M2 Performance Assessment Report

For the Period of July 2012 to June 2015

ch2m

Presentation Outline

- **Overview**

- **Summary**

- **Findings and Recommendations:**
  - Area 1: Project Delivery
  - Area 2: Program Management/Responsiveness
  - Area 3: Compliance
  - Area 4: Fiscal Responsibility
  - Area 5: Transparency and Accountability

Overview: Assessment Scope

- **Evaluate the efficiency and effectiveness of OCTA in satisfying requirements of the Measure M2 (M2) Plan**

- **Key objectives:**
  - **Evaluate status of findings from the second assessment and effectiveness of changes implemented**
  - **Assess OCTA's performance in the delivery of M2 projects and programs**
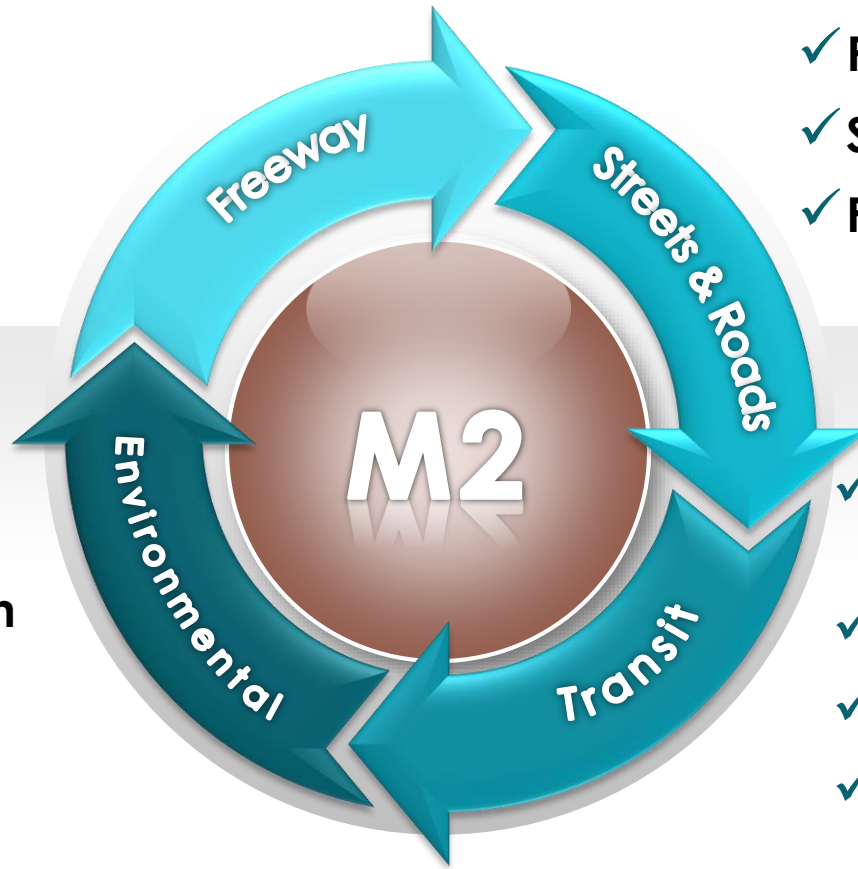 - **Identify and evaluate potential barriers to success and opportunities for improvements**

OCTA: Orange County Transportation Authority

Overview: Cover Full Range of M2 Projects

Projects A-N

- ✓ **Lane additions**
- ✓ **Interchange improvements**
- ✓ **Operational enhancements**

Projects O-Q

- ✓ **Regional capacity**
- ✓ **Signal synchronization**
- ✓ **Flexible funding**

Environmental

- ✓ **Comprehensive freeway mitigation**
- ✓ **Project X: Water quality improvements**

Projects R-W

- ✓ **Metrolink service upgrades**
- ✓ **Transit extensions**
- ✓ **Transit stations/stops**
- ✓ **Expand mobility choices**

M2

Freeway

Streets & Roads

Transit

Environmental

Summary

- OCTA successfully addressed all prior assessment findings

- Implementation of M2 program progressed significantly on all plan elements over the 3 years

- Changing policy direction from the State of California on GHG, sustainability, and managed lane facilities represent one of the largest risks to the M2 program

- Other suggested recommendations relate to refining existing processes and improving branding and awareness of M2 program

Area 1: Project Delivery

OCTA peaked in delivery of projects both from a dollar value perspective as well as in terms of scale and scope of the program

No.	Finding	Recommendation
1	Difficulty aligning aspects of M2 program with changes in State's priorities	Continue to partner with Caltrans and explore the possibility of including OCTA M2 freeway projects in Caltrans' annual Contract for Delivery
2	Increased occurrences of changes and/or growth to project scopes	Include definition of "betterment" in agreements with state, regional, and local agencies and define how betterments will be negotiated

Area 2: Program Management

Slowly and steadily, the PMO function has grown and matured as expected

No.	Finding	Recommendation
3	PMO function has matured and OCTA is poised to oversee the growing program more fully with staff additions	Communicate PMO staff member roles and responsibilities. Engage in strategic discussions on M2 brand awareness, stronger collaboration and partnerships
4	Periodic training could strengthen the PMO. OCTA branded training modules could further enhance capabilities	Implement Program Management Academy. Consider PMP training for all PMO staff

Area 3: Compliance

- OCTA met all the M2 requirements
- No recommendations in this area

Area 4: Fiscal Responsibility

Recovering from the great recession, OCTA continued to be prudent in managing and monitoring funding to continue delivering the program

No.	Finding	Recommendation
5	OCTA improved controls to track and administer the 1 percent cap on administration expenses	Continue existing processes to actively monitor administrative expenses
6	OCTA evaluated the optimal level of debt to issue and reduced size of debt facility. OCTA actively sought alternate sources of funding to deliver M2 program	Continue to evaluate optimum level of debt to issue and timing of debt issuance. Continue to seek alternate sources of funding to supplement M2 funds
7	Three local agencies failed to request timely use of funds extension during the semi-annual review process and did not receive full allocation	Evaluate whether there is a pattern of delay in requesting extensions and should a pattern emerge, identify and address underlying root causes

Area 5: Transparency and Accountability

M2 is one of the most transparent and accountable sales tax measures in the state of California and maybe in the Country

No.	Finding	Recommendation
8	Some external stakeholders noted a lack of recognition of M2 funding. Also they note a lack of association, for the general public, between projects and programs in their communities with the M2 Program	Implement M2 specific marketing efforts to educate the public and stakeholders. Develop guidelines or media toolkit for city staff to highlight M2 projects at construction sites
9	Cities reported not having enough staff to review all M2 materials and documents	Develop an information card for each M2 program and project with easy to understand information and status updates for city staff and constituents

Next Steps

- **Implement OCTA responses and actions**

- **Provide interim status in M2 Quarterly Reports**

- **Complete actions by December 31, 2017**

- **Next assessment period 2016 – 2018**