



November 25, 2013

To: Members of the Board of Directors
From: Darrell Johnson, Chief Executive Officer
Subject: Measure M2 Progress Report for July 2013 Through September 2013

Overview

Staff has prepared a Measure M2 progress report for the period of July 2013 through September 2013 for review by the Orange County Transportation Authority Board of Directors. Implementation of Measure M2 continues at a fast pace. This report highlights progress on Measure M2 projects and programs and will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

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

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

Discussion

This quarterly report reflects current activities and progress within the overall M2 Program for the period of July 1, 2013 through September 30, 2013 (Attachment A).

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

Each quarter, the M2020 section is updated to provide further progress/status towards meeting the 14 objectives and managing the ten major risks outlined in the M2020 Plan.

Quarter Highlights

- The Environmental Assessment for Project C and part of Project D (Interstate 5 between State Route 73 and El Toro Road) was approved by the California Department of Transportation, and the draft environmental document was released for a 30-day public review period. A hearing was held on September 25, 2013, where over 80 residents and stakeholders attended.
- For Project K (Interstate 405 between State Route 55 and Interstate 605), staff further discussed existing alternatives: Concept A (two general purpose lanes in each direction, plus conversion of the existing high-occupancy vehicle (HOV) lane to a high-occupancy toll/express lane in each direction), and Concept B (two general purpose lanes in each direction, but truncating the second general purpose lane in the northbound direction at Valley View Street), and presented analysis findings of the new concepts to the Board on September 23, 2013. The Board directed staff to eliminate further study of Concept B and to examine options for addressing HOV degradation, analyze tolling policies, as well as the use of potential excess toll revenue for use in improving public transportation in and near the project boundaries
- On July 8, 2013, OCTA staff presented the OC Bridges Railroad Grade Separation Program Budget Update to the Board. The Board approved OCTA staff's recommendation to return to the Board with an amended funding plan to support the revised estimated cost to complete the OC Bridges Railroad Grade Separation Program.
- On August 12, 2013, the Board authorized staff to issue the 2014 Regional Capacity Program Call for Projects (call), with approximately \$35 million in funding available for programming. During the month of September, training sessions and one-on-one meetings

were held with local agencies to assist the agencies in developing and submitting project applications. Applications are due October 25, 2013.

- A fourth call for fiscal year 2013-14 was released for Project P (Regional Traffic Signal Synchronization Program) on August 25, 2013. This fourth call will provide \$12 million toward improving traffic flow on city streets by synchronizing signals and improving roadways.
- The second Tier 2 call for projects for Project X (Environmental Cleanup) concluded on September 20, 2013. The Board also approved the funding recommendation for the third Tier 1 call for projects on September 23, 2013, in the amount of \$2.83 million.
- The two fixed-guideway projects continue to make progress. The City of Anaheim presented a summary of completed Anaheim Rapid Connection (ARC) Project milestones on July 8, 2013. The Board approved the ARC Project to advance into the next project phase, which is the completion of draft environmental documents of the locally preferred streetcar alternative. On July 23, 2013, the Santa Ana City Council held a meeting to confirm its support of the Santa Ana-Garden Grove fixed-guideway project. On September 5, 2013, OCTA and the Santa Ana/Garden Grove project team held a conference call with the Federal Transit Administration and the State Historic Preservation Officer (SHPO) to discuss comments received from the SHPO on the project's Cultural Resources Evaluation Report.
- In July, the cities of Aliso Viejo, Dana Point, and San Juan Capistrano joined the Senior Mobility Program, bringing the total number of participating cities to 29.
- At the one-year mark since the Board adoption of the M2020 Plan, staff reviewed the Plan to ensure that it was still deliverable. The M2020 Plan review findings were presented to the Board on September 9, 2013. The review concluded that although the program remains tight, it is still deliverable as adopted.
- The M2 Organizational Readiness Assessment to ensure OCTA's success in delivering the M2020 Plan is being finalized. A staff report highlighting the findings along with proposed actions is being prepared. Staff will present to the Board in November.

- The 12 findings presented to the Board in April from the second M2 Performance Assessment, covering the time period of July 1, 2009 through June 30, 2012, are either complete or are currently being implemented. All findings will be addressed by the end of next quarter and staff will bring a final staff report showing resolution of all 12 findings to the Board in early 2014.

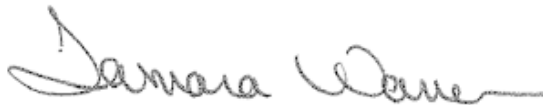
Summary

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

Attachment

- A. Measure M2 Progress Report – First Quarter of Fiscal Year 2013-14 – July 1, 2013 through September 30, 2013

Prepared by:



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

Approved by:



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

Fourth Quarter Highlights:

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



Measure M2

Progress Report

First Quarter of Fiscal Year 2013-14
July 1, 2013 through September 30, 2013



Measure M2

Progress Report



PROGRESS REPORT

SUMMARY



As required by the Measure M2 (M2) Ordinance No. 3, a quarterly report covering activities from July 1, 2013 through September 30, 2013, is provided to update progress in implementing the M2 Transportation Investment Plan.

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

Measure M2

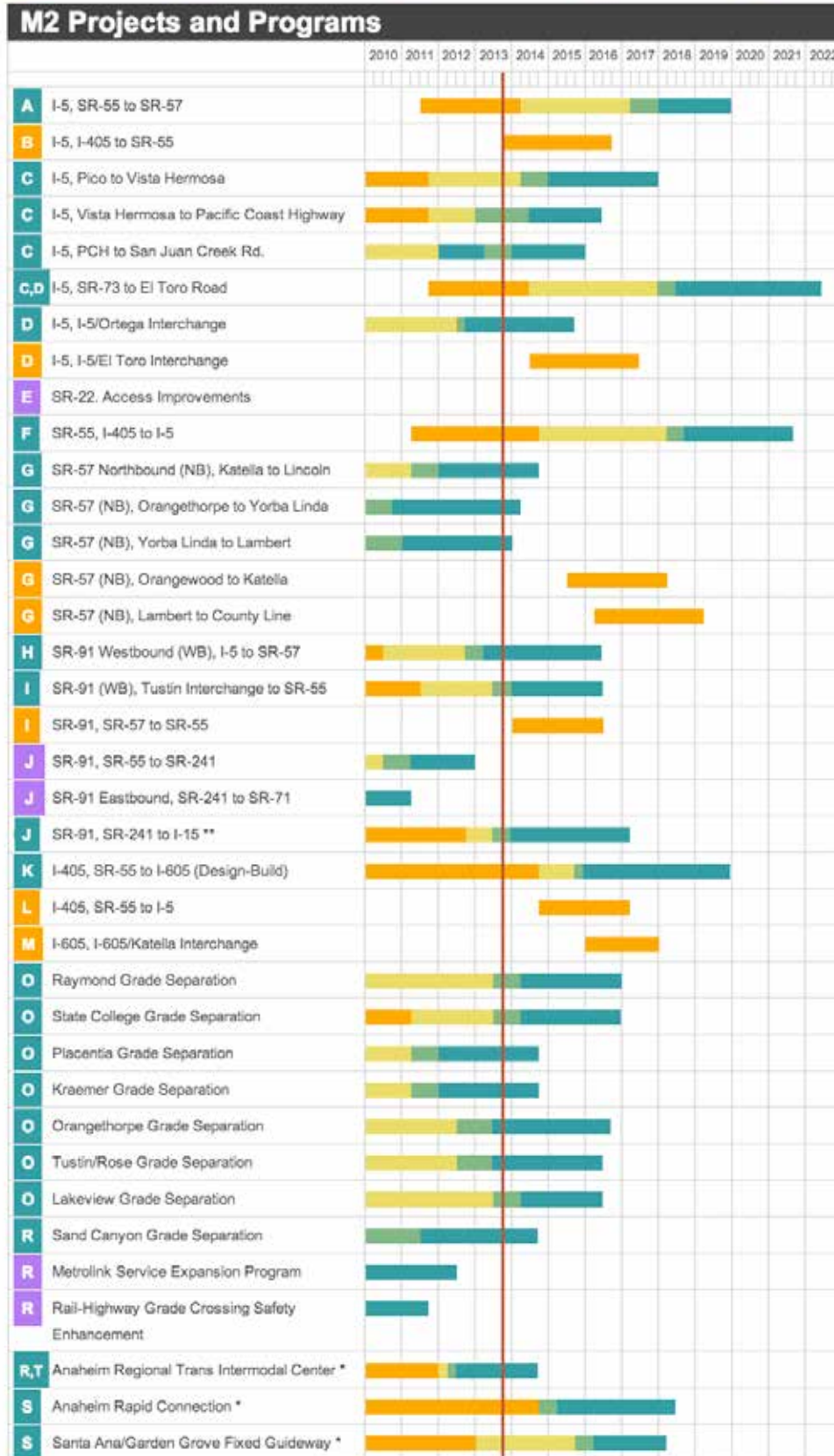
Progress Report



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Project Schedules



* Projects managed by local agencies

** Project managed and funded by Riverside County Transportation Commission (RCTC)

Project S Schedule is subject to Board direction and approved funding



M2020 UPDATE

M2020 Plan

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

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

Progress Update

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

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

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

M2020 Plan Objectives

1. Deliver 14 M2 freeway projects.

Two of the 14 projects are already complete; this includes two segments of Project J (SR-91) between SR-55 and SR-241 and between SR-241 and SR-71, and Project E (SR-22 Access Improvements). Additionally, five projects are currently in construction, three on SR-57 (see timeline on previous page), one on the I-5 at Ortega Highway, and one on SR-91 between I-5 and SR-57. All 14 projects will either be in construction or complete by 2020 as planned.

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

One of the nine projects (SR-91 between SR-241 and SR-71) is already cleared environmentally through RCTC's Corridor Improvement Program. The environmental phase for Project B (I-5, SR-55 to SR-133) is scheduled to begin in December 2013. Additionally, four more projects are anticipated to begin the environmental phase in 2014. As planned, all nine projects will complete the environmental phase by 2020.

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

To date, nearly \$2 million in projects are complete, with more than \$30 million currently in construction, as well as significant portions of the \$455 million committed to the OC Bridges grade separation projects currently in construction. This accounts for the Project O and P portion of the proposed \$1.2 billion to date. In addition, approximately \$89 million of Local Fair Share funds (Project Q) has already been distributed to local agencies, with approximately \$50 million expected to be distributed yearly through 2020.



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

Through the three M2 Calls for Projects so far, more than 2,000 signals have been designated for improvements. A fourth call for projects totaling \$12 million was released on August 25, 2013 with the deadline for applications on October 25, 2013. It is anticipated that over the next three years, more than half of the 2,000 signals will be synchronized. These are in addition to the 829 signals already synchronized to date. All 2,000 signals will be synchronized as planned by 2020.

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

Although well underway before the M2020 Plan was adopted, part of Project R (Metrolink Grade Crossing Improvements) was completed as part of the Metrolink Service Expansion Plan (MSEP). This enhanced 52 Orange County rail-highway grade crossings with safety improvements, whereby the cities of Anaheim, Tustin, Orange, Santa Ana, Irvine, and San Clemente established quiet zones at respective crossings. Additionally, OCTA is reviewing plans to determine the best approach for peak capacity service expansion. This includes a determination on how to re-deploy a number of the trains for improved service results.

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

Part of OCTA's re-deployment consideration (as mentioned above) involves possible options to provide new trips from Orange County to Los Angeles and San Diego counties, contingent on available funding and cooperation with involved counties. OCTA is currently working with Burlington Northern Santa Fe (BNSF) and the Los Angeles County Metropolitan Transportation Authority (LA Metro) to address any track-sharing issues, and plans to return to the Board with an update before the end of the calendar year.

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

At this time, two fixed-guideway projects are in the process of being implemented: the Anaheim Rapid Connection (ARC) Project and the Santa Ana-Garden Grove Fixed-Guideway project. To date, the Board has awarded funding through preliminary engineering of approximately \$18 million to the City of Anaheim and \$10.98 million to the City of Santa Ana, totaling approximately \$29 million. This total is not included in the proposed \$575 million amount. OCTA continues to work on the development of draft policy guidelines which will be presented to the Board in early 2014.

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

The City of Anaheim continues moving forward on the Anaheim Regional Transportation Intermodal Center (ARTIC) with construction underway. Activities this quarter included grading and curb and gutter work for two of the parking lots; placing concrete floor at the Main Terminal, deck work at the Concourse bridge and signal controls and lighting on the platform, installation of pre-cast concrete for the pedestrian and baggage tunnels, installation of waterproofing at the rail right-of-way, and fabricating structural steel for the rail bridge. The completion date remains on schedule for November 2014.



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

To date, over \$9.9 million has been provided to local agencies and the County of Orange for the Senior Non-Emergency Medical Transportation and Senior Mobility Programs.

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

On June 13, 2013, the Board approved up to \$9.8 million to fund five projects received as part of the first Call for Projects. Over the last quarter, cooperative agreements have been developed to facilitate the implementation of the services associated with this funding. The cooperative agreements are scheduled to be completed and executed over the next quarter. Projects slated for implementation over the next year include a variation of: vanpool connections from local employment centers to transportation hubs, special event and seasonal services, and local community circulators to shopping, medical, and transportation-related centers.

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

The Freeway Mitigation Program is proceeding as planned, with five properties acquired (950 acres), and five of the 11 restoration projects approved by the Board underway (totaling 400 acres). The Board has authorized \$42 million for property acquisitions, \$10.5 million to fund habitat restoration activities, and \$2.5 million for conservation plan development and program support, for a total of approximately \$55 million.

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

The draft interim resource management plans are under preparation concurrent with the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) and Draft Environmental Impact Report/Statement (DEIR/DEIS). Public release of the draft NCCP/HCP and DEIR/DEIS is expected to take place in fall 2013, with continued biological monitoring of acquired properties ongoing. The public will have an opportunity to weigh in on the NCCP/HCP, DEIR/DEIS, and draft interim resource management plans before they are finalized.

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

Screens and inserts for water quality improvement projects have been funded at various locations throughout Orange County. A total of \$5.6 million have been authorized by the OCTA Board totaling 67 Tier 1 projects. These projects will be completed within a one- to two-year timeframe.

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

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



Key:

On Track

At Risk

One To Watch

Complete

M2020 Risk Update

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

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

Measure M2

Progress Report



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|----|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6 | Delay in project phases affecting overall costs and ability to deliver M2020. | Identify critical program activities and develop strategies to minimize delays. | A critical factor in delivering the M2020 Plan is based on keeping project costs and schedules on target. The recirculation of the I-405 (Project K) had the potential to impact the delivery schedule. As of now, the project remains deliverable within the current schedule. Any further delay may impact the cost of the project. |
| 7 | Changes in priorities over the life of the program. | Implement a defined process to assess tradeoffs of changes in priorities. | The Plan of Finance adopted by the Board in 2012 included M2020 Plan Priorities and Commitments with 12 core principles to guide the Board in the event of a needed change. |
| 8 | Legislative authority to use design/build (D/B) for delivery methods. | OCTA has sponsored legislation to allow for the delivery of the I-405 improvements utilizing a design/build delivery method. Assemblyman Tom Daly is the author of this bill (AB 401). | The bill passed the California Senate on September 10 and the Assembly on September 12. The bill was enrolled and presented to the Governor for signature on September 25. |
| 9 | Internal/external agency functional units not available, overloaded, or have competing priorities. | The current organizational assessment is conducting a workload analysis to determine what is required for staffing and contracting out to deliver the M2020 Plan. The review is particularly focused on contracting, project management, project controls, and accounts payable resources. Proposed actions also include partnering with Caltrans to align priorities and resources, and ensuring timely implementation of Breaking Down Barriers objectives. | Initial findings of the Organizational Assessment recommend department structure changes and resource needs. In addition to ROW, resource needs are identified in PMO department. Caltrans resources for ROW as well as consultant resources are also a concern as neighboring agencies are competing for the same limited pool of resources. |
| 10 | Ability of local agencies to balance pavement management needs with new capacity and transit project funds for matching requirements. | Provide a comprehensive overview in a workshop setting of all funding opportunities to local agencies to support strategic decision making at the local level. | OCTA conducted a workshop in June 2013 providing local agencies with information to help them make informed decisions. |

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



FREEWAY PROJECTS

Interstate 5 (I-5) Projects

Project A

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

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

Summary: This project will increase HOV capacity by adding a second HOV lane in both directions along I-5 between SR-55 and SR-57 in Santa Ana. During this quarter, the traffic analysis and the air quality study were approved. Work continued on the draft project report, various technical studies, and the mandatory design exception fact sheets. Staff held community meetings with the Morrison Park and Floral Park neighborhoods as well as presented project information to the City of Santa Ana Environmental and Transportation Advisory Committee. Additionally, staff continued to meet with the Discovery Science Center and the City of Santa Ana to develop a way-finding signage package. The final environmental document is expected to be completed in late 2014.

Project B

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

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

Summary: This project will improve traffic flow and operations along the I-5 within the cities of Irvine and Tustin. The environmental study will consider the addition of one general purpose lane on the I-5 between just north of I-405 to SR-55. Additional features of the Project include improvements to various interchanges. Auxiliary lanes will be added in some segments and re-established in others within the project limits. During the quarter, negotiations with the selected consultant to conduct the environmental study were completed and the contract package will be submitted to Caltrans in October for audit. Work is anticipated to begin in December 2013.

Project C & Part of Project D

Segment: I-5 Between SR-73 and El Toro Road
Status: Draft Environmental Study Released for Public Input

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

Summary: An environmental study continued during the quarter for improvements along the I-5 between the SR-73 and El Toro Road in the cities of Lake Forest, Laguna Hills, Laguna Niguel, Laguna Woods and Mission Viejo. The study evaluates lane additions and interchange improvements to improve traffic flow through this area. These improvements include reconstruction of the La Paz Road and Avery Parkway interchanges (part of Project D). During the quarter, the Environmental Assessment was approved by Caltrans and the Draft Environmental document was released for a 30-day public review period. As part of the public review process, OCTA and Caltrans jointly held a public hearing on September 25, 2013. More than 80 residents and stakeholders attended the meeting to learn about the project, review the report, and ask questions about the proposed alternatives. Comments and questions centered on the need for improved traffic flow, proposed sound walls and right-of-way acquisitions. The public can comment on the IS/EA until October 7th, when comments will be compiled and responded to as part of the preparation of the Final Environmental Document. The Final Environmental Document is anticipated to be complete in mid 2014.

Measure M2

Progress Report



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

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

Summary: Motorists traveling through San Clemente, Dana Point, and San Juan Capistrano will soon see improvements underway along the I-5 between Avenida Pico and San Juan Creek Road. The project will widen the I-5 to add a carpool lane in each direction and includes major interchange improvements to Avenida Pico (part of Project D). This project is divided into three segments for design and construction phases. Segment 1 is from Avenida Pico to Avenida Vista Hermosa, Segment 2 from Avenida Vista Hermosa to PCH and Segment 3 from PCH to San Juan Creek Road. During the quarter, Segment 1 final design was submitted to Caltrans, a cooperative agreement with Caltrans for Segment 2 construction phase was executed, Segment 3 was advertised for construction, and construction management teams were selected for Segments 2 and 3. Construction for segment 3 is anticipated to begin in early 2014 with the other two segments to follow in mid to late 2014. The project public outreach team has scheduled community open houses in San Juan Capistrano and San Clemente in November. The open houses are a chance for the local residents, businesses and motorists to learn more about the upcoming construction work, talk with representative and sign up to receive the latest project information. Construction is anticipated to be complete on Segment 1 in 2017 with Segment 2 and 3 in 2016.

Project D

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

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

Summary: Project D will update and improve key I-5 interchanges to relieve street congestion around older interchanges and on ramps. The I-5/El Toro Road Interchange study includes alternatives that consider modifications to the existing interchange to provide a new access ramp to El Toro Road and one alternate access point adjacent to the interchange. The draft study was submitted to Caltrans for review in late May 2013, and was subject to a 60 day review period. Comments were received and addressed, and the draft study is being revised for a second review period. The final report is anticipated for approval by November 2013.

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

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

Summary: Caltrans began construction in February on the two-year \$86 million project that will reconstruct the SR-74 Ortega Highway bridge over the freeway and improve local traffic flow along the SR-74 and Del Obispo Street in the City of San Juan Capistrano. During the quarter, I-5 south and northbound at Ortega Highway was widened, the southern half of the bridge has been demolished, and four lanes of traffic and temporary pedestrian side walk were shifted to the northern half of the bridge. The southern portion of the new bridge is under construction and is expected to be complete by the end of October 2013. Additionally this quarter, construction work for a retaining wall and the northbound ramps began. The project is anticipated to be complete by the end of 2015.



State Route 22 (SR-22) Projects

Project E

Segment: SR-22 Access Improvements

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



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

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

State Route 55 (SR-55) Projects

Project F

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

Status: Environmental Study Underway

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

Summary: The purpose of this project is to increase capacity on SR-55 in the cities of Irvine, Santa Ana, and Tustin. The Environmental Study will evaluate the addition of general purpose lanes, carpool lanes, and auxiliary lanes to determine the best approach to relieving traffic congestion in this area. OCTA is finalizing technical studies and preparing the Draft Environmental document. The administrative Draft Project Report was submitted to Caltrans and additional traffic studies were determined to be necessary. The project schedule has been revised and the Draft Environmental Document is scheduled to be completed by May 2014 for public review. The study was originally anticipated to be completed by early 2014 but as a result of the required additional traffic studies, the study is now expected to be complete in late 2014.

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

Status: Draft PSR Underway

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

Summary: This project will add capacity between the I-5 and SR-22, and provide operational improvements between SR-22 and SR-91 in the cities of Orange, Santa Ana, Tustin, and Anaheim. The Project Study Team finalized the alternatives to recommend for further study in the next phase. The alternatives all include the addition of one general purpose lane each direction between SR-22 and Fourth Street. Other improvements being considered consist mostly of operational improvements at ramps and merge locations between SR-22 and SR-91, as well as a potential interchange project at First Street and the I-5 connector ramp. The administrative draft PSR-PDS report was completed in September 2013, and is currently under internal review. The final report is anticipated to be complete in January 2014.



State Route 57 (SR-57) Projects

Project G

Segment: SR-57 Northbound
Status: Construction Underway

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

Summary: Construction is underway on three segments of the SR-57 freeway to add a new northbound general purpose lane through the cities of Anaheim, Brea, Fullerton, and Placentia. Caltrans is overseeing construction, which continued during the quarter. On the 57 northbound south segment from Katella Avenue to Lincoln Avenue, crews are pulverizing the existing shoulder and widening the Katella Avenue and Douglas Road bridges. The south segment is on schedule to open by end of 2014. On the central segment from Orangethorpe Avenue to Yorba Linda Boulevard, crews are conducting paving operations and are preparing to reconstruct on- and off-ramps. The central segment is on schedule to open by early 2014. Construction work on the north segment from Yorba Linda Boulevard to Lambert Road includes reconstructing on- and off-ramps. The north segment is also on schedule to open by early 2014.

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

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

Summary: OCTA initiated a Project Study Report to add capacity in the northbound direction of SR-57 in the cities of Anaheim and Orange. Improvements under study include adding a northbound general purpose lane to join the general purpose lane currently under construction. One alternative would remove the existing lane-drop at Orangewood Avenue while another alternative creates an auxiliary lane between the Orangewood Avenue loop on-ramp and Katella Avenue and the final alternative creates an auxiliary lane between the Orangewood Avenue diamond on-ramp and the Katella Avenue off-ramp. The draft study will be submitted for Caltrans approval in November 2013.

State Route 91 (SR-91) Projects

Project H

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

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

Summary: OCTA and Caltrans broke ground on this third series of “A Better 91” projects on May 1, 2013. Since then, construction crews have been demolishing the north edges of six bridges to add additional width for expansion needs. On the public communications front, staff has conducted briefings and presentations for city officials, as well as hosted neighborhood meetings in key residential communities. When completed in late 2015, this \$75 million freeway improvement project will add a new, four-mile westbound general purpose lane to a key stretch of SR-91 located between Anaheim and Fullerton.



Project I

Segment: SR-91 Between SR-55 and Tustin Avenue Interchange

Status: Project is moving through the Caltrans award process

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

Summary: This project will improve traffic flow at the SR-55/SR-91 interchange by adding a westbound auxiliary lane beginning at the northbound SR-55 to westbound SR-91 connector through the Tustin Avenue interchange. The project is intended to relieve weaving congestion in this area. An additional feature of the project includes reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. The project was advertised on June 17, 2013 and bids were opened on August 8, 2013. Construction is planned to start in December 2013.

Segment: SR-91 Between SR-57 to SR-55

Status: PSR Under Caltrans Review

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

Summary: OCTA initiated a Project Study Report (PSR)-Project Development Support (PDS) to increase freeway capacity by adding an eastbound general purpose lane between SR-57 and SR-55, a westbound general purpose lane between Kraemer Boulevard to State College Boulevard, and by making freeway-to-freeway connector improvements in the northbound direction between SR-57 and SR-91. During the quarter, the draft PSR was reviewed by Caltrans. Approval of the PSR-PDS is expected in October 2013.

Project J

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

Status: **Project Complete**



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

Summary: This completed project added six miles through a key stretch of SR-91 between SR-241 and SR-71 in Riverside County. The project improves mobility and operations by reducing traffic weaving from traffic exiting at the SR-71 and Green River Road. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act (ARRA) funding for this M2 project – saving M2 revenues for future projects.

Segment: SR-91, Between SR-55 and SR-241

Status: **Project Complete**



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

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

Measure M2

Progress Report



Segment: Segment: SR-91, Between SR-241 and I-15
Status: RCTC's Design-Builder Contractor has begun work

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

Summary: The purpose of this project is to extend the 91 Express Lanes eastward from its current terminus in the city of Anaheim to I-15 in Riverside County. This project will also add one general purpose lane in each direction of SR-91, from SR-241 to I-15. While the portion of this project between SR-241 and the Orange County/Riverside County line is part of Project J, the matching segment between the county line and SR-71 is part of the Riverside County Transportation Commission (RCTC)'s Measure A. During the quarter, the RCTC lead design-build contractor began preliminary work. Final design will be completed during the remainder of 2013 and early 2014, and construction is planned to start in early 2014. With RCTC's focus on extending the 91 Express Lanes, construction of the additional general purpose lane will take place post-2025. To maintain synchronization, the matching general purpose lane improvements on the Orange County side 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 2012 SR-91 Implementation Plan.

Interstate 405 (I-405) Projects

Project K

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

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

Summary: OCTA is preparing an environmental study to widen the I-405 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. These improvements will add mainline capacity and improve the local interchanges along the corridor. The OCTA Board selected Alternative One (one general purpose lane in each direction—Project K) as the Locally Preferred Alternative on October 22, 2012, and selected Parsons Transportation Group, Inc. to act as the Program Management Consultant for the Project on December 10, 2012.

On April 22, 2013, staff presented to the Board a path forward to advance delivery of the M2 project, but also at the Board's request, staff presented opportunities for the Board of Directors to weigh in on alternatives and explore new concepts. The Board approved the exploration of Concept A (two general purpose lanes in each direction plus conversion of the existing HOV lane to a HOT/Express lane in each direction), and Concept B (two general purpose lanes in each direction, but truncating the second general purpose lane in the northbound direction at Valley View Street).

Staff completed the process of screening both concepts and returned to the Board on September 23, 2013, for further discussion of existing alternatives and to present analysis findings of the new concepts. The Board directed staff to continue the development of Project K and also directed staff to examine options for addressing high-occupancy vehicle degradation, analyze tolling policies and the use of potential excess toll revenue for use in improving public transportation in and near the project boundaries. Staff was also tasked to explore and coordinate with the Transportation Corridor Agencies on solutions to resolve high-occupancy vehicle lane degradation and opportunities to increase high-occupancy vehicle capacity and connectivity between the I-405 and SR-73. The Board also eliminated further study of Concept B. The Board requested that the results of these new tasks be presented to the Board within 60 days.



The Supplemental Draft EIR/EIS was completed on August 12, 2013. The Supplemental Draft EIR/EIS includes additional traffic information within the Long Beach/South Los Angeles County area.

The Preferred Alternative is scheduled to be selected by the Project Development Team in December 2013, after the Board receives the additional requested information (above), which is scheduled for November 2013.

Project L

Segment: I-405 Between SR-55 and the El Toro “Y”
Status: PSR Under Caltrans Review

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

Summary: The I-405 draft Project Study Report for Project L includes alternatives that consider the addition of one or two general purpose lanes between Culver Drive and State Route 133, and operational improvements at the Interstate 405 and State Route 133 interchange. The draft study was submitted to Caltrans for review in May 2013 and the final draft study is anticipated for approval in November 2013.

Interstate 605 (I-605) Projects

Project M

Segment: I-605 Interchange Improvements
Status: Project Study Report Underway

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

Summary: This project will improve freeway access and arterial connection to I-605 at Katella Avenue in the City of Los Alamitos and the County of Orange. Planned improvements may include enhancements at the on- and off-ramps in addition to operational improvements on Katella Avenue at the I-605 interchange. The project development process began in July 2013. Data collection and preliminary analyses are underway. The study is anticipated to be complete in December 2014.

Project N

Status: Freeway Service Patrol
Service On-going

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

Summary: Freeway Service Patrol (FSP) funded by M2 began operation in June 2012. During the quarter, the mid-day service provided assistance to 1,333 motorists, weekend service provided assistance to 645 motorists, and construction service provided assistance to 1,381 motorists.



STREETS & ROADS

Project O

Regional Capacity Program

Status: Regional Capacity Program – Call for Projects Underway

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

Summary: On August 12, 2013, the Board authorized staff to issue the 2014 Regional Capacity Program Call for Projects, with approximately \$35 million in funding available for programming. During the month of September, training sessions and one on one meetings were held with local agencies to assist them in developing and submitting project applications. Applications are due October 25, 2013.

OC Bridges Railroad

Status: Grade Separation Program

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

Summary: On July 8, 2013, OCTA staff presented the OC Bridges Railroad Grade Separation Program Budget Update to the OCTA Board of Directors (Board). The Board approved OCTA staff's recommendation to return to the Board with an amended funding plan to support the revised estimated cost to complete the OC Bridges Railroad Grade Separation Program. OCTA staff will present the amended funding plan in October 2013.

Raymond Grade Separation

Status: Design 100% Complete

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

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. On August 13, 2012, the Board approved an amendment to the Cooperative Agreement with the City of Fullerton, making OCTA the lead agency for property acquisition and tenant relocation. This right-of-way lead agency change was made as a result of a request made by the City of Fullerton. The City will release the advertisement for construction in October 2013. A contract for the clearance of Right-of-Way will be awarded in November 2013. Advanced utility work is anticipated to begin in December 2013, with construction following in early 2014 until early-2017.

State College Grade Separation

Status: Design 100% Complete

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

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. On August 13, 2012, the Board approved an amendment to the cooperative agreement with the City of Fullerton, making OCTA the lead agency for property acquisition and tenant relocation. This right-of-way lead agency change was made as a result of a request made by the City. The City released the advertisement for construction on September 30, 2013. Advanced utility work is anticipated to begin in December 2013. Construction is anticipated to begin in early 2014 and is expected to be completed by mid-2016.

Measure M2

Progress Report



Placentia Grade Separation

Status: Construction Underway

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

Summary: The project located at Placentia RR crossing will grade separate the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. OCTA is overseeing construction, which continued during the quarter. The main elements of work included construction of the pump station, retaining walls, export of dirt removal, new railroad tracks on the new bridge and removal of the shoofly tracks. Construction progress is approximately 65 percent complete, and the project is expected to be completed by summer of 2014.

Kraemer Grade Separation

Status: Construction Underway

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

Summary: The project located at Kraemer RR crossing will grade separate the local street from railroad tracks in the City of Placentia by building an underpass for vehicular traffic. OCTA is overseeing construction which continued during the quarter. The main elements of work included construction of the pump station, retaining walls, sound walls, large drainage facilities, reconstruction of masonry walls within residential backyards, new railroad tracks on the new bridge and removal of the shoofly tracks. Construction progress is approximately 65 percent complete and the project is expected to be completed by summer of 2014.

Tustin / Rose Grade Separation

Status: Construction Underway

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

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. The main elements of work included utility relocation, excavation and utility reconstruction near the Del Cerro property, clearing of vegetation, and construction of sound blankets, Del Cerro driveway, sewer line and temporary bridge crossing the Atwood Channel. Construction progress is approximately 5 percent complete and the project is expected to be completed by mid-2016.

Lakeview Grade Separation

Status: Project is Being Advertised

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

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. OCTA released the advertisement for construction on September 20, 2013. Advanced utility work is anticipated to begin in November 2013. Construction is anticipated to begin by the end of 2013, and expected to be completed by early-2016.

Orangethorpe Grade Separation

Status: Construction Underway

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

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. The main elements of work included utility relocation, clearing of vegetation, stockpile of imported dirt, and construction of sewer line and storm drain. Construction progress is approximately 5 percent complete and the project is expected to be completed by mid-2016.



Project P

Regional Traffic Signal Synchronization Program (RTSSP)

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

Summary: Projects funded as part of the fiscal year (FY) 2011-12 Regional Traffic Signal Synchronization Program (RTSSP) Call for Projects are all underway with some having finished construction, and are in the 2-year Operations and Maintenance phase. These projects cover 157 miles with 563 intersections.

FY 2012-13 RTSSP Call for Projects applications were received on October 26, 2012. Eighteen applications were received that exceeded the allocated budget for the first time since the inception of the program. Fourteen projects were approved by the Board of Directors on April 8, 2013. Fifteen million dollars of M2 funds were allocated for RTSSP projects for FY 2013-14. OCTA is the lead administrator of nine of the fourteen projects. OCTA is currently finalizing Cooperative Agreements with the parties to each of the nine projects. These 14 projects cover 108.5 miles with 829 intersections at a cost totaling \$19,424,226.

A fourth Call for Projects for FY 2013-14 was released for Project P on August 25, 2013. Applications are due on October 25, 2013. For the 2014 Call for Projects, \$12 million has been allocated towards providing signal synchronization benefits to Orange County streets. Award recommendation is expected to be presented to the Board of Directors in spring of 2014.

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

Project Q

Local Fair Share Program

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

Summary: All local agencies have been found eligible to receive M2 Local Fair Share funds. On a bi-monthly basis, 18 percent of net revenues are allocated to local agencies by formula. To date, approximately \$88.6 million in Local Fair Share payments have been provided to local agencies as of the end of the quarter.

See page 33 for funding allocation by local agency.



TRANSIT PROGRAMS

Project R

High Frequency Metrolink Service

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



Contact: Dinah Minter, Rail
(714) 560-5740

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

High Frequency Metrolink Service

Status: MSEP – Service Ongoing

Contact: Dinah Minter, Rail
(714) 560-5740

Summary: Following the completion of Metrolink Service Expansion Program (MSEP) improvements in 2011, OCTA deployed a total of ten new Metrolink intra-county trains operating between Fullerton and Laguna Niguel/Mission Viejo, primarily during mid-day and evening hours. Despite reduced price day passes and extensive marketing efforts, ridership on the intra-county MSEP trains remains lower than desired. As a result, OCTA has eliminated the OC Link day pass as of July 2, 2013. In addition, OCTA is currently considering options to re-deploy a number of the trains in order to maximize ridership without significantly impacting operating costs, including providing new trips to from Orange County to Los Angeles and San Diego counties. During the quarter, OCTA continued working with Burlington Northern Santa Fe (BNSF) and the Riverside County Transportation Commission to address schedules and track-sharing issues. Staff plans to return to the Board with an update before the end of the calendar year.

Sand Canyon Grade Separation

Status: Construction Underway

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

Summary: The project located at Sand Canyon Avenue RR crossing will grade separate the local street from railroad tracks in the City of Irvine by building an underpass for vehicular traffic. OCTA is overseeing construction, which continued during the quarter. The main elements of work included construction of the pump station, retaining walls, storm drains, water line and sewer, removal of the shoofly tracks and export of dirt removal. Construction is approximately 70 percent complete and the project is expected to be completed by mid-2014.

Project S

Transit Extensions to Metrolink

Summary: Project S establishes a competitive program for local agencies to extend the benefits of rail service by improving transit connectivity to Metrolink stations.

Measure M2

Progress Report



Status: **Anaheim Rapid Connection (ARC) Project – Project Advances to Environmental Clearance Phase**

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

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

Santa Ana-Garden Grove Fixed Guideway Project

Status: Santa Ana-Garden Grove Fixed-Guideway Project – Development of Revised Environmental Assessment/Environmental Impact Report (EA/EIR)

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

Summary: On July 23, 2013, the Santa Ana City Council held a meeting to confirm its support of the Santa Ana-Garden Grove fixed guideway project. On September 5, OCTA and the Santa Ana-Garden Grove project team held a conference call with the Federal Transit Administration (FTA) and the State Historic Preservation Officer (SHPO) to discuss comments received from SHPO on the project's Cultural Resources Evaluation Report. The Santa Ana-Garden Grove project team has made significant progress in responding to comments and revising its EA/EIR for submittal to FTA in October. Upon the public release of the Draft EA/EIR, the City of Santa Ana will update the OCTA Board on completed project milestones.

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

Transit Extensions to Metrolink

Status: Bus and Station Van Extension Projects – Services Ongoing for Oakley Vanpool and Anaheim Canyon Connection; Service Pending for Panasonic Vanpool Connection

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

Summary: On July 23, 2012, the board approved funding for four project applications received as part of the 2012 Project S Call for Projects. Of these four, two are currently in service. The Oakley Vanpool connection from Irvine Station began in December 2012, and the Anaheim Canyon Bus Connection (Route 20) from the Anaheim Canyon Metrolink Station began on February 25, 2013. All cooperative agreements between OCTA and the Cities of Lake Forest and Anaheim were fully executed. During this quarter, a delay request on behalf of the City of Lake Forest for the Panasonic Vanpool connection from Irvine Station was processed as part of the September semi-annual review. This delays the opening of the service until January 2014. Additionally, the service associated with Invensys Incorporated has been cancelled at the request of the participant, and the funds will be returned to the program for use in future calls for projects.



Project T

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

Status: Construction Underway

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

Summary: The City of Anaheim continues moving forward on the Anaheim Regional Transportation Intermodal Center (ARTIC). Construction activities this quarter included grading for two of the three parking lots along with the installation of underground electrical conduit, curb and gutter and light pole bases in one of the lots; placing concrete floor at the Main Terminal and erecting structural steel and stairs, installation of metal deck work at the Concourse bridge, installation of pre-cast concrete for the pedestrian and baggage tunnels, installation of waterproofing at the rail right-of-way, and fabricating structural steel for the rail bridge.

On September 9, 2013, the Federal Railroad Administration notified the City of Anaheim that the passenger platform must be 15 inches above top of rail and 5'-5" from track centerline to face of platform and this requires a design change to comply. The completion date remains on schedule for November 2014.

Project U

Expand Mobility Choices for Seniors & Persons with Disabilities

Status: Senior Mobility Program – Distributing Funds to City Agencies

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

Summary: More than \$778,352 in M2 Project U funding was disbursed to Senior Mobility Program (SMP) participants during the quarter. The cities of Aliso Viejo, Dana Point and San Juan Capistrano joined the program in July, bringing the total number of participating cities to 29. Collectively, the cities provided more than 70,000 trips this quarter for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. In addition, more than \$869,528 was disbursed to the County of Orange to support the Office on Aging Senior Non-Emergency Medical Transportation Program. In total, more than \$9.89 million in Project U funding has been provided under M2 to support the SMP and SNEMT programs.

Fare Stabilization Program

Status: Fare Stabilization Program – In Progress

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

Summary: To stabilize fares for seniors and persons with disabilities, 1 percent of net revenues are dedicated for this purpose. To date, \$6.2 million (April 2011 through September 2013) has been allocated to stabilize fares for seniors and persons with disabilities. The M2 Ordinance requires that funds be allocated "in an amount equal to the percentage of partial funding of fares for seniors and persons with disabilities as of the effective date of the Ordinance." As projected revenues declined due to the recession, there was a concern. Current projections show that 1 percent of net revenues will not be sufficient to meet the Ordinance requirements. When the Board approved the Project U guidelines, the Board authorized that any revenues generated by the SMP not claimed by the cities could be used for the Fare Stabilization Program. Since there are four local agencies that



do not participate in the SMP, \$0.8 million is available to be transferred from the SMP to the Fare Stabilization Program.

In February 2013, Staff provided the Board with a staff report which indicated the Fare Stabilization Program funding levels may only be sufficient until FY 2019-20. Staff will continue to provide updates on the status of the Fare Stabilization Program to the Board, and any necessary amendments to the Fare Stabilization Program will be considered as part of the Ten-Year Comprehensive Program Review which is scheduled to take place in 2016. The next update is scheduled to be provided to the Board in December 2013.

In February 2013, Staff provided the Board with a staff report which indicated the Fare Stabilization Program funding levels may only be sufficient until FY 2019-20. Staff will continue to provide updates on the status of the Fare Stabilization Program to the Board, and any necessary amendments to the Fare Stabilization Program will be considered as part of the Ten-Year Comprehensive Program Review which is scheduled to take place in 2016. The next update is scheduled to be provided to the Board in November 2013.

Project V

Community Based Transit / Circulators

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

Status: Call for Projects Applications Approved

Summary: Program Guidelines for Project V were approved by the Board on November 26, 2012, and the first Call for Projects (issuing up to \$28 million) closed on March 29, 2013. Five applications were received from the Cities of Dana Point, Huntington Beach, La Habra, Laguna Beach, and Lake Forest. The Board approved all five applications on June 24, 2013, for a total of up to \$9.8 million. The funding will be used to begin new community based transit services slated to be implemented over the next year. These include: vanpool services from local employment centers to transportation hubs; special event and seasonal services that operate during heavy traffic periods; and local community circulators that carry passengers between various shopping, medical, and transportation related centers. The next Project V Call for Projects will be held in 2016.

Project W

Safe Transit Stops

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

Summary: Staff has developed draft guiding principles for allocation of Project W funds and is working on draft guidelines that will be brought to the Board in early 2014. Initial funding will be focused on upgrading passenger amenities at the 100 busiest bus stops. Staff is proposing that local agencies be responsible for design, construction, and maintenance of these amenities. Funding could also be directed toward OCTA development of regional, customer-facing technologies that benefit the busiest stops.



ENVIRONMENTAL

Project X

Environmental Cleanup

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

Summary: The M2 Allocation Committee is charged with making recommendations to the 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).

The OCTA Board approved the funding recommendations for the third Tier 1 call for projects on September 23, 2013 in the amount of \$2.83 million. Work can begin on the Tier 1 projects upon the execution of a letter agreement. The second Tier 2 call for projects concluded on September 20, 2013. Throughout the 90-day Tier 2 call for projects, staff held workshops and meetings with potential applicants to provide early feedback on their projects. Staff received 17 applications from 11 agencies. Evaluation of the project applications will take place over this quarter and Board approval of the Tier 2 funding recommendations is anticipated in early 2014.

Part of Projects A - M

Freeway Mitigation Program

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

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

Restoration Update

To date, the Board has approved 11 restoration projects for funding totaling approximately 400 acres. The five round one projects are currently underway and staff is engaged in the review process as well as facilitating the implementation of these projects.

During the quarter, staff continued to work with the four second-round project sponsors (for six different projects) on the technical documents and draft restoration plans. Upon completion of these technical documents and draft restoration plans, staff will coordinate with the Army Corps of Engineers (Corps), State Water Resources Control Board, Calif. Department of Fish & Wildlife (CDFW), and the U.S. Fish and Wildlife Service (USFWS), to achieve consensus for each of the restoration projects. This quarter staff worked closely with the Corps and facilitated field meetings at five of the restoration sites. These field reviews/site verification are necessary for the Corps to approve the technical documents. These steps are required in order for the regulatory agencies to issue permits to OCTA for the M2 freeway improvement projects. OCTA staff continues to work with the project sponsors to execute the remaining restoration project contracts and finalize the remaining technical documents.



Acquisition Update

As of this quarter, OCTA has acquired approximately 950 acres of open space property in the Trabuco Canyon area and in Brea. From the original \$42 million allocated for the purchase of open space, approximately \$8.5 million (inclusive of the long-term management cost) remains for additional acquisitions, and the funds are expected to be allocated within the next several months. After updating appraisals of the remaining Group 1 (high biological value) properties, staff will engage the Environmental Oversight Committee in determining which properties should receive offers using the remaining funds. Staff is currently finalizing an offer for an additional property. If the transaction is successful, the purchase will be announced near the end of 2013.

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

OCTA staff continues to work towards the public release of the draft NCCP/HCP and draft EIR/EIS. Comments on the draft document were received this quarter from the wildlife agencies. OCTA staff continues to revise these documents based on the comments, which suggest a higher level of detail than originally expected. Due to this change in approach, the public release of the document is now expected to take place in winter 2014 with an anticipated completion of the final NCCP/HCP in 2015.

OCTA began the NCCP/HCP process in summer 2010, and has been working very closely and diligently with the Wildlife Agencies since the early development stages of the NCCP/HCP. Historically, the NCCP/HCP planning process can take between five to 10 years between the initiation and approval of the final documents. OCTA is on target to complete the NCCP/HCP in a shorter timeframe than usual. Typically, an NCCP/HCP is completed prior to acquiring properties or restoring habitat as mitigation measures, but OCTA accelerated the mitigation process by acquiring more than 950 acres of open space lands and funding approximately 400 acres of habitat restoration prior to the completion of the NCCP/HCP. This allowed for protection and restoration of more mitigation properties at lower cost, but also means the acquired lands and funded habitat restoration projects will need to be integrated into the draft NCCP/HCP. This requires investing more time upfront, but will save time and effort toward the end of the NCCP/HCP planning process, and will result in a better outcome. CDFW and USFWS are nearing completion with their review of the draft NCCP/HCP and draft EIR/EIS documents.



PROGRAM MGMT

Program Management Office

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

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

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

M2020 Plan Review

At the one year mark following Board adoption of the M2020 Plan, staff believed it was prudent to review the assumptions in the Plan to ensure that the aggressive program of projects implementation remains deliverable. Staff reviewed the risks that were identified in the M2020 Plan and looked at current revenue projections, project costs and schedules and ran cash flows to determine progress and continued deliverability. Staff presented the M2020 Plan Review findings to the Board on September 9, 2013. The review concluded that although the program remains tight, it is still deliverable as adopted.

OCTA Organizational Readiness Assessment

To ensure successful delivery of the Board approved M2020 Plan, an Organizational Readiness Study was initiated in November 2012. The consultant team has drafted a report to staff. The findings are overall positive with recommendations centered around process improvements, staff resource modifications and adjustments to department structure to reflect changes in the work effort as a result of the progression of projects and programs within M2. The study has concluded and staff will present the findings to the Board in November 2013.

Project Manager Academy

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

As recommended by the recent M2 Performance Assessment (2009-2012), the M2 Program Management Office (PMO) worked with the Capital Programs Division to refresh Academy materials and broaden the focus to include all M2 project managers. The Academy is intended to provide all M2 project managers with an understanding of OCTA's expectations, procedures, and objectives when managing projects. This 10-week Academy started on September 18, 2013 and will conclude in November 2013.

2009-12 M2 Performance Assessment Update

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

Measure M2

Progress Report



M2 Document Management

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

M2 Administrative Cost Safeguards

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

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

As a result of the above mentioned factors, OCTA has incurred higher than 1 percent administrative costs. OCTA currently has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the 1 percent, with the understanding that those funds will be repaid with interest in future years that OCTA administrative costs fall below the 1 percent cap. As of June 30, 2012, OCTA has borrowed approximately \$5.2 million from OCUTT. Efforts are ongoing to monitor the administrative salaries and benefits impact to the 1 percent cap provision within M2. 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 July 18, 2013 to review the past quarter's labor reports to ensure costs attributed to the 1 percent cap were accurately reported and are not misplaced project related costs as well as to ensure project costs were applied to the correct projects. Any misplaced charges are routinely corrected.

Measure M2

Progress Report



Key Upcoming Activities

During the next quarter, the PMO will present to the Board the OCTA Organizational Readiness Assessment, complete with findings and our proposed actions. The PMO will also be doing the annual update of the Ordinance Matrix which tracks all requirements in Ordinance No. 3 to ensure we are complying. At the request of the Board, an amendment will be proposed to Ordinance No.3 to modify the Taxpayer Oversight Committee membership eligibility requirements.



FINANCE MATTERS

M2 Financing

Revenue Forecast and Collection

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

Summary: OCTA contracts with three universities to provide a long-range forecast of taxable sales to project Measure M2 revenues for purposes of planning projects and program expenditures. Annually, OCTA takes an average of the three university projections and incorporates this to develop a long-range forecast of Measure M2 taxable sales. Original projections in 2005 estimated total nominal M2 sales tax collections at \$24.3 billion. Additionally, as required by law, OCTA pays the State Board of Equalization (SBOE) 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

After establishing the FY 2011-12 and FY 2012-13 growth rates, staff utilized the blended growth rates from the universities for the remaining years in the M2 period (FY 2013-14 through FY 2040-41) and determined that yields total nominal M2 sales tax collections of \$15.5 billion. Based on the original 2005 projection of \$24.3 billion, current projections are \$8.8 billion less over the life of the program. This projection is up from the lowest point in 2010 when the revenue projections were \$13.7 billion or \$10.6 billion less than the original projections. An update on this annual projection based on new university projections will be provided to the Board in October 2013.

Quarterly, this information is updated based on the actual revenues received for the past quarter. Sales tax receipts for the first quarter of FY 2013-14 are on budget, and 8.3 percent higher than receipts for the same period last fiscal year. It is estimated that given the final sales tax receipts for FY 2012-13, the year-to-date sales tax receipts for FY 2013-14, coupled with the long-term sales tax growth rate forecasts that the revenue forecast for the life of the M2 Program will be approximately \$15.5 billion. The revenue forecast for the life of the M2 Program varies on a quarterly basis due to actual receipts being updated quarterly. Over the last four quarters, the forecast has ranged between \$15.3 billion and \$15.6 billion.

SBOE Fee Charged

OCTA monitors the fee on a quarterly basis. For the M2 Program, inception to date, the SBOE fee has not exceeded the 1.5 percent assumed in the ordinance. The fee collected for this quarter was 1.0 percent.

Measure M2
Schedule of Revenues, Expenditures and Changes in
Fund Balance as of September 30, 2013
(Unaudited)

Measure M2

Progress Report



| (\$ in thousands) | Quarter Ended Sept. 30, 2013 | Year to Date Sept. 30, 2013 | Period from Inception to Sept. 30, 2013 |
|------------------------------------------------------------------------------------|---------------------------------|--------------------------------|--------------------------------------------|
| Revenues: | | (A) | (B) |
| Sales taxes | \$71,308 | \$ 71,308 | \$649,536 |
| Other agencies' share of Measure M2 costs: | | | |
| Project related | \$12,494 | \$12,494 | \$168,522 |
| Interest | | | |
| Operating: | | | |
| Non-project related | \$926 | \$926 | \$2,452 |
| Bond proceeds | \$3,088 | \$3,088 | \$19,296 |
| Debt service | \$1 | \$1 | \$34 |
| Commercial paper | --- | --- | 395 |
| Right-of-way leases | \$45 | \$45 | \$396 |
| Miscellaneous | | | |
| Project related | --- | --- | \$13 |
| Non-project related | --- | --- | \$7 |
| Total revenues | \$87,862 | \$87,892 | \$840,651 |
| Expenditures: | | | |
| Supplies and services: | | | |
| State Board of Equalization (SBOE) fees | \$806 | \$806 | \$6,578 |
| Professional services: | | | |
| Project related | \$455 | \$455 | \$161,693 |
| Non-project related | \$197 | \$197 | \$8,469 |
| Administration costs: | | | |
| Project related | \$1,753 | \$1,753 | \$21,488 |
| Non-project related | \$1,375 | \$1,375 | \$25,322 |
| Other: | | | |
| Project related | \$24 | \$24 | \$745 |
| Non-project related | \$7 | \$7 | \$3,506 |
| Payments to local agencies: | | | |
| Project related | \$6,865 | \$6,865 | \$233,570 |
| Capital outlay: | | | |
| Project related | \$13,873 | \$13,873 | \$244,573 |
| Non-project related | --- | --- | \$32 |
| Debt service: | | | |
| Principal payments on long-term debt | --- | --- | \$6,410 |
| Interest on long-term debt and commercial paper | \$11,107 | \$11,107 | \$60,814 |
| Total expenditures | \$36,462 | \$36,462 | \$772,769 |
| Excess (deficiency) of revenues over (under) expenditures | \$51,400 | \$51,400 | \$67,882 |
| Other financing sources (uses): | | | |
| Transfers out: | | | |
| Project related | (\$464) | (\$464) | (\$6,345) |
| Transfers in: | | | |
| Project related | --- | --- | \$31,923 |
| Non-project related | \$17,750 | \$17,750 | \$17,750 |
| Bond proceeds | --- | --- | \$358,593 |
| Total revenues | \$17,286 | \$17,286 | \$401,921 |
| Excess (deficiency) of revenues over (under) expenditures and other sources (uses) | \$68,686 | \$68,686 | \$469,803 |

Measure M2

Progress Report



Measure M2
Schedule of Revenues, Expenditures and Changes in
Fund Balance as of September 30, 2013
(Unaudited)

| (\$ in thousands) | Quarter Ended Sept. 30, 2013 (actual) | Year Ended Sept. 30, 2013 (actual) | Period from Inception to Sept. 30, 2013 (actual) | Period from Oct. 1, 2013 through March 31, 2041 (forecast) | Total |
|----------------------------------------------|---------------------------------------------|------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------|--------------------|
| | | (C.1) | (D.1) | (E.1) | (F.1) |
| Tax Revenues: | | | | | |
| Sales taxes | \$71,308 | \$71,308 | \$649,536 | \$ 14,877,604 | \$15,527,140 |
| Operating Interest | \$926 | \$926 | \$2,452 | \$698,832 | \$701,284 |
| Total tax revenues | \$72,234 | \$72,234 | \$651,988 | \$15,576,436 | \$16,288,424 |
| Administrative expenditures: | | | | | |
| SBOE fees | \$806 | \$806 | \$6,578 | \$223,254 | \$229,832 |
| Professional services, non-project related | \$197 | \$197 | \$5,220 | \$101,151 | \$106,371 |
| Administration costs, non-project related | \$1,375 | \$1,375 | \$25,322 | \$142,081 | \$167,403 |
| Transfers out, non-project related | --- | --- | --- | \$20,826 | \$20,826 |
| Other, non-project related | \$7 | \$7 | \$3,506 | \$26,775 | \$30,281 |
| Capital outlay, non-project related | --- | --- | \$32 | --- | \$32 |
| Environmental cleanup | \$2,024 | \$2,024 | \$4,007 | \$311,529 | \$315,536 |
| Total expenditures | \$4,409 | \$4,409 | \$44,665 | \$825,617 | \$870,282 |
| Net tax revenues | \$67,825 | \$67,825 | \$607,323 | \$14,750,819 | \$15,358,142 |
| | | (C.2) | (D.2) | (E.2) | (F.2) |
| Bond revenues: | | | | | |
| Proceeds from issuance of bonds | --- | --- | \$358,593 | \$1,450,000 | \$1,808,593 |
| Interest revenue from bond proceeds | \$3,088 | \$3,088 | \$19,296 | \$32,000 | \$51,296 |
| Interest revenue from debt service funds | \$1 | \$1 | \$34 | \$57,942 | \$57,976 |
| Interest revenue from commercial paper | --- | --- | \$395 | --- | \$395 |
| Total bond revenues | \$3,089 | \$3,089 | \$379,318 | \$1,539,942 | \$1,918,260 |
| Financing expenditures and uses: | | | | | |
| Professional services, non-project related | --- | --- | \$3,249 | --- | \$3,249 |
| Bond debt principal | --- | --- | \$6,410 | \$1,866,855 | \$1,873,265 |
| Bond debt and other interest expense | \$11,107 | \$11,107 | \$60,814 | \$1,616,218 | \$1,677,032 |
| Total financing expenditures and uses | \$11,107 | \$11,107 | \$70,473 | \$3,483,073 | \$3,553,546 |
| Net bond revenues (debt service) | (\$8,018) | (\$8,018) | \$307,845 | (\$1,943,131) | (\$1,635,286) |

Measure M2

Progress Report



Measure M2
Schedule of Revenues, Expenditures and Changes in
Fund Balance as of September 30, 2013
(Unaudited)

| Project | Description | Net Tax Revenues Program to Date Actual | Total Net Tax Revenues | Project Budget | Estimate at Completion |
|-------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------|---------------------------|--------------------|---------------------------|
| (G) | (\$ in thousands) | (H) | (I) | (J) | (K) |
| Freeways (43% of Net Tax Revenues) | | | | | |
| A | I-5 Santa Ana Freeway Interchange Improvements | \$23,938 | \$605,343 | \$604,496 | \$604,496 |
| B,C,D | I-5 Santa Ana/San Diego Freeway Improvements | \$60,364 | \$1,526,495 | \$1,331,947 | \$1,331,947 |
| E | SR-22 Garden Grove Freeway Access Improvements | \$6,122 | \$154,556 | \$154,555 | \$154,555 |
| F | SR-55 Costa Mesa Freeway Improvements | \$18,641 | \$471,395 | \$468,794 | \$468,794 |
| G | SR-57 Orange Freeway Improvements | \$13,176 | \$333,196 | \$311,178 | \$311,178 |
| H, I, J | SR-91 Riverside Freeway Improvements | \$46,281 | \$1,170,373 | \$1,160,052 | \$1,60,052 |
| K, L | I-405 San Diego Freeway Improvements | \$70,922 | \$1,793,489 | \$730,583 | \$730,583 |
| M | I-605 Freeway Access Improvements | \$1,019 | \$25,759 | \$25,759 | \$25,759 |
| N | All Freeway Service Patrol | \$7,640 | \$193,195 | \$193,195 | \$193,195 |
| | Freeway Mitigation | \$13,057 | \$330,200 | \$306,060 | \$306,060 |
| Subtotal Projects | | \$261,150 | \$6,604,001 | \$5,286,619 | \$5,286,619 |
| Net (Bond Revenue)/Debt Service | | --- | --- | \$1,317,379 | \$1,317,379 |
| Total Freeways | | \$261,150 | \$6,604,001 | \$6,603,998 | \$6,603,998 |
| | | | | | 43.0 % |
| Street & Roads Project (32% of Net Tax Revenues) | | | | | |
| O | Regional Capacity Program | \$60,733 | \$1,535,833 | \$1,438,231 | \$1,438,231 |
| P | Regional Traffic Signal Synchronization Program | \$24,292 | \$614,306 | \$614,051 | \$614,051 |
| Q | Local Fair Share Program | \$109,318 | \$2,764,466 | \$2,764,466 | \$2,764,466 |
| Subtotal Projects | | \$194,343 | \$4,914,605 | \$4,816,748 | \$4,816,748 |
| Net (Bond Revenue)/Debt Service | | --- | --- | \$97,857 | \$97,857 |
| Total Street and Roads Project | | \$194,343 | \$4,914,605 | \$4,914,605 | \$4,914,605 |
| | | | | | 32.0% |

continue on following page

Measure M2

Progress Report



Measure M2
Schedule of Revenues, Expenditures and Changes in
Fund Balance as of September 30, 2013
(Unaudited)

| Variance Total Net Tax Revenues to Est at Completion | Variance Project Budget Est at Completion | Expenditures through Sept. 30, 2013 | Reimbursements through Sept. 30, 2013 | Net Project Cost | Percent of Budget Expended |
|------------------------------------------------------------|-------------------------------------------------|----------------------------------------|---------------------------------------------|------------------|-------------------------------|
| (L) | (M) | (N) | (O) | (P) | (Q) |
| \$847 | --- | \$1,473 | --- | \$1,473 | 0.2% |
| \$194,548 | --- | \$36,175 | \$8,536 | \$27,639 | 2.1% |
| \$1 | --- | \$4 | --- | \$4 | 0.0% |
| \$2,601 | --- | \$5,461 | \$13 | \$5,448 | 1.2% |
| \$22,018 | --- | \$37,197 | \$8,099 | \$29,098 | 9.4% |
| \$10,321 | --- | \$21,992 | \$6,177 | \$15,875 | 1.4% |
| \$1,062,906 | --- | \$18,562 | \$771 | \$17,791 | 2.4% |
| --- | --- | \$26 | --- | \$26 | 0.1% |
| --- | --- | \$35 | --- | \$35 | 0.0% |
| \$24,140 | --- | \$33,213 | \$1,305 | \$31,908 | 10.4% |
| \$1,317,382 | --- | \$154,138 | \$24,841 | \$129,297 | |
| (\$1,317,379) | --- | \$17,493 | --- | \$17,493 | |
| \$3 | --- | \$171,631 | \$24,841 | \$146,790 | 28.9% |
| \$97,602 | --- | \$247,422 | \$106,960 | \$140,482 | 9.8% |
| \$255 | --- | \$4,167 | \$272 | \$3,895 | 0.6% |
| --- | --- | \$96,737 | --- | \$96,737 | 3.5% |
| \$97,857 | --- | \$348,346 | \$107,232 | \$241,114 | |
| (\$97,857) | --- | \$18,830 | --- | \$18,830 | |
| --- | --- | \$367,176 | \$107,232 | \$259,944 | 51.2% |

Measure M2

Progress Report



Measure M2
Schedule of Revenues, Expenditures and Changes in
Fund Balance as of September 30, 2013
(Unaudited)

| Project | Description | Net Tax Revenues Program to Date Actual | Total Net Tax Revenues | Project Budget | Estimate at Completion |
|---------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------|---------------------------|---------------------|---------------------------|
| | (G) (\$ in thousands) | (H) | (I) | (J) | (K) |
| Transit Projects (25% of Net Tax Revenues) | | | | | |
| R | High Frequency Metrolink Service | \$54,368 | \$1,374,885 | \$1,314,414 | \$1,314,414 |
| S | Transit Extensions to Metrolink | \$53,613 | \$1,355,768 | \$1,266,233 | \$1,266,223 |
| T | Metrolink Gateways | \$12,149 | \$307,217 | \$237,183 | \$237,183 |
| U | Expand Mobility Choices for Seniors/ Persons with Disabilities | \$18,218 | \$460,690 | \$460,690 | \$460,690 |
| V | Community Based Transit/Circulators | \$12,142 | \$307,082 | \$307,082 | \$307,082 |
| W | Safe Transit Stops | \$1,340 | \$33,894 | \$39,894 | \$33,894 |
| | Subtotal Projects | \$151,830 | \$3,839,536 | \$3,619,486 | \$3,619,486 |
| | Net (Bond Revenue)/Debt Service | --- | --- | \$220,050 | \$220,050 |
| | Total Transit Projects | \$151,830 | \$3,839,536 | \$3,839,536 | \$3,839,536 |
| | % | | | | 25.0 % |
| | Measure M2 Program | \$607,323 | \$15,358,142 | \$15,358,139 | \$15,358,139 |
| Project | Description | Revenues Program to Date Actual | Total Revenues | Project Budget | Estimate at Completion |
| | (G) (\$ in thousands) | (H.1) | (I.1) | (J) | (K) |
| Environmental Cleanup (2% of Revenues) | | | | | |
| X | Clean Up Highway and Street Runoff that Pollutes Beaches | \$13,040 | \$324,568 | \$324,568 | \$324,568 |
| | Total Environmental Cleanup | \$13,040 | \$324,568 | \$324,568 | \$324,568 |
| | % | | | | 2.0% |
| | Taxpayer Safeguards and Audits | | | | |
| | Collect Sales Taxes (1.5% of Sales Taxes) | \$9,743 | \$232,907 | \$232,907 | \$232,907 |
| | % | | | | 1.5% |
| | Oversight and Annual Audits (1% of Revenues) | \$6,520 | \$162,284 | \$162,284 | \$162,284 |
| | % | | | | 1.0% |
| | Total Measure M Program | \$620,363 | \$15,682,710 | \$15,682,707 | \$15,682,707 |

continue on following page

Measure M2

Progress Report



Measure M2
Schedule of Revenues, Expenditures and Changes in
Fund Balance as of September 30, 2013
(Unaudited)

| Variance Total Net Tax Revenues to Est at Completion | Variance Project Budget Est at Completion | Expenditures through Sept. 30, 2013 | Reimbursements through Sept. 30, 2013 | Net Project Cost | Percent of Budget Expended |
|------------------------------------------------------------|----------------------------------------------------|-------------------------------------------|---------------------------------------------|---------------------|-------------------------------|
| (L) | (M) | (N) | (O) | (P) | (Q) |
| \$60,471 | --- | \$135,175 | \$68,275 | \$66,900 | 5.1% |
| \$89,545 | --- | \$477 | \$20 | \$457 | 0.0% |
| \$70,034 | --- | \$9,735 | \$283 | \$9,452 | 4.0% |
| --- | --- | \$16,085 | \$16 | \$16,069 | 3.5% |
| --- | --- | \$15 | \$10 | \$5 | 0.0% |
| --- | --- | \$5 | --- | \$5 | 0.0% |
| \$220,050 | --- | \$161,492 | \$68,604 | \$92,888 | |
| (\$220,050) | --- | \$8,016 | --- | \$8,016 | |
| --- | --- | \$169,508 | \$68,604 | \$100,904 | 19.9% |
| \$3 | --- | \$708,315 | \$200,677 | \$507,638 | |
| Variance Total Revenues to Est at Completion | Variance Project Budget to Est at Completion | Expenditures through Sept. 30, 2013 | Reimbursements through Sept 30, 2013 | Net Project Cost | Percent of Budget Expended |
| (L) | (M) | (N) | (O) | (P) | (Q) |
| --- | --- | \$4007 | \$177 | \$3,830 | 1.2% |
| --- | --- | \$4,007 | \$177 | \$3,830 | 0.6% |
| --- | --- | \$6,578 | --- | 6,578 | 2.8% |
| --- | --- | \$10,592 | \$4,072 | 6,520 | 4.0% |
| --- | --- | | | 1.0% | |
| \$3 | --- | \$712,322 | \$200,854 | \$511,468 | |



LOCAL FAIR SHARE

| Entity | FY 2013-14 First Quarter M2 Funds | M2 Funds to Date |
|------------------|--------------------------------------|------------------|
| Aliso Viejo | \$95,557.20 | \$1,206,839.14 |
| Anaheim | \$493,554.94 | \$10,059,741.69 |
| Brea | \$479,269.17 | \$2,076,612.55 |
| Buena Park | \$229,236.12 | \$2,814,442.57 |
| Costa Mesa | \$344,879.29 | \$4,367,761.03 |
| Cypress | \$128,904.79 | \$1,674,505.07 |
| Dana Point | \$82,661.65 | \$993,214.41 |
| Fountain Valley | \$151,941.51 | \$1,934,568.30 |
| Fullerton | \$316,502.83 | \$3,983,970.14 |
| Garden Grove | \$364,610.05 | \$4,577,936.47 |
| Huntington Beach | \$480,377.95 | \$5,868,345.83 |
| Irvine | \$629,877.11 | \$7,789,657.50 |
| Laguna Beach | \$60,250.00 | \$774,432.40 |
| Laguna Hills | \$81,907.97 | \$1,048,631.47 |
| Laguna Niguel | \$161,003.74 | \$2,075,043.52 |
| Laguna Woods | \$31,112.38 | \$400,614.44 |
| La Habra | \$132,994.98 | \$1,620,308.57 |
| Lake Forest | \$188,220.10 | \$2,394,020.04 |
| La Palma | \$47,930.68 | \$556,337.21 |
| Los Alamitos | \$30,903.24 | \$396,386.85 |

Measure M2

Progress Report



| Entity | FY 2013-14 First Quarter M2 Funds | M2 Funds to Date |
|------------------------|----------------------------------------------|-------------------------|
| Mission Viejo | \$225,711.40 | \$2,888,673.76 |
| Newport Beach | \$268,791.00 | \$3,326,677.27 |
| Orange | \$395,755.55 | \$4,998,796.74 |
| Placentia | \$115,098.69 | \$1,446,457.43 |
| Rancho Santa Margarita | \$102,813.64 | \$1,301,040.59 |
| San Clemente | \$134,063.62 | \$1,704,352.18 |
| San Juan Capistrano | \$94,322.11 | \$1,147,082.77 |
| Santa Ana | \$668,875.86 | \$8,493,830.61 |
| Seal Beach | \$66,742.52 | \$799,374.91 |
| Stanton | \$76,090.69 | \$916,652.90 |
| Tustin | \$213,841.58 | \$2,676,892.69 |
| Villa Park | \$12,555.98 | \$159,631.46 |
| Westminster | \$206,514.57 | \$2,613,131.53 |
| Yorba Linda | \$146,221.51 | \$1,824,026.66 |
| County of Orange | \$445,748.08 | \$5,432,041.48 |
| Total M2 Funds | \$7,704,842.50 | \$96,342,032.18 |

Measure M2

Progress Report



CAPITAL PROGRAM

| 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 Project C | \$113.0 | Jun-09 | Dec-11 | Oct-13 | Feb-18 |
| | \$113.0 | Jun-09 | Oct-11 | Oct-13 | Oct-17 |
| I-5, Vista Hermosa to Pacific Coast Highway Project C | \$75.6 | Jun-09 | Dec-11 | Feb-13 | Jan-16 |
| | \$75.6 | Jun-09 | Oct-11 | May-13 | May-16 |
| I-5, Pacific Coast Highway to San Juan Creek Road Project C | \$70.7 | Jun-09 | Dec-11 | Jan-13 | Nov-15 |
| | \$69.5 | Jun-09 | Oct-11 | Jan-13 | Dec-15 |
| I-5, I-5/Ortega Interchange Project D | \$90.9 | Sep-05 | Jun-09 | Nov-11 | Sep-15 |
| | \$81.0 | Sep-05 | Jun-09 | Dec-11 | Sep-15 |
| I-5, I-5/Ortega Interchange Project D | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | Dec-14 | Aug-16 |
| I-5, SR-73 to El Toro Road Project C & D | TBD | Sep-11 | Jun-14 | TBD | TBD |
| | \$534.6 | Oct-11 | May-14 | Jun-17 | June-22 |
| I-5, I-5/El Toro Road Interchange Project D | TBD | TBD | TBD | TBD | TBD |
| | TBD | Aug-14 | Jul-17 | TBD | TBD |
| I-5, I-405 to SR-55 Project B | TBD | Sep-13 | Jun-16 | TBD | TBD |
| | TBD | Dec-13 | Aug-16 | TBD | TBD |
| I-5, SR-55 to SR-57 Project A | TBD | Jul-11 | Jun-13 | TBD | TBD |
| | \$46.3 | Jun-11 | Mar-14 | Mar-16 | Nov-18 |
| I-5 Continuous HOV Lane Access | TBD | Jul-11 | Mar-12 | Jan-13 | Dec-13 |
| | \$7.7 | Aug-11 | Sept-14 | Aug-15 | May-17 |
| SR-55, I-405 to I-5 Project F | TBD | Feb-11 | Nov-13 | TBD | TBD |
| | \$274.6 | May-11 | Oct-14 | Oct-17 | Aug-21 |
| SR-55, I-5 to SR-91 Project F | TBD | TBD | TBD | TBD | TBD |
| | TBD | Jan-15 | Jun-17 | TBD | TBD |
| SR-57 Northbound (NB), Orangewood to Katella Project G | TBD | TBD | TBD | TBD | TBD |
| | TBD | Jul-15 | Jun-17 | TBD | TBD |
| SR-57 (NB), Katella to Lincoln Project G | \$78.7 | Apr-08 | Jul-09 | Nov-10 | Sep-14 |
| | \$38.4 | Apr-08 | Nov-09 | Dec-10 | Sep-14 |
| SR-57 (NB), Katella to Lincoln Project G | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | Jul-10 | Mar-16 |
| SR-57 (NB), Orangethorpe to Yorba Linda Project G | \$80.2 | Aug-05 | Dec-07 | Dec-09 | Mar-14 |
| | \$56.9 | Aug-05 | Dec-07 | Jul-09 | Mar-14 |
| SR-57 (NB), Yorba Linda to Lambert Project G | \$79.3 | Aug-05 | Dec-07 | Dec-09 | Jul-14 |
| | \$56.5 | Aug-05 | Dec-07 | Jul-09 | Dec-13 |

Measure M2

Progress Report



| Capital Projects | Cost Budget/Forecast (in millions) | Schedule Plan/Forecast | | | |
|-----------------------------------------------------------|------------------------------------------|------------------------|---------------------------|--------------------|--------------------------|
| | | Begin Environmental | Complete Environmental | Complete Design | Complete Construction |
| SR-57 (NB), Orangethorpe to Lambert Project G | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | Jun-14 | Dec-15 |
| SR-57 (NB), Lambert to Tonner Canyon Project G | TBD | TBD | TBD | TBD | TBD |
| | TBD | Jun-16 | May-19 | TBD | TBD |
| SR-91 Westbound (WB), I-5 to SR-57 Project H | \$78.1 | Jul-07 | Apr-10 | Feb-12 | Apr-16 |
| | \$68.3 | Jul-07 | Jun-10 | Apr-12 | Apr-16 |
| SR-91, SR-57 to SR-55 Project I | TBD | Feb-14 | Sep-16 | TBD | TBD |
| | TBD | Feb-14 | Sep-16 | TBD | TBD |
| SR-91 (WB), Tustin Interchange to SR-55 Project I | \$49.9 | Jul-08 | Jul-11 | Mar-13 | Jul-16 |
| | \$48.7 | Jul-08 | May-11 | Feb-13 | Jul-16 |
| SR-91, SR-55 to SR-241 Project J | \$128.4 | Jul-07 | Jul-09 | Jan-11 | Dec-12 |
| | \$81.5 | Jul-07 | Apr-09 | Aug-10 | Mar-13 |
| SR-91, SR-55 to SR-241 Project J | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | Feb-13 | Oct-14 |
| SR-91 Eastbound, SR-241 to SR-71 Project J | \$104.5 | Mar-05 | Dec-07 | Dec-08 | Nov-10 |
| | \$57.8 | Mar-05 | Dec-07 | Dec-08 | Jan-11 |
| I-405, Continuous HOV Lane Access | TBD | Jul-11 | Apr-12 | Jan-13 | Nov-13 |
| | \$4.2 | Aug-11 | Jan-14 | Oct-14 | Jan-16 |
| I-405, I-5 to SR-55 Project L | TBD | TBD | TBD | TBD | TBD |
| | TBD | Oct-14 | Jun-17 | TBD | TBD |
| I-405 Southbound, SR-133 to University Drive Project L | TBD | TBD | TBD | TBD | TBD |
| | TBD | Nov-14 | Sep-15 | Dec-16 | Sep-18 |
| I-405, SR-55 to I-605 Project K | TBD | Mar-09 | Mar-13 | TBD | TBD |
| | \$1,254.5 | Mar-09 | Oct-14 | Sept-14 | Nov-19 |
| I-405/SR-22 HOV Connector | \$195.9 | N/A | N/A | Sep-09 | Aug-14 |
| | \$120.1 | N/A | N/A | Jun-09 | Feb-15 |
| I-405/I-605 HOV Connector | \$260.4 | N/A | N/A | Sep-09 | Jan-15 |
| | \$169.4 | N/A | N/A | Sep-09 | Jan-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 | May-09 | Nov-16 |
| I-605, I-605/Katella Interchange Project M | TBD | TBD | TBD | TBD | TBD |
| | TBD | Feb-16 | Jan-18 | TBD | TBD |
| Grade Separation Projects | | | | | |
| Sand Canyon Grade Separation Project R | \$55.6 | N/A | Sep-03 | Jul-10 | May-14 |
| | \$62.4 | N/A | Sep-03 | Jul-10 | Aug-14 |
| Raymond Grade Separation Project O | \$77.2 | Feb-09 | Nov-09 | Aug-12 | Jul-18 |
| | \$98.1 | Feb-09 | Nov-09 | Dec-12 | Jul-18 |
| State College Grade Separation (Fullerton) Project O | \$73.6 | Dec-08 | Jan-11 | Aug-12 | Mar-18 |
| | \$80.3 | Dec-08 | Apr-11 | Feb-13 | Mar-18 |
| Placentia Grade Separation Project O | \$78.2 | Jan-01 | May-01 | Mar-10 | Nov-14 |
| | \$69.4 | Jan-01 | May-01 | Jun-10 | Aug-14 |



CAPITAL PROGRAM

- 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 |
| Kraemer Grade Separation Project O | \$70.4 | Jan-01 | Sep-09 | Jul-10 | Oct-14 |
| | \$66.6 | Jan-01 | Sep-09 | Jul-10 | Jul-14 |
| Orangethorpe Grade Separation Project O | \$117.4 | Jan-01 | Sep-09 | Dec-11 | Sep-16 |
| | \$110.2 | Jan-01 | Sep-09 | Oct-11 | Sep-16 |
| Tustin/RoseGrade Separation Project O | \$103.0 | Jan-01 | Sep-09 | Dec-11 | May-16 |
| | \$91.3 | Jan-01 | Sep-09 | Jul-11 | May-16 |
| Lakeview Grade Separation Project O | \$70.2 | Jan-01 | Sep-09 | Oct-11 | Sep-15 |
| | \$107.5 | Jan-01 | Sep-09 | Jan-13 | Mar-17 |
| Ball Grade Separation Project R | TBD | TBD | TBD | TBD | TBD |
| | TBD | TBD | TBD | TBD | TBD |
| 17th Street Grade Separation Project R | TBD | TBD | TBD | TBD | TBD |
| | TBD | TBD | TBD | TBD | TBD |
| Rail and Station Projects | | | | | |
| Rail-Highway Grade Crossing Safety Enhancement Project R | \$94.4 | Jan-08 | Oct-08 | Sep-08 | Dec-11 |
| | \$94.4 | Jan-08 | Oct-08 | Sep-08 | Dec-11 |
| San Clemente Beach Trail Safety Enhancements Project R | \$6.0 | Sep-10 | Jul-11 | Apr-12 | Jan-14 |
| | \$6.0 | Sep-10 | Jul-11 | Jun-12 | Jan-14 |
| San Juan Capistrano Passing Siding | TBD | Aug-11 | Jan-13 | TBD | TBD |
| | \$26.9 | Aug-11 | Feb-14 | Aug-15 | Feb-18 |
| Anaheim Rapid Connection Project S | TBD | Jan-09 | Oct-14 | TBD | TBD |
| | TBD | Jan-09 | Nov-14 | TBD | TBD |
| Santa Ana/Garden Grove Fixed-Guideway Project S | TBD | Aug-09 | Mar-12 | TBD | TBD |
| | \$252.0 | Aug-09 | Feb-14 | Sept-16 | Mar-19 |
| Placentia Metrolink Station & Parking Structure | TBD | Jan-03 | May-07 | Jan-11 | Jan-15 |
| | TBD | Jan-03 | May-07 | Feb-11 | TBD |
| Orange Station Parking Expansion | TBD | Dec-09 | Dec-12 | Apr-13 | TBD |
| | TBD | Dec-09 | Oct-14 | Mar-15 | Sep-16 |
| Laguna Niguel/Mission Viejo Station Parking Lot | \$4.3 | Sep-07 | Dec-07 | Aug-12 | Oct-13 |
| | \$4.3 | Jul-07 | Dec-07 | Aug-12 | Oct-13 |
| 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 |

Measure M2

Progress Report



Orange County

