
AGENDA

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Annual Public Hearing**
 - A. Overview of Taxpayer Oversight Committee
 - B. Review of the FY 2023/24 Taxpayer Oversight Committee Actions
 - C. Annual Eligibility Review Subcommittee Report
 - D. Audit Subcommittee Report
 - E. Public Comments
 - F. Adjournment of Public Hearing
- 4. Approval of Minutes/Attendance Report for March 12, 2024**
- 5. Action Items**
 - A. Annual Eligibility Review Subcommittee Eligibility Report
Andrew Ramirez, Annual Eligibility Subcommittee Chair
 - B. 2024 Measure M Annual Hearing Follow-Up and Compliance Finding
Chairman Andrew Hamilton, Orange County Auditor Controller
 - C. M2 Quarterly Revenue & Expenditure Report
Receive and File - Sean Murdock, Director, Finance and Administration
- 6. Presentation Items**
 - A. Measure M2 Quarterly Progress Report – Q3
Francesca Ching, Measure M Program Manager
 - B. Comprehensive Transportation Funding Programs (CTFP) – 2024 Project O and Project P Call for Projects Programming Recommendations
Charvalen Alacar, Section Manager, Planning
- 7. Audit Subcommittee Report**
- 8. Selection of Co-Chair**
- 9. Subcommittee Selection**
- 10. OCTA Staff Updates**
 - A. Ordinance Compliance Matrix
Francesca Ching, Measure M Program Manager
 - B. Staff Liaison Update
Marissa Espino, Section Manager, Public Outreach
- 11. Committee Member Reports**
- 12. Adjournment**

The next meeting will be held on September 10, 2024 at 5pm

Agenda Descriptions

The Agenda descriptions are intended to give notice to members of the public of a general summary of items of business to be transacted or discussed.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA at (714) 560 5611, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

*Information
Items*

INFORMATION ITEMS

<i>Staff Report Title</i>	<i>Board Meeting Date</i>
1. Fiscal Year 2022-23 Audited Financial Statements and Independent Auditor's Reports on Internal Control Over Financial Reporting	November 27, 2023
2. Fiscal Year 2022-23 Single Audit and Agreed-Upon Procedures Reports	January 22, 2024
3. Update on the Interstate 5 Improvement Project Between State Route 73 and El Toro Road	March 11, 2024
4. Revisions to the Measure M2 Eligibility Guidelines	March 11, 2024
5. Environmental Mitigation Program Endowment Fund Investment Report for December 31, 2023	March 11, 2024
6. OC Streetcar Project Quarterly Update	April 22, 2024
7. Orange County Local Transportation Authority Report on Compliance with the Measure M2 Ordinance, Year Ended June 30, 2023	May 13, 2024
8. Third Quarter Fiscal Year 2023-24 Capital Action Plan Performance Metrics	May 13, 2024
9. Measure M2 Eligibility for the City of Orange	May 28, 2024
10. Measure M2 Eligibility for the City of Cypress	May 28, 2024
11. Measure M2 Eligibility for the City of Buena Park	May 28, 2024

Measure M2 Taxpayer Oversight Committee
Orange County Transportation Authority
550 S. Main Street, Orange CA, Room 07
March 12, 2023 @ 5:00 p.m.

MEETING MINUTES

Committee Members Present:

Andrew Hamilton, Chairman
Ajay Khetani, Fourth District Representative
Andrew Ramirez, First District Representative
Kirk Watilo, Third District Representative
Mark W. Eisenberg, Fifth District Representative
Mark Kizzar, Second District Representative
Michael Neben, Third District Representative
Monica Shin, Second District Representative
Naresh D. Patel, First District Representative
Shannon O'Toole, Fifth District Representative

Committee Members Absent:

Rasik N. Patel, Fourth District Representative

Orange County Transportation Authority Staff Present:

Alice Rogan, Director, Marketing and Public Outreach
Andrew Oftelie, Chief Financial Officer, Finance and Administration
Francesca Ching, Measure M Program Manager
Janet Sutter, Executive Director, Internal Audit
Logan Selleck, Public Outreach
Marissa Espino, Public Outreach Section Manager
Rima Tan, Manager, Finance and Administration

Woodruff & Smart

James Donich, OCTA General Counsel

1. Welcome

Chair Andrew Hamilton called the Orange County Transportation Authority (OCTA) Taxpayer Oversight Committee (TOC) meeting to order.

2. Pledge of Allegiance

Mark Kizzar led the Pledge of Allegiance

3. Approval of Minutes/Attendance Report for December 12, 2023

A motion was made by Mark Eisenberg to approve the December 12, 2023, TOC Minutes/Attendance Report. Motion was seconded by Mark Kizzar. Motion carried.

4. Action Items

A. M2 Quarterly Revenue & Expenditure Report.

Andrew Hamilton commented the Audit Subcommittee had just reviewed this item and asked if there were any additional comments or questions. There were no additional comments or questions from the committee.

*Andrew Hamilton made a motion to receive and file Action Item 4A.
Mark Eisenberg seconded the motion. Motion passed.*

B. Code of Conduct

Monica Shin, Taxpayer Oversight committee member presented the item requesting the committee members to consider creating a Code of Conduct.

Committee Member Comments:

A committee member asked if she had seen anything inaccurate or inconsistent with what had been discussed during the meeting, except for her own thoughts and opinions concerning the issue. Monica Shin responded it was the exclusion of how this Board discussed the audit and how it was voted upon by the committee. That entire discussion was excluded and creates a lack of transparency.

A committee member commented typically large organizations and government agencies do not want individuals to do op-ed pieces, individual opinion pieces that can result in misinterpretation.

A committee member asked if there was anything in the member orientation packet regarding the operating policies and procedures that covers this. Monica Shin responded there was nothing that would overlap and the Code of Conduct would provide further clarification. James Donich, OCTA General Counsel responded there is a Code of Conduct that applies to the OCTA Board and employees and consultants, but it does not apply to the members of the TOC. The only guidance for something like this would be in the by-laws of the committee.

Andrew Hamilton commented that the TOC is an independent oversight committee and members should be able to give opinions and express free speech.

A committee member commented that he agrees with the content of the statement (op-ed piece), that it reflects the majority of the committee members as reflected by their votes and does not have trouble with the Chair serving as the voice of the committee on actions already taken.

A committee member commented that the purpose is not to have something go out to the media without all of us knowing so we can speak to it if asked. Having a commonality before something is released.

A committee member commented that it specifically states that the Co-Chair, a member of the Taxpayer portion of the committee would be the primary spokesperson.

A committee member asked could there be a compromise to update our responsibilities, operating practices, objectives, and procedures to include guidelines about posting on social media, rather than a separate Code of Conduct. Monica Shin responded she would like to see a copy of the OCTA Code of Conduct, and she would not be opposed to adding it as a revision to the new member orientation packet but having it as a separate Code of Conduct would allow members to review if they had questions instead of going through the orientation packet.

Monica Shin made a motion to begin the drafting of a Code of Conduct for this committee with the assistance of Legal Counsel.

Andrew Hamilton called for a motion; a committee member seconded with the amendment to read that in conjunction with Alice's team and Legal Counsel, they decide which is better, a separate Code of Conduct or Policy and Procedures. No vote was taken.

Andrew Hamilton commented about Monica Shin's comments at an OCTA Board meeting related to the certification of the audit that she had given during the public comment period. A discussion ensued among committee members. James Donich responded to the discussion by commenting the agenda item is related to a Code of Conduct and the area now being discussed is not on the agenda.

A committee member asked for a summary of what was to be voted on. Monica Shin responded they would move forward on drafting a document that would become either a Code of Conduct or added as a revision to the new committee member orientation packet that would detail items that may or may not fall into a typical Code of Conduct.

James Donich asked would the motion be brought back to the committee. Monica Shin responded that the motion would include whatever was drafted would be brought back to this committee for review and further approval.

Andrew Hamilton called for a vote on Action Item 4B.

5 yes: Naresh D. Patel, Kirk Watilo, Michael Neben, Monica Shin, Shannon O'Toole

5 no: Ajay Khetani, Andrew Hamilton, Andrew Ramirez, Mark Kizzar, Mark W. Eisenberg

Motion did not pass.

5. Presentation Items

A. I-5 South Improvement Project Update

Logan Selleck, Public Outreach, presented the item.

Committee Member Comments:

A committee member asked what the cost was at the beginning and at the end of the project. Logan Selleck responded they would get back to them with the information.

A committee member asked about the area between Oso and El Toro on the north side of the I-5 in South County, where due to the rainfall, cars are hydroplaning and crashing, and will this problem be corrected with better drainage. Logan Selleck responded he has heard about it and the technical team is aware of it. They are still installing drainage in that area and will continue to look into it.

A committee member asked why one of the bridges that was built 21/2 feet taller and then lowered was not kept taller. Logan Selleck responded the bridge was built taller to conform to Caltrans Standards for travel underneath during construction and then lowered into place.

A committee member asked if the local police or Parks and Recreation monitor the trails along the freeway as encampments tend to spring up. Logan Selleck responded the trail is part of the Orange County Public Works (OCPW) Trail Network and falls under the Sheriff's jurisdiction and Laguna Hills and Lake Forest Police Department.

A committee member asked if it was the same for the covered pedestrian bridges. Logan Selleck responded there are no pedestrian bridges on this project.

A committee member asked if OCTA was establishing what type of vehicles could be on the trails as M2 monies are being spent on them. Logan Selleck responded they are part of the OCPW Trail Network and they are the ones with the rules for the network. OCTA had to use a portion of the trail during construction and it has been put back to OCPW standards.

B. Measure M2 Quarterly Progress Report

Francesca Ching, Measure M2 Program Manager presented the item.

Committee Member Comments:

A committee member asked what was the status of the OC Streetcar project. Francesca Ching responded the Streetcar is scheduled to be in operation by the end of 2025.

6. OCTA Staff Updates

A. M2 Amendment Follow Up

Andrew Oftelie, Chief Financial Officer, Finance and Administration, presented the item.

Committee Member Comments:

There were no member comments.

B. Public Hearing Overview

Alice Rogan, Director, Marketing and Public Outreach, presented an overview of the hearing. The date for the public hearing is June 11, 2024, at 6:00pm at OCTA. The public hearing in 2025 is June 10.

Committee Member Comments:

There were no member comments.

C. Staff Liaison Update

Alice Rogan, Director, Marketing and Public Outreach presented the item. Alice Rogan announced her retirement date as September 13, 2024, and introduced Marissa Espino as her replacement.

Committee Member Comments:

There were no comments.

7. Annual Eligibility Review Subcommittee Report

There was no report.

8. Audit Subcommittee Report

Andrew Hamilton stated that the subcommittee had just met prior to this meeting. Discussion was held with Crowe about the annual financial statement audit and other related reports, the subcommittee also reviewed the Second Quarter Measure M2 Status Report.

9. Environmental Oversight Committee Report

Ajay Khetani presented the report. The EOC meeting took place in February 2024. The committee received updates on the OCTA Endowment Fund Investment Report; Preserve Fire Management Plans and the Fairview Park Restoration plans.

10. Committee Members Reports

Andrew Hamilton commented there will be an early May Audit Subcommittee meeting.

11. Public Comments

There were no public comments.

12. Adjournment

Chair Andrew Hamilton adjourned the meeting at 6:15 p.m.

The next meeting will be held on June 11, 2024, at 6 p.m.

Taxpayer Oversight Committee

Fiscal Year 2023-2024

Attendance Record

X = Present		E = Excused Absence		* = Absence Pending Approval			U = Unexcused Absence			-- = Resigned		
Meeting Date	11 July	Aug.	12 Sept.	Oct.	Nov.	12 Dec	Jan.	Feb.	12 March	Apr.	May	11 Jun.
Naresh D. Patel	X		E			X			X			
Andrew Ramirez	X		X			E			X			
Monica Shin	X		X			X			X			
Mark Kizzar	E		X			X			X			
Michael Neben	X		X			X			X			
Kirk Watilo	X		E			X			X			
Rasik N. Patel	X		E			E			--			--
Ajay Khetani	X		X			E			X			
Shannon O'Toole	E		X			E			X			
Mark W. Eisenberg	X		X			X			X			
Andrew Hamilton	X		X			X			X			
Tim Benson	N/A		N/A			N/A			N/A			

Absences Pending Approval

Meeting Date	Name	Reason

*Action
Items*

ITEM 5A:
Annual Eligibility Review
Subcommittee Eligibility Report



June 11, 2024

To: Taxpayer Oversight Committee

From: Orange County Transportation Authority Staff

Subject: Measure M2 Annual Eligibility Review Subcommittee
Recommendations for Fiscal Year 2022-23 Expenditure Reports

Overview

The Measure M2 Ordinance No. 3 requires that all local jurisdictions satisfy eligibility requirements on a cyclical basis in order to receive Measure M2 net revenues. The Annual Eligibility Review Subcommittee has convened and completed its review process for fiscal year 2022-23 Measure M2 expenditure reports.

Recommendation

Affirm that the Taxpayer Oversight Committee has received and completed the review of fiscal year 2022-23 Measure M2 expenditure reports from 33 of Orange County's 35 local jurisdictions (excluding the City of Orange and the City of Buena Park which are currently ineligible).

Background

Per the Measure M2 (M2) Ordinance No. 3 (M2 Ordinance), the Taxpayer Oversight Committee (TOC) is responsible for receiving and reviewing several components of each local jurisdiction's M2 eligibility submittals. These include the Congestion Management Program, Mitigation Fee Program, Local Signal Synchronization Plan, Pavement Management Plan, and M2 expenditure reports. The eligibility component that was most recently submitted was fiscal year (FY) 2022-23 M2 expenditure reports.

Consistent with M2 Eligibility Guidelines, local jurisdictions are required to submit M2 annual expenditure reports within six months of the close of the FY. For all local jurisdictions, the reports were due and were submitted on or before December 29, 2023. Local jurisdictions are required to report on the usage of M2 funds, developer/traffic impact fees, and funds expended to satisfy M2 Maintenance of Effort (MOE) requirements. Consistent with the M2 Ordinance, the TOC established the Annual Eligibility Review (AER) Subcommittee to receive and

review TOC eligibility components, including annual M2 expenditure reports, on behalf of the TOC.

In May 2024, the Orange County Transportation Authority (OCTA) Board of Directors (Board) found the City of Cypress's (Cypress) eligible for M2 to revenues based. This action placed Cypress back on the same eligibility review cycle as all the other local jurisdictions, which is the reason their FY2022-23 M2 expenditure report was included. However, the expenditure reports from the City of Orange (Orange) and the City of Buena Park (Buena Park) were not included in this review due to the jurisdictions being found ineligible to receive net M2 revenues by the OCTA Board of Directors (Board) on May 28, 2024.

Discussion

At the May 28, 2024, AER Subcommittee meeting, Orange County Transportation Authority (OCTA) staff provided a detailed overview of its technical review of 33 of Orange County's 35 local jurisdiction's M2 expenditure reports. A summary of the results from the review is provided in Attachment A. Orange is not currently eligible due to not meeting the MOE requirement, and Buena Park is not currently eligible due to disallowed indirect M2 Local Fair Share (LFS) expenditures. Therefore, information on their expenditure reports is not included. An audit of Orange's FY 2022-23 expenditure report concluded that a portion of their expenditures toward the MOE could not be verified. When these expenditures were excluded, their MOE expenditures fell below the required benchmark amount. An audit of Buena Park's FY 2022-23 expenditure report concluded that Buena Park could not provide sufficient support for its indirect LFS expenditures. As a result, the unsupported expenditures were disallowed and deemed impermissible by the M2 Ordinance.

AER Subcommittee members were provided with copies of the complete report for the other 33 local jurisdictions at their May 28, 2024 meeting. The AER Subcommittee was then given the opportunity to ask clarifying questions. After discussion of AER Subcommittee member questions, the AER Subcommittee affirmed that it received and reviewed the FY 2022-23 M2 expenditure reports for all 33 currently eligible Orange County local jurisdictions. With respect to Orange and Buena Park, the Board has directed staff to enter into agreements with the jurisdictions, outlining the process by which they can re-establish their M2 eligibility status.

Next Steps

Once the TOC affirms its receipt and review of these eligibility materials, staff will report the completion of the FY 2022-23 M2 expenditure reports eligibility component to the OCTA Regional Transportation Planning Committee and Board for consideration of a finding that 33 of Orange County's 35 local jurisdictions (excluding Orange and Buena Park) are eligible to continue receiving M2 net revenues.

Summary

The AER Subcommittee is reporting to the TOC that it has received and reviewed the FY 2022-23 M2 expenditure reports in order to advance this current component of the eligibility process to the OCTA Board.

Attachment

- A. Measure M2 Eligibility Review Summary of FY 2022-23 Expenditure Reports

**Measure M2 Eligibility Review Summary
of FY 2022-23 Expenditure Reports**

Local Jurisdiction	Expenditure Report Received by Deadline	Resolution Received by Deadline	MOE Benchmark Met	Received and Reviewed
Aliso Viejo	Yes	Yes	Yes	Yes
Anaheim	Yes	Yes	Yes	Yes
Brea	Yes	Yes	Yes	Yes
Buena Park ¹	N/A	N/A	N/A	N/A
Costa Mesa	Yes	Yes	Yes	Yes
County of Orange ²	Yes	Yes	N/A	Yes
Cypress	Yes	Yes	Yes	Yes
Dana Point	Yes	Yes	Yes	Yes
Fountain Valley	Yes	Yes	Yes	Yes
Fullerton	Yes	Yes	Yes	Yes
Garden Grove	Yes	Yes	Yes	Yes
Huntington Beach	Yes	Yes	Yes	Yes
Irvine	Yes	Yes	Yes	Yes
La Habra	Yes	Yes	Yes	Yes
La Palma	Yes	Yes	Yes	Yes
Laguna Beach	Yes	Yes	Yes	Yes
Laguna Hills	Yes	Yes	Yes	Yes
Laguna Niguel	Yes	Yes	Yes	Yes
Laguna Woods	Yes	Yes	Yes	Yes
Lake Forest	Yes	Yes	Yes	Yes
Los Alamitos	Yes	Yes	Yes	Yes
Mission Viejo	Yes	Yes	Yes	Yes
Newport Beach	Yes	Yes	Yes	Yes
Orange ³	N/A	N/A	N/A	N/A
Placentia	Yes	Yes	Yes	Yes
Rancho Santa Margarita	Yes	Yes	Yes	Yes
San Clemente	Yes	Yes	Yes	Yes
San Juan Capistrano	Yes	Yes	Yes	Yes
Santa Ana	Yes	Yes	Yes	Yes
Seal Beach	Yes	Yes	Yes	Yes
Stanton	Yes	Yes	Yes	Yes
Tustin	Yes	Yes	Yes	Yes
Villa Park	Yes	Yes	Yes	Yes
Westminster	Yes	Yes	Yes	Yes
Yorba Linda	Yes	Yes	Yes	Yes

1. The City of Buena Park is excluded as the local jurisdiction was found ineligible to receive net M2 revenues by the Orange County Transportation Authority's Board of Directors on May 28, 2024, due to disallowed LFS expenditures.

2. MOE was established in 1991 with the first Measure M Program using a five-year average of the level of funding local jurisdictions spent on streets and roads between 1985 and 1990. However, Orange County Public Works and their predecessor agencies received sufficient gas tax subventions and other transportation specific funding from state, federal, and other local sources, which were required to be used for transportation. As such, they did not and do not use discretionary funds for transportation purposes. The County uses a number of fund sources for transportation including gas tax subvention or Highway User Tax Account, federal grants, assessment districts, developer impact fees, and other transportation specific fund sources.

3. The City of Orange is excluded as the local jurisdiction was found ineligible to receive net M2 revenues by the Orange County Transportation Authority's Board of Directors on May 28, 2024, due to failure to comply with the MOE eligibility requirement.

Acronyms

FY - Fiscal Year

MOE - Maintenance of Effort

N/A - Not Applicable

**ITEM 5C:
M2 Quarterly Revenue &
Expenditure Report**

Measure M2
Schedule of Revenues, Expenditures and Changes in Fund Balance
as of March 31, 2024
(Unaudited) Quarterly Report

<i>(\$ in thousands)</i>	Quarter Ended March 31, 2024	Year to Date March 31, 2024	Period from Inception to March 31, 2024
		(A)	(B)
Revenues:			
Sales taxes	\$ 113,344	\$ 332,019	\$ 4,273,077
Other agencies' share of Measure M2 costs:			
Project related	9,488	16,592	854,678
Non-project related	-	-	454
Interest:			
Operating:			
Project related	1,690	1,669	6,766
Non-project related	5,851	16,973	100,289
Bond proceeds	-	3,574	98,820
Debt service	495	1,133	2,891
Commercial paper	-	-	393
Right-of-way leases			
Project related	19	56	1,721
Non-project related	-	-	17
Proceeds on sale of assets held for resale	-	-	13,428
Donated assets held for resale			
Project related	-	-	2,071
Miscellaneous:			
Project related	-	-	331
Non-project related	-	-	129
Total revenues	130,887	372,016	5,355,065
Expenditures:			
Supplies and services:			
Sales tax administration fees	882	2,646	41,545
Professional services:			
Project related	10,249	21,465	560,306
Non-project related	378	1,027	38,957
Administration costs:			
Project related	2,991	8,973	126,187
Non-project related:			
Salaries and Benefits	1,172	3,384	43,734
Other	1,648	5,076	72,530
Other:			
Project related	144	273	6,581
Non-project related	10	58	5,432
Payments to local agencies:			
Project related	32,710	65,264	1,393,478
Capital outlay:			
Project related	34,817	63,382	2,305,273
Non-project related	-	(100)	31
Debt service:			
Principal payments on long-term debt	20,920	20,920	116,405
Interest on long-term debt and commercial paper	16,976	33,952	353,528
Total expenditures	122,897	226,320	5,063,987
Excess (deficiency) of revenues over (under) expenditures	7,990	145,696	291,078
Other financing sources (uses):			
Transfers out:			
Project related	(13,911)	(24,814)	(522,226)
Transfers in:			
Project related	1,452	3,421	352,104
Non-project related	-	(453)	-
Bond proceeds	-	-	804,625
Payment to refunded bond escrow agent	-	-	(45,062)
Total other financing sources (uses)	(12,459)	(21,846)	589,441
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	\$ (4,469)	\$ 123,850	\$ 880,519

Measure M2
Schedule of Calculations of Net Revenues and Net Financing Expenditures
as of March 31, 2024
(Unaudited) Quarterly Report

<i>(\$ in thousands)</i>	Quarter Ended March 31, 2024 (actual)	Year to Date March 31, 2024 (actual)	Period from Inception through March 31, 2024 (actual)	Period from April 1, 2024 through March 31, 2041 (forecast)	Total
	(C.1)	(C.1)	(D.1)	(E.1)	(F.1)
Revenues:					
Sales taxes	\$ 113,344	\$ 332,019	\$ 4,273,077	\$ 10,486,063	\$ 14,759,140
Operating interest	5,851	16,973	100,289	550,657	650,946
Subtotal	<u>119,195</u>	<u>348,992</u>	<u>4,373,366</u>	<u>11,036,720</u>	<u>15,410,086</u>
Other agencies share of M2 costs	-	-	454	-	454
Right-of-way leases	-	-	17	-	17
Miscellaneous	-	-	129	-	129
Total revenues	<u>119,195</u>	<u>348,992</u>	<u>4,373,966</u>	<u>11,036,720</u>	<u>15,410,686</u>
Administrative expenditures:					
Sales tax administration fees	882	2,646	41,545	86,212	127,757
Professional services	378	1,027	35,182	87,736	122,918
Administration costs:					
Salaries and Benefits	1,172	3,384	43,734	107,292	151,026
Other	1,648	5,076	72,530	178,683	251,213
Other	10	58	2,412	6,055	8,467
Capital outlay	-	(100)	31	-	31
Environmental cleanup	377	1,849	51,155	209,688	260,843
Total expenditures	<u>4,467</u>	<u>13,940</u>	<u>246,589</u>	<u>675,666</u>	<u>922,255</u>
Net revenues	<u>\$ 114,728</u>	<u>\$ 335,052</u>	<u>\$ 4,127,377</u>	<u>\$ 10,361,054</u>	<u>\$ 14,488,431</u>
<hr/>					
(C.2) (D.2) (E.2) (F.2)					
Financing expenditures:					
Debt interest expense	16,976	33,952	353,528	340,639	694,167
Professional services	-	-	3,775	-	3,775
Other	-	-	3,020	-	3,020
Total financing expenditures	<u>16,976</u>	<u>33,952</u>	<u>360,323</u>	<u>340,639</u>	<u>700,962</u>
Interest revenue:					
Interest revenue from bond proceeds	-	3,574	98,820	59,321	158,141
Interest revenue from debt service funds	495	1,133	2,891	4,817	7,708
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>495</u>	<u>4,707</u>	<u>102,104</u>	<u>64,138</u>	<u>166,242</u>
Net financing expenditures:	<u>\$ 16,481</u>	<u>\$ 29,245</u>	<u>\$ 258,219</u>	<u>\$ 276,501</u>	<u>\$ 534,720</u>

Measure M2
Schedule of Revenues and Expenditures Summary
as of March 31, 2024
(Unaudited) Quarterly Report

Project	Description	Total Net Revenues	Net Revenues	Expenditures	Reimbursements	(J) - (K) = (L)
		Inception to March 31, 2041 (actual) + (forecast)	Inception to March 31, 2024 (actual)	Inception to March 31, 2024 (actual)	Inception to March 31, 2024 (actual)	Net M2 Cost Inception to March 31, 2024 (actual)
(G)		(H)	(I)	(J)	(K)	(L)
	(\$ in thousands)					
Freeways (43% of Net Revenues)						
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 571,063	\$ 162,681	\$ 10,910	\$ 8,786	\$ 2,124
B	I-5 Santa Ana/SR-55 to El Toro	364,751	103,908	32,762	21,387	11,375
C	I-5 San Diego/South of El Toro	761,823	217,023	390,966	53,014	337,952
D	I-5 Santa Ana/San Diego Interchange Upgrades	313,477	89,302	3,130	527	2,603
E	SR-22 Garden Grove Freeway Access Improvements	145,803	41,536	5	-	5
F	SR-55 Costa Mesa Freeway Improvements	444,700	126,684	110,152	47,186	62,966
G	SR-57 Orange Freeway Improvements	314,328	89,544	57,656	13,982	43,674
H	SR-91 Improvements from I-5 to SR-57	170,104	48,458	34,959	824	34,135
I	SR-91 Improvements from SR-57 to SR-55	506,059	144,163	59,262	57,189	2,073
J	SR-91 Improvements from SR-55 to County Line	427,933	121,907	18,483	17,005	1,478
K	I-405 Improvements between I-605 to SR-55	1,303,483	371,326	1,509,214	302,005	1,207,209
L	I-405 Improvements between SR-55 to I-5	388,445	110,658	9,247	6,954	2,293
M	I-605 Freeway Access Improvements	24,301	6,923	7,961	16	7,945
N	All Freeway Service Patrol	182,254	51,919	11,881	-	11,881
	Freeway Mitigation	311,501	88,739	61,654	7,612	54,042
	Subtotal Projects	6,230,025	1,774,771	2,318,242	536,487	1,781,755
	Net financing expenditures	-	-	177,243	-	177,243
	Total Freeways	\$ 6,230,025	\$ 1,774,771	\$ 2,495,485	\$ 536,487	\$ 1,958,998
	%					50.4%
Street and Roads Projects (32% of Net Revenues)						
O	Regional Capacity Program	\$ 1,448,861	\$ 412,743	\$ 814,217	\$ 507,884	\$ 306,333
P	Regional Traffic Signal Synchronization Program	579,519	165,090	114,408	22,160	92,248
Q	Local Fair Share Program	2,607,918	742,928	717,330	77	717,253
	Subtotal Projects	4,636,298	1,320,761	1,645,955	530,121	1,115,834
	Net financing expenditures	-	-	51,932	-	51,932
	Total Street and Roads Projects	\$ 4,636,298	\$ 1,320,761	\$ 1,697,887	\$ 530,121	\$ 1,167,766
	%					30.0%

Measure M2
Schedule of Revenues and Expenditures Summary
as of March 31, 2024
(Unaudited) Quarterly Report

Project	Description	Total Net Revenues	Net Revenues	Expenditures	Reimbursements	(J) - (K) = (L)
		Inception to March 31, 2024 (actual) + (forecast)	Inception to March 31, 2024 (actual)	Inception to March 31, 2024 (actual)	Inception to March 31, 2024 (actual)	Net M2 Cost Inception to March 31, 2024 (actual)
(G)		(H)	(I)	(J)	(K)	(L)
(\$ in thousands)						
Transit Projects (25% of Net Revenues)						
R	High Frequency Metrolink Service	\$ 1,445,006	\$ 399,056	\$ 434,705	\$ 98,980	\$ 335,725
S	Transit Extensions to Metrolink	1,278,993	364,352	211,605	2,133	209,472
T	Metrolink Gateways	74,054	39,451	98,220	60,956	37,264
U	Expand Mobility Choices for Seniors and Persons with Disabilities	502,388	137,351	132,605	88	132,517
V	Community Based Transit/Circulators	289,692	82,526	20,094	1,998	18,096
W	Safe Transit Stops	31,975	9,109	1,470	26	1,444
	Subtotal Projects	3,622,108	1,031,845	898,699	164,181	734,518
	Net financing expenditures	-	-	29,044	-	29,044
	Total Transit Projects	\$ 3,622,108	\$ 1,031,845	\$ 927,743	\$ 164,181	\$ 763,562
	%					19.6%

Measure M2 Program

\$ 14,488,431	\$ 4,127,377	\$ 5,121,115	\$ 1,230,789	\$ 3,890,326
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Project	Description	Total Net Revenues	Net Revenues	Expenditures	Reimbursements	(J) - (K) = (L)
		Inception to March 31, 2024 (actual) + (forecast)	Inception to March 31, 2024 (actual)	Inception to March 31, 2024 (actual)	Inception to March 31, 2024 (actual)	Net M2 Cost Inception to March 31, 2024 (actual)
(G)		(H.1)	(I.1)	(J)	(K)	(L)
(\$ in thousands)						
Environmental Cleanup (2% of Revenues)						
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 308,202	\$ 87,467	\$ 51,155	\$ 310	\$ 50,845
	Net financing expenditures	-	-	-	-	-
	Total Environmental Cleanup	\$ 308,202	\$ 87,467	\$ 51,155	\$ 310	\$ 50,845
	%					1.2%

Taxpayer Safeguards and Audits

Collect Sales Taxes (1.5% of Sales Taxes)	\$ 221,387	\$ 64,096	\$ 41,545	\$ -	\$ 41,545
%					1.0%
Oversight and Annual Audits (1% of Revenues)	\$ 154,101	\$ 43,734	\$ 43,734	\$ (0)	\$ 43,734
%					1.0%

*Presentation
Items*

**ITEM 6A:
Measure M2 Quarterly
Progress Report – Q3**



June 3, 2024

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer  For

Subject: Measure M2 Quarterly Progress Report for the Period of January 2024 through March 2024

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the third quarter of fiscal year 2023-24 as information for the Orange County Transportation Authority Board of Directors. This report highlights progress on Measure M2 projects and programs and will be available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.

Background

On November 7, 2006, Orange County voters, by nearly 70 percent, approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a one half-cent sales tax for transportation improvements. Effective in 2011, the Plan provides a 30-year program of investments across a broad range of transportation and environmental initiatives and a governing ordinance that defines the requirements for implementing the Plan. Ordinance No. 3 (M2 Ordinance) designates the Orange County Transportation Authority (OCTA) as responsible for administering the Plan and ensuring that OCTA's contract with the voters is followed.

OCTA is committed to fulfilling the promises made in M2. This means not only completing the projects described in the Plan but also adhering to numerous specific requirements, safeguards, and transparency provisions identified in the M2 Ordinance. The M2 Ordinance requires that quarterly status reports regarding the major projects detailed in the Plan be brought to the Board of Directors (Board). The Board is also provided with individual project and program-level staff reports on the status of various initiatives included in the Plan.

Discussion

This quarterly report reflects activities and progress across all M2 programs for the period of January 1, 2024, through March 31, 2024 (Attachment A). The quarterly report also includes project budget and schedule information as provided in the Capital Action Plan reports to the Board. Information on the Local Fair Share and Senior Mobility Program payments made to cities during the quarter is also included. Additionally, Attachment A includes a summary of the Program Management Office (PMO) activities.

The following provides highlights of M2 accomplishments during the quarter by mode, notable items under the PMO activities, and key challenges that OCTA is monitoring and working to address.

Freeway Program

The M2 Freeway Program consists of 30 project segments to be delivered by 2041. To date, 14 project segments are complete and another 13 are underway and expected to be completed by 2030. The group of projects that are underway includes four projects that are in construction, eight that are in final design, and a joint project with Riverside County Transportation Commission. The joint project will improve State Route 91 (SR-91) between State Route 241 and State Route 71. Completing these 13 projects would bring the total number of completed projects to 27 by 2030, equating to approximately 90 percent of the M2 Freeway Program. The remaining three project segments are in various stages of project development. Notable freeway program highlights that occurred during the quarter are below.

- Interstate 5 between State Route 73 (SR-73) and El Toro Road – A project update on construction activities was presented to the Board on March 11, 2024. The project is comprised of three segments, each at various stages of completion (86 percent – 94 percent) and includes two interchange improvements at Avery Parkway and La Paz Road. The project is anticipated to be completed by early 2025. (Project C and Project D)
- SR-91 between Acacia Street and La Palma Avenue – This is the westerly segment of the SR-91 Improvement Project between State Route 57 and State Route 55, which was split into three segments for the design and construction phases in early 2020. On February 12, 2024, the Board selected a consultant to provide construction management support services to prepare this project for the construction phase. Construction of this segment is anticipated to be advertised in fall 2025. (Project I).

- Interstate 405 between SR-73 and Interstate 605 – A project update was presented to the Board on January 8, 2024, prior to its completion in February 2024. All lanes are open to traffic; minor activities, punch list items, and landscaping work remain in anticipation of California Department of Transportation Relief of Maintenance in mid-2024. (Project K)

Streets and Roads

Since 2011, approximately \$1.15 billion¹ has been allocated to local jurisdictions for transportation improvements through the M2 Streets and Roads Program, which includes two competitive and one formula-based funding program. In addition, OCTA was able to leverage nearly \$63.5 million in external funding to support these programs. To date, 469 project phases have been provided with funding through M2 competitive streets and roads funding programs, of which 345 phases, or approximately 74 percent, have been completed. Notable streets and roads highlights that occurred during the quarter are below.

- On February 12, 2024, the Board selected a consultant to provide professional services for the Countywide Signal Synchronization Baseline Project which aims to develop and implement a countywide signal synchronization network for Orange County. The network will consist of approximately 2,500 retimed signals along regionally significant corridors to ensure seamless travel across the County. While this innovative project is entirely externally funded, the results will benefit and shape the future of the M2 Regional Traffic Signal Synchronization Program. (Project P)
- Through the Local Fair Share program, 18 percent of M2 net revenues are allocated by formula to eligible local jurisdictions. During the quarter, \$25.3 million was disbursed, bringing the total provided through March 2024 to more than \$711 million¹. (Project Q)

Transit

The M2 transit mode includes several programs designed to provide expanded transportation options. M2 is the primary funding source for Southern California Regional Rail Authority (Metrolink) commuter rail service in Orange County and includes funding rail projects to improve operations and transit connections that extend the reach of the service. Compared to the same quarter last year, ridership levels increased by 23.9 percent; however, total boardings on the three lines serving Orange County are approximately 52 percent lower than

¹ Only includes disbursed funds. On May 22, 2023, the Board determined the City of Cypress was ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance; the Board reconsidered the matter on May 28, 2024.

pre-pandemic levels due to shifts in travel patterns and availability of work-from-home options. Additional challenges facing Metrolink are discussed in the Challenges section of this report.

Since 2011, M2 has provided competitive multi-year transit funding commitments for bus and station van services to access Metrolink stations (\$483,133 to date), community-based transit circulators (\$42 million to date), and bus stop improvements (\$2.9 million to date). In addition, M2 provides a set amount of annual funding to support three programs intended to expand mobility options for seniors and persons with disabilities (\$130 million² to date). Other notable transit program activities from the quarter are below.

- **High Frequency Metrolink Service** – The Metrolink Chief Executive Officer presented a mid-year report to the Finance and Administration Committee on January 11, 2024. The presentation provided an overview of Metrolink performance on lines serving Orange County performance, policies and initiatives, and budget updates. In response to slowly recovering ridership Metrolink is implementing key initiatives to enhance service options for leisure travelers and commuters during non-peak periods. (Project R)
- **Emergency Coastal Rail Projects Update and Planning for the Future** – On March 11, 2024, the Board received a presentation which included an update on the coastal rail emergencies and a progress report of the Coastal Rail Resiliency Study, which aims to identify immediate, short- and medium-term solutions to address rail infrastructure in south Orange County. The initial assessment of the study identified sites recommended for monitoring and reinforcement within the coastal rail corridor. (Project R)
- **OC Streetcar** – A quarterly update was presented to the Board on January 22, 2024, providing information on the status of construction activities, vehicle manufacturing, and public outreach. Construction milestones achieved during the quarter include placement of approximately 90 percent of the roadway final pavement and striping work and installation of 45 trees along Fourth Street. (Project S)
- **Community-Based Transit Circulators** – A ridership report covering April 2023 through September 2023 was provided to the Board on February 8, 2024. The report noted that all active services successfully met the required program performance standards. Review of applications for the fifth call for projects (call) is currently underway; programming

² Only includes disbursed funds. On May 22, 2023, the Board determined that the City of Cypress was ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance; the Board reconsidered the matter on May 28, 2024.

recommendations are anticipated to be presented to the Board in mid-2024. (Project V)

Environmental Programs

The M2 program includes two innovative programs: the Environmental Cleanup Program (ECP) and the Environmental Mitigation Program (EMP). The ECP improves water quality by addressing transportation-related pollutants, while the EMP offsets the biological habitat impacts of M2 freeway projects.

Since 2011, the ECP has allocated more than \$60.2 million to local jurisdictions for 208 projects for trash removal devices (Tier 1) and 18 projects for large-scale water quality best management practices projects (Tier 2). It is estimated that 69.5 million gallons of trash have been captured since the inception of the program, which equates to over 12,000 trash truck loads of garbage that could have been deposited in Orange County streams and waters. Notable ECP highlights that occurred during the quarter are below.

- The 14th Tier 1 call was released on February 12, 2024, providing approximately \$3.5 million. Applications were received on April 25, 2024, and programming recommendations are anticipated to be presented to the Board in fall 2024. (Project X)
- The third Tier 2 call was released on February 12, 2024, providing approximately \$15 million. Applications were received on May 16, 2024, and programming recommendations are anticipated to be presented to the Board in fall 2024. (Project X)

The Board has authorized \$55 million for the EMP to acquire conservation lands and fund habitat restoration projects. OCTA has acquired more than 1,300 acres and funded 12 projects to restore habitat on 350 acres of open space across Orange County to fulfill the M2 Freeway Program mitigation needs.

The wildlife and habitat on the acquired lands are protected in perpetuity, and long-term management of the properties will be funded by an endowment that is being established. OCTA has made eight deposits of approximately \$2.9 million into the endowment and as of March 31, 2024, the balance of the endowment was \$28.4 million. Current projections indicate that OCTA remains on track to meet the endowment target of \$46.2 million in fiscal year (FY) 2027-28; however, the performance of the fund may affect the timeframe for full funding of the endowment.

PMO

Market Conditions Forecast and Risk Analysis – At the Board’s direction, OCTA contracts with two local economists to monitor and analyze key early warning indicators affecting the construction market. The information is incorporated in a cost pressure index model to identify potential cost risk factors on M2 project delivery and is updated biannually. The spring 2024 update indicated that while wage growth has begun to moderate, the construction market continues to experience pricing escalation. Escalation is forecast to be in the two percent to six percent range through 2025. Staff will continue to monitor market pricing trends and material availability, along with the impacts on construction in the region. The next update is anticipated to be presented to the Board in fall 2024.

Challenges

As with all major programs, challenges arise and need to be monitored and addressed. A few key challenges are highlighted below.

- On January 10, 2024, Governor Newsom released his proposed state budget for FY 2024-25, which included a delay to Transit and Intercity Rail Program (TIRCP) funding. The 2023 M2 Next 10 Delivery Plan cashflow included the assumption of TIRCP formula funds to help sustain Metrolink operations through FY 2037-38. Without this funding, or changes in service levels, ridership growth, and operations and rehabilitation costs, the current service cannot be sustained beyond FY 2031-32. OCTA will continue to engage with Metrolink and the other member agencies to monitor ridership levels and the corresponding financial impacts to M2. The next update of the M2 Next 10 Delivery Plan is anticipated in fall 2024.
- Railroad track stabilization and protection efforts in south Orange County have become a major focus area, given its importance to the continued operation of Metrolink and Amtrak passenger rail services in Orange County and freight services throughout the corridor. Over the past three years, the City of San Clemente’s eroding bluffs on both city and private property have repeatedly forced closure of the rail line, which has operated largely uninterrupted for more than 125 years. Most recently, on January 24, 2024, landslide movement caused debris from the hillside slope along Mariposa Point (MP 204.2) in the City of San Clemente to fall onto the right-of-way and railroad tracks. Rail service was suspended until the emergency mitigation efforts were completed on March 24, 2024, allowing full passenger service to resume on March 25, 2024.

The Coastal Rail Resiliency Study is underway to identify and evaluate short- and medium-term solutions with the goal of protecting the rail line in place. A separate study to evaluate potential long-term solutions which may include relocation of the rail line is pending, following determination of lead agency. OCTA, in conjunction with other regional agencies, has requested the State assume a larger role in this effort. OCTA will remain an active participant in the process; future implications to M2 with respect to service levels or costs are unknown at this time.

- The OC Streetcar project has faced unforeseen utility conflicts and site conditions, contaminated soils, construction quality control and contractor non-compliance, oversight and approvals, and several change requests, which affect operational-related milestones such as vehicle delivery and testing. In fall 2022, OCTA worked with the Federal Transit Administration (FTA) on a comprehensive project risk, cost, and schedule assessment, consistent with achieving 75 percent construction completion. The FTA identified a cost of \$579.16 million to complete the project and a risk-based revenue service date of August 2025. Staff will continue assessing project risks and make regular reports to the Board.

Staff will continue to monitor challenges to ensure M2 remains deliverable as promised to voters and provide updates to the Board as appropriate.

Summary

A quarterly report covering activities from January 2024 through March 2024 is provided to update progress in implementing the Plan. The above information and the attached details indicate significant progress on the overall M2 Program despite facing challenges. To be cost-effective and to facilitate accessibility and transparency of information available to stakeholders and the public, the M2 Quarterly Progress Report is made available through the OCTA website.

Attachment

- A. Measure M2 Quarterly Progress Report, Third Quarter of
Fiscal Year 2023 - 24, January 1, 2024 through March 31, 2024

Prepared by:



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OCTA



Local Tax Dollars at Work

MEASURE M2 QUARTERLY PROGRESS REPORT

Third Quarter of Fiscal Year 2023 – 24
January 1, 2024 through March 31, 2024

Third Quarter Highlights:

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





MEASURE M2 PROGRESS REPORT

SUMMARY

On November 7, 2006, Orange County voters, by a margin of nearly 70 percent, approved the Renewed Measure M (M2) Transportation Investment Plan (Plan), a one-half cent sales tax for transportation improvements. Voters originally endorsed Measure M (M1) in 1990 with a sunset in 2011. The renewal of Measure M continues the investment of local tax dollars in Orange County's transportation infrastructure for another 30 years to 2041.

As required by Ordinance No. 3 (M2 Ordinance), a quarterly report covering activities from January 1, 2024, through March 31, 2024, is provided to update progress in implementing the Plan. On September 25, 2017, the Board of Directors (Board) approved externally rebranding M2 as OC Go to promote Orange County Transportation Authority's (OCTA) Measure M awareness and to avoid confusion with Measure M in Los Angeles County.

To be cost-effective and to facilitate accessibility and transparency of information to stakeholders and the public, M2 progress reports are available on the OCTA website.



The cover photo shows a creek restoration project at the Thomas F. Riley Wilderness Park along Oso Parkway. Funded by a Tier 2 grant through the M2 Environmental Cleanup Program (Project X), this project also included bioswales, natural detention, and slope stabilization. On February 12, 2024, the third Tier 2 call for projects was released, providing approximately \$15 million for comprehensive capital-intensive projects that address transportation-related pollutants. Programming recommendations are anticipated in fall 2024. Staff estimates that, once fully functional, Tier 2-funded projects will have an annual groundwater recharge potential of approximately 157 million gallons of water from infiltration or through pumped and treated recharge facilities.



MEASURE M2 PROGRESS REPORT

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MEASURE M2 PROJECT SCHEDULES



Conceptual



Environmental



Design, Advertise, & Award



Design-Build



Construction



Complete

OC Go Projects and Programs

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
A I-5, SR-55 to SR-57																
B I-5, I-405 to Yale Avenue																
B I-5, Yale Avenue to SR-55																
C,D I-5, Avenida Pico to Avenida Vista Hermosa/ Avenida Pico Interchange																
C I-5, Avenida Vista Hermosa to Pacific Coast Highway																
C I-5, Pacific Coast Highway to San Juan Creek Road																
C,D I-5, SR-73 to Oso Parkway/ Avery Parkway Interchange																
C,D I-5, Oso Parkway to Alicia Parkway/ La Paz Road Interchange																
C I-5, Alicia Parkway to El Toro Road																
D I-5, El Toro Road Interchange (Further Schedule TBD)																
D I-5, Ortega Highway Interchange																
E SR-22, Access Improvements																
F SR-55, I-405 to I-5																
F SR-55, I-5 to SR-91																
G SR-57 NB, Orangewood Avenue to Katella Avenue																
G SR-57 NB, Katella Avenue to Lincoln Avenue																
G SR-57 NB, Orangethorpe Avenue to Yorba Linda Boulevard																
G SR-57 NB, Yorba Linda Boulevard to Lambert Road																
G SR-57 NB, Lambert Road to Orange/Los Angeles County Line (Further Schedule TBD)																
H SR-91 WB, I-5 to SR-57																
I SR-91 WB, SR-55 to Tustin Avenue Interchange																
I SR-91, SR-55 to Lakeview Avenue																
I SR-91, La Palma Avenue to SR-55																
I SR-91, Acacia Street to La Palma Avenue																

Project schedules are based on phase start dates. Shown schedules are subject to change.

¹ Projects managed by local agencies

For full project schedules, see <https://octa.net/programs-projects/programs/oc-go-measure-m/oc-go-projects-#/schedule>



MEASURE M2 PROJECT SCHEDULES

OC Go Projects and Programs

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
J	SR-91, SR-55 to SR-241 <i>Completed in 2013</i>															
J	SR-91 EB, SR-241 to SR-71 <i>Completed in 2011</i>															
J	SR-91, SR-241 to Orange/Riverside County Line (Further Schedule TBD) 															
K	I-405, SR-73 to I-605 															
L	I-405, I-5 to SR-55 (Further Schedule TBD) 															
M	I-605, Katella Avenue Interchange 															
O	Kraemer Boulevard Grade Separation (Placentia) <i>Completed in 2014</i>															
O	Lakeview Avenue Grade Separation (Anaheim/Placentia) 															
O	Orangethorpe Avenue Grade Separation (Anaheim/Placentia) <i>Completed in 2016</i>															
O	Placentia Avenue Grade Separation (Placentia) <i>Completed in 2014</i>															
O	Raymond Avenue Grade Separation (Fullerton) ¹ 															
O	State College Boulevard Grade Separation (Fullerton) ¹ 															
O	Tustin Avenue/Rose Drive Grade Separation (Anaheim/Placentia) <i>Completed in 2016</i>															
R	Sand Canyon Grade Separation (Irvine) <i>Completed in 2016</i>															
R	Rail-Highway Grade Crossing Safety Enhancement <i>Completed in 2011</i>															
R	San Clemente Beach Trail Safety Enhancements <i>Completed in 2014</i>															
R	Anaheim Canyon Metrolink Station Improvements 															
R	Fullerton Transportation Center Improvements 															
R	Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps 															
R	Orange Transportation Center Metrolink Parking Structure 															
R	Placentia Metrolink Station Improvements and Parking Structure (Further Schedule TBD) 															
R	San Clemente Pier Station Lighting 															
R	Laguna Niguel to San Juan Capistrano Metrolink Station Passing Siding Project 															
R	Tustin Metrolink Station Parking Structure <i>Completed in 2011</i>															
R,T	Anaheim Regional Transportation Intermodal Center (ARTIC) ¹ <i>Completed in 2014</i>															
S	OC Streetcar 															

Project schedules are based on phase start dates. Shown schedules are subject to change.

¹ Projects managed by local agencies

For full project schedules, see <https://octa.net/programs-projects/programs/oc-go-measure-m/oc-go-projects-#/schedule>

MEASURE M2 PROGRESS REPORT

M2 DELIVERY RISK UPDATE ▼

This section discusses the risks and challenges related to Measure M2 and the updated Next 10 Delivery Plan (Next 10 Plan) that the M2 Program Management Office (PMO) is monitoring with associated explanations and proposed actions.

Delivery Risk	Explanation	Proposed Action	
Financial			
1	Sales tax revenues are driven by economic conditions. The 2023 M2 revenue forecast is \$14.8 billion, which is a \$200 million (-1.3 percent) year-over-year decrease from the 2022 forecast.	While the 2023 M2 sales tax revenue forecast is slightly lower, in most areas of the M2 Plan, programs can be scaled to available revenues. Additionally, 18 years of M2 delivery remain and fluctuations in economic conditions may affect future revenue projections.	Staff will continue to monitor sales tax revenue receipts to ensure that M2 is delivered as promised to voters.
2	Reduced external funding opportunities for the M2 freeway program.	State and federal priorities continue to shift and favor projects that reduce automobile travel, which could affect access to currently programmed as well as future external funding opportunities for the M2 freeway projects.	Current external funding commitments are assumed in the M2 cash flow for the 2023 Next 10 Plan, but prospects of future revenues for highway projects are low.
3	Potential for an environment of increasing cost for M2 capital projects.	The spring 2024 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis anticipates a tempering of inflationary pressures in 2024 and 2026, with an uptick in 2025. This is due to an increase in building permits and California unemployment rates, and moderating construction wages. Additionally, construction material costs have increased.	The Next 10 Plan Market Conditions Forecast and Risk Analysis report is updated biannually and provides a three-year look ahead. OCTA will continue to monitor bid results and market conditions affecting project costs. The fall update was incorporated into the 2023 Next 10 Plan.





 Local Tax Dollars at Work
MEASURE M2 PROGRESS REPORT

Delivery Risk			
4	Explanation	Proposed Action	
4	Schedule and scope changes on capital projects that impact delivery and project costs.	Changes as a result of updated highway standards, new regulatory requirements, or issues identified in the field may impact scope, schedule, and costs substantially.	OCTA will work closely with project partners and project contractors to limit changes in scope and schedules.
5	Increase Southern California Regional Rail Authority (Metrolink) train service as an alternative to driving within the limits of available revenue.	The coronavirus (COVID-19) altered travel behavior, which has affected ridership and farebox revenues. The cost of Metrolink service continues to grow as contracted rates increase, the system ages, track-sharing arrangements with BNSF Railway Company (BNSF) are revised, and new air quality requirements are implemented.	External funding (one-time federal funds through the Coronavirus Aid, Relief and Economic Security Act, Coronavirus Response and Relief Supplemental Appropriations Act, and Infrastructure Investment and Jobs Act) has helped alleviate some near-term financial concerns, but increasing operational costs and slow ridership recovery affect long-term sustainability. OCTA will continue to work closely with Metrolink and member agencies to ensure cost increases are minimized, while continuing to seek external revenue.
Resource			
6	Substantial work underway in the region has resulted in significant demand for professional and skilled labor which may impact delivery given the volume of the M2 capital program.	The fall 2023 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis reflects a slight increase in unemployment rates. This may temper costs and reduce delivery risk.	OCTA will monitor resources for professional and skilled labor needed for project delivery. Expert and timely coordination between OCTA and project partners is imperative to manage this risk.
7	New operational responsibilities with the OC Streetcar.	With the implementation of the OC Streetcar service, OCTA will be increasing its overall role in operations.	To ensure the success of the OC Streetcar, OCTA hired a streetcar operations manager with proven start-up experience to oversee start-up and daily operations. A contractor with extensive experience in operations of rail systems was selected to handle the startup and revenue operation phases.



MEASURE M2 PROGRESS REPORT

Delivery Risk	Explanation	Proposed Action
Climate		
<p>8 Climate-related hazards could affect M2 investments.</p>	<p>OCTA has experienced hazards affecting M2 investments. The 2022 Coastal Fire impacted the M2 Environmental Mitigation Program (EMP) Pacific Horizon Preserve. In addition, tidal events, ocean currents and waves, storm surges, and slope movement affect OCTA's railroad track in the City of San Clemente.</p>	<p>OCTA has developed Fire Management Plans (FMP) for the seven properties purchased as part of the M2 Freeway EMP. Additionally, OCTA has initiated a planning study to identify and evaluate short- and medium-term solutions to address rail infrastructure protection in south Orange County.</p>
Regulatory		
<p>9 Changing federal and state directives could affect M2 freeway project approvals.</p>	<p>Current state planning and project approval policies place great emphasis on reducing travel by automobile and encourage project alternatives that promote short trips where possible, travel by transit, bicycling or walking, and use of zero-emission vehicles. These requirements will affect the project environmental review process.</p>	<p>The majority of M2 freeway projects, where this risk would manifest itself, have obtained the necessary approvals. If the approvals require a review or revision, these new requirements could impact delivery.</p>



MEASURE M2 PROGRESS REPORT

NEXT 10 DELIVERY PLAN

Contact: Francesca Ching, PMO Manager • (714) 560-5625

The Next 10 Plan sets priorities and funding commitments over a ten-year period, providing guidance to staff on the delivery of M2 projects and programs. Annually, staff reviews the Board-adopted commitments in the Next 10 Plan to ensure it remains deliverable with updated revenues and project costs.

On November 13, 2023, the Board adopted the 2023 Next 10 Plan, which spans fiscal year (FY) 2022-23 through FY 2031-32. The update incorporated the \$14.8 billion sales tax revenue forecast, revised project estimates and schedules, as well as the fall market conditions forecast and risk analysis. As a result of OCTA's strategic planning to date, the 2023 Next 10 Plan continues to demonstrate that the Plan remains deliverable.

Next 10 Plan Deliverables

Significant progress continues with projects in and advancing towards construction, as well as regular funding allocations to local jurisdictions through local programs.

1. Deliver 13 freeway improvement projects through construction (Projects A-M).

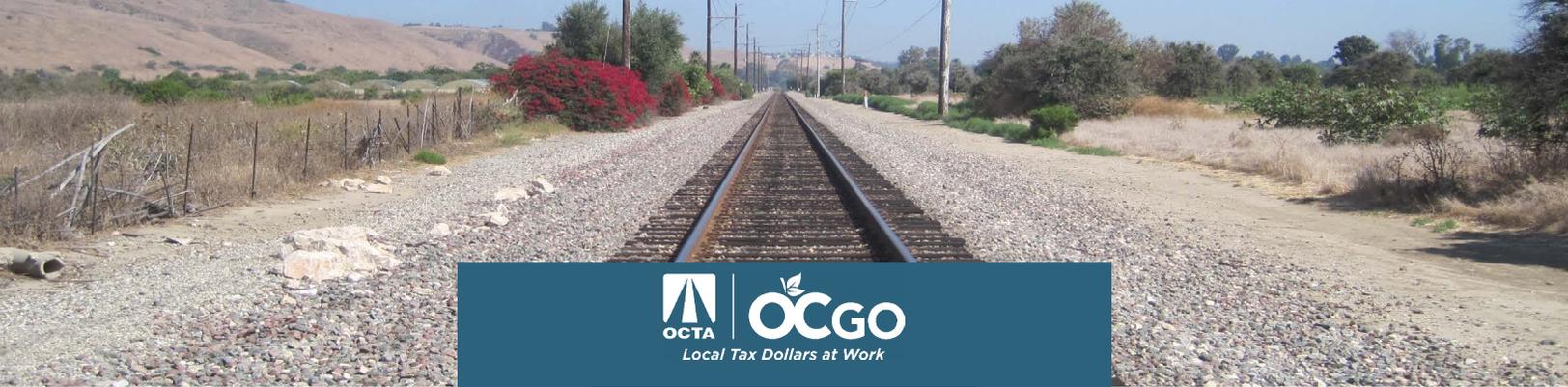
The M2 Freeway Program is currently made up of 30 projects/project segments. This deliverable includes 13 projects to be delivered through construction by FY 2029-30. Of the 13 projects to be delivered, one has been completed, four are in construction, and eight are in various stages of design. For more details, see [pages i-ii](#) (Project Schedules) and the project updates contained in their respective sections.

Upcoming activities:

- SR-91, SR-55 to Lakeview Avenue – Advertise for Construction
- I-5, Oso Parkway to Alicia Parkway – Complete Construction
- I-605, Katella Avenue Interchange – Advertise for Construction

2. Prepare remaining freeway improvement projects for delivery (Projects A-M).

The four remaining projects (of the 30 total) are environmentally cleared or on track to be environmentally cleared by 2032, making them shelf-ready for further advancement. The remaining projects include Project D (I-5, El Toro Road Interchange), Project G (SR-57 northbound from Lambert Road to Orange/Los Angeles County Line), Project J (SR-91 between SR-241 and Orange/Riverside County Line), and Project L (I-405 between I-5 and SR-55). In coordination with OCTA, the Riverside County Transportation Commission (RCTC) is leading the effort to advance the SR-91 between SR-241 and SR-71 project; only improvements up to the Orange/Riverside County Line will be OCTA's responsibility. RCTC's current schedule anticipates construction will be completed within the Next 10 Plan timeframe. The completion of this project, in addition to the 13 projects in Deliverable 1, would bring the total number of completed projects to 27 by 2030, which equates to approximately 90 percent of the M2 Freeway Program. The remaining projects will



MEASURE M2 PROGRESS REPORT

continue to be reevaluated for earlier delivery as part of the annual Next 10 Plan review. For more details, see [pages i-ii](#) (Project Schedules) and the project updates contained in their respective sections.

3. Provide annual competitive funding opportunities for local jurisdictions to address bottlenecks and gaps in the street system (Project O), synchronize signals (Project P), and continue flexible funding to local jurisdictions to support pavement rehabilitation or other transportation needs as appropriate (Project Q).

As of March 2024, OCTA has awarded more than \$525 million in competitive funding through the Regional Capacity Program (Project O) and Regional Traffic Signal Synchronization Program (Project P) annual call for projects (call). Additionally, more than \$711 million¹ in Local Fair Share (LFS) (Project Q) funds have been distributed to local jurisdictions.

¹ Only includes disbursed funds. On May 22, 2023, the Board determined the City of Cypress ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance and the Board reconsiders the matter in May 2024.

On August 14, 2023, the Board authorized the 14th call with an M2 funding target of \$45 million for Project O and Project P to support local streets and roads improvement projects throughout Orange County. Applications were received on October 26, 2023. Based upon project selection criteria as specified in the Comprehensive Transportation Funding Programs (CTFP) guidelines, projects will be prioritized for Board consideration in May 2024. For more details, see the project updates on [page 22](#) and [page 24](#).

Upcoming activities:

- Project O and P – Programming recommendations for the 14th call

4. Maintain Metrolink service and complete one rail station improvement project (Project R).

Project R provides funding for Metrolink operations and aims to increase rail services within the County and provide additional Metrolink service north of the City of Fullerton to the Los Angeles County Line. The program also provides for track improvements, the addition of trains and parking capacity, upgraded stations, and safety enhancements to allow cities to establish quiet zones along the tracks.

Close monitoring of Metrolink operations is necessary to ensure sustainability through 2041. The three lines serving Orange County currently operate 45 weekday trains, a 17 percent reduction from the 54 weekday trains operated prior to COVID-19. Metrolink ridership recovery continues to struggle, which impacts farebox revenues and cost recovery. To exacerbate this shortfall, operating costs have also increased. The 2023 Next 10 Plan cashflow included the assumption of Transit and Intercity Rail Program (TIRCP) formula funds to help sustain Metrolink operations through FY 2037-38. On January 10, 2024, Governor Newsom released his proposed state budget for FY 2024-25, which included a delay to TIRCP funding. Without this funding or changes in service levels, ridership growth, or operations and rehabilitation costs, the current service cannot be sustained beyond FY 2031-32. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the financial impacts to M2. For more details, see project updates on [page 27](#).



MEASURE M2 PROGRESS REPORT

Additionally, funding within this program is provided for rail corridor and station improvements to accommodate increased passenger train service including station upgrades, parking expansions, and safety enhancements. The Anaheim Canyon Metrolink Station Improvement Project, which began construction in May 2021, was completed in January 2023. For more details, see project updates on [page 28](#).

Railroad track stabilization efforts in south Orange County have become a major focus area given its importance to continued operation of Metrolink in Orange County. In partnership with key stakeholders, a planning study is underway to identify and evaluate short- and medium-term solutions with the goal of protecting the rail line in place. A separate study to evaluate potential long-term solutions to ensure the sustainability of rail service in this portion of the County, which may include relocation of the rail line, is pending following determination of the lead agency. OCTA, in conjunction with other regional agencies, has requested the State to assume a larger role in this effort. Future updates to the Next 10 Plan will need to consider the financial implications of the long-term solutions. For more details, see the project updates on [page 29](#).

5. Complete construction, secure vehicles, begin operating the OC Streetcar, and work with local jurisdictions to consider recommendations from planning studies to guide development of future high-quality transit connections (Project S).

The 4.15-mile OC Streetcar will serve the Santa Ana Regional Transportation Center (SARTC) through Downtown Santa Ana and the Civic Center to Harbor Boulevard in the City of Garden Grove. Activities this quarter include placement of approximately 90 percent of the roadway final pavement and striping work, installation of 45 trees along Fourth Street, continued construction of the Maintenance and Storage Facility (MSF), and roadway final pavement and striping work. In addition, seven of the eight vehicles have been inspected, with the remaining vehicle undergoing final inspection. For more details, see the project updates on [page 32](#).

6. Support expanded mobility choices for seniors and persons with disabilities (Project U).

Project U is comprised of three programs: the Senior Mobility Program (SMP), the Senior Non-Emergency Medical Transportation (SNEMT) Program, and the Fare Stabilization Program. Since inception, nearly \$130 million² has been provided to these three programs. The SMP provides funding to participating cities to design and implement transit service that best fits the needs of seniors (60 and above) in their communities. The SNEMT Program provides funding to the County of Orange Office on Aging for senior transportation to and from medical appointments, dentists, therapies, exercise programs, testing, and other health-related trips at a low cost to the rider than would otherwise be available. For more details, see the program updates on [page 34](#).

² Only includes disbursed funds. On May 22, 2023, the Board determined the City of Cypress ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance and the Board reconsiders the matter in May 2024.



MEASURE M2 PROGRESS REPORT

7. Work with local agencies to maintain successful community circulator projects and potentially provide grant opportunities for expanded or new local transit services (Project V).

Since inception, OCTA has approved 36 projects and ten planning studies totaling over \$53 million through four calls. OCTA receives ridership reports from local agencies on a regular basis to monitor the success of awarded services against performance measures adopted by the Board.

On November 13, 2023, the Board authorized the release of the fifth call which prioritizes funding for previously awarded successful projects. Applications were due on January 25, 2024, with programming recommendations anticipated in mid-2024. For more details, see the program updates on [page 35](#).

Upcoming activities:

- Programming recommendations for the fifth call

8. Continue to improve the top 100 busiest transit stops to enhance the customer experience (Project W).

Through three calls, the Board has approved \$3.1 million to improve 122 city-initiated improvement projects at the busiest OCTA transit stops. The program is designed to ease transfers between bus lines and provide improvements such as the installation of bus benches or seating, shelters, improved lighting, and other passenger-related amenities. For more details, see the program updates on [page 36](#).

9. Ensure the ongoing preservation of purchased open space, which provides comprehensive mitigation of the environmental impacts of freeway improvements and higher-value environmental benefits in exchange for streamlined project approvals (Projects A-M).

The M2 freeway EMP includes seven conservation properties (Preserves) totaling more than 1,300 acres and 12 restoration projects covering nearly 350 acres. In 2017, OCTA received biological resource permits after completing a state and federal Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) for the EMP, allowing streamlined project approvals for the M2 freeway improvement projects. The Conservation Plan also includes a streamlined process for coordination of streambed alteration agreements. In 2018, OCTA secured programmatic permits and assurances for federal and state clean water permitting requirements. Receipt of these permits represents the culmination of years of collaboration and support by the Board, environmental community, and regulatory agencies.

To protect the Preserves in perpetuity, a non-wasting endowment was established. OCTA makes annual deposits of approximately \$2.9 million. As of March 31, 2024, the balance of the endowment was \$28,374,041. While the performance of the endowment fund will affect the timeframe for full funding, current projections indicate that OCTA is still on track to meet the target of \$46.2 million in FY 2027-28. For more details, see the program updates on [page 38](#).



MEASURE M2 PROGRESS REPORT

10. Work with the Environmental Cleanup Allocation Committee (ECAC) to develop the next tiers of water quality programs to prevent the flow of trash, pollutants, and debris into waterways from transportation facilities. In addition, focus on improving water quality on a regional scale that encourages partnerships among the local agencies as part of the Environmental Cleanup Program (ECP {Project X}).

In May 2010, the Board approved a two-tier approach to funding Project X. Tier 1 consists of funding equipment purchases and upgrades to existing catch basins and related best management practices, such as screens and other low-flow diversion devices. Tier 2 consists of funding regional, potentially multi-jurisdictional, and capital-intensive projects. Since 2011, the Board has awarded over \$36.5 million in funding for 222 Tier 1 projects through 13 calls and \$27.9 million for 22 Tier 2 projects through two calls. Tier 1 and Tier 2 calls were released on February 12, 2024, with programming recommendations anticipated in fall 2024. For more details, see the program updates on [page 37](#).

Upcoming activities:

- Project X Tier 1 – Programming recommendations for the 14th call
- Project X Tier 2 – Programming recommendations for the third call

FREWAYS

PROJECT A

INTERSTATE 5 (I-5) PROJECTS

Segment: I-5, SR-55 to SR-57

Status: PROJECT COMPLETE

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

Summary: This project added a second high-occupancy vehicle (HOV) lane (approximately three miles) in both directions along I-5 between SR-55 and SR-57 in the City of Santa Ana. The final Environmental Document (ED) and Project Report (PR) were approved on April 27, 2015. Construction began on December 27, 2019, and the improvements opened to traffic on August 24, 2020. The project was officially completed three months ahead of schedule on January 6, 2021, and plant establishment was completed on May 24, 2021.



PROJECT B

I-5, I-405 to SR-55 is one project broken into two segments. The final ED and PR were approved on January 7, 2020.

Segment: I-5, I-405 to Yale Avenue

Status: Design Phase Underway – 75 Percent Complete

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

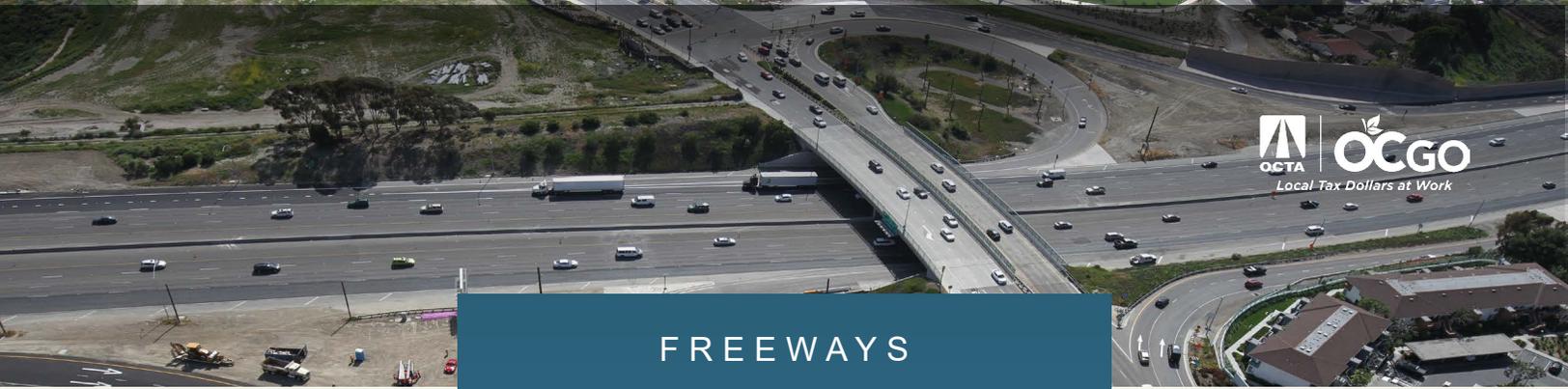
Summary: This project will add an additional general purpose lane (approximately 4.5 miles) in both directions of I-5 between I-405 and Yale Avenue, improve interchanges, and replace and add new auxiliary lanes in the City of Irvine. The design of this project was initiated on October 22, 2021. This quarter, the design team continued addressing the 65 percent design comments from California Department of Transportation (Caltrans), the City of Irvine, and other stakeholders. In addition, staff continued coordination with the various stakeholders on locations of soundwalls, overhead signage, drainage, storm water quality features, staging, and landscaping, as well as with Caltrans on right-of-way (ROW) engineering activities. This project will be combined with the Caltrans multi-asset project when the 95 percent design package is developed.

Segment: I-5, Yale Avenue to SR-55

Status: Design Phase Underway – 95 Percent Complete

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

Summary: This project will add an additional general purpose lane (approximately 4.5 miles) in both directions of I-5 between Yale Avenue and SR-55, improve interchanges, and replace and add new auxiliary lanes in the cities of Irvine and Tustin. The design of this project was initiated on May 6, 2021. This quarter, the design team submitted the updated 95 percent design package, combining the Caltrans multi-asset project and M2 project. In addition, the design consultant submitted construction permit applications to



regulatory agencies and continued to coordinate with the Orange County Flood Control District. Due to potential schedule delays during the ROW phase, this project is marked as a cost/schedule risk in the Capital Action Plan (CAP).

PROJECT C AND PART OF PROJECT D

I-5, Avenida Pico to San Juan Creek Road is one project broken into three segments. The final ED and PR were approved on October 26, 2011. All three segments were completed, and the improvements opened to traffic on March 13, 2019.

Segment: I-5, Avenida Pico to Avenida Vista Hermosa/Avenida Pico Interchange

Status: PROJECT COMPLETE

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

Summary: This project added a carpool lane (approximately 0.7 miles) in both directions of I-5 between Avenida Pico and Avenida Vista Hermosa in the City of San Clemente, included major improvements through reconstruction of the Avenida Pico Interchange (part of Project D), and added bicycle lanes in both directions on Avenida Pico. Construction began on December 22, 2014, and was officially completed on August 23, 2018. Plant establishment was completed in May 2019.



Segment: I-5, Avenida Vista Hermosa to Pacific Coast Highway

Status: PROJECT COMPLETE

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

Summary: This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between Avenida Vista Hermosa and Pacific Coast Highway (PCH) in the City of San Clemente and reconstructed on- and off-ramps at Avenida Vista Hermosa and Camino de Estrella. Construction began on July 3, 2014, and was officially completed on July 31, 2017. Plant establishment was completed in May 2018.



Segment: I-5, Pacific Coast Highway to San Juan Creek Road

Status: PROJECT COMPLETE

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

Summary: This project added a carpool lane (approximately 2.5 miles) in both directions of I-5 between PCH and San Juan Creek Road in the cities of Dana Point, San Clemente, and San Juan Capistrano and reconstructed the on- and off-ramps at PCH/Camino Las Ramblas. Construction began on December 20, 2013, and was officially completed on July 3, 2018. Plant establishment was completed in March 2019.





FREWAYS

I-5, SR-73 to El Toro Road is one project broken into three segments. The final ED and PR for all three segments were approved on May 6, 2014.

Segment: I-5, SR-73 to Oso Parkway/Avery Parkway Interchange

Status: Construction Underway – 90 Percent Complete

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

Summary: This project will add a general purpose lane (approximately 2.2 miles) in both directions of I-5 between Avery Parkway and Oso Parkway and reconstruct the Avery Parkway Interchange (part of Project D) in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. The construction contract was awarded on December 19, 2019, and construction began on January 15, 2020. This quarter, the contractor completed construction of the Avery Parkway bridge and continued construction on the south side of Avery Parkway. The contractor also continued to construct drainage systems, retaining walls, and guardrail systems throughout the project.

Segment: I-5, Oso Parkway to Alicia Parkway/La Paz Road Interchange

Status: Construction Underway – 94 Percent Complete

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

Summary: This project will add a general purpose lane (approximately 2.6 miles) in both directions along I-5 between Oso Parkway and Alicia Parkway and reconstruct the La Paz Road Interchange (part of Project D) in the cities of Laguna Hills and Mission Viejo. The construction contract was awarded on March 5, 2019, and construction began on April 4, 2019. This quarter, the contractor successfully lowered the final section of the La Paz Road bridge superstructure into place. The contractor also continued roadway excavation, drainage installations, placed base material at the Oso Parkway and La Paz Road off-ramps, began installation of irrigation system components, and continued placing communication, signal, lighting, and electrical systems.

Segment: I-5, Alicia Parkway to El Toro Road

Status: Construction Underway – 86 Percent Complete

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

Summary: This project will add a general purpose lane in the southbound direction (approximately 1.7 miles) and extend the second HOV lane (approximately one mile) in both directions along I-5 between Alicia Parkway to El Toro Road in the cities of Laguna Hills, Laguna Woods, Lake Forest, and Mission Viejo. The construction contract was awarded on September 23, 2020, and construction began on October 13, 2020. This quarter, the contractor completed the bridge deck for stage two of the Los Alisos Boulevard overcrossing and completed the reconstruction of the roadway sections of the southbound Alicia Parkway and El Toro Road on-ramps.



FREEWAYS

PROJECT D

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

Segment: I-5, Ortega Highway Interchange

Status: PROJECT COMPLETE

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

Summary: This project widened and reconstructed the SR-74 Ortega Highway bridge over I-5 and improved local traffic flow along SR-74 and Del Obispo Street in the City of San Juan Capistrano. The final ED and PR were approved on June 1, 2009. Construction began on September 18, 2012, and all lanes on the new bridge opened to traffic on September 4, 2015. The project was officially completed on January 15, 2016.



Segment: I-5, El Toro Road Interchange

Status: Environmental Phase Two Underway – 38 Percent Complete

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

Summary: Caltrans is the lead for the environmental phase of this project. The project area includes the cities of Laguna Hills, Laguna Woods, and Lake Forest, which are direct stakeholders of the project improvements. The study began in April 2017 and the draft Initial Study/Environmental Assessment was completed in March 2019. The three stakeholder cities were not in consensus on a preferred alternative, and costs identified for the remaining alternatives were significantly higher than the assumed cost in the Next 10 Plan, which created additional challenges. The environmental phase was anticipated to be completed in late 2019; however, without the cities' consensus, OCTA does not support the finalization of the document. OCTA requested Caltrans put completion of the ED on hold until a consultant, retained by OCTA, provides a further assessment of the alternatives to help facilitate reaching an agreement. The three cities reached a consensus to add two new alternatives from the assessment in addition to the two alternatives previously developed as part of the draft ED into the environmental process. On August 8, 2022, the Board approved an amendment to the cooperative agreement with Caltrans to reinstate the environmental phase incorporating feedback from the cities on the proposed alternatives. This quarter, Caltrans collected and summarized public comments from the second public comment period and continued environmental phase studies. Due to the dependency on acquiring consensus from all three cities, this project is marked as a cost/schedule risk in the CAP.



FREWAYS

PROJECT E

STATE ROUTE 22 (SR-22) PROJECTS

Segment: SR-22 Access Improvements

Status: PROJECT COMPLETE

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

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



PROJECT F

STATE ROUTE 55 (SR-55) PROJECTS

Segment: SR-55, I-405 to I-5

Status: Construction Underway – 25 Percent Complete

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

Summary: This project will add a general purpose lane (approximately four miles) and a second HOV lane (approximately four miles) in both directions between I-405 and I-5 in the cities of Irvine, Santa Ana, and Tustin. Auxiliary lanes will be added and extended in some segments within the project limits. The final ED and PR were approved on August 31, 2017. The construction contract was awarded on May 27, 2022, and construction began on August 10, 2022. This quarter, work continued with roadway and retaining wall excavation, bridge widening, electrical, and drainage. In addition, staff continued coordination with Southern California Edison (SCE) and Caltrans on utility relocations and with the City of Santa Ana on water line relocations. Due to complex ROW activities, this project is marked as a cost/schedule risk in the CAP.

Segment: SR-55, I-5 to SR-91

Status: Design Phase Underway – 51 Percent Complete

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

Summary: This project includes the addition of a general purpose lane (approximately two miles) in both directions between I-5 and SR-22 and operational improvements between SR-22 and SR-91 in the cities of Anaheim, Orange, Santa Ana, and Tustin. The project limits span approximately 7.5 miles. The final ED and PR were approved on March 30, 2020. The design of this project was initiated on August 8, 2022. This quarter, the design team submitted the 65 percent design package.



FREWAYS

PROJECT G

STATE ROUTE 57 (SR-57) PROJECTS

Segment: SR-57 Northbound, Orangewood Avenue to Katella Avenue

Status: Design Phase Underway – 85 Percent Complete

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

Summary: This project includes the addition of a new northbound general purpose lane (approximately one mile) on SR-57 from Orangewood Avenue to Katella Avenue in the cities of Anaheim and Orange. The new northbound general purpose lane will join the completed Project G segments between Katella Avenue and Lambert Road, which opened to traffic in 2014. The final ED and PR were approved on March 29, 2019. The design of this project was initiated on March 28, 2022. This quarter, the design team received comments on the 95 percent design package and obtained permits for proposed geotechnical boring in the Santa Ana River. The design team also coordinated with various public agencies regarding submittals for construction permits and continued coordination with the City of Anaheim’s Orangewood Avenue bridge widening project and OCVibe project.

Segment: SR-57 Northbound, Katella Avenue to Lincoln Avenue

Status: PROJECT COMPLETE

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

Summary: This project increased capacity by adding a new general purpose lane (approximately 2.8 miles) and improved on- and off-ramps and soundwalls on northbound SR-57 between Katella Avenue and Lincoln Avenue in the City of Anaheim. Bridges at Katella Avenue and Douglas Road were also widened in the northbound direction. The final ED was approved on September 30, 2009, and the final PR was approved on November 25, 2009. Construction began on November 17, 2011, and the improvements opened to traffic on November 19, 2014. The project was officially completed on April 21, 2015.



Segment: SR-57 Northbound, Orangethorpe Avenue to Yorba Linda Boulevard

Status: PROJECT COMPLETE

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

Summary: This project increased capacity by adding a northbound general purpose lane (approximately 2.4 miles) between Orangethorpe Avenue in the City of Placentia to Yorba Linda Boulevard in the City of Fullerton and improved operations with the reconstruction of northbound on- and off-ramps, widening of seven bridges, and the addition of soundwalls. The final ED and PR were approved on November 30, 2007. Construction began on October 26, 2010, and the improvements opened to traffic on April 28, 2014. The project was officially completed on November 6, 2014.





FREWAYS

Segment: SR-57 Northbound, Yorba Linda Boulevard to Lambert Road

Status: PROJECT COMPLETE

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

Summary: This project improved capacity, operations, and traffic flow on SR-57 with the addition of a new northbound general purpose lane (approximately 2.5 miles) between Yorba Linda Boulevard in the City of Fullerton and Lambert Road in the City of Brea. Additional project benefits included on- and off-ramp improvements, the widening and seismic retrofit (as required) of six bridges in the northbound direction, and the addition of soundwalls. Existing lanes and shoulders were also widened to standard widths, enhancing safety for motorists. The final ED and PR were approved on November 30, 2007. Construction began on November 2, 2010, and the improvements opened to traffic on September 23, 2013. The project was officially completed on May 2, 2014.



Segment: SR-57 Northbound, Lambert Road to Orange/Los Angeles County Line

Status: Project Study Report-Project Development Support (PSR-PDS) Document Preparation Underway – 21 Percent Complete

Contact: Rose Casey, Capital Projects • (714) 560-5729
Kristin Tso, Planning • (714) 560-5496

Summary: Caltrans previously completed a PSR in 2001 to add a northbound truck-climbing lane (approximately 2.5 miles) from Lambert Road in the City of Brea to approximately 0.62 miles north of the Orange County/Los Angeles County line. Following discussions with Caltrans in late 2021, it was decided that a new PSR-PDS should be prepared due to the changing conditions on SR-57 since the previous study was completed. The proposed project included mainline and interchange improvements at Lambert Road. Through the SB 1 (Chapter 5, Statutes of 2017) Trade Corridor Enhancement Program, funds were allocated to construct the interchange improvements at Lambert Road, which complemented and served as the first phase to the improvement project. Construction began in mid-2019 and the project fully opened to traffic in December 2023. The remaining work and punch list items were completed in early 2024. Preparation of the new PSR-PDS for the second phase began in August 2023, utilizing State Transportation Investment Program funding, to study potential northbound mainline improvements from Lambert Road to Orange/Los Angeles County Line (approximately two miles). This quarter, preparation of the new PSR-PDS document continued with data collection, as-builts review, base map development, and identification of purpose and needs and development of project alternatives.



FREEWAYS

PROJECT H

STATE ROUTE 91 (SR-91) PROJECTS

Segment: SR-91 Westbound, I-5 to SR-57

Status: PROJECT COMPLETE

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

Summary: This project increased capacity by adding a general purpose lane (approximately 4.5 miles) in the westbound direction between the cities of Anaheim and Fullerton and provided operational improvements at on- and off-ramps between Brookhurst Street and State College Boulevard. The final ED was approved on May 20, 2010, and the final PR was approved on June 16, 2010. Construction began on February 6, 2013, and the improvements opened to traffic on March 7, 2016. The project was officially completed on June 23, 2016.



PROJECT I

Segment: SR-91, SR-55 to Tustin Avenue Interchange

Status: PROJECT COMPLETE

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

Summary: This project improved traffic flow at the SR-55/SR-91 interchange by adding a westbound auxiliary lane (approximately two miles) beginning at northbound SR-55 to the westbound SR-91 connector through the Tustin Avenue interchange in the City of Anaheim. The project reduced weaving congestion in the area and included reconstruction of the westbound side of the Santa Ana River Bridge to accommodate the additional lane. The final ED was approved on May 11, 2011, and the final PR was approved on May 19, 2011. Construction began on November 1, 2013, and the improvements opened to traffic on May 14, 2016. The project was officially completed on July 15, 2016.



SR-91, between SR-57 and SR-55 is one project broken into three segments. To augment the decrease in projected M2 revenues, on September 12, 2016, the Board approved to use 91 Express Lanes excess revenue to fund this project. The final ED and PR were approved on June 22, 2020.

Segment: SR-91, SR-55 to Lakeview Avenue

Status: Design Phase Underway - 96 Percent Complete

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

Summary: This project will provide westbound operational improvements (approximately 1.4 miles), which includes the realignment of the existing westbound SR-91 on- and off-ramps, the addition of a new on-ramp from the Lakeview Avenue overcrossing bridge to connect directly to southbound SR-55, and construction of a barrier to separate westbound SR-91 from SR-55. With the proposed improvements, the

FREWAYS

existing Lakeview Avenue overcrossing bridge is anticipated to be replaced with a new bridge. The design of this project was initiated on March 30, 2020. This project was combined with the Caltrans multi-asset project when the 100 percent design package was developed. This quarter, the design team continued to coordinate and address comments on the combined 100 percent design package for construction advertisement and obtained approval on some of the technical reports. In addition, OCTA continued to finalize ROW and utility certification.

Segment: SR-91, La Palma Avenue to SR-55

Status: Design Phase Underway - 82 Percent Complete

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

Summary: This project will provide an additional eastbound general purpose lane (approximately 2.7 miles), replace the eastbound shoulder, and restore auxiliary lanes as needed throughout the project limits. With the proposed improvements, the existing Kraemer Boulevard and Tustin Avenue overcrossing bridges are anticipated to be replaced with new bridges and the Santa Ana River bridge will be widened. The design of this project was initiated on June 17, 2020. This project was combined with the Caltrans multi-asset project when the 95 percent design package was developed. However, per Caltrans' request, both projects will be separated and will proceed as independent projects. This quarter, the design team continued to address comments on the 95 percent design package and obtained approval on most of the ROW maps with ROW needs defined.

Segment: SR-91, Acacia Street to La Palma Avenue

Status: Design Phase Underway - 90 Percent Complete

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

Summary: This project will provide westbound operational improvements (approximately 1.7 miles) by adding a fourth general purpose lane along westbound SR-91 from the northbound SR-57 to the westbound SR-91 connector, extending the southbound SR-57 to westbound SR-91 connector auxiliary lane through the State College Boulevard interchange, tying into the existing westbound SR-91 auxiliary lane west of State College Boulevard, and reconfiguring the westbound SR-91 to SR-57 connector to provide dedicated exits to SR-57. With the proposed improvements, the existing La Palma Avenue overcrossing bridge will be replaced with a new bridge. The design of this project was initiated on November 30, 2020. This project was combined with the Caltrans multi-asset project when the 95 percent design package was developed. This quarter, the design team worked on addressing comments on the combined 95 percent roadway design package and submitted the 100 percent design package. In addition, OCTA continued the ROW appraisal process.



FREEWAYS

PROJECT J

Segment: SR-91, SR-55 to SR-241

Status: PROJECT COMPLETE

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

Summary: This project added a general purpose lane (approximately six miles) in both directions of SR-91 between SR-55 and SR-241 in the cities of Anaheim and Yorba Linda. In addition to adding 12 lane miles to SR-91, the project also delivered a second eastbound exit lane at Lakeview Avenue, Imperial Highway, and Yorba Linda Boulevard/Weir Canyon Road off-ramps. Beyond these capital improvements, crews completed work on safety barriers, lane striping, and soundwalls. The final ED and PR were approved on April 24, 2009. Construction began on May 27, 2011, and opened to traffic in December 2012. The project was officially completed on March 5, 2013.



Segment: SR-91 Eastbound, SR-241 to SR-71

Status: PROJECT COMPLETE

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

Summary: This project improved mobility and operations by adding an eastbound lane (approximately six miles) through a key stretch of SR-91 between Orange County's SR-241 and Riverside County's SR-71, widened existing eastbound lanes and shoulders, and reduced traffic weaving as a result of traffic exiting at SR-71 and Green River Road. The final ED and PR were approved on December 28, 2007. Construction began on September 16, 2009, and the improvements opened to traffic on December 2, 2010. The project was officially completed on January 31, 2011. Because this project was shovel-ready, OCTA was able to obtain American Recovery and Reinvestment Act funding for this M2 project, saving M2 revenues for future projects.



Segment: SR-91, SR-241 to Orange/Riverside County Line

Status: RCTC's Westbound Corridor Operation Project – Completed in January 2022; Eastbound Corridor Operation Project Environmental Phase Underway – 25 Percent Complete

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

Summary: Since the SR-91 corridor is one of the busiest in the region, implementation of this project requires coordinating and constructing the improvements in multiple segments and capitalizing on available funding. Freeway improvements that cross county lines require close coordination to maintain seamless travel. This project plans to add a general purpose lane on SR-91 between SR-241 and SR-71. While the portion of this project between SR-241 and the Orange/Riverside County Line is part of OCTA's M2 Project J, the matching segment between the county line and SR-71 is part of RCTC's Measure A. The sixth lane addition requires joint implementation to ensure smooth delivery of the project. With significant SR-91 freeway improvements taking place as a result of both counties' sales tax measures, the construction timing of the additional general purpose lane between SR-241 and SR-71 was anticipated to take place post-2035. However, RCTC requested OCTA's support to accelerate a portion of the ultimate project in the

FREWAYS

westbound direction (in Orange County) to address a bottleneck issue affecting the City of Corona. With OCTA's support, RCTC developed the 91 Westbound Corridor Operation Project, which began construction in late 2020 and was completed in January 2022.

In addition, OCTA and RCTC conducted a feasibility study to determine how best to implement the sixth general purpose lane while minimizing environmental and construction impacts in the eastbound direction between SR-241 and SR-71. The final alternatives analysis report was completed in April 2022. RCTC is leading the effort to proceed with the environmental phase of the project, to be referred to as the 91 Eastbound Corridor Operation Project. This effort began in June 2023 and is anticipated to be completed by mid-2025.

PROJECT K

INTERSTATE 405 (I-405) PROJECTS

Segment: I-405, SR-73 to I-605

Status: PROJECT COMPLETE

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



Summary: This project added a general purpose lane (approximately 14 miles) between Euclid Street and I-605 in both directions and a second HOV lane in both directions combined with the existing HOV lane to provide dual express lanes in each direction of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.³ Additional improvements included reconstruction of local interchanges and enhancements to freeway entrances and exits along the corridor from SR-73 to I-605 through the cities of Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Los Alamitos, Seal Beach, and Westminster. The final ED and PR were approved on June 15, 2015. Construction activities began on January 31, 2017 and the project fully opened to traffic on December 1, 2023. Final acceptance and relief of maintenance is expected in mid-2024. During the quarter, work continued on remaining miscellaneous construction activities including landscaping, installation of remaining bridge lighting, cultural resources restoration, and punch-list items.

³ The general purpose lane portion of the project is an M2 project and was funded by a combination of local, state, and federal funds. The express lanes portion of the project was financed and will be paid for by those who choose to pay a toll and use the 405 Express Lanes.



FREEWAYS

PROJECT L

Segment: I-405, I-5 to SR-55

Status: Environmental Phase Complete

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

Summary: This project studied potential improvements along approximately 8.5 miles of I-405 between I-5 and SR-55 in the City of Irvine. The project development team reviewed the alternatives and public comments received during public circulation, and as a result of the effort, recommended adding one general purpose lane in both directions. The final ED and PR were approved on August 31, 2018. To ensure coordination with other projects planned for construction and to avoid unreasonable impacts to the public, this project is currently scheduled to be constructed beyond the Next 10 Plan timeframe.

PROJECT M

INTERSTATE 605 (I-605) PROJECTS

Segment: I-605, Katella Avenue Interchange Improvements

Status: Design Phase Underway - 99 Percent Complete

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

Summary: This project will make enhancements to the on- and off-ramps and operational improvements on Katella Avenue at the I-605 Interchange in the City of Los Alamitos. In addition, pedestrian and bicycle improvements will incorporate complete streets components, including enhanced safety for all modes of travel. The final ED and PR were approved on October 3, 2018. The design of this project was initiated on December 28, 2020. This quarter, the design team submitted a final 100 percent design package, which includes updates based on Caltrans revised standards released in January 2024, resubmitted a revised supplemental design standard decision document, continued coordination with SCE on utility agreements for utility relocations, and initiated ROW acquisitions. ROW certification is anticipated to be completed by late spring 2024. In addition, the environmental revalidation to include a proposed overhead sign structure located a half-mile south of Katella Avenue was approved.



FREEWAYS

PROJECT N

FREEWAY SERVICE PATROL

Status: Service Ongoing

Contact: Patrick Sampson, Motorist Services • (714) 560-5435

Summary: Freeway Service Patrol (FSP) assists motorists whose vehicles have become disabled along Orange County freeways and removes congestion-causing debris from traffic lanes to reduce freeway congestion and collisions. In June 2012, M2 began supporting FSP with local funds to maintain existing service levels and expand services through 2041. During the quarter, FSP provided 15,429 services.⁴ Since June 2012, FSP has provided 779,032 services⁴ on the Orange County freeway system.

⁴ Service calculations are based on all services provided as FSP is funded by M2 and external sources.



STREETS AND ROADS

PROJECT O

REGIONAL CAPACITY PROGRAM

Status: 14th Call Applications Under Review

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program, in combination with required local matching funds, provides funding for improvements on Orange County’s Master Plan of Arterial Highways. Since 2011, through 13 calls, the Board has awarded 180 projects (218 project phases) totaling more than \$387 million, including \$23.4 million in external funding. To date, 148 project phases have been completed, 45 are in various stages of implementation, and 25 have been cancelled by the awarded local jurisdictions. On August 14, 2023, the Board approved the release of the 14th call. Applications were received on October 26, 2023, and are under review. Based upon project selection criteria as specified in the CTFP guidelines, programming recommendations are anticipated to be presented to the Board in May 2024.

OC Bridges Railroad Program

This program built seven grade separations (either under or overpasses) where high-volume streets are impacted by freight trains along the BNSF railroad in north Orange County. On September 13, 2021, the Board approved program closeout and budget adjustment to approximately \$666.55 million for all the OC Bridges grade separation projects, of which \$152.6 million was committed M2 and \$513.9 million in leveraged external funding. Funding reimbursement and closeout for all seven grade separation projects have been completed.

Segment: Kraemer Boulevard Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the cities of Anaheim and Placentia. Construction began on November 9, 2012, and the improvements opened to traffic on June 28, 2014. Construction acceptance was obtained in December 2014. OCTA turned over maintenance responsibilities to the cities and completed the one-year warranty in December 2015 with no issues or claims identified. Funding reimbursement and closeout have been completed.



Segment: Lakeview Avenue Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building a bridge for vehicular traffic over the railroad crossing and reconfiguring the intersection of Lakeview Avenue and Orangethorpe Avenue in the cities of Anaheim and Placentia. Construction began on March 3, 2014, and the improvements opened to traffic on June 6, 2017. Construction acceptance was obtained in





STREETS AND ROADS

June 2018. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to July 2019 for some minor repair items. The Board approved a final claim resolution in July 2019. Funding reimbursement and closeout have been completed.

Segment: Orangethorpe Avenue Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building a bridge for vehicular traffic over the railroad crossing in the cities of Anaheim and Placentia. Construction began on April 25, 2013, and the improvements opened to traffic on June 23, 2016. Construction acceptance was obtained in October 2016. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to June 2019 for some minor repair items. No additional issues or repairs were identified. Funding reimbursement and closeout have been completed.



Segment: Placentia Avenue Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Placentia. Construction began on October 5, 2011, and the improvements opened to traffic on March 12, 2014. Construction acceptance was obtained in December 2014. OCTA turned over maintenance responsibilities to the cities and completed the one-year warranty in December 2015 with no issues or repairs identified. Funding reimbursement and closeout have been completed.



Segment: Raymond Avenue Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Fullerton. The City of Fullerton managed construction while OCTA provided construction oversight, public outreach, railroad coordination, and ROW support. Construction began on March 27, 2014, and the improvements opened to traffic on October 2, 2017. Construction acceptance was obtained in May 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. Funding reimbursement and closeout have been completed.



Segment: State College Boulevard Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project grade separated the local street from railroad tracks by building an underpass for vehicular traffic under the railroad crossing in the City of Fullerton. The City of Fullerton managed construction while OCTA provided construction oversight, public outreach, railroad coordination, and





STREETS AND ROADS

ROW support. Construction began on March 27, 2014, and the improvements opened to traffic on November 1, 2017. Construction acceptance was obtained in March 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. Funding reimbursement and closeout have been completed.

Segment: Tustin Avenue/Rose Drive Grade Separation

Status: PROJECT COMPLETE

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



Summary: This project grade separated the local street from railroad tracks by building a bridge over the railroad crossing for vehicular traffic in the cities of Anaheim and Placentia. Construction began on April 22, 2013, and the improvements opened to traffic on December 7, 2015. Construction acceptance was obtained in October 2016. OCTA turned over maintenance responsibilities to the cities and extended the one-year warranty to November 2018 for some minor repair items. No additional issues or repairs were identified. Funding reimbursement and closeout have been completed.

PROJECT P

REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM

Status: 14th Call Applications Under Review

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

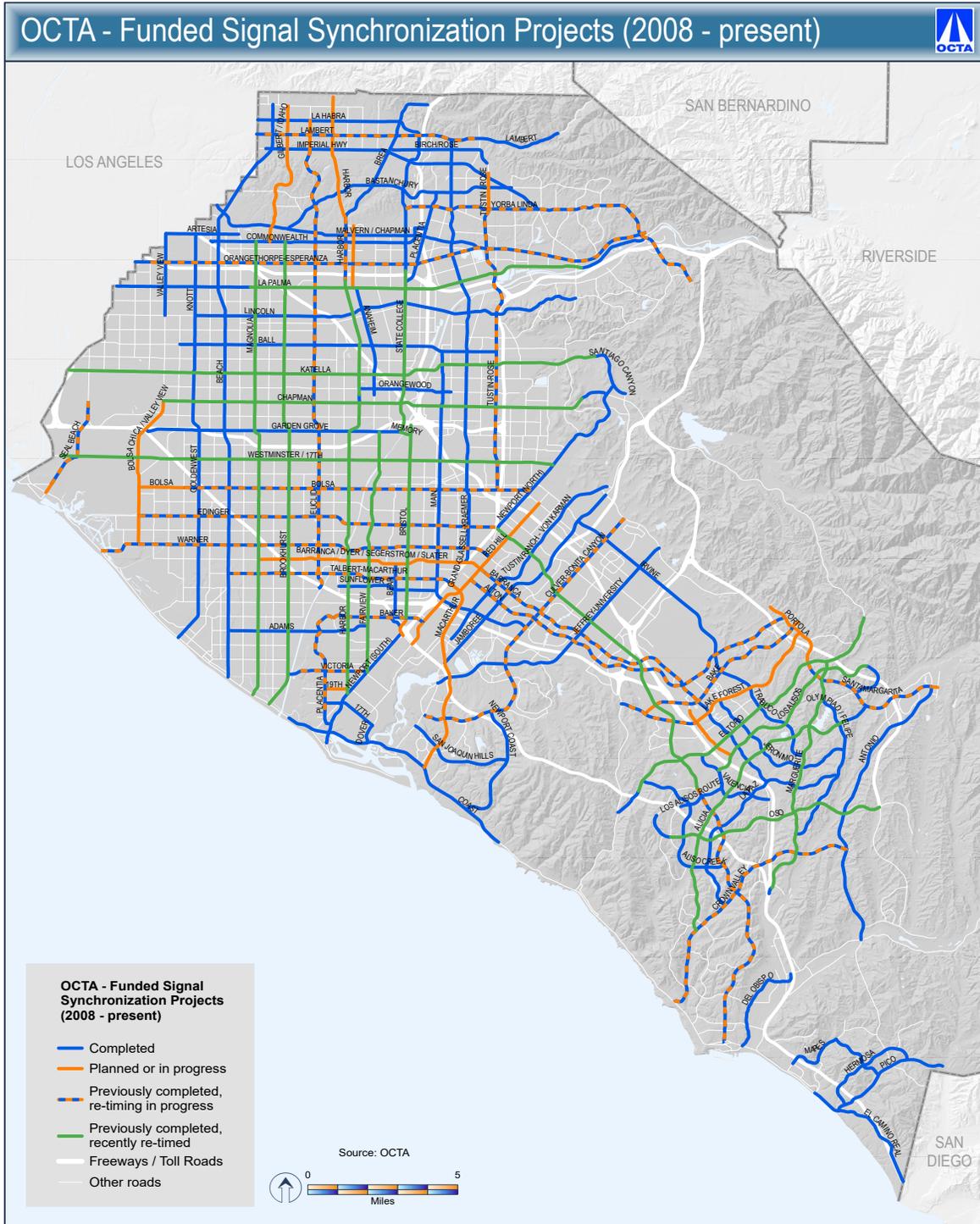
Summary: This program provides funding and assistance to implement multi-agency signal synchronization. The target of the program is to regularly coordinate a network of over 2,000 signalized intersections along 750 miles of roadway within Orange County. OCTA also leverages external funding to further enhance the efficiency of the street grid and reduce travel delays.

To date, OCTA and local agencies have synchronized 3,522 intersections over 903 miles of streets (101 completed projects). Through 13 calls, 112 projects⁵ totaling more than \$137.4 million have been awarded. Overall, OCTA has funded 132 projects⁵ totaling more than \$171.8 million, including \$40.1 million in leveraged external funding. On August 14, 2023, the Board approved the release of the 14th call. Applications were received on October 26, 2023, and are under review. Based upon project selection criteria as specified in the CTFP guidelines, programming recommendations are anticipated to be presented to the Board in May 2024.

In parallel with the annual call, OCTA is leading the Countywide Signal Synchronization Baseline Project. On February 12, 2024, the Board approved the consultant selection for the project, which aims to develop and implement a countywide signal synchronization network for Orange County and will consist of approximately 2,500 retimed signals along regionally significant corridors to ensure seamless travel across the County. While this innovative project is entirely externally funded, the results will benefit and shape the future of the M2 Regional Traffic Signal Synchronization Program.

⁵ To date, three projects totaling approximately \$1.6 million have been cancelled by the awarded local jurisdictions.

STREETS AND ROADS





STREETS AND ROADS

PROJECT Q

LOCAL FAIR SHARE

Status: Ongoing

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

Summary: To help cities and the County of Orange keep up with the rising cost of repairing the aging street system, this program provides flexible funding intended to augment, not replace, existing transportation expenditures by the cities and the County. On a bimonthly basis, 18 percent of net revenues are allocated by formula. Since 2011, more than \$711 million⁶ in LFS payments have been provided to local jurisdictions, of which more than \$25.3 million⁶ was provided this quarter.

For more details, see funding allocation by local agency on [pages 51-52](#).

⁶ Only includes disbursed funds. On May 22, 2023, the Board determined the City of Cypress ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance and the Board reconsiders the matter in May 2024.



PROJECT R

HIGH FREQUENCY METROLINK SERVICE

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

Project: Metrolink Grade Crossing Improvements

Status: PROJECT COMPLETE

Contact: Megan Taylor, Operations • (714) 560-5601



Summary: Enhancements at 50 of the designated 52 Orange County at-grade rail-highway crossings were completed in support of the Metrolink Service Expansion Program (MSEP) in October 2012. As a result of one private crossing, which did not allow OCTA to make enhancements, and one street closure, which eliminated the need for enhancements, the final count of enhanced rail-highway crossings was 50. Completion of the safety improvements provided each corridor city with the opportunity to establish a “quiet zone” at their respective crossings. Quiet zones are intended to prohibit the sounding of train horns through designated crossings, except in the case of emergencies, construction work, or safety concerns identified by the train engineer. The cities of Anaheim, Dana Point, Irvine, Orange, San Clemente, San Juan Capistrano, Santa Ana, and Tustin have established quiet zones within their communities.

Project: Metrolink Service Expansion Program

Status: PROJECT COMPLETE

Contact: Megan Taylor, Operations • (714) 560-5601



Summary: Following the completion of the MSEP improvements in 2012, OCTA deployed a total of ten new Metrolink intracounty trains operating between the cities of Fullerton and Laguna Niguel/Mission Viejo, primarily during the midday and evening hours.

In October 2019, several intracounty trains were extended to Los Angeles County to increase ridership through a redeployment of the trains without significantly impacting operating costs. Due to the COVID-19 pandemic, the three lines serving Orange County currently operate 45 weekday trains, 17 percent less service compared to the 54 weekday trains prior to COVID-19 related service reductions. During the quarter, ridership recovery for the three lines combined continued to trend positively. While total boardings for the quarter are 52 percent lower compared to the same quarter of FY 2018-19 (used as a pre-pandemic data set), they are 23.9 percent higher than the same quarter in FY 2022-23. Metrolink ridership has struggled to meet projections, thereby reducing farebox recovery. To exacerbate this shortfall, operating costs have also increased. The 2023 Next 10 Plan cashflow included the assumption of TIRCP formula funds to help sustain Metrolink operations through FY 2037-38. On January 10, 2024, Governor Newsom released his proposed state budget for FY 2024-25, which included a delay to TIRCP funding. Without this funding



or changes in service levels, ridership growth, or operations and rehabilitation costs, the current service cannot be sustained beyond FY 2031-32. OCTA will continue to actively engage with Metrolink and the other member agencies to monitor ridership levels and the corresponding financial impacts to M2.

Rail Corridor and Station Improvements

Additionally, under MSEP, funding is provided for rail line and station improvements to accommodate increased service. Rail station parking lot expansions and better access to platforms, among other improvements have been made or are underway. For schedule information on station improvement projects, please see the CAP on [pages 53-57](#).

Project: Anaheim Canyon Metrolink Station Improvements

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project added a second main track and passenger platform, extended the existing passenger platform, added improvements to at-grade crossings for pedestrian circulation, and installed new station amenities including benches, shade structures, and ticket vending machines. The improvements were completed on January 30, 2023.



Project: Fullerton Transportation Center Improvements

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: Completed early on, this project constructed a new five-level parking structure to provide additional transit parking at the Fullerton Transportation Center for both intercity rail service and commuter rail passengers. Construction on this city-led project began on October 18, 2010, and the improvements were completed on June 19, 2012. After completion, an elevator upgrade project was initiated with leftover savings. The elevator project modified the existing pedestrian bridge to add two new traction elevators, one on each side. The City of Fullerton was the lead on this project, which was completed on May 1, 2019.



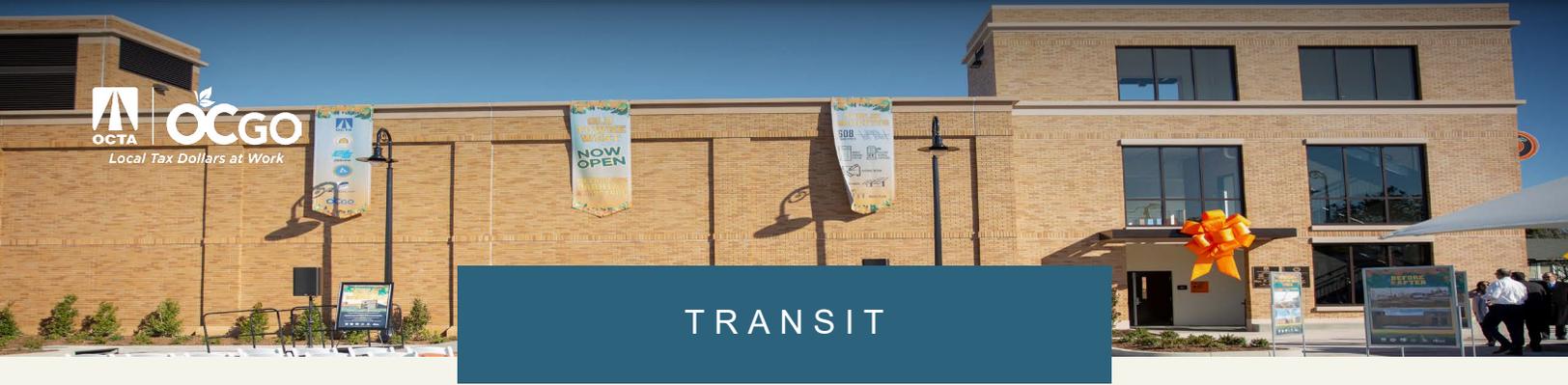
Project: Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project added new ADA-compliant access ramps on either side of the pedestrian undercrossing and a unisex ADA-compliant restroom, vending machine room, and three passenger canopies. Construction began on February 23, 2016, and the improvements were completed on September 20, 2017.





TRANSIT

Project: Orange Transportation Center Metrolink Parking Structure

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project constructed a 608-space, five-level, shared-use parking structure that is located on Lemon Street between Chapman Avenue and Maple Street in the City of Orange. Per a cooperative agreement between OCTA and the City of Orange, the City of Orange led the design phase, and OCTA led the construction phase of the project. Construction began on July 17, 2017, and the improvements were completed on February 15, 2019.



Project: New Placentia Metrolink Station and Parking Structure

Status: Design Complete; Ready for Advertisement subject to BNSF construction and maintenance (C&M) agreement

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project will construct a new Metrolink station to include platforms, parking, a new bus stop, and passenger amenities in the City of Placentia. Plans for the proposed Placentia Metrolink Station Project were near completion when the City of Placentia requested to modify them to include a parking structure to be built where surface parking had been designed. On June 27, 2016, the Board approved a cooperative agreement with the City of Placentia that revised the project's scope and budget, and with the changes, the City of Placentia will contribute towards the cost. The project will also include a third track which should assist with the on-time performance of train operations and provide operational flexibility for both freight and passenger trains. OCTA is the lead agency for the design and construction and BNSF will be the lead on rail construction. The final design was completed on July 22, 2017. The project will be ready to advertise once a C&M agreement with BNSF is in place. Due to dependency on the C&M agreement, this project is marked as a cost/schedule risk in the CAP.

Project: San Clemente Pier Station Lighting

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This OCTA-led project added lighting to the existing platform and new decorative handrails at the San Clemente Pier Station in the City of San Clemente. The improvements were completed on March 17, 2017, and project closeout was completed in the same month.



Additional Rail Corridor Improvements

In September 2021, a failing slope severely degraded the railroad track structure in the City of San Clemente in the Cyprus Shore area south of the San Clemente Pier [Mile Post (MP) 206.8]. Emergency repair efforts were taken between late 2021 and early 2022. However, higher tidal events coupled with the movement of an ancient slide impacted the stability of the track, leading to a suspension of rail service. The Board adopted a resolution in October 2022 to authorize OCTA to take all necessary actions to address the emergency need for railroad track stabilization. The repairs for this phase of the work were funded by the commuter rail fund and some State emergency funds. Emergency work to stabilize the



TRANSIT

railroad track was sufficiently completed to allow full passenger rail service resumption on April 17, 2023. The track stabilization efforts were substantially completed on August 11, 2023.

During this time, a hillside owned by the City of San Clemente at the Casa Romantica Cultural Center and Gardens (MP 204.6) failed and continued to move incrementally. Landslide debris continued to crumble down the slope and foul the tracks owned by OCTA, which led to the suspension of all passenger rail services in the City of San Clemente and south Orange County on April 27, 2023. On June 26, 2023, the Board adopted a resolution to authorize OCTA to take all necessary actions to address the emergency need for railroad track protection. A temporary barrier wall at the bottom of the slope was constructed to protect the railroad track while the City of San Clemente continued construction of the long-term slope stabilization repairs. The temporary barrier wall construction was completed on July 17, 2023, allowing service to resume through the City of San Clemente. The total cost of the project is estimated to be \$6 million, of which \$3 million is funded by the California Transportation Commission with State Interregional Transportation Improvement Program (ITIP) funds. OCTA continues to work with partners to seek additional funding as needed.

On January 24, 2024, landslide movement caused debris from the hillside slope along the Mariposa Trail Bridge (Mariposa Point [MP 204.2]) in the City of San Clemente to fall onto the ROW and railroad tracks, including dislodging two spans of the city-owned pedestrian bridge. As a result, all rail movement was suspended. Metrolink began the initial emergency clearing and clean up operation in an attempt to resume rail service as soon as possible. This work included removing the two damaged bridge spans, regrading the landslide debris, and clearing debris from the tracks. This initial emergency mitigation effort of \$2 million dollars was funded by the State's emergency ITIP funds. Subsequently following the initial emergency mitigation efforts, the regraded hillside continued to experience movement and it was determined that a catchment wall needed to be designed and constructed to allow rail service to resume. Metrolink contracted with a design-build contractor to design and construct a 200-foot catchment wall at the toe of the landslide to prevent further landslide debris from impacting the rail operations. The second emergency mitigation efforts were completed on March 24, 2024 and allowed full passenger service to resume on March 25, 2024. These efforts cost \$7.2 million dollars and were also funded by the State's ITIP funds.

To identify short- and medium-term solutions to address rail infrastructure protection in south Orange County, the Board approved the selection of a consultant to conduct a feasibility study and alternative concept analysis on August 14, 2023. The initial assessment was presented to the Board on March 11, 2024, which identified sites recommended for monitoring and reinforcement within the coastal rail corridor in south Orange County. Future updates to the Next 10 Plan will need to consider the financial implications of the additional long-term track solutions.

Completed:

- Installation of the Control Point project at Fourth Street in the City of Santa Ana, which provided greater efficiency and reliability for passenger rail service
- Implementation of Positive Train Control system, which improves rail safety by monitoring and controlling train movement
- Implementation of video surveillance systems at the Fullerton, Irvine, Laguna Niguel, Mission Viejo, Orange, Santa Ana, and Tustin stations



TRANSIT

- Railroad ROW Slope Stabilization project at eight locations within the rail corridor to prevent future erosion and slope instability
- Replacement of detectable tiles and painted guidelines at six stations to meet the Federal Transit Administration State of Good Repair requirement, enhance safety, and provide clear warnings to passengers
- Replacement of stairs at the Fullerton Transportation Center
- ROW acquisition to replace the San Juan Creek railroad bridge in the City of San Juan Capistrano, which will not preclude a future bicycle trail on the south end along the creek
- Emergency track stabilization in the City of San Clemente at Cyprus Shore, Casa Romantica, and Mariposa Point

Underway:

- Design of additional slope stabilization and drainage improvements in Mission Viejo and Laguna Niguel
- Construction of the San Juan Creek railroad bridge replacement, led by Metrolink

Project: Sand Canyon Grade Separation

Status: PROJECT COMPLETE

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

Summary: This project separated the local street from railroad tracks in the City of Irvine by constructing an underpass for vehicular traffic. Construction began on May 3, 2011, and the improvements opened to traffic on July 14, 2014. The project was completed, and construction acceptance was obtained from the City of Irvine on January 15, 2016. The project completed the one-year warranty period, and no repairs were identified. The project closed out in January 2017.



Project: Tustin Metrolink Station Parking Structure

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This early completion project provided additional parking at the Tustin Metrolink Station to meet requirements associated with MSEP by constructing a new four-story parking structure with approximately 735 spaces and on-site surface parking. Construction on the parking structure began on October 27, 2010, and opened to the public on September 22, 2011.



Project: Laguna Niguel to San Juan Capistrano Passing Siding Project

Status: PROJECT COMPLETE

Contact: Jim Beil, Capital Programs • (714) 560-5646

Summary: This project added a new passing siding railroad track (approximately 1.8 miles) adjacent to the existing mainline track, which enhanced the operational efficiency of passenger services within the LOSSAN rail corridor. Construction began on March 12, 2019, and the improvements were completed on November 17, 2020.





TRANSIT

PROJECT S

TRANSIT EXTENSIONS TO METROLINK

To broaden the reach of Metrolink to other Orange County cities, communities, and activity centers, Project S includes a competitive program that allows cities to apply for funding to connect passengers to their final destination via transit extensions. There are currently two categories for this program: a fixed-guideway program (streetcar) and a rubber tire transit program.

- Project:** OC Streetcar
- Status:** Full Funding Grant Agreement Executed November 30, 2018; Construction Work Ongoing, Vehicle Production Ongoing, Notice to Proceed Executed with Operations and Maintenance (O&M) Contractor
- Contact:** Jeff Mills, Rail • (714) 560-5925
Cleve Cleveland, Rail • (714) 560-5535
- Summary:** The OC Streetcar will serve the SARTC through Downtown Santa Ana, and the Civic Center to Harbor Boulevard in the City of Garden Grove. At the request of the two cities, OCTA is serving as the lead agency for the project. Construction on the project began on November 19, 2018.

Construction

As of March 2024, construction is approximately 86 percent complete. Construction activities during the quarter include placement of approximately 90 percent of the roadway final pavement and striping work and installation of 45 trees along Fourth Street. Ongoing activities include the overhead wire installation on overhead contact system (OCS) poles, train warning and gate systems installation at the Fairview Street, Fifth Street, and Raitt Street at-grade crossings, and continued construction at the MSF. The Harbor Boulevard and SARTC parking lots were paved and additional work to reconstruct sidewalks, driveways, and curbs and gutters is underway throughout multiple locations of the project. Work at Sasscer Park continues, with underground electrical elements being installed and preparation for paving and concrete work at the platform.

Vehicles

Five of the eight completed vehicles were transported to an offsite storage facility. OCTA will continue to store vehicles, spare parts, and special tools at the vehicle manufacturer's storage facility until the MSF construction has reached substantial completion and those items can be accommodated within the facility. In January 2024, OCTA staff participated in a pre-storage vehicle inspection for two of the three remaining vehicles at the vehicle manufacturer's facility and both were approved for storage. The last vehicle remains in final static and dynamic testing, with final inspection anticipated to be conducted next quarter.



TRANSIT

Operations

In February 2024, the Rail Activation Committee met to report on the activities of the smaller working groups, including the System Integration Testing Committee and Operations Working Group. In addition, the Rail Activation Committee and the California Public Utilities Commission (CPUC) conducted a field walk from the MSF to the Fairview Street grade crossing to review the track, signal, and switches that will be used for the initial vehicle testing. In March 2024, the O&M contractor provided a second vendor presentation to OCTA and the CPUC of an early warning device system, a requirement for CPUC compliance. Early warning device systems will be utilized in the field by O&M personnel as part of their personal protective equipment safety requirements. OCTA continued negotiations with the City of Garden Grove in order to finalize the O&M agreement needed when the project begins revenue service.

Project: Bus and Station Van Extension Projects

Status: Last Service Completed on June 30, 2020; No Future Calls Anticipated

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: Bus and station van extension projects help enhance the frequency of service in the Metrolink corridor by linking communities within the central core of Orange County to commuter rail. To date, the Board has approved one round of funding for bus and van extension projects, totaling over \$732,000. On July 23, 2012, the Board approved funding for one project in the City of Anaheim and three projects in the City of Lake Forest. The City of Lake Forest has cancelled all three projects. The Anaheim Canyon Metrolink Station Bus Connection project provided service between the Anaheim Canyon Metrolink station and the Anaheim Resort area; this project was completed on June 30, 2020, under Project S. The service continues under a Project V grant and is subject to meeting minimum performance requirements as part of the Project V program.

PROJECT T

METROLINK GATEWAYS

Project: Anaheim Regional Transportation Intermodal Center

Status: PROJECT COMPLETE

Contact: George Olivo, Capital Programs • (714) 560-5872

Summary: This project constructed the ARTIC located at 2626 East Katella Avenue in the City of Anaheim. ARTIC is a major multimodal transportation hub serving commuters and residents in the City of Anaheim. In addition to OCTA buses and Metrolink trains, ARTIC provides transit connections to Pacific Surfliner Amtrak, Anaheim Resort Transit, shuttle and charter bus service, taxis, bicycles, other private transportation services available, and accommodates future high-speed rail trains. The City of Anaheim, which led the construction effort, began construction on September 24, 2012, and opened the facility to rail and bus service on December 6, 2014. This facility replaced the former Anaheim Metrolink Station that was located on the opposite side of the freeway in the Los Angeles Angels of Anaheim Stadium parking lot.





TRANSIT

PROJECT U

EXPAND MOBILITY CHOICES FOR SENIORS AND PERSONS WITH DISABILITIES

Project U expands mobility choices for seniors and persons with disabilities, and includes the SMP, the SNETM Program, and the Fare Stabilization Program. Since inception, nearly \$130 million^{7,8} in Project U funding has been provided under M2.

⁷ Payments are made every other month (January, March, May, July, September, and November). July payments are based on June accruals, and therefore counted as June payments. The amount totaled for one fiscal year quarter either covers one or two payments, depending on the months that fall within that quarter.

⁸ Only includes disbursed funds. On May 22, 2023, the Board determined the City of Cypress ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance and the Board reconsiders the matter in May 2024.

Project: Senior Mobility Program
Status: Ongoing
Contact: Jack Garate, Transit • (714) 560-5387
Summary: The SMP provides one percent of net M2 revenues to eligible local jurisdictions to provide transit services that best meet the needs of seniors living in their community. According to the SMP Funding and Policy Guidelines, M2 revenue is allocated to local jurisdictions proportionally, relative to the total county’s senior population, by the residents aged 60 and above multiplied by available revenues. The remaining unallocated funds are distributed to the M2 Project U Fare Stabilization Program.

Since inception, more than \$37.2 million⁸ has been provided to support approximately 2.9 million boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. This quarter, more than \$1.34 million^{7,8} was paid out to 31 of the 32 participating cities that are currently active.

Project: Senior Non-Emergency Medical Transportation Program
Status: Ongoing
Contact: Jack Garate, Transit • (714) 560-5387
Summary: This program provides one percent of net M2 revenues to supplement existing countywide SNETM services. Since inception, nearly \$39.8 million has been allocated to support over 1.5 million SNETM boardings⁹. This quarter, more than \$1.4 million⁷ in SNETM funding was paid to the County of Orange.

⁹ The SNETM program is operated by the County of Orange Office on Aging. Total boardings are calculated based on all services funded by M2 and the County of Orange.



TRANSIT

Project: Fare Stabilization Program

Status: Ongoing

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

Summary: From 2011 to 2015, one percent of net M2 revenues was dedicated to stabilizing fares and providing fare discounts for bus services and specialized ACCESS services for seniors and persons with disabilities. Effective January 28, 2016, an amendment to the M2 Ordinance adjusted this amount to 1.47 percent of net M2 revenues to be dedicated to the Fare Stabilization Program.

Approximately \$2.1 million¹⁰ in revenue was allocated this quarter to support the Fare Stabilization Program. The amount of funding utilized each quarter varies based on ridership. During the quarter, based on nearly 2.5 million program-related boardings recorded on fixed-route and ACCESS services, more than \$704,000 was utilized. The senior and disabled boardings recorded are based on pass sales and ACCESS boardings figures. Since inception, more than \$52.9 million has been allocated to support nearly 150 million program-related boardings.

¹⁰ Payments are made every other month (January, March, May, July, September, and November). July payments are based on June accruals, and therefore counted as June payments. The amount totaled for one fiscal year quarter either covers one or two payments, depending on the months that fall within that quarter.

PROJECT V

COMMUNITY-BASED TRANSIT/CIRCULATORS

Status: Service Updates; Fifth Call Applications Under Review

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program provides funding for local jurisdictions to develop local bus transit services, such as community-based circulators and shuttles, which complement regional bus and rail services to meet needs in areas not adequately served by regional transit. To date, through a competitive process, OCTA has issued four calls (June 2013, June 2016, June 2018, and April 2020), which have awarded 36 projects and ten planning studies totaling approximately \$53.8 million. Out of the 36 transit circulator projects¹¹, 17 are currently active, 13 have been cancelled (primarily due to low ridership), two have not yet initiated service (projects are continuations of existing Project V grants with remaining funds), and four have been completed.

On January 25, 2021, the Board approved changes to the Project V program guidelines to better support these key community services in a post-COVID-19 environment. Key revisions included modifying minimum performance standards and allowing for escalation in the subsidy per boarding and annual FY funding caps. Staff continued to work with local jurisdictions to update existing cooperative agreements to incorporate these programmatic changes.



TRANSIT

¹¹ Includes reinstatement of the \$1.65 million award from the 2018 Project V call to the City of San Clemente for the existing San Clemente Rides ride-hailing service. The 2018 Project V award was cancelled by the Board on December 10, 2018 and reinstated on August 14, 2023 to correct for issues in the service model that were encountered during the pandemic.

OCTA receives ridership reports from local agencies on a regular basis to monitor the success of these services against performance measures adopted by the Board. Currently, all of these services are generally meeting the January 2021 modified performance metrics. The most recent Project V ridership report was presented to the Board on February 12, 2024. The next ridership report is anticipated to be presented to the Board mid-2024. Lessons learned from the success of implemented services are incorporated into recommendations for future funding guidelines and programming recommendations.

On November 13, 2023, the Board approved the release of the fifth Project V call. Applications were due on January 26, 2024. Programming recommendations are anticipated to be presented to the Board in mid-2024.

PROJECT W

SAFE TRANSIT STOPS

Status: City-Initiated Improvements Underway or Completed

Contact: Charvalen Alacar, Planning • (714) 560-5401

Summary: This program provides funding for passenger amenities at the busiest transit stops across Orange County. Stop improvements are designed to ease transfers between bus lines and provide passenger amenities such as the installation of bus benches or seating, shelters, and lighting.

To date, through a competitive process, OCTA has issued three calls (July 2014, June 2019, and September 2020), which have awarded just over \$3.1 million to support improvements at 122 locations. Of the 122 projects, 59 have been completed, 53 are in various stages of implementation, and ten have been cancelled. Staff is reviewing M2 revenues and assessing the appropriate timing for the next call.

ENVIRONMENTAL

PROJECT X

CLEAN UP HIGHWAY AND STREET RUNOFF THAT POLLUTES BEACHES

Project: Environmental Cleanup Program

Status: 14th Tier 1 Call Underway; Third Tier 2 Call Underway

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

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

The ECP is composed of a two-tiered funding process focusing on early priorities (Tier 1), and a second program designed to prepare for more comprehensive capital investments (Tier 2). All Orange County cities plus the County of Orange have received funding under this program. To date, there have been 13 rounds of funding under the Tier 1 grants program.

A total of 222 projects, amounting to more than \$36.5 million, have been awarded by the Board since 2011. Of the 222 projects, construction on 187 projects have been completed, 21 are in various stages of implementation, and 14 have been cancelled by the awarded agency. The 14th Tier 1 call was released on February 12, 2024, with programming recommendations anticipated in fall 2024.

It is estimated that 69.5 million gallons of trash have been captured since the inception of the program, which equates to over 12,000 trash truck loads of garbage that could have been deposited in Orange County streams and waters. Over time, the volume of trash captured is expected to increase.

In addition, there have been two rounds of funding under the Tier 2 grants program. A total of 22 projects in the amount of \$27.89 million have been awarded by the Board since 2013. Of the 22 projects, construction on 18 projects have been completed and four projects have been cancelled by the awarded agency. It is estimated that Tier 2-funded projects, once fully functional, will have an annual groundwater recharge potential of approximately 157 million gallons of water from infiltration or through pumped and treated recharge facilities. The third Tier 2 call was released on February 12, 2024, with programming recommendations anticipated in fall 2024.

ENVIRONMENTAL

FREEWAY MITIGATION

Segment: Environmental Mitigation Program

Status: Biological Permits Issued and Conservation Plan in Place

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

Summary: Working in collaboration with the United States Fish and Wildlife Service and CDFW (referred to as Wildlife Agencies), this program allocates funds to acquire land and fund habitat restoration projects to offset the environmental impacts of M2 freeway projects. In June 2017, OCTA received biological resource permits after completing a state and federal Conservation Plan. This Conservation Plan commits to protecting the natural habitat and wildlife on OCTA's Preserves, funding multiple habitat restoration projects, and minimizing impacts to resources during construction of M2 freeway projects, allowing streamlined project approvals for the M2 freeway projects with little additional coordination from the Wildlife Agencies. This program represents the culmination of years of collaboration and support by the Board, environmental community, and Wildlife Agencies. The OCTA Conservation Plan is unique, as it is only the second state/federal conservation plan approved in Orange County.

The Conservation Plan includes a streamlined process for coordination for streambed alteration agreements for portions of freeway projects that cross through streams and riverbeds. In 2017, the United States Army Corps of Engineers issued a programmatic permit to OCTA and Caltrans (as owner/operator of the state highway system). The State Board provided a letter to OCTA in 2018, which further secured assurances related to advanced mitigation and freeway project permit issuance. These efforts are the result of years of collaboration and constitute another groundbreaking milestone for the M2 EMP.

The Board has approved the acquisition of seven properties (Preserves) totaling 1,300 acres and 12 restoration projects totaling 350 acres. The restoration project plans have been approved by the Wildlife Agencies and the implementation of these projects are in various stages. To date, seven restoration projects have been completed and have been approved by the Wildlife Agencies. The Board authorized \$42 million (inclusive of setting aside funds for long-term land management) for property acquisitions, \$10.5 million to fund habitat restoration activities, and \$2.5 million for conservation plan development and program support, for a total of approximately \$55 million.

The Conservation Plan requires the establishment of an endowment to fund the long-term management of the Preserves. The most recent Board-adopted 2023 Next 10 Plan confirms that OCTA will be able to continue endowment deposits of \$2.9 million annually. To date, OCTA has made eight endowment deposits. As of March 31, 2024, the endowment balance was \$28,374,041, which is above the target of \$27,836,263 for the third quarter of FY 2023-24. Based on the performance to date, current projections indicate that OCTA still remains on track to meet the endowment target of \$46.2 million in FY 2027-28; however, the performance of the endowment fund may affect the timeframe. The next report summarizing the status of the endowment is anticipated to be presented to the Board in June 2024. Staff will continue to oversee and provide endowment updates to the Board, Finance and Administration (F&A) Committee and the Environmental Oversight Committee (EOC) on a regular basis.



ENVIRONMENTAL

As required by the Conservation Plan, OCTA developed FMPs for each of the seven Preserves. These documents were developed and approved by the applicable fire entities and the Wildlife Agencies. These FMPs provide guidelines for decision-making at all stages, including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. The FMPs were shared with the EOC and are posted on OCTA's website.

Resource management plans (RMP) for the Preserves were completed in 2018. These RMPs guide the management of the Preserves as outlined within the Conservation Plan. The RMPs will be reviewed and updated as necessary, approximately every five years. A consultant was retained at the end of 2023 and is currently working on updating the RMPs. Updates are anticipated to include new figures depicting more recent plant and animal species information, documentation of completed management tasks, potential new tasks identified, and the incorporation of the recently completed FMPs. All revisions will be coordinated with the Wildlife Agencies, shared with the EOC, and posted on OCTA's website. Staff will continue to oversee and manage the Preserves until a long-term manager(s) is established.

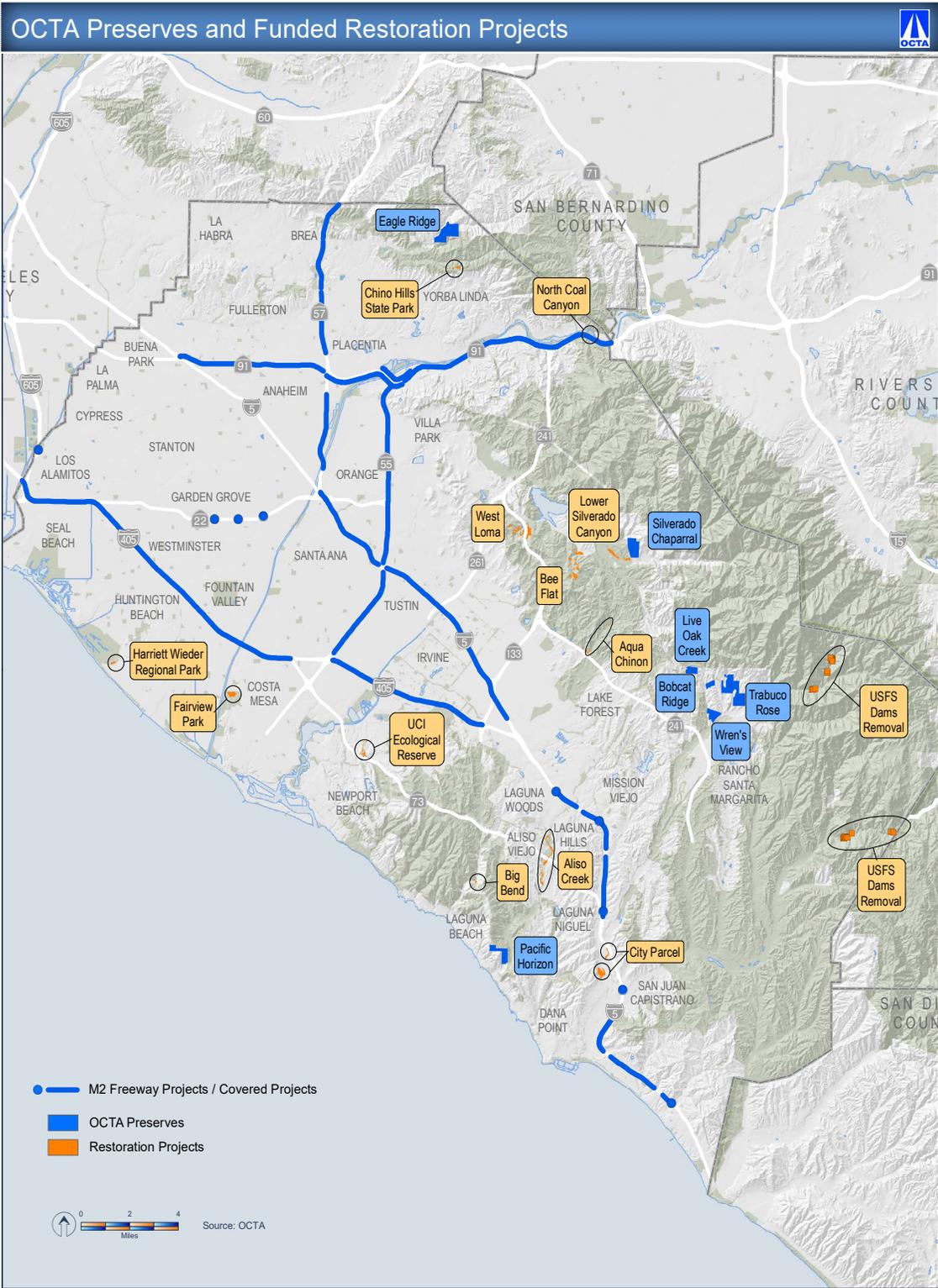
Conservation Plan reports are completed annually. These reports include the tracking of impacts associated with covered freeway improvement projects, other management and monitoring activities on Preserves, status and activities, the progress of the restoration projects, plan administration, and public outreach activities. Annual reports document that OCTA's activities were in compliance and on target with the Conservation Plan commitments and are reviewed by the Wildlife Agencies before they are available for public review. The annual report documenting the 2023 calendar year activities is currently being developed and is anticipated to be shared with the EOC and Board in late-2024.

To date, multiple freeway projects have utilized the Conservation Plan and/or the Clean Water Act's streamlined permitting process. Some of the projects that benefit from these mechanisms include: Project B (I-5 from I-405 to SR-55), Project C (I-5 from SR-73 to El Toro Road), Project G (SR-57 NB from Orangewood Avenue to Katella Avenue), Project I (SR-91 from SR-55 to Lakeview Avenue), Project K (I-405 from SR-73 to I-605), and Project M (I-605, Katella Avenue Interchange). If these mechanisms were not in place, it is anticipated that these projects would incur an additional \$700,000 to \$2.5 million (in 2018 dollars) in mitigation-related costs and unknown schedule risks. Furthermore, a strong partnership has been forged through collaboration with the environmental community.

Docent-led hikes and equestrian ride tours are offered throughout the year at various OCTA Preserves. The 2024 hike and ride schedule is available at www.PreservingOurLegacy.org.

As part of the safeguards in place for the M2 Program, a 12-member EOC makes recommendations on the allocation of environmental freeway mitigation funds and monitors the implementation of the Conservation Plan between OCTA and state and federal Wildlife Agencies. The EOC has led efforts with policy recommendations to the Board and has operated in an open and transparent manner which has garnered the trust of stakeholders, ranging from the environmental community to the recreational community to Orange County citizens. See the map of Preserves and funded restoration properties on the following page.

ENVIRONMENTAL





PROGRAM MANAGEMENT

PROGRAM MANAGEMENT OFFICE

Contact: Francesca Ching, PMO Manager • (714) 560-5625

The M2 PMO provides inter-divisional coordination for all Measure M-related projects and programs. To ensure agency-wide compliance, the PMO holds a bimonthly committee meeting comprised of executive directors and key staff from each of the divisions, who meet to review significant issues and activities within the M2 programs. This quarter, the focus of the PMO has been on several major items, including the following:

Market Conditions Forecast and Risk Analysis

On September 11, 2017, the Board was presented with a Next 10 Plan Market Conditions Forecast and Risk Analysis Report conducted by Dr. Wallace Walrod and Dr. Marlon Boarnet through a contract with the Orange County Business Council. The consultant team's analysis identified strong potential for OCTA to experience an increasing cost environment during the Next 10 Plan delivery years. This, coupled with a reduction in revenue, could present the potential for significant challenges in the delivery of M2 and the Next 10 Plan.

The Board directed staff to continue to work with the consultant team to monitor and track key early warning indicators and provide the Board with updates in a timeline consistent with updates on the M2 sales tax revenue forecast. The consultant team continues to analyze trends in material costs, labor costs, and general economic conditions to determine a range of potential cost impacts providing insight on OCTA's capital program twice a year.

During the quarter, the consultant team completed the update to the forecasting model and shared the results with staff. The analysis identified that OCTA may experience a tempering of inflationary pressures in 2024 and 2026 (ranging from one percent to two percent), with an uptick in 2025 (ranging from two to six percent). This is driven by an increase in building permits and California unemployment rates, and moderating construction wages. Although some material prices have declined, Portland Cement Concrete structure and steel structure prices have increased significantly. The next update of the market conditions forecast is anticipated to be provided to OCTA in fall 2024, and information from this analysis will be incorporated into the M2 cash flow for the 2024 update of the Next 10 Plan.

Next 10 Delivery Plan

On November 14, 2016, the Board adopted the Next 10 Plan, which provides guidance on the delivery of M2 projects and programs between FY 2016-17 and FY 2025-26. In December 2020, the Board approved to shift the timeframe to FY 2020-21 through FY 2029-30. The intent is for the Next 10 Plan to be a living document with delivery timeframes shifted every two years to ensure revenue and project information stay current. The PMO monitors progress on the ten deliverables identified in the Next 10 Plan and provides status updates.



PROGRAM MANAGEMENT

Annually, OCTA reviews the Next 10 Plan and M2 program assumptions based on changes to the revenue forecast and updated project cost and schedules. On November 13, 2023, the Board approved the 2023 Next 10 Plan, which spans FY 2022-23 to FY 2031-32. The 2023 update of the Next 10 Plan incorporated an updated sales tax revenue forecast of \$14.8 billion (supplemented with external revenue – Federal, State, and local dollars), insight from the updated construction market forecast, current programmed external revenues, revised bonding assumptions, and refined project information. Through this process, staff confirms that the M2 Program remains deliverable; however, this update continues to emphasize that Metrolink operations requires close monitoring. The 2024 update of the Next 10 Plan is anticipated to be presented to the Board in fall 2024.

M2 Performance Assessment

The M2 Ordinance includes a requirement for a performance assessment to be conducted at least once every three years to evaluate OCTA’s efficiency and effectiveness in the delivery of M2 as committed to the voters. Five performance assessments have been completed covering FY 2006-07 through FY 2008-09, FY 2009-10 through FY 2011-12, FY 2012-13 through FY 2014-15, FY 2015-16 through FY 2017-18, and FY 2018-19 through FY 2020-21. The most recent report commended OCTA’s efficiency and effectiveness in the delivery of M2 projects and programs with four recommendations for enhancements. Staff implemented all four recommendations and provided a final report to the Board on July 10, 2023. The sixth assessment will cover the period between July 1, 2021 and June 30, 2024. Procurement efforts are currently underway to have a consultant contract executed by July 1, 2024.

M2 Ordinance Tracking Matrix

The M2 Ordinance includes numerous requirements that staff must follow to keep the commitment to Orange County voters through the passage of M2. The PMO annually updates the M2 Ordinance Tracking Matrix to verify that OCTA complies with all requirements detailed in the M2 Ordinance. During the quarter, staff completed the update of the tracking matrix for calendar year 2023. This document is for PMO tracking purposes, but is also helpful to TOC members during their annual compliance finding.

PMO M2 Tracking Tools

The PMO has developed several tracking tools to assist in reporting consistency and increased transparency of the M2 program. See the following for a brief explanation of PMO M2 tracking tools and their current status:

Local Jurisdiction Fact Sheets

Fact sheets have been created for the County of Orange and each of Orange County’s 34 cities. The city fact sheets provide data on transportation and transit projects (funded through M2, state, and federal grants) in a format that emphasizes key points concisely on a single printed page. The city fact sheets are utilized when speaking with the jurisdictions to provide a summary overview of how OCTA has provided the local agency with funding (M2 and other) and transportation improvements. The next update of the city fact sheets is anticipated to begin in summer 2024.

PROGRAM MANAGEMENT

Engineer's Estimate versus Bids Tracking

The estimate versus bid tracking process allows the PMO to monitor the bidding environment for capital projects in the M2 Program. Capital projects that were planned for and began construction early in the M2 Program have shown cost savings due to a favorable bidding environment during the recession. For these earlier M2 projects, savings can be primarily traced back to construction costs.

Highway project constructions bids in the region are reflecting a variable market with a high number of bidders, but recent market conditions analyses have indicated that OCTA will experience an increasing cost environment related to increased demand for construction services, lack of labor resources, and increased construction material and labor costs. It should be noted that the engineer's estimate is based on several factors – such as bidding history and historical and current market rates (materials, labor, equipment, etc.) – and adjusted accordingly for the project's conditions. Because the estimate uses prior information, there may be a lag between an uptick or a downtick in the market. Staff will continue to track the construction market and update the spreadsheet as appropriate.

M2 Administrative Safeguards

M2 includes a one percent cap on administrative expenses for salaries and benefits of OCTA administrative staff on an annual basis. In a legal opinion on M2, it was determined that in years where administrative salaries and benefits are above one percent, only one percent can be allocated with the difference borrowed from other non-M2 fund sources. Conversely, in years where administrative salaries and benefits are below one percent, OCTA can still allocate the full one percent for administrative salaries and benefits but may use the unused portion to repay the amount borrowed from prior years in which administrative salaries and benefits were above one percent.

Based on the original M2 revenue projections, OCTA expected to receive \$24.3 billion in M2 funds, with one percent of total revenues available to fund administrative salaries and benefits over the life of the program. As M2 revenue projections declined (\$14.8 billion or 39 percent lower as of December 31, 2023) because of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the Early Action Plan (EAP) in 2007 required administrative functions four years prior to revenue collection. While the EAP resulted in project savings and significant acceleration of the program, administrative functions were required during this time with associated administrative costs.

As a result of the aforementioned factors, OCTA has incurred higher than one percent administrative costs. OCTA has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the one percent, and to repay those funds with interest in future years when OCTA administrative costs fall below the one percent cap. OCTA has borrowed approximately \$5.3 million from OCUTT to date. As of March 31, 2024, the total borrowings to date from OCUTT along with accrued interest were paid off.

Staff meets quarterly to review all labor costs to ensure costs attributed to the one percent cap are accurately reported and that there are no misplaced project-related costs.



PROGRAM MANAGEMENT

Taxpayer Oversight Committee

The M2 Ordinance requires a TOC to oversee compliance with the M2 Ordinance. With the exception of the elected Auditor Controller of Orange County, who is identified as the chair in the M2 Ordinance, all other members cannot be elected or appointed officials. Members are recruited and screened for expertise and experience independently by the Grand Jurors Association of Orange County and are selected from the qualified pool by lottery. The TOC used to meet every other month, but the TOC voted on April 11, 2023, to meet quarterly beginning in FY 2023-24. The responsibilities of the 11-member M2 TOC are to:

- Approve, by a vote of no less than two-thirds of all committee members, any amendments to the Plan proposed by OCTA which changes funding categories, programs, or projects identified on page 31 of the Plan
- Receive and review the following documents submitted by each eligible jurisdiction:
 - Congestion Management Program
 - Mitigation Fee Program
 - Expenditure Report
 - Local Traffic Signal Synchronization Plan
 - Pavement Management Plan
- Review yearly audits and hold an annual public hearing to determine whether OCTA is proceeding in accordance with the Plan
- Receive and review the triennial performance assessments of the Orange County Local Transportation Authority to assess the performance of OCTA in carrying out the purposes of the Ordinance
- The TOC Chair shall annually certify whether M2 funds have been spent in compliance with the Plan

On March 12, 2024, the TOC received the M2 Quarterly Revenue and Expenditure Report through December 2023 and voted against creating a Code of Conduct. The committee also received presentations on the I-5 South Improvement Project and Measure M2 Quarterly Progress Report. OCTA staff provided updates on an M2 Ordinance amendment and the upcoming M2 annual public hearing.

Two subcommittees assist the TOC with their safeguard responsibilities: the Annual Eligibility Review (AER) Subcommittee and the Audit Subcommittee. The AER Subcommittee meets a few times per year, as needed, to receive and review the following documents submitted by local jurisdictions to be deemed eligible to receive M2 funding: Congestion Management Program, Mitigation Fee Program, Local Signal Synchronization Plan, Pavement Management Plan, and Expenditure Reports. The next AER Subcommittee meeting is anticipated to be held in May 2024. The Audit Subcommittee meets as needed and is responsible for reviewing the quarterly M2 Revenue and Expenditure Reports and the annual M2 Audit, as well as any other items related to M2 audits. On March 12, 2024, the Audit Subcommittee received a report on the FY 2022-23 annual audit and agreed-upon procedures, and received a report on the M2 quarterly revenue and expenditure report through March 2024.



PROGRAM MANAGEMENT

M2 FINANCING AND SCHEDULE OF FUNDING

Contact: Sam Kaur, Revenue and Grants • (714) 560-5889

Revenue Forecast and Collection

OCTA contracts with three universities (Chapman University; California State University, Fullerton; and University of California, Los Angeles) to provide a long-range forecast of taxable sales to forecast M2 revenues for purposes of planning projects and program expenditures.

In the past, OCTA averaged the three university taxable sales projections to develop a long-range forecast of M2 taxable sales. On March 28, 2016, the Board approved a revised sales tax forecast methodology as part of the FY 2016-17 budget development process. This methodology includes a more conservative approach by utilizing the Avenu Insights & Analytics (formerly MuniServices, LLC) forecast for the first five years and the three-university average for the remaining years.

OCTA continuously monitors actual sales tax receipts, and revenue forecast information is updated quarterly based on the actual revenues received for the previous quarter. As required by law, OCTA pays the California Department of Tax and Fee Administration 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

OCTA has observed a downward trend in sales tax revenue, with a three percent average decline over the last three quarters. Originally, the 2005 projections for M2 sales tax collections were anticipated at \$24.3 billion. However, recent figures indicate a decrease, revising the expected total collections to \$14.8 billion, which is \$200 million less than the 2022 forecast.

Despite these financial challenges, OCTA remains in a strong position due to its substantial reserve levels, which provide a financial cushion against the revenue shortfall. The agency is actively monitoring various factors, including inflation, interest rates, and demographic changes in Orange County to assess their potential impact on sales tax revenues. In light of the observed revenue decline and economic uncertainties, OCTA emphasizes the importance of robust fiscal management and proactive financial planning to maintain its financial health and ensure our commitment to promises made, promises kept.

Avenu Insights and Analytics and the three universities are scheduled to present their sales tax forecast updates to the F&A committee across several meetings beginning in May 2024. The next updated forecast is anticipated to be presented to the Board in September 2024. As a reference, the budgeted growth rate is 2.6 percent for FY 2023-24 and the proposed budgeted growth rate is 3.3 percent for FY 2024-25.



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FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2024 (Unaudited) Schedule 1

<i>(\$ in thousands)</i>	Quarter Ended March 31, 2024	Year to Date March 31, 2024 (A)	Period from Inception to March 31, 2024 (B)
Revenues:			
Sales taxes	\$ 113,344	\$ 332,019	\$ 4,273,077
Other agencies' share of Measure M2 costs:			
Project related	9,488	16,592	854,678
Non-project related	-	-	454
Interest:			
Operating:			
Project related	1,690	1,669	6,766
Non-project related	5,851	16,973	100,289
Bond proceeds	-	3,574	98,820
Debt service	495	1,133	2,891
Commercial paper	-	-	393
Right-of-way leases			
Project related	19	56	1,721
Non-project related	-	-	17
Proceeds on sale of assets held for resale	-	-	13,428
Donated assets held for resale			
Project related	-	-	2,071
Miscellaneous:			
Project related	-	-	331
Non-project related	-	-	129
Total revenues	<u>130,887</u>	<u>372,016</u>	<u>5,355,065</u>
Expenditures:			
Supplies and services:			
Sales tax administration fees	882	2,646	41,545
Professional services:			
Project related	10,249	21,465	560,306
Non-project related	378	1,027	38,957
Administration costs:			
Project related	2,991	8,973	126,187
Non-project related:			
Salaries and Benefits	1,172	3,384	43,734
Other	1,648	5,076	72,530
Other:			
Project related	144	273	6,581
Non-project related	10	58	5,432
Payments to local agencies:			
Project related	32,710	65,264	1,393,478
Capital outlay:			
Project related	34,817	63,382	2,305,273
Non-project related	-	(100)	31
Debt service:			
Principal payments on long-term debt	20,920	20,920	116,405
Interest on long-term debt and commercial paper	16,976	33,952	353,528
Total expenditures	<u>122,897</u>	<u>226,320</u>	<u>5,063,987</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,990</u>	<u>145,696</u>	<u>291,078</u>
Other financing sources (uses):			
Transfers out:			
Project related	(13,911)	(24,814)	(522,226)
Transfers in:			
Project related	1,452	3,421	352,104
Non-project related	-	(453)	-
Bond proceeds	-	-	804,625
Payment to refunded bond escrow agent	-	-	(45,062)
Total other financing sources (uses)	<u>(12,459)</u>	<u>(21,846)</u>	<u>589,441</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ (4,469)</u>	<u>\$ 123,850</u>	<u>\$ 880,519</u>

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2024 (Unaudited) Schedule 2

(\$ in thousands)	Quarter Ended March 31, 2024 (actual)	Year to Date March 31, 2024 (actual) (C.1)	Period from Inception through March 31, 2024 (actual) (D.1)	Period from April 1, 2024 through March 31, 2041 (forecast) (E.1)	Total (F.1)
Revenues:					
Sales taxes	\$ 113,344	\$ 332,019	\$ 4,273,077	\$ 10,486,063	\$ 14,759,140
Operating interest	5,851	16,973	100,289	550,657	650,946
Subtotal	<u>119,195</u>	<u>348,992</u>	<u>4,373,366</u>	<u>11,036,720</u>	<u>15,410,086</u>
Other agencies share of M2 costs	-	-	454	-	454
Right-of-way leases	-	-	17	-	17
Miscellaneous	-	-	129	-	129
Total revenues	<u>119,195</u>	<u>348,992</u>	<u>4,373,966</u>	<u>11,036,720</u>	<u>15,410,686</u>
Administrative expenditures:					
Sales tax administration fees	882	2,646	41,545	86,212	127,757
Professional services	378	1,027	35,182	87,736	122,918
Administration costs:					
Salaries and Benefits	1,172	3,384	43,734	107,292	151,026
Other	1,648	5,076	72,530	178,683	251,213
Other	10	58	2,412	6,055	8,467
Capital outlay	-	(100)	31	-	31
Environmental cleanup	377	1,849	51,155	209,688	260,843
Total expenditures	<u>4,467</u>	<u>13,940</u>	<u>246,589</u>	<u>675,666</u>	<u>922,255</u>
Net revenues	<u>\$ 114,728</u>	<u>\$ 335,052</u>	<u>\$ 4,127,377</u>	<u>\$ 10,361,054</u>	<u>\$ 14,488,431</u>
Financing expenditures:					
Debt interest expense	16,976	33,952	353,528	340,639	694,167
Professional services	-	-	3,775	-	3,775
Other	-	-	3,020	-	3,020
Total financing expenditures	<u>16,976</u>	<u>33,952</u>	<u>360,323</u>	<u>340,639</u>	<u>700,962</u>
Interest revenue:					
Interest revenue from bond proceeds	-	3,574	98,820	59,321	158,141
Interest revenue from debt service funds	495	1,133	2,891	4,817	7,708
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>495</u>	<u>4,707</u>	<u>102,104</u>	<u>64,138</u>	<u>166,242</u>
Net financing expenditures:	<u>\$ 16,481</u>	<u>\$ 29,245</u>	<u>\$ 258,219</u>	<u>\$ 276,501</u>	<u>\$ 534,720</u>

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2024 (Unaudited) Schedule 3

Project	Description	Total Net Revenues Inception to March 31, 2041 (actual) + (forecast)	Net Revenues Inception to March 31, 2024 (actual)	Expenditures Inception to March 31, 2024 (actual)	Reimbursements Inception to March 31, 2024 (actual)	(J) - (K) = (L) Net M2 Cost Inception to March 31, 2024 (actual)
(G)	(H)	(I)	(J)	(K)	(L)	
<i>(\$ in thousands)</i>						
Freeways (43% of Net Revenues)						
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 571,063	\$ 162,681	\$ 10,910	\$ 8,786	\$ 2,124
B	I-5 Santa Ana/SR-55 to El Toro	364,751	103,908	32,762	21,387	11,375
C	I-5 San Diego/South of El Toro	761,823	217,023	390,966	53,014	337,952
D	I-5 Santa Ana/San Diego Interchange Upgrades	313,477	89,302	3,130	527	2,603
E	SR-22 Garden Grove Freeway Access Improvements	145,803	41,536	5	-	5
F	SR-55 Costa Mesa Freeway Improvements	444,700	126,684	110,152	47,186	62,966
G	SR-57 Orange Freeway Improvements	314,328	89,544	57,656	13,982	43,674
H	SR-91 Improvements from I-5 to SR-57	170,104	48,458	34,959	824	34,135
I	SR-91 Improvements from SR-57 to SR-55	506,059	144,163	59,262	57,189	2,073
J	SR-91 Improvements from SR-55 to County Line	427,933	121,907	18,483	17,005	1,478
K	I-405 Improvements between I-605 to SR-55	1,303,483	371,326	1,509,214	302,005	1,207,209
L	I-405 Improvements between SR-55 to I-5	388,445	110,658	9,247	6,954	2,293
M	I-605 Freeway Access Improvements	24,301	6,923	7,961	16	7,945
N	All Freeway Service Patrol	182,254	51,919	11,881	-	11,881
	Freeway Mitigation	311,501	88,739	61,654	7,612	54,042
	Subtotal Projects	6,230,025	1,774,771	2,318,242	536,487	1,781,755
	Net financing expenditures	-	-	177,243	-	177,243
	Total Freeways	\$ 6,230,025	\$ 1,774,771	\$ 2,495,485	\$ 536,487	\$ 1,958,998
	%					50.4%
Street and Roads Projects (32% of Net Revenues)						
O	Regional Capacity Program	\$ 1,448,861	\$ 412,743	\$ 814,217	\$ 507,884	\$ 306,333
P	Regional Traffic Signal Synchronization Program	579,519	165,090	114,408	22,160	92,248
Q	Local Fair Share Program	2,607,918	742,928	717,330	77	717,253
	Subtotal Projects	4,636,298	1,320,761	1,645,955	530,121	1,115,834
	Net financing expenditures	-	-	51,932	-	51,932
	Total Street and Roads Projects	\$ 4,636,298	\$ 1,320,761	\$ 1,697,887	\$ 530,121	\$ 1,167,766
	%					30.0%

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2024 (Unaudited) Schedule 3

Project	Description	Total Net Revenues Inception to March 31, 2024 (actual) + (forecast)	Net Revenues Inception to March 31, 2024 (actual)	Expenditures Inception to March 31, 2024 (actual)	Reimbursements Inception to March 31, 2024 (actual)	(J) - (K) = (L) Net M2 Cost Inception to March 31, 2024 (actual)
(G)	(H)	(I)	(J)	(K)	(L)	
<i>(\$ in thousands)</i>						
Transit Projects (25% of Net Revenues)						
R	High Frequency Metrolink Service	\$ 1,445,006	\$ 399,056	\$ 434,705	\$ 98,980	\$ 335,725
S	Transit Extensions to Metrolink	1,278,993	364,352	211,605	2,133	209,472
T	Metrolink Gateways	74,054	39,451	98,220	60,956	37,264
U	Expand Mobility Choices for Seniors and Persons with Disabilities	502,388	137,351	132,605	88	132,517
V	Community Based Transit/Circulators	289,692	82,526	20,094	1,998	18,096
W	Safe Transit Stops	31,975	9,109	1,470	26	1,444
	Subtotal Projects	3,622,108	1,031,845	898,699	164,181	734,518
	Net financing expenditures	-	-	29,044	-	29,044
	Total Transit Projects	\$ 3,622,108	\$ 1,031,845	\$ 927,743	\$ 164,181	\$ 763,562
	%					19.6%
	Measure M2 Program	\$ 14,488,431	\$ 4,127,377	\$ 5,121,115	\$ 1,230,789	\$ 3,890,326
<i>(\$ in thousands)</i>						
Environmental Cleanup (2% of Revenues)						
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 308,202	\$ 87,467	\$ 51,155	\$ 310	\$ 50,845
	Net financing expenditures	-	-	-	-	-
	Total Environmental Cleanup	\$ 308,202	\$ 87,467	\$ 51,155	\$ 310	\$ 50,845
	%					1.2%
Taxpayer Safeguards and Audits						
	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 221,387	\$ 64,096	\$ 41,545	\$ -	\$ 41,545
	%					1.0%
	Oversight and Annual Audits (1% of Revenues)	\$ 154,101	\$ 43,734	\$ 43,734	\$ (0)	\$ 43,734
	%					1.0%

LOCAL FAIR SHARE

M2 Funds		
ENTITY	3RD QUARTER FY 2023-24	FUNDS TO DATE
ALISO VIEJO	\$313,854	\$8,844,478
ANAHEIM	\$2,683,518	\$74,346,023
BREA	\$459,254	\$12,715,978
BUENA PARK	\$707,219	\$19,796,581
COSTA MESA	\$1,166,120	\$32,533,284
CYPRESS	\$0*	\$10,645,613
DANA POINT	\$271,303	\$7,468,428
FOUNTAIN VALLEY	\$494,482	\$13,806,916
FULLERTON	\$1,054,591	\$29,111,990
GARDEN GROVE	\$1,180,758	\$33,173,804
HUNTINGTON BEACH	\$1,530,951	\$43,394,404
IRVINE	\$2,419,786	\$62,372,262
LAGUNA BEACH	\$200,444	\$5,629,886
LAGUNA HILLS	\$262,464	\$7,537,258
LAGUNA NIGUEL	\$523,780	\$14,800,026
LAGUNA WOODS	\$105,015	\$2,851,525
LA HABRA	\$423,222	\$11,820,078
LAKE FOREST	\$652,141	\$17,869,249
LA PALMA	\$109,379	\$3,461,001
LOS ALAMITOS	\$102,925	\$2,887,077

LOCAL FAIR SHARE

M2 Funds		
ENTITY	3RD QUARTER FY 2023-24	FUNDS TO DATE
MISSION VIEJO	\$703,669	\$20,558,682
NEWPORT BEACH	\$857,115	\$24,424,229
ORANGE	\$1,335,571	\$36,935,363
PLACENTIA	\$380,224	\$10,350,331
RANCHO SANTA MARGARITA	\$328,699	\$9,410,665
SAN CLEMENTE	\$452,025	\$12,660,137
SAN JUAN CAPISTRANO	\$303,251	\$8,495,186
SANTA ANA	\$2,063,138	\$61,389,382
SEAL BEACH	\$186,663	\$5,468,552
STANTON	\$236,638	\$6,666,442
TUSTIN	\$732,686	\$20,156,183
VILLA PARK	\$41,625	\$1,163,078
WESTMINSTER	\$649,756	\$18,903,661
YORBA LINDA	\$481,279	\$13,467,973
COUNTY UNINCORPORATED	\$1,892,096	\$46,243,134
TOTAL M2 FUNDS	\$25,305,639	\$711,358,860

**On May 22, 2023, the Board determined the City of Cypress ineligible to receive net M2 revenues. Disbursements of net M2 revenues have been suspended until the City of Cypress achieves compliance and the Board reconsiders the matter in May 2024. Below are the M2 funds withheld from the City of Cypress.*

ENTITY	3RD QUARTER FY 2023-24	FUNDS TO DATE
CYPRESS	\$400,348	\$1,004,393

CAPITAL ACTION PLAN

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Bold = Forecasted/Actual

Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
Freeway Projects:					
I-5, SR-55 to SR-57	\$38.1	Jun-13	Mar-17	Dec-17	Apr-21
Project A	\$38.9	Apr-15	Jun-17	Nov-18	Jan-21
I-5, I-405 to Yale Avenue	\$230.5	Aug-18	May-24	Feb-26	Sep-29
Project B	\$230.5	Jan-20	Dec-24	Feb-26	Sep-29
I-5, Yale Avenue to SR-55	\$200.4	Aug-18	Feb-25	Mar-26	Sep-29
Project B Cost/Schedule Risk	\$200.4	Jan-20	Jul-24	Oct-25	May-29
I-5, Pico to Vista Hermosa	\$113.0	Dec-11	Oct-13	Dec-14	Aug-18
Project C	\$83.6	Oct-11	Oct-13	Dec-14	Aug-18
I-5, Vista Hermosa to Pacific Coast Highway	\$75.6	Dec-11	Feb-13	Dec-13	Mar-17
Project C	\$75.3	Oct-11	May-13	Jun-14	Jul-17
I-5, Pacific Coast Highway to San Juan Creek Road	\$70.7	Dec-11	Jan-13	Oct-13	Sep-16
Project C	\$74.3	Oct-11	Jan-13	Dec-13	Jul-18
I-5, SR-73 to Oso Parkway	\$151.9	Jun-14	Jan-18	Dec-18	Apr-25
Project C & D	\$229.4	May-14	Aug-18	Dec-19	Jan-25
I-5, Oso Parkway to Alicia Parkway	\$196.2	Jun-14	Jun-17	Jun-18	Nov-23
Project C & D	\$230.3	May-14	Dec-17	Mar-19	Sep-24
I-5, Alicia Parkway to El Toro Road	\$133.6	Jun-14	Jun-18	May-19	Oct-24
Project C	\$203.6	May-14	May-19	Sep-20	Dec-24
I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	N/A	N/A	N/A
Project C	\$12.4	N/A	Dec-24	Sep-25	Mar-27
I-5, I-5/El Toro Road Interchange	TBD	Apr-26	TBD	TBD	TBD
Project D Cost/Schedule Risk	TBD	Apr-26	TBD	TBD	TBD

*Status through March 2024. For detailed project information, please refer to the individual project section within this report.

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Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
Freeway Projects:					
I-5, I-5/Ortega Interchange	\$90.9	Jun-09	Nov-11	Aug-12	Sep-15
Project D	\$79.8	Jun-09	Dec-11	Aug-12	Jan-16
I-5, I-5/Ortega Interchange (Landscape)	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	Oct-14	Sep-15	Sep-16
SR-55, I-405 to I-5	\$410.9	Nov-13	Apr-20	May-22	Feb-27
Project F Cost/Schedule Risk	\$505.7	Aug-17	Apr-20	May-22	Feb-27
SR-55, I-5 to SR-91	\$131.3	Jan-20	Jul-25	Jul-26	Oct-29
Project F	\$131.3	Mar-20	Jul-25	Jul-26	Oct-29
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	\$71.8	Dec-18	Jul-24	Nov-25	Jun-28
Project G	\$71.8	Mar-19	Aug-24	Nov-25	Jun-28
SR-57 (NB), Katella Avenue to Lincoln Avenue	\$78.7	Jul-09	Nov-10	Aug-11	Sep-14
Project G	\$38.0	Nov-09	Dec-10	Oct-11	Apr-15
SR-57 (NB), Katella Avenue to Lincoln Avenue (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	Jul-10	Sep-17	Jun-18
SR-57 (NB), Orangethorpe Avenue to Yorba Linda Boulevard	\$80.2	Dec-07	Dec-09	Oct-10	May-14
Project G	\$52.3	Dec-07	Jul-09	Oct-10	Nov-14
SR-57 (NB), Yorba Linda Boulevard to Lambert Road	\$79.3	Dec-07	Dec-09	Oct-10	Sep-14
Project G	\$54.1	Dec-07	Jul-09	Oct-10	May-14
SR-57 (NB), Orangethorpe Avenue to Lambert Road (Landscape)	N/A	N/A	N/A	N/A	N/A
Project G	N/A	N/A	Aug-17	Feb-18	Apr-19
SR-57 (NB), Lambert Road to Tonner Canyon	TBD	TBD	TBD	TBD	TBD
Project G	TBD	May-28	TBD	TBD	TBD

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Capital Projects	Cost	Schedule			
	Baseline/Forecast (millions)	Plan/Forecast			
		Complete Environmental	Complete Design	Award Contract	Complete Construction
Freeway Projects:					
SR-91 Westbound (WB), I-5 to SR-57	\$78.1	Apr-10	Feb-12	Nov-12	Apr-16
Project H	\$59.2	Jun-10	Apr-12	Jan-13	Jun-16
SR-91 Westbound (WB), I-5 to SR-57 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project H	N/A	N/A	Aug-16	Mar-17	Nov-17
SR-91, SR-55 to Lakeview Avenue (Segment 1)	\$100.9	Oct-18	Jan-23	Feb-24	Sep-27
Project I	\$126.3	Jun-20	Mar-23	Aug-24	Jul-28
SR-91, La Palma Avenue to SR-55 (Segment 2)	\$208.4	Oct-18	Jul-23	Jul-24	Mar-28
Project I	\$208.4	Jun-20	Dec-24	Jan-26	Jan-30
SR-91, Acacia Street to La Palma Ave (Segment 3)	\$116.2	Oct-18	Apr-24	Apr-25	Sep-28
Project I	\$116.2	Jun-20	Aug-24	Dec-25	Jun-29
SR-91 (WB), Tustin Interchange to SR-55	\$49.9	Jul-11	Mar-13	Oct-13	Jul-16
Project I	\$42.5	May-11	Feb-13	Oct-13	Jul-16
SR-91, SR-55 to SR-241	\$128.4	Jul-09	Jan-11	Sep-11	Dec-12
Project J	\$79.7	Apr-09	Aug-10	May-11	Mar-13
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A
Project J	N/A	N/A	Feb-13	Oct-13	Feb-15
SR-91 Eastbound, SR-241 to SR-71	\$104.5	Dec-07	Dec-08	Jul-09	Nov-10
Project J	\$57.8	Dec-07	Dec-08	Aug-09	Jan-11
I-405, SR-55 to I-605 (Design-Build)	\$2,160.0	Mar-13	Nov-15	Nov-16	Feb-24
Project K	\$2,160.0	May-15	Nov-15	Nov-16	Feb-24
I-405, I-5 to SR-55	TBD	Jul-18	TBD	TBD	TBD
Project L	TBD	Aug-18	TBD	TBD	TBD

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Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
Freeway Projects:					
I-605, I-605/Katella Interchange	\$29.0	Nov-18	Mar-23	Feb-24	Nov-25
Project M	\$49.7	Oct-18	Jan-23	Dec-24	Sep-26
Grade Separation Projects:					
Raymond Avenue Railroad Grade Separation	\$77.2	Nov-09	Aug-12	May-13	Aug-18
Project O	\$126.2	Nov-09	Dec-12	Feb-14	May-18
State College Boulevard Railroad Grade Separation (Fullerton)	\$73.6	Jan-11	Aug-12	May-13	May-18
Project O	\$99.6	Apr-11	Feb-13	Feb-14	Mar-18
Placentia Avenue Railroad Grade Separation	\$78.2	May-01	Mar-10	Jun-11	Nov-14
Project O	\$64.5	May-01	Jun-10	Jul-11	Dec-14
Kraemer Boulevard Railroad Grade Separation	\$70.4	Sep-09	Jul-10	Aug-11	Oct-14
Project O	\$63.8	Sep-09	Jul-10	Sep-11	Dec-14
Orangethorpe Avenue Railroad Grade Separation	\$117.4	Sep-09	Dec-11	May-12	Sep-16
Project O	\$105.9	Sep-09	Oct-11	Jan-13	Oct-16
Tustin Avenue/Rose Drive Railroad Grade Separation	\$103.0	Sep-09	Dec-11	Aug-12	May-16
Project O	\$96.6	Sep-09	Jul-11	Feb-13	Oct-16
Lakeview Avenue Railroad Grade Separation	\$70.2	Sep-09	Oct-11	May-13	Mar-17
Project O	\$110.7	Sep-09	Jan-13	Nov-13	Jun-17
17th Street Railroad Grade Separation	TBD	Jun-16	TBD	TBD	TBD
Project R	TBD	Nov-17	TBD	TBD	TBD
Sand Canyon Avenue Railroad Grade Separation	\$55.6	Sep-03	Jul-10	Feb-11	May-14
Project R	\$61.9	Sep-03	Jul-10	Feb-11	Jan-16

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Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
Transit Projects:					
Rail-Highway Grade Crossing Safety Enhancement	\$94.4	Oct-08	Sep-08	Aug-09	Dec-11
Project R	\$90.4	Oct-08	Sep-08	Aug-09	Dec-11
San Clemente Beach Trail Safety Enhancements	\$6.0	Jul-11	Apr-12	Oct-12	Jan-14
Project R	\$5.0	Jul-11	Jun-12	May-13	Mar-14
Emergency Track Stabilization at MP206.8	N/A	N/A	N/A	N/A	N/A
Project R Cost/Schedule Risk	\$14.9	N/A	N/A	Oct-22	Aug-23
San Juan Capistrano Passing Siding	\$25.3	Jan-13	May-16	Dec-16	Feb-21
	\$33.2	Mar-14	Aug-18	Mar-19	Nov-20
Placentia Metrolink Station and Parking Structure	\$34.8	May-07	Jan-11	TBD	TBD
Project R Cost/Schedule Risk	\$40.1	May-07	Feb-11	TBD	TBD
Anaheim Canyon Station	\$27.9	Dec-16	May-19	Nov-19	Jan-23
	\$34.2	Jun-17	Oct-20	Mar-21	Jan-23
Orange Station Parking Expansion	\$33.2	Dec-12	Apr-13	Nov-16	Feb-19
	\$30.9	May-16	Apr-16	Jun-17	Feb-19
Fullerton Transportation Center - Elevator Upgrades	\$3.5	N/A	Dec-13	Sep-14	Mar-17
	\$4.2	N/A	Dec-13	Apr-15	May-19
Laguna Niguel/Mission Viejo Station ADA Ramps	\$3.5	Jan-14	Aug-14	Jan-15	Apr-17
	\$5.2	Feb-14	Jul-15	Oct-15	Sep-17
Anaheim Regional Transportation Intermodal Center	\$227.4	Feb-11	Feb-12	Jul-12	Nov-14
Project R & T	\$232.2	Feb-12	May-12	Sep-12	Dec-14
OC Streetcar	\$595.8	Mar-12	Sep-17	Aug-18	Aug-25
Project S Cost/Schedule Risk	\$595.8	Mar-15	Nov-17	Sep-18	Aug-25

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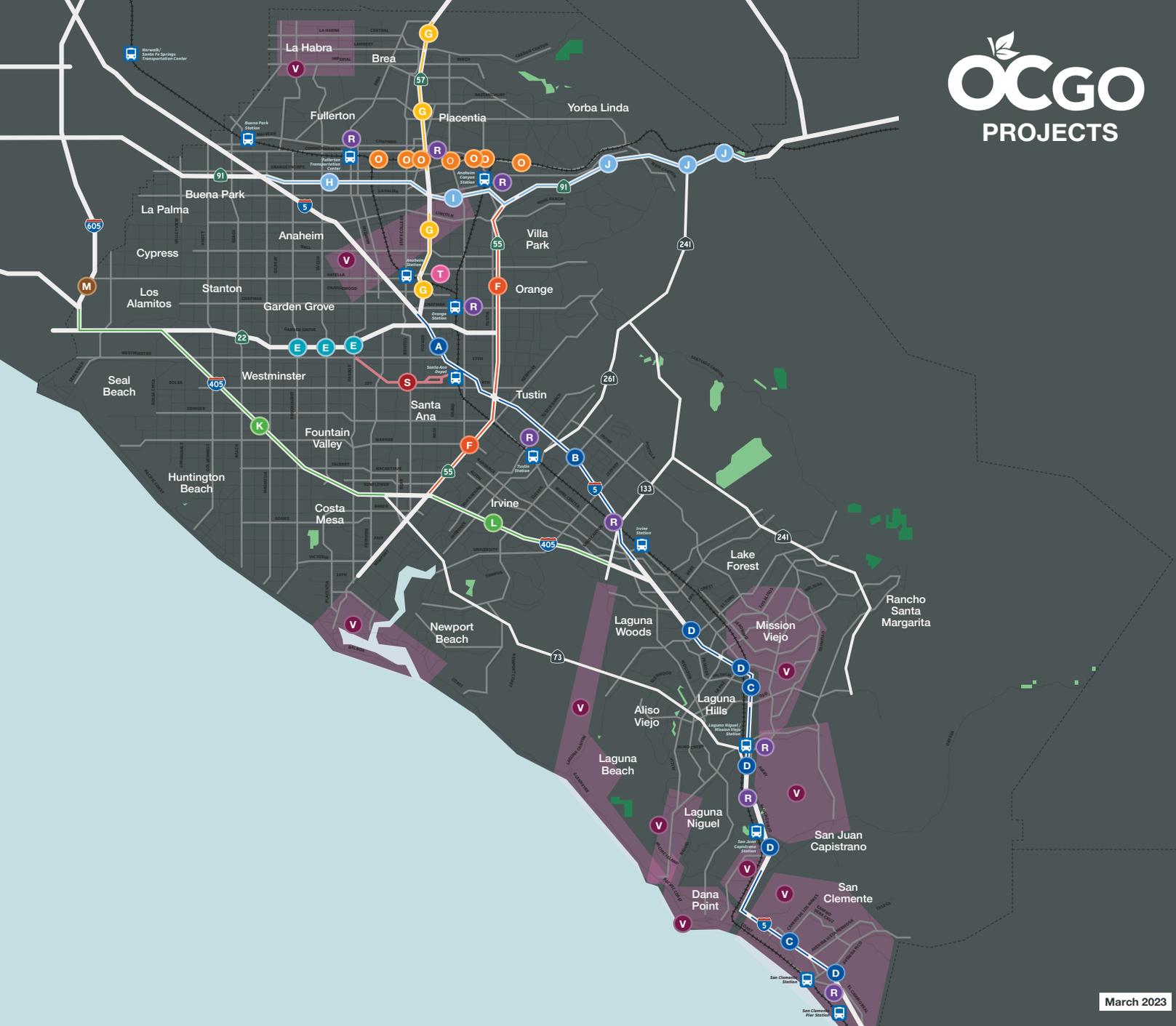
COMMON ABBREVIATIONS

Americans with Disabilities Act	ADA
Anaheim Regional Transportation Intermodal Center	ARTIC
Annual Eligibility Review	AER
Board of Directors	Board
BNSF Railway Company	BNSF
California Department of Fish and Wildlife	CDFW
California Department of Transportation	Caltrans
California Public Utilities Commission	CPUC
Capital Action Plan	CAP
Comprehensive Transportation Funding Program	CTFP
Conservation Properties	Preserves
Construction and Maintenance	C&M
Coronavirus	COVID-19
Early Action Plan	EAP
Environmental Cleanup Allocation Committee	ECAC
Environmental Cleanup Program	ECP
Environmental Document	ED
Environmental Mitigation Program	EMP
Environmental Oversight Committee	EOC
Finance and Administration	F&A
Fire Management Plan	FMP
Fiscal Year	FY
Freeway Service Patrol	FSP
High Occupancy Vehicle	HOV
Interstate 5	I-5
Interstate 15	I-15
Interstate 405	I-405
Interstate 605	I-605
Local Fair Share	LFS
Maintenance and Storage Facility	MSF
Measure M2 or Renewed Measure M	M2
Metrolink Service Expansion Program	MSEP
Next 10 Delivery Plan	Next 10 Plan



COMMON ABBREVIATIONS

Natural Community Conservation Plan/Habitat Conservation Plan	Conservation Plan
Operation and Maintenance	O&M
Orange County Transportation Authority	OCTA
Orange County Unified Transportation Trust	OCUTT
Ordinance No. 3	M2 Ordinance
Overhead Contact System	OCS
Pacific Coast Highway	PCH
Program Management Office	PMO
Project Study Report-Project Development Support	PSR-PDS
Project Report	PR
Resource Management Plan	RMP
Right-of-Way	ROW
Riverside County Transportation Commission	RCTC
Santa Ana Regional Transportation Center	SARTC
Senior Mobility Program	SMP
Senior Non-Emergency Medical Transportation	SNEMT
Southern California Edison	SCE
Interregional Transportation Improvement Plan	ITIP
State Route 22	SR-22
State Route 55	SR-55
State Route 57	SR-57
State Route 71	SR-71
State Route 74	SR-74
State Route 91	SR-91
State Route 241	SR-241
Southern California Regional Rail Authority	Metrolink
Taxpayer Oversight Committee	TOC
To Be Determined	TBD
Transit and Intercity Rail Capital Program	TIRCP
Transportation Investment Plan	Plan



March 2023

Freeway Improvement Program

Interstate 5 (I-5) Projects

- A** SR-55 to SR-57
- B** I-405 to SR-55
- C** SR-73 to El Toro Road
- C** Avenida Pico to San Juan Creek Road
- D** Highway Interchanges

State Route 22 (SR-22) Projects

- E** Access Improvements

State Route 55 (SR-55) Projects

- F** I-405 to I-5
- F** I-5 to SR-91

State Route 57 (SR-57) Projects

- G** Northbound, Orangewood Avenue to Katella Avenue
- G** Northbound, Katella Avenue to Lincoln Avenue
- G** Northbound, Orangethorpe Avenue to Lambert Road
- G** Northbound, Lambert Road to Tonner Canyon Road

State Route 91 (SR-91) Projects

- H** Westbound, I-5 to SR-57
- I** SR-57 to SR-55
- J** SR-55 to Riverside County Line

Interstate 405 (I-405) Projects

- K** SR-73 to I-605
- L** I-5 to SR-55

Interstate 605 (I-605) Projects

- M** Katella Avenue Interchange Improvements

Freeway Mitigation Program

- Restoration Projects (Part of Projects A-M)
- Acquisition Projects (Part of Projects A-M)

Streets & Roads

- O** Grade Separation Program
- P** Signal Synchronization Project Corridors

Transit Projects

- R** Grade Separation and Station Improvement Projects
- S** Transit Extensions to Metrolink
- T** Metrolink Station Conversion to accept Future High-Speed Rail Systems
- V** Community Based Transit/Circulators

Other Projects Not Shown

- Project N:**
 - Freeway Service Patrol
- Project O:**
 - Regional Capacity Program
- Project Q:**
 - Local Fair Share Program
- Project R:**
 - Grade Crossing & Trail Safety Enhancements
 - Metrolink Service Expansion Program

- Project U:**
 - Senior Mobility Program
 - Senior Non-Emergency Medical Transportation Program
 - Fare Stabilization Program
- Project W:**
 - Safe Transit Stops
- Project X:**
 - Environmental Cleanup Program

Rail

- Metrolink Rail Line
- Metrolink Station

ITEM 6B:
**Comprehensive Transportation
Funding Programs (CTFP) – 2024
Project O and Project P Call for
Projects Programming
Recommendations**



COMMITTEE TRANSMITTAL

May 13, 2024

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Andrea West

Subject: Comprehensive Transportation Funding Programs – 2024 Call for Projects Programming Recommendations

Regional Transportation Planning Committee Meeting of May 6, 2024

Present: Directors Do, Dumitru, Federico, Foley, Harper, and Stephens

Absent: Khan

Committee Vote

This item was passed by the Members present.

Committee Recommendations

- A. Approve the award of \$18.72 million in 2024 Regional Capacity Program (Project O) funds to six local jurisdiction projects.
- B. Approve the award of \$12.89 million in 2024 Regional Traffic Signal Synchronization Program (Project P) funds to five local jurisdiction projects.



May 6, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

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

Subject: Comprehensive Transportation Funding Programs – 2024 Call for Projects Programming Recommendations

Overview

The Orange County Transportation Authority issued the 2024 Measure M2 Comprehensive Transportation Funding Programs Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects in August 2023. Project Applications were due in October 2023. A list of projects recommended for funding is presented for Board of Directors' review and approval.

Recommendations

- A. Approve the award of \$18.72 million in 2024 Regional Capacity Program (Project O) funds to six local jurisdiction projects.
- B. Approve the award of \$12.89 million in 2024 Regional Traffic Signal Synchronization Program (Project P) funds to five local jurisdiction projects.

Background

The Regional Capacity Program (RCP), Project O, is the Measure M2 (M2) competitive funding program through which the Orange County Transportation Authority (OCTA) supports street and road improvement projects. The Regional Traffic Signal Synchronization Program (RTSSP), Project P, is the M2 competitive program that provides funding for regional signal synchronization projects.

Both programs are included in the Comprehensive Transportation Funding Programs (CTFP) which include all of the competitive M2 programs that provide grants to local agencies for transit, streets and roads, and environmental cleanup. These programs are subject to an annual call for projects (call) which is guided by the Board of Directors (Board)-approved CTFP guidelines. The CTFP guidelines are updated before each call and include scoring criteria that are developed in collaboration with the OCTA Technical Advisory Committee (TAC), which is comprised of representatives from the 35 local jurisdictions. The guidelines and the call are ultimately approved for release by the Board.

The CTFP guidelines for the 2024 call were approved by the Board on August 14, 2023. At that meeting, the Board also authorized the issuance of the current call. The available funding, based on the cash flow that was prepared at that time, was reported as approximately \$45 million in competitive M2 funds to support regional roadway and signal synchronization projects throughout Orange County.

Discussion

RCP

OCTA received six applications requesting a total of \$21.41 million in funding as further detailed in Attachment A. The applications were reviewed for eligibility, consistency, adherence to the guidelines, and overall M2 program objectives aimed at completing a balanced regional network. Applications were evaluated and ranked based on the scoring criteria identified in the guidelines. During the review process, staff worked with local jurisdictions to address technical issues such as application scoring corrections, scope of work clarifications, and refinement of final project funding requests.

Based upon these reviews and project consistency with the guidelines, staff recommends funding for all six projects, totaling \$18.72 million (with inflationary adjustments as appropriate). The recommended programming amount is lower than the originally requested amount, which is the result of OCTA's detailed application review. The revised recommended grant amount reflects only the project scope components and amounts that are eligible per CTFP guidelines. Attachment B provides more detail on the programming recommendations. The recommended M2 RCP funding will support six projects in the cities of Dana Point, Garden Grove, Irvine, Laguna Niguel, Santa Ana, and Yorba Linda.

Of the six recommended projects, three will provide arterial improvement benefits with grants for the engineering, right-of-way (ROW), and/or construction phases, and three will provide intersection capacity enhancements with ROW and construction phase grants. Implementation of these projects in aggregate is anticipated to produce notable congestion relief in Orange County, while enhancing the arterial system overall.

RTSSP

OCTA received six applications requesting a total of \$13.91 million in RTSSP funding. These applications were also reviewed for eligibility, consistency, and adherence to guidelines and overall program objectives. During the review process, one project application was withdrawn by the local jurisdiction, reducing the overall requested funding of this call to \$13.53 million. Attachment A has more detail on the submitted projects. Staff worked with the sponsoring local jurisdictions to address technical issues of final project funding requests.

Staff recommends award of \$12.89 million to fund five RTSSP projects. The revised recommended grant amount is a result of application review related to construction cost refinements and scope of work clarifications. All five of the recommended projects are anticipated to be implemented by the local jurisdictions in fiscal year 2024-25. Additional details on the RTSSP-recommended projects are provided in Attachment C.

The table below provides an overall summary of the funding recommendations:

2024 CTFP Call Summary (\$ in millions)			
	RCP	RTSSP	Total
Number of Applications Recommended for Approval	6	5	11
Amount Recommended for Approval (escalated)	\$18.72	\$12.89	\$31.61

These recommendations are consistent with the 2024 guidelines approved by the Board. As such, staff recommends programming \$31.61 million for 11 projects under the RCP and RTSSP. These awards bring the total amount of M2 grants by OCTA to local agencies to more than \$556 million since 2011 in support of the development of a safe, efficient, and modern roadway system. A map displaying the 2024 RCP and RTSSP recommended project awards is provided in Attachment D.

The recommendations were presented to both the OCTA Technical Steering Committee (TSC) and TAC in March 2024, and both committees voted to support staff's recommendations. The TSC and TAC asked questions related to the difference between the funding target and the awards. The committees also discussed working with staff to review the guidelines as part of the next funding cycle in response to inflationary cost pressures, maintaining an aging roadway network, and consideration for multimodal solutions. The funding target for each year's RCP and RTSSP call is established based on a cash flow estimate that considers M2 revenues and existing awards. It also assumes the continuation of annual calls into the future at a similar annual target. Any funds not awarded simply stay in the cash flow in the same program for future years. This is relevant because there appears to be a significant funding need, which may manifest within the next two to five years based on capital improvement plans submitted by the local jurisdictions. The M2 Ordinance requires M2 funds dedicated to specific projects and programs, such as the RCP and RTSSP, to be used for its voter-approved intent. The CTFP guidelines fulfill this commitment to the taxpayers. Staff will work to provide the TAC with more details on near-term anticipated projects, as well as a better understanding of the M2 voter commitments and opportunities to address some of the current issues through other means.

Next Steps

With Board approval of these recommendations, staff will initiate the execution of letter agreements between OCTA and the appropriate local jurisdictions. As these projects advance, staff will continue to monitor their status and project delivery through the semi-annual review process.

Summary

Programming recommendations that will award \$31.61 million to 11 projects in M2 2024 RCP and RTSSP funds are presented for Board approval.

Attachments

- A. 2024 Measure M2 Call for Projects – Applications Received
- B. 2024 M2 Regional Capacity Program (Project O) Call for Projects – Programming Recommendations
- C. 2024 M2 Regional Traffic Signal Synchronization Program (Project P) Call for Projects – Programming Recommendations
- D. 2024 Recommended Project O & P Awards Map

Prepared by:



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Approved by:



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

2024 Measure M2 Call for Projects – Applications Received

Regional Capacity Program (Project O) Applications							
Agency	Project	Fund	Phase	Match Rate	Total M2 Request	Match	Total Cost
Dana Point	Stonehill Drive Improvement Project	ACE	ENG	25%	\$ 515,250	\$ 171,750	\$ 687,000
Garden Grove	Garden Grove Boulevard/Harbor Boulevard Intersection Improvement	ICE	CON	25%	\$ 4,274,963	\$ 1,424,987	\$ 5,699,950
Irvine	Jeffery Road and Barranca Parkway Intersection Improvements	ICE	ROW, CON	25%	\$ 1,104,221	\$ 368,074	\$ 1,472,295
Laguna Niguel	Crown Valley Parkway Westbound Improvement Project	ACE	ROW, CON	25%	\$ 11,177,179	\$ 3,725,726	\$ 14,902,905
Santa Ana	Dyer Road Improvements (SR-55 to 700' E/O Pullman Street)	ACE	ENG	25%	\$ 2,365,200	\$ 788,400	\$ 3,153,600
Yorba Linda	Yorba Linda Boulevard/Savi Ranch Parkway Improvements	ICE	ROW	25%	\$ 1,971,000	\$ 657,000	\$ 2,628,000
REQUESTED TOTALS					\$ 21,407,813	\$ 7,135,937	\$ 28,543,750

Regional Traffic Signal Synchronization Program (Project P) Applications							
Agency	Project ¹	Fund	Signals	Match Rate	Total M2 Request	Match	Total Cost
Anaheim	Ball Road-Taft Avenue Traffic Signal Synchronization Project ²	RTSSP	37	20%	\$ 1,756,774	\$ 439,194	\$ 2,195,968
Laguna Hills	Paseo De Valencia - Moulton Parkway Confluence Bypass Corridor	RTSSP	20	20%	\$ 1,498,451	\$ 374,613	\$ 1,873,064
Laguna Niguel	Alicia Parkway RTSSP Project	RTSSP	40	20%	\$ 2,974,355	\$ 743,589	\$ 3,717,944
Rancho Santa Margarita	Antonio Parkway - Avenida De Las Banderas - Avenida Empresa RTSSP Project	RTSSP	38	20%	\$ 2,655,656	\$ 663,914	\$ 3,319,570
Santa Ana	Kraemer Boulevard/Glassell Street/Grand Avenue RTSSP Corridor	RTSSP	62	20%	\$ 4,647,224	\$ 1,161,806	\$ 5,809,030
REQUESTED TOTALS					\$ 13,532,460	\$ 3,383,116	\$ 16,915,576

Acronyms:

- E/O - East of
- ACE - Arterial Capacity Enhancements
- CON - Construction
- ENG - Engineering
- ICE - Intersection Capacity Enhancements
- M2 - Measure M2
- OCTA - Orange County Transportation Authority
- ROW - Right-of-Way
- RTSSP - Regional Traffic Signal Synchronization Program
- SR-55 - State Route 55

1. The City of San Clemente submitted but then withdrew a Project P application totaling \$473k for timing work on El Camino Real that overlapped with OCTA's Countywide Baseline Project.

**2024 M2 Regional Capacity Program (Project O) Call for Projects -
Programming Recommendations**

Agency	Fiscal Year	Project	Fund	Phase	M2 Funding Engineering	M2 Funding Right-of-Way	M2 Funding Construction*	Total M2 Funding	Estimated Match	Total Programming	Match Rate
Dana Point	24/25	Stonehill Drive Improvement Project ¹	ACE	ENG	\$ 330,000			\$ 330,000	\$ 110,000	\$ 440,000	25%
Garden Grove	25/26	Garden Grove Boulevard/Harbor Boulevard Intersection Improvement ²	ICE	CON			\$ 3,957,107	\$ 3,957,107	\$ 2,130,750	\$ 6,087,856	35%
Irvine	25/26	Jeffery Road and Barranca Parkway Intersection Improvements ³	ICE	ROW, CON		\$ 89,049	\$ 926,065	\$ 1,015,113	\$ 338,372	\$ 1,353,485	25%
Laguna Niguel	24/25, 25/26	Crown Valley Parkway Westbound Improvement Project ⁴	ACE	ROW, CON		\$ 1,781,514	\$ 7,671,014	\$ 9,452,528	\$ 3,150,842	\$ 12,603,371	25%
Santa Ana	24/25	Dyer Road Improvements (SR-55 to 700' E/O Pullman Street)	ACE	ENG			\$ 2,365,200	\$ 2,365,200	\$ 788,400	\$ 3,153,600	25%
Yorba Linda	24/25	Yorba Linda Boulevard/Savi Ranch Parkway Improvements ⁵	ICE	ROW		\$ 1,601,700		\$ 1,601,700	\$ 533,900	\$ 2,135,600	25%
PROGRAMMING TOTALS					\$ 330,000	\$ 3,472,263	\$ 14,919,385	\$ 18,721,648	\$ 7,052,264	\$ 25,773,912	

*Includes escalation of 2.6% for all right-of-way and construction projects programmed for fiscal year 2025/26.

Acronyms:

ACE - Arterial Capacity Enhancements ICE - Intersection Capacity Enhancements ROW - Right-of-Way
 CON - Construction M2 - Measure M2 SR-55 - State Route 55
 CTFP - Comprehensive Transportation Funding Programs
 E/O - East of MPAH - Master Plan of Arterial Highways
 ENG - Engineering OCTA - Orange County Transportation Authority

1. Applicant requested additional funding but award is reduced to reflect eligibility of items within project scope. Total project cost is \$687k. The OCTA grant plus local match is listed as \$440K; an additional \$247k will be needed from local sources.
2. Applicant requested additional funding but award is reduced to reflect eligibility of items within project scope and correct match reduction. Total project cost is \$6.48 million. The OCTA grant plus local match is listed as \$6.08 million; an additional \$548k is to come from local sources.
3. Applicant requested additional funding but award is reduced to reflect eligibility of items within project scope. Total project cost is \$1.47 million. The OCTA grant plus local match is \$1.35 million; an additional \$158K is to come from local sources.
4. Applicant requested additional funding but award is reduced to reflect eligibility of items within project scope. The recommended grant includes a minor exception to the CTFP guidelines to allow work within 600 feet from intersection for the benefit of the MPAH to reach a logical terminus on Forbes Road, south of the intersection. Total project cost is \$14.5 million. The OCTA grant plus local match is \$12.6 million; an additional \$2.21 million is to come from local sources.
5. Applicant requested additional funding but award is reduced to reflect eligibility of items within project scope. The recommended grant includes a minor exception to the CTFP guidelines to allow work within a 600 feet from intersection for the benefit of the MPAH to reach a logical terminus on Mirage Street. Total project cost is \$2.63 million. The OCTA grant plus local match is \$2.14 million; an additional \$492k is to come from local sources.

**2024 M2 Regional Traffic Signal Synchronization Program (Project P) Call for Projects -
Programming Recommendations**

Agency	Fiscal Year	Project ¹	M2 Funding Primary Implementation	M2 Funding Operations & Maintenance	Total M2 Funding	Match	Total Programming	Match Rate
Anaheim	24/25	Ball Road-Taft Avenue Traffic Signal Synchronization Project ²	\$ 1,264,038	\$ 106,560	\$ 1,370,598	\$ 342,650	\$ 1,713,248	20%
Laguna Hills	24/25	Paseo De Valencia - Moulton Parkway Confluence Bypass Corridor ^{3,4}	\$ 1,274,666	\$ 73,440	\$ 1,348,106	\$ 337,026	\$ 1,685,132	20%
Laguna Niguel	24/25	Alicia Parkway RTSSP Project ⁵	\$ 2,765,019	\$ 225,600	\$ 2,990,619	\$ 747,655	\$ 3,738,274	20%
Rancho Santa Margarita	24/25	Antonio Parkway - Avenida De Las Banderas - Avenida Empresa RTSSP Project ⁶	\$ 2,466,004	\$ 147,600	\$ 2,613,604	\$ 653,401	\$ 3,267,005	20%
Santa Ana	24/25	Kraemer Boulevard/Glassell Street/Grand Avenue RTSSP Corridor ⁷	\$ 4,425,166	\$ 143,360	\$ 4,568,526	\$ 1,142,132	\$ 5,710,658	20%
PROGRAMMING TOTALS			\$ 12,194,893	\$ 696,560	\$ 12,891,453	\$ 3,222,864	\$ 16,114,317	

Acronyms:

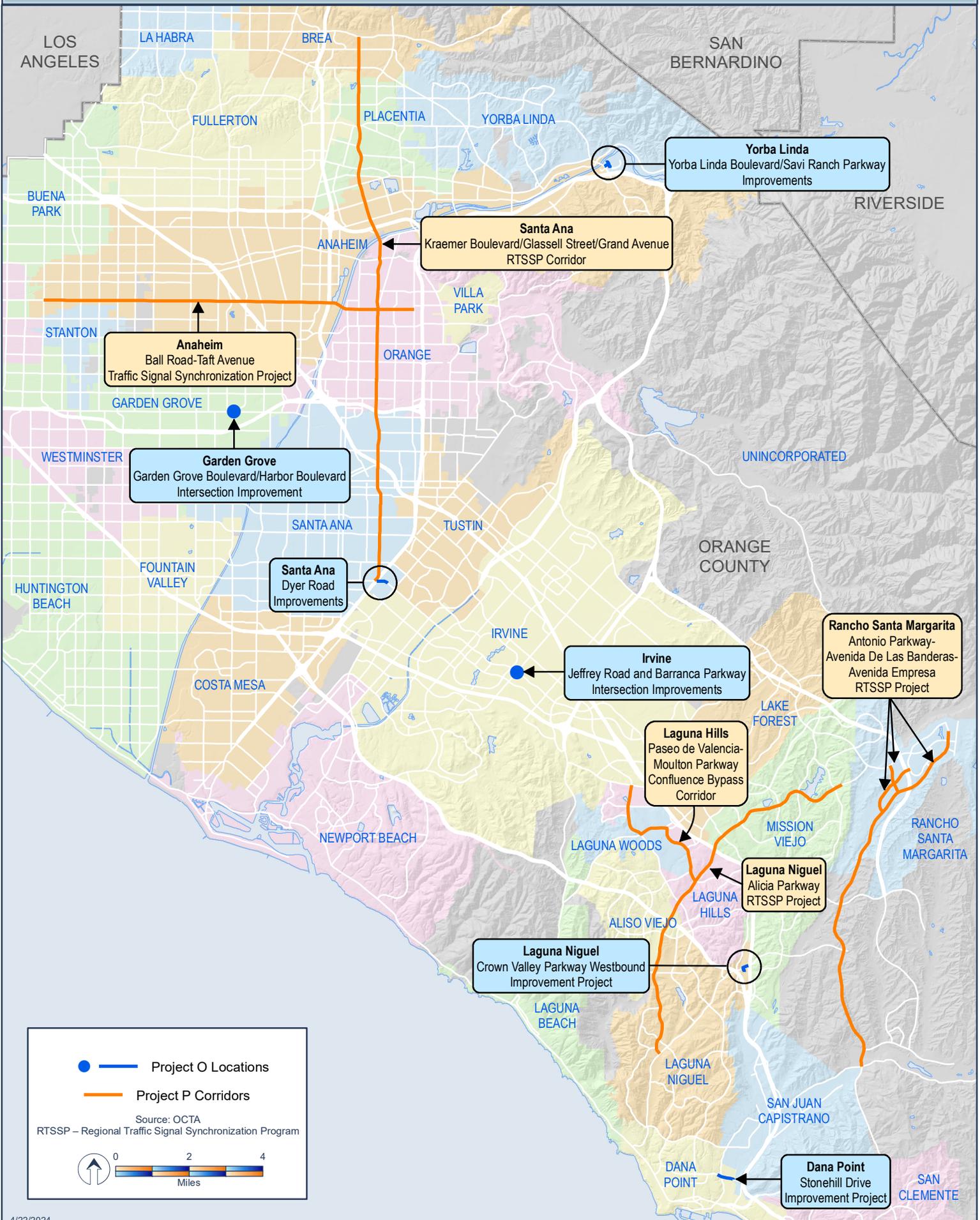
M2 - Measure M2

RTSSP - Regional Traffic Signal Synchronization Program

1. The City of San Clemente submitted but then withdrew a Project P application totaling \$473k for timing work on El Camino Real that overlapped with OCTA's Countywide Baseline Project.
2. Project partners include Caltrans and City of Orange.
3. Project partner includes City of Laguna Woods.
4. Coordination with Alicia Parkway RTSSP project to achieve minimum signal count.
5. Project partners include Cities of Aliso Viejo, Caltrans, Laguna Hills, and Mission Viejo.
6. Project partners include Caltrans and County of Orange.
7. Project partners include Cities of Anaheim, Brea, Caltrans, Placentia, and Orange.

2024 Recommended Project O & P Awards

ATTACHMENT D



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