



M2020 Plan Review



The PMO...

- **Provides unified oversight and ensures successful delivery of Measure M2 (M2)**
- **Monitors and reports on M2 activities and progress**
- **Aligns M2 activities across divisions**
- **Oversees implementation of the M2020 Plan**

M2020 Goals

Expediting M2



- **Deliver the complete M2 Program as promised**
- **Accelerate project delivery**
- **Deliver mobility early**
- **Capitalize on favorable bidding climate**
- **Limit future inflation risk**
- **Take advantage of historic low debt costs**



M2020 Objectives



- Invest nearly \$1.2 billion of funding for streets and roads improvements
- Expand rail options and fund fixed-guideways
- Continue environmental programs
- Complete two-thirds of the freeway program and environmentally clear the remaining projects



Potential Risk Areas

The review looked at the following risk areas:

- **Financial**
- **Project Delivery**
- **Legislative Authority**
- **Regulatory Conditions**
- **Organizational Readiness**



M2020 Plan Funding Assumptions

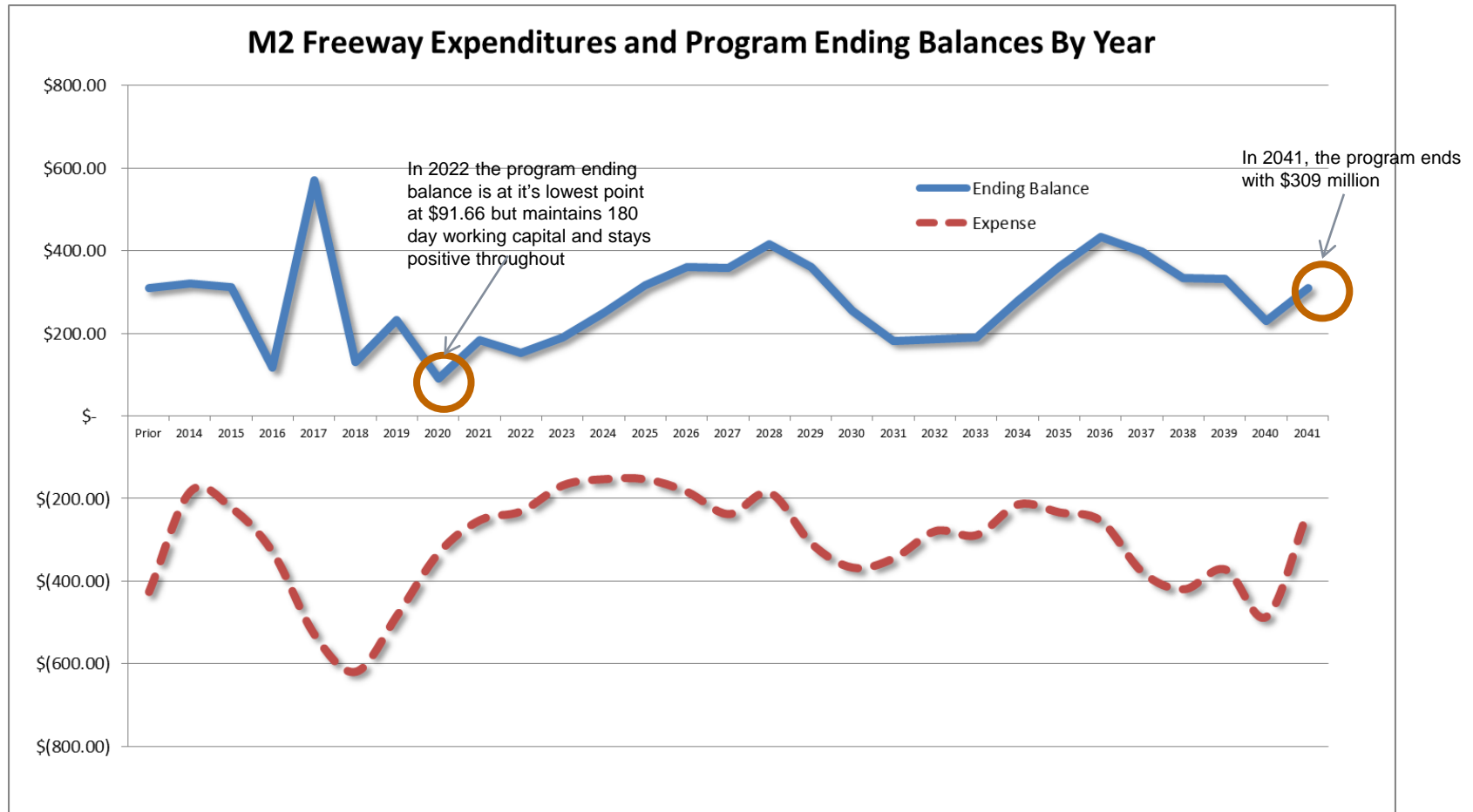


- **Funding assumptions based on May 2012 Revenue Forecast**
 - **Review used May 2013 Forecast**

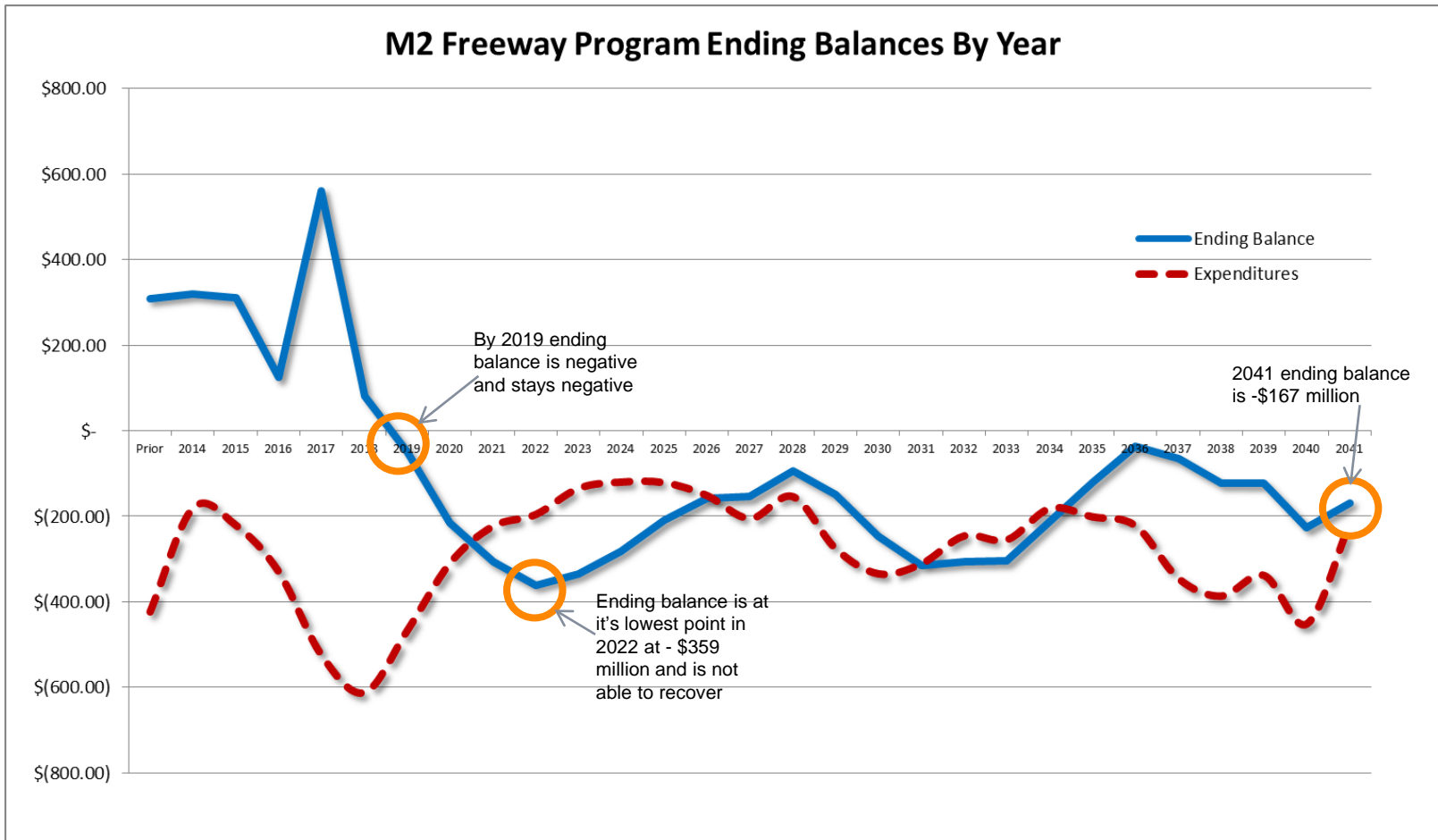
- **Bond assumptions were included to deliver the plan and address projected negative ending balances by year (as compared to pay-as-you-go)**
 - **Review also assumes sales tax revenue bonds**

Freeway Program Balance

(Board Approved Three Universities Average)



Freeway Program Balance (Most Conservative)



M2020 Plan Review Summary



- **M2020 Plan continues to be deliverable with minimal margin for variance**
- **Project delivery requires close monitoring to avoid costly delays**
- **Resources adjustments needed to ensure timely delivery**
- **Increasing funding commitments beyond the M2020 Plan requires careful Board of Directors (Board) consideration of alternatives, trade-offs, and financial risk**

Next Steps



- **Monitor upcoming key Board decisions on M2020 projects**
- **Return to the Board with M2020 Plan update needed**