



**February 6, 2023**

**To:** Executive Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Second Quarter Fiscal Year 2022-23 Capital Action Plan Performance Metrics

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

**Overview**

Staff has prepared a quarterly progress report on capital project delivery for the period of September 2022 through December 2022, for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects.

**Recommendation**

Receive and file as an information item.

**Background**

The Orange County Transportation Authority (OCTA) delivers highway, transit, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery milestones are planned carefully with consideration of project scope, costs, schedule, and assessment of risks. The milestones reflected in the Capital Action Plan (CAP) are OCTA's planned and budgeted major project delivery commitments.

This report is a quarterly progress report on the CAP performance metrics, which are a snapshot of the planned CAP project delivery milestones in the budgeted fiscal year (FY).

**Discussion**

OCTA's objective is to deliver projects on schedule and within the approved project budget. Key project cost and schedule commitments are captured in the CAP (Attachment A), which is regularly updated with project status and any new

projects. The CAP is categorized into four key project groupings of freeway, railroad grade separation, and rail and station projects. Schedule milestones are used as performance indicators of progress in project delivery. The CAP performance metrics report provides a FY snapshot of the milestones targeted for delivery in the FY and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost across all phases of project delivery, including support costs, right-of-way (ROW), and construction capital costs. Baseline costs, if established, are shown in comparison to either the actual or forecast cost. Baseline costs may be shown as to-be-determined (TBD) if project scoping studies and estimates have not been developed or approved and may be updated as delivery progresses, and milestones achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project logo. The CAP status update is also included in the M2 Quarterly Progress Report.

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

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.
Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for construction bids.
Award Contract	The date the construction contract is awarded.
Construction Complete	The date all construction work is completed, and the project is open to public use.

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



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

CAP milestones planned but missed in the second quarter FY 2022-23 include:

### Freeway Projects

- The complete design milestone for the State Route 91 (SR-91) to State Route 241 (SR-241) direct toll connector project was missed. The Transportation Corridor Agencies (TCA) have submitted the final design to the California Department of Transportation (Caltrans) and OCTA for final review and approval.

### Rail and Station Projects

- The complete environmental milestone for the Orange County Metrolink Maintenance Facility project was missed. OCTA's planned release of the final environmental document has been delayed due to the City of Irvine's concerns regarding land-use zoning and conditional-use permitting. The environmental completion schedule is currently on hold pending resolution of these issues with the City of Irvine.

### Recap of FY 2022-23 Performance Metrics Through the Second Quarter

The performance metrics snapshot provided at the beginning of FY 2022-23 reflects nine major project delivery milestones to be accomplished within the FY (Attachment B). One of the three milestones planned through the second quarter was achieved.

#### CAP Milestones and Cost Updates

- The forecast milestone schedules for the Interstate 5 (I-5) improvements from Interstate 405 (I-405) to Yale Avenue were adjusted. The construction ready milestone was delayed six months, from March 2025 to August 2025, to accommodate design changes which also impacted the ROW acquisition schedule.
- The forecast milestone schedules for the SR-91 improvements from La Palma Avenue to State Route 55 (SR-55) were adjusted. The forecast construction ready milestones were delayed due to delays in ROW requirements mapping. Delays by segment are, one month on Segment 1, three months on Segment 2, and seven months on Segment 3.
- The forecast milestone schedules for the SR-91 to SR-241 direct-toll connector project were revised. OCTA is forecasting that TCA will now achieve the complete design milestone in April 2023. TCA advised OCTA that the remaining delivery milestones for construction ready, advertise construction, and award contract are under review with Caltrans.

#### FY 2022-23 Cost and Performance Metrics Risks

OC Streetcar Project updated construction schedule and cost risks are currently being reviewed with the Federal Transit Administration. The results of this new risk assessment effort will be shared with the Board of Directors in March or April 2023.

Recent updated draft cost estimates on projects in the design phase, including three segments of SR-91 from La Palma to SR-55, and two segments of I-5 from I-405 to SR-55, are reflecting significant increased costs. Staff will be making any needed adjustments to project costs and programming as these new estimates are vetted and value engineered.

Construction contractors in longer term fixed-price contracts remain under severe pricing pressure due to rising labor and material pricing and availability. Staff will continue to monitor market pricing trends and material availability impacts on heavy civil construction in the region.

#### **Summary**

Capital project delivery is progressing and is reflected in the CAP. The FY 2022-23 performance metrics created from forecast project schedules at the beginning of the FY will be used as a general project delivery performance indicator throughout the FY. Staff will continue to manage project costs and

schedules across all project phases to meet project delivery commitments and report quarterly.

***Attachments***

- A. Capital Action Plan, Status Through December 2022
- B. Capital Programs Division, Fiscal Year 2022-23 Performance Metrics Through December 2022

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