:



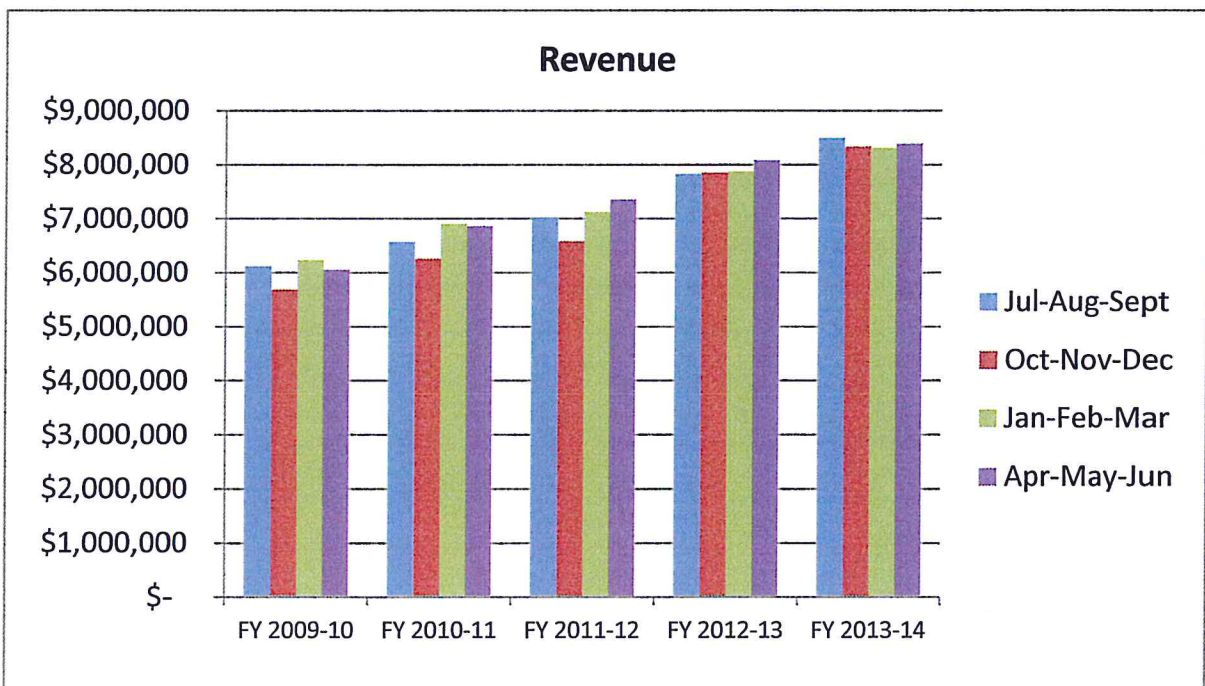
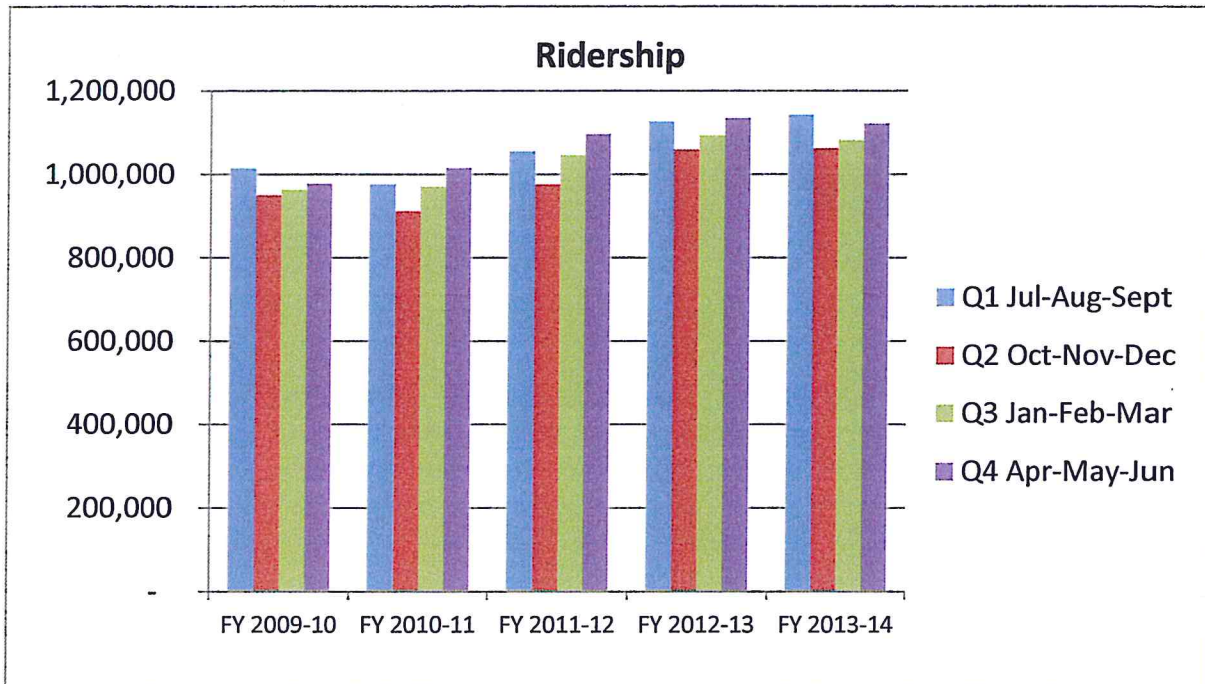
Megan Taylor
Senior Transportation Analyst
(714) 560-5601

Approved by:

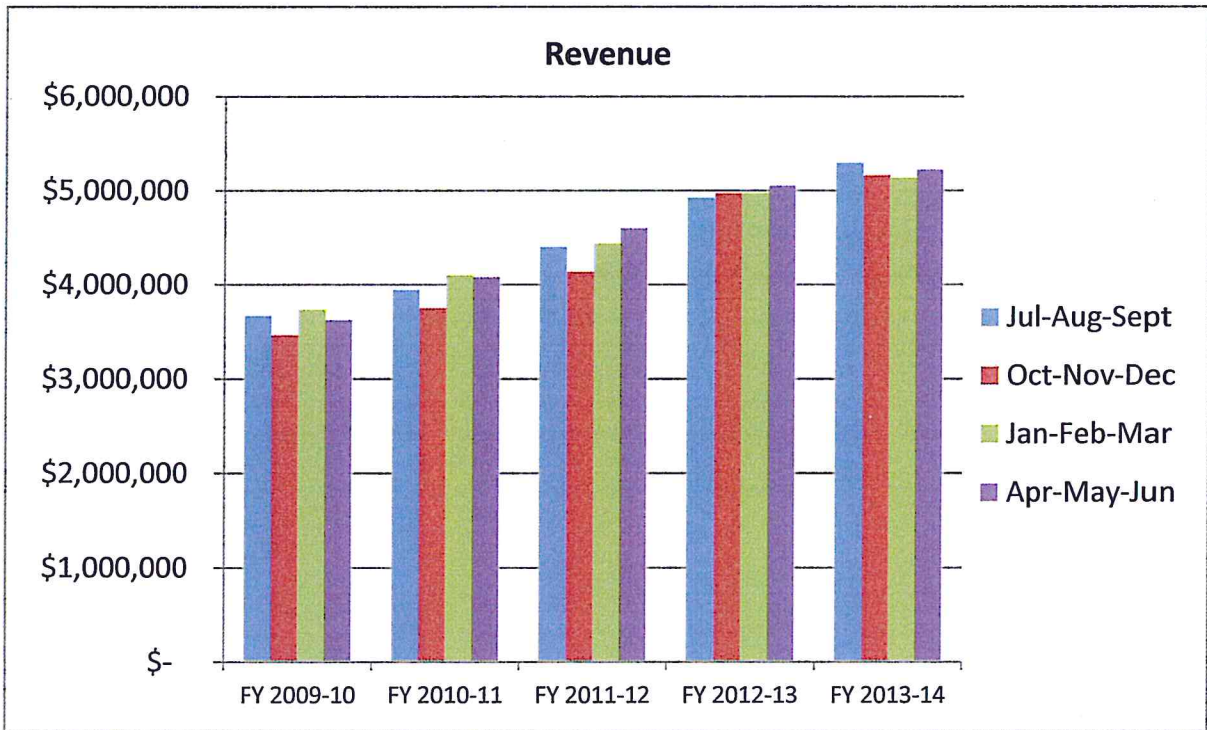
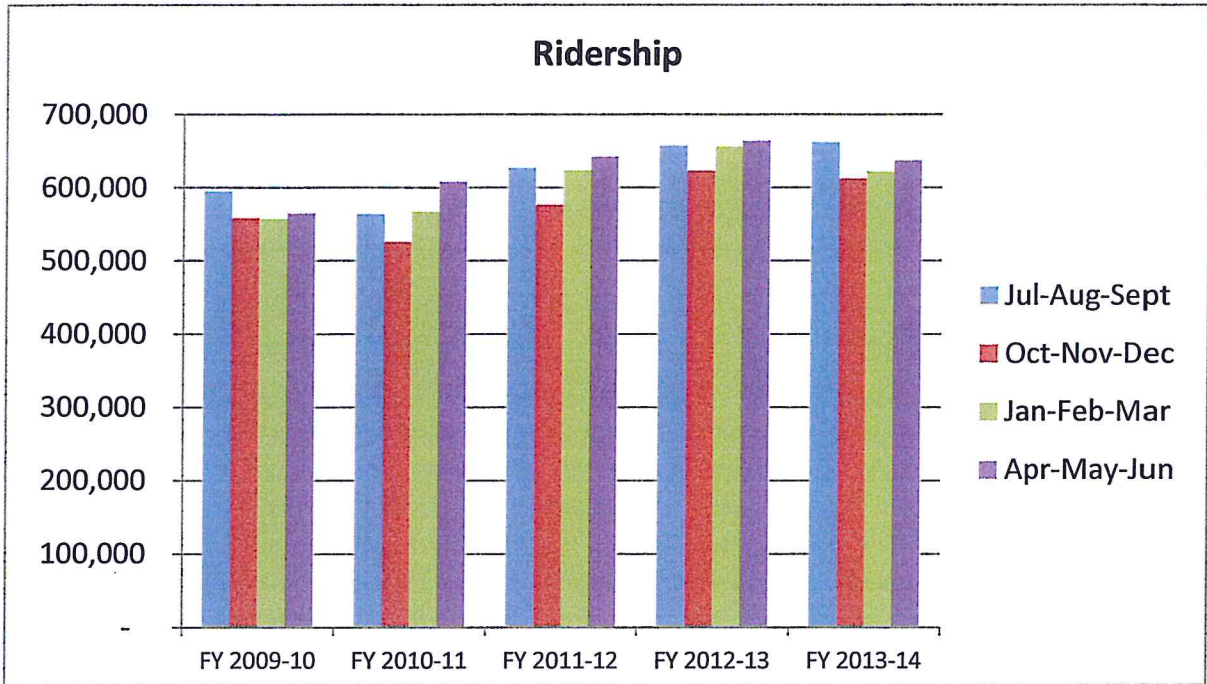


Jim Beil, P.E.
Executive Director, Capital Programs
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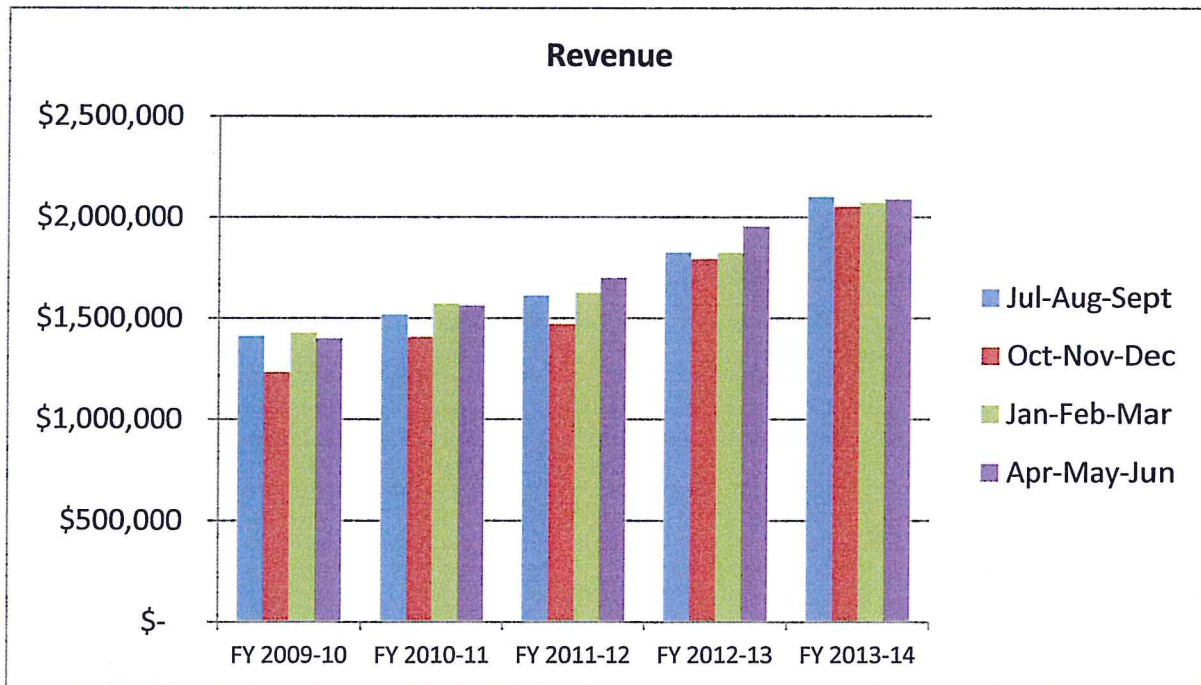
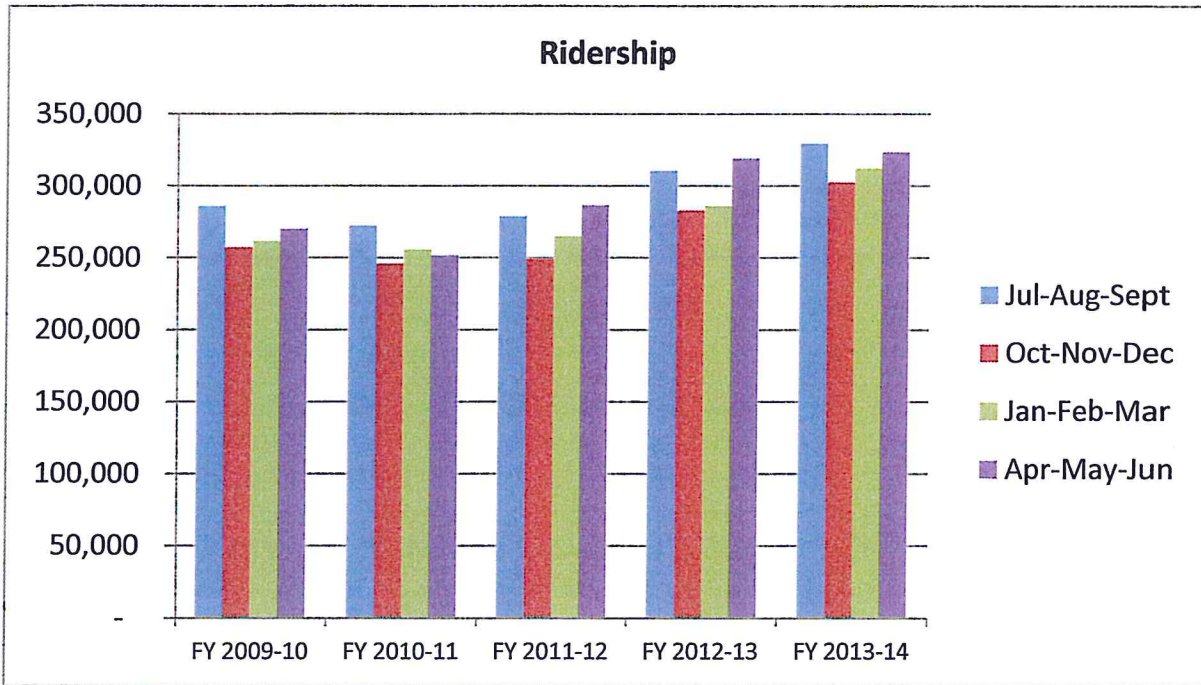
Metrolink Ridership and Revenue Three Lines Serving Orange County



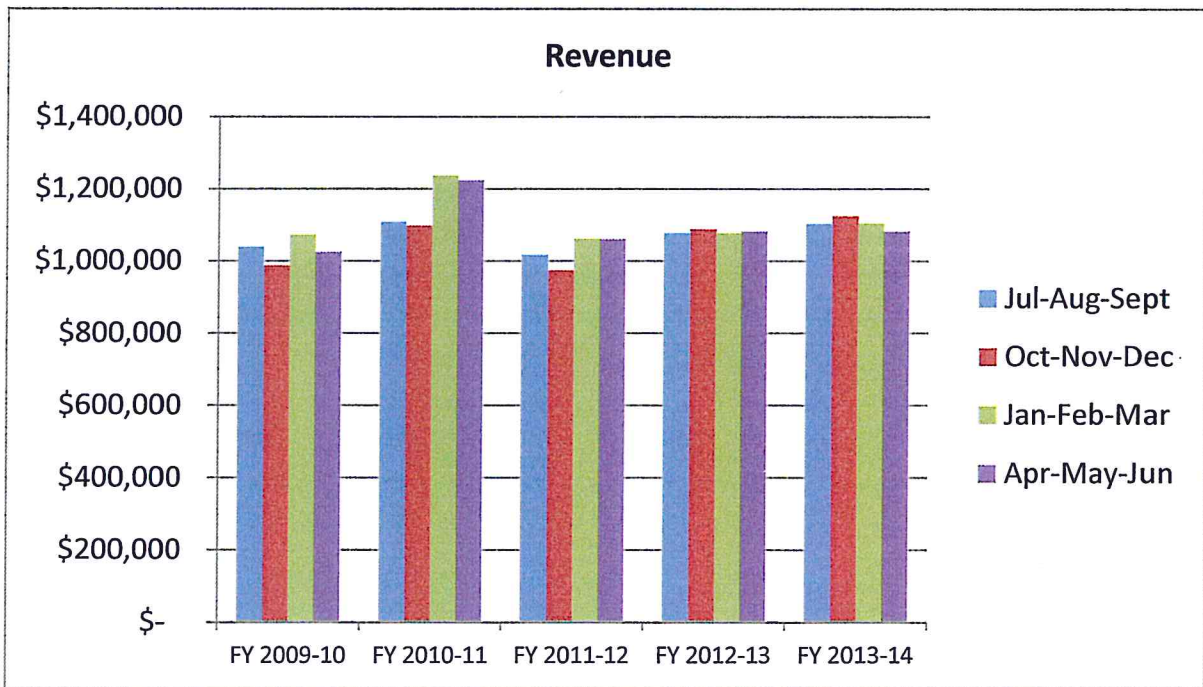
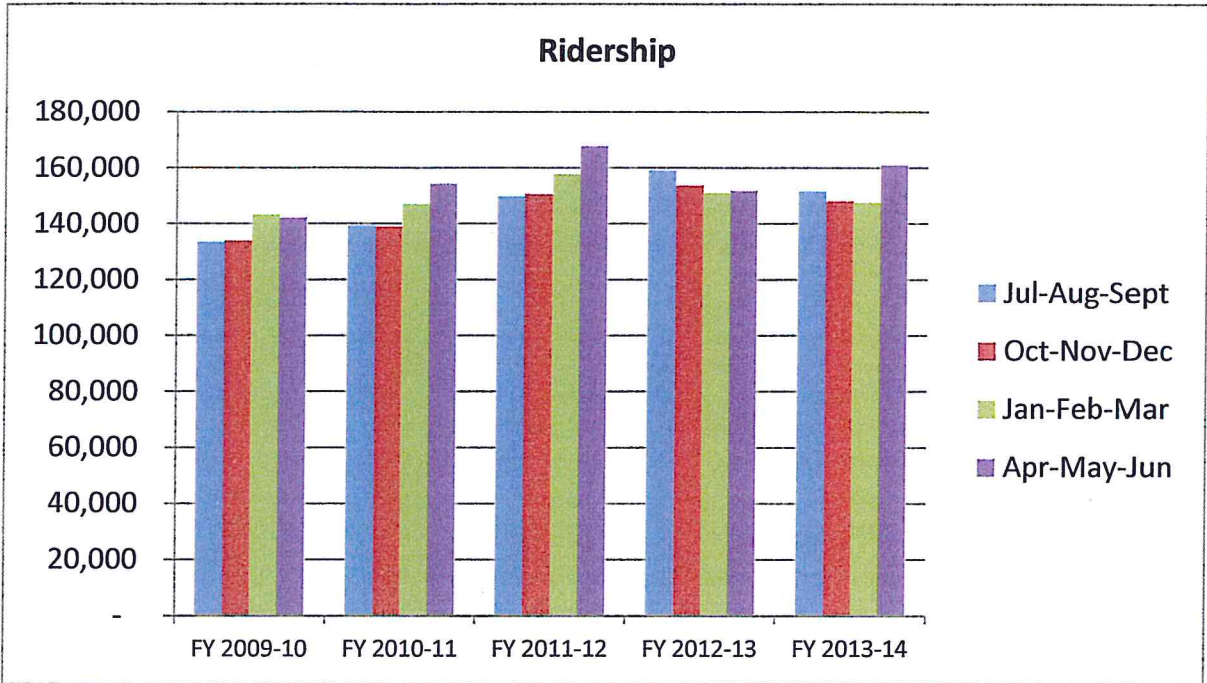
Metrolink - Orange County Line



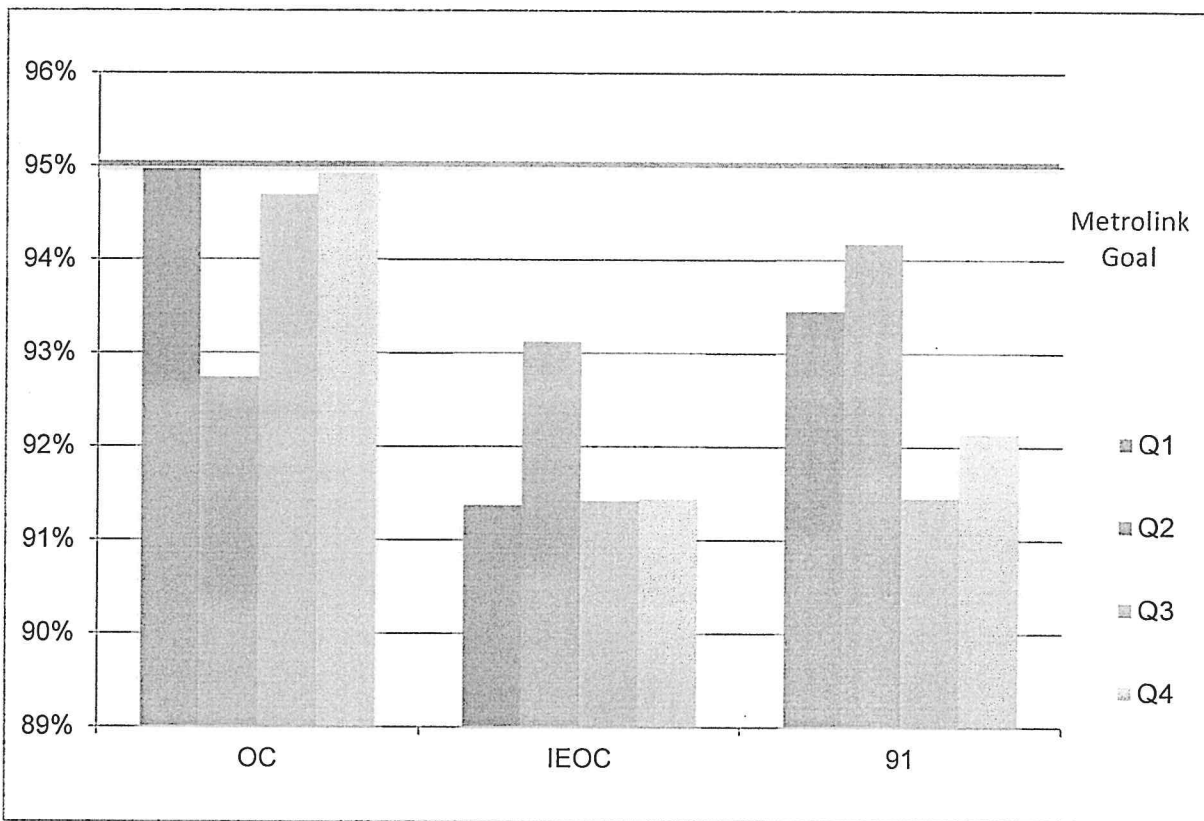
Metrolink - Inland Empire-Orange County Line



Metrolink - 91 Line



Metrolink On-Time Performance Fiscal Year 2013-14
Three Lines Serving Orange County





COMMITTEE TRANSMITTAL

October 13, 2014

To: Members of the Board of Directors
From: Wendy Knowles, ^{WK} Clerk of the Board
Subject: Measure M2 Sales Tax Forecast

Finance and Administration Committee Meeting of October 8, 2014

Present: Directors Bates, Hennessey, Jones, Lalloway, Moorlach, Pulido, Spitzer, and Ury
Absent: None

Committee Vote

No action was taken on this item.

Staff Recommendation

Receive and file as an information item.



October 8, 2014

To: Finance and Administration Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Measure M2 Sales Tax Forecast

Overview

The Orange County Transportation Authority contracts with three universities to provide a long-range forecast of taxable sales to project Measure M revenues. All three universities have recently updated their forecasts, and staff has incorporated this new information to develop a current long-range forecast of Measure M2 taxable sales.

Recommendation

Receive and file as an information item.

Background

In 2005, the Orange County Transportation Authority (OCTA) Board of Directors (Board) directed staff to forecast taxable sales in Orange County by averaging forecasts from three universities; Chapman University, University of California, Los Angeles, and California State University, Fullerton. Since that time, all three universities have provided annual updates to their forecasts each Spring. In addition, OCTA has received final sales tax receipts for fiscal year (FY) 2013-14.

Discussion

All three universities have provided OCTA updated long-term forecasts through FY 2040-41. The blended growth rate for FY 2014-15 is projected to be 7.79 percent. As part of the budget process this year, the Board approved a more conservative growth rate of 6.7 percent for FY 2014-15, which was the rate determined by last year's blended forecast.

After establishing the FY 2014-15 growth rate, staff has utilized the blended growth rates from the universities for the remaining years in the Measure M2 (M2) period (FY 2015-16 through FY 2040-41). Utilizing this methodology yields total nominal M2 sales tax revenues of \$15.8 billion (Attachment A).

In addition, the final portion of the June 2014 sales tax payment was received on September 18, 2014, enabling OCTA to finalize sales tax receipts for FY 2013-14. Total sales tax growth for FY 2013-14 finished at 4.82 percent, which is lower than the budgeted sales tax growth rate of 5.98 percent. As a result of the lower than anticipated growth rate, M2 sales tax finished approximately \$3.5M less than the budget for the year. The impact to the total nominal M2 sales tax revenues over the 30-year period was approximately \$173 million.

Summary

OCTA has received updated taxable sales tax forecasts from all three universities. The blended forecast projects that total nominal M2 sales tax revenues over the 30-year period of M2 is approximately \$15.8 billion.

Attachment

- A. Orange County Transportation Authority M2 Sales Tax Revenue Forecast

Prepared by:



Sean Murdock
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Finance and Administration
714-560-5685

Approved by:



Andrew Oftelie
Executive Director,
Finance and Administration
714-560-5649



Orange County Transportation Authority
M2 Sales Tax Revenue Forecast *

Fiscal Year	Chapman Forecast	Growth Rate	UCLA Forecast	Growth Rate	CSUF Forecast	Growth Rate	Blended Forecast	Blended Growth Rate
2010-11	61,756,868	6.50%	61,756,868	6.50%	61,756,868	6.50%	61,756,868	6.50%
2011-12	250,923,027	6.20%	250,923,027	6.20%	250,923,027	6.20%	250,923,027	6.20%
2012-13	266,384,076	6.16%	266,384,076	6.16%	266,384,076	6.16%	266,384,076	6.16%
2013-14	279,235,201	4.82%	279,235,201	4.82%	279,235,201	4.82%	279,235,201	4.82%
2014-15	297,943,960	6.70%	297,943,960	6.70%	297,943,960	6.70%	297,943,960	6.70%
2015-16	315,662,379	5.95%	317,703,991	6.63%	322,730,776	8.32%	318,699,049	6.97%
2016-17	332,857,067	5.45%	333,731,161	5.04%	346,153,884	7.26%	337,555,036	5.92%
2017-18	351,104,587	5.48%	348,143,766	4.32%	366,596,601	5.91%	355,227,605	5.24%
2018-19	368,739,737	5.02%	363,814,044	4.50%	384,120,946	4.78%	372,165,019	4.77%
2019-20	386,679,868	4.87%	375,601,343	3.24%	400,170,635	4.18%	387,403,280	4.09%
2020-21	404,426,568	4.59%	387,814,018	3.25%	415,210,744	3.76%	402,382,138	3.87%
2021-22	422,344,992	4.43%	401,905,515	3.63%	430,950,087	3.79%	418,282,715	3.95%
2022-23	440,662,821	4.34%	416,878,880	3.73%	447,153,984	3.76%	434,766,967	3.94%
2023-24	459,554,417	4.29%	432,707,468	3.80%	464,676,884	3.92%	452,161,668	4.00%
2024-25	479,169,240	4.27%	449,442,892	3.87%	484,418,908	4.25%	470,827,478	4.13%
2025-26	499,585,282	4.26%	467,139,932	3.94%	504,895,280	4.23%	490,327,995	4.14%
2026-27	520,859,938	4.26%	485,980,431	4.03%	526,142,234	4.21%	510,758,023	4.17%
2027-28	543,033,015	4.26%	506,699,521	4.26%	548,497,173	4.25%	532,497,948	4.26%
2028-29	566,143,855	4.26%	528,548,620	4.31%	571,368,884	4.17%	555,107,474	4.25%
2029-30	590,235,044	4.26%	551,522,184	4.35%	595,368,510	4.20%	578,796,173	4.27%
2030-31	615,349,164	4.25%	575,217,684	4.30%	619,578,112	4.07%	603,139,645	4.21%
2031-32	641,529,724	4.25%	599,211,880	4.17%	644,534,515	4.03%	628,177,736	4.15%
2032-33	668,823,011	4.25%	624,137,163	4.16%	670,998,325	4.11%	654,393,613	4.17%
2033-34	697,276,701	4.25%	650,099,257	4.16%	698,799,545	4.14%	681,784,856	4.19%
2034-35	726,940,319	4.25%	677,141,291	4.16%	728,367,470	4.23%	710,522,391	4.22%
2035-36	757,865,707	4.25%	705,308,187	4.16%	758,544,000	4.14%	740,262,252	4.19%
2036-37	790,106,556	4.25%	734,646,734	4.16%	790,452,761	4.21%	771,403,658	4.21%
2037-38	823,718,411	4.25%	765,205,671	4.16%	823,759,760	4.21%	803,873,144	4.21%
2038-39	858,760,056	4.25%	797,035,760	4.16%	858,009,934	4.16%	837,559,568	4.19%
2039-40	895,292,588	4.25%	830,189,879	4.16%	893,446,967	4.13%	872,580,510	4.18%
2040-41	700,034,218	4.25%	648,542,327	4.16%	697,480,347	4.09%	681,707,999	4.17%
Total	\$ 16,012,998,395	4.75%	\$ 15,130,612,733	4.49%	\$ 16,148,670,398	4.74%	\$ 15,758,607,072	4.66%

* Fiscal years 2010-11 through 2013-14 represent actual sales tax receipts. Forecasted revenue figures in nominal dollars.



COMMITTEE TRANSMITTAL

October 13, 2014

To: Members of the Board of Directors
From: Wendy Knowles, ^{WCK} Clerk of the Board
Subject: Environmental Mitigation Program Endowment
Recommendations to Fund Preserved Lands

Finance and Administration Committee Meeting of October 8, 2014

Present: Directors Bates, Hennessey, Jones, Lalloway, Moorlach, Pulido, Spitzer, and Ury
Absent: None

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendations

- A. Approve a non-wasting endowment target of approximately \$34.5 million in accordance with the July 2, 2014 Environmental Oversight Committee recommendations on endowment funding. This will demonstrate commitment to managing the Orange County Transportation Authority Natural Community Conservation Plan/Habitat Conservation Plan Preserves.
- B. Direct staff to develop appropriate investment parameters, reporting, and accounting standards through the Environmental Oversight Committee, the Finance and Administration Committee, and the Board of Directors.
- C. Direct staff to work with other entities with mitigation lands to identify and recommend comprehensive land management strategies.



October 8, 2014

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Environmental Mitigation Program Endowment Recommendations to Fund Preserved Lands

Overview

Measure M2 provides funding for programmatic mitigation to off-set impacts of Measure M2 freeway projects. The Natural Community Conservation Plan/Habitat Conservation Plan, along with a draft environmental impact report/environmental impact statement, demonstrates that sufficient conservation is being provided to address biological mitigation needs related to the Measure M2 freeway projects. In addition, an endowment is necessary to fund long-term land management activities for the acquired properties.

Recommendations

- A. Approve a non-wasting endowment target of approximately \$34.5 million in accordance with the July 2, 2014 Environmental Oversight Committee recommendations on endowment funding. This will demonstrate commitment to managing the Orange County Transportation Authority Natural Community Conservation Plan/Habitat Conservation Plan Preserves.
- B. Direct staff to develop appropriate investment parameters, reporting, and accounting standards through the Environmental Oversight Committee, the Finance and Administration Committee, and the Board of Directors.
- C. Direct staff to work with other entities with mitigation lands to identify and recommend comprehensive land management strategies.

Background

The Orange County Transportation Authority's (OCTA) Environmental Mitigation Program (Mitigation Program) allocates a portion of the Measure M2 (M2)

Freeway Program budget for comprehensive environmental mitigation to off-set impacts from the freeway improvements. The Mitigation Program is intended to minimize biological regulatory permitting delays in the implementation of the M2 freeway projects. In November 2006, the Mitigation Program was approved by Orange County voters under the M2 half-cent sales tax for transportation improvements.

Pursuant to the M2 Ordinance, the Mitigation Program was implemented under the master and planning agreements between OCTA, the California Department of Transportation, as well as the state and federal resource agencies. These agreements established the roles, responsibilities, and commitments for the preparation of a Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) and a draft environmental impact report/environmental impact statement (DEIR/EIS). The NCCP/HCP planning process began in mid-2010 and is expected to conclude in 2015. This process provides programmatic mitigation to streamline the biological permitting process and reduces freeway project delays.

OCTA has acquired approximately 1,150 acres of open space lands and has funded approximately 400 acres of habitat restoration projects. The acquired lands (Preserves) and restoration projects are integrated into the NCCP/HCP as part of OCTA's mitigation commitment. This commitment also sets aside funds to pay for the long-term management and maintenance costs of the Preserves. These Preserves will complement other existing preserved lands within Orange County.

As part of the final approval of the NCCP/HCP, OCTA and the California Department of Fish and Wildlife and U.S. Fish and Wildlife Service, collectively referred to as Resource Agencies, will enter into an implementing agreement (IA) that encapsulates the obligations and commitments of each party. This IA, in conjunction with the resource management plans for each preserve, will define specific long-term management and maintenance obligations for OCTA.

Discussion

Over the last six months, the Environmental Oversight Committee (EOC) Ad Hoc Working Group has examined the legal, financial, and policy elements related to the establishment of endowments to support the long-term management and protection of the Preserves. The purpose of this exercise was not meant to determine who will be the appropriate endowment holder, nor establish the terms of the investment(s). Rather, it is to establish the framework for the endowment, which is the beginning of a series of decisions that will be

vetted with the EOC, the appropriate Board of Directors (Board) committees, and ultimately decided by the Board.

The EOC Ad Hoc Working Group, in conjunction with staff, researched a variety of issues to better understand the risks and best course of action for establishing endowments. This analysis included:

- OCTA's investment policy and whether it is best suited to satisfy the commitments identified in the NCCP/HCP (i.e., a mechanism by which non-wasting endowment can be optimally established)
- Current and anticipated Mitigation Program expenditures and revenues
- Management costs for other non-OCTA Preserves, as well as more accurate per-acre estimates for OCTA
- Legislative constraints if OCTA holds the endowment, as well as potential eligible entities/constraints
- External agencies' investment policies and land management costs
- Available cash-flow under different recommended investment scenarios
- Draft investment parameters/policies for either an OCTA or third-party endowment
- Draft audit/oversight/reporting requirements for OCTA or third-party endowment holder
- Various schedules for funding an endowment

At this stage in the development of the NCCP/HCP, it is not possible to have accurate estimates of costs, interest, or inflation rates. Likewise, important details that will affect the actual costs of preserve management will be developed subsequent to the release of the draft NCCP/HCP and thereafter. However, OCTA must demonstrate to the Resource Agencies the financial and management capacity to ensure that the Preserves can be properly managed in perpetuity through an enduring endowment.

The endowment will be created over an extended time period (greater than ten years). Since more precise information will become available during this period, it is prudent to establish general guidance and parameters at this point. This approach allows OCTA to make adjustments as more information becomes available. As a consequence, these recommendations anticipate ongoing refinements to the financial and cost estimates and, ultimately, the amount of the endowment.

Finally, this is the first step as part of a larger effort to develop recommendations on a long-term funding plan for the Mitigation Program. Recommendations from

the EOC on how to prioritize and allocate future M2 revenues for this program will be forthcoming.

Attachment A contains the framework and recommendations related to the establishment of an endowment. Various endowment deposit schedule scenarios were considered. These scenarios took into account the available revenues along with the effective spending rate that would yield sufficient funds to adequately manage the Preserves.

Attachment B outlines the current and anticipated expenditures based on commitments made through the NCCP/HCP planning process. These expenditures include:

- The acquisition of the Preserves and restoration projects
- Long-term management (endowment) of the Preserves
- Early Action Plan borrowing cost for the Mitigation Program
- Development of the NCCP/HCP
- Forecasted expenditures for the remaining obligations to fulfill NCCP/HCP requirements

The information was shared with the EOC on July 2, 2014, and a non-wasting endowment target of \$34.5 million (with annual deposits of \$2.875 over 12 years starting in 2016) was recommended. This assumption was based on a balanced approach to allow for the Mitigation Program to meet current and future obligations and meet the requirements of the resources agencies. The EOC endorsed this recommendation for committee and Board consideration. This topic was presented to the Finance and Administration Committee (F&A Committee) as a discussion item on August 13 and September 24, 2014. The F&A Committee generally agreed:

- with the basis for cost assumptions for the Mitigation Program;
- with the endowment concept for meeting the long-term management responsibilities of the Mitigation Program;
- with the preliminary financial assumptions, but acknowledging that these assumptions will change over time; and
- that land management and management of the associated endowment(s) are not part of OCTA's core business and should be transferred to appropriate and qualified third parties to reduce OCTA's financial risk.

The F&A Committee underscored the importance of protecting OCTA from risks regarding unexpected expenditures, lower than expected earnings, and

potential unknown legislative changes. Some of these issues can be addressed by a thorough and comprehensive third-party investment policy, as well as regular reporting and audits. The F&A Committee also discussed how risk transfer can be addressed with future agreements executed prior to the start of a 12-year endowment deposit period and “lessons learned” from other agencies. Legislative risk could be reduced by including appropriate provisions in third-party agreements.

Lastly, the F&A Committee directed staff to work with other Orange County entities with mitigation lands to develop and recommend comprehensive land management strategies that would seek economies of scale, efficiencies, and consistency as appropriate among the many public and private mitigation land managers.

With Board approval, staff will begin development of appropriate investment parameters, reporting, and accounting standards, and work through the EOC and the F&A Committee process. Staff will also begin to work with other entities with mitigation lands to identify and recommend comprehensive land management strategies. Implementation of actual annual deposits to a third-party endowment(s) would not begin until agreements are negotiated and executed that address the issues discussed above, expected to be completed in the next 12 months.

Summary

M2 provides funding for programmatic mitigation to offset impacts of M2 freeway projects. The NCCP/HCP and DEIR/EIS demonstrate that sufficient conservation is being provided to address the biological mitigations related to M2 freeway projects. In addition, an endowment is necessary to fund long-term land management activities for the acquired properties. The report recommends a target endowment of \$34.5 million and directs staff to develop the relevant safeguards and Preserve management approach.

Attachments

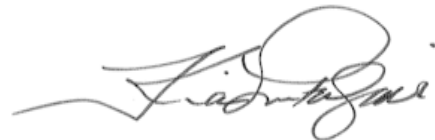
- A. July 2, 2014 Environmental Oversight Committee Recommendations on Endowment Funding
- B. Environmental Mitigation Program Current and Anticipated Expenditures

Prepared by:



Dan Phu
Section Manager, Project Development
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Approved by:



Kia Mortazavi
Executive Director, Development
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Policy Discussion/Recommendations:

1) *Who holds the endowment(s)?*

There are four key elements with respect to a preserve property – ownership, management, conservation restrictions, and endowment. Different entities can be involved in any and/or all of these elements depending upon the particular circumstances and legal requirements. To determine who should hold an endowment, the legal and practical relationship of these four elements must be considered.

Various combinations of preserve management, fee ownership, and endowment management responsibilities are possible. However, preserve management and fee ownership are often linked, and it is sometimes required that the endowment be held by the preserve manager. Conservation restrictions, usually in the form of a conservation easement, are generally required to be held by an entity separate from the owner and/or manager.

Preserve endowments may be held and managed by the Orange County Transportation Authority (OCTA) or another qualified public or private non-profit entity. OCTA's principal agency mission is not ownership or management of conservation resources. A process for fully evaluating the willingness, capacity, relative costs, and suitability of potential land managers will be recommended and undertaken in concert with the final approval of the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP). Therefore, it is reasonable to assume that the long-term property title of the OCTA NCCP/HCP preserves and management of these properties will be transferred to another entity or entities for which biological resources conservation is their primary mission. In this regard, it is also reasonable to assume that the endowment(s) for supporting long-term management would be held by an entity approved to hold endowments, not OCTA.

As part of the NCCP/HCP and the accompanying Implementing Agreement (IA) approval process, OCTA needs to demonstrate it has the financial capability to establish the necessary endowment(s) for long-term management. Subsequent to the approval of the NCCP/HCP and IA, OCTA will have the financial obligation to establish the necessary endowment(s) for long-term management. At that time, the resources agencies will have accepted the terms and conditions of the endowment, thereby relieving OCTA of any additional endowment obligations. Once the endowment is created, OCTA has only limited financial risk on the performance of the endowment or liability as defined in the endowment agreement(s), unless the agency is an endowment holder.

Nevertheless, it is prudent to plan for contingencies, and there may be circumstances, as yet unforeseen, in which OCTA would need to hold and

manage an endowment. It is possible to preserve that option by including it within the OCTA IA. The resources agencies approve the IA that accompanies the NCCP/HCP. It would seem reasonable to do so in this case.

Finally, it will be necessary, prior to a decision, to confer responsibility for management of an endowment to establish appropriate investment policy parameters. These parameters will vary to some degree depending upon whether a public or non-profit entity is the endowment manager and should be negotiated as appropriate to the particular situation and entity to ensure security, stability, and the necessary reporting and accountability.

Recommendations:

- Assume that OCTA NCCP/HCP preserve properties will be owned and managed, along with an accompanying endowment, by a qualified public or private non-profit entity or entities other than OCTA.
- Maintain the option for OCTA to hold endowments within the NCCP/HCP.
- Prior to determining an endowment manager (or managers), establish the appropriate investment parameters and reporting and accountability standards through a public process involving the Environmental Oversight Committee (EOC) and the Board of Directors (Board).

2) *What assumptions should be used to determine long-term preserve management costs?*

OCTA has accumulated experience with the costs and responsibilities associated with preserve management as part of the interim management of properties purchased to meet the mitigation and conservation goals of the NCCP/HCP. These costs range between \$169 and \$956 per acre per year. Information from the draft NCCP/HCP and early drafts of Resource Management Plans for these properties provide a basis for estimating the total average annual cost for management, monitoring, and oversight at \$784,181.

Comparison with other preserve management costs in Orange County and throughout the state indicates widely varying costs from \$49 to more than \$20,000 per acre. The principal finding is that there is no standardized or benchmark cost across jurisdictions for preserve management; many variables come into play and no two preserves are alike.

However, some general rules of thumb can be discerned:

1. There are economies of scale. Smaller properties are more costly on a per acre basis than large tracts.

July 2, 2014 Environmental Oversight Committee
Recommendations on Endowment Funding

2. Adjacent land uses and land owners can have significant impacts on costs, either positive or negative, depending upon the nature of the ownership and use.
3. Public access imposes added costs related to outreach, supervision, patrolling, monitoring, and enforcement.
4. Cost for monitoring and adaptive management activities under the NCCP/HCP can vary significantly depending upon the frequency and complexity of required actions.
5. Over the long term, management costs on a per acre basis appear to decline as preserve conditions stabilize and management activities are refined.

It will take ten years or longer to accumulate sufficient funding for an endowment for the OCTA NCCP/HCP. During that time, Resource Management Plans for all preserve properties will be completed, detailed Property Analysis Record type reviews will be undertaken, and agreements for long-term management will be developed. These processes, along with continued experience with preserve management, will serve to refine the estimate of costs. As a result, the specific amount needed for the endowment(s) can be adjusted either by periodically adjusting the amounts deposited or the duration of the deposit schedule.

It seems reasonable to use the current estimated costs for preserve management as a benchmark for the OCTA NCCP/HCP and to provide for periodic refinement of these estimates as more detailed information and management experience accumulates. This refinement of costs and any recommended changes should be undertaken in a public setting involving the EOC and the OCTA Board.

Recommendations:

- Use the current estimated annual OCTA preserve management and monitoring costs as a factor in calculating the necessary endowment.
- During the period of establishing the endowment, publicly review and refine, every two years, the estimated preserve management costs and recommend adjustments to the endowment calculation and deposits accordingly.

3) *What financial assumptions should be used to establish the amount of the endowment(s)?*

The estimate of the amount needed for the endowment is a function of the preserve management costs as well as assumptions about investment policies, interest earnings, and inflation.

OCTA has long-term experience with a treasury function, managing funds for its capital improvement programs. The investment policies for this purpose are built around low risk and liquidity, since the funds are generally held short-term in preparation for transportation improvement projects. OCTA staff and Board Members are familiar with fund management and oversight in this context.

The endowment(s) needed for the OCTA NCCP/HCP must serve a different function by providing for annual preserve monitoring and management costs “in perpetuity.” Funds will need to be sufficient to support these activities solely from interest earnings going forward, without reducing the principal (non-wasting endowment). Also, the endowment(s) must be built up from the M2 Environmental Mitigation Program (EMP) revenue stream (derived from at least five percent of the Freeway Program revenues) concurrent with funding current obligations and ongoing costs and activities.

There is a high degree of confidence that the necessary endowment(s) can be funded from the forecasted revenues. However, policy choices exist around the assumptions about four factors (interest rates, inflation rates, fund management costs, and deposit schedule) in order to determine how large an endowment needs to be and how long it will take to create it.

Using a model created by the OCTA NCCP/HCP financial consultant, with input from OCTA’s revenue, inflation, and preserve management forecasts, different scenarios for establishing the endowment(s) were examined. Key variables include the effective spending rate (earnings on investments, net of inflation, and fund management costs) and the pace and duration of the deposit schedule to create the endowment(s).

Changes in these variables affect the total size of the endowment needed, the amount of management costs paid from revenues before the endowment is fully funded, and the annual balance available in the EMP.

In evaluating these factors, the Ad Hoc Working Group sought to use reasonably conservative assumptions about the effective spending rate while balancing the duration of the deposit schedule with the annual balance in the EMP.

The recommended target for the effective spending rate is 2.5 percent, which assumes a nominal interest earnings rate of 5.75 percent, with 2.5 percent inflation and an annual fund management cost of 0.75 percent over the long term. The recommended deposit schedule is for equal annual deposits over a period of 12 years, beginning in 2016 when the OCTA NCCP/HCP is assumed to be approved.

The 2.5 percent effective spending rate contrasts with OCTA’s current rate of 1.5 percent and would require that the agency accommodate investment policies

for the NCCP/HCP endowment(s) that vary from those it uses for its own short-term capital improvement fund investments. Placing this in terms of OCTA's current investment policies would mean, for example, utilizing longer term corporate and government-fixed income securities, rather than a one- to three-year, short-term portfolio. For a private, non-profit fund manager, investments could include some equities as well.

The 2.5 percent effective spending rate target is still very conservative. By way of comparison, other conservation endowments assume rates of between 3.5 percent and 4.5 percent. College and university endowments are also within a similar range.

With regard to the assumed fund management cost of 0.75 percent, this is considered a high estimate consistent with that of a private non-profit fund manager. Public fund management costs are likely to be closer to 0.50 percent, which is consistent with OCTA's current costs for its capital funds management.

With respect to the schedule for creating the endowment(s), the Ad Hoc Working Group recommends a target schedule of 12 years with equal annual deposits (Exhibit A). This allows for creation of the endowment concurrent with ongoing preserve management, while still maintaining sufficient balance in the EMP to allow for additional mitigation/conservation expenditures and provide for contingencies. It is acknowledged that the schedule may be shortened or lengthened if property management and/or fund management costs are lower or higher than anticipated.

These recommendations are for an endowment deposit, target rate, and deposit schedule for planning purposes, and to demonstrate OCTA's financial capacity to fund the necessary endowment(s) as part of the review and approval of the NCCP/HCP by 2016. Subsequently, OCTA will determine the disposition of preserves and which entity or entities will be vested with long-term management and preserve endowment responsibilities. At that time, the actual and specific terms of endowment management can be negotiated and approved. Variances from the recommended deposit amount and rate target can be reconciled through adjustments in the deposit rate and/or schedule for the endowment.

Recommendation:

- Use, as a target for endowment planning purposes, an effective spending rate of 2.5 percent and a 12-year even series deposit schedule beginning in 2016.

Summary of Recommendations:

- A. Assume that OCTA NCCP/HCP preserves will be owned and managed, along with an accompanying endowment, by a qualified public or private non-profit entity or entities other than OCTA.
- B. Maintain the option for OCTA to hold endowments within the NCCP/HCP.
- C. Prior to determining an endowment manager (or managers) establish the appropriate investment parameters and reporting and accountability standards through a public process involving the EOC and the Board.
- D. Use the current estimated annual OCTA preserve management and monitoring costs as a factor in calculating the necessary endowment.
- E. During the period of establishing the endowment, publicly review and refine, every two years, the estimated preserve management costs and recommend adjustments to the endowment calculation and deposits accordingly.
- F. Use, as a target for endowment planning purposes, an effective spending rate of 2.5 percent, and a 12-year even series deposit schedule beginning in 2016.

**OCTA M2 Environmental Mitigation Program
Deposits to Endowment Under Alternative Assumptions and Schedules**

Interest Assumption and Type of Deposit Schedule	Beginning and Ending Years of Deposit	First Year		Total Deposits to Endowment (Excludes Interest)	Annual Management, Etc. Costs Paid Before Hand-Over	Total Deposits Plus Annual Costs Paid Before Hand-Over	Lowest Balance of Freeway Mitigation Program
		Annual Costs Are Paid From Endowment	Annual Costs Paid Before Hand-Over				
1.5% Effective Spending Rate (4.5% Nominal Interest, 2.5% Inflation, 0.5% Fund Management)							
1A Front-Loaded	2016-2030 (15 Years)	2031	\$61.8 million (M)	\$15.7 M	\$77.5 M	\$3.5 M (2016-2029)	
1B Even Series	2016-2035 (20 Years)	2036	\$61.7 M	\$22.0 M	\$83.7 M	\$7.3 M (2022)	
1C Even Series	2016-2040 (25 Years)	2041	\$62.4 M	\$28.9 M	\$91.3 M	\$11.5 M (2020)	
2.5% Effective Spending Rate (5.75% Nominal Interest, 2.5% Inflation, 0.75% Fund Management)							
2A Front-Loaded	2016-2025 (10 Years)	2026	\$33.5 M	\$9.9 M	\$43.4 M	\$3.5 M (2016-2024)	
2B Even Series	2016-2027 (12 Years)	2028	\$34.5 M	\$12.1 M	\$46.6 M	\$8.9 M (2022)	
2C Even Series	2016-2030 (15 Years)	2031	\$34.1 M	\$15.7 M	\$49.8 M	\$12.7 M (2019-2020)	
2D Even Series	2016-2035 (20 Years)	2036	\$33.4 M	\$22.0 M	\$55.4 M	\$15.1 M (2017-2018)	
2E Even Series	2016-2040 (25 Years)	2041	\$33.0 M	\$28.9 M	\$61.9 M	\$15.8 M (2016-2017)	

Environmental Mitigation Program Current and Anticipated Expenditures

Actions	Estimated Amount
1.0 Preserve Acquisition and Management	
1.1 Acquisition	
1.1.1 Acquired	\$27,418,907
1.1.2 Future Acquisitions	\$4,864,574
SUBTOTAL	\$32,283,481
1.2 Start Up Expenditures	\$2,903,600
1.3 Interim Preserve Management*	\$10,818,211
1.4 Permanent, Non-Wasting Endowment	\$34,500,000
2.0 Restoration Projects	
2.1 Round 1	\$5,362,500
2.2 Round 2	\$5,137,500
2.2.1 Future	\$421,420
2.3 Round 3 Future	\$5,000,000
2.4 Round 4 Future	\$5,000,000
3.0 Plan Development	
3.1 NCCP/HCP Plan Development	\$2,500,000
4.0 Debt Service	
4.1 Interests on Early Action Plan	\$37,200,000
<p>*Cost is escalated at a rate of 2.5% per year for 12 years. First year management cost is estimated to be \$784,181. Annual management costs would be paid through existing revenue stream for the first 12 years, while the endowment is established. Costs beyond the 12-year period would be drawn from the interest earned from the endowment.</p> <p>**Preliminary estimates subject to change</p>	<p>TOTAL</p>
	<p>\$141,126,712**</p>

NCCP/HCP - Natural Community Conservation Plan/Habitat Conservation Plan



COMMITTEE TRANSMITTAL

October 27, 2014

To: Members of the Board of Directors
From: Wendy Knowles, ^{Wk} Clerk of the Board
Subject: Third Quarter 2014 Investment and Debt Report

Finance and Administration Committee Meeting of October 22, 2014

Present: Directors Bates, Hennessey, Jones, Moorlach, Pulido, Spitzer,
and Ury
Absent: Director Lalloway

Committee Vote

This item was passed by the Members present.

Director Pulido was not present to vote on this item.

Committee Recommendation

Receive and file the Quarterly Investment and Debt Report prepared by the Treasurer as an information item.



October 22, 2014

To: Finance and Administration Committee
From: Darrell Johnson, Chief Executive Officer *Darrell Johnson for*
Subject: Third Quarter 2014 Investment and Debt Report

Overview

The California Government Code authorizes the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the investment activity for the period. This investment report covers the third quarter of 2014, July through September, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

Receive and file the Quarterly Investment and Debt Report prepared by the Treasurer as an information item.

Discussion

The Treasurer is currently managing the Orange County Transportation Authority's (OCTA) investment portfolio totaling \$1.2 billion as of September 30, 2014. The portfolio is divided into three managed portfolios: the liquid portfolio for immediate cash needs, bond proceeds portfolio to meet Measure M2 (M2) transportation program needs, and the short-term portfolio for future budgeted expenditures. In addition to these portfolios, OCTA has funds invested in debt service reserve funds for the 91 Express Lanes.

OCTA's debt portfolio had an outstanding principal balance of \$484 million as of September 30, 2014. Approximately 75 percent of the outstanding balance is comprised of M2 debt and 25 percent is associated with the 91 Express Lanes Program.

Economic Summary: The United States (U.S.) jobless rate declined to a six-year low of 5.9 percent in September as employers added more workers than projected.

The 248,000 gain in payrolls followed an 180,000 increase in August that was larger than previously estimated. The unemployment rate fell to the lowest level since July 2008. The labor market continues to grow fast enough to keep pushing the unemployment rate down. Evidence of the stronger labor markets may be seen in household spending and a pickup in capital investment. American assembly lines are busy as factories had their strongest quarter in more than three years.

There were few changes at the most recent Federal Open Market Committee meeting in September. The committee tapered monthly bond buying to \$15 billion in their seventh consecutive \$10 billion cut. The Federal Reserve Bank (Fed) will likely keep the schedule of ending the asset purchase program in October 2014. The most recent Fed minutes suggest the current target for the federal funds rate of 0 to 0.25 percent will remain for a considerable time after the asset purchase program ends. Further, the Fed believes the pace of economic growth will be moderate, unemployment will continue to decline, and inflation may trend higher although there has been little wage growth to suggest that.

Debt Portfolio Activity: On August 15, 2014, OCTA remitted a debt service payment for the 91 Express Lanes in the amount of \$7.9 million. Of this amount, \$4.9 million was used to retire principal. Currently, there remains \$119.5 million outstanding on the 91 Express Lanes Tax-Exempt Bonds.

Also occurring on August 15, 2014, OCTA remitted a debt service payment to M2 investors in the amount of \$11 million. The total amount remitted represented interest on the M2 debt. Principal payments for the M2 Program are paid in February of each year. The outstanding balances for each of OCTA's debt securities are presented in Attachment A.

Investment Portfolio Activity: On July 23, 2014, OCTA transferred \$80 million from the liquid portfolio to the short-term portfolio. The transfer was a strategic move to increase diversification and reduce the balance of the liquid portfolio.

Investment Portfolio Compliance: Cutwater Asset Management was out of compliance on September 30, 2014. The balance in the bond proceeds portfolio exceeded the maximum asset allocation of 20 percent for money market funds by two percent. Cutwater has been placed on probation for a period of one year. OCTA continues its policy of reviewing the contents of the investment portfolio to ensure compliance. Attachment B provides a comparison of the portfolio holdings as of September 30, 2014, to the diversification guidelines of the policy.

Investment Portfolio Performance Versus Selected Benchmarks: OCTA's investment managers provide OCTA and its financial advisor, Sperry Capital, with monthly performance reports. The investment managers' performance reports calculate monthly total rates of return based upon the market value of the portfolios they manage at the beginning of the month versus the market value at the end of the month. The market value of the portfolio at the end of the month includes the actual value of the portfolio based upon prevailing market conditions, as well as the interest income accrued during the month.

OCTA has calculated the total returns for each of the investment managers for short-term operating monies and has compared the returns to specific benchmarks as shown in Attachment C. Attachment D contains an annualized total return performance comparison by investment manager for the previous two years. Attachment E provides a two-year yield comparison between the short-term portfolio managers, the Orange County Investment Pool, and the Local Agency Investment Fund.

The returns for OCTA's short-term operating monies are compared to the Bank of America Merrill Lynch (BAML) 1-3 year Treasury (BAML 1-3 Treasury), and the BAML 1-3 year AAA-A U.S. Corporate and Government (BAML 1-3 corp/gov) benchmarks. The BAML 1-3 year indices are among the most commonly used short-term fixed income benchmarks. Each of the four managers invests in a combination of securities that all conform to OCTA's 2014 Investment Policy (Policy). For the quarter ending September 30, 2014, the weighted average total return for OCTA's short-term portfolio was 0.03 percent, equaling both the BAML 1-3 Treasury and BAML 1-3 corp/gov benchmark returns of 0.03 percent. For the 12-month period ending September 30, 2014, the portfolio's return totaled 0.73 percent, exceeding the BAML 1-3 Treasury by 23 basis points and the BAML 1-3 corp/gov by 5 basis points for the same period.

The returns for OCTA's bond proceeds portfolio are compared to a customized benchmark comprised of treasury securities that match the projected draw schedule. Each of the two managers invest in a combination of securities that all conform to the Policy. For the quarter ending September 30, 2014, the weighted average total return for OCTA's bond proceeds portfolio was 0.02 percent, 11 basis points below the benchmark return of 0.13 percent. For the 12-month period ending September 30, 2014, the portfolio's return totaled 0.18 percent, 30 basis points above the benchmark return of -0.12 percent for the same period.

The months of June and July experienced lower demand for fixed-income securities, causing yields to rise on continued stronger economic news.

Anticipation of a continued recovery, combined with the increasing likelihood of Fed tightening by the middle of 2015, has led to a volatile treasury market on the short end of the yield curve. Two-year treasury yields have been rising during the third quarter of 2014, steepening the yield curve. A steepening yield curve historically is an indicator of stronger economic activity and rising inflation expectations. The two-year and five-year treasuries are currently yielding 0.57 percent and 1.76 percent respectively. That is an increase of 11 basis points for the two-year and 12 basis points for the five-year from June 30, 2014 to September 30, 2014.

Confidence in the recovery has created downward pricing pressure on existing securities in this maturity range, resulting in modest performance for the quarter. The outperformance during trailing 12 months for both the short-term and bond proceeds portfolios was a direct result of the yield provided by all non-government sectors and the ability to reinvest in the rising yield environment.

A complete listing of all securities is provided in Attachment G. Each portfolio contains a description of the security, maturity date, book value, market value, and book yield provided by Clearwater Analytics.

Cash Availability for the Next Six Months: OCTA has reviewed the cash requirements for the next six months. It has been determined that the liquid and the short-term portfolios can fund all projected expenditures during the next six months.

Summary

As required under the California Government Code, the Orange County Transportation Authority is submitting its quarterly investment and debt report to the Board of Directors. The report summarizes the Orange County Transportation Authority's Treasury activities for the period July 2014 through September 2014.

Attachments

- A. Orange County Transportation Authority Outstanding Debt September 30, 2014.
- B. Orange County Transportation Authority Investment Policy Compliance September 30, 2014.
- C. Orange County Transportation Authority Short-term Portfolio Performance Review Quarter Ending September 30, 2014.
- D. Orange County Transportation Authority Short-term Portfolio Performance September 30, 2014.
- E. Orange County Transportation Authority Comparative Yield Performance September 30, 2014.
- F. Investment Manager Diversification and Maturity Schedules September 30, 2014.
- G. Orange County Transportation Authority Portfolio Listing as of September 30, 2014.

Prepared by:



Rodney Johnson
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714-560-5675

Approved by:



Andrew Oftelie
Executive Director,
Finance and Administration
714-560-5649

**Orange County Transportation Authority
Outstanding Debt
September 30, 2014**

Orange County Local Transportation Authority (OCLTA) - M2 Program

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2008 Tax-Exempt Commercial Paper	\$ 100,000,000	\$ 25,000,000	2014
2010 Series B Sales Tax Revenue Tax-Exempt Bonds	\$ 59,030,000	\$ 46,020,000	2020
2010 Series A Sales Tax Revenue Taxable Bonds	\$ 293,540,000	\$ 293,540,000	2041
Sub-total	\$ 452,570,000	\$ 364,560,000	

91 Express Lanes

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2013 OCTA 91 Express Lanes Refunding Bonds	\$ 124,415,000	\$ 119,490,000	2030

TOTAL OUTSTANDING BALANCE **\$ 484,050,000**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Investment Policy Compliance
September 30, 2014

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	\$570,861,616	46.8%	100%
Federal Agencies & U.S. Government Sponsored	129,644,606	10.6%	100%
State of California & Local Agencies	3,832,670	0.3%	25%
Money Market Funds & Mutual Funds	79,094,905	6.5%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	20,200,160	1.7%	30%
Commercial Paper	10,806,824	0.9%	25%
Medium Term Maturity Corporate Securities	251,512,259	20.6%	30%
Mortgage and Asset-backed Securities	89,359,324	7.3%	10%
Repurchase Agreements	4,721,695	0.4%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund	10,131,727	0.8%	\$ 40 Million
Orange County Investment Pool	13,533,384	1.1%	\$ 40 Million
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	36,609,242	3.0%	30%
Debt Service Reserve Funds - Investment Agreements	0	0.0%	Not Applicable
Bank Deposits	0	0.0%	5%
Derivatives (hedging transactions only)	0	0.0%	5%
	<hr/>	<hr/>	<hr/>
TOTAL	<u>\$1,220,308,413</u>	100.0%	

**Orange County Transportation Authority
Short-term Portfolio Performance Review*
Quarter Ending September 30, 2014**

Month Ending	Merrill Lynch Treasury 1-3 Year Index Benchmark		Merrill Lynch Gov/Corp 1-3 Year Index Benchmark		JP Morgan		Payden & Rygel		Western Asset Mgmt		State Street Global Advisors	
	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration
7/31/2014	-0.08%	1.91 years	-0.08%	1.92 years	-0.10%	1.85 years	-0.07%	1.73 years	-0.05%	1.49 years	-0.07%	1.84 years
8/31/2014	0.17%	1.93 years	0.17%	1.92 years	0.18%	1.87 years	0.18%	1.76 years	0.12%	1.51 years	0.17%	1.85 years
9/30/2014	-0.06%	1.91 years	-0.06%	1.92 years	-0.08%	1.84 years	-0.08%	1.75 years	-0.04%	1.49 years	-0.07%	1.79 years
Jul 14 - Sep 14 Total Return	0.03%		0.03%		-0.01%		0.03%		0.04%		0.03%	

HISTORICAL QUARTERLY RETURNS

Oct 13 - Dec 13 Total Return	0.06%	0.14%	0.09%	0.15%	0.14%	0.20%
Jan 14 - Mar 14 Total Return	0.14%	0.20%	0.20%	0.21%	0.24%	0.23%
Apr 14 - Jun 14 Total Return	0.27%	0.31%	0.36%	0.34%	0.33%	0.31%
Jul 14 - Sep 14 Total Return	0.03%	0.03%	-0.01%	0.03%	0.04%	0.03%
12-Month Total Return	0.50%	0.68%	0.66%	0.73%	0.75%	0.78%

* - Month End Rates of Return are Gross of Fees

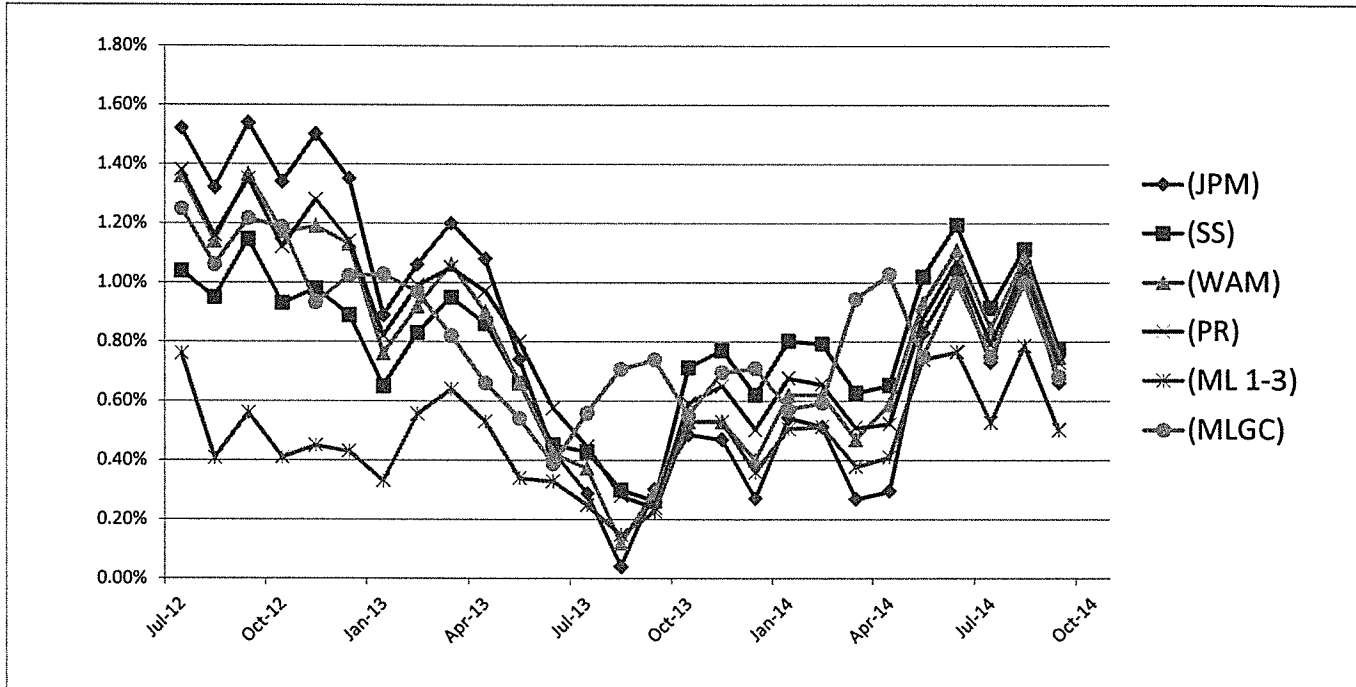
12-Mo Total Return (Net of Fees)	N/A	N/A	0.51%	0.60%	0.61%	0.64%
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Orange County Transportation Authority

Short-Term Portfolio Performance

September 30, 2014

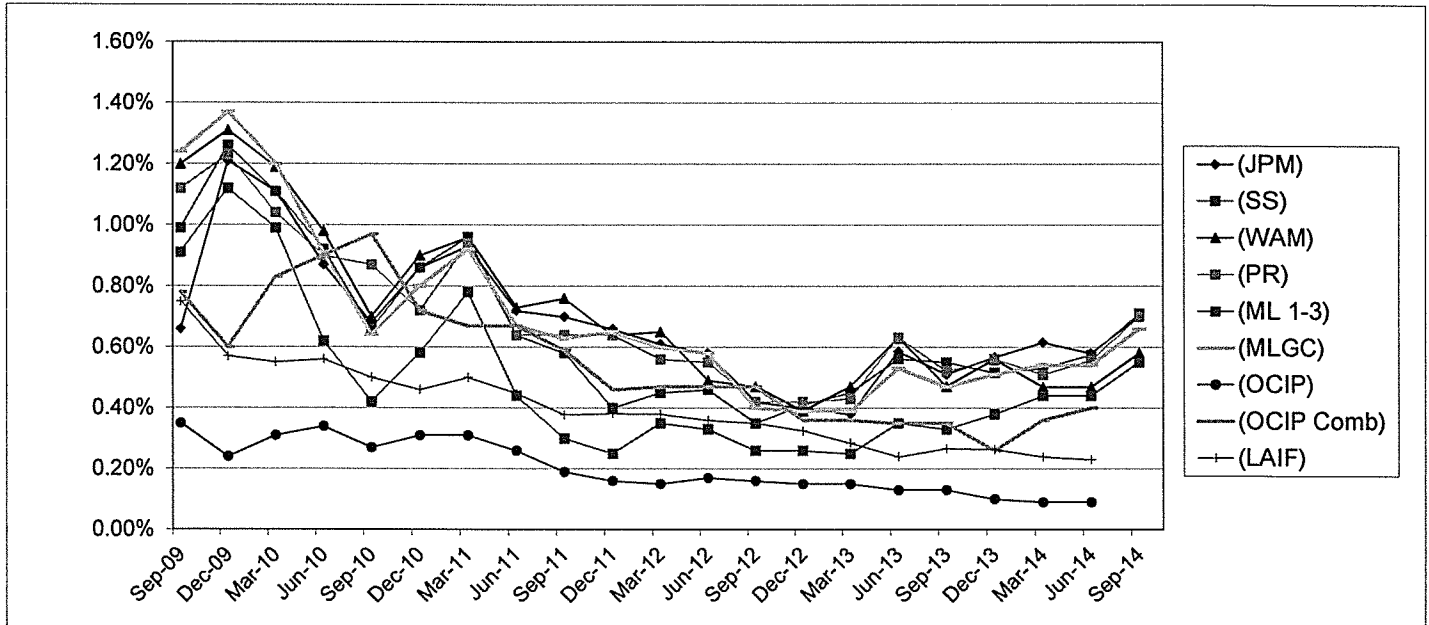
**Trailing 1-Year Total Return
Vs. The Merrill Lynch 1-3 Treasury Benchmark**



	JP Morgan (JPM)	State Street (SS)	Western Asset Mgmt (WAM)	Payden Rygel (PR)	Merrill Lynch 1-3 Yr (ML 1-3)	ML 1-3 Yr Gov/Corp (MLGC)
Jul-12	1.52%	1.04%	1.36%	1.38%	0.76%	1.25%
Aug-12	1.32%	0.95%	1.14%	1.16%	0.41%	1.06%
Sep-12	1.54%	1.15%	1.37%	1.35%	0.56%	1.22%
Oct-12	1.34%	0.93%	1.17%	1.12%	0.41%	1.19%
Nov-12	1.50%	0.98%	1.19%	1.28%	0.45%	0.93%
Dec-12	1.35%	0.89%	1.13%	1.14%	0.43%	1.02%
Jan-13	0.89%	0.65%	0.76%	0.82%	0.33%	1.03%
Feb-13	1.06%	0.83%	0.92%	0.99%	0.56%	0.97%
Mar-13	1.20%	0.95%	1.06%	1.05%	0.64%	0.82%
Apr-13	1.08%	0.86%	0.90%	0.97%	0.53%	0.66%
May-13	0.74%	0.66%	0.66%	0.80%	0.34%	0.54%
Jun-13	0.43%	0.45%	0.42%	0.57%	0.33%	0.39%
Jul-13	0.29%	0.43%	0.37%	0.45%	0.25%	0.56%
Aug-13	0.04%	0.30%	0.12%	0.28%	0.15%	0.71%
Sep-13	0.30%	0.26%	0.29%	0.24%	0.23%	0.74%
Oct-13	0.49%	0.71%	0.53%	0.59%	0.53%	0.55%
Nov-13	0.47%	0.77%	0.53%	0.65%	0.53%	0.70%
Dec-13	0.27%	0.62%	0.40%	0.50%	0.36%	0.71%
Jan-14	0.54%	0.80%	0.62%	0.68%	0.51%	0.57%
Feb-14	0.51%	0.79%	0.62%	0.66%	0.51%	0.59%
Mar-14	0.27%	0.63%	0.47%	0.51%	0.38%	0.94%
Apr-14	0.30%	0.65%	0.59%	0.52%	0.41%	1.03%
May-14	0.83%	1.02%	0.93%	0.88%	0.74%	0.75%
Jun-14	1.03%	1.20%	1.11%	1.07%	0.77%	1.00%
Jul-14	0.73%	0.91%	0.84%	0.79%	0.53%	0.75%
Aug-14	1.05%	1.11%	1.08%	1.05%	0.79%	1.00%
Sep-14	0.66%	0.78%	0.75%	0.73%	0.50%	0.68%

Orange County Transportation Authority Comparative Yield Performance September 30, 2014

**Historical Yields
Vs. The Merrill Lynch 1-3 Treasury Benchmark**

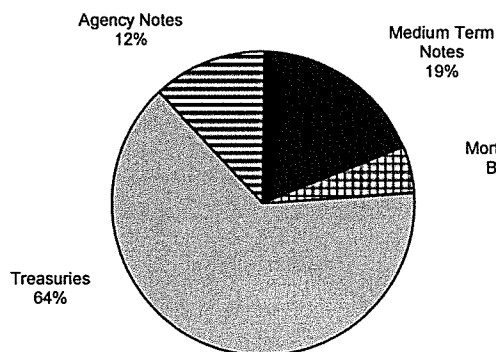


	JP Morgan (JPM)	State Street (SS)	Western Asset Mgmt (WAM)	Payden Rygel (PR)	Merrill Lynch 1-3 Yr (ML 1-3)	ML 1-3 Yr Gov/Corp (MLGC)	(OCIP)	(OCIP Comb)	(LAIF)
Sep-09	0.66%	0.99%	1.20%	1.12%	0.91%	1.24%	0.35%	0.78%	0.75%
Dec-09	1.21%	1.26%	1.31%	1.23%	1.12%	1.37%	0.24%	0.60%	0.57%
Mar-10	1.11%	1.11%	1.19%	1.04%	0.99%	1.20%	0.31%	0.83%	0.55%
Jun-10	0.87%	0.92%	0.98%	0.90%	0.62%	0.91%	0.34%	0.90%	0.56%
Sep-10	0.68%	0.66%	0.70%	0.87%	0.42%	0.64%	0.27%	0.97%	0.50%
Dec-10	0.86%	0.86%	0.90%	0.72%	0.58%	0.80%	0.31%	0.72%	0.46%
Mar-11	0.93%	0.96%	0.96%	0.94%	0.78%	0.92%	0.31%	0.67%	0.50%
Jun-11	0.72%	0.64%	0.73%	0.64%	0.44%	0.67%	0.26%	0.67%	0.45%
Sep-11	0.70%	0.58%	0.76%	0.64%	0.30%	0.63%	0.19%	0.59%	0.38%
Dec-11	0.66%	0.40%	0.64%	0.64%	0.25%	0.65%	0.16%	0.46%	0.38%
Mar-12	0.61%	0.45%	0.65%	0.56%	0.35%	0.60%	0.15%	0.47%	0.38%
Jun-12	0.58%	0.46%	0.49%	0.55%	0.33%	0.58%	0.17%	0.47%	0.36%
Sep-12	0.42%	0.35%	0.47%	0.42%	0.26%	0.40%	0.16%	0.47%	0.35%
Dec-12	0.40%	0.41%	0.39%	0.42%	0.26%	0.39%	0.15%	0.36%	0.33%
Mar-13	0.38%	0.45%	0.47%	0.43%	0.25%	0.39%	0.15%	0.36%	0.29%
Jun-13	0.59%	0.56%	0.63%	0.63%	0.35%	0.53%	0.13%	0.35%	0.24%
Sep-13	0.51%	0.55%	0.47%	0.52%	0.33%	0.47%	0.13%	0.35%	0.27%
Dec-13	0.57%	0.52%	0.56%	0.56%	0.38%	0.51%	0.10%	0.26%	0.26%
Mar-14	0.62%	0.53%	0.47%	0.51%	0.44%	0.54%	0.09%	0.36%	0.24%
Jun-14	0.58%	0.57%	0.47%	0.56%	0.44%	0.54%	0.09%	0.40%	0.23%
Sep-14	0.70%	0.71%	0.58%	0.70%	0.55%	0.66%	N/A	N/A	N/A

Investment Manager Diversification and Maturity Schedules

**JP Morgan
September 30, 2014**

SHORT-TERM PORTFOLIO (\$266.0 M)

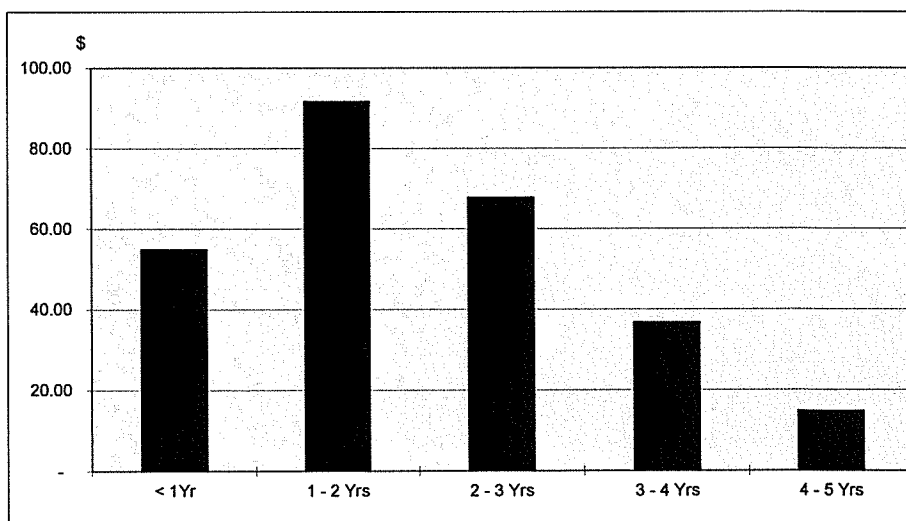


Mortg. & Asset-Back Sec. 5%

Treasuries
Agency Notes
Medium Term Notes
Mortg. & Asset-Back Sec.
Money Market Funds

	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$170,738,225	\$168,994,487
Agency Notes	32,419,405	31,234,123
Medium Term Notes	49,614,286	48,680,904
Mortg. & Asset-Back Sec.	12,950,577	12,889,044
Money Market Funds	262,208	262,208
	<u>\$265,984,701</u>	<u>\$262,060,766</u>

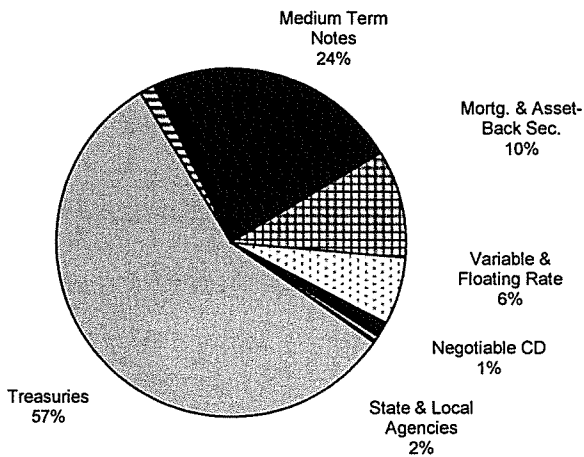
Wtd Avg Life	1.89 Yrs
Duration	1.84 Yrs
Quarter-end Yield	0.70%
TSY Benchmark	0.55%
Gov/Corp Benchmark	0.66%
Quarter Return	-0.01%
TSY Benchmark	0.03%
Gov/Corp Benchmark	0.03%
12 Month Return	0.66%
TSY Benchmark	0.50%
Gov/Corp Benchmark	0.68%



Investment Manager Diversification and Maturity Schedules

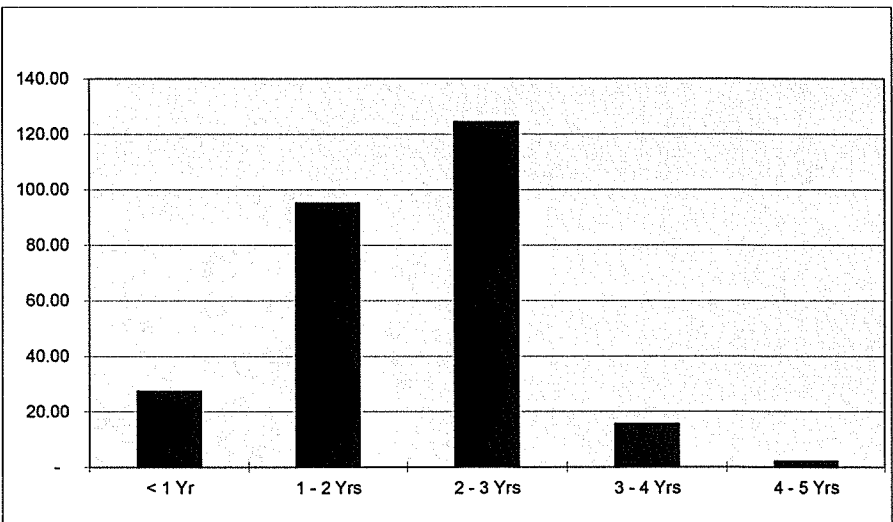
Payden & Rygel
September 30, 2014

SHORT-TERM PORTFOLIO (\$264.9 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$150,037,435	\$149,878,904
Agencies	3,632,661	3,640,314
Medium Term Notes	62,659,102	62,461,802
Mortg. & Asset-Back Sec.	26,303,377	26,074,542
Variable & Floating Rate	16,625,520	16,691,288
State & Local Agencies	3,832,670	3,833,286
Negotiable CD	1,200,000	1,199,928
Money Market Funds	<u>564,483</u>	<u>564,483</u>
	<u>\$264,855,248</u>	<u>\$264,344,547</u>

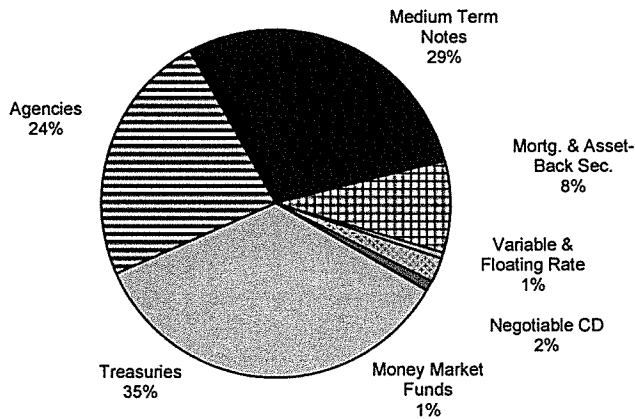
Wtd Avg Life	1.93 Yrs
Duration	1.75 Yrs
Quarter-end Yield	0.70%
TSY Benchmark	0.55%
Gov/Corp Benchmark	0.66%
Quarter Return	0.03%
TSY Benchmark	0.03%
Gov/Corp Benchmark	0.03%
12 Month Return	0.73%
TSY Benchmark	0.50%
Gov/Corp Benchmark	0.68%



Investment Manager Diversification and Maturity Schedules

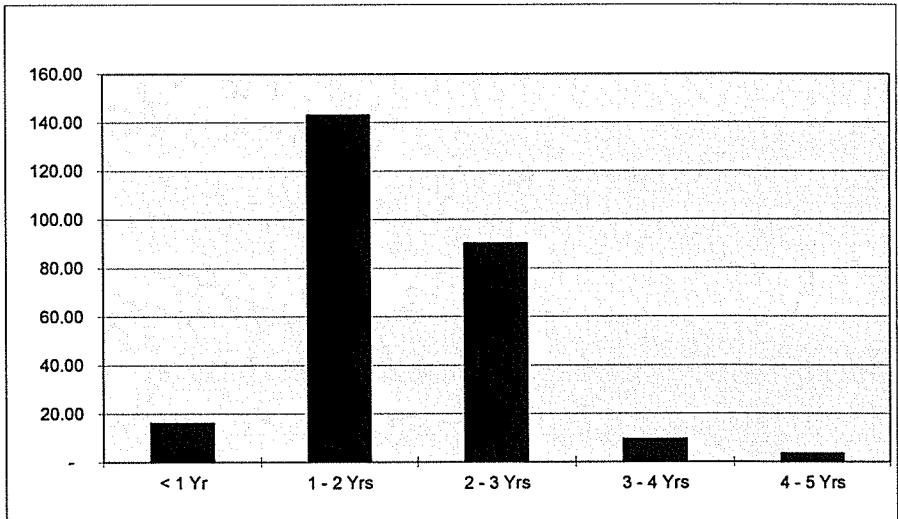
State Street
September 30, 2014

SHORT-TERM PORTFOLIO (\$262.4 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$91,944,370	\$91,908,605
Agencies	61,826,643	61,495,325
Medium Term Notes	76,482,769	76,321,800
Mortg. & Asset-Back Sec.	22,205,375	22,222,324
Variable & Floating Rate	1,500,000	1,527,090
Negotiable CD	6,000,160	6,000,840
Money Market Funds	<u>2,464,318</u>	<u>2,464,318</u>
	<u>\$262,423,635</u>	<u>\$261,940,301</u>

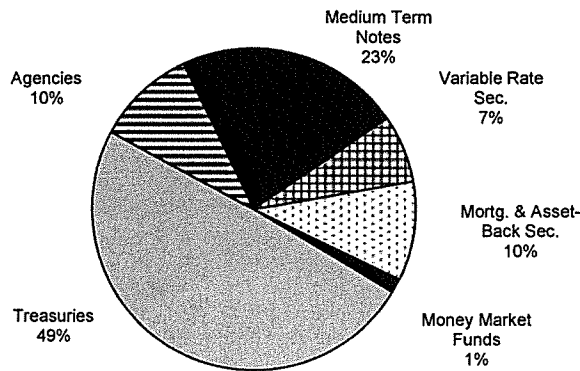
Wtd Avg Life	1.83 Yrs
Duration	1.79 Yrs
Quarter-end Yield	0.71%
TSY Benchmark	0.55%
Gov/Corp Benchmark	0.66%
Quarter Return	0.03%
TSY Benchmark	0.03%
Gov/Corp Benchmark	0.03%
12 Month Return	0.78%
TSY Benchmark	0.50%
Gov/Corp Benchmark	0.68%



Investment Manager Diversification and Maturity Schedules

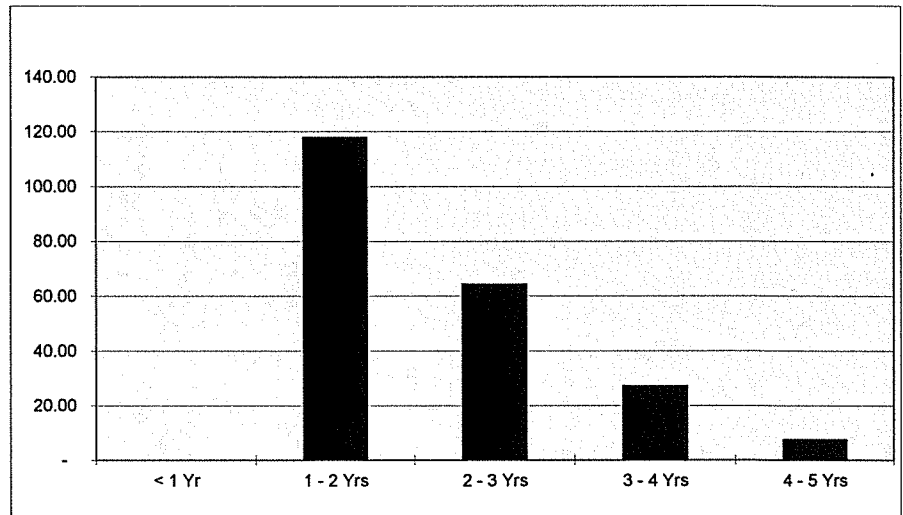
Western Asset Management September 30, 2014

SHORT-TERM PORTFOLIO (\$270.9 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$133,575,771	\$133,807,775
Agencies	\$26,990,622	26,563,739
Medium Term Notes	61,226,778	60,847,495
Variable Rate Sec.	18,153,722	18,257,793
Mortg. & Asset-Back Sec.	26,907,905	26,869,160
Money Market Funds	<u>4,086,314</u>	<u>4,086,314</u>
	<u>\$270,941,112</u>	<u>\$270,432,275</u>

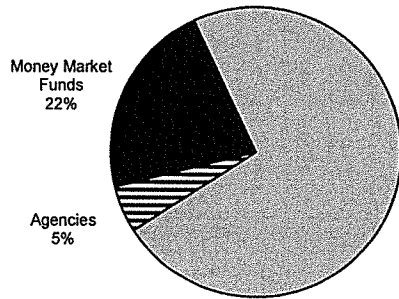
Wtd Avg Life	1.74 Yrs
Duration	1.49 Yrs
Quarter-end Yield	0.58%
TSY Benchmark	0.55%
Gov/Corp Benchmark	0.66%
Quarter Return	0.04%
TSY Benchmark	0.03%
Gov/Corp Benchmark	0.03%
12 Month Return	0.75%
TSY Benchmark	0.50%
Gov/Corp Benchmark	0.68%



Investment Manager Diversification and Maturity Schedules

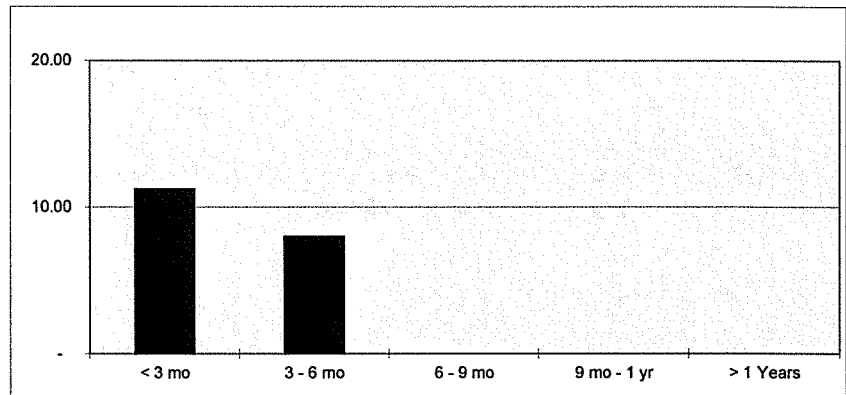
Cutwater
September 30, 2014

BOND PROCEEDS PORTFOLIO (\$19.2 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$ 14,008,233	\$14,004,164
Agencies	999,395	999,980
Money Market Funds	<u>4,226,894</u>	<u>4,226,894</u>
	<u>\$ 19,234,523</u>	<u>\$ 19,231,038</u>

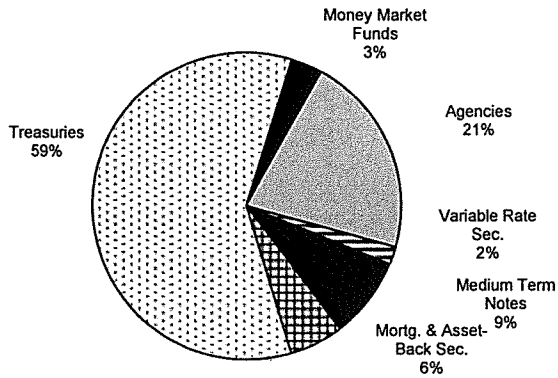
Wtd Avg Life	0.17 Yrs
Duration	0.17 Yrs
Quarter-end Yield	0.05%
Benchmark Comparison	0.00%
Quarter Return	0.01%
Benchmark Comparison	0.13%
12 Month Return	0.08%
Benchmark Comparison	-0.12%



Investment Manager Diversification and Maturity Schedules

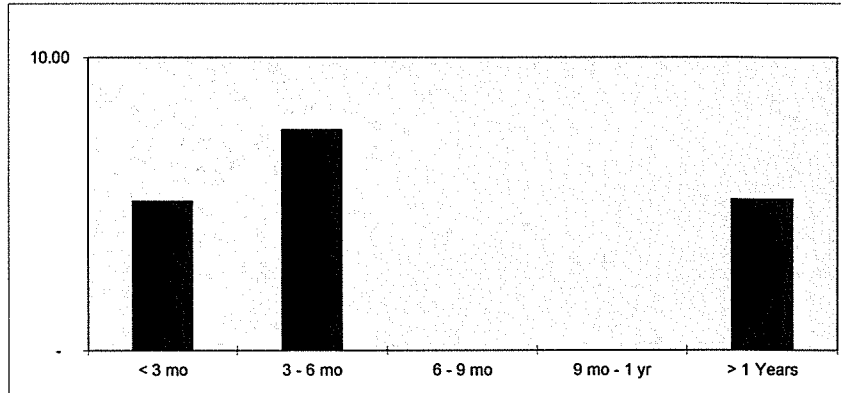
Logan Circle
September 30, 2014

BOND PROCEEDS PORTFOLIO (\$17.8 M)



	<u>Book Value</u>	<u>Market Value</u>
Agencies	3,775,879	3,773,709
Variable Rate Sec.	330,000	330,452
Medium Term Notes	1,529,325	1,509,855
Mortg. & Asset-Back Sec.	992,090	991,468
Treasuries	10,557,582	10,555,886
Money Market Funds	<u>584,347</u>	<u>584,347</u>
	<u>\$17,769,223</u>	<u>\$17,745,717</u>

Wtd Avg Life	0.57 Yrs
Duration	0.25 Yrs
Quarter-end Yield	0.15%
Benchmark Comparison	0.00%
Quarter Return	0.03%
Benchmark Comparison	0.13%
12 Month Return	0.29%
Benchmark Comparison	-0.12%



**Orange County Transportation Authority
Portfolio Listing
As of September 30, 2014**

LIQUID PORTFOLIO

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>YIELD</u>
<u>CASH EQUIVALENTS</u>				
REPURCHASE AGREEMENT	10/1/2014	4,721,694.87	4,721,694.87	0.05%
FEDERATED PRIME OBLIGATIONS FUND	N/A	11,466,986.52	11,466,986.52	0.02%
FIDELITY PRIME OBLIGATIONS FUND	N/A	55,392,455.06	55,392,455.06	0.01%
FIRST AMERICAN TREAS OBLIGATIONS	N/A	9.11	9.11	0.01%
GOLDMAN SACHS FINANCIAL GOVT FUND	N/A	46,890.01	46,890.01	0.01%
<i>SUB-TOTAL</i>		<u>71,628,035.57</u>	<u>71,628,035.57</u>	
<u>LOCAL AGENCY INVESTMENT FUND (LAIF)</u>	N/A	10,131,727.31	10,131,727.31	N/A
<u>ORANGE COUNTY INVESTMENT POOL (OCIP)</u>	N/A	13,533,384.02	13,533,384.02	N/A
LIQUID PORTFOLIO - TOTAL		<u>\$ 95,293,146.90</u>	<u>\$ 95,293,146.90</u>	

BOND PROCEEDS PORTFOLIO

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>YIELD</u>
<u>CASH EQUIVALENTS / COMMERCIAL PAPER</u>				
FIDELITY PRIME OBLIGATIONS FUND	N/A	4,811,241.08	4,811,241.08	0.03%
<i>SUB-TOTAL</i>		<u>4,811,241.08</u>	<u>4,811,241.08</u>	
<u>U.S. GOVERNMENT & AGENCY OBLIGATIONS</u>				
FARMER MAC DISCOUNT NOTE	11/4/2014	499,899.65	499,995.00	0.01%
FARMER MAC DISCOUNT NOTE	10/1/2014	499,990.97	500,000.00	0.00%
FARMER MAC DISCOUNT NOTE	10/14/2014	999,800.00	1,000,000.00	0.00%
FED HOME LN DISCOUNT NT	10/1/2014	499,985.42	500,000.00	0.00%
FEDERAL FARM CREDIT BANK	10/6/2014	500,955.00	500,070.00	0.14%
FREDDIE MAC	11/7/2016	775,248.00	773,643.75	0.88%
FREDDIE MAC DISCOUNT NT	11/28/2014	999,395.00	999,980.00	0.01%
TREASURY BILL	11/28/2014	1,000,000.00	999,976.00	0.02%
TREASURY BILL	10/30/2014	1,000,004.86	999,986.00	0.02%
US TREASURY FRN	1/31/2016	949,592.38	950,190.00	0.05%
US TREASURY FRN	1/31/2016	299,876.95	300,060.00	0.05%
US TREASURY FRN	1/31/2016	249,952.14	250,050.00	0.05%
US TREASURY FRN	4/30/2016	1,550,336.42	1,550,790.50	0.05%
US TREASURY N/B	10/15/2014	500,859.38	500,060.00	0.19%
US TREASURY N/B	10/15/2014	1,001,601.56	1,000,120.00	0.19%
US TREASURY N/B	12/31/2014	1,500,468.75	1,500,234.00	0.06%
US TREASURY N/B	10/31/2014	2,001,627.04	2,000,312.00	0.06%
US TREASURY N/B	12/31/2014	1,000,312.50	1,000,156.00	0.06%
US TREASURY N/B	12/31/2014	3,001,289.06	3,000,468.00	0.06%
US TREASURY N/B	11/30/2014	2,001,406.25	2,000,626.00	0.06%
US TREASURY N/B	1/31/2015	1,501,171.88	1,500,990.00	0.05%
US TREASURY N/B	1/31/2015	4,003,593.75	4,002,640.00	0.05%
US TREASURY N/B	2/15/2015	300,257.81	300,234.30	0.04%
US TREASURY N/B	2/15/2015	50,042.97	50,039.05	0.04%
US TREASURY N/B	2/15/2015	1,151,078.13	1,150,898.15	0.04%
US TREASURY N/B	3/15/2015	1,502,343.75	1,502,220.00	0.05%
<i>SUB-TOTAL</i>		<u>29,341,089.62</u>	<u>29,333,738.75</u>	
<u>MEDIUM TERM NOTES</u>				
BANK OF NEW YORK MELLON	2/20/2015	756,232.50	752,025.00	0.32%
UBS AG STAMFORD CT	1/15/2015	773,092.50	757,830.00	0.26%
<i>SUB-TOTAL</i>		<u>1,529,325.00</u>	<u>1,509,855.00</u>	

**Orange County Transportation Authority
Portfolio Listing
As of September 30, 2014**

VARIABLE RATE NOTES

NATIONAL RURAL UTIL COOP	5/27/2016	330,000.00	330,452.10	0.41%
SUB-TOTAL		330,000.00	330,452.10	

MORTGAGE AND ASSET-BACK SECURITIES

CCCIT 2013-A8 A8	12/12/2016	300,140.63	300,029.70	0.25%
GEET 2012-1 A3	11/23/2015	595.24	595.28	0.98%
GEET 2012-1 A3	11/23/2015	8,973.92	8,929.17	0.79%
TAOT 2012-B A3	7/15/2016	46,049.38	46,035.85	0.38%
TAOT 2012-B A3	7/15/2016	61,272.15	61,381.14	0.38%
TAOT 2012-B A3	7/15/2016	361,845.08	362,148.71	0.38%
TAOT 2012-B A3	7/15/2016	12,244.84	12,276.23	0.38%
VWALT 2012-A A4	5/22/2017	200,968.75	200,072.00	0.56%
SUB-TOTAL		992,090.00	991,468.08	

BOND PROCEEDS PORTFOLIO - TOTAL

\$ 37,003,745.69 \$ 36,976,755.01

SHORT-TERM PORTFOLIO

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>YIELD</u>
<u>CASH EQUIVALENTS</u>				
CITIBANK NEGOTIABLE CERTIFICATE OF DEPOSIT	5/7/2015	1,200,000.00	1,199,928.00	0.31%
SKANDINAVISKA ENSKILDA BANKEN AB NEG. CD	12/15/2014	6,000,160.38	6,000,840.00	0.18%
BLACKROCK INSTITUTIONAL FUNDS	N/A	7,377,322.88	7,377,322.88	0.01%
SUB-TOTAL		14,577,483.26	14,578,090.88	

U.S. GOVERNMENT & AGENCY OBLIGATIONS

FANNIE MAE	5/27/2015	199,692.60	200,458.00	0.15%
FANNIE MAE	4/27/2017	201,672.00	201,004.00	0.93%
FANNIE MAE	9/28/2016	450,418.95	455,323.50	0.65%
FANNIE MAE	10/26/2015	518,058.50	507,525.00	0.22%
FANNIE MAE	3/8/2016	523,765.00	510,985.00	0.47%
FANNIE MAE	12/15/2016	589,210.00	545,375.00	0.72%
FANNIE MAE	9/15/2016	612,310.72	609,856.80	0.66%
FANNIE MAE	10/15/2015	677,679.60	626,028.00	0.19%
FANNIE MAE	7/28/2015	827,195.20	814,200.00	0.22%
FANNIE MAE	6/12/2017	913,792.00	892,720.00	1.01%
FANNIE MAE	3/15/2016	1,043,640.00	1,025,870.00	0.46%
FANNIE MAE	4/15/2015	1,137,362.00	1,026,300.00	0.12%
FANNIE MAE	3/30/2016	1,153,019.10	1,154,877.04	0.45%
FANNIE MAE	3/30/2016	1,383,421.10	1,386,052.60	0.45%
FANNIE MAE	10/15/2015	1,472,215.50	1,408,563.00	0.19%
FANNIE MAE	3/30/2016	2,996,580.00	3,002,280.00	0.45%
FANNIE MAE	12/19/2014	2,999,838.00	3,004,080.00	0.12%
FANNIE MAE	3/30/2016	3,457,054.46	3,463,630.36	0.45%
FANNIE MAE	4/15/2015	4,558,884.00	4,105,200.00	0.12%
FANNIE MAE	10/26/2015	5,188,175.00	5,075,250.00	0.22%
FANNIE MAE	4/11/2016	5,325,000.00	5,147,000.00	0.44%
FEDERAL HOME LOAN BANK	12/16/2016	443,940.00	435,072.00	0.74%
FEDERAL HOME LOAN BANK	9/28/2016	449,207.10	448,681.50	0.65%
FEDERAL HOME LOAN BANK	9/28/2016	573,180.12	573,315.25	0.65%
FEDERAL HOME LOAN BANK	3/13/2015	680,132.50	642,505.70	0.12%
FEDERAL HOME LOAN BANK	3/11/2016	2,446,625.00	2,386,917.00	0.50%
FEDERAL HOME LOAN BANK	9/28/2016	2,644,037.50	2,642,235.50	0.65%
FEDERAL HOME LOAN BANK	3/13/2015	2,650,900.00	2,529,550.00	0.12%
FEDERAL HOME LOAN BANK	2/19/2016	2,994,150.00	3,001,170.00	0.35%
FEDERAL HOME LOAN BANK	3/11/2016	4,348,200.00	4,151,160.00	0.50%
FEDERAL HOME LOAN BANK	9/28/2016	4,980,924.65	4,985,350.00	0.65%
FEDERAL HOME LOAN BANK	6/24/2016	4,985,775.00	4,989,750.00	0.49%

**Orange County Transportation Authority
Portfolio Listing
As of September 30, 2014**

FEDERAL HOME LOAN BANK	9/28/2016	6,984,250.00	6,979,490.00	0.65%
FREDDIE MAC	8/25/2016	56,961.30	56,458.60	0.59%
FREDDIE MAC	8/25/2016	321,244.63	318,221.20	0.59%
FREDDIE MAC	5/27/2016	334,835.48	335,838.75	0.48%
FREDDIE MAC	7/28/2017	349,569.50	348,561.50	1.15%
FREDDIE MAC	12/5/2014	364,941.60	365,182.50	0.07%
FREDDIE MAC	5/27/2016	419,306.80	413,340.00	0.48%
FREDDIE MAC	5/27/2016	1,031,249.00	1,033,350.00	0.48%
FREDDIE MAC	8/25/2016	1,033,230.00	1,026,520.00	0.59%
FREDDIE MAC	4/18/2016	1,038,708.00	966,231.00	0.47%
FREDDIE MAC	2/22/2017	1,802,340.00	1,799,280.00	0.89%
FREDDIE MAC	4/17/2015	3,689,936.00	3,708,029.00	0.10%
FREDDIE MAC	9/10/2015	5,205,075.00	5,072,900.00	0.20%
FREDDIE MAC	8/28/2015	6,006,426.18	6,017,760.00	0.17%
FREDDIE MAC	8/25/2016	6,321,780.00	6,159,120.00	0.59%
FREDDIE MAC	3/15/2016	6,496,620.00	6,499,480.00	0.41%
FREDDIE MAC	5/13/2016	7,010,234.00	7,003,850.00	0.47%
FREDDIE MAC	5/27/2016	11,987,945.00	11,883,525.00	0.48%
NCUA GUARANTEED NOTES	6/12/2015	988,623.90	998,078.40	0.23%
US TREASURY N/B	10/31/2015	5,140.43	5,058.20	0.17%
US TREASURY N/B	8/31/2016	60,377.34	60,487.80	0.57%
US TREASURY N/B	6/30/2016	80,071.88	81,415.20	0.48%
US TREASURY N/B	1/31/2017	100,253.90	100,188.00	0.79%
US TREASURY N/B	1/15/2017	139,453.13	139,913.20	0.78%
US TREASURY N/B	4/30/2018	149,121.09	146,050.50	1.38%
US TREASURY N/B	2/29/2016	149,725.12	153,832.50	0.31%
US TREASURY N/B	5/31/2016	156,628.71	158,354.20	0.44%
US TREASURY N/B	7/31/2016	161,943.75	162,843.20	0.52%
US TREASURY N/B	3/31/2017	176,155.27	175,533.75	0.88%
US TREASURY N/B	11/30/2017	196,859.37	196,390.00	1.21%
US TREASURY N/B	10/31/2017	197,867.19	197,468.00	1.17%
US TREASURY N/B	11/30/2017	198,812.50	196,390.00	1.21%
US TREASURY N/B	11/30/2016	200,679.69	200,734.00	0.70%
US TREASURY N/B	12/31/2015	201,797.54	204,680.00	0.24%
US TREASURY N/B	7/31/2015	202,992.86	202,734.00	0.10%
US TREASURY N/B	7/31/2015	207,875.00	202,734.00	0.10%
US TREASURY N/B	10/31/2016	225,192.19	220,697.40	0.66%
US TREASURY N/B	11/15/2015	226,968.75	209,648.00	0.19%
US TREASURY N/B	9/30/2016	227,355.46	226,687.50	0.62%
US TREASURY N/B	1/31/2016	228,275.77	235,264.70	0.28%
US TREASURY N/B	11/30/2015	246,026.23	253,387.50	0.21%
US TREASURY N/B	1/31/2019	247,226.56	245,800.00	1.65%
US TREASURY N/B	9/30/2015	250,498.88	252,745.00	0.15%
US TREASURY N/B	11/30/2016	265,797.07	265,972.55	0.70%
US TREASURY N/B	12/31/2016	281,651.56	280,744.80	0.76%
US TREASURY N/B	7/31/2017	297,621.10	295,452.00	1.04%
US TREASURY N/B	9/30/2017	299,929.68	295,593.00	1.12%
US TREASURY N/B	11/30/2017	300,117.19	294,585.00	1.21%
US TREASURY N/B	1/31/2017	300,128.91	300,564.00	0.79%
US TREASURY N/B	11/30/2017	300,339.84	294,585.00	1.21%
US TREASURY N/B	2/29/2016	302,977.57	307,665.00	0.31%
US TREASURY N/B	2/29/2016	308,560.02	317,920.50	0.31%
US TREASURY N/B	5/31/2016	309,375.00	306,492.00	0.44%
US TREASURY N/B	2/29/2016	309,407.67	317,920.50	0.31%
US TREASURY N/B	5/31/2016	312,216.01	316,708.40	0.44%
US TREASURY N/B	1/31/2016	316,019.53	306,867.00	0.28%
US TREASURY N/B	7/31/2017	317,225.00	315,148.80	1.04%
US TREASURY N/B	11/30/2016	319,394.53	313,218.00	0.69%
US TREASURY N/B	9/30/2016	320,601.56	314,202.00	0.61%
US TREASURY N/B	10/31/2016	326,180.66	327,310.75	0.66%
US TREASURY N/B	3/31/2016	326,889.85	314,174.40	0.36%
US TREASURY N/B	8/31/2016	327,500.98	327,642.25	0.57%

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US TREASURY N/B	7/31/2016	330,217.77	330,775.25	0.52%
US TREASURY N/B	1/31/2017	333,229.82	326,758.60	0.78%
US TREASURY N/B	2/28/2018	349,166.02	343,329.00	1.32%
US TREASURY N/B	10/31/2016	352,843.75	352,488.50	0.66%
US TREASURY N/B	4/30/2017	369,167.50	369,622.60	0.92%
US TREASURY N/B	6/30/2019	386,234.38	386,156.00	1.76%
US TREASURY N/B	4/30/2018	389,765.62	389,468.00	1.38%
US TREASURY N/B	12/31/2016	390,289.45	391,037.40	0.76%
US TREASURY N/B	9/30/2017	395,218.75	394,124.00	1.12%
US TREASURY N/B	6/30/2016	395,328.13	407,076.00	0.48%
US TREASURY N/B	10/31/2017	396,515.62	394,936.00	1.17%
US TREASURY N/B	7/31/2017	396,578.12	393,936.00	1.04%
US TREASURY N/B	7/31/2017	397,125.00	393,936.00	1.04%
US TREASURY N/B	11/15/2015	397,769.53	366,884.00	0.19%
US TREASURY N/B	9/30/2017	400,234.38	394,124.00	1.12%
US TREASURY N/B	1/31/2018	400,781.25	394,720.00	1.28%
US TREASURY N/B	10/31/2017	403,067.19	388,314.40	1.15%
US TREASURY N/B	1/15/2017	409,727.73	409,745.80	0.78%
US TREASURY N/B	6/30/2015	410,937.50	405,360.00	0.08%
US TREASURY N/B	7/31/2017	420,179.60	414,876.00	1.04%
US TREASURY N/B	10/31/2017	423,703.12	408,752.00	1.15%
US TREASURY N/B	1/31/2015	433,445.46	423,053.40	0.06%
US TREASURY N/B	1/31/2017	437,437.50	421,624.00	0.78%
US TREASURY N/B	2/29/2016	460,199.19	471,753.00	0.31%
US TREASURY N/B	3/31/2016	476,434.80	458,385.60	0.36%
US TREASURY N/B	4/30/2016	486,738.28	465,714.00	0.41%
US TREASURY N/B	2/28/2015	490,888.28	464,402.20	0.06%
US TREASURY N/B	11/30/2018	493,847.65	493,125.00	1.59%
US TREASURY N/B	5/31/2017	494,191.41	471,199.50	0.95%
US TREASURY N/B	7/31/2017	495,722.65	492,420.00	1.04%
US TREASURY N/B	2/29/2016	499,023.44	499,590.00	0.31%
US TREASURY N/B	9/30/2016	499,375.00	503,750.00	0.62%
US TREASURY N/B	8/31/2017	500,058.59	493,400.00	1.09%
US TREASURY N/B	9/30/2017	500,488.28	492,655.00	1.12%
US TREASURY N/B	1/31/2019	500,683.60	496,875.00	1.65%
US TREASURY N/B	3/31/2017	500,898.43	501,525.00	0.88%
US TREASURY N/B	9/30/2016	501,035.15	503,750.00	0.62%
US TREASURY N/B	10/31/2016	502,519.53	503,555.00	0.66%
US TREASURY N/B	9/30/2016	502,597.65	503,750.00	0.62%
US TREASURY N/B	8/31/2016	502,597.66	504,065.00	0.57%
US TREASURY N/B	8/31/2016	502,910.15	504,065.00	0.57%
US TREASURY N/B	3/31/2017	502,929.69	501,525.00	0.88%
US TREASURY N/B	10/31/2017	513,247.26	503,543.40	1.17%
US TREASURY N/B	10/31/2015	513,339.85	505,820.00	0.17%
US TREASURY N/B	7/31/2017	520,937.50	518,595.00	1.04%
US TREASURY N/B	6/30/2015	524,296.87	506,700.00	0.08%
US TREASURY N/B	1/31/2016	525,917.96	511,445.00	0.28%
US TREASURY N/B	4/30/2015	532,285.16	507,090.00	0.06%
US TREASURY N/B	7/31/2017	537,558.59	518,595.00	1.04%
US TREASURY N/B	11/30/2014	548,839.84	531,802.00	0.05%
US TREASURY N/B	1/31/2018	550,000.00	542,740.00	1.28%
US TREASURY N/B	8/15/2015	553,613.28	518,010.00	0.12%
US TREASURY N/B	6/30/2016	565,919.92	559,729.50	0.48%
US TREASURY N/B	6/30/2019	581,109.38	579,234.00	1.76%
US TREASURY N/B	8/15/2015	587,118.17	543,910.50	0.12%
US TREASURY N/B	11/30/2017	590,367.19	589,170.00	1.21%
US TREASURY N/B	10/31/2017	593,687.50	572,252.80	1.15%
US TREASURY N/B	5/31/2017	594,316.40	565,439.40	0.95%
US TREASURY N/B	7/31/2017	594,687.50	570,454.50	1.04%
US TREASURY N/B	4/30/2017	598,289.06	599,388.00	0.92%
US TREASURY N/B	12/31/2017	598,570.32	590,436.00	1.25%
US TREASURY N/B	6/15/2015	599,648.44	601,290.00	0.07%

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US TREASURY N/B	9/30/2017	600,117.18	591,186.00	1.12%
US TREASURY N/B	11/30/2017	600,117.19	589,170.00	1.21%
US TREASURY N/B	10/31/2017	600,820.32	592,404.00	1.17%
US TREASURY N/B	7/31/2016	606,750.00	610,662.00	0.52%
US TREASURY N/B	1/31/2016	607,278.12	593,276.20	0.28%
US TREASURY N/B	7/31/2016	615,023.44	610,662.00	0.52%
US TREASURY N/B	11/30/2015	618,703.13	608,130.00	0.21%
US TREASURY N/B	10/31/2017	636,726.56	613,128.00	1.15%
US TREASURY N/B	8/15/2015	647,613.28	650,812.50	0.11%
US TREASURY N/B	8/15/2015	648,171.88	650,812.50	0.11%
US TREASURY N/B	4/30/2018	649,212.89	632,885.50	1.38%
US TREASURY N/B	1/31/2018	651,294.92	641,420.00	1.28%
US TREASURY N/B	1/31/2017	651,498.05	651,222.00	0.79%
US TREASURY N/B	2/15/2016	673,078.13	634,548.00	0.29%
US TREASURY N/B	10/31/2018	676,520.32	671,500.00	1.57%
US TREASURY N/B	8/31/2016	676,845.70	680,487.75	0.57%
US TREASURY N/B	9/30/2018	678,910.94	675,750.00	1.54%
US TREASURY N/B	8/31/2017	690,894.53	690,760.00	1.09%
US TREASURY N/B	12/31/2017	692,070.31	688,842.00	1.25%
US TREASURY N/B	12/31/2018	692,207.03	696,500.00	1.62%
US TREASURY N/B	9/30/2017	692,261.72	689,717.00	1.12%
US TREASURY N/B	11/30/2018	695,132.82	690,375.00	1.59%
US TREASURY N/B	6/30/2016	695,187.50	712,383.00	0.48%
US TREASURY N/B	5/31/2017	698,277.34	693,931.00	0.96%
US TREASURY N/B	1/31/2018	699,945.31	690,760.00	1.28%
US TREASURY N/B	1/31/2017	704,183.59	701,316.00	0.79%
US TREASURY N/B	11/30/2014	704,703.90	672,278.00	0.05%
US TREASURY N/B	9/30/2016	706,699.22	705,250.00	0.62%
US TREASURY N/B	8/31/2016	707,710.94	705,691.00	0.57%
US TREASURY N/B	2/15/2015	713,781.25	659,522.50	0.06%
US TREASURY N/B	9/30/2017	718,976.56	715,589.00	1.12%
US TREASURY N/B	3/31/2017	726,047.85	727,211.25	0.88%
US TREASURY N/B	1/31/2016	734,289.06	716,023.00	0.28%
US TREASURY N/B	8/31/2016	737,955.86	735,934.90	0.57%
US TREASURY N/B	5/31/2017	742,236.33	743,497.50	0.96%
US TREASURY N/B	5/31/2017	742,880.86	743,497.50	0.96%
US TREASURY N/B	2/15/2015	748,261.72	710,255.00	0.06%
US TREASURY N/B	10/31/2017	791,395.31	799,745.40	1.17%
US TREASURY N/B	10/31/2017	792,031.25	789,872.00	1.17%
US TREASURY N/B	8/31/2015	793,627.68	808,344.00	0.11%
US TREASURY N/B	10/31/2016	800,312.50	805,688.00	0.66%
US TREASURY N/B	12/31/2017	800,375.00	787,248.00	1.25%
US TREASURY N/B	6/15/2015	801,875.00	801,720.00	0.07%
US TREASURY N/B	12/31/2016	802,031.25	802,128.00	0.76%
US TREASURY N/B	7/31/2017	833,343.75	829,752.00	1.04%
US TREASURY N/B	2/15/2016	841,289.06	793,185.00	0.29%
US TREASURY N/B	2/29/2016	853,187.50	826,152.00	0.31%
US TREASURY N/B	9/30/2016	858,466.80	856,375.00	0.62%
US TREASURY N/B	7/31/2017	885,691.41	886,356.00	1.04%
US TREASURY N/B	6/30/2017	893,531.25	894,024.00	1.00%
US TREASURY N/B	5/31/2017	893,917.97	892,197.00	0.96%
US TREASURY N/B	11/30/2016	903,888.67	887,451.00	0.69%
US TREASURY N/B	12/31/2016	972,246.09	950,130.00	0.75%
US TREASURY N/B	7/31/2017	983,046.87	984,840.00	1.04%
US TREASURY N/B	7/31/2017	984,101.56	984,840.00	1.04%
US TREASURY N/B	8/31/2017	986,953.13	986,800.00	1.09%
US TREASURY N/B	5/31/2017	994,218.75	991,330.00	0.96%
US TREASURY N/B	6/15/2017	996,718.75	997,660.00	0.96%
US TREASURY N/B	11/15/2015	998,593.75	1,002,030.00	0.19%
US TREASURY N/B	12/31/2016	1,002,773.44	1,002,660.00	0.76%
US TREASURY N/B	8/31/2016	1,003,750.00	1,008,130.00	0.57%
US TREASURY N/B	11/30/2016	1,007,031.25	1,003,670.00	0.70%

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US TREASURY N/B	12/31/2015	1,008,714.29	1,023,400.00	0.24%
US TREASURY N/B	7/31/2016	1,020,312.50	1,017,770.00	0.52%
US TREASURY N/B	11/30/2015	1,029,062.50	1,013,550.00	0.21%
US TREASURY N/B	12/31/2015	1,049,179.69	1,023,400.00	0.24%
US TREASURY N/B	2/28/2015	1,055,625.00	1,009,570.00	0.06%
US TREASURY N/B	4/30/2018	1,063,433.59	1,071,037.00	1.38%
US TREASURY N/B	9/30/2017	1,086,507.81	1,083,841.00	1.12%
US TREASURY N/B	6/30/2017	1,092,867.19	1,092,696.00	1.00%
US TREASURY N/B	12/31/2016	1,108,035.16	1,102,926.00	0.76%
US TREASURY N/B	2/28/2019	1,191,328.13	1,184,628.00	1.68%
US TREASURY N/B	5/31/2017	1,191,796.87	1,189,596.00	0.96%
US TREASURY N/B	9/15/2015	1,198,269.65	1,201,548.00	0.11%
US TREASURY N/B	11/30/2015	1,235,906.25	1,216,260.00	0.21%
US TREASURY N/B	1/31/2017	1,307,363.28	1,302,444.00	0.79%
US TREASURY N/B	11/30/2016	1,328,955.08	1,305,075.00	0.69%
US TREASURY N/B	7/31/2016	1,341,556.84	1,338,367.55	0.52%
US TREASURY N/B	10/31/2018	1,486,699.22	1,481,250.00	1.57%
US TREASURY N/B	4/30/2016	1,503,457.03	1,537,560.00	0.41%
US TREASURY N/B	5/31/2015	1,562,226.56	1,520,445.00	0.07%
US TREASURY N/B	5/31/2017	1,686,718.75	1,685,261.00	0.96%
US TREASURY N/B	10/31/2014	1,767,468.75	1,703,196.00	0.07%
US TREASURY N/B	10/31/2016	1,832,770.50	1,837,975.75	0.66%
US TREASURY N/B	1/31/2019	1,973,750.00	1,966,400.00	1.65%
US TREASURY N/B	8/31/2015	1,995,390.62	2,005,080.00	0.10%
US TREASURY N/B	4/15/2016	1,995,937.50	1,996,020.00	0.38%
US TREASURY N/B	3/31/2015	1,999,609.38	2,001,960.00	0.05%
US TREASURY N/B	1/15/2016	2,002,116.08	2,002,880.00	0.26%
US TREASURY N/B	4/30/2017	2,002,734.38	1,997,960.00	0.92%
US TREASURY N/B	11/30/2015	2,040,390.63	2,027,100.00	0.21%
US TREASURY N/B	11/30/2015	2,060,468.75	2,027,100.00	0.21%
US TREASURY N/B	5/31/2016	2,080,703.12	2,043,280.00	0.44%
US TREASURY N/B	2/29/2016	2,132,187.50	2,065,380.00	0.31%
US TREASURY N/B	8/15/2015	2,219,140.63	2,072,040.00	0.12%
US TREASURY N/B	1/15/2017	2,250,527.34	2,248,605.00	0.78%
US TREASURY N/B	9/30/2015	2,296,765.63	2,302,691.00	0.13%
US TREASURY N/B	6/30/2016	2,319,478.91	2,310,156.30	0.48%
US TREASURY N/B	10/31/2014	2,365,289.06	2,279,277.00	0.07%
US TREASURY N/B	8/31/2017	2,469,335.94	2,467,000.00	1.09%
US TREASURY N/B	4/30/2016	2,570,214.84	2,562,600.00	0.41%
US TREASURY N/B	1/31/2015	2,609,226.56	2,598,756.60	0.06%
US TREASURY N/B	2/28/2015	2,630,566.41	2,523,925.00	0.06%
US TREASURY N/B	9/30/2016	2,748,950.20	2,745,437.50	0.62%
US TREASURY N/B	12/31/2014	2,996,132.81	3,000,480.00	0.06%
US TREASURY N/B	11/30/2015	3,064,335.94	3,040,650.00	0.21%
US TREASURY N/B	7/15/2017	3,987,357.15	3,986,240.00	1.00%
US TREASURY N/B	9/15/2017	4,901,901.52	4,902,340.40	1.05%
US TREASURY N/B	8/15/2015	4,986,132.81	5,006,250.00	0.11%
US TREASURY N/B	6/15/2017	4,993,554.69	4,988,300.00	0.96%
US TREASURY N/B	6/30/2015	5,002,929.70	5,011,500.00	0.07%
US TREASURY N/B	7/31/2016	5,098,828.12	5,088,850.00	0.52%
US TREASURY N/B	9/30/2015	5,123,844.88	5,054,900.00	0.15%
US TREASURY N/B	9/15/2017	5,171,299.21	5,171,919.20	1.05%
US TREASURY N/B	4/15/2016	5,286,750.00	5,289,453.00	0.38%
US TREASURY N/B	6/30/2016	5,503,455.93	5,503,245.00	0.47%
US TREASURY N/B	1/15/2016	5,623,073.47	5,628,092.80	0.26%
US TREASURY N/B	6/30/2016	6,002,598.23	6,003,540.00	0.47%
US TREASURY N/B	5/15/2016	6,097,787.50	6,123,237.80	0.42%
US TREASURY N/B	12/31/2016	6,128,300.38	6,106,199.40	0.76%
US TREASURY N/B	5/31/2016	6,180,468.75	6,129,840.00	0.44%
US TREASURY N/B	2/29/2016	6,189,101.58	6,194,916.00	0.31%
US TREASURY N/B	8/15/2016	6,849,093.73	6,889,907.20	0.55%
US TREASURY N/B	11/15/2015	7,010,687.53	7,014,210.00	0.19%

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US TREASURY N/B	5/15/2016	7,146,867.89	7,180,344.00	0.42%
US TREASURY N/B	4/15/2016	7,978,776.80	7,984,080.00	0.38%
US TREASURY N/B	9/30/2015	8,201,901.80	8,087,840.00	0.15%
US TREASURY N/B	3/15/2016	8,805,873.21	8,804,136.00	0.34%
US TREASURY N/B	6/15/2015	11,993,008.92	12,025,800.00	0.07%
US TREASURY N/B	2/28/2017	12,008,008.95	12,012,240.00	0.83%
US TREASURY N/B	6/30/2016	12,450,000.00	12,457,345.50	0.47%
US TREASURY N/B	2/29/2016	12,500,143.40	12,519,725.40	0.31%
US TREASURY N/B	6/15/2017	13,618,687.50	13,608,082.40	0.96%
US TREASURY N/B	6/30/2016	14,519,306.39	14,508,555.00	0.47%
US TREASURY N/B	1/15/2016	14,793,655.08	14,791,268.80	0.26%
US TREASURY N/B	7/31/2015	14,968,945.35	15,021,150.00	0.08%
US TREASURY N/B	6/15/2016	15,011,183.10	15,014,100.00	0.44%
US TREASURY N/B	8/15/2016	15,040,479.94	15,021,600.00	0.55%
US TREASURY N/B	12/15/2016	15,279,679.69	15,267,717.00	0.72%
US TREASURY N/B	5/15/2017	17,396,659.84	17,378,250.00	0.92%
US TREASURY N/B	1/15/2016	17,499,527.44	17,545,228.80	0.26%
US TREASURY N/B	8/31/2016	18,850,000.00	18,830,773.00	0.55%
US TREASURY N/B	6/30/2016	20,013,281.20	20,011,800.00	0.47%
US TREASURY N/B	1/15/2017	21,819,273.44	21,836,453.00	0.78%
<i>SUB-TOTAL</i>		671,165,132.86	667,523,272.05	

MEDIUM TERM NOTES

3M COMPANY	9/29/2016	41,025.60	40,576.40	0.65%
3M COMPANY	9/29/2016	167,917.20	167,377.65	0.65%
3M COMPANY	6/26/2017	537,510.60	537,683.40	1.16%
ABB FINANCE USA INC	5/8/2017	104,903.40	105,603.75	1.40%
ACE INA HOLDINGS	2/15/2017	24,723.82	24,273.70	1.26%
ACE INA HOLDINGS	3/15/2018	60,709.50	56,485.00	1.90%
ACE INA HOLDINGS	11/23/2015	66,088.10	66,366.30	0.75%
ACE INA HOLDINGS	11/23/2015	67,430.35	66,366.30	0.75%
ACE INA HOLDINGS	11/23/2015	71,905.40	71,471.40	0.75%
AETNA INC	3/15/2019	130,243.10	128,757.20	2.43%
AFLAC INC	2/15/2017	517,560.00	515,400.00	1.33%
ALABAMA POWER CO	10/15/2015	10,986.58	10,995.27	0.59%
ALABAMA POWER CO	10/15/2015	312,618.14	312,865.41	0.59%
ALLSTATE CORP	5/15/2018	125,163.15	121,447.20	2.22%
AMER EXPRESS CREDIT CO	9/15/2015	62,530.80	61,255.20	0.55%
AMER EXPRESS CREDIT CO	12/2/2015	112,314.00	105,436.00	0.63%
AMERICAN EXPR CENTURION	11/13/2015	499,810.00	501,615.00	0.58%
AMERICAN EXPR CENTURION	11/13/2015	999,080.00	1,003,230.00	0.58%
AMERICAN EXPRESS CO	9/12/2016	100,629.90	97,677.90	1.06%
AMERICAN EXPRESS CO	8/28/2017	440,716.40	427,834.40	1.70%
AMERICAN EXPRESS CO	5/22/2018	496,285.00	492,625.00	1.97%
AMERICAN EXPRESS CREDIT	9/19/2016	106,212.00	103,303.00	1.10%
AMERICAN EXPRESS CREDIT	3/18/2019	150,474.00	149,385.00	2.22%
AMERICAN EXPRESS CREDIT	6/5/2017	179,560.80	178,734.60	1.39%
AMERICAN EXPRESS CREDIT	6/5/2017	364,532.80	362,434.05	1.39%
AMERICAN EXPRESS CREDIT	9/19/2016	440,555.00	439,037.75	1.10%
AMERICAN EXPRESS CREDIT	6/5/2017	498,780.00	496,485.00	1.39%
AMERICAN EXPRESS CREDIT	9/22/2017	1,053,586.30	1,054,272.05	1.57%
AMERICAN EXPRESS CREDIT	3/24/2017	2,683,642.00	2,660,580.00	1.42%
AMERICAN HONDA FINANCE	10/7/2016	37,867.76	38,129.96	0.95%
AMERICAN HONDA FINANCE	8/15/2019	99,815.00	99,644.00	2.33%
AMERICAN HONDA FINANCE	9/21/2015	155,083.50	153,166.50	0.32%
AMERICAN HONDA FINANCE	9/21/2015	155,245.50	153,166.50	0.32%
AMERICAN HONDA FINANCE	8/11/2015	200,864.00	201,058.00	0.38%
AMERICAN HONDA FINANCE	10/7/2016	1,758,857.80	1,771,036.30	0.95%
AMERICAN HONDA FINANCE	7/14/2017	1,997,180.00	1,992,440.00	1.34%
AMERISOURCEBERGEN CORP	5/15/2017	699,657.00	695,450.00	1.40%
AMERISOURCEBERGEN CORP	5/15/2017	1,198,704.00	1,192,200.00	1.40%
ANHEUSER-BUSCH COS LLC	3/1/2017	68,582.40	66,211.20	1.24%

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ANHEUSER-BUSCH INBEV FIN	1/17/2018	142,456.70	142,376.95	1.82%
ANHEUSER-BUSCH INBEV FIN	1/27/2017	1,999,120.00	1,999,040.00	1.15%
ANHEUSER-BUSCH INBEV WOR	7/15/2015	100,012.00	100,294.00	0.43%
ANHEUSER-BUSCH INBEV WOR	7/15/2017	170,385.90	169,773.90	1.42%
ANHEUSER-BUSCH INBEV WOR	7/15/2015	401,044.00	401,176.00	0.43%
APACHE CORP	1/15/2017	119,134.00	109,451.00	1.41%
APACHE CORP	1/15/2017	682,206.00	656,706.00	1.41%
APPLE INC	5/5/2017	179,904.60	179,388.00	1.18%
APPLE INC	5/3/2018	195,450.00	195,064.00	1.71%
APPLE INC	5/3/2016	214,610.85	214,550.65	0.58%
APPLE INC	5/5/2017	500,040.00	498,300.00	1.18%
APPLE INC	5/3/2016	1,247,737.50	1,247,387.50	0.58%
APPLE INC	5/5/2017	1,499,205.00	1,494,900.00	1.18%
ARIZONA PUBLIC SERVICE	3/1/2019	102,724.80	101,627.20	2.28%
AT&T INC	11/27/2018	101,831.00	100,936.00	2.14%
AT&T INC	11/27/2018	101,903.00	100,936.00	2.14%
AT&T INC	2/1/2018	215,593.00	212,486.50	1.82%
AT&T INC	8/15/2015	696,314.65	678,312.32	0.55%
AT&T INC	6/1/2017	709,975.00	705,761.00	1.38%
AT&T INC	5/15/2016	741,909.00	722,946.00	0.91%
AT&T INC	6/1/2017	810,168.00	806,584.00	1.38%
AT&T INC	8/15/2016	1,057,240.00	1,023,330.00	1.14%
ATMOS ENERGY CORP	6/15/2017	115,223.00	113,191.00	1.37%
BANK OF AMERICA CORP	9/1/2017	209,457.00	200,671.20	1.93%
BANK OF AMERICA CORP	9/1/2017	226,900.00	222,968.00	1.93%
BANK OF AMERICA CORP	7/15/2018	235,080.00	228,782.00	2.49%
BANK OF AMERICA CORP	1/11/2018	240,196.80	238,956.00	2.14%
BANK OF AMERICA CORP	7/12/2016	265,777.50	260,972.50	1.25%
BANK OF AMERICA CORP	8/25/2017	270,437.40	268,833.60	1.85%
BANK OF AMERICA CORP	12/1/2017	395,773.00	389,445.00	2.05%
BANK OF AMERICA CORP	8/25/2017	429,548.50	428,142.40	1.85%
BANK OF AMERICA CORP	8/25/2017	569,401.50	567,537.60	1.85%
BANK OF AMERICA CORP	3/22/2017	824,280.00	842,224.00	1.69%
BANK OF AMERICA NA	2/14/2017	1,198,944.00	1,196,268.00	1.38%
BANK OF AMERICA NA	11/14/2016	2,298,298.00	2,293,882.00	1.25%
BANK OF AMERICA NA	2/14/2017	3,696,744.00	3,688,493.00	1.38%
BANK OF NEW YORK MELLON	1/15/2015	50,824.00	50,398.00	0.34%
BANK OF NEW YORK MELLON	1/25/2018	68,348.00	69,163.50	1.67%
BANK OF NEW YORK MELLON	5/15/2019	80,465.60	79,484.00	2.35%
BANK OF NEW YORK MELLON	6/18/2015	88,275.05	86,553.80	0.38%
BANK OF NEW YORK MELLON	1/15/2019	99,995.00	99,479.00	2.23%
BANK OF NEW YORK MELLON	2/20/2015	100,638.00	100,270.00	0.31%
BANK OF NEW YORK MELLON	1/17/2017	105,342.00	102,709.00	1.16%
BANK OF NEW YORK MELLON	1/15/2016	209,792.00	204,820.00	0.62%
BANK OF NEW YORK MELLON	6/18/2015	873,267.90	845,172.40	0.38%
BANK OF NOVA SCOTIA	12/13/2016	699,797.00	701,169.00	1.02%
BAXTER INTERNATIONAL INC	6/1/2016	519,500.80	521,669.20	0.76%
BB&T CORPORATION	3/15/2016	68,236.35	67,201.55	0.73%
BB&T CORPORATION	3/22/2017	73,052.70	71,138.90	1.46%
BB&T CORPORATION	3/15/2016	77,138.25	77,540.25	0.73%
BB&T CORPORATION	8/15/2017	130,904.80	130,356.20	1.50%
BB&T CORPORATION	4/29/2016	159,480.00	157,560.00	0.73%
BB&T CORPORATION	4/29/2016	161,946.00	157,560.00	0.73%
BB&T CORPORATION	8/15/2017	299,454.00	300,822.00	1.50%
BB&T CORPORATION	8/15/2017	518,055.42	520,422.06	1.50%
BB&T CORPORATION	12/23/2015	1,002,073.20	967,775.60	0.93%
BB&T CORPORATION	3/15/2016	1,051,120.00	1,033,870.00	0.73%
BECTON DICKINSON	11/8/2016	205,110.00	203,338.00	0.95%
BERKSHIRE HATHAWAY FIN	5/15/2017	425,985.00	424,599.00	1.17%
BERKSHIRE HATHAWAY FIN	12/15/2015	498,900.00	511,630.00	0.51%
BERKSHIRE HATHAWAY FIN	8/15/2016	502,485.00	501,825.00	0.75%
BERKSHIRE HATHAWAY FIN	5/15/2017	507,205.00	505,475.00	1.17%

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BERKSHIRE HATHAWAY INC	2/11/2015	103,238.00	101,037.00	0.32%
BERKSHIRE HATHAWAY INC	2/9/2018	120,091.20	119,757.60	1.61%
BERKSHIRE HATHAWAY INC	1/31/2017	579,971.00	591,107.00	1.07%
BERKSHIRE HATHAWAY INC	2/11/2016	1,099,901.00	1,103,927.00	0.54%
BERKSHIRE HATHAWAY INC	1/31/2017	1,553,385.00	1,528,725.00	1.07%
BK TOKYO-MITSUBISHI UFJ	9/8/2017	489,412.00	486,873.80	1.67%
BLACKROCK INC	9/15/2017	6,071.90	5,667.50	1.61%
BLACKROCK INC	9/15/2017	23,055.74	21,536.50	1.61%
BLACKROCK INC	12/10/2014	31,705.80	30,177.60	0.40%
BLACKROCK INC	12/10/2014	75,033.00	70,414.40	0.40%
BLACKROCK INC	12/10/2014	115,094.30	115,680.80	0.40%
BOEING CAPITAL CORP	8/15/2016	62,471.40	61,509.00	0.71%
BOEING CAPITAL CORP	8/15/2016	104,758.00	102,515.00	0.71%
BOEING CAPITAL CORP	8/15/2016	1,043,550.00	1,025,150.00	0.71%
BOEING CO	2/15/2015	37,574.95	35,409.85	0.35%
BOEING CO	5/15/2018	106,835.30	107,070.70	1.71%
BOEING CO	2/15/2015	114,222.90	111,288.10	0.35%
BOTTLING GROUP LLC	4/1/2016	116,903.00	107,144.00	0.70%
BRANCH BANKING & TRUST	10/1/2017	499,240.00	496,590.00	1.58%
BRANCH BANKING & TRUST	10/1/2017	719,553.60	715,089.60	1.58%
BRANCH BANKING & TRUST	10/1/2017	999,380.00	993,180.00	1.58%
BRANCH BANKING & TRUST	4/3/2017	2,393,328.00	2,382,720.00	1.29%
BRANCH BANKING & TRUST	10/3/2016	2,399,136.00	2,420,880.00	0.99%
CAPITAL ONE BANK USA NA	11/21/2016	339,989.80	339,925.20	1.16%
CAPITAL ONE BANK USA NA	2/13/2017	1,119,540.80	1,117,558.40	1.29%
CAPITAL ONE BANK USA NA	6/5/2017	2,601,612.00	2,586,168.00	1.50%
CAPITAL ONE BANK USA NA	11/21/2016	2,800,392.00	2,799,384.00	1.16%
CAPITAL ONE NA	9/5/2017	529,427.60	527,683.90	1.65%
CAPITAL ONE NA	9/5/2017	909,017.20	906,023.30	1.65%
CARGILL INC	11/27/2017	103,601.70	101,659.50	1.76%
CARGILL INC	11/27/2017	115,382.00	112,955.00	1.76%
CARGILL INC	3/1/2017	233,410.90	233,220.00	1.31%
CAROLINA POWER & LIGHT	4/1/2015	174,643.15	158,678.15	0.39%
CATERPILLAR FINANCIAL SE	11/6/2017	36,928.96	36,728.42	1.49%
CATERPILLAR FINANCIAL SE	4/1/2016	52,619.50	51,460.50	0.69%
CATERPILLAR FINANCIAL SE	9/1/2017	59,999.00	56,250.00	1.46%
CATERPILLAR FINANCIAL SE	4/1/2016	60,360.00	61,752.60	0.69%
CATERPILLAR FINANCIAL SE	3/24/2017	91,200.60	91,107.00	1.24%
CATERPILLAR FINANCIAL SE	8/1/2016	98,722.10	97,109.00	0.83%
CATERPILLAR FINANCIAL SE	8/18/2017	129,935.00	129,620.40	1.35%
CATERPILLAR FINANCIAL SE	4/1/2016	151,717.36	150,264.66	0.69%
CATERPILLAR FINANCIAL SE	11/6/2017	166,697.73	165,774.22	1.49%
CATERPILLAR FINANCIAL SE	3/3/2017	249,852.50	249,112.50	1.15%
CATERPILLAR FINANCIAL SE	8/18/2017	300,357.00	299,124.00	1.35%
CATERPILLAR FINANCIAL SE	8/18/2017	499,750.00	498,540.00	1.35%
CATERPILLAR FINANCIAL SE	11/6/2015	579,466.40	580,974.40	0.55%
CATERPILLAR FINANCIAL SE	8/18/2017	999,800.00	997,080.00	1.35%
CATERPILLAR FINANCIAL SE	9/6/2016	1,139,829.00	1,150,100.40	0.89%
CATERPILLAR FINANCIAL SE	3/3/2017	2,398,584.00	2,391,480.00	1.15%
CATERPILLAR INC	6/26/2017	91,785.60	90,556.20	1.27%
CHARLES SCHWAB CORP	12/4/2015	70,175.70	70,232.40	0.57%
CHARLES SCHWAB CORP	12/4/2015	120,674.40	120,398.40	0.57%
CHARLES SCHWAB CORP	12/4/2015	220,000.00	220,730.40	0.57%
CHARLES SCHWAB CORP	12/4/2015	220,624.80	220,730.40	0.57%
CHARLES SCHWAB CORP	7/25/2018	223,781.80	222,470.60	1.89%
CHEVRON CORP	6/24/2016	94,000.00	94,396.68	0.64%
CHEVRON CORP	6/24/2018	120,578.40	120,042.00	1.71%
CHEVRON CORP	6/24/2016	220,000.00	220,928.40	0.64%
CHEVRON CORP	6/24/2016	350,000.00	351,477.00	0.64%
CHEVRON CORP	6/24/2016	600,000.00	602,532.00	0.64%
CHUBB CORP	5/15/2018	75,062.00	73,483.15	2.00%
CHUBB CORP	5/15/2018	97,289.30	96,093.35	2.00%

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CHUBB CORP	5/15/2018	115,653.00	113,051.00	2.00%
CHUBB CORP	5/15/2018	174,229.50	169,576.50	2.00%
CISCO SYSTEMS INC	11/17/2014	52,654.50	50,181.50	0.06%
CISCO SYSTEMS INC	11/17/2014	57,972.20	55,199.65	0.06%
CISCO SYSTEMS INC	3/14/2017	60,349.30	57,682.35	1.13%
CISCO SYSTEMS INC	2/22/2016	62,851.25	58,569.50	0.80%
CISCO SYSTEMS INC	11/17/2014	79,470.00	75,272.25	0.06%
CISCO SYSTEMS INC	2/22/2016	89,612.00	85,192.00	0.80%
CISCO SYSTEMS INC	3/3/2017	199,988.00	199,866.00	1.13%
CISCO SYSTEMS INC	3/3/2017	899,946.00	899,397.00	1.13%
CISCO SYSTEMS INC	3/3/2017	900,000.00	903,024.00	0.38%
CISCO SYSTEMS INC	3/3/2017	1,689,898.60	1,688,867.70	1.13%
CITIGROUP INC	5/19/2015	16,185.90	15,393.30	0.59%
CITIGROUP INC	10/15/2014	48,981.99	47,087.42	0.70%
CITIGROUP INC	8/14/2017	49,930.00	49,633.00	1.81%
CITIGROUP INC	1/15/2015	63,106.80	60,945.60	0.54%
CITIGROUP INC	6/15/2016	74,474.40	73,520.30	0.97%
CITIGROUP INC	1/15/2015	90,433.70	83,292.32	0.54%
CITIGROUP INC	6/15/2016	105,865.00	105,029.00	0.97%
CITIGROUP INC	1/10/2017	134,141.25	133,183.75	1.51%
CITIGROUP INC	6/15/2016	177,097.50	178,549.30	0.97%
CITIGROUP INC	3/10/2017	239,901.60	239,354.40	1.46%
CITIGROUP INC	11/21/2017	376,068.00	372,276.30	1.90%
CITIGROUP INC	11/21/2017	462,008.00	451,244.00	1.90%
CITIGROUP INC	1/15/2015	532,875.00	507,880.00	0.54%
CITIGROUP INC	3/10/2017	800,592.00	797,848.00	1.46%
CITIGROUP INC	8/14/2017	1,318,152.00	1,310,311.20	1.81%
CME GROUP INDEX SERVICES	3/15/2018	136,437.50	135,126.25	1.96%
COCA-COLA CO/THE	9/1/2016	81,436.80	81,579.20	0.76%
COCA-COLA CO/THE	3/14/2018	115,456.55	115,435.85	1.54%
COCA-COLA CO/THE	11/1/2016	250,037.50	249,702.50	0.81%
COCA-COLA CO/THE	9/1/2016	1,037,040.00	1,019,740.00	0.76%
COCA-COLA CO/THE	11/1/2016	1,118,712.00	1,118,667.20	0.81%
COCA-COLA CO/THE	11/1/2016	1,168,654.50	1,168,607.70	0.81%
COLGATE-PALMOLIVE CO	11/1/2015	992,480.00	1,010,020.00	0.45%
COMCAST CORP	3/15/2016	54,332.00	53,723.00	0.75%
COMCAST CORP	1/15/2017	799,001.00	783,909.00	1.18%
COMERICA INC	9/16/2015	31,576.50	30,669.00	0.66%
COMERICA INC	9/16/2015	63,596.40	61,338.00	0.66%
COMERICA INC	9/16/2015	101,015.00	102,230.00	0.66%
COMMONWEALTH BK AUSTR NY	3/16/2015	214,363.80	211,547.70	0.34%
COMMONWEALTH BK AUSTR NY	9/18/2017	506,915.00	504,550.00	1.58%
COMMONWEALTH EDISON	1/15/2019	70,711.20	70,308.70	2.04%
COMMONWEALTH EDISON	1/15/2019	130,860.60	130,573.30	2.04%
CONOCOPHILLIPS	7/15/2018	42,257.25	40,909.05	2.00%
CONOCOPHILLIPS	7/15/2018	119,484.00	116,883.00	2.00%
CONOCOPHILLIPS COMPANY	12/15/2017	79,380.80	78,894.40	1.49%
CONOCOPHILLIPS COMPANY	12/15/2017	197,378.00	197,236.00	1.49%
CONOCOPHILLIPS COMPANY	12/15/2017	250,237.50	246,545.00	1.49%
CONS EDISON CO OF NY	9/15/2016	52,879.95	48,919.50	0.99%
CONSUMERS ENERGY COMPANY	8/15/2016	33,499.20	32,607.60	0.81%
CONSUMERS ENERGY COMPANY	3/15/2019	76,363.95	75,769.20	2.20%
COSTCO WHOLESALE CORP	12/7/2015	200,856.00	200,340.00	0.51%
COSTCO WHOLESALE CORP	12/7/2015	499,405.00	500,850.00	0.51%
CREDIT SUISSE USA INC	8/15/2015	53,843.90	52,012.50	0.49%
CREDIT SUISSE USA INC	8/15/2015	55,235.00	52,012.50	0.49%
CREDIT SUISSE USA INC	8/16/2016	162,489.60	152,269.60	1.11%
DAIMLER FINANCE NA LLC	8/1/2017	149,482.50	149,301.00	1.54%
DAIMLER FINANCE NA LLC	8/1/2016	151,381.50	151,048.50	1.06%
DAIMLER FINANCE NA LLC	9/15/2016	156,480.00	154,390.50	1.11%
DAIMLER FINANCE NA LLC	8/1/2017	169,413.50	169,207.80	1.54%
DAIMLER FINANCE NA LLC	1/11/2016	555,316.12	559,764.12	0.72%

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DAIMLER FINANCE NA LLC	3/10/2017	749,580.00	746,122.50	1.34%
DAIMLER FINANCE NA LLC	8/1/2017	996,550.00	995,340.00	1.54%
DANAHER CORP	6/23/2016	52,411.50	51,334.50	0.74%
DANAHER CORP	6/23/2016	103,686.00	102,669.00	0.74%
DANAHER CORP	6/23/2016	119,501.10	118,069.35	0.74%
DETROIT EDISON COMPANY	6/15/2018	166,586.15	163,691.95	1.97%
DEUTSCHE BANK AG LONDON	2/13/2017	1,249,887.50	1,249,512.50	1.42%
DUKE ENERGY CAROLINAS	12/15/2016	50,443.50	50,816.00	1.00%
DUKE ENERGY CAROLINAS	12/15/2016	91,089.00	91,468.80	1.00%
DUKE ENERGY FLORIDA INC	6/15/2018	125,594.70	124,923.70	1.84%
DUKE ENERGY FLORIDA INC	11/15/2015	719,359.20	720,482.40	0.59%
E.I. DU PONT DE NEMOURS	12/15/2016	112,495.00	109,430.00	0.92%
E.I. DU PONT DE NEMOURS	7/15/2018	233,598.00	229,178.00	1.98%
E.I. DU PONT DE NEMOURS	4/1/2016	425,164.00	412,524.00	0.65%
EBAY INC	10/15/2015	40,887.60	40,464.80	0.50%
EBAY INC	10/15/2015	58,236.00	60,697.20	0.50%
EBAY INC	7/15/2017	90,565.20	89,623.80	1.50%
EBAY INC	10/15/2015	102,224.00	101,162.00	0.50%
EBAY INC	10/15/2015	102,366.00	101,162.00	0.50%
EBAY INC	7/15/2015	200,000.00	200,596.00	0.32%
EBAY INC	7/15/2015	230,648.60	230,685.40	0.32%
EBAY INC	7/15/2017	250,040.00	248,955.00	1.50%
EBAY INC	7/15/2015	341,679.60	341,013.20	0.32%
EBAY INC	7/15/2017	502,330.00	497,910.00	1.50%
EMC CORP	6/1/2018	54,923.55	54,675.50	2.04%
EMC CORP	6/1/2018	199,886.00	198,820.00	2.04%
EMERSON ELECTRIC CO	12/15/2014	162,974.20	146,397.80	0.30%
ENTERGY LOUISIANA LLC	12/15/2014	66,602.25	65,204.75	0.34%
EOG RESOURCES INC	2/1/2016	51,046.00	51,186.00	0.71%
EOG RESOURCES INC	6/1/2019	52,212.60	51,629.40	2.28%
EOG RESOURCES INC	2/1/2016	62,414.40	61,423.20	0.71%
EOG RESOURCES INC	2/1/2016	62,982.00	61,423.20	0.71%
EOG RESOURCES INC	2/1/2016	83,771.20	81,897.60	0.71%
FIFTH THIRD BANK	2/28/2018	196,866.00	197,520.00	1.83%
FIFTH THIRD BANK	6/1/2017	199,908.00	199,406.00	1.46%
FIFTH THIRD BANK	11/18/2016	699,818.00	700,252.00	1.13%
FLORIDA POWER & LIGHT	11/1/2017	229,360.40	213,299.70	1.47%
FRANKLIN RESOURCES INC	5/20/2015	157,431.00	152,452.50	0.55%
GENERAL DYNAMICS CORP	11/15/2017	59,721.00	59,308.80	1.38%
GENERAL DYNAMICS CORP	11/15/2017	112,245.75	113,675.20	1.38%
GENERAL DYNAMICS CORP	11/15/2017	148,566.00	148,272.00	1.38%
GENERAL ELEC CAP CORP	12/11/2015	32,967.00	33,180.51	0.54%
GENERAL ELEC CAP CORP	1/8/2016	49,985.00	50,190.00	0.70%
GENERAL ELEC CAP CORP	1/8/2016	310,987.60	295,134.00	0.71%
GENERAL ELEC CAP CORP	5/15/2017	439,934.00	439,731.60	1.27%
GENERAL ELEC CAP CORP	9/15/2017	577,628.16	572,262.40	1.54%
GENERAL ELEC CAP CORP	2/15/2017	637,220.10	624,229.80	1.31%
GENERAL ELEC CAP CORP	11/9/2015	653,417.10	641,088.00	0.65%
GENERAL ELEC CAP CORP	2/15/2017	730,951.00	711,841.00	1.31%
GENERAL ELEC CAP CORP	5/15/2017	749,887.50	749,542.50	1.27%
GENERAL ELEC CAP CORP	5/15/2017	929,860.50	929,432.70	1.27%
GENERAL ELEC CAP CORP	1/8/2016	996,790.00	1,003,800.00	0.70%
GENERAL ELEC CAP CORP	7/12/2016	999,680.00	1,012,140.00	0.81%
GENERAL ELEC CAP CORP	11/9/2015	1,036,260.00	1,017,600.00	0.65%
GENERAL ELEC CAP CORP	9/21/2015	1,268,280.00	1,245,612.00	0.45%
GENERAL ELEC CAP CORP	3/15/2017	1,763,104.00	1,750,983.00	1.21%
GENZYME CORP	6/15/2015	246,058.60	235,221.00	0.40%
GEORGIA POWER COMPANY	6/1/2017	60,218.50	55,639.00	1.38%
GEORGIA POWER COMPANY	12/15/2015	112,794.00	105,769.00	0.45%
GEORGIA POWER COMPANY	6/1/2017	113,686.00	111,278.00	1.38%
GEORGIA POWER COMPANY	8/10/2015	399,740.00	400,672.00	0.55%
GEORGIA POWER COMPANY	8/10/2015	909,408.50	911,528.80	0.55%

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GLAXOSMITHKLINE CAP INC	5/15/2018	130,635.40	130,183.45	1.86%
GOLDMAN SACHS GROUP INC	5/3/2015	49,964.50	50,798.00	0.58%
GOLDMAN SACHS GROUP INC	2/7/2016	53,260.50	51,671.00	1.12%
GOLDMAN SACHS GROUP INC	4/1/2018	55,398.76	55,250.44	2.33%
GOLDMAN SACHS GROUP INC	2/7/2016	73,343.90	72,339.40	1.12%
GOLDMAN SACHS GROUP INC	4/1/2018	80,282.54	80,056.76	2.33%
GOLDMAN SACHS GROUP INC	2/7/2016	80,523.20	82,673.60	1.12%
GOLDMAN SACHS GROUP INC	2/7/2016	90,513.00	93,007.80	1.12%
GOLDMAN SACHS GROUP INC	8/1/2015	98,428.55	97,389.25	0.67%
GOLDMAN SACHS GROUP INC	5/3/2015	104,298.00	101,596.00	0.58%
GOLDMAN SACHS GROUP INC	1/15/2016	108,909.00	105,662.00	0.92%
GOLDMAN SACHS GROUP INC	11/15/2014	109,749.00	100,632.00	0.32%
GOLDMAN SACHS GROUP INC	2/15/2019	127,453.20	125,204.10	2.79%
GOLDMAN SACHS GROUP INC	1/22/2018	132,278.90	131,349.40	2.05%
GOLDMAN SACHS GROUP INC	1/18/2018	136,581.60	134,338.80	2.17%
GOLDMAN SACHS GROUP INC	11/23/2015	226,503.00	226,822.50	0.89%
GOLDMAN SACHS GROUP INC	1/18/2018	240,303.00	235,092.90	2.17%
GOLDMAN SACHS GROUP INC	5/3/2015	260,810.00	253,990.00	0.58%
GOLDMAN SACHS GROUP INC	9/1/2017	565,720.00	561,625.00	1.89%
GOLDMAN SACHS GROUP INC	11/23/2015	573,169.20	574,617.00	0.89%
GOLDMAN SACHS GROUP INC	1/22/2018	714,961.28	711,307.52	2.05%
GOLDMAN SACHS GROUP INC	9/1/2017	800,772.00	786,275.00	1.89%
GOLDMAN SACHS GROUP INC	7/19/2018	1,544,730.00	1,536,465.00	2.23%
HALLIBURTON COMPANY	8/1/2016	70,409.50	70,317.10	0.75%
HALLIBURTON COMPANY	8/1/2016	419,680.80	421,902.60	0.75%
HALLIBURTON COMPANY	8/1/2016	999,240.00	1,004,530.00	0.75%
HOME DEPOT INC	6/15/2019	100,283.00	99,323.00	2.15%
HOME DEPOT INC	3/1/2016	111,485.00	106,642.00	0.68%
HOME DEPOT INC	6/15/2019	128,987.30	129,119.90	2.15%
HOME DEPOT INC	9/10/2018	225,260.20	223,491.40	1.82%
HOME DEPOT INC	3/1/2016	443,952.00	426,568.00	0.68%
HOME DEPOT INC	3/1/2016	578,980.00	533,210.00	0.68%
HONEYWELL INTERNATIONAL	3/1/2018	107,347.50	100,790.10	1.67%
HONEYWELL INTERNATIONAL	3/15/2016	115,614.00	106,963.00	0.59%
HSBC FINANCE CORP	6/30/2015	215,042.00	206,588.00	0.57%
HSBC FINANCE CORP	6/30/2015	218,898.00	206,588.00	0.57%
HSBC USA INC	2/13/2015	102,304.00	100,753.00	0.32%
HSBC USA INC	1/16/2018	228,817.80	229,172.00	1.74%
HUNTINGTON NATIONAL BANK	4/24/2017	279,557.60	279,510.00	1.45%
HUNTINGTON NATIONAL BANK	4/24/2017	874,037.50	873,468.75	1.45%
IBM CORP	2/6/2017	100,653.00	100,337.00	1.10%
IBM CORP	7/22/2016	102,345.00	102,067.00	0.80%
IBM CORP	7/22/2016	103,953.00	102,067.00	0.80%
IBM CORP	5/6/2016	149,577.00	149,571.00	0.63%
IBM CORP	7/22/2016	251,190.00	255,167.50	0.80%
IBM CORP	1/5/2016	255,420.00	254,362.50	0.61%
IBM CORP	5/6/2016	428,787.40	428,770.20	0.63%
IBM CORP	2/6/2017	647,120.50	652,190.50	1.10%
IBM CORP	5/6/2016	1,007,151.80	1,007,111.40	0.63%
ILLINOIS TOOL WORKS INC	2/25/2017	142,801.23	142,436.58	1.07%
ILLINOIS TOOL WORKS INC	2/25/2017	1,218,304.20	1,215,193.20	1.07%
INTEL CORP	10/1/2016	51,569.00	51,101.50	0.84%
INTEL CORP	10/1/2016	83,012.80	81,762.40	0.84%
INTEL CORP	10/1/2016	93,070.80	91,982.70	0.84%
INTEL CORP	12/15/2017	114,871.20	114,627.40	1.45%
INTEL CORP	10/1/2016	162,860.80	163,524.80	0.84%
INTEL CORP	12/15/2017	169,911.60	169,449.20	1.45%
JACKSON NATL LIFE GLOBAL	4/16/2019	150,181.50	149,284.50	2.41%
JOHN DEERE CAPITAL CORP	4/17/2015	55,965.28	56,170.24	0.32%
JOHN DEERE CAPITAL CORP	12/15/2017	56,986.32	57,098.61	1.49%
JOHN DEERE CAPITAL CORP	9/15/2016	61,711.20	61,212.00	0.81%
JOHN DEERE CAPITAL CORP	6/7/2016	104,269.00	102,440.00	0.79%

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JOHN DEERE CAPITAL CORP	9/18/2017	115,485.70	114,532.00	1.38%
JOHN DEERE CAPITAL CORP	3/15/2017	202,634.00	201,476.00	1.09%
JOHN DEERE CAPITAL CORP	10/11/2016	439,441.20	441,007.60	0.94%
JOHN DEERE CAPITAL CORP	6/29/2015	499,865.00	501,985.00	0.42%
JOHN DEERE CAPITAL CORP	4/17/2015	549,659.00	551,672.00	0.32%
JOHN DEERE CAPITAL CORP	12/15/2017	549,868.00	550,951.50	1.49%
JOHN DEERE CAPITAL CORP	12/15/2016	588,820.00	590,826.00	0.99%
JOHN DEERE CAPITAL CORP	6/12/2017	809,619.30	805,755.60	1.32%
JOHN DEERE CAPITAL CORP	12/15/2016	838,320.00	841,176.00	0.99%
JOHN DEERE CAPITAL CORP	6/7/2016	1,570,995.00	1,536,600.00	0.79%
JOHNSON & JOHNSON	11/28/2016	161,803.98	161,816.94	0.75%
JPMORGAN CHASE & CO	10/15/2015	299,877.00	301,248.00	0.70%
JPMORGAN CHASE & CO	1/15/2016	414,340.00	408,488.00	0.94%
JPMORGAN CHASE & CO	6/27/2017	674,292.00	668,826.00	1.81%
JPMORGAN CHASE & CO	1/15/2016	984,830.00	1,021,220.00	0.94%
JPMORGAN CHASE & CO	2/15/2017	989,505.00	987,841.80	1.44%
JPMORGAN CHASE & CO	3/20/2015	1,170,619.50	1,157,843.00	0.42%
JPMORGAN CHASE & CO	2/15/2017	1,199,400.00	1,197,384.00	1.44%
JPMORGAN CHASE & CO	2/26/2016	1,997,580.00	2,008,240.00	0.83%
KENTUCKY UTILITIES	11/1/2015	25,606.25	25,255.00	0.68%
KENTUCKY UTILITIES	11/1/2015	35,775.60	35,357.00	0.68%
KENTUCKY UTILITIES	11/1/2015	205,604.00	202,040.00	0.68%
KEY BANK NA	11/25/2016	1,139,133.60	1,141,732.80	1.03%
KIMBERLY-CLARK CORP	8/1/2017	109,043.10	101,683.80	1.43%
LOCKHEED MARTIN CORP	9/15/2016	77,050.50	76,722.00	0.94%
LOCKHEED MARTIN CORP	9/15/2016	103,763.00	102,296.00	0.94%
LOCKHEED MARTIN CORP	9/15/2016	113,611.30	112,525.60	0.94%
LOUISVILLE GAS & ELEC	11/15/2015	102,159.00	101,203.00	0.55%
LOWE'S COMPANIES INC	10/15/2015	21,160.87	19,858.42	0.63%
LOWE'S COMPANIES INC	10/15/2015	44,366.00	41,807.20	0.63%
LOWE'S COMPANIES INC	10/15/2015	79,152.93	74,207.78	0.63%
MANUF & TRADERS TRUST CO	3/7/2018	250,897.50	246,957.50	1.82%
MANUF & TRADERS TRUST CO	1/30/2017	639,942.40	640,652.80	1.20%
MANUF & TRADERS TRUST CO	1/30/2017	661,894.20	660,673.20	1.20%
MANUF & TRADERS TRUST CO	7/25/2017	729,722.60	728,715.20	1.46%
MANUF & TRADERS TRUST CO	7/25/2019	999,860.00	994,020.00	2.38%
MANUF & TRADERS TRUST CO	1/30/2017	1,207,452.00	1,201,224.00	1.20%
MANUF & TRADERS TRUST CO	7/25/2017	2,499,050.00	2,495,600.00	1.46%
MASSMUTUAL GLOBAL FUNDIN	4/14/2016	259,122.50	258,542.50	0.88%
MCDONALD'S CORP	10/15/2017	41,471.85	39,489.45	1.47%
MCDONALD'S CORP	10/15/2017	58,561.50	56,413.50	1.47%
MCDONALD'S CORP	10/15/2017	62,875.45	62,054.85	1.47%
MCDONALD'S CORP	3/15/2017	124,088.80	121,012.10	1.15%
MEDTRONIC INC	3/15/2016	415,228.00	411,196.00	0.69%
MET LIFE GLOB FUNDING I	4/10/2017	149,793.00	149,763.00	1.36%
MET LIFE GLOB FUNDING I	9/29/2015	206,262.00	203,932.00	0.52%
MET LIFE GLOB FUNDING I	1/10/2018	246,922.50	247,925.00	1.76%
MET LIFE GLOB FUNDING I	6/29/2015	499,605.00	504,880.00	0.39%
MET LIFE GLOB FUNDING I	4/10/2017	728,992.60	728,846.60	1.36%
METLIFE INC	6/1/2016	1,147,450.00	1,097,160.00	0.86%
MICROSOFT CORP	9/25/2015	102,978.00	101,332.00	0.27%
MICROSOFT CORP	2/8/2016	106,590.00	102,789.00	0.43%
MICROSOFT CORP	12/6/2018	228,613.10	228,774.10	1.76%
MICROSOFT CORP	2/8/2016	583,396.00	565,339.50	0.43%
MONSANTO CO	11/15/2018	54,769.00	54,660.10	2.01%
MONSANTO CO	4/15/2016	68,036.80	66,946.10	0.79%
MONSANTO CO	4/15/2016	141,790.50	139,041.90	0.79%
MONSANTO CO	6/30/2017	1,228,806.90	1,221,623.70	1.40%
MORGAN STANLEY	4/27/2017	109,892.00	109,486.00	1.76%
MORGAN STANLEY	12/28/2017	174,928.50	168,001.50	2.10%
MORGAN STANLEY	4/28/2015	189,188.68	184,514.99	0.62%
MORGAN STANLEY	4/29/2016	369,096.00	364,672.00	1.11%

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MORGAN STANLEY	4/25/2018	756,172.50	749,925.00	2.13%
MORGAN STANLEY	3/22/2017	764,729.00	752,227.00	1.66%
NATIONAL RURAL UTIL COOP	4/10/2017	56,796.50	55,191.50	1.26%
NATIONAL RURAL UTIL COOP	11/1/2015	61,816.20	60,907.20	0.50%
NATIONAL RURAL UTIL COOP	11/1/2015	72,182.60	71,058.40	0.50%
NATIONAL RURAL UTIL COOP	4/10/2017	72,342.40	71,748.95	1.26%
NATIONAL RURAL UTIL COOP	4/10/2017	101,504.45	93,825.55	1.26%
NATIONAL RURAL UTIL COOP	11/1/2015	103,204.00	101,512.00	0.50%
NATIONAL RURAL UTIL COOP	1/27/2017	999,410.00	998,390.00	1.17%
NATIONAL SEMICONDUCTOR	6/15/2017	99,349.60	91,240.80	1.30%
NBCUNIVERSAL MEDIA LLC	4/1/2016	317,271.00	309,306.00	0.79%
NEW YORK LIFE GLOBAL FDG	3/1/2017	154,669.85	155,004.65	1.12%
NEW YORK LIFE GLOBAL FDG	7/24/2015	434,612.85	436,513.80	0.32%
NEW YORK LIFE GLOBAL FDG	2/12/2016	446,877.00	450,940.50	0.65%
NEW YORK LIFE GLOBAL FDG	2/12/2016	1,039,324.00	1,042,173.60	0.65%
NORTHERN STATES PWR-MINN	8/15/2015	97,360.75	95,951.90	0.34%
NORTHERN STATES PWR-MINN	3/1/2018	136,449.60	134,019.60	1.71%
NOVARTIS CAPITAL CORP	4/24/2015	266,775.00	253,422.50	0.47%
NSTAR ELECTRIC CO	11/15/2017	115,107.00	112,154.00	1.62%
OCCIDENTAL PETROLEUM COR	6/1/2016	44,053.60	42,176.40	0.83%
OCCIDENTAL PETROLEUM COR	2/1/2016	67,466.10	66,436.50	0.83%
OCCIDENTAL PETROLEUM COR	2/15/2017	81,158.40	81,016.00	1.21%
OCCIDENTAL PETROLEUM COR	2/15/2017	101,007.00	101,270.00	1.21%
OCCIDENTAL PETROLEUM COR	2/15/2017	103,139.00	101,270.00	1.21%
OCCIDENTAL PETROLEUM COR	2/15/2017	179,987.50	177,222.50	1.21%
ORACLE CORP	1/15/2016	44,585.60	42,386.80	0.60%
ORACLE CORP	1/15/2016	85,317.75	79,475.25	0.60%
ORACLE CORP	1/15/2016	105,437.65	100,668.65	0.60%
ORACLE CORP	4/15/2018	116,766.00	113,397.00	1.82%
ORACLE CORP	1/15/2019	152,989.50	151,977.00	2.05%
ORACLE CORP	10/15/2017	996,840.00	992,790.00	1.44%
PACCAR FINANCIAL CORP	6/5/2015	69,932.10	70,336.00	0.34%
PACCAR FINANCIAL CORP	2/8/2016	99,966.00	100,275.00	0.60%
PACCAR FINANCIAL CORP	3/15/2017	101,324.00	100,978.00	1.19%
PACCAR FINANCIAL CORP	6/5/2015	179,825.40	180,864.00	0.34%
PACCAR FINANCIAL CORP	2/8/2016	209,714.40	210,577.50	0.60%
PACCAR FINANCIAL CORP	11/16/2015	797,888.00	801,872.00	0.49%
PACCAR FINANCIAL CORP	2/8/2016	1,100,924.00	1,103,025.00	0.60%
PACCAR FINANCIAL CORP	8/16/2016	2,097,963.00	2,116,737.00	0.72%
PACIFIC GAS & ELECTRIC	11/30/2017	103,338.00	100,814.40	1.71%
PECO ENERGY CO	10/15/2016	30,267.90	30,159.60	0.94%
PECO ENERGY CO	10/1/2014	155,054.20	140,000.00	0.00%
PECO ENERGY CO	10/1/2014	221,500.00	200,000.00	0.00%
PEPSICO INC	8/13/2017	199,372.00	199,418.00	1.35%
PEPSICO INC	8/13/2015	235,777.85	235,791.95	0.31%
PEPSICO INC	8/13/2017	496,215.00	498,545.00	1.35%
PEPSICO INC	5/10/2016	601,656.00	617,694.00	0.65%
PEPSICO INC	3/5/2015	1,069,529.20	1,071,883.20	0.34%
PEPSICO INC	2/22/2017	1,897,834.00	1,892,248.00	1.12%
PFIZER INC	1/15/2017	129,792.09	129,608.70	1.03%
PHILIP MORRIS INTL INC	5/16/2016	512,795.00	514,155.00	0.74%
PHILIP MORRIS INTL INC	3/20/2017	743,647.50	757,642.50	1.20%
PNC BANK NA	1/27/2017	469,309.10	468,618.20	1.25%
PNC BANK NA	9/21/2017	673,238.70	667,059.40	1.64%
PNC BANK NA	10/18/2017	1,999,620.00	1,996,800.00	1.55%
PNC BANK NA	1/27/2017	2,496,325.00	2,492,650.00	1.25%
PNC FUNDING CORP	9/19/2016	63,443.40	61,912.20	0.99%
PNC FUNDING CORP	2/8/2015	425,483.24	414,719.10	0.36%
PNC FUNDING CORP	9/19/2016	1,145,529.00	1,135,057.00	0.99%
PRAXAIR INC	11/7/2017	39,737.20	39,566.80	1.41%
PRAXAIR INC	11/7/2018	58,611.60	58,534.80	1.87%
PRAXAIR INC	3/30/2015	67,331.40	61,265.40	0.38%

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PRAXAIR INC	11/7/2018	97,590.00	97,558.00	1.87%
PRAXAIR INC	11/7/2017	109,486.30	108,808.70	1.41%
PRAXAIR INC	11/7/2017	140,847.00	138,483.80	1.41%
PRAXAIR INC	2/21/2016	999,380.00	1,001,610.00	0.63%
PRECISION CASTPARTS CORP	12/20/2015	269,919.00	270,472.50	0.56%
PRECISION CASTPARTS CORP	12/20/2015	399,880.00	400,700.00	0.56%
PRICOA GLOBAL FUNDING 1	5/16/2019	516,562.80	513,052.80	2.51%
PRINCIPAL LFE GLB FND II	9/11/2017	79,962.40	79,957.60	1.52%
PRINCIPAL LFE GLB FND II	12/11/2015	100,335.00	100,428.00	0.64%
PRINCIPAL LFE GLB FND II	12/11/2015	300,891.00	301,284.00	0.64%
PRINCIPAL LFE GLB FND II	12/11/2015	449,707.50	451,926.00	0.64%
PRINCIPAL LIFE INC FDG	4/27/2015	111,185.00	102,931.00	0.42%
PRINCIPAL LIFE INC FDG	4/27/2015	111,196.00	102,931.00	0.42%
PROCTER & GAMBLE CO/THE	11/15/2015	25,673.50	25,376.25	0.45%
PROCTER & GAMBLE CO/THE	8/15/2016	102,560.00	101,253.00	0.77%
PROCTER & GAMBLE CO/THE	11/15/2018	370,799.20	368,064.90	1.73%
PROCTER & GAMBLE CO/THE	8/15/2016	783,648.40	799,898.70	0.77%
PROCTER & GAMBLE CO/THE	11/4/2016	2,299,793.00	2,299,264.00	0.77%
PUB SVC ELEC & GAS	5/1/2015	62,722.80	60,847.20	0.28%
PUB SVC ELEC & GAS	5/1/2015	83,649.60	81,129.60	0.28%
PUB SVC ELEC & GAS	5/1/2015	164,706.30	167,329.80	0.28%
PUB SVC ELEC & GAS	5/1/2018	198,042.25	196,164.50	1.80%
RABOBANK NEDERLAND	1/19/2017	527,390.00	524,370.00	1.22%
RABOBANK NEDERLAND	1/19/2017	695,038.50	681,681.00	1.22%
RABOBANK NEDERLAND	1/19/2017	1,171,049.00	1,153,614.00	1.22%
SAN DIEGO GAS & ELECTRIC	11/15/2015	169,434.00	157,636.50	0.74%
SIMON PROPERTY GROUP LP	9/15/2017	41,560.00	40,842.00	1.36%
SIMON PROPERTY GROUP LP	9/15/2017	77,601.00	76,578.75	1.36%
SIMON PROPERTY GROUP LP	2/1/2018	78,793.60	79,132.80	1.84%
SIMON PROPERTY GROUP LP	2/1/2015	324,818.88	313,917.09	0.79%
SIMON PROPERTY GROUP LP	6/15/2015	1,081,078.50	1,037,974.05	0.44%
SOUTHERN CAL EDISON	1/15/2016	47,916.90	47,511.90	0.64%
SOUTHERN CAL EDISON	5/1/2017	57,981.44	57,796.42	1.26%
SOUTHERN CAL EDISON	8/15/2018	114,483.00	113,151.00	1.96%
SOUTHERN CAL EDISON	5/1/2017	249,920.00	249,122.50	1.26%
SOUTHERN CAL EDISON	5/1/2017	899,712.00	896,841.00	1.26%
SOUTHERN CO	9/1/2016	41,324.40	40,787.20	0.91%
SOUTHERN CO	9/1/2016	92,385.90	91,771.20	0.91%
SOUTHERN CO	8/15/2017	429,862.40	427,910.20	1.47%
SOUTHERN CO	8/15/2017	749,850.00	746,355.00	1.47%
STATE STREET CORP	3/7/2016	63,783.60	61,926.60	0.62%
STATE STREET CORP	4/30/2017	94,543.20	87,948.00	1.44%
STATE STREET CORP	3/7/2016	104,706.00	103,211.00	0.62%
SYSCO CORPORATION	6/12/2015	297,957.00	300,480.00	0.32%
TARGET CORP	6/26/2019	251,967.50	250,365.00	2.27%
TEXAS INSTRUMENTS INC	8/3/2015	99,777.00	100,116.00	0.31%
TEXAS INSTRUMENTS INC	5/16/2016	100,537.55	97,678.05	0.63%
TEXAS INSTRUMENTS INC	3/12/2017	698,614.00	698,460.00	0.97%
TEXAS INSTRUMENTS INC	8/3/2015	846,149.50	850,986.00	0.31%
TEXAS INSTRUMENTS INC	3/12/2017	1,247,525.00	1,247,250.00	0.97%
TORONTO-DOMINION BANK	9/9/2016	1,167,543.00	1,184,905.80	0.84%
TOYOTA MOTOR CREDIT CORP	6/17/2015	52,143.00	51,003.00	0.37%
TOYOTA MOTOR CREDIT CORP	1/12/2017	62,215.20	61,353.60	1.05%
TOYOTA MOTOR CREDIT CORP	5/16/2017	74,960.25	74,712.75	1.27%
TOYOTA MOTOR CREDIT CORP	9/15/2016	79,584.80	81,675.20	0.92%
TOYOTA MOTOR CREDIT CORP	6/17/2015	84,790.40	81,604.80	0.37%
TOYOTA MOTOR CREDIT CORP	6/17/2015	84,831.20	81,604.80	0.37%
TOYOTA MOTOR CREDIT CORP	2/17/2015	100,980.00	100,242.00	0.36%
TOYOTA MOTOR CREDIT CORP	2/17/2015	101,043.00	100,242.00	0.36%
TOYOTA MOTOR CREDIT CORP	1/11/2016	104,106.00	102,867.00	0.55%
TRAVELERS COS INC	6/20/2016	52,848.90	49,069.35	0.94%
TRAVELERS COS INC	6/20/2016	53,122.95	49,069.35	0.94%

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TRAVELERS COS INC	12/1/2015	56,975.50	52,827.50	0.63%
TRAVELERS COS INC	12/15/2017	119,868.00	112,813.00	1.63%
TRAVELERS COS INC	12/1/2015	220,772.00	211,310.00	0.63%
UBS AG STAMFORD CT	8/14/2017	1,395,492.00	1,388,926.00	1.66%
UNITED PARCEL SERVICE	10/1/2017	33,922.14	33,782.40	1.34%
UNITED PARCEL SERVICE	10/1/2017	85,812.52	85,449.60	1.34%
UNITED PARCEL SERVICE	10/1/2017	100,119.00	99,360.00	1.34%
UNITED TECHNOLOGIES CORP	6/1/2017	41,239.20	40,590.80	1.24%
UNITED TECHNOLOGIES CORP	12/15/2017	45,910.40	44,846.00	1.49%
UNITED TECHNOLOGIES CORP	5/1/2015	148,531.05	138,532.95	0.38%
UNITEDHEALTH GROUP INC	11/15/2016	53,720.16	52,914.16	1.04%
UNITEDHEALTH GROUP INC	2/15/2018	75,608.65	73,880.95	1.80%
UNITEDHEALTH GROUP INC	11/15/2016	138,554.66	136,355.72	1.04%
UNITEDHEALTH GROUP INC	10/15/2015	219,949.40	220,660.00	0.56%
UNITEDHEALTH GROUP INC	10/15/2015	221,163.80	220,660.00	0.56%
UNITEDHEALTH GROUP INC	3/15/2016	497,191.50	480,586.50	0.67%
UNITEDHEALTH GROUP INC	11/15/2016	1,211,659.40	1,200,744.40	1.04%
UNITEDHEALTH GROUP INC	11/15/2016	1,871,902.88	1,845,890.12	1.04%
US BANCORP	11/15/2016	113,405.60	113,154.80	0.78%
US BANCORP	11/20/2014	163,315.35	165,564.30	0.36%
US BANCORP	5/15/2017	255,618.40	253,284.10	1.28%
US BANCORP	5/15/2017	538,733.60	533,813.90	1.28%
US BANK NA CINCINNATI	1/30/2017	1,099,835.00	1,098,900.00	1.14%
US BANK NA CINCINNATI	9/11/2017	1,319,260.80	1,318,336.80	1.42%
US BANK NA CINCINNATI	9/11/2017	1,998,880.00	1,997,480.00	1.42%
US BANK NA CINCINNATI	1/30/2017	2,999,550.00	2,997,000.00	1.14%
VESEY STREET INV TRUST I	9/1/2016	90,117.00	95,376.60	1.24%
VIRGINIA ELEC & POWER CO	6/30/2019	56,267.00	56,220.50	2.22%
VIRGINIA ELEC & POWER CO	9/15/2017	114,480.00	113,029.00	1.43%
VIRGINIA ELEC & POWER CO	4/30/2018	121,760.10	117,896.10	1.84%
VOLKSWAGEN GROUP AMERICA	5/23/2017	1,299,194.00	1,292,993.00	1.46%
WACHOVIA BANK NA	3/15/2016	988,227.00	962,532.00	0.79%
WACHOVIA CORP	10/15/2016	149,267.30	141,520.60	1.21%
WACHOVIA CORP	10/15/2016	689,124.00	653,172.00	1.21%
WAL-MART STORES INC	4/5/2017	170,902.50	165,868.50	1.09%
WAL-MART STORES INC	4/21/2017	249,962.50	249,787.50	1.03%
WAL-MART STORES INC	4/15/2016	317,547.00	310,302.00	0.56%
WAL-MART STORES INC	4/5/2017	381,519.60	364,910.70	1.09%
WAL-MART STORES INC	4/11/2016	479,659.20	479,798.40	0.63%
WALT DISNEY COMPANY/THE	12/1/2014	44,852.85	45,053.10	0.17%
WALT DISNEY COMPANY/THE	5/30/2017	74,865.00	74,356.50	1.20%
WALT DISNEY COMPANY/THE	9/15/2016	77,153.05	71,037.20	0.83%
WALT DISNEY COMPANY/THE	12/1/2015	139,213.20	139,910.40	0.51%
WALT DISNEY COMPANY/THE	9/15/2016	177,382.50	163,932.00	0.83%
WALT DISNEY COMPANY/THE	2/15/2017	803,760.00	800,576.00	1.09%
WALT DISNEY COMPANY/THE	8/16/2016	1,022,590.00	1,011,590.00	0.73%
WALT DISNEY COMPANY/THE	8/16/2016	1,520,640.00	1,517,385.00	0.73%
WALT DISNEY COMPANY/THE	5/30/2017	2,395,680.00	2,379,408.00	1.20%
WELLS FARGO & COMPANY	7/1/2015	50,155.00	50,407.00	0.41%
WELLS FARGO & COMPANY	9/15/2016	77,115.23	76,505.34	1.11%
WELLS FARGO & COMPANY	6/2/2017	99,874.00	99,364.00	1.39%
WELLS FARGO & COMPANY	7/1/2015	100,929.00	100,814.00	0.41%
WELLS FARGO & COMPANY	2/13/2015	101,186.00	100,340.00	0.32%
WELLS FARGO & COMPANY	12/15/2016	104,517.00	103,463.00	1.03%
WELLS FARGO & COMPANY	4/22/2019	150,267.00	148,179.00	2.41%
WELLS FARGO & COMPANY	9/15/2016	169,450.32	168,096.24	1.11%
WELLS FARGO & COMPANY	12/15/2016	208,472.00	206,926.00	1.03%
WELLS FARGO & COMPANY	6/2/2017	239,697.60	238,473.60	1.39%
WELLS FARGO & COMPANY	6/2/2017	249,255.00	248,410.00	1.39%
WELLS FARGO & COMPANY	6/15/2016	266,735.00	261,370.00	0.98%
WELLS FARGO & COMPANY	5/8/2017	719,936.00	713,916.00	1.32%
WELLS FARGO & COMPANY	5/8/2017	1,776,420.80	1,794,988.80	1.32%

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WELLS FARGO & COMPANY	6/2/2017	2,996,220.00	2,980,920.00	1.39%
WISC ELEC POWER	6/15/2018	105,225.75	104,468.70	1.84%
WISC ELEC POWER	12/1/2015	148,352.50	132,900.00	0.80%
WYETH LLC	4/1/2017	113,403.00	110,699.00	1.10%
XTO ENERGY INC	6/30/2015	114,630.00	103,706.00	0.33%
XTO ENERGY INC	12/15/2018	121,526.00	118,374.00	1.93%
SUB-TOTAL		249,982,934.11	248,312,000.69	

VARIABLE RATE NOTES

AMERICAN EXPRESS CO	5/22/2018	1,010,000.00	1,018,716.30	0.60%
AMERICAN EXPRESS CREDIT	7/29/2016	503,160.50	502,640.00	0.46%
AMERICAN EXPRESS CREDIT	3/18/2019	540,000.00	542,365.20	0.70%
AMERICAN EXPRESS CREDIT	7/29/2016	1,130,000.00	1,135,966.40	0.46%
APPLE INC	5/3/2018	1,090,000.00	1,091,580.50	0.46%
APPLE INC	5/3/2016	1,320,000.00	1,320,462.00	0.27%
AT&T INC	11/27/2018	330,000.00	335,794.80	0.74%
BANK OF AMERICA CORP	4/1/2019	300,000.00	301,581.00	1.00%
BANK OF AMERICA CORP	3/22/2016	760,000.00	765,297.20	0.59%
BANK OF NOVA SCOTIA	7/15/2016	1,100,000.00	1,106,655.00	0.42%
BNP PARIBAS	12/12/2016	1,290,000.00	1,296,772.50	0.60%
BOKF NA	5/15/2017	284,766.30	284,569.65	0.98%
BOKF NA	5/15/2017	448,254.00	449,320.50	0.98%
BOKF NA	5/15/2017	676,358.69	677,974.71	0.98%
CITIGROUP INC	3/10/2017	500,000.00	500,850.00	0.71%
CITIGROUP INC	4/8/2019	630,000.00	632,501.10	0.93%
DAIMLER FINANCE NA LLC	8/1/2018	1,070,000.00	1,087,815.50	0.68%
DUKE ENERGY INDIANA INC	7/11/2016	660,000.00	662,686.20	0.36%
DUKE ENERGY INDIANA INC	7/11/2016	1,164,582.00	1,164,721.20	0.36%
DUKE ENERGY PROGRESS INC	3/6/2017	1,880,000.00	1,882,744.80	0.38%
EBAY INC	7/28/2017	500,000.00	500,700.00	0.39%
EBAY INC	7/28/2017	1,000,610.00	1,001,400.00	0.39%
GENERAL ELEC CAP CORP	7/12/2016	1,210,000.00	1,220,490.70	0.41%
GOLDMAN SACHS GROUP INC	4/30/2018	254,759.00	255,462.50	0.84%
GOLDMAN SACHS GROUP INC	4/30/2018	1,090,000.00	1,113,816.50	0.84%
HSBC USA INC	9/24/2018	820,000.00	836,113.00	0.63%
HUNTINGTON NATIONAL BANK	4/24/2017	250,000.00	250,157.50	0.63%
IBM CORP	2/12/2019	170,000.00	171,246.10	0.44%
JOHNSON & JOHNSON	11/28/2016	1,150,000.00	1,151,989.50	0.23%
JPMORGAN CHASE & CO	2/15/2017	430,000.00	432,025.30	0.57%
JPMORGAN CHASE & CO	1/25/2018	540,000.00	549,752.40	0.60%
JPMORGAN CHASE & CO	1/25/2018	1,500,000.00	1,527,090.00	0.60%
LOWE'S COS INC	9/10/2019	680,000.00	680,986.00	0.63%
MANUF & TRADERS TRUST CO	1/30/2017	642,009.60	641,555.20	0.52%
MANUF & TRADERS TRUST CO	1/30/2017	702,373.00	701,701.00	0.52%
MEDTRONIC INC	2/27/2017	1,250,000.00	1,248,800.00	0.37%
MERCK & CO INC	5/18/2018	860,000.00	864,678.40	0.45%
NBCUNIVERSAL ENTERPRISE	4/15/2016	502,877.50	501,100.00	0.64%
NBCUNIVERSAL ENTERPRISE	4/15/2016	610,689.30	611,342.00	0.64%
ORACLE CORP	7/7/2017	1,200,000.00	1,201,320.00	0.40%
PACCAR FINANCIAL CORP	12/6/2018	230,000.00	232,277.00	0.61%
PRUDENTIAL HOLDINGS, LLC	12/18/2017	980,154.86	992,742.43	0.73%
ROCKWELL COLLINS INC	12/15/2016	1,090,000.00	1,089,302.40	0.62%
WELLS FARGO BANK NA	5/16/2016	1,098,647.00	1,099,065.00	0.50%
WESTPAC BANKING CORP	7/30/2018	830,000.00	840,043.00	0.67%
SUB-TOTAL		36,279,241.75	36,476,170.49	

STATE OF CALIFORNIA AND LOCAL AGENCIES

CA ST DEPT OF WTR-AO	12/1/2015	500,000.00	501,285.00	0.43%
CALIFORNIA ST-TXBL	2/1/2016	792,670.20	793,752.50	0.69%
UNIV CA-AJ-TXBL	5/15/2016	400,000.00	401,200.00	0.72%
UNIV OF CALIFORNIA-AN	5/15/2016	640,000.00	638,713.60	0.76%

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UNIV OF CALIFORNIA-AN	5/15/2017	1,500,000.00	1,498,335.00	1.26%
SUB-TOTAL		3,832,670.20	3,833,286.10	

MORTGAGE AND ASSET-BACK SECURITIES

AMXCA 2012-2 A	3/15/2018	999,726.56	1,001,980.00	0.45%
AMXCA 2012-2 A	3/15/2018	2,999,062.50	3,005,940.00	0.45%
BMWFT 2012-1A A	9/15/2017	320,412.50	320,729.60	0.32%
BMWFT 2012-1A A	9/15/2017	630,836.72	631,436.40	0.32%
BMWFT 2012-1A A	9/15/2017	750,000.00	751,710.00	0.32%
BMWFT 2012-1A A	9/15/2017	1,002,148.44	1,002,280.00	0.32%
BMWLT 2013-1 A3	9/21/2015	1,226,865.50	1,227,663.09	0.36%
CCCIT 2006-A3 A3	3/15/2018	265,425.00	255,873.60	0.73%
CCCIT 2006-A8 A8	12/17/2018	1,340,718.75	1,344,019.50	0.47%
CCCIT 2013-A3 A3	7/23/2018	1,999,596.60	2,006,440.00	0.93%
CCCIT 2013-A6 A6	9/7/2018	1,299,926.55	1,308,710.00	0.97%
CCCIT 2014-A2 A2	2/22/2019	1,499,739.30	1,493,640.00	1.20%
CCCIT 2014-A2 A2	2/22/2019	1,997,040.00	1,991,520.00	1.20%
CHAIT 2006-A2 A2	4/16/2018	995,765.63	955,413.00	0.66%
CHAIT 2006-A2 A2	4/16/2018	1,862,651.18	1,852,439.65	0.66%
CHAIT 2007-A12 A12	8/15/2019	2,485,839.85	2,487,375.00	0.38%
CHAIT 2012-A3 A3	6/15/2017	2,003,750.00	2,005,140.00	0.41%
CHAIT 2012-A5 A5	8/15/2017	2,499,908.00	2,502,550.00	0.46%
CHAIT 2012-A6 A	8/15/2017	1,410,000.00	1,409,746.20	0.30%
CHAIT 2013-A5 A	5/15/2017	2,199,976.68	2,200,792.00	0.39%
FHLB Y2-2015 1	4/20/2015	634,206.03	639,391.83	2.55%
FHMS K501 A1	6/25/2016	578,077.04	571,064.72	0.90%
FHMS K501 A2	11/25/2016	1,146,595.31	1,126,028.40	0.85%
FHMS K502 A1	12/25/2016	1,811,053.68	1,806,142.01	0.85%
FHR 3612 AE	12/15/2014	99,022.59	99,118.92	0.93%
FITAT 2014-2 A2B	4/17/2017	2,500,000.00	2,506,825.00	0.00%
FNA 2012-M9 ASQ2	12/25/2017	2,177,092.97	2,126,890.20	1.53%
FNA 2014-M1 ASQ2	11/25/2018	695,783.40	686,239.85	2.25%
FNA 2014-M1 ASQ2	11/25/2018	1,242,248.34	1,232,226.30	2.25%
FNA 2014-M4 ASQ2	1/25/2017	1,999,800.00	1,993,186.80	0.87%
FNA 2014-M5 FA	1/25/2017	1,173,948.55	1,175,539.11	0.43%
FNA 2014-M8 FA	5/25/2018	1,267,573.74	1,268,801.08	0.38%
FNA 2014-M8 FA	5/25/2018	1,546,768.14	1,546,039.11	0.38%
FNA 2014-M9 ASQ2	4/25/2017	2,878,481.48	2,867,356.50	1.16%
FSPC T-50 A6X	2/27/2015	249,297.93	245,003.85	0.00%
GEEMT 2014-1 A3	5/22/2018	1,499,990.85	1,498,695.00	1.18%
GEET 2012-1 A3	11/23/2015	35,937.51	35,954.89	0.99%
GEMNT 2009-4 A	11/15/2017	744,269.53	702,933.00	0.45%
GEMNT 2009-4 A	11/15/2017	1,449,875.00	1,405,866.00	0.45%
GEMNT 2009-4 A	11/15/2017	2,075,625.00	2,008,380.00	0.45%
HAROT 2011-2 A4	8/18/2017	288,633.75	287,548.59	1.38%
HAROT 2011-3 A3	9/21/2015	12,261.60	12,275.65	0.28%
HAROT 2011-3 A3	9/21/2015	49,276.45	49,102.59	0.28%
HAROT 2012-2 A4	5/15/2018	1,003,515.63	1,002,910.00	0.61%
HAROT 2012-4 A4	12/18/2018	707,331.41	707,388.85	0.62%
HAROT 2013-3 A2	1/15/2016	810,392.97	810,721.11	0.37%
HAROT 2013-4 A2	4/18/2016	676,957.05	677,160.15	0.39%
HAROT 2013-4 A3	9/18/2017	565,529.69	565,310.75	0.65%
HAROT 2013-4 A3	9/18/2017	763,869.51	764,420.20	0.65%
HAROT 2014-1 A3	11/21/2017	1,079,882.17	1,076,792.40	0.84%
HAROT 2014-1 A3	11/21/2017	2,496,093.75	2,492,575.00	0.84%
HAROT 2014-2 A3	3/19/2018	433,947.83	433,201.44	0.87%
JDOT 2013-A A3	3/15/2017	1,467,289.06	1,467,490.50	0.38%
JDOT 2013-B A3	8/15/2017	999,863.70	1,002,390.00	0.65%
JDOT 2013-B A3	8/15/2017	1,999,727.40	2,004,780.00	0.65%
JDOT 2014-A A3	4/16/2018	1,499,759.70	1,497,930.00	1.00%
JDOT 2014-A A3	4/16/2018	1,699,727.66	1,697,654.00	1.00%
JDOT 2014-A A3	4/16/2018	2,499,599.50	2,496,550.00	1.00%

**Orange County Transportation Authority
Portfolio Listing
As of September 30, 2014**

JDOT 2014-B A3	11/15/2018	713,844.06	712,436.34	1.17%
MBALT 2013-A A3	2/15/2016	3,499,453.13	3,501,400.00	0.44%
MBART 2013-1 A2	3/15/2016	384,934.11	385,075.24	0.36%
TAOT 2012-A A3	2/16/2016	101,430.63	101,232.13	0.44%
TAOT 2012-A A3	2/16/2016	236,514.75	236,208.30	0.44%
TAOT 2012-A A3	2/16/2016	285,178.82	285,474.61	0.44%
TAOT 2013-A A3	1/17/2017	243,998.12	244,263.52	0.40%
TAOT 2013-A A3	1/17/2017	399,996.92	400,432.00	0.40%
TAOT 2014-A A3	12/15/2017	1,658,693.42	1,657,009.20	0.76%
TAOT 2014-B A3	3/15/2018	1,999,682.60	1,996,360.00	0.86%
USAOT 2014-1 A3	12/15/2017	1,694,924.06	1,693,745.70	0.64%
USAOT 2014-1 A3	12/15/2017	2,499,888.00	2,498,150.00	0.64%
<i>SUB-TOTAL</i>		<i>88,367,234.28</i>	<i>88,055,068.87</i>	

SHORT-TERM PORTFOLIO - TOTAL

\$ 1,064,204,696.47 \$ 1,058,777,889.08

DEBT SERVICE RESERVE FUNDS

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>BOOK VALUE</u>	<u>REQUIRED AMOUNT</u>	<u>YIELD</u>
<u>91 EXPRESS LANES 2013 BONDS</u>	2030		10,799,437.46	
US BANK COMMERCIAL PAPER	11/3/2014	10,806,823.65		0.06%
<u>91 EXPRESS LANES 2013 BONDS - OPERATING & MAINTENANCE RESERVES</u>			13,000,000.00	
OPERATING RESERVE: BoFWEST NEG CD	10/1/2014	3,000,000.00		0.07%
MAINTENANCE RESERVE: BoFWEST NEG CD	10/1/2014	10,000,000.00		0.07%
DEBT SERVICE RESERVE FUNDS - TOTAL		<u>\$ 23,806,823.65</u>		

TOTAL PORTFOLIO

Book Value Market Value
\$ 1,220,308,412.71 \$ 1,214,854,614.64



COMMITTEE TRANSMITTAL

November 10, 2014

To: Members of the Board of Directors

From: ^{WK} Wendy Knowles, Clerk of the Board

Subject: Fiscal Year 2014-15 Measure M2 Annual Eligibility Review

Regional Planning and Highways Committee Meeting of November 3, 2014

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

Absent: None

Committee Vote

This item was passed by the Members present.

Director Murray was not present to vote on this item.

Committee Recommendation

Approve all local jurisdictions as conditionally-eligible for Measure M2 net revenues for fiscal year 2014-15, and direct staff to return with eligibility findings for local jurisdictions pending adoption and submittal of fiscal year 2013-14 expenditure reports by local agencies.



November 3, 2014

To: Regional Planning and Highways Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Fiscal Year 2014-15 Measure M2 Annual Eligibility Review

Overview

Measure M2 requires all local jurisdictions in Orange County to annually satisfy eligibility requirements in order to receive competitive Measure M2 funding. Fiscal year 2014-15 eligibility documentation has been reviewed by staff and the Taxpayers Oversight Committee, and is presented for Board of Directors' review and approval.

Recommendation

Approve all local jurisdictions as conditionally-eligible for Measure M2 net revenues for fiscal year 2014-15, and direct staff to return with eligibility findings for local jurisdictions pending adoption and submittal of fiscal year 2013-14 expenditure reports by local agencies.

Background

Local jurisdictions are required to satisfy Measure M2 (M2) eligibility requirements on an annual basis to remain eligible to receive M2 net revenues. These requirements include:

- Congestion Management Program (CMP)
- Mitigation Fee Program (MFP)
- Local Signal Synchronization Plan (LSSP)
- Pavement Management Plan (PMP)
- Expenditure report
- Circulation element
- Capital Improvement Program
- Participation in traffic forums
- Maintenance of effort declaration

- Consideration of land-use planning strategies that accommodate transit and non-motorized transportation
- Timely use of local fair share revenues
- No supplanting of funds
- Timely submittal of project final reports

Local jurisdictions are required to submit eligibility packages annually. The Taxpayers Oversight Committee (TOC) is responsible for reviewing five of the eligibility requirements, and designates the annual eligibility review (AER) subcommittee to review the CMP, MFP, LSSP, PMP, and expenditure report with support from Orange County Transportation Authority (OCTA) staff. The remaining eight eligibility items are reviewed by OCTA staff.

Discussion

Each local jurisdiction submitted the applicable eligibility documentation by the June 30 deadline. OCTA staff reviewed the submittals to ensure each eligibility package was complete and accurate. Staff forwarded the appropriate eligibility items to the TOC for further review.

On September 25, 2014, the AER subcommittee reviewed PMP certifications for even-numbered year agencies and the LSSPs for all agencies. The AER subcommittee presented recommendations of eligibility compliance to the TOC on October 14, 2014. The TOC found the local jurisdictions to be in compliance with the M2 Ordinance, and recommended conditional eligibility approval for fiscal year (FY) 2014-15, pending the review of expenditure reports. The eligibility review and findings for FY 2014-15 M2 eligibility are summarized in Attachment A.

Next Steps

M2 eligibility for FY 2014-15 is conditional, pending review and approval of the expenditure reports for FY 2013-14. All local jurisdictions must adopt an annual expenditure report that tracks financial activity for M2 funds, including interest earned, developer traffic impact fees, and funds expended by the jurisdiction that satisfy maintenance of effort requirements. Upon review by staff and TOC, expenditure reports will be presented to the Board of Directors for an eligibility finding in summer 2014.

Summary

All local jurisdictions in Orange County have submitted FY 2014-15 eligibility packages that are consistent with the M2 Ordinance. The TOC reviewed and approved the appropriate documentation and all local jurisdictions meet the eligibility requirements for FY 2014-15.

Attachment

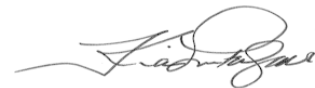
- A. Fiscal Year 2014-15 Measure M2 Eligibility Review Summary

Prepared By:



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

Approved By:



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

Fiscal Year 2014-15 Measure M2 Eligibility Summary

Agency	Eligibility Checklist	Capital Improvement Program	Maintenance of Effort (MOE) Benchmark	MOE Declared	MOE Documents	Pavement Management Plan (PMP)*	Planning Strategies	Local Signal Synchronization Plan	Traffic Forum
Aliso Viejo	Satisfactory	Satisfactory	\$ 409,360	\$ 409,800	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Anaheim	Satisfactory	Satisfactory	\$ 8,127,913	\$ 8,152,689	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Brea	Satisfactory	Satisfactory	\$ 703,000	\$ 1,269,844	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Buena Park	Satisfactory	Satisfactory	\$ 3,738,212	\$ 4,653,470	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Costa Mesa	Satisfactory	Satisfactory	\$ 6,457,802	\$ 8,554,152	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
County of Orange	Satisfactory	Satisfactory	\$ -	\$ -	N/A	N/A	Satisfactory	Satisfactory	✓
Cypress	Satisfactory	Satisfactory	\$ 2,767,411	\$ 5,575,571	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Dana Point	Satisfactory	Satisfactory	\$ 1,065,496	\$ 1,720,727	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Fountain Valley	Satisfactory	Satisfactory	\$ 1,180,712	\$ 2,076,518	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Fullerton	Satisfactory	Satisfactory	\$ 3,427,988	\$ 5,335,020	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Garden Grove	Satisfactory	Satisfactory	\$ 2,823,522	\$ 6,022,299	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Huntington Beach	Satisfactory	Satisfactory	\$ 4,954,235	\$ 10,001,995	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Irvine	Satisfactory	Satisfactory	\$ 5,452,970	\$ 18,562,151	Satisfactory	N/A	Satisfactory	Satisfactory	✓
La Habra	Satisfactory	Satisfactory	\$ 1,356,014	\$ 2,337,406	Satisfactory	N/A	Satisfactory	Satisfactory	✓
La Palma	Satisfactory	Satisfactory	\$ 173,004	\$ 1,487,068	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Beach	Satisfactory	Satisfactory	\$ 1,417,616	\$ 2,886,783	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Hills	Satisfactory	Satisfactory	\$ 269,339	\$ 1,265,642	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Niguel	Satisfactory	Satisfactory	\$ 721,542	\$ 3,505,697	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Laguna Woods	Satisfactory	Satisfactory	\$ 83,501	\$ 83,501	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Lake Forest	Satisfactory	Satisfactory	\$ 145,670	\$ 1,454,000	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Los Alamitos	Satisfactory	Satisfactory	\$ 147,465	\$ 652,420	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Mission Viejo	Satisfactory	Satisfactory	\$ 2,247,610	\$ 3,930,299	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Newport Beach	Satisfactory	Satisfactory	\$ 8,868,393	\$ 17,057,031	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Orange	Satisfactory	Satisfactory	\$ 2,430,131	\$ 3,674,523	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Placentia	Satisfactory	Satisfactory	\$ 546,000	\$ 546,000	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Rancho Santa Margarita	Satisfactory	Satisfactory	\$ 358,155	\$ 358,155	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
San Clemente	Satisfactory	Satisfactory	\$ 951,000	\$ 4,624,206	Satisfactory	N/A	Satisfactory	Satisfactory	✓
San Juan Capistrano	Satisfactory	Satisfactory	\$ 390,383	\$ 2,115,409	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Santa Ana	Satisfactory	Satisfactory	\$ 6,958,998	\$ 7,722,215	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Seal Beach	Satisfactory	Satisfactory	\$ 551,208	\$ 1,083,936	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Stanton	Satisfactory	Satisfactory	\$ 186,035	\$ 221,414	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Tustin	Satisfactory	Satisfactory	\$ 1,222,756	\$ 1,300,000	Satisfactory	N/A	Satisfactory	Satisfactory	✓
Villa Park	Satisfactory	Satisfactory	\$ 279,227	\$ 474,673	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Westminster	Satisfactory	Satisfactory	\$ 1,284,000	\$ 1,886,000	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Yorba Linda	Satisfactory	Satisfactory	\$ 1,985,964	\$ 3,163,046	Satisfactory	Satisfactory	Satisfactory	Satisfactory	✓
Totals	35	35	\$ 73,682,632	\$ 134,174,578	35	21	35	35	35

N/A - Not applicable

* Some agencies update respective PMPs on even numbered fiscal years while others update on odd numbered fiscal years



COMMITTEE TRANSMITTAL

November 10, 2014

To: Members of the Board of Directors

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

Subject: Capital Program Division - First Quarter Fiscal Year 2014-15
Capital Action Plan Performance Metrics

Executive Committee meeting of November 3, 2014

Present: Vice Chairman Lalloway, and Directors Donchak, Hennessey,
Shaw, Spitzer, and Winterbottom

Absent: Chairman Nelson

Committee Vote

Following a discussion, no action was taken on this receive and file item.

Staff Recommendation

Receive and file as an information item.



November 3, 2014

To: Executive Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Capital Program Division - First Quarter Fiscal Year 2014-15
Capital Action Plan Performance Metrics

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

Overview

The Orange County Transportation Authority's Strategic Plan key strategies and objectives to achieve the goals for Mobility and Stewardship include delivery of all Capital Action Plan projects on time and within budget. The Capital Action Plan is used to create a performance metric to assess capital project delivery progress on highway, grade separation, rail, and facility projects. This report provides an update on the Capital Action Plan delivery and performance metrics through September 30, 2014.

Recommendation

Receive and file as an information item.

Background

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

This report provides an update on the CAP performance metrics, which are the fiscal year (FY) snapshot of the planned CAP project delivery milestones in the budgeted FY. The Capital Programs Division also provides Metrolink commuter rail ridership, revenue, and on-time performance reports and metrics in quarterly rail program updates.

Discussion

The Capital Programs Division objective is to deliver projects on schedule and within the approved project budget. Key projects' cost and schedule commitments are captured in the CAP which is regularly updated with new projects and project status (Attachment A). The CAP is categorized into four key groupings of projects; freeway projects, grade separation projects, rail and station projects, and key facility projects. Simple milestones represent the plan, progress, and performance for capital project delivery. CAP performance metrics provide a FY snapshot of the milestones targeted for delivery in the budgeted FY, and provide both transparency and measurement of annual capital project delivery performance.

CAP project costs represent the total cost of the project across all phases of project delivery, including support costs, and right-of-way (ROW) and construction capital costs. The planned or budgeted cost is shown in comparison to either the actual or forecast cost. The planned or budgeted total project costs may be shown as to-be-determined (TBD) if project scoping studies or other project scoping documents have not been approved, and may be updated as project delivery progresses and milestones are achieved. Actual or forecast costs represent the total project cost across all project delivery phases. Measure M2 (M2) projects are identified with the corresponding project letter and the M2 logo. The CAP update is also included in the M2 Quarterly Report.

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

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.

Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for bids.
Award Contract	The date the construction contract is awarded.
Construction Complete	The date all construction work is completed, and the project is open to public use.

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



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

Key Findings

The following CAP milestones were achieved in the first quarter FY 2014-15.

Freeway Projects

- The advertise for construction milestone for the Interstate 5 (I-5) widening project to add carpool lanes from Avenida Pico to Avenida Vista Hermosa was achieved. The California Department of Transportation (Caltrans) plans to open the construction bids on October 23, 2014.

Rail and Station Projects

- The advertise for construction milestone for the city-lead Fullerton Transportation Center Elevator Upgrade project was achieved, and the construction bid opening is scheduled on November 4, 2014.

The following CAP milestones missed the planned delivery in the first quarter of FY 2014-15.

Freeway Projects

- The begin design milestone for the I-5 widening project from Oso Parkway to Alicia Parkway was not achieved due to a longer than expected consultant procurement process. However, in late October 2014, the design consultant contract was approved, and design work has begun.
- The complete construction milestone for the State Route 57 northbound widening project from Orangethorpe Avenue to Yorba Linda Boulevard has not been completed due to a continuing lack of schedule performance by the construction contractor. Completion of the construction contract is currently ten months behind schedule, and liquidated damages for the overrun in contract time are continuing to be assessed. All additional lanes have been opened to traffic, and the contractor is completing final contract item work. Caltrans currently anticipates construction contract acceptance in November 2014.

Railroad Grade Separation Projects

- The begin environmental milestone for the 17th Street railroad grade separation project was not achieved due to a longer than expected consultant procurement process. However, on October 10, 2014 the consultant contract for production of the environmental document and project report was approved, and work on the environmental document has begun.
- The complete construction milestones for both the Placentia Avenue and Kraemer Boulevard railroad grade separation projects were not achieved. While both railroad grade separations are open to traffic and appear to be complete, the respective contractors continue working to complete final minor punch list items prior to construction contract acceptance by OCTA and the cities. Liquidated damages for the overrun in contract time are being assessed by OCTA on the

construction contractors. Contract completion and acceptance for the Placentia Avenue railroad grade separation project is currently anticipated by December 1, 2014, and for the Kraemer Boulevard railroad grade separation project by November 1, 2014.

Rail and Station Projects

- The award construction contract milestone for Fullerton Transportation Center Elevator Upgrade project was not achieved. The City of Fullerton, as the lead agency implementing the project, issued an addendum to the invitation for bids to extend the bid opening date to November 4, 2014. The construction contract award is now scheduled for November 18, 2014. The delay in contract award is not expected to impact the scheduled early January 2015 construction start date.

Recap of First Quarter FY 2014-15 Performance Metrics

The FY 2014-15 performance metrics snapshot reflects 40 planned major project delivery milestones throughout the FY. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the first quarter of FY 2014-15 (Attachment B). In the first quarter of FY 2014-15, milestone schedules were met on two of the planned eight milestones. The six milestones that were not achieved in the first quarter of FY 2014-15 are planned to be completed in the second quarter FY 2014-15.

FY 2014-15 Performance Metric Risks and Project Concerns

Caltrans approval of the final environmental impact statement/environmental impact report (FEIS/EIR) for the Interstate 405 (I-405) widening from State Route 73 to Interstate 605 is expected in February 2015, and the federal record of decision (ROD) is expected in May 2015. Any delays to the FEIS/EIR or ROD will compound into delays to ROW acquisition and the design-build contract procurement process. Staff is working to implement an early ROW acquisition process for property owners willing to enter agreements prior to the ROD, which may help mitigate potential delays resulting from the environmental approval schedule. Additional lower probability risks include the potential for adverse court rulings in the legal challenge on the constitutionality of Assembly Bill 401 (Chapter 586, Statutes of 2013), and other legal challenges to the FEIS/EIR ROD.

As reported in the fourth quarter FY 2013-14, the environmental approval of the State Route 55 widening between I-405 and I-5 continues to be delayed due to

Caltrans' requests for additional project studies, project scope, and modifications to the project traffic analysis model. Caltrans' requests were received late in the development process, just prior to the draft environmental document (DED) and draft project report (DPR) being completed for submittal to Caltrans for final screen check, prior to release for public comment. The DED/DPR were developed in partnership with Caltrans as an active member of the project development team (PDT). OCTA staff continues to work to resolve Caltrans' late requests. In order to move the process forward and establish a clear check point for the consultant working to produce the DED/DPR, the DED/DPR, as developed by the PDT, has been formally submitted to Caltrans for final review. OCTA is still awaiting Caltrans' response to the DED/DPR submittal, and staff estimates the environmental clearance could be delayed up to 17 months beyond the delay incurred to date. The project schedule and milestones will be re-assessed for addition to the performance metric when the scoping issues with Caltrans are resolved.

Summary

Significant capital project delivery progress has been achieved and reflected in the CAP. The status of the planned FY 2014-15 performance metrics created from forecast project schedules have been compiled and will be used as a general project delivery performance indicator (Attachment B). There are 40 major project milestones planned to be accomplished in FY 2014-15. Staff will continue to manage project costs and schedules across all project phases to meet project delivery commitments. The updated CAP and planned FY 2014-15 performance metrics will be posted on OCTA's website in November 2014.

Attachments

- A. Capital Action Plan, Status Through September 2014
- B. Capital Programs Division, Fiscal Year 2014-15 Performance Metrics Status Through September 2014

Prepared by:


















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

Capital Action Plan

Status Thru September 2014


















Updated: Oct 21, 2014

Capital Projects	Cost Budget/Forecast	Schedule Plan/Forecast							
		Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	(millions)								
Freeway Projects:									
 I-5, Pico to Vista Hermosa	\$113.0	Jun-09	Dec-11	Jun-11	Oct-13	Feb-14	Oct-14	Jan-15	Feb-18
Project C	\$105.0	Jun-09	Oct-11	Jun-11	Oct-13	May-14	Sep-14	Dec-14	Feb-18
 I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Jun-11	Feb-13	Jun-13	Oct-13	Dec-13	Mar-17
Project C	\$71.7	Jun-09	Oct-11	Jun-11	May-13	Aug-13	Feb-14	Jun-14	Mar-17
 I-5, Pacific Coast Highway to San Juan Creek Road	\$70.7	Jun-09	Dec-11	Jun-11	Jan-13	May-13	Aug-13	Oct-13	Sep-16
Project C	\$60.3	Jun-09	Oct-11	Jun-11	Jan-13	Apr-13	Aug-13	Dec-13	Sep-16
 I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Jan-09	Nov-11	Mar-12	Jun-12	Aug-12	Sep-15
Project D	\$80.7	Sep-05	Jun-09	Jan-09	Dec-11	Apr-12	Jun-12	Aug-12	Sep-15
 I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	Jan-15	Jul-15	Nov-15	Dec-15	Mar-16	Mar-17
 I-5, SR-73 to Oso Parkway	\$152.3	Sep-11	Jun-14	TBD	TBD	TBD	TBD	TBD	TBD
Project C & D	\$152.3	Oct-11	May-14	Dec-14	Nov-17	Apr-18	May-18	Sep-18	May-22
 I-5, Oso Parkway to Alicia Parkway	\$195.1	Sep-11	Jun-14	TBD	TBD	TBD	TBD	TBD	TBD
Project C & D	\$195.1	Oct-11	May-14	Oct-14	Aug-17	Feb-18	Apr-18	Jul-18	Jun-22
 I-5, Alicia Parkway to El Toro Road	\$134.2	Sep-11	Jun-14	TBD	TBD	TBD	TBD	TBD	TBD
Project C	\$134.2	Oct-11	May-14	Jan-15	Jan-18	May-18	Jul-18	Nov-18	May-22
 I-5, I-5/El Toro Road Interchange	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Jan-16	Dec-18	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, I-405 to SR-55	TBD	May-14	Apr-17	TBD	TBD	TBD	TBD	TBD	TBD
Project B	TBD	May-14	Apr-17	TBD	TBD	TBD	TBD	TBD	TBD
 I-5, SR-55 to SR-57	TBD	Jul-11	Jun-13	TBD	TBD	TBD	TBD	TBD	TBD
Project A	\$42.3	Jun-11	Feb-15	Jul-15	Jan-17	May-17	Jul-17	Oct-17	Nov-19
I-5, Continuous High-Occupancy Vehicle (HOV) Lane Access	TBD	Jul-11	Apr-15	Feb-12	May-16	Aug-16	Oct-16	Jan-17	Jan-18
	\$5.8	Aug-11	Jul-15	Mar-12	Aug-16	Nov-16	Jan-17	Apr-17	Apr-18
 SR-55, I-405 to I-5	TBD	Feb-11	Nov-13	TBD	TBD	TBD	TBD	TBD	TBD
Project F	\$274.6	May-11	Oct-15	Mar-16	Jan-19	Jul-19	Aug-19	Nov-19	Nov-22
 SR-55, I-5 to SR-91 (Draft)	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project F	TBD	Jan-16	Jul-18	TBD	TBD	TBD	TBD	TBD	TBD
 SR-57 Northbound (NB), Orangewood to Katella (Draft)	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Nov-15	Nov-17	TBD	TBD	TBD	TBD	TBD	TBD
 SR-57 (NB), Katella to Lincoln	\$78.7	Apr-08	Jul-09	Jul-08	Nov-10	Mar-11	May-11	Aug-11	Sep-14
Project G	\$40.7	Apr-08	Nov-09	Aug-08	Dec-10	Apr-11	Jul-11	Oct-11	Jan-15

Capital Action Plan

Status Thru September 2014

Updated: Oct 21, 2014

Capital Projects	Cost Budget/Forecast	Schedule Plan/Forecast							
		Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	(millions)								
 SR-57 (NB), Katella to Lincoln (Landscape) Project G	N/A N/A	N/A N/A	N/A N/A	N/A May-09	N/A Jul-10	N/A Jan-16	N/A Mar-16	N/A May-16	N/A May-17
 SR-57 (NB), Orangethorpe to Yorba Linda Project G	\$80.2 \$56.3	Aug-05 Aug-05	Dec-07 Dec-07	Feb-08 Feb-08	Dec-09 Jul-09	Apr-10 Dec-09	Jun-10 May-10	Oct-10 Oct-10	May-14 Nov-14
 SR-57 (NB), Yorba Linda to Lambert Project G	\$79.3 \$54.9	Aug-05 Aug-05	Dec-07 Dec-07	Feb-08 Feb-08	Dec-09 Jul-09	Apr-10 Mar-10	Jun-10 May-10	Oct-10 Oct-10	Sep-14 May-14
 SR-57 (NB), Orangethorpe to Lambert (Landscape) Project G	N/A N/A	N/A N/A	N/A N/A	N/A Sep-09	N/A Apr-15	N/A May-15	N/A Jul-15	N/A Sep-15	N/A Sep-16
 SR-57 (NB), Lambert to Tonner Canyon (Draft) Project G	TBD TBD	TBD Aug-16	TBD Jul-19	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
 SR-91 Westbound (WB), I-5 to SR-57 Project H	\$78.1 \$64.2	Jul-07 Jul-07	Apr-10 Jun-10	Oct-09 Mar-10	Feb-12 Apr-12	Jul-12 Aug-12	Aug-12 Oct-12	Nov-12 Jan-13	Apr-16 Apr-16
 SR-91 Westbound (WB), I-5 to SR-57 (Landscape) Project H	N/A N/A	N/A N/A	N/A N/A	N/A Jan-15	N/A Jul-15	N/A Nov-15	N/A Dec-15	N/A Mar-16	N/A Mar-17
 SR-91, SR-57 to SR-55 Project I	TBD TBD	Feb-14 Dec-14	Sep-16 Aug-17	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
 SR-91 (WB), Tustin Interchange to SR-55 Project I	\$49.9 \$47.8	Jul-08 Jul-08	Jul-11 May-11	Jul-11 Jun-11	Mar-13 Feb-13	Jul-13 Apr-13	Aug-13 Jun-13	Oct-13 Oct-13	Jul-16 Jul-16
 SR-91, SR-55 to SR-241 Project J	\$128.4 \$80.2	Jul-07 Jul-07	Jul-09 Apr-09	Jun-09 Apr-09	Jan-11 Aug-10	Apr-11 Dec-10	Jun-11 Feb-11	Sep-11 May-11	Dec-12 Mar-13
 SR-91, SR-55 to SR-241 (Landscape) Project J	N/A N/A	N/A N/A	N/A N/A	N/A May-12	N/A Feb-13	N/A Apr-13	N/A Jul-13	N/A Oct-13	N/A Dec-14
 SR-91 Eastbound, SR-241 to SR-71 Project J	\$104.5 \$57.8	Mar-05 Mar-05	Dec-07 Dec-07	Jul-07 Jul-07	Dec-08 Dec-08	Mar-09 May-09	May-09 Jun-09	Jul-09 Aug-09	Nov-10 Jan-11
 I-405, Continuous HOV Lane Access (project cancelled)	N/A \$0.9	Jul-11 Aug-11	Jan-14 Jan-14	Mar-12 Mar-12	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
 I-405, I-5 to SR-55 Project L	TBD TBD	TBD Nov-14	TBD Jun-17	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD	TBD TBD
 I-405 Southbound, SR-133 to University Dr. Project L	TBD \$16.4	TBD Apr-15	TBD Jan-17	TBD Nov-17	TBD Sep-18	TBD Dec-18	TBD Mar-19	TBD Jun-19	TBD Jun-20
 I-405, SR-55 to I-605 (Design-Build) Project K	TBD \$1,254.5	Mar-09 Mar-09	Mar-13 May-15	TBD Mar-14	TBD Mar-15	TBD Aug-15	TBD Aug-15	TBD Apr-16	TBD Jun-21
 I-405/SR-22 HOV Connector	\$195.9 \$121.5	N/A N/A	N/A N/A	Sep-07 Sep-07	Sep-09 Jun-09	Mar-10 Sep-09	May-10 Feb-10	Aug-10 Jun-10	Aug-14 Mar-15

Capital Action Plan

Status Thru September 2014




Updated: Oct 21, 2014

Capital Projects	Cost Budget/Forecast	Schedule Plan/Forecast							
		Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	(millions)								
I-405/I-605 HOV Connector	\$260.4	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Oct-10	Jan-15
	\$168.7	N/A	N/A	Sep-07	Sep-09	Feb-10	May-10	Oct-10	Mar-15
I-405/SR-22/I-605 HOV Connector (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	Jun-08	May-09	Jul-15	Sep-15	Nov-15	Dec-16
I-605, I-605/Katella Interchange (Draft) Project M	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	Feb-16	Jan-18	TBD	TBD	TBD	TBD	TBD	TBD
Grade Separation Projects:									
Sand Canyon Avenue Grade Separation Project R	\$55.6	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	May-14
	\$63.2	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	Dec-14
Raymond Avenue Grade Separation Project O	\$77.2	Feb-09	Nov-09	Mar-10	Aug-12	Nov-12	Feb-13	May-13	Aug-18
	\$115.7	Feb-09	Nov-09	Mar-10	Dec-12	Jul-13	Oct-13	Feb-14	Aug-18
State College Boulevard Grade Separation (Fullerton) Project O	\$73.6	Dec-08	Jan-11	Jul-06	Aug-12	Nov-12	Feb-13	May-13	May-18
	\$92.8	Dec-08	Apr-11	Jul-06	Feb-13	May-13	Sep-13	Feb-14	May-18
Placentia Avenue Grade Separation Project O	\$78.2	Jan-01	May-01	Jan-09	Mar-10	May-10	Mar-11	Jun-11	Nov-14
	\$62.6	Jan-01	May-01	Jan-09	Jun-10	Jan-11	Mar-11	Jul-11	Nov-14
Kraemer Boulevard Grade Separation Project O	\$70.4	Jan-01	Sep-09	Jan-09	Jul-10	Jul-10	Apr-11	Aug-11	Oct-14
	\$63.3	Jan-01	Sep-09	Feb-09	Jul-10	Jan-11	Jun-11	Sep-11	Oct-14
Orangethorpe Avenue Grade Separation Project O	\$117.4	Jan-01	Sep-09	Feb-09	Dec-11	Dec-11	Feb-12	May-12	Sep-16
	\$104.6	Jan-01	Sep-09	Feb-09	Oct-11	Apr-12	Sep-12	Jan-13	Sep-16
Tustin Avenue/Rose Drive Grade Separation Project O	\$103.0	Jan-01	Sep-09	Feb-09	Dec-11	Mar-12	May-12	Aug-12	May-16
	\$99.3	Jan-01	Sep-09	Feb-09	Jul-11	Jun-12	Oct-12	Feb-13	May-16
Lakeview Avenue Grade Separation Project O	\$70.2	Jan-01	Sep-09	Feb-09	Oct-11	Oct-12	Feb-13	May-13	Mar-17
	\$96.2	Jan-01	Sep-09	Feb-09	Jan-13	Apr-13	Sep-13	Nov-13	Mar-17
17th Street Grade Separation Project R	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	Nov-14	Jun-17	TBD	TBD	TBD	TBD	TBD	TBD
Rail and Station Projects:									
Rail-Highway Grade Crossing Safety Enhancement Project R	\$94.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
	\$94.4	Jan-08	Oct-08	Jan-08	Sep-08	Sep-08	Sep-08	Aug-09	Dec-11
San Clemente Beach Trail Safety Enhancements Project R	\$6.0	Sep-10	Jul-11	Feb-12	Apr-12	Apr-12	Jul-12	Oct-12	Jan-14
	\$5.4	Sep-10	Jul-11	Feb-12	Jun-12	Jun-12	Oct-12	May-13	Mar-14
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	TBD	TBD	TBD	TBD	TBD	TBD
	\$25.3	Aug-11	Mar-14	Jan-15	Dec-15	Dec-15	Jan-16	Apr-16	Jun-18
Anaheim Rapid Connection Project S	TBD	Jan-09	Oct-14	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	Jan-09	Dec-15	TBD	TBD	TBD	TBD	TBD	TBD

Capital Action Plan

Status Thru September 2014

Updated: Oct 21, 2014

Capital Projects	Cost Budget/Forecast	Schedule Plan/Forecast							
		Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
	(millions)								
 Santa Ana/Garden Grove Fixed-Guideway Project S	TBD	Aug-09	Mar-12	TBD	TBD	TBD	TBD	TBD	TBD
	TBD	Aug-09	Dec-14	Jul-15	Jul-17	Oct-17	Nov-17	Jan-18	Feb-20
 Placentia Metrolink Station and Parking Structure	TBD	Jan-03	May-07	Oct-08	Jan-11	TBD	TBD	TBD	TBD
	TBD	Jan-03	May-07	Oct-08	Feb-11	TBD	TBD	TBD	TBD
Orange Station Parking Expansion	\$18.6	Dec-09	Dec-12	Nov-10	Apr-13	TBD	TBD	TBD	TBD
	\$18.6	Dec-09	Apr-15	Nov-10	Jul-15	Jul-15	Jul-15	Oct-15	Dec-16
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Jan-12	Dec-13	Dec-13	Jun-14	Sep-14	Jan-16
	\$3.5	N/A	N/A	Jan-12	Dec-13	Dec-13	Aug-14	Nov-14	Jan-16
Laguna Niguel/Mission Viejo Station Parking Lot	\$4.3	Sep-07	Dec-07	Apr-12	Aug-12	Aug-12	Oct-12	Jan-13	Oct-13
	\$4.1	Jul-07	Dec-07	Apr-12	Aug-12	Aug-12	Nov-12	Jan-13	Oct-13
Laguna Niguel/Mission Viejo Station Americans with Disabilities Act Ramps	\$3.1	Jul-13	Jan-14	Jul-13	Aug-14	Aug-14	Sep-14	Jan-15	Feb-16
	\$3.1	Jul-13	Feb-14	Jul-13	Jan-15	Jan-15	Feb-15	Jun-15	Jul-16
 Anaheim Regional Transportation Intermodal Center Project R & T	\$227.4	Apr-09	Feb-11	Jun-09	Feb-12	Feb-12	May-12	Jul-12	Nov-14
	\$227.4	Apr-09	Feb-12	Jun-09	May-12	May-12	May-12	Sep-12	Nov-14

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

Grey = Milestone achieved
Green = Forecast milestone meets or exceeds plan
Yellow = Forecast milestone is one to three months later than plan
Red = Forecast milestone is over three months later than plan

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

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

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

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

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

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

Award Contract: The date the construction contract is awarded.

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

Acronyms

- I-5 - Santa Ana Freeway (Interstate 5)
- SR-73 - San Joaquin Freeway (State Route 73)
- SR-55 - Costa Mesa Freeway (State Route 55)
- SR-57 - Orange Freeway (State Route 57)
- SR-91 - Riverside Freeway (State Route 91)
- SR-133 - Laguna Freeway (State Route 133)
- SR-22 - Garden Grove Freeway (State Route 22)
- I-405 - San Diego Freeway (Interstate 405)
- SR-241 - Foothill/Eastern Transportation Corridor (State Route 241)
- I-605 - San Gabriel River Freeway (Interstate 605)

Capital Programs Division Fiscal Year 2014-15 Performance Metrics Status Through September 2014

Begin Environmental

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
17th Street Railroad Grade Separation	X								
SR-91, SR-57 to SR-55			X						
I-405, I-5 to SR-55			X						
I-405 (Southbound), SR-133 to University Drive					X				
Total Forecast/Actual	1	0	2	0	1	0	0	0	4

Complete Environmental

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
Santa Ana/Garden Grove Fixed-Guideway			X						
Orange Metrolink Station Parking Expansion			X						
I-5, SR-55 to SR-57					X				
I-405, SR-55 to I-605 (Design-Build)							X		
Total Forecast/Actual	0	0	2	0	1	0	1	0	4

Begin Design

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
I-5, Oso Parkway to Alicia Parkway	X								
I-5, SR-73 to Oso Parkway			X						
San Juan Capistrano Passing Siding			X						
I-5, I-5/Ortega Interchange Landscape					X				
I-5, Alicia Parkway to El Toro Road					X				
SR-91 (Westbound), I-5 to SR-57 Landscape					X				
Santa Ana/Garden Grove Fixed-Guideway							X		
Total Forecast/Actual	1	0	2	0	3	0	1	0	7

Complete Design

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
I-405, SR-55 to I-605 (Design-Build)					X				
Laguna Niguel/Mission Viejo Station ADA Ramps					X				
SR-57 (Northbound), Orangethorpe to Yorba Linda Landscape							X		
Orange Metrolink Station Parking Expansion							X		
Total Forecast/Actual	0	0	0	0	2	0	2	0	4

Construction Ready

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
Laguna Niguel/Mission Viejo Station ADA Ramps					X				
SR-57 (Northbound), Orangethorpe to Yorba Linda Landscape							X		
I-405, SR-55 to I-605 (Design-Build)							X		
I-405/SR-22/I-605 HOV Connector Landscape							X		
Orange Metrolink Station Parking Expansion							X		
Total Forecast/Actual	0	0	0	0	1	0	4	0	5

Advertise Construction

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
I-5, Avenida Pico to Avenida Vista Hermosa	X	✔							
Fullerton Transportation Center Elevator Upgrades	X	✔							
Laguna Niguel/Mission Viejo Station ADA Ramps					X				
I-405, SR-55 to I-605 (Design-Build)							X		
Total Forecast/Actual	2	2	0	0	1	0	1	0	4

Capital Programs Division

Fiscal Year 2014-15 Performance Metrics Status Through September 2014

Award Contract

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
Fullerton Transportation Center Elevator Upgrades	X								
I-5, Avenida Pico to Vista Hermosa			X						
Laguna Niguel/Mission Viejo Station ADA Ramps							X		
Total Forecast/Actual	1	0	1	0	0	0	1	0	3

Complete Construction

Project Description	FY 15 Qtr 1		FY 15 Qtr 2		FY 15 Qtr 3		FY 15 Qtr 4		FY 15
	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst	Actual	Fcst
SR-57 (Northbound), Orangethorpe Avenue to Yorba Linda	X								
Placentia Avenue Railroad Grade Separation	X								
Kraemer Boulevard Railroad Grade Separation	X								
SR-91, SR-55 to SR-241 Landscape			X						
Sand Canyon Avenue Railroad Grade Separation			X						
Anaheim Regional Transportation Intermodal Center			X						
SR-57 (Northbound), Katella Avenue to Lincoln Avenue					X				
I-405/SR-22 HOV Connector					X				
I-405/I-605 HOV Connector					X				
Total Forecast/Actual	3	0	3	0	3	0	0	0	9

Totals	8	2	10	0	12	0	10	0	40
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Begin Environmental: The date work on the environmental clearance, project report, or preliminary engineering phase begins.

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

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

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

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

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

Award Contract: The date the construction contract is awarded.

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

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SR-57 - Orange Freeway (State Route 57)

SR-91 - Riverside Freeway (State Route 91)

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

I-405 - San Diego Freeway (Interstate 405)

SR-241 - Foothill/Eastern Transportation Corridor (State Route 241)

SR-133 - Laguna Freeway (State Route 133)

SR-22 - Garden Grove Freeway (State Route 22)

ADA - Americans with Disability Act

HOV - high-occupancy vehicle

X = milestone forecast in quarter

✔ = milestone accomplished in quarter



November 24, 2014

To: Members of the Board of Directors

From: Darrell Johnson, Chief Executive Officer

Subject: Measure M1 Progress Report for the Period of July 2014 Through September 2014 and Closeout Overview

Overview

Staff has prepared a Measure M1 progress report for the period of July 2014 through September 2014 for review by the Orange County Transportation Authority Board of Directors. Measure M1 closeout activities continue to proceed in a number of areas.

Recommendation

Receive and file as an information item.

Background

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

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

M1 obligations (remaining balance); and, the interest earned on retained M1 funds until those funds are fully expended. Staff is following the plan and is targeting June 30, 2015, as the final closeout. For projects that remain underway at that time, staff will develop a plan and return to the Board with any necessary actions required to ensure a smooth closeout of M1.

Discussion

M1 net sales tax revenues continue to be monitored, with the final amount still estimated to be approximately \$4.07 billion. All M1 projects have an estimated cost at completion; however, actual costs will vary pending closeout of remaining open agreements. The current estimated balance for M1 is approximately \$105.3 million. Approximately \$14.2 million of this balance is from the Freeway Program, another estimated \$12.1 million is from the Streets and Roads Program, and approximately \$79 million is from the Transit Program. The estimated balance in the Freeway Program and Streets and Roads Program includes anticipated proceeds from the sale of excess parcels.

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

Use of the funds is tracked similarly to grants to ensure that funds are used only for M1-intended projects. The latest M1 schedule of revenues and expenditures summary report, as of September 30, 2014, is included as Attachment B. The numbers included in this report have additional assumptions based on oversight costs, anticipated project progress, sale of excess property, and potential increases or decreases in scope and schedule. Additionally, the forecast of M1 net tax revenues includes future interest earnings on a diminishing fund balance while allowing for ongoing program administration costs, quarterly reporting, annual financial reports, and oversight and audit functions.

Despite the fact that sales tax collections ceased in April, 2011, OCTA continues to incur administrative costs to support the closeout of remaining projects and provide the required reporting and monitoring activities to ensure accountability and transparency as defined in M1 Ordinance No. 2. The M1 Ordinance limits

administrative salaries and benefits to only one percent of the revenues. As of fiscal year ending June 30, 2014, OCTA had incurred slightly more administrative costs than allowed. Additional efforts will be required in the current fiscal year as well. Since the ordinance strictly prohibits using more than one percent of the revenues for administrative salaries and benefits, a separate funding source will be identified as part of the M1 closeout efforts to fund administrative salaries and benefits that exceed the one percent cap. Staff has identified multiple options to address this issue and recommendations will be brought to the Board as part of the closeout process in 2015.

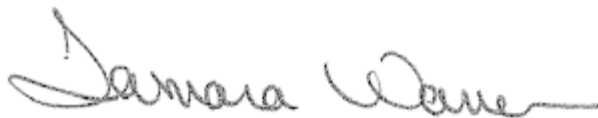
Summary

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

Attachments

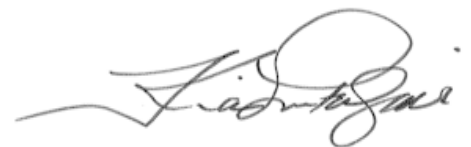
- A. Measure M1 Closeout and Quarterly Update
- B. Measure M1 – Schedule of Revenues, Expenditures and Changes in Fund Balance as of September 30, 2014

Prepared by:



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

Approved by:



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

Measure M1 Closeout and Quarterly Update

Closeout Plan

Although collection of sales tax revenue under Measure M (M1) concluded on March 31, 2011, there are still expenditures that remain to complete M1 project and program commitments. In March 2011, the Board of Directors (Board) approved a plan to wrap-up remaining M1 activities. Staff is following the plan and is targeting June 30, 2015, as the final closeout. For projects that remain underway at that time, staff will develop a plan and return to the Board with any necessary actions required to ensure a smooth closeout of M1.

Interest Earnings on Funds During Closeout Phase

M1 funds continue to earn interest until fully expended. Interest accrual will continue until program closeout is complete. The amount of interest earned will decrease each year as remaining payments are made. Interest earned on the M1 fund balance is M1 revenue and will continue to be managed according to the formula set forth in M1 Ordinance No. 2. The interest earned, in excess of administrative costs, will be distributed to the four M1 categories on the following ordinance-required percentage basis: freeways – 43 percent; regional streets and roads – 11 percent; local streets and roads – 21 percent; and, transit – 25 percent.

Despite the fact that sales tax collections ceased in April, 2011, the Orange County Transportation Authority (OCTA) continues to incur administrative costs to support the closeout of remaining projects and provide the required reporting and monitoring activities to ensure accountability and transparency as defined in M1 Ordinance No. 2. The M1 Ordinance limits administrative salaries and benefits to only one percent of the revenues. As of fiscal year ending June 30, 2014, OCTA had incurred slightly more administrative costs than allowed. Additional efforts will be required in the current fiscal year as well. Since the ordinance strictly prohibits using more than one percent of the revenues for administrative salaries and benefits, a separate funding source will be identified as part of the M1 closeout efforts to fund administrative salaries and benefits that exceed the one percent cap. Staff has identified multiple options to address this issue and recommendations will be brought to the Board as part of the closeout process in 2015.

Freeways

On March 14, 2011, the OCTA Board approved a plan to use the balance of M1 freeway funds for portions of Measure M2's (M2) Project C – widening of Interstate 5 (I-5) between Avenida Pico and Pacific Coast Highway and M2 Project G – widening of State Route 57 between Katella Avenue and Lincoln Avenue. The Board subsequently deferred immediate use of the funds for M2 projects as a hedge

against uncertainty of the state's ability to meet the cash flow needs of the West County Connectors (WCC) Project, which relies on state bonds for construction. In 2011, the state implemented a process to meet the cash flow requirements of bond-funded projects, and therefore, in 2012, \$15 million of the then \$27.9 million remaining M1 balance was allocated to M2 Project C, as authorized by the Board.

Last quarter, staff reported a remaining M1 freeway balance of \$11.2 million. This included anticipated proceeds from the sale of excess parcels along the I-5 in the cities of Anaheim and Buena Park, and excess parcels along the State Route 22 (SR-22) in the cities of Garden Grove and Orange. On August 11, 2014, OCTA received two bids and entered into agreements to sell two of the I-5 excess properties. One property closed escrow, and the second is due to close by November 14, 2014. On September 3, 2014, OCTA received a bid and entered into an agreement to sell an excess parcel along the SR-22 in the City of Garden Grove. Escrow is due to close by November 3, 2014. OCTA has yet to receive bids for the remaining six parcels. Staff is preparing a request for proposals (RFP) to use commercial brokerage services to sell these four excess parcels along the I-5, and two excess parcels along the SR-22. Staff will seek Board approval to release the RFP on November 24, 2014.

As staff continues to wrap-up remaining project closure activities on the I-5 Gateway Project and SR-22, savings have been realized. As a result, the current freeway balance has increased to \$14.4 million. A summary of activities on the WCC, the I-5 Gateway, and the SR-22 projects during this period includes:

WCC Project – Construction is well underway on the WCC, which will link high-occupancy vehicle lanes (HOV)/carpool lanes on Interstate 405 (I-405) with those on the SR-22 and Interstate 605 (I-605) to create a seamless HOV connection among the three freeways. Funded almost entirely with federal and state funds, the WCC Project has approximately \$15 million of M1 funds allocated to the project to cover supplemental construction funding and construction elements not eligible for federal funding, as well as the addition of a soundwall.

The construction is divided into two segments.

- On the east segment, work is concentrated on the new SR-22/I-405 HOV connector. The last concrete deck pour was completed in July 2014. In addition, the southbound I-405 to the eastbound SR-22 connector was completed. The construction of the east segment is scheduled to be completed in late 2014.
- On the west segment, the reconstruction of the east half of the Seal Beach Boulevard bridge over the I-405 was completed in July, 2014. In addition, the northbound Seal Beach Boulevard on-ramp was completed in late September 2014. On the new I-405/I-605 HOV connector bridge, the

last deck pour was completed in September 2014. The eastbound SR-22 to the northbound I-605 connector is scheduled to be completed in mid-November. Work for the College Park West soundwall is well underway. The west segment is scheduled to be completed in late 2014.

I-5 Gateway Project – Administrative coordination continues with the California Department of Transportation (Caltrans) to close out the maintenance responsibility for the Orange County gateway monument. Remaining utility agreements have been closed out. Construction activity this quarter continued on landscape plant establishment maintenance, which will continue until May 2015. Landscaping closeout activities will begin after and extend to the end of 2015.

SR-22 Project – Remaining follow-on activities continue in order to close out this project. This quarter, staff continued working with Caltrans to clear title issues in order to transfer parcels to the state and cities. This work consists of coordination with private utility companies and the Orange County Flood Control District, post-monumentation survey and recordation of survey with County of Orange, and preparation of relinquishments of existing state property to the City of Orange.

Streets and Roads

On November 23, 2009, the Board approved the use of M1 streets and roads funds for future M2 calls for projects. As of September 30, 2014, \$26.1 million of M1 program savings has been awarded under the Comprehensive Transportation Funding Program (CTFP) for streets and roads projects consistent with M1 funding requirements. The current remaining balance of M1 regional and local streets and roads funds is estimated to be \$12.1 million, bringing the cumulative total to \$38.2 million. This amount, along with any additional project savings, will be used towards future streets and roads projects. It's important to note that the current remaining balance of \$12.1 million includes approximately \$4.2 million in anticipated proceeds from the sale of excess parcels in the cities of Anaheim, Garden Grove, Orange, and the County of Orange. An update on streets and roads activities this quarter is included below.

During the quarter, the CTFP provided more than \$5.1 million in payments towards streets and roads projects throughout the County, and closed out 23 project phases.

The current status of the program (as of September 30, 2014) is reflected in the table below. Of the \$674.7 million in total project allocations, there is a remaining balance of \$26.6 million in outstanding payments to open projects. Staff anticipates completion of the M1 competitive program by the end of calendar year 2014.

Status	Definition	Allocations (in millions)
Completed	Project work is complete, final report is filed, approved, and the final payment has been made	\$ 588.5
Pending	Project work has been completed and only final report submittal/approval is pending	\$ 84.4
Started	Project has begun and the funds have been obligated	\$ 1.8
	Total Project Allocations	\$ 674.7

Transit

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

Consistent with prior Board action on November 25, 2005, the M1 transit mode balance will be transferred into the CURE account. The current M1 transit balance is estimated to be \$79 million. Additional M1 funding for a CURE transfer may be identified once the remaining active contracts are finalized and closed. The balance will remain in M1 transit projects until such time. The projects moving forward are M1 and M2 eligible projects. These projects are being accomplished within the M1 remaining balance. Recent activities include:

The City of Anaheim is the lead agency and continues moving forward with construction of the Anaheim Regional Transportation Intermodal Center. This quarter, project activities focused on completing construction. The terminal building's roof system was completed, and the exterior metal framing and glazing installation is nearing completion. Inside the terminal building, installation of escalators, elevator framing, and interior finish work continued. Terminal building elevator framing, glazing and car erection continued, along with guardrail and exterior metal panels on the concourse bridge. Site work continued adjacent to the terminal building with completion of concrete pavement, installation of bus stop canopies, finish grading, irrigation, tree planting, fencing, and concrete pavers. In the rail corridor, platform elevator erection continued, installation of platform canopy structures, wrought iron railing, signage, telecom devices, and wiring is nearing

completion. The project is approximately 92 percent complete, and substantial project completion remains on schedule for November 2014.

To address an issue with unreliable elevators for passenger access at the Laguna Niguel/Mission Viejo Metrolink Station, OCTA is adding new ramps that will utilize the existing pedestrian underpass and provide Americans with Disabilities Act (ADA)-compliant access to each side of the station platforms. The project will remove the existing elevators and reuse the elevator shafts to create an ADA compliant restroom, vending space for snacks and drinks, and storage space for city maintenance. Design was originally scheduled for completion in July 2014. Additional design was necessary to address final comments to relocate a sewer line under the proposed eastern ramp. The updated design is scheduled to be completed in January 2015, and issuance of an invitation for bids for construction of the project is expected in February 2015.

The City of Orange is the lead on a parking expansion project to add a parking structure to an existing surface parking lot located on Lemon Street, between Chapman Avenue and Maple Street. The City of Orange is currently in the environmental phase, which is scheduled to be completed mid-2015. Schematic plans have been completed, and final plans are anticipated to be completed July 2015. Completion of the project is expected in late 2016. Total construction costs are estimated to be \$20.4 million. OCTA's participation in construction funding will be \$16.7 million, and the City of Orange's \$3.7 million.

The City of Fullerton is the lead on a project that will upgrade the elevators at the Fullerton Transportation Center. This project will add two new elevator towers at the existing pedestrian overpass. The funding for the project is from bid savings on the parking structure project and is estimated to be \$3.5 million. Plans have been completed, and the project was advertised for bids in August 2014. Construction is expected to begin in January 2014, with project completion in February 2016.

OCTA, in cooperation with the City of Anaheim and Southern California Regional Rail Authority (SCRRA), has been in the planning stage for improvements at the Anaheim Canyon Metrolink Station. These improvements will include a second track and platform, an extension of the existing platform, improved pedestrian access, and additional shade structures, benches, ticket vending machines, and improved pedestrian access. In August 2014, cooperative agreements were presented to the Board to define the roles and responsibilities for the project between OCTA and the City of Anaheim, and OCTA and SCRRA. OCTA will assume the lead on all phases of the project and will release an RFP for preliminary engineering and environmental clearance late in 2014.

OCTA continues to work with the City of Placentia to add a new Metrolink station, which will be located near Melrose Avenue in the City of Placentia. In August 2014, the OCTA Board took action to remove federal funds on the project, which will allow the project to move forward, but finalizing the plans for the station will be

dependent on the City of Placentia finalizing plans for a transit-oriented development project adjacent to the station.

City-Initiated Transit Extensions to Metrolink

Project development continued with the two Board-approved Go Local fixed-guideway projects, one in the City of Anaheim, and the other in the cities of Garden Grove and Santa Ana. During the quarter, OCTA submitted the environmental assessment/final environmental impact report (EIR) to the Federal Transit Administration (FTA) for review and approval. OCTA anticipates that the City of Santa Ana will certify the EIR in November 2014, and FTA will issue a Finding of No Significant Impact soon thereafter. Additionally, on August 5, 2014, the Santa Ana City Council approved Streetcar Alternative 1 on Santa Ana Boulevard and 4th Street as the locally preferred alternative for the project. Subsequently, on August 11, 2014, the Board approved staff-proposed financial and implementation plans for the project. OCTA will serve as the lead agency for project development, engineering, construction, operations, and maintenance. With the conclusion of the environment phase, the project will advance into further design and engineering once approved into the FTA New Starts Program. Project completion is anticipated in late 2019/early 2020.

Preparation of environmental documentation for the Anaheim Rapid Connection Project is underway. As part of this effort, the City of Anaheim is evaluating alternative alignments to address concerns regarding project costs and ROW needs. Once the City of Anaheim selects the alternatives to carry forward in the environmental document, currently anticipated for November, an updated project schedule, project definition, and supporting technical studies will be provided to OCTA for review and comment. Completion of the environmental phase is anticipated for 2015.

These projects are funded with both M1 and M2 dollars. For a detailed summary of the two fixed-guideway projects, refer to the M2 quarterly report.

Schedule 1

Measure M1
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of September 30, 2014

(\$ in thousands)	Quarter Ended Sept 30, 2014	Year to Date Sept 30, 2014 (A)	Period from Inception through Sept 30, 2014 (B)
Revenues:			
Sales taxes	\$ -	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs:			
Project related	1,617	1,617	593,205
Non-project related	-	-	620
Interest:			
Operating:			
Project related	-	-	1,745
Non-project related	340	340	270,503
Bond proceeds	-	-	136,067
Debt service	-	-	82,054
Commercial paper	-	-	6,072
Orange County bankruptcy recovery	-	-	42,268
Capital grants	-	-	156,434
Right-of-way leases	143	143	6,733
Proceeds on sale of assets held for resale	305	305	27,136
Miscellaneous:			
Project related	-	-	27
Non-project related	-	-	777
Total revenues	<u>2,405</u>	<u>2,405</u>	<u>5,327,613</u>
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	-	-	56,883
Professional services:			
Project related	88	88	208,739
Non-project related	3	3	36,042
Administration costs:			
Project related	159	159	24,258
Non-project related	272	272	96,623
Orange County bankruptcy loss	-	-	78,618
Other:			
Project related	21	21	2,142
Non-project related	8	8	15,984
Payments to local agencies:			
Turnback	-	-	594,009
Other	597	597	962,749
Capital outlay	67	67	2,102,294
Debt service:			
Principal payments on long-term debt	-	-	1,003,955
Interest on long-term debt and commercial paper	-	-	561,842
Total expenditures	<u>1,215</u>	<u>1,215</u>	<u>5,744,138</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,190</u>	<u>1,190</u>	<u>(416,525)</u>
Other financing sources (uses):			
Transfers out:			
Project related	-	-	(409,432)
Non-project related	-	-	(5,116)
Transfers in: project related	-	-	1,829
Bond proceeds	-	-	1,169,999
Advance refunding escrow	-	-	(931)
Payment to refunded bond escrow agent	-	-	(152,930)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>603,419</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 1,190</u>	<u>\$ 1,190</u>	<u>\$ 186,894</u>

Measure M1
Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)
as of September 30, 2014

(\$ in thousands)	Quarter Ended Sept 30, 2014 (actual)	Year Ended Sept 30, 2014 (actual) (C.1)	Period from Inception through Sept 30, 2014 (actual) (D.1)	Period from October 1, 2014 forward (forecast) (E.1)	Total (F.1)
Tax revenues:					
Sales taxes	\$ -	\$ -	\$ 4,003,972	\$ -	\$ 4,003,972
Other agencies' share of Measure M1 costs	-	-	620	-	620
Operating interest	340	340	270,503	845	271,348
Orange County bankruptcy recovery	-	-	20,683	-	20,683
Miscellaneous, non-project related	-	-	777	-	777
Total tax revenues	<u>340</u>	<u>340</u>	<u>4,296,555</u>	<u>845</u>	<u>4,297,400</u>
Administrative expenditures:					
SBOE fees	-	-	56,883	-	56,883
Professional services, non-project related	3	3	27,181	-	27,181
Administration costs, non-project related	272	272	96,623	646	97,269
Transfers out, non-project related	-	-	5,116	-	5,116
Orange County bankruptcy loss	-	-	29,792	-	29,792
Other, non-project related	8	8	6,884	-	6,884
Total administrative expenditures	<u>283</u>	<u>283</u>	<u>222,479</u>	<u>646</u>	<u>223,125</u>
Net tax revenues	<u>\$ 57</u>	<u>\$ 57</u>	<u>\$ 4,074,076</u>	<u>\$ 199</u>	<u>\$ 4,074,275</u>
<hr/>					
(C.2) (D.2) (E.2) (F.2)					
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 1,169,999	\$ -	\$ 1,169,999
Interest revenue from bond proceeds	-	-	136,067	-	136,067
Interest revenue from debt service funds	-	-	82,054	-	82,054
Interest revenue from commercial paper	-	-	6,072	-	6,072
Orange County bankruptcy recovery	-	-	21,585	-	21,585
Total bond revenues	<u>-</u>	<u>-</u>	<u>1,415,777</u>	<u>-</u>	<u>1,415,777</u>
Financing expenditures and uses:					
Professional services, non-project related	-	-	8,861	-	8,861
Payment to refunded bond escrow	-	-	153,861	-	153,861
Bond debt principal	-	-	1,003,955	-	1,003,955
Bond debt interest expense	-	-	561,842	-	561,842
Orange County bankruptcy loss	-	-	48,826	-	48,826
Other, non-project related	-	-	9,100	-	9,100
Total financing expenditures and uses	<u>-</u>	<u>-</u>	<u>1,786,445</u>	<u>-</u>	<u>1,786,445</u>
Net bond revenues (debt service)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,668)</u>	<u>\$ -</u>	<u>\$ (370,668)</u>

Measure M1
Schedule of Revenues and Expenditures Summary
as of September 30, 2014

Project Description	Net Tax Revenues Program to date Actual	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	Expenditures through Sept 30, 2014	Reimbursements through Sept 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
<i>(\$ in thousands)</i>										
Freeways (43%)										
I-5 between I-405 (San Diego Fwy) and I-605 (San Gabriel Fwy)	\$ 982,360	\$ 982,408	\$ 810,010	\$ 786,150	\$ 196,258	\$ 23,860	\$ 881,347	\$ 88,363	\$ 792,984	97.9%
I-5 between I-5/I-405 Interchange and San Clemente	68,752	68,755	72,862	74,962	(6,207)	(2,100)	70,294	10,359	59,935	82.3%
I-5/I-405 Interchange	87,262	87,266	72,802	73,075	14,191	(273)	98,157	25,082	73,075	100.4%
SR-55 (Costa Mesa Fwy) between I-5 and SR-91 (Riverside Fwy)	58,175	58,178	44,511	49,349	8,829	(4,838)	55,514	6,172	49,342	110.9%
SR-57 (Orange Fwy) between I-5 and Lambert Road	29,087	29,089	24,128	22,758	6,331	1,370	25,617	2,859	22,758	94.3%
SR-91 (Riverside Fwy) between Riverside Co. line & Los Angeles Co. line	125,605	125,611	116,136	105,389	20,222	10,747	123,995	18,606	105,389	90.7%
SR-22 (Garden Grove Fwy) between SR-55 and Valley View St.	400,612	400,632	313,297	313,850	86,782	(553)	668,398	354,812	313,586	100.1%
Subtotal Projects	1,751,853	1,751,939	1,453,746	1,425,533	326,406	28,213	1,923,322	506,253	1,417,069	
Net (Bond Revenue)/Debt Service	-	-	311,917	311,917	(311,917)	-	311,917	-	311,917	
Total Freeways	\$ 1,751,853	\$ 1,751,939	\$ 1,765,663	\$ 1,737,450	\$ 14,489	\$ 28,213	\$ 2,235,239	\$ 506,253	\$ 1,728,986	44.5%
%				42.8%						
Regional Street and Road Projects (11%)										
Smart Streets	\$ 153,651	\$ 153,658	\$ 151,249	\$ 151,249	\$ 2,409	\$ -	\$ 157,818	\$ 11,982	\$ 145,836	96.4%
Regionally Significant Interchanges	89,630	89,634	89,634	89,634	-	-	84,160	146	84,014	93.7%
Intersection Improvement Program	128,042	128,049	128,049	128,049	-	-	119,992	3,831	116,161	90.7%
Traffic Signal Coordination	64,021	64,024	64,024	64,024	-	-	68,426	3,986	64,440	100.6%
Transportation Systems Management and Transportation Demand Management	12,804	12,805	12,805	12,805	-	-	11,277	217	11,060	86.4%
Subtotal Projects	448,148	448,170	445,761	445,761	2,409	-	441,673	20,162	421,511	
Net (Bond Revenue)/Debt Service	-	-	2,409	2,409	(2,409)	-	2,409	-	2,409	
Total Regional Street and Road Projects	\$ 448,148	\$ 448,170	\$ 448,170	\$ 448,170	\$ -	\$ -	\$ 444,082	\$ 20,162	\$ 423,920	10.9%
%				11.0%						

Measure M1
Schedule of Revenues and Expenditures Summary
as of September 30, 2014

Project Description (G)	Net Tax Revenues Program to date Actual (H)	Total Net Tax Revenues (I)	Project Budget (J)	Estimate at Completion (K)	Variance Total Net Tax Revenues to Est at Completion (L)	Variance Project Budget to Est at Completion (M)	Expenditures through Sept 30, 2014 (N)	Reimbursements through Sept 30, 2014 (O)	Net Project Cost (P)	Percent of Budget Expended (Q)
Local Street and Road Projects (21%)										
Master Plan of Arterial Highway Improvements	\$ 160,741	\$ 160,754	\$ 160,754	\$ 160,754	\$ -	\$ -	\$ 152,196	\$ 99	\$ 152,097	94.6%
Streets and Roads Maintenance and Road Improvements	594,815	594,844	594,844	594,844	-	-	594,025	-	594,025	99.9%
Growth Management Area Improvements	100,000	100,000	100,000	100,000	-	-	97,530	557	96,973	97.0%
Subtotal Projects	855,556	855,598	855,598	855,598	-	-	843,751	656	843,095	
Net (Bond Revenue)/Debt Service	-	-	-	-	-	-	-	-	-	
Total Local Street and Road Projects	\$ 855,556	\$ 855,598	\$ 855,598	\$ 855,598	\$ -	\$ -	\$ 843,751	\$ 656	\$ 843,095	
%				21.1%					21.7%	
Transit Projects (25%)										
Pacific Electric Right-of-Way	\$ 19,713	\$ 19,714	\$ 15,000	\$ 14,200	\$ 5,514	\$ 800	\$ 17,487	\$ 3,511	\$ 13,976	93.2%
Commuter Rail	367,695	367,713	352,537	360,188	7,525	(7,651)	411,438	60,805	350,633	99.5%
High-Technology Advanced Rail Transit	446,834	446,856	428,308	440,688	6,168	(12,380)	482,489	158,957	323,532	75.5%
Elderly and Handicapped Fare Stabilization	20,000	20,000	20,000	20,000	-	-	20,000	-	20,000	100.0%
Transitways	164,277	164,285	146,381	127,150	37,135	19,231	163,463	36,765	126,698	86.6%
Subtotal Projects	1,018,519	1,018,568	962,226	962,226	56,342	-	1,094,877	260,038	834,839	
Net (Bond Revenue)/Debt Service	-	-	56,342	56,342	(56,342)	-	56,342	-	56,342	
Total Transit Projects	\$ 1,018,519	\$ 1,018,568	\$ 1,018,568	\$ 1,018,568	\$ -	\$ -	\$ 1,151,219	\$ 260,038	\$ 891,181	
%				25.1%					22.9%	
Total Measure M1 Program	\$ 4,074,076	\$ 4,074,275	\$ 4,087,999	\$ 4,059,786	\$ 14,489	\$ 28,213	\$ 4,674,291	\$ 787,109	\$ 3,887,182	



November 24, 2014

To: Members of the Board of Directors

From: Darrell Johnson, Chief Executive Officer

Subject: Measure M2 Progress Report for the Period of July 2014 Through September 2014

Overview

Staff has prepared a Measure M2 progress report for the period of July 2014 through September 2014 for review by the Orange County Transportation Authority Board of Directors. Implementation of Measure M2 continues at a fast pace. This report highlights progress on Measure M2 projects and programs and will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, Orange County voters, by a margin of 69.7 percent, approved the renewal of the Measure M Plan (Plan) one half-cent sales tax for transportation improvements. The Plan provides a 30-year revenue stream for a broad range of transportation and environmental improvements, as well as a governing ordinance which defines all the requirements for implementing the Plan. The ordinance designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring OCTA's contract with the voters is followed.

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

Discussion

This quarterly report reflects current activities and progress within the overall M2 Program for the period of July 1, 2014 through September 30, 2014 (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 September 2014.

Each quarter, the M2020 section of Attachment A is updated to provide further progress/status towards meeting the 14 objectives and managing the ten major risks outlined in the M2020 Plan, as well as other identified risks and delivery challenges. Additionally, Attachment A includes a summary of M2 Program Management Office (PMO) activities that have taken place during the quarter. One area of activity is highlighted below.

M2 Ordinance No. 3 requires that a comprehensive review take place at least every ten years to include all M2 project and program elements included in the Transportation Investment Plan. The PMO will lead the Ten-Year Review, with participation from each of the divisions. Following the precedent set with the triennial performance reviews, the ten-year period is assumed to have begun on November 8, 2006 (effective date of Ordinance No.3), and would conclude on November 7, 2016. With the recent completion of the 2014 update of Orange County's Long-Range Transportation Plan (LRTP) and the fact that M2 is the cornerstone of that plan, OCTA staff will capitalize on this effort and use research and outreach performed as part of the LRTP update, as appropriate, to assist with the Ten-Year Review. Additional research and analysis will need to be performed to review all elements as identified in Ordinance No. 3. Overall timeline plans for completion of the review in October 2015. Attachment B provides additional information on the Ten-Year Review schedule, objectives, and approach. Staff will return to the Board in February 2015 with a framework for the delivery of the required Ten-Year Comprehensive Review.

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

- The draft environmental document and draft project report for the Interstate 5 (I-5) project from State Route 55 (SR-55) to

State Route 57 (SR-57) was publically circulated during the quarter. The public comment period ended on September 12, 2014. (M2 Project A)

- Construction on the I-5 project from Avenida Vista Hermosa to Pacific Coast Highway began on September 2, 2014. Also on that same day, the construction contract advertisement for the next segment from Avenida Pico to Avenida Vista Hermosa began. (M2 Project C/D)
- The environmental phase for all three segments of the I-5 project from State Route 73 to El Toro Road was completed during this quarter. (M2 Project C/D)
- On July 25, 2014, California Department of Transportation (Caltrans) chose Alternative 3 as the recommended preferred alternative for the Interstate 405 (I-405) project from SR-55 to Interstate 605 (I-605), to be implemented in a phased approach, which allows OCTA to move forward with the general purpose lane portion of the project between Euclid Street and I-605. (M2 Project K)
- The draft project study report/project development support (PSR/PDS) was completed this quarter for the I-605 improvements project and submitted to Caltrans for review. (M2 Project M)
- Construction activities began on July 1, 2014, for the Lakeview Avenue grade separation. (M2 Project O)
- Following the opening of the westbound lanes the previous quarter, the eastbound lanes for the Sand Canyon grade separation were opened to traffic one month later, on July 14, 2014. A road opening ceremony was held during the quarter, on August 11, 2014. (M2 Project R)
- Construction contract advertisement began at the start of the quarter for the city-led Fullerton Transportation Center elevator upgrade project. (Project R)
- On August 11, 2014, the Board approved staff-proposed financial and implementation plans for the Santa Ana/Garden Grove street car project. The draft environmental document and adoption by the Santa Ana City Council of the Locally Preferred Alternative 1 were approved by the Board on September 22, 2014. (M2 Project S)
- The Anaheim Canyon Metrolink Station bus connection (M2 Project S) and the La Habra Shuttle (M2 Project V) both began service this quarter.

- On July 14, 2014, the Board approved nearly \$1.6 million fiscal year 2014-15 funds for Safe Transit Stops (M2 Project W). On August 11, 2014, the Board approved the release of the 2015 Regional Capacity Program (M2 Project O) call for projects (call), making approximately \$35 million available for this call. Funding recommendations for the fourth Tier 1 call for the Environmental Cleanup Program (M2 Project X), in the amount of \$1.2 million, were approved by the Board on September 22, 2014.
- On October 13, 2014, the OCTA Board approved staff's recommendations for the Freeway Mitigation Program endowment framework to meet the obligations of the Draft Natural Community Conservation Plan/Habitat Conservation Plan. (M2 Projects A-M)

The following recent accomplishments have taken place after the close of the first quarter:

- The PSR/PDS for the SR-57 project from Orangewood Avenue to Katella Avenue was approved by Caltrans on October 17, 2014. (M2 Project G)
- The design-build procurement plan for the I-405 project between the I-605 and SR-55 was presented to the Board on October 27, 2014, along with approval to release the design-build request for consultant qualifications. (M2 Project K)
- The call for projects for the Regional Capacity Program and Regional Traffic Signal Synchronization Program closed on October 24, 2014. (M2 Projects O and P)
- On October 27, 2014, the Board approved the initiation of the competitive procurement process to retain project management consultant services for the Santa Ana/Garden Grove street car project. (M2 Project S)
- On October 13, 2014, the Board approved staff's financial recommendations for the Freeway Mitigation Program endowment framework. (M2 Projects A-M)

Overall, the M2 program of projects is moving forward as planned. The one area of particular challenge is freeway projects that are currently moving through the PSR and project approval/environmental document phases. A critical factor in delivering M2 freeway projects is to ensure project scope,

schedule, and budget remain on target. Project scope increases, project delays, and resulting cost increases can quickly affect project delivery.

As part of the project development process, Caltrans is requiring a broader range of alternatives to be studied to meet broader state highway system needs and/or requirements. However, these considerations could expand the project's footprint, add costs, and/or have scheduling impacts. It is imperative that OCTA and Caltrans remain coordinated and find common ground despite varying priorities. OCTA is the funding agency whose M2 program calls for delivery of projects as promised to Orange County voters while limiting impacts to the communities. Caltrans defines its purpose as striving to efficiently deliver quality transportation projects and services, and maximizing sustainable transportation system performance and accessibility that is consistent with regional system improvements.

Caltrans and OCTA have made significant improvements over this past year; however, there are a number of issues that remain a challenge. Staff continues to work with Caltrans to manage scope, schedule, and funding concerns.

The following represent the most significant M2 Program delivery challenges:

- The environmental phase for the SR-55 project between the I-405 and I-5 remains stalled and has been put on hold. OCTA staff submitted project deliverables as studied under the direction of the project development team. Although Caltrans was part of the study team throughout the study process, at the conclusion, Caltrans requested additional alternatives be studied prior to final review and approval. After discussions with OCTA, Caltrans staff withdrew the request for additional alternatives to be studied, although requests for modifications to OCTA's traffic study assumptions remain. These changes could result in up to a 17-month delay and increase project cost due to the necessity to revise technical studies and escalation. Moving forward, resolution of the traffic study assumptions is critical to the successful delivery of the remaining M2 projects. (M2 Project F)
- For the I-405 between SR-55 and I-605, project risks include potential escalation of costs associated with further delay, compression of time available for right-of-way acquisition, and the potential for future delay related to the American Council of Engineering Companies lawsuit against Caltrans. (M2 Project K)

The 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 and report to the Board as part of these quarterly progress reports.

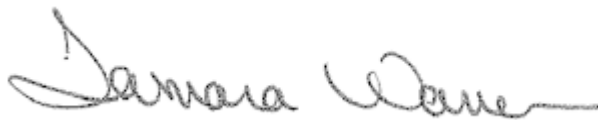
Summary

As required by M2 Ordinance No. 3, a quarterly report, covering activities from July 2014 through September 2014, is provided to update progress in implementing the M2 Transportation Investment Plan. The above information and the attached details indicate significant progress on the overall M2 Program. To be cost-effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 progress report is presented on the OCTA website. Hard copies are available by mail upon request.

Attachments

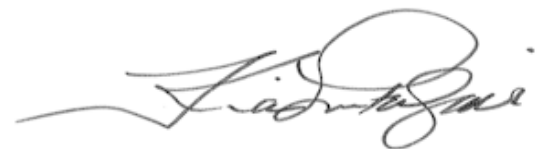
- A. Measure M2 Progress Report – First Quarter of Fiscal Year 2014-15 – July 1, 2014 through September 30, 2014.
- B. Ten-Year Review Summary

Prepared by:



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

Approved by:



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

First Quarter Highlights:

- Freeway Projects
- Streets & Roads
- Environmental Cleanup & Water Quality
- Freeway Mitigation Program
- Program Management Office



Measure M2

Progress Report

First Quarter of Fiscal Year 2014-15
July 1, 2014 through September 30, 2014



Measure M2

Progress Report



SUMMARY

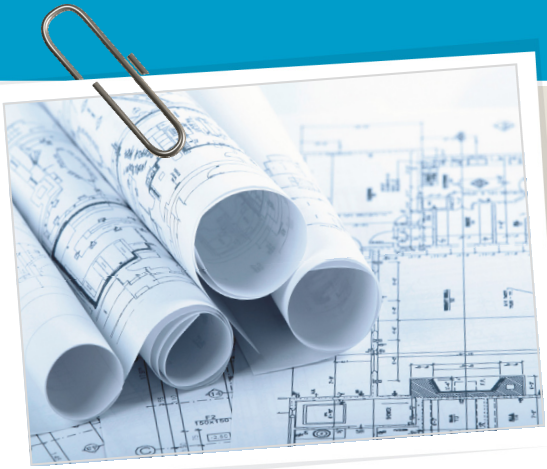
As required by the Measure M2 (M2) Ordinance No. 3, a quarterly report covering activities **from July 1, 2014 through September 30, 2014** is provided to update progress in implementing the M2 Transportation Investment Plan.

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



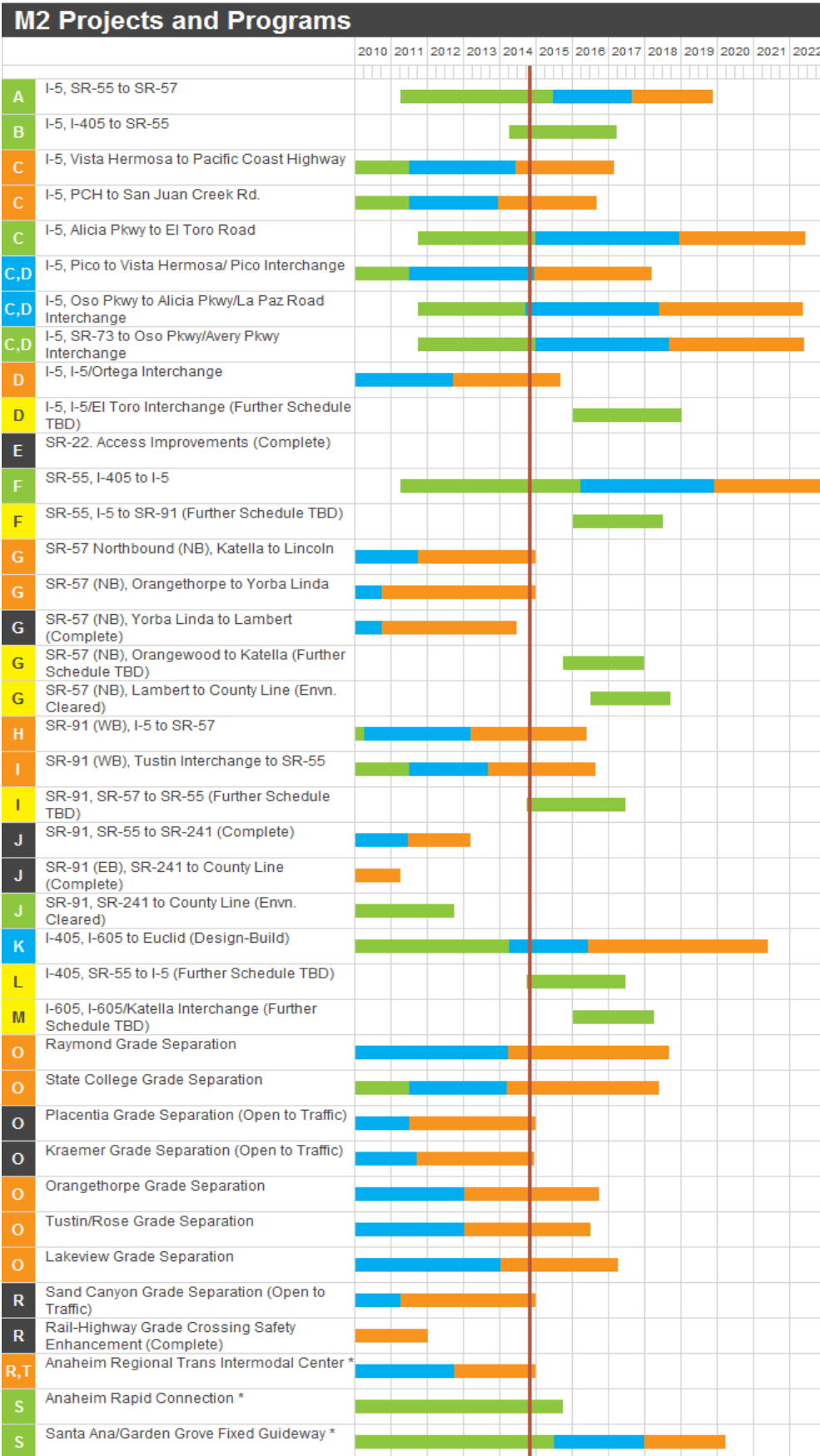
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Measure M2

Progress Report



Project Schedules



* Projects managed by local agencies.

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

Project S schedule is subject to OCTA Board direction and approved funding.

Shown schedules are subject to change.

Measure M2

Progress Report

M2020 UPDATE



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, including a summary of the risks identified in the adopted plan, as well as other identified risks or delivery challenges.

Progress Update

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

M2020 Plan Objectives

1. Deliver 14 M2 freeway projects.

Two of the 14 projects are complete, SR-91 between SR-55 and SR-241 (Project J), and SR-57 between Yorba Linda Boulevard and Lambert Road (Project G). SR-57 between Orangethorpe Avenue and Yorba Linda Boulevard (Project G) is currently open to traffic. Additionally, another seven projects are currently under construction, with another slated to begin next quarter. The I-5 project between SR-73 and El Toro Road (Project C) will be staged as three project segments going forward; consultant contract procurements for each of these three segments' design phases are underway. The I-405 project between SR-55 and I-605 (Project K) is currently in the final environmental and initial design phases. 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: RCTC's Corridor Improvement Program, SR-91 between SR-241 and SR-15 (Project J). The I-5 project between I-405 and SR-55 (Project B) is currently in the environmental phase. Two more projects are slated to begin the environmental phase next quarter: I-405 between I-5 and SR-55 (Project L), and SR-91 between SR-57 and SR-55 (Project I). The remaining projects are scheduled to begin the environmental phase as shown on the previous page (Project Schedules), and be environmentally cleared by 2020.

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

To date, more than \$52 million in projects are complete, and more than \$198 million is currently in construction phases. Additionally, more than \$634 million is Board-approved for the OC Bridges Program's grade separation projects. This accounts for the Project O and P portion of the proposed \$1.2 billion to date. In addition, since inception, approximately \$143 million of Local Fair Share funds (Project Q) has already been distributed to local agencies. Approximately \$49 million will be distributed this year, and this amount will grow annually.

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

Through M2 Calls for Projects so far, more than 2,000 signals have been designated for improvements. To date, OCTA and local agencies have synchronized 1,197 intersections along 306 miles of streets. The signal program will meet the target of synchronizing at least 2,000 signalized intersections by early 2016. There have been four rounds of funding to date, providing a total of 61 projects with more than \$40 million in funding awarded by the Board since 2011.

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 Fullerton and Tustin stations, better access to platforms through improvements to elevators and/or ramps, and a passing siding project between Laguna Niguel and San Juan Capistrano have been made or are underway.

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

The Riverside County Transportation Commission, Los Angeles County Metropolitan Transportation Authority and OCTA continue to work to secure approval of a Memorandum of Understanding (MOU) with BNSF Railway, which is necessary to operate the trains. The proposed schedule change would end four mid-day trips between Fullerton and Laguna Niguel/Mission Viejo and deploy one mid-day roundtrip between Laguna Niguel/Mission Viejo and Los Angeles. It is necessary for the proposed schedule change to take place during a regularly planned Metrolink schedule change; the next schedule change is planned for April 2015. The proposed new schedule implementation is dependent on approval of the MOU as well as the timing of the regularly planned Metrolink schedule changes.

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

On August 11, 2014 the Board approved staff proposed financial and implementation plans for the Santa Ana/Garden Grove Street Car Project. The completion of project milestones, including the alternatives analysis, draft environmental document, and approval and adoption by the Santa Ana City Council of the Locally Preferred Alternative was approved by the Board on September 22, 2014. OCTA anticipates that the City of Santa Ana will certify the EIR by December 2014. For the Anaheim Rapid Connection Project, once the City of Anaheim selects the alternatives to carry forward in the environmental document, currently anticipated for December, an updated project schedule, project definition and supporting technical studies will be provided to OCTA for review and comment. To date, the Board has awarded funding through preliminary engineering of approximately \$18 million to the City of Anaheim and approximately \$11 million to the City of Santa Ana, totaling approximately \$29 million. This total is in addition to the proposed \$575 million to implement the fixed-guideway projects.

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

The City of Anaheim continues moving forward on the Anaheim Regional Transportation Intermodal Center (ARTIC), and substantial project completion remains on schedule for November 2014. The project is approximately 92 percent complete.

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

To date, approximately \$24 million in Project U funding has been provided under M2 for the Senior Mobility Program (SMP), the Senior Non-emergency Medical Transportation Program (SNEMT), and the Fare Stabilization Program.

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

On June 24, 2013, the OCTA Board of Directors approved up to \$9.8 million to fund five projects received as part of the first Call for Projects. Service is currently operating in the City of Lake Forest, with all other participating cities anticipating service to be in place by the end of 2014. OCTA procured the buses to operate La Habra Shuttle service and service started on August 4, 2014. OCTA staff will work with local agencies to determine the schedule for next call for projects.

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

The Freeway Mitigation Program is proceeding as planned, with six properties acquired (1,150 acres), and eight of the 11 restoration projects approved by the Board, totaling approximately 400 acres. 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.

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

Staff anticipates the public release of separate preserve specific Resource Management Plans (RMP's) for the five properties covered in the NCCP/HCP to occur in early 2015. These RMP's will determine the appropriate management (consistent with the NCCP/HCP) needs of each of the acquired properties. The final NCCP/HCP is anticipated to be brought to the Board for adoption in late 2015 or early 2016. The remaining RMPs will be developed once biological surveys have been conducted and will follow a similar process.

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 four rounds of funding under the Tier 1 grants program. A total of 104 projects in the amount of over \$11 million have been awarded by the OCTA Board since 2011.

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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 in the amount of over \$27 million have been awarded by the OCTA Board since 2013.



Key:



On Track



At Risk



One To Watch



Complete

M2020 Risk Update

The M2020 Plan identified ten major risks that may impact the aggressive advancement of M2 projects and programs. OCTA recognized that these risks need to be actively addressed to ensure delivery of the Plan by 2020. These risks are listed below with associated proposed actions and explanations. Additionally, as other risks and challenges to delivery are identified, they will likewise be incorporated here either as separate items, or as expansions to the ten major M2020 risks. Three of the ten major are no longer considered risks, as measures were completed to address them. Find detailed information about these in previous editions of this quarterly report.

	Organizational Risk	Proposed Action	Explanation
1	Availability of specialized staff given the scope of right-of-way (ROW) activities for the various freeway construction activities. 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.	The organizational assessment reviewed OCTA's ROW department's resources, capabilities, and workload, and developed recommendations to address the needs of M2 and the M2020 Plan. OCTA and Caltrans will need to work closely to address the issue of Caltrans' limited ROW resources. This will need to be managed to limit the risk.	Some of OCTA resource needs have been included in the 2014/15 proposed budget in the form of consultant contracts. Other resource needs will need to be addressed as projects come online. 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.
2	Availability of management and technical capabilities to deliver/operate future rail guideway projects.	Prepare a report on guideway project delivery and operation management plans concurrent with completion of the respective environmental phase.	In August, the Board approved OCTA to serve as the lead agency for project development and implementation, and operations and maintenance of the Santa Ana/ Garden Grove Streetcar Project. Staff also presented a cash flow analysis, consistent with OCTA's standard financial planning practices, which demonstrates the project cash flow for both capital and ongoing operations and maintenance has been completed to advance project development. Both the capital and operating estimates will continue to be refined as additional project development and engineering is completed in future phases. Preparation of environmental documentation for the Anaheim Rapid Connection project is underway; ARC project implementation and funding will be addressed in 2015.
3	Exposure to added bond costs due to schedule changes.	Staff developed a Plan of Finance that is in line with current project and program plans to address the optimal finance dates and structure. It was approved by the Board on November 26, 2012.	The adopted Plan of Finance includes a conservative approach with three debt issuance dates to allow for flexibility in how much debt to incur and when. Staff reviewed the M2020 Plan and the adopted Plan of Finance and reaffirmed to the Board on September 9, 2013 that both are still deliverable to date. Staff is currently reviewing the Plan and anticipates providing an update to the Board in March 2015.

Measure M2

Progress Report

M2020 RISK UPDATE



Key:

- On Track
- At Risk
- One To Watch
- Complete

Organizational Risk	Proposed Action	Explanation
4	Delay in project phases affecting overall costs and ability to deliver M2020. (Varying perspectives between Caltrans and OCTA with regard to freeway program delivery is relevant to this risk.)	Identify critical program activities and develop strategies to minimize delays. The M2 promise to the voters must be kept. OCTA and Caltrans will need to work together to find common ground and allow for project delivery, which is critical to the success of both agencies.
5	Changes in priorities over the life of the program.	A critical factor in delivering the M2020 Plan is keeping project costs and schedules on target. Stalled projects, like Project F currently in PA/ED, could jeopardize delivery of M2 overall. All projects must remain on-track to ensure overall Plan delivery. Additionally, Caltrans and OCTA must remain coordinated, despite varying charges. 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.
6	Implement a defined process to assess tradeoffs of changes in priorities.	The Plan of Finance adopted by the Board in 2012 included M2020 Plan Priorities and Commitments with 12 core principles to guide the Board in the event of a needed change.
7	Legislative authority to use design/build (D/B) for delivery methods was achieved with the OCTA sponsored legislation AB 401 authored by Tom Daly and signed into law on September 25, 2013. This authority is threatened by the lawsuit filed by the American Council of Engineering Contracts (ACEC) which is challenging portions of the statutory language.	OCTA staff is monitoring the lawsuit and providing information and input as appropriate. With the recent Preferred Alternative selection by Caltrans on I-405 (Project K) this will allow OCTA to move forward with the planned design build method of delivery if the construction contract is in place prior to or within one year of a negative outcome on the lawsuit.
8	Internal/external agency functional units not available, overloaded, or have competing priorities.	If ACEC prevails in the lawsuit, the design-build authority provided under AB 401 would expire one year after Caltrans posts the notice of legal decision. If the construction contract is not in place at that time, it would impact OCTA's authority to use a design-build process to deliver the I-405 (Project K).
9	The Organizational Assessment conducted a workload analysis to determine what is required for staffing and contracting out to deliver the M2020 Plan. The review in particular focused on contracting, project management, project controls, and accounts payable resources. Proposed actions also include partnering with Caltrans to align priorities and resources.	The Organizational Assessment recommended department structure changes and resource needs. Caltrans resources are also a concern and OCTA staff will continue to work with Caltrans to address our needs. Some of OCTA resource needs have been included in the 2014/15 proposed budget in the form of consultant contracts. Availability of specialized resources such as environmental or ROW within the Caltrans organization requires attention.

Measure M2

Progress Report

FREEWAYS



Interstate 5 (I-5) Projects

Project A

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

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

Status: Finalizing Project Approval/Environmental Document

Summary: This project will increase HOV lane capacity by adding a second HOV lane in both directions along I-5 between SR-55 and SR-57 in Santa Ana. During the quarter, the draft environmental document and draft project report were approved by Caltrans for public circulation. A public hearing was held on September 2, 2014, and the public comment period ended on September 12, 2014. Completion of the environmental phase is expected in early 2015. The project is marked "red" in the Capital Action Plan, indicating at least a three month delay due to project scoping decisions and consultant production and approval delays.

Project B

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

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

Status: Preparing Project Approval/Environmental Document

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 the I-5 between just north of I-405 to SR-55. Additional features of Project B include improvements to various interchanges. Auxiliary lanes could be added in some areas and re-established in other areas within the project limits. During the quarter, some engineering and environmental work was initiated. The draft Project Report and draft Environmental Document are expected to be complete in June 2016, and the final Environmental Document is expected to be complete in April of 2017.



Project C & Part of Project D

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

I-5 (SR-73 to El Toro Road)

Status: Completed Project Approval/Environmental Document Phase (Segments 1-3)

Summary: This project will make improvements along the I-5 between the SR-73 and El Toro Road in the cities of Lake Forest, Laguna Hills, Laguna Niguel, Laguna Woods and Mission Viejo. The proposed improvements include the addition of a general purpose lane in each direction from Avery Parkway to Alicia Parkway, the extension of the second HOV lane from Alicia Parkway to El Toro Road, and reconstruction of the **La Paz Road and Avery Parkway Interchanges (parts of Project D)**. This project is divided into three segments for design and construction phases: segment 1 is from SR-73 to Oso Parkway, segment 2 is from Oso Parkway to Alicia Parkway, and segment 3 is from Alicia Parkway to El Toro Road. Though these three segments will be split for the design and construction phases, the environmental phase was completed for all segments under one Environmental Document and Final Report, which were both approved last quarter. The Project Approval and Environmental Document phase is now complete. During the quarter, project activities focused on consultant contract procurements for each of the segments' design phases. Consultants were approved by the OCTA Board of Directors (Board) during the April, June and August regular meetings. The design phase for both segment 1 (SR-73 to Oso Parkway, including the Avery Parkway Interchange) and segment 2 (Oso Parkway to Alicia Parkway, including the La Paz Road Interchange) are scheduled to begin next quarter. The design phase for segment 3 (Alicia Parkway to El Toro Road) is anticipated to begin in January 2015.

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

I-5 (Avenida Pico to Avenida Vista Hermosa)

Status: Began Advertisement for Construction Contract

Summary: This segment will add a carpool lane in each direction of the I-5 between Avenida Pico and Avenida Vista Hermosa in the city of San Clemente, and also includes major improvements to the **Avenida Pico Interchange (part of Project D)**. During the quarter, project activities focused on advertising for the construction contract. Advertisement began on September 2, 2014, with the start of construction anticipated to begin in January 2015. The segment is anticipated to be complete in December 2017.

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Measure M2

Progress Report

FREEWAYS



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

I-5 (Avenida Vista Hermosa to PCH)

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

Status: Began Construction this Quarter

Summary: This segment will add a carpool lane in each direction of the I-5 between Avenida Vista Hermosa and Pacific Coast Highway in the city of San Clemente. The construction contract was awarded last quarter, and construction began on September 2, 2014. Outreach efforts began this quarter with the start of construction. The segment is anticipated to be complete in March 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 Pacific Coast Highway and San Juan Creek Road in the cities of San Clemente, Dana Point, and San Juan Capistrano. Construction began on March 3, 2014. During the quarter, project activities included continued work on the PCH Connector Bridge, Camino Capistrano on-ramp, and the completion of roadway excavation. Outreach efforts continued; on July 17, 2014 the first stakeholder working group meeting was held, and current project information was provided, including anticipated work for the upcoming months. Construction work is 20 percent complete, and is anticipated to be fully complete in September 2016.

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 a part of Project C.

I-5/ El Toro Road Interchange

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

Status: Final Draft Project Study Report/ Project Development Support Document Revised

Summary: The draft Project Study Report/Project Development Support (PSR-PDS) document 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. This quarter, OCTA and Caltrans staff continued to address their varying perspectives on the proposed draft project alternatives in consultation with the City of Lake Forest and the City of Laguna Hills. Modified alternatives were presented to Caltrans. Caltrans approved the modified alternatives, with one additional request. OCTA is currently working to address these modifications and anticipates PSR/PDS resubmission to Caltrans during the next quarter. Caltrans staff has committed to providing an expedited review of the updated PSR/PDS.

Continues on the next page...



...Project D continued from previous page

I-5/ Ortega Highway Interchange

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

Status: Construction Underway

Summary: Caltrans began construction in February 2013 to reconstruct the SR-74 Ortega Highway Bridge over the I-5, and improve local traffic flow along the SR-74 and Del Obispo Street in the City of San Juan Capistrano. During the quarter, crews closed and demolished the northbound off-ramp for two weeks and reconstructed the new off-ramp, which was reopened to traffic on September 22, 2014. The southbound on-ramp was also closed on September 22, 2014 and is currently being reconstructed; the closure is expected to last two months. Traffic is expected to be shifted to the new south half of the bridge by the end of November 2014. Demolition and reconstruction of the north half of the bridge is expected to begin in mid-December 2014. In anticipation of the series of closures that began this quarter in September 2014, and is anticipated to extend through the end of the year, the outreach team undertook an aggressive communications effort beginning in July 2014. Construction is 60 percent complete, and the project is expected to be complete in September 2015.

State Route 22 (SR-22) Projects

Project E

SR-22 Access Improvements



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

Status: PROJECT COMPLETE

Summary: Completed in 2008, Project E added improvements at key SR-22 interchanges (at Brookhurst Street, Euclid Street, and Harbor Boulevard) 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.

Measure M2

Progress Report

FREEWAYS



State Route 55 (SR-55) Projects

Project F

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

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

Status: Project Approval/Environmental Document Phase - ON HOLD

Summary: This project will widen SR-55 in the cities of Irvine, Santa Ana, and Tustin. This quarter, the Project Study Team completed the draft Project Report and draft Environmental Document for the studied alternatives. The environmental phase for the SR-55 between the I-405 and I-5 has been put on hold. During the quarter, Caltrans refined their request for modified alternatives to be studied. To incorporate the proposed changes, the project is expected to result in a 17-month delay. Overall, the project has already been delayed over one year. Cost escalation on this project is an overall project delivery risk. An OCTA Board of Directors' update will be scheduled for the Regional Planning & Highways Committee and Board meetings prior to public circulation of the Draft Environmental Document and Project Report. The project is marked "red" in the Capital Action Plan, indicating at least a three month delay.

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

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

Status: Final Draft Project Study Report/Project Development Support Document Revised

Summary: This project will add capacity between the I-5 and SR 22, and provide operational improvements between SR-22 and SR-91 in the cities of Orange, Santa Ana, Tustin, and Anaheim. All of the project alternatives in the draft Project Study Report/Project Development Support (PSR-PDS) 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 additional operational improvements at ramps and merge locations between SR-22 and SR-91, as well as a potential interchange project at First Street and the I-5 connector ramp. This quarter, OCTA staff submitted a third revision of the draft PSR-PDS to Caltrans after responding to additional comments from Caltrans. It is anticipated that Caltrans will now begin routing the PSR-PDS for signatures. Caltrans began their initial review in February 2014, and the final PSR-PDS was originally expected in August 2014.

State Route 57 (SR-57) Projects

Project G

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

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

Status: Conceptual Phase Complete

Summary: OCTA previously completed a Project Study Report/Project Development Support (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. 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 across the county line.

Measure M2

Progress Report

FREEWAYS



Project G continued from the previous page...

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



Status: PROJECT COMPLETE

Summary: This project increased capacity and improved operations by widening the northbound SR-57 between Yorba Linda Boulevard and Lambert Road with the addition of a new general purpose lane, as well as other improvements. Construction was completed on May 2, 2014 for this segment.

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

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

Status: New Lane Open to Traffic

Summary: This project will increase capacity and improve operations by widening the northbound SR-57 between Orangethorpe Avenue and Yorba Linda Boulevard with the addition of a new general purpose lane, as well as other improvements. Final traffic striping was completed on this segment and the new general purpose lane was opened to traffic on April 27, 2014. Total project completion on this segment is expected in November 2014.

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

SR-57 NB (Katella Avenue and Lincoln Avenue)

Status: Construction Underway

Summary: This project will increase capacity and improve operations by widening the northbound SR-57 between Katella Avenue and Lincoln Avenue with the addition of a new general purpose lane, as well as other improvements in the city of Anaheim. This quarter, paving operations began on the final construction stage of this southern-most segment. Communication and outreach efforts continued. This segment is approximately 90 percent complete and is anticipated to be complete by the end of 2014. The project is marked "red" in the Capital Action Plan, indicating at least a three month delay; the construction completion date was extended in order to perform additional required project work.

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

SR-57 NB (Orangewood Avenue to Katella Avenue)

Status: Final Draft Project Study Report/Project Development Support Document Revised

Summary: OCTA initiated a Project Study Report/Project Development Support (PSR-PDS) document to 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 currently under construction between Katella Avenue and Lincoln Avenue. This quarter, OCTA received additional draft PSR-PDS document review comments from Caltrans, subsequently revised the final draft PSR-PDS, and resubmitted it to Caltrans. Staff anticipates resolution of all final comments and finalization of the document by Caltrans early next quarter.

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

Measure M2

Progress Report

FREEWAYS



State Route 91 (SR-91) Projects

Project H

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

Status: Construction Underway

Summary: This project will add capacity in the westbound direction of SR-91 by adding an additional general purpose lane in the westbound direction between Anaheim and Fullerton, and provide operational improvements at on and off ramps between Brookhurst Street and State College Boulevard. This quarter, excavation work, and the forming and pouring abutments, piers and bents continued at the six bridges requiring widening. The bridges remain open to traffic. Construction is approximately 52 percent complete. This project is anticipated to be complete in November 2015.

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

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 is intended to relieve weaving congestion in this area. The project includes reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. This quarter, construction crews excavated and poured retaining walls, drove piles, and poured the piers for the Santa Ana River Bridge widening. Construction is approximately 22 percent complete. The project is anticipated to be complete in early 2017.

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

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

Status: Final Draft Project Study Report/Project Development Support Document Revised

Summary: This project will improve traffic flow and operations along the eastbound SR-91 within the cities of Fullerton and Anaheim. The Project Study Report/Project Development Support (PSR-PDS) considers the addition of one general purpose lane 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 other segments within the project limits. This quarter, OCTA and Caltrans' staff addressed their varying perspectives on the proposed scope of alternatives. Several rounds of revisions have occurred to date, as Caltrans' requests have been received by OCTA staff. This quarter, a revised final draft PSR-PDS was submitted to Caltrans. Staff anticipates resolution of all final comments and expects the document to be signed early next quarter. Environmental study work is anticipated to begin in late 2014, and complete in May 2017. The project is marked "red" in the Capital Action Plan, indicating at least a three month delay.

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



Project J

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



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

Status: PROJECT COMPLETE

Summary: Complete 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 the 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.

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



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

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 twelve lane miles to SR-91, the project also delivered a much needed second eastbound exit lane at the Lakeview Avenue, Imperial Highway and Yorba Linda Boulevard/ Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping and soundwalls. Completion of this project in March 2013 means a total of eighteen lane miles have been added to SR-91 since December 2010.

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

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

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 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.

Measure M2

Progress Report

FREEWAYS



Interstate 405 (I-405) Projects

Project K

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

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

Status: Finalizing Environmental Study

Summary: OCTA is preparing an environmental study to widen the I-405 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. These improvements will add mainline capacity and improve the local interchanges along the corridor from the I-605 to Euclid Street. The OCTA Board of Directors recommended Alternative 1 as the preferred alternative to Caltrans. Alternative 1 adds one general purpose (GP) lane in each direction on I-405 between Euclid Street and I-605, and is consistent with the Measure M2 commitment. On July 25, 2014, Caltrans chose Alternative 3 as the preferred alternative, to be implemented in a phased approach. Under this phased approach, OCTA would construct one GP lane in each direction from Euclid Street to I-605, consistent with Measure M2, as the first phase of the project. Caltrans intends to pursue funding to implement the second phase, in which Caltrans would construct an additional lane in each direction that would combine with the existing HOV lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605. Caltrans currently has not identified funding for its proposed second phase and a schedule for implementation is unknown. On September 22, 2014, the Board reasserted its position and directed staff to proceed with implementing the M2 commitment of adding one additional GP lane in each direction. It is anticipated that the design-build procurement plan will be presented to the Board on October 27, 2014 and the request to release the design-build request for consultant qualifications is anticipated to also be at the October 27, 2014 Board meeting. The request to enter into a design-build cooperative agreement with Caltrans is anticipated to go to the Board on December 8, 2014. The project is marked "red" in the Capital Action Plan, indicating at least a three month delay. Additional project risks include potential escalation of costs associated with further delay, compression of time available for ROW acquisition, and the potential for future delay related to the American Council of Engineering Companies (ACEC) lawsuit against Caltrans. The ACEC lawsuit questions the legality of a stipulation in the new state law AB 401 that requires Caltrans to perform certain construction inspection services on the project. AB 401 provides OCTA authority to utilize design-build on this project and that opportunity could potentially be lost in an adverse court decision.



Project L

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

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

Status: Beginning Project Approval/Environmental Document Phase Next Quarter

Summary: This project will add one general purpose lane in each direction of the I-405 corridor from SR-55 to the I-5, and will also improve chokepoints at interchanges and add merging lanes near on/off ramps. The final Project Study Report/ Project Development Support (PSR-PDS) was approved by Caltrans in December of 2013. The included alternatives consider the addition of one or two general purpose lanes between Culver Drive and SR-133, and operational improvements at the I-405 and SR-133 interchange. During the quarter, project activities focused on procurement and contract negotiation. The next step for this project is to begin the preparation of the Project Report and the environmental review process of the alternatives. The environmental phase is anticipated to begin in November 2014.

Interstate 605 (I-605) Projects

Project M

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

I-605 Interchange Improvements

Status: Project Study Report/Project Development Support Underway

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. This quarter, the Project Study Team finalized three conceptual project alternatives to be studied as part of the Project Study Report-Project Development Support (PSR-PDS) document. The draft PSR-PDS was completed this quarter and the draft of the PSR/PDS was submitted to Caltrans for initial review. Approval of the final PSR-PDS document is anticipated in December 2014.

Measure M2

Progress Report

FREEWAYS



Project N

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

Freeway Service Patrol

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 quickly clear freeway lanes and minimize congestion. During this quarter, the mid-day service provided assistance to 1,653 motorists, weekend service provided assistance to 913 motorists, and construction service provided assistance to 1,786 motorists. Since inception, FSP has provided a total of 24,498 assists to motorists on the Orange County freeway system.



Project O

Regional Capacity Program

Status: 2014 Call for Projects Underway

Summary: This program, in combination with required local matching funds, provides a funding source to complete the Orange County Master Plan of Arterial Highways. On August 11, 2014, the Board approved the release of the 2015 Call for Projects, making approximately \$35 million available to fund additional road improvements throughout the county. The deadline for funding applications is October 24, 2014. Applications will be reviewed by OCTA and programming recommendations will be brought to the Board in mid-2015. To date, there have been four rounds of funding. A total of 80 projects in the amount of more than \$161 million have been awarded by the Board since 2011. With Board approval anticipated this spring, the fifth round of funding will increase this total award amount.

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

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 Burlington Northern Santa Fe Railroad in North County. A status for each of the seven projects follows. As of the end of this quarter, all seven grade separation projects are under construction or nearing completion (Kraemer and Placentia).

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

Kraemer Boulevard Grade Separation

Status: Open to Traffic

Summary: The project located at Kraemer Boulevard RR crossing is now 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, but work continues on landscaping and fencing adjacent to the pump station. An event was held on July 8, 2014 to commemorate the opening. OCTA is overseeing construction, which is expected to be complete in October 2014.

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

Continues on the next page...

Measure M2

Progress Report

STREETS & ROADS



...Project O continued from previous page

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

Lakeview Avenue Grade Separation

Status: Construction Began this Quarter

Summary: The project located at Lakeview Avenue RR 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. The project located at Lakeview Avenue RR 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 reconfigure the intersection of Lakeview and Orangethorpe. Construction activities began on July 1, 2014, which include underground utility and drainage facility work. Construction progress is approximately 10 percent complete and is expected to be complete by the end of 2016.

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

Orangethorpe Avenue Grade Separation

Status: Construction Underway

Summary: The project located at Orangethorpe Avenue RR 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 pile driving for retaining walls and bridge abutments, as well as continued work on utility relocation, clearing and grading, and the construction of sound blankets. Orangethorpe Avenue, from Miller Street to Chapman Avenue, was closed to traffic on August 11, 2014. Construction progress is approximately 25 percent complete and the project is expected to be completed by mid-2016.

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

Placentia Avenue Grade Separation

Status: Open to Traffic

Summary: The project located at Placentia Avenue RR crossing is now 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. OCTA is overseeing construction, which continued during the quarter. Although the grade separation was opened to traffic on March 12, 2014, work continued on the pump station and fencing. Construction progress is approximately 97 percent complete and is expected to be completed by the end of October 2014.

Continues on the next page...



Project O continued from the previous page...

Raymond Avenue Grade Separation

Status: Construction Underway

Summary: The project located at Raymond Avenue Railroad (RR) 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 began on June 2, 2014, which includes site clearing, Fullerton Creek channel improvements, various street drainage facilities, railroad retaining wall, and advanced utility work. Construction progress is approximately 3 percent complete and is expected to be complete by the beginning of 2018.

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

State College Boulevard Grade Separation

Status: Construction Underway

Summary: The project located at State College Boulevard RR 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 began on June 4, 2014, which includes site clearing, retaining wall shoring, various street drainage facilities, railroad retaining wall, and advanced utility work. Construction progress is approximately 15 percent complete and is expected to be complete by late 2017.

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

Tustin Avenue/ Rose Drive Grade Separation

Status: Construction Underway

Summary: The project located at Tustin Avenue/Rose Drive RR crossing will grade separate the local street from railroad tracks in the cities of Placentia and Anaheim by building a bridge for vehicular traffic over the railroad crossing. OCTA is overseeing construction, which continued during the quarter and included completion of the bypass road, continued work on paving and grading, the construction of retaining walls, placement of traffic signals, and work on drainage facilities. Construction progress is approximately 33 percent complete and is expected to be completed by early 2016.

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

Measure M2

Progress Report

STREETS & ROADS



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 along 750 miles of roadway and 2,000 intersections as the basis for synchronized operation across Orange County. The program will enhance the efficiency of the street grid and reduce travel delay. To date, OCTA and local agencies have synchronized 1,197 intersections along 306 miles of streets. There have been four rounds of funding to date, providing a total of 61 projects with more than \$40 million in funding awarded by the OCTA Board since 2011.

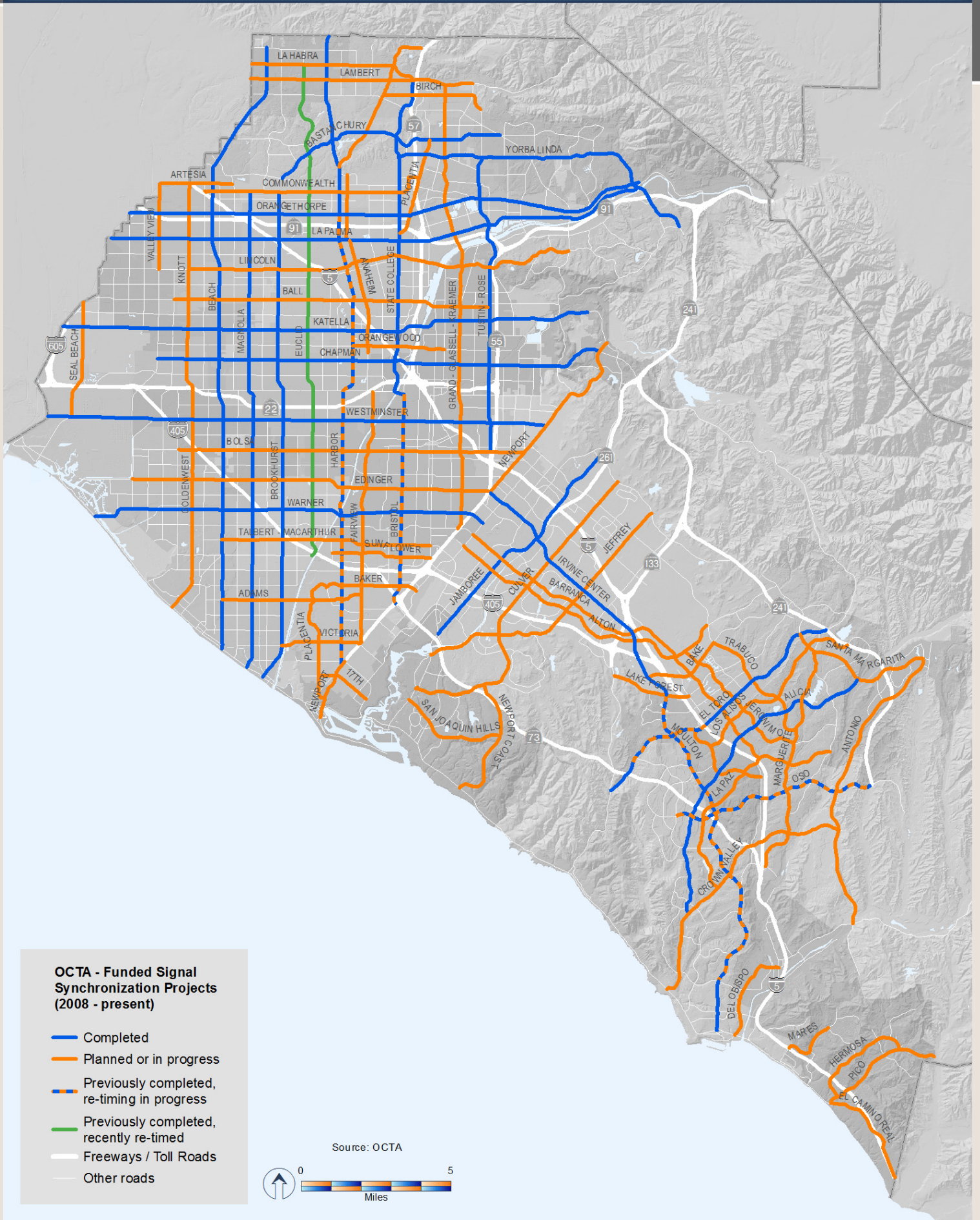
Sixteen fiscal year (FY) 2010-11 Regional Traffic Signal Synchronization Program (RTSSP) projects are in progress. All sixteen projects will implement new signal timing and signal system improvements by December 2014. When operational, these projects will synchronize 550 intersections on 151 miles of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

Twenty-three FY 2011-12 RTSSP projects are in progress with implementation of signal timing and signal system improvements. These projects will synchronize an additional 522 intersections on 136 miles of roadways. Completion is anticipated in December 2015.

Thirteen FY 2012-13 RTSSP projects are planned or in progress. Administrative cooperative agreements have been executed between the stakeholder agencies for the thirteen projects. All projects have begun implementation of signal timing and signal system improvements. These projects will synchronize an additional 366 intersections on 101 miles of roadways. Completion of these projects is anticipated for December 2016.

For FY 2013-14, \$8.4 million was allocated for 10 projects, two of which will be led by OCTA staff. Eight of these projects are underway being led by local agencies. OCTA has commenced the Cooperative Agreement process with the participating agencies on the two projects it will be leading. It is anticipated that these two projects will begin in early 2015.

As part of the FY 2014-15 annual Call for Projects for the Regional Traffic Signal Synchronization Program, up to \$15 million will be available for signal synchronization projects. The Call for Projects is currently open and will close on October 24, 2014. Next quarter, it will be determined which projects will be recommended for funding to the Board in April of 2015.



OCTA - Funded Signal Synchronization Projects (2008 - present)

- Completed
- Planned or in progress
- Previously completed, re-timing in progress
- Previously completed, recently re-timed
- Freeways / Toll Roads
- Other roads

Source: OCTA



Measure M2

Progress Report
STREETS & ROADS



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 \$143 million in Local Fair Share payments have been provided to local agencies as of the end of this quarter.

See page 41 for funding allocation by local agency.



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



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

Status: PROJECT COMPLETE

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 provides each corridor city with the opportunity to establish a “quiet zone” at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The cities of Anaheim, Dana Point, Irvine, Orange, Santa Ana, San Clemente, San Juan Capistrano, and Tustin have established quiet zones within their communities.

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

Metrolink Service Expansion Program

Status: Service Ongoing

Summary: Following the completion of Metrolink Service Expansion Program (MSEP) improvements in 2011, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/ Mission Viejo, primarily during mid-day and evening hours. OCTA heavily marketed and discounted fares on these trains to promote ridership. Despite these efforts, ridership on the intra-county MSEP trains has remained lower than desired. As a result, OCTA eliminated the discounted OC Link day pass on July 2, 2013. Efforts are underway to increase the ridership through a redeployment of the trains, without significantly impacting operating costs on these trains. Part of OCTA’s re-deployment plan involves providing new trips from Orange County to Los Angeles County, contingent on available funding and cooperation with involved partners.

Staff continues to work with the Burlington Northern Santa Fe Railroad (BNSF), the Riverside County Transportation Commission (RCTC), and the Los Angeles County Metropolitan Transportation Authority (Metro) to address track-sharing issues, operating constraints and funding that will impact the options for redeployment. RCTC, Metro and OCTA continue to work to secure approval of a Memorandum of Understanding (MOU) with BNSF Railway, which is necessary to operate the trains. The proposed schedule change would end four mid-day trips between Fullerton and Laguna Niguel/Mission Viejo and deploy one mid-day roundtrip between Laguna Niguel/Mission Viejo

Continues on the next page...



Project R continued from the previous page...

and Los Angeles. It is necessary for the proposed schedule change to take place during a regularly planned Metrolink schedule change; the next schedule change is planned for April 2015. The proposed new schedule implementation is dependent on approval of the MOU as well as the timing of the regularly planned Metrolink schedule changes.

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 through improvements to elevators and/or ramps, and a passing siding project between Laguna Niguel and San Juan Capistrano have been made or are underway.

Sand Canyon Avenue Grade Separation

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

Status: Open to Traffic

Summary: The project located at Sand Canyon Avenue RR crossing is now grade separated and open to traffic. The project located at Sand Canyon Avenue railroad crossing grade separated the local street from railroad tracks in the city of Irvine by constructing an underpass for vehicular traffic. OCTA is overseeing construction, which continued during the quarter. The westbound lanes were opened to traffic on June 12, 2014 and the eastbound lanes opened to traffic on July 14, 2014. A road opening ceremony was held on August 11, 2014. Though open to traffic, project work continues and includes work on the pump station, retaining walls, storm drains, fencing, water line, sewer line, street lighting and traffic signalization. Construction is approximately 87 percent complete and is expected to be completed by December 2014.

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 and a rubber tire transit program.

Continues on the next page...



Project S continued from the previous page...

Anaheim Rapid Connection (ARC) Project

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

Status: Environmental Study Progresses

Summary: The Anaheim Rapid Connection project will expand access to the core rail system and establish connections to communities and major activity centers that are not adjacent to the Metrolink corridor. Preparation of environmental documentation for the ARC Project is underway. As part of this effort, the City of Anaheim is evaluating alternative alignments to address concerns regarding project costs and right-of-way needs. Once the City of Anaheim selects the alternatives to carry forward in the environmental document, currently anticipated for December, an updated project schedule, project definition and supporting technical studies will be provided to OCTA for review and comment. Completion of the environmental phase is anticipated for 2015. In September, OCTA hosted a joint meeting with staff from the cities of Anaheim and Santa Ana to discuss operations and maintenance cost estimates.

Santa Ana-Garden Grove Fixed Guideway Project

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

Status: Environmental Document Submitted to FTA

Summary: The Santa Ana-Garden Grove Fixed Guideway Project (Project) will expand access to the core rail system and establish connections to communities and major activity centers that are not adjacent to the Metrolink corridor. On August 5, 2014 the Santa Ana City Council approved Streetcar Alternative 1 on Santa Ana Boulevard and 4th Street as the Locally Preferred Alternative (LPA) for the project. On August 11, 2014 the Board approved staff proposed financial and implementation plans for the project. OCTA will serve as the lead agency for project development, engineering, construction, operations, and maintenance. The Board also directed staff to pursue Federal New Starts funds for the project and approved the use of M2 Project S revenues to fund operations and maintenance. Following extensive public outreach and response to public comments led by the Cities of Santa Ana and Garden Grove, OCTA submitted the environmental assessment/final environmental impact report (EIR) to the Federal Transit Administration (FTA) for review and approval during the quarter. The completion of project milestones, including the alternatives analysis, draft environmental document, and approval and adoption by the Santa Ana City Council of the LPA was approved by the Board on September 22, 2014. OCTA anticipates that the City of Santa Ana will certify the EIR by December 2014 and FTA will issue a Finding of No Significant Impact soon thereafter. With the conclusion of the environmental phase, the project will advance into further design and engineering once approved into the FTA New Starts program. Project completion is anticipated in late 2019/early 2020.

Continues on the next page...

Measure M2

Progress Report

TRANSIT



Project S continued from the previous page...

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

Bus and Station Van Extension Projects

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

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 \$9.8 million. Four projects were approved for funding by the Board on July 23, 2012 and two of those have implemented service. The vanpool connection from the Irvine Metrolink Station to the Oakley employment center in the City of Lake Forest is in operation. The Anaheim Canyon Metrolink Station Bus Connection (Route 20 in the City of Anaheim) began service this quarter. It is anticipated that the vanpool from the Irvine Metrolink Station to the Panasonic employment center in the City of Lake Forest will begin next quarter. The service associated with Invensys Incorporated, through the City of Lake Forest, has been cancelled at the request of the participant, and the funds have been returned to the program for use in future calls for projects.

Project T

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

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

Status: Construction Nearing Completion

Summary: This project will construct the Anaheim Regional Transportation Intermodal Center (ARTIC), which will connect freeways, major arterials, bus routes and rail systems. ARTIC will also accommodate future high-speed trains. The City of Anaheim is the lead agency and continues moving forward with construction of ARTIC. This quarter, project activities focused on completing construction. The terminal building's ETFE roof system was completed, and the exterior metal framing and glazing installation is nearing completion. Inside the terminal building, installation of escalators, elevator framing and interior finish work continued. Terminal building elevator framing, glazing and car erection continued, along with guardrail and exterior metal panels on the concourse bridge. Site work continued adjacent to the terminal building with completion of concrete pavement, installation of bus stop canopies, finish grading, irrigation, tree planting, fencing, and concrete pavers. In the rail corridor, platform elevator erection continued, installation of platform canopy structures, wrought iron railing, signage, telecom devices and wiring is nearing completion. The project is approximately 92 percent complete, and substantial project completion remains on schedule for November 2014, and a grand opening event is planned for December 13, 2014.



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. In total since inception, more than \$24 million in Project U funding has been provided under M2.

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

Senior Mobility Program (SMP)

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 843,000 boardings have been provided for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This quarter, more than \$844,000 in SMP funding was paid out to 30 participating cities during the months of July and September*. With 30 cities in the county, nearly all cities are expected to participate in the Senior Mobility Program within the next year.

**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.*

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

Senior Non-emergency Medical Transportation Program (SNEMT)

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 180,000 SNEMT boardings have been provided. This quarter, more than \$895,000 in SNEMT Program funding was paid to the County of Orange. This amount reflects monies paid out during the months of July and September*.

**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 the previous page...

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

Fare Stabilization Program

Status: Ongoing

Summary: One percent of net revenues are dedicated to stabilize fares and provide fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Approximately \$955,500 in revenue was allocated this quarter to support the Fare Stabilization Program. Since inception of this program, and including this quarter, over 43 million program-related boardings have been recorded on fixed route and ACCESS services. The amount of funding utilized each quarter varies based on ridership. It is anticipated that all of the funding allocated this quarter will be utilized to stabilize fares for the first quarter. Since inception of the Fare Stabilization Program, staff has been providing regular updates to the OCTA Board of Directors to reflect a concern with funding levels for the program due to the impacts of the recession. The last program update to the Board in June 2014 reported that funding levels are insufficient and the program will continue to incur annual shortfalls without an increase in revenue or a reduction in expenditures. Staff was directed by the Board to continue to explore viable solutions and return to the Board annually with program updates. Status of the Fare Stabilization Program will be continually monitored, and any necessary amendments to the program will be discussed with the Board and considered as part of the Ten-Year Comprehensive Program Review which is scheduled to take place in 2016.

Project V

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

Community Based Transit/ Circulators

Status: Service Ongoing in the City of Lake Forest; Executing Agreement Documents for the Other Participating Cities

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 \$9.8 million to fund five funding proposals from the cities of Dana Point, Huntington Beach, La Habra, Laguna Beach, and Lake Forest. This has been the only round of funding to date. The funding will be used 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. Service is currently operating in the City of Lake Forest, with all other participating cities anticipating service to be in place by the end of 2014. OCTA procured the buses to operate La Habra Shuttle service and service started on August 4, 2014. OCTA staff will work with local agencies to determine the schedule for next call for projects.



Project W

Safe Transit Stops

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

Status: Funding Approved this Quarter

Summary: This project provides for passenger amenities at the 100 busiest transit stops across the County. The stops will be designed to ease transfer between bus lines and provide passenger amenities such as improved shelters and lighting. At the July 14, 2014 business meeting, the Board approved \$1,205,666 in M2 Project W funds for city-initiated improvements and \$370,000 for OCTA-initiated improvements in fiscal year 2014-15. Fifteen cities are eligible for Safe Transit Stops' funding, seven cities applied for funds, and 51 projects will be funded per the July Board approval. OCTA staff is currently working with Local Agencies and developing letter agreements to allow the use of funds.



Project X

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

Environmental Cleanup Program

Status: On-going

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, and 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 is charged with making recommendations to the OCTA Board of Directors (Board) on the allocation of funds for the Environmental Cleanup Program (Project X). These funds are allocated on a countywide competitive basis to assist agencies in meeting the Clean Water Act standards for controlling transportation-related pollution.

Project X is composed of a two-tiered funding process focusing on early priorities (Tier 1), and to prepare for more comprehensive capital investments (Tier 2). To date, there have been four rounds of funding under the Tier 1 grants program. A total of 104 projects in the amount of just over \$11 million have been awarded by the OCTA 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.

Funding recommendations for the fourth Tier 1 Call for Projects were approved by the Board on September 22, 2014 in the amount of \$2.8 million. The fifth Tier 1 Call for Projects is anticipated in spring 2015. Funding recommendations for the second Tier 2 Call for Projects were approved by the Board on April 14, 2014 in the amount of \$15.2 million. With approximately \$10 million in Tier 2 funding remaining, staff is working with the M2 Allocation Committee to recommend the appropriate timing of a third Tier 2 Call for Projects.



Part of Projects A-M

Freeway Mitigation Program

Status: Executing Agreement Documents

Summary: The Freeway Mitigation Program (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 Mitigation Program is proceeding as planned, with six properties acquired (1,150 acres), and eight of the 11 restoration projects approved by the OCTA Board of Directors (Board), totaling approximately 400 acres. 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 Mitigation Program Draft Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) and Draft Environmental Impact Report and Environmental Impact Statement (EIR/EIS) were both approved for public release by the Board in January 2014. OCTA in cooperation with the United States Fish and Wildlife Service (USFWS) is currently in the process of publicly releasing these documents in the Federal Register. This is an estimated four to six-week process. We expect these documents to be available to the public in October. The public will have an opportunity (90 day comment period) to provide input on the NCCP/HCP and EIR/EIS. During this period, OCTA plans to hold two public meetings in the month of November. The first is planned to be held at OCTA during business hours that will coincide with an Environmental Oversight Committee* (EOC) meeting, and the second will be at O'Neill Regional Park during the evening hours. Following the public comment period, any comments received will be incorporated into the final NCCP/HCP and EIR/EIS. The final NCCP/HCP is anticipated to be brought to the Board for adoption in late 2015 or early 2016. Staff anticipates the release of separate preserve specific Resource Management Plans (RMP's) for the five properties covered in the NCCP/HCP to occur in the winter of 2014/2015. These RMP's will determine the appropriate management (consistent with the NCCP/HCP) needs of each of the acquired properties. The public will have an opportunity to comment on the draft RMPs before they are finalized. The remaining RMPs will be developed once biological surveys have been conducted and will follow the same process.

In January 2014, the Board also directed OCTA staff to prepare a long-term expenditure plan for the Environmental Mitigation Program funds for review by the EOC and the Finance and Administration Committee. Staff is currently working with an EOC ad-hoc committee to coordinate and complete this task. In addition, staff received endorsement from the EOC for a set of financial recommendations for the endowment framework to meet the obligations of the NCCP/HCP Preserves in July 2014. Staff will bring these recommendations to the Finance and Administration Committee and the Board in October 2014. OCTA staff is currently working with the Finance and Administration Committee on these recommendations. Once these recommendations are finalized and endorsed by the Finance and Administration Committee, OCTA staff will then bring the set of recommendations to the Board for approval.

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

Continues on the next page...

Measure M2

Progress Report
ENVIRONMENTAL



Continued from previous page....

*The 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).



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 key issues and activities within the Measure M programs. In the fourth quarter, the focus of the PMO has been on several key items, including the following.

10-Year Review

Measure M2's Ordinance No. 3 requires that a comprehensive review take place at least every 10 years to include all M2 project and program elements included in the Transportation Investment Plan. The PMO will lead the 10-Year Review with participation from each of the divisions. This quarter, the PMO finalized the draft objectives and approach for the 10-Year Review, as well as set up a tentative schedule which is highlighted in the accompanying staff report for this quarterly progress report to the Board.

M2020 Plan Update

The PMO has begun the process to update the M2020 Plan, which was last reviewed in September 2013. The M2020 Plan update will review current cash flows developed for OCTA's Comprehensive Business Plan and current revenue projections to once again ensure the Plan is deliverable. The M2020 Plan outlines the projects and programs for all modes that can be delivered on an expedited schedule between now and the year 2020, along with anticipated schedules and major milestones. The Plan also positions OCTA on a course to go beyond the early implementation projects if additional external funds can be accessed earlier. The objective of the upcoming update is to review the current delivery summary relative to current schedule, revenue projections and overall project information. The upcoming M2020 Plan update is anticipated to go to the Board in March 2015.

Measure M1 Closeout

Significant progress has been made to close out M1 contracts before the planned closeout deadline of June 30, 2015. The PMO continues to take action and lead the closeout of remaining open M1 contracts. This is particularly important given that administrative costs continue to be incurred as it relates to the management of these contracts. This quarter, the PMO met with division leads and relevant project managers to discuss open contracts and identify any that may have an issue meeting the June 2015 closeout deadline. For example the WCC project, although construction is expected to be complete at the end of 2014, has the potential for contractor claims that would prevent entire completion by the planned closeout date. Like the WCC project there are a few others although planned to be complete, are anticipated to have lingering closeout activities. The PMO will work with the various Divisions to ensure a plan is in place and brought to the Board to address these lingering activities. The M1 closeout plan, as per prior Board action, is to closeout all M1 projects and use any available remaining balances to advance M2 projects and programs. Further closeout progress will continue and will be summarized within the Measure M1 quarterly staff reports.



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Risk Assessment Study

The PMO is in the process of finalizing a draft study that will look to lessons learned from regional large (\$250 million or larger) freeway projects. The plan is to review large projects outside of OCTA's jurisdiction and provide OCTA's project managers with lessons learned and a risk comparison to the M2 freeway plan. This effort is expected to result in recommendations for M2 risk management based on industry standards. The study will be finalized after interdepartmental staff reviews are complete.

M2 Administrative Cost Safeguards

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

Based on the original M2 revenue projections, OCTA expected to receive \$24.3 billion in M2 funds, with 1 percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined as a result of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the EAP in 2007 required administrative functions four years prior to revenue collection. While the EAP resulted in project savings and significant acceleration of the program, administrative functions were required during this time with associated administrative costs.

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

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

Staff continues to meet quarterly to review all labor costs to ensure proper cost allocation to both M1 and M2. Staff met on October 15, 2014 to review the past quarter's labor reports to ensure costs attributed to the 1 percent cap were accurately reported and were not misplaced project related costs as well as to ensure project costs were applied to the correct projects.



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Taxpayer Oversight Committee

The M2 Ordinance requires a Taxpayer Oversight Committee (TOC) to oversee the implementation of the M2 plan. The members of the TOC are not elected or appointed officials, except the elected Auditor/Controller of Orange County. 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 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; and, annually certify whether Measure M funds have been spent in compliance with the plan. To date, the TOC has consistently found OCTA in compliance at this annual hearing. During the quarter, the TOC met on August 12, 2014 and received status presentations on the Sales Tax Forecast, the Santa Ana/Garden Grove Street Car Project (Project S), the Measure M Environmental Mitigation Program and the Fare Stabilization Program (Project U).

Measure M2

Progress Report

FINANCE MATTERS



M2 Financing

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

Revenue Forecast and Collection

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

Current Forecast

Based on updated long term forecasts received in May, OCTA staff forecasts total nominal sales tax collections over the life of M2 will be approximately \$15.8 billion. This incorporates the Board's desire to be conservative. Original projections in 2005 estimated total nominal M2 sales tax collections at \$24.3 billion. Based on the current estimated forecast of \$15.8 billion sales tax revenue will run approximately \$8.5 billion (35%) less than the original 2005 projection of \$24.3 billion. The revenue forecast for the life of the M2 Program varies on a quarterly basis due to actual receipts from the previous quarter. Over the last four quarters, the forecast has ranged between \$15.3 billion and \$15.9 billion. In addition, the final portion of the June 2014 sales tax payment was received on September 18, 2014, enabling OCTA to finalize sales tax receipts for FY 2013-14. Total sales tax growth for FY 2013-14 finished at 4.82 percent, which is lower than the budgeted sales tax growth rate of 5.98 percent. As a result of the lower than anticipated growth rate, M2 sales tax finished approximately \$3.5M less than the budget for the year. The impact to the total nominal M2 sales tax revenues over the 30-year period was approximately \$173 million.

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2

Schedule of Revenues, Expenditures and Changes in Fund Balance

Schedule 1

as of September 30, 2014

(Unaudited)

(\$ in thousands)	Quarter Ended Sept 30, 2014	Year to Date Sept 30, 2014	Period from Inception to Sept 30, 2014
	(A)	(A)	(B)
Revenues:			
Sales taxes	\$ 65,867	\$ 65,867	\$ 923,682
Other agencies' share of Measure M2 costs:			
Project related	7,015	7,015	284,428
Non-project related	196	196	330
Interest:			
Operating:			
Non-project related	1,165	1,165	6,974
Bond proceeds	2,880	2,880	24,527
Debt service	-	-	38
Commercial paper	-	-	393
Right-of-way leases	49	49	631
Miscellaneous:			
Project related	(181)	(181)	17
Non-project related	-	-	7
Total revenues	76,991	76,991	1,241,027
Expenditures:			
Supplies and services:			
State Board of Equalization (SBOE) fees	819	819	9,749
Professional services:			
Project related	905	905	182,920
Non-project related	148	148	11,472
Administration costs:			
Project related	1,905	1,905	29,260
Non-project related :			
Salaries and Benefits	463	463	12,452
Other	924	924	18,432
Other:			
Project related	29	29	1,243
Non-project related	8	8	3,575
Payments to local agencies:			
Project related	13,200	13,200	401,441
Capital outlay:			
Project related	12,726	12,726	366,588
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	-	-	13,010
Interest on long-term debt and commercial paper	10,972	10,972	82,943
Total expenditures	42,099	42,099	1,133,116
Excess (deficiency) of revenues over (under) expenditures	34,892	34,892	107,911
Other financing sources (uses):			
Transfers out:			
Project related	(463)	(463)	(9,143)
Transfers in:			
Project related	-	-	45,278
Non-project related	-	-	7,394
Bond proceeds	-	-	358,593
Total other financing sources (uses)	(463)	(463)	402,122
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	\$ 34,429	\$ 34,429	\$ 510,033

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2

Schedule of Calculations of Net Tax Revenues and Net Bond Revenues (Debt Service)

Schedule 2

as of September 30, 2014

(Unaudited)

(\$ in thousands)	Quarter Ended Sept 30, 2014 (actual)	Year Ended Sept 30, 2014 (actual)	Period from Inception through Sept 30, 2014 (actual)	Period from October 1, 2014 through March 31, 2014 (forecast)	Total
		(C.1)	(D.1)	(E.1)	(F.1)
Tax revenues:					
Sales taxes	\$ 65,867	\$ 65,867	\$ 923,682	\$ 14,826,155	\$ 15,749,837
Operating interest	1,165	1,165	6,974	407,072	414,046
Subtotal	<u>67,032</u>	<u>67,032</u>	<u>930,656</u>	<u>15,233,227</u>	<u>16,163,883</u>
Other agencies share of M2 costs	196	196	330	-	330
Miscellaneous	-	-	7	-	7
Total tax revenues	<u>67,228</u>	<u>67,228</u>	<u>930,993</u>	<u>15,233,227</u>	<u>16,164,220</u>
Administrative expenditures:					
SBOE fees	819	819	9,749	222,482	232,231
Professional services	58	58	7,820	100,636	108,456
Administration costs :					
Salaries and Benefits	463	463	12,452	148,238	160,690
Other	924	924	18,432	208,513	226,945
Other	8	8	3,575	25,461	29,036
Capital outlay	-	-	31	-	31
Environmental cleanup	117	117	6,459	296,523	302,982
Total expenditures	<u>2,389</u>	<u>2,389</u>	<u>58,518</u>	<u>1,001,853</u>	<u>1,060,371</u>
Net tax revenues	<u>\$ 64,839</u>	<u>\$ 64,839</u>	<u>\$ 872,475</u>	<u>\$ 14,231,374</u>	<u>\$ 15,103,849</u>
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 358,593	\$ 1,450,000	\$ 1,808,593
Interest revenue from bond proceeds	2,880	2,880	24,527	25,760	50,287
Interest revenue from debt service funds	-	-	38	55	93
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>2,880</u>	<u>2,880</u>	<u>383,551</u>	<u>1,475,815</u>	<u>1,859,366</u>
Financing expenditures and uses:					
Professional services	90	90	3,652	12,340	15,992
Bond debt principal	-	-	13,010	1,795,540	1,808,550
Bond debt and other interest expense	10,972	10,972	82,943	1,428,069	1,511,012
Total financing expenditures and uses	<u>11,062</u>	<u>11,062</u>	<u>99,605</u>	<u>3,235,949</u>	<u>3,335,554</u>
Net bond revenues (debt service)	<u>\$ (8,182)</u>	<u>\$ (8,182)</u>	<u>\$ 283,946</u>	<u>\$ (1,760,134)</u>	<u>\$ (1,476,188)</u>

Measure M2

Progress Report

REVENUE & EXPENDITURES



Measure M2

Schedule of Revenues and Expenditures

Summary as of September 30, 2014

Schedule 3

Project	Description	Net Tax Revenues Program to Date Actual	Total Net Tax Revenues	M2 Project Budget	Variance Total Net Tax Revenues to M2 Project Budget	Expenditures through Sept 30, 2014	Reimbursements through Sept 30, 2014	Net Project Cost	Percent of Budget Expended
(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	
(\$ in thousands)									
Freeways (43% of Net Tax Revenues)									
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 34,389	\$ 595,320	\$ 594,388	\$ 932	\$ 1,980	\$ 2	\$ 1,978	0.3%
B,C,D	I-5 Santa Ana/San Diego Freeway Improvements	86,718	1,501,220	1,279,751	221,469	43,527	10,938	32,589	2.5%
E	SR-22 Garden Grove Freeway Access Improvements	8,780	151,997	151,996	1	4	-	4	0.0%
F	SR-55 Costa Mesa Freeway Improvements	26,779	463,590	460,073	3,517	6,479	23	6,456	1.4%
G	SR-57 Orange Freeway Improvements	18,928	327,679	306,510	21,169	40,422	9,967	30,455	9.9%
H,I,J	SR-91 Riverside Freeway Improvements	66,487	1,150,994	1,139,279	11,715	32,397	6,336	26,061	2.3%
K,L	I-405 San Diego Freeway Improvements	101,887	1,763,793	858,810	904,983	21,739	1,017	20,722	2.4%
M	I-605 Freeway Access Improvements	1,463	25,333	25,333	-	360	16	344	1.4%
N	All Freeway Service Patrol	10,975	189,996	189,996	-	71	-	71	0.0%
	Freeway Mitigation	18,758	324,733	297,693	27,040	39,308	1,549	37,759	12.7%
	Subtotal Projects	375,164	6,494,655	5,303,829	1,190,826	186,287	29,848	156,439	
	Net (Bond Revenue)/Debt Service	-	-	1,190,826	(1,190,826)	21,685	-	21,685	
	Total Freeways	\$ 375,164	\$ 6,494,655	\$ 6,494,655	\$ -	\$ 207,972	\$ 29,848	\$ 178,124	24.9%
	%								
Street and Roads Projects (32% of Net Tax Revenues)									
O	Regional Capacity Program	\$ 87,248	\$ 1,510,404	\$ 1,400,514	\$ 109,890	\$ 392,656	\$ 172,190	\$ 220,466	15.7%
P	Regional Traffic Signal Synchronization Program	34,899	604,135	603,855	280	9,913	1,262	8,651	1.4%
Q	Local Fair Share Program	157,046	2,718,693	2,718,693	-	144,212	77	144,135	5.3%
	Subtotal Projects	279,193	4,833,232	4,723,062	110,170	546,781	173,529	373,252	
	Net (Bond Revenue)/Debt Service	-	-	110,170	(110,170)	25,243	-	25,243	
	Total Street and Roads Projects	\$ 279,193	\$ 4,833,232	\$ 4,833,232	\$ -	\$ 572,024	\$ 173,529	\$ 398,495	55.7%
	%								
Transit Projects (25% of Net Tax Revenues)									
R	High Frequency Metrolink Service	\$ 78,105	\$ 1,352,120	\$ 1,301,450	\$ 50,670	\$ 150,184	\$ 79,618	\$ 70,566	5.4%
S	Transit Extensions to Metrolink	77,019	1,333,320	1,252,106	81,214	1,753	746	1,007	0.1%
T	Metrolink Gateways	17,453	302,130	258,928	43,202	74,469	46,258	28,211	10.9%
U	Expand Mobility Choices for Seniors and Persons with Disabilities	26,171	453,062	453,062	-	23,955	17	23,938	5.3%
V	Community Based Transit/Circulators	17,445	301,997	301,997	-	659	20	639	0.2%
W	Safe Transit Stops	1,925	33,333	33,333	-	48	26	22	0.1%
	Subtotal Projects	218,118	3,775,962	3,600,876	175,086	251,068	126,685	124,383	
	Net (Bond Revenue)/Debt Service	-	-	175,086	(175,086)	14,685	-	14,685	
	Total Transit Projects	\$ 218,118	\$ 3,775,962	\$ 3,775,962	\$ -	\$ 265,753	\$ 126,685	\$ 139,068	19.4%
	%								
	Measure M2 Program	\$ 872,475	\$ 15,103,849	\$ 15,103,849	\$ -	\$ 1,045,749	\$ 330,062	\$ 715,687	
	Environmental Cleanup (2% of Revenues)								
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 18,613	\$ 323,278	\$ 323,278	\$ -	\$ 6,459	\$ 292	\$ 6,167	1.9%
	Net (Bond Revenue)/Debt Service	-	-	106	(106)	24	-	24	
	Total Environmental Cleanup	\$ 18,613	\$ 323,278	\$ 323,384	\$ (106)	\$ 6,483	\$ 292	\$ 6,191	0.7%
	%								
	Taxpayer Safeguards and Audits								
	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 13,855	\$ 236,248	\$ 236,248	\$ -	\$ 9,749	\$ -	\$ 9,749	4.1%
	%								1.1%
	Oversight and Annual Audits (1% of Revenues)	\$ 9,307	\$ 161,639	\$ 161,639	\$ -	\$ 12,452	\$ 3,145	\$ 9,307	5.8%
	%								1.0%

Measure M2

Progress Report

LOCAL FAIR SHARE



ENTITY	FY 2013-2014 FOURTH QUARTER M2 FUNDS	M2 FUNDS TO DATE
Aliso Viejo	\$99,082.56	\$1,794,030.08
Anaheim	\$853,152.30	\$15,452,893.75
Brea	\$140,160.97	\$2,637,565.90
Buena Park	\$233,594.27	\$4,213,097.27
Costa Mesa	\$357,001.78	\$6,496,762.90
Cypress	\$133,107.24	\$2,466,140.50
Dana Point	\$79,869.03	\$1,497,245.31
Fountain Valley	\$156,605.02	\$2,859,531.28
Fullerton	\$326,076.91	\$5,913,272.38
Garden Grove	\$374,645.90	\$6,799,866.86
Huntington Beach	\$483,132.17	\$8,846,959.70
Irvine	\$665,507.15	\$11,630,303.36
Laguna Beach	\$62,016.11	\$1,149,170.99
Laguna Hills	\$85,427.59	\$1,554,005.12
Laguna Niguel	\$166,240.81	\$3,065,895.41
Laguna Woods	\$32,158.63	\$590,657.96
La Habra	\$131,293.86	\$2,431,834.34
Lake Forest	\$196,205.22	\$3,545,418.36

Measure M2

Progress Report

LOCAL FAIRSAHRE



ENTITY	FY 2013-2014 FOURTH QUARTER M2 FUNDS	M2 FUNDS TO DATE
La Palma	92,595.38	\$825,635.04
Los Alamitos	62,198.80	\$587,437.94
Mission Viejo	453,689.54	\$4,274,622.55
Newport Beach	543,170.74	\$4,976,804.21
Orange	791,073.59	\$7,419,471.42
Placentia	230,198.06	\$2,149,451.53
Rancho Santa Margarita	206,597.88	\$1,933,078.25
San Clemente	268,485.80	\$2,524,471.96
San Juan Capistrano	190,180.42	\$1,726,296.55
Santa Ana	1,336,466.48	\$12,579,987.76
Seal Beach	133,600.46	\$1,203,461.26
Stanton	152,346.33	\$1,378,837.22
Tustin	430,381.00	\$3,996,054.32
Villa Park	25,103.50	\$236,434.76
Westminster	416,872.21	\$3,887,284.41
Yorba Linda	293,251.51	\$2,718,943.47
County Unincorporated	908,619.95	\$8,200,933.06
Total M2 Funds	\$7,892,623.09	\$143,563,857.18

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	Feb-18
Project C	\$105.0	Jun-09	Oct-11	Oct-13	Feb-18
I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Jun-09	Dec-11	Feb-13	Mar-17
Project C	\$71.7	Jun-09	Oct-11	May-13	Mar-17
I-5, Pacific Coast Highway to San Juan Creek Road	\$70.7	Jun-09	Dec-11	Jan-13	Sep-16
Project C	\$60.3	Jun-09	Oct-11	Jan-13	Sep-16
I-5, I-5/Ortega Interchange	\$90.9	Sep-05	Jun-09	Nov-11	Sep-15
Project D	\$80.7	Sep-05	Jun-09	Dec-11	Sep-15
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	Jul-15	Mar-17
I-5, SR-73 to Oso Parkway	\$152.3	Sep-11	Jun-14	TBD	TBD
Project C & D	\$152.3	Oct-11	May-14	Nov-17	May-22
I-5, Oso Parkway to Alicia Parkway	\$195.1	Sep-11	Jun-14	TBD	TBD
Project C & D	\$195.1	Oct-11	May-14	Aug-17	Jun-22
I-5, Alicia Parkway to El Toro Road	\$134.2	Sep-11	Jun-14	TBD	TBD
Project C	\$134.2	Oct-11	May-14	Jan-18	May-22
I-5, I-5/El Toro Road Interchange	TBD	TBD	TBD	TBD	TBD
Project D	TBD	Jan-16	Dec-18	TBD	TBD
I-5, I-405 to SR-55	TBD	May-14	Apr-17	TBD	TBD
Project B	TBD	May-14	Apr-17	TBD	TBD
I-5, SR-55 to SR-57	TBD	Jul-11	Jun-13	TBD	TBD
Project A	\$42.3	Jun-11	Feb-15	Jan-17	Nov-19

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
SR-55, I-405 to I-5	TBD	Feb-11	Nov-13	TBD	TBD
Project F	\$274.6	May-11	Oct-15	Jan-19	Nov-22
SR-55, I-5 to SR-91 (Draft)	TBD	TBD	TBD	TBD	TBD
Project F	TBD	Jan-16	Jul-18	TBD	TBD
SR-57 Northbound (NB), Orangewood to Katella	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Nov-15	Nov-17	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	Jan-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	May-17
SR-57 (NB), Orangethorpe to Yorba Linda	\$80.2	Aug-05	Dec-07	Dec-09	May-14
Project G	\$56.3	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	\$54.9	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	Apr-15	Sep-16
SR-57 (NB), Lambert to Tonner Canyon (Draft)	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Aug-16	Jul-19	TBD	TBD
SR-91 Westbound (WB), I-5 to SR-57	\$78.1	Jul-07	Apr-10	Feb-12	Apr-16
Project H	\$64.2	Jul-07	Jun-10	Apr-12	Apr-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	Jul-15	Mar-17
SR-91, SR-57 to SR-55	TBD	Feb-14	Sep-16	TBD	TBD
Project I	TBD	Dec-14	Aug-17	TBD	TBD

Measure M2

Progress Report

CAPITAL ACTION PLAN



Capital Projects	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
SR-91 (WB), Tustin Interchange to SR-55	\$49.9	Jul-08	Jul-11	Mar-13	Jul-16
Project I	\$47.8	Jul-08	May-11	Feb-13	Jul-16
SR-91, SR-55 to SR-241	\$128.4	Jul-07	Jul-09	Jan-11	Dec-12
Project J	\$80.2	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	Dec-14
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, Continuous HOV Lane Access (project cancelled)	N/A	Jul-11	Jan-14	N/A	N/A
	\$0.9	Aug-11	Jan-14	N/A	N/A
I-405, I-5 to SR-55	TBD	TBD	TBD	TBD	TBD
Project L	TBD	Nov-14	Jun-17	TBD	TBD
I-405 Southbound, SR-133 to University Dr.	TBD	TBD	TBD	TBD	TBD
Project L	\$16.4	Apr-15	Jan-17	Sep-18	Jun-20
I-405, SR-55 to I-605 (Design-Build)	TBD	Mar-09	Mar-13	TBD	TBD
Project K	\$1,254.5	Mar-09	May-15	Mar-15	Jun-21
I-605, I-605/Katella Interchange (Draft)	TBD	TBD	TBD	TBD	TBD
Project M	TBD	Feb-16	Jan-18	TBD	TBD
GRADE SEPARATION PROJECTS					
Sand Canyon Avenue Grade Separation	\$55.6	N/A	Sep-03	Jul-10	May-14
Project R	\$63.2	N/A	Sep-03	Jul-10	Dec-14
Raymond Avenue Grade Separation	\$77.2	Feb-09	Nov-09	Aug-12	Aug-18
Project O	\$115.7	Feb-09	Nov-09	Dec-12	Aug-18
State College Boulevard Grade Separation	\$73.6	Dec-08	Jan-11	Aug-12	May-18
Project O	\$92.8	Dec-08	Apr-11	Feb-13	May-18



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
Placentia Avenue Grade Separation	\$78.2	Jan-01	May-01	Mar-10	Nov-14
Project O	\$62.6	Jan-01	May-01	Jun-10	Nov-14
Kraemer Boulevard Grade Separation	\$70.4	Jan-01	Sep-09	Jul-10	Oct-14
Project O	\$63.3	Jan-01	Sep-09	Jul-10	Oct-14
Orangethorpe Avenue Grade Separation	\$117.4	Jan-01	Sep-09	Dec-11	Sep-16
Project O	\$104.6	Jan-01	Sep-09	Oct-11	Sep-16
Tustin Avenue/Rose Drive Grade Separation	\$103.0	Jan-01	Sep-09	Dec-11	May-16
Project O	\$99.3	Jan-01	Sep-09	Jul-11	May-16
Lakeview Avenue Grade Separation	\$70.2	Jan-01	Sep-09	Oct-11	Mar-17
Project O	\$96.2	Jan-01	Sep-09	Jan-13	Mar-17
17th Street Grade Separation	TBD	TBD	TBD	TBD	TBD
Project R	TBD	Nov-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	\$94.4	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	\$5.4	Sep-10	Jul-11	Jun-12	Mar-14
San Juan Capistrano Passing Siding	\$25.3	Aug-11	Jan-13	TBD	TBD
	\$25.3	Aug-11	Mar-14	Dec-15	Jun-18
Anaheim Rapid Connection	TBD	Jan-09	Oct-14	TBD	TBD
Project S	TBD	Jan-09	Dec-15	TBD	TBD

Measure M2

Progress Report

CAPITAL ACTION PLAN



Capital Projects	Cost Budget/ Forecast (in millions)	Schedule Plan/Forecast			
		Begin Environmental	Complete Environmental	Complete Design	Complete Construction
Santa Ana/Garden Grove Fixed-Guideway	TBD	Aug-09	Mar-12	TBD	TBD
Project S	TBD	Aug-09	Dec-14	Jul-17	Feb-20
Placentia Metrolink Station and Parking Structure	TBD	Jan-03	May-07	Jan-11	TBD
	TBD	Jan-03	May-07	Feb-11	TBD
Orange Station Parking Expansion	\$18.6	Dec-09	Dec-12	Apr-13	TBD
	\$18.6	Dec-09	Apr-15	Jul-15	Dec-16
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	N/A	Dec-13	Jan-16
	\$3.5	N/A	N/A	Dec-13	Jan-16
Laguna Niguel/Mission Viejo Station Parking Lot	\$4.3	Sep-07	Dec-07	Aug-12	Oct-13
	\$4.1	Jul-07	Dec-07	Aug-12	Oct-13
Laguna Niguel/Mission Viejo Station Americans with Disabilities Act Ramps	\$3.1	Jul-13	Jan-14	Aug-14	Feb-16
	\$3.1	Jul-13	Feb-14	Jan-15	Jul-16
Anaheim Regional Transportation Intermodal Center Project R & T	\$227.4	Apr-09	Feb-11	Feb-12	Nov-14
	\$227.4	Apr-09	Feb-12	May-12	Nov-14

LOS ANGELES

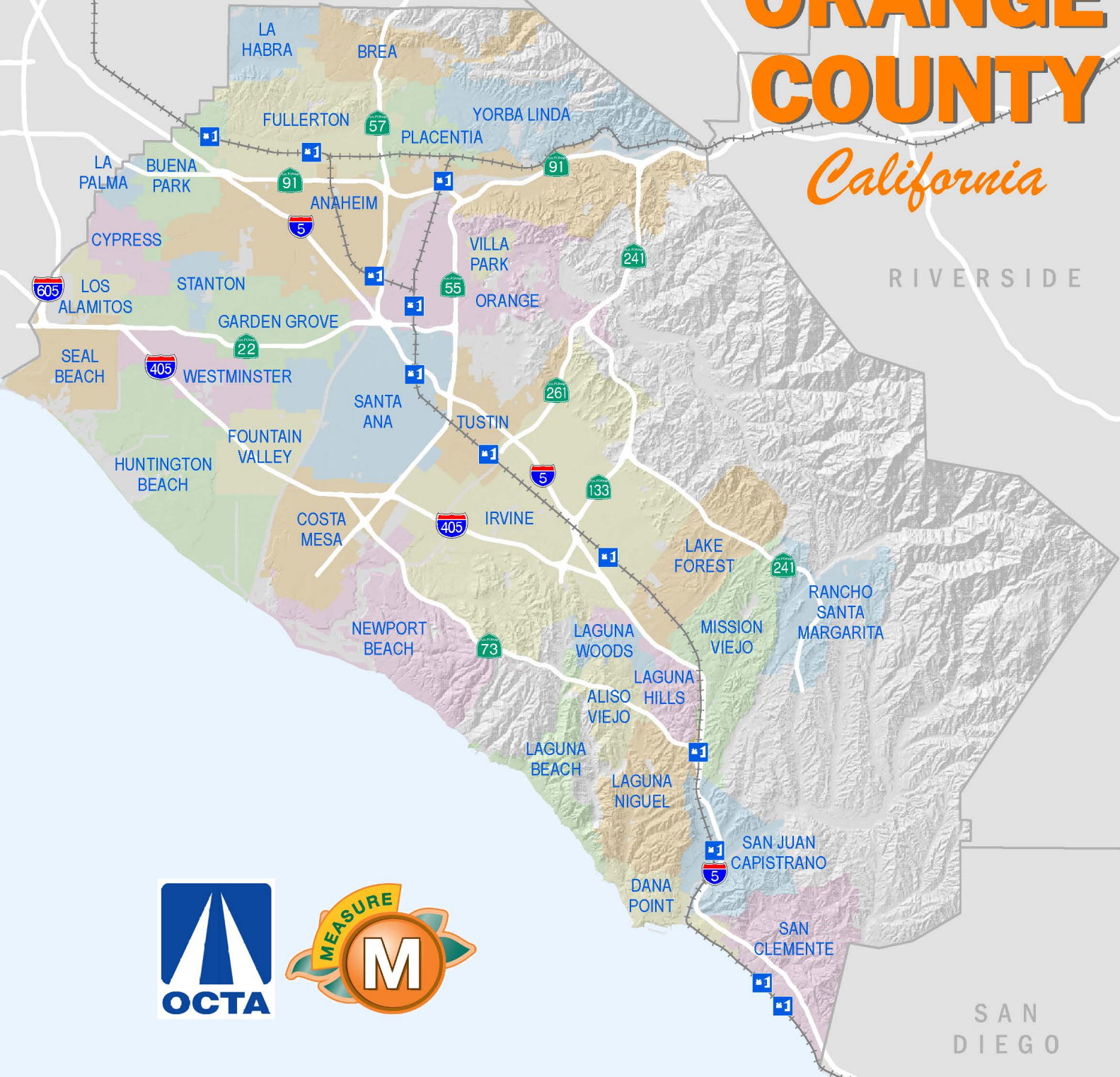
SAN BERNARDINO

ORANGE COUNTY

California

RIVERSIDE

SAN DIEGO



TEN-YEAR REVIEW SUMMARY

Within Ordinance No. 3 is a requirement to conduct a comprehensive review every ten years of all project and program elements included in the Measure M Plan (Plan). The requirement states under Ordinance No. 3, Section 11:

TEN-YEAR COMPREHENSIVE PROGRAM REVIEW - At least every ten years the Authority shall conduct a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and may revise the Plan to improve its performance. The review shall include consideration of changes to local, state and federal transportation plans and policies; changes in land use, travel and growth projections; changes in project cost estimates and revenue projections; right-of-way constraints and other project constraints; level of public support for the Plan; and the progress of the Authority and jurisdictions in implementing the Plan. The Authority may amend the Plan based on its comprehensive review, subject to the requirements of Section 12.

Time Period

Although sales tax revenues didn't start flowing until April 1, 2011, the Orange County Transportation Authority (OCTA) Board of Directors (Board) adopted the Early Action Plan, which initiated early implementation of Measure M2 (M2). Following the precedent set with the triennial performance reviews, the ten-year period is assumed to have begun on November 8, 2006 (effective date of Ordinance No.3), and would conclude on November 7, 2016.

OBJECTIVES

1. Research and identify external policy and/or regulation changes at the local, state, and federal level, as well as changes in land use, travel, and growth projections that require consideration
2. Evaluate current project and program cost estimates and the financial capacity of the sales tax revenue through 2041, to confirm Plan delivery
3. Review M2 Program and project elements to determine if there are performance issues or constraints to the promised delivery
4. Assess public and stakeholder support for the Plan priorities and OCTA approach

APPROACH

With the recent completion of the 2014 update of Orange County's Long-Range Transportation Plan (LRTP) and the fact that M2 is the cornerstone of that Plan, OCTA staff will capitalize on this effort and use research and outreach performed as part of the LRTP update as appropriate to assist with the Ten-Year Review. Additional research and analysis will need to be performed to review all elements as identified in Ordinance No. 3 and meet the objectives listed above.

SCHEDULE OVERVIEW

Overall timeline plans for completion in October 2015.

2014

December	Provide the Ten-Year Review framework to the Board as a highlight in the M2 quarterly report and attach framework
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2015

January	Prepare Evaluation Action Plan (AP) Procure necessary vendors Identify constituencies/target audiences
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February	Board concurrence on approach
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February to April	Conduct analysis Create outreach materials if needed
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April	Complete analysis
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May to June	Prepare report on analysis Prepare AP with recommendations and staff report
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July	Report recommendations to the Board
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August to October	Implement recommendations
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FINAL PRODUCT

Pull all AP deliverables together to develop a final report that provides a comprehensive review of all project and programs implemented under the Plan and evaluates the performance of the overall program and, if required, recommend revisions to improve its performance. The final report will consider, as appropriate: changes to local, state, and federal transportation plans and policies; changes in land use, travel, and growth projections; changes in project cost estimates and revenue projections; right-of-way constraints and other project constraints; level of public support for the Plan; and the progress of OCTA and jurisdictions in implementing the Plan.