



AGENDA

Executive Committee Meeting

Committee Members

Mark A. Murphy, Chairman
Gene Hernandez, Vice Chairman
Lisa A. Bartlett
Andrew Do
Michael Hennessey
Steve Jones
Joseph Muller

Orange County Transportation Authority
Board Room
550 South Main Street
Orange, California
Monday, June 6, 2022 at 9:00 a.m.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the Orange County Transportation Authority (OCTA) Clerk of the Board at (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

Agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person (subject to OCTA's Coronavirus (COVID-19) safety protocols) or listen to audio live streaming of the Board and Committee meetings by clicking the below link:

<http://octa.net/About-OCTA/Who-We-Are/Board-of-Directors/Live-and-Archived-Audio/>



Members of the public may address the Board of Directors regarding any item two ways:

In-Person Comment

Members of the public may attend in-person (subject to OCTA's COVID-19 safety protocols) and address the Board regarding any item. Members of the public will be required to complete a COVID-19 symptom and temperature screening.

Please complete a speaker's card and submit it to the Clerk of the Board (or notify the Clerk of the Board the item number on which you wish to speak). Speakers will be recognized by the Chairman at the time the agenda item is to be considered. A speaker's comments shall be limited to three minutes.

Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent **by 5:00 p.m. the day prior to the meeting**. If you wish to comment on a specific agenda item, please identify the item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

Call to Order

Pledge of Allegiance

Director Do

Special Calendar

There are no Special Calendar matters.

Consent Calendar (Items 1 through 3)

All items on the Consent Calendar are to be approved in one motion unless a Committee Member or a member of the public requests separate action or discussion on a specific item.

1. Approval of Minutes

Approval of the minutes of the Executive Committee meeting of April 4, 2022.



- 2. Amendment to Cooperative Agreement with the County of Orange, Orange County Sheriff's Department**
Jennifer L. Bergener/Katrina L. Faulkner

Overview

The Orange County Transportation Authority contracts with the County of Orange, Orange County Sheriff's Department to provide Transit Police Services. On July 13, 2020, the Board of Directors approved a five-year agreement with the County of Orange, Orange County Sheriff's Department, to provide these services. The contract is required to be amended annually to include the necessary firm-fixed cost for each fiscal year. Board of Directors' approval is requested to amend the agreement to include necessary funding for fiscal year 2022-23.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Cooperative Agreement No. C-0-2330 between the Orange County Transportation Authority and County of Orange, Orange County Sheriff's Department, in the amount of \$11,674,866, for Transit Police Services, effective July 1, 2022, through June 30, 2023. This will increase the maximum obligation of the agreement to a total contract value of \$33,414,261.

- 3. Measure M2 Quarterly Progress Report for the Period of January 2022 Through March 2022**
Francesca Ching/Kia Mortazavi

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the third quarter of fiscal year 2021-22 as information for the Orange County Transportation Authority Board of Directors. This report highlights progress on Measure M2 projects and programs and is available to the public via the Orange County Transportation Authority website.

Recommendation

Receive and file as an information item.



Regular Calendar

4. SB 1196 (Umberg, D-Santa Ana) Update

Kristin Jacinto/Lance M. Larson

Overview

SB 1196 (Umberg, D-Santa Ana) seeks to make the Anaheim Transportation Network eligible for state transit funding. The bill was presented to the Orange County Transportation Authority Legislative and Communications Committee and Board of Directors with a recommended oppose position on March 17, 2022, and April 11, 2022, respectively. While no position was adopted at that time, pursuant to direction by the Orange County Transportation Authority Board of Directors, additional conversations have taken place with Senator Umberg and the Anaheim Transportation Network. An update is provided on the status of those discussions.

Recommendation

Provide staff direction on a position for SB 1196 (Umberg, D-Santa Ana).

Discussion Items

5. Fiscal Year 2022-23 Budget Workshop Follow-up

Victor Velasquez/Andrew Oftelie

Budget staff is available for follow-up questions, issues, or concerns that may have arisen at and/or since the budget workshop conducted with the Board on May 9, 2022.

6. Public Comments

7. Chief Executive Officer's Report

8. Committee Members' Reports

9. Closed Session

There are no Closed Session items scheduled.

10. Adjournment

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on FRIDAY, July 1, 2022**, at the Orange County Transportation Authority Headquarters, Board Room, 550 South Main Street, Orange, California.



Committee Members Present

Mark A. Murphy, Chairman
Gene Hernandez, Vice Chairman
Lisa Bartlett
Andrew Do
Michael Hennessey
Steve Jones
Joseph Muller

Staff Present

Darrell E. Johnson, Chief Executive Officer
Jennifer L. Bergener, Deputy Chief Executive Officer
Gina Ramirez, Clerk of the Board Specialist, Senior
Allison Cheshire, Clerk of the Board Specialist, Senior
James Donich, General Counsel
OCTA Staff

Committee Members Absent

None

Call to Order

The April 4, 2022, Executive Committee regular meeting was called to order by Chairman Murphy at 9:01 a.m.

Pledge of Allegiance

Director Jones led in the Pledge of Allegiance.

Special Calendar

There were no Special Calendar matters.

Consent Calendar (Item 1)

1. Approval of Minutes

A motion was made by Director Hennessey, seconded by Vice Chairman Hernandez, and declared passed by those present to approve the minutes of the Executive Committee meeting of March 7, 2022.

Regular Calendar

2. Measure M2 Performance Assessment Report

Nicole Dyer and Michael Valdez of Sjoberg Evashenk provided a presentation on this item.



A motion was made by Vice Chairman Hernandez, seconded by Director Do, and declared passed by those present to:

- A. Receive and file as an information item.
- B. Direct staff to implement the action plan outlined in the response to the findings and to report back to the Board of Directors on progress towards implementation in the Measure M2 quarterly reports.

3. OC Streetcar Downtown Santa Ana Business Support

Kelly Hart, Project Manager III of the OC Streetcar, and Tressa Oliveri, Community Relations Specialist Principal, provided a presentation on this item.

A discussion ensued between Board members and staff.

A motion was made by Director Do, seconded by Director Jones, and declared passed by those present to direct staff to continue to coordinate with the City of Santa Ana, Downtown Santa Ana merchants, and community stakeholders to mitigate impacts from OC Streetcar construction to Downtown Santa Ana businesses.

Discussion Items

4. State of Cyber Security

Michael Cardoza, Cyber Security Manager, provided a presentation on this item.

Following the discussion, no action was taken on this item.

5. Public Comments

There were no public comments received.



6. Chief Executive Officer's Report

Mr. Johnson, CEO, provided an update on the following:

First Quarter Service Awards

- OCTA is hosting the first quarter service awards this week at an in-person event.
- These events recognize and thank our employees for their dedicated service, ranging from five to 40 years.
- This event will be held at the administrative Headquarters on Wednesday, April 6 at 2:00 p.m.

7. Committee Members' Reports

There were no Committee Members' Reports.

8. Closed Session

There were no Closed Session items scheduled.

9. Adjournment

The meeting adjourned at 9:55 a.m.

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Monday, May 2, 2022**, at the Orange County Transportation Authority Headquarters, Board Room, 550 South Main Street, Orange, California.

ATTEST

Gina Ramirez
Clerk of the Board Specialist, Senior



June 6, 2022

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Amendment to Cooperative Agreement with the County of Orange, Orange County Sheriff's Department

Overview

The Orange County Transportation Authority contracts with the County of Orange, Orange County Sheriff's Department to provide Transit Police Services. On July 13, 2020, the Board of Directors approved a five-year agreement with the County of Orange, Orange County Sheriff's Department, to provide these services. The contract is required to be amended annually to include the necessary firm-fixed cost for each fiscal year. Board of Directors' approval is requested to amend the agreement to include necessary funding for fiscal year 2022-23.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Cooperative Agreement No. C-0-2330 between the Orange County Transportation Authority and County of Orange, Orange County Sheriff's Department, in the amount of \$11,674,866, for Transit Police Services, effective July 1, 2022, through June 30, 2023. This will increase the maximum obligation of the agreement to a total contract value of \$33,414,261.

Discussion

The County of Orange, Orange County Sheriff's Department (OCSD), has provided Transit Police Services (TPS) for Orange County Transportation Authority's (OCTA) patrons, employees, and properties since 1993. On July 13, 2020, the Board of Directors (Board) approved a cooperative agreement with the OCSD to provide TPS for a five-year term.

The OCSD is required to annually develop a fiscal year (FY) budget for each of the five years in the contract. After the FY budget is developed, OCSD submits the budget to OCTA for review and concurrence. An amendment is then required

to increase the overall contract value to cover the cost of services for the corresponding FY. For FY 2022-23, OCTA requested no changes to the level of service provided by OCSD for TPS. The \$11,674,866 budget request represents an increase of 4.87 percent over the amount budgeted for FY 2021-22. The increase is associated with higher costs of benefits resulting from the negotiated labor contract for OCSD and the addition of body-worn cameras.

Services provided by OCSD are listed on Attachment A. In addition to these services, OCSD also provides countywide services such as the Hazardous Devices Squad, Special Weapons and Tactics team, Special Victims Unit, and the Orange County Intelligence Assessment Center. The OCSD deputies assigned to TPS carry full police authorities, allowing them to conduct investigations and make misdemeanor and felony arrests. A fact sheet summarizing the cooperative agreement is also included as Attachment B.

Fiscal Impact

Amendment No. 3 to Cooperative Agreement No. C-0-2330 is included in the OCTA Proposed FY 2022-23 Budget, with \$11,226,909 budgeted for fixed-route service, right-of-way rail support, and general services. There is also \$447,957 budgeted for special services, which includes patrol of OCTA-owned environmental mitigation properties, three explosive detection canine and bomb technician handler teams, and transit security overtime for Visual Intermodal Prevention and Response (VIPR) and Anti-Terrorism-Anti-Crime (ATAC) to be utilized for high-security risk events and billed only as used. Patrol costs will be subsidized by Measure M2, and the canine units are funded with Transportation Security Administration grant funds. The VIPR and ATAC are funded with Transit Security Grant Program funds.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Cooperative Agreement No. C-0-2330 between the Orange County Transportation Authority and the County of Orange, Orange County Sheriff's Department, in the amount of \$11,674,866 for the provision of Transit Police Services from July 1, 2022 through June 30, 2023, bringing the maximum contract obligation to \$33,414,261.

Attachments

- A. County of Orange, Orange County Sheriff's Department Services Provided
- B. County of Orange, Orange County Sheriff's Department Cooperative Agreement No. C-0-2330 Fact Sheet

Prepared by:



Katrina Faulkner
Manager, Security and Emergency
Preparedness
714-560-5719

Approved by:



Jennifer L. Bergener
Deputy Chief Executive Officer
714-560-5462



Pia Veessen
Director, Contracts Administration and
Materials Management
714-560-5619

County of Orange, Orange County Sheriff's Department Services Provided

The following services will be provided:

- Uniformed patrol and plainclothes enforcement at Orange County Transportation Authority (OCTA)-owned properties, on railroad rights-of-way, and on-board OCTA buses
- Response to calls for service as needed
- Traffic enforcement as it relates to the operation of fixed-route vehicles
- Special Enhancement Team for enhanced services: Homeless Liaison Officers, Anti-Terrorism Anti-Crime, Community Oriented Policing, and Visible Intermodal Prevention and Response Team
- Taxicab applicant review
- Specialized and internal investigations conducted as needed
- Security at OCTA Board of Directors meetings, public hearings, and special events as requested
- Coordinate with other transit security, local, state, and federal law enforcement agencies
- Participate in multi-agency drills on a local and regional level
- Coordination on security-related grant funding

Other assistance available through this contract includes three explosive Detection Canines for hazardous device detection and other law enforcement services such as the Mounted Enforcement Unit.

Dedicated Sheriff deployment to include:

- One Captain position serving as the Chief of Transit Police Services
- Five Sergeant positions
- One Investigator position
- Twenty Deputy Sheriff II – Fixed-Route Enforcement positions; includes three canines with Bomb Technicians and four Homeless Liaison Officers
- Five Deputy Sheriff II – Right-of-Way Enforcement positions
- One Office Specialist position

**County of Orange, Orange County Sheriff's Department
Cooperative Agreement No. C-0-2330 Fact Sheet**

1. July 13, 2020, the Board of Directors (Board) approved a five-year agreement, Cooperative Agreement No. C-0-2330. The original agreement was in an amount not to exceed \$10,596,947.
 - To provide security and law enforcement services for the Orange County Transportation Authority (OCTA) from July 1, 2020 to June 30, 2021. Each year of this agreement, the Orange County Sheriff's Department (OCSD) provides OCTA with a budget for the following fiscal year (FY), and the maximum obligation is adjusted.
 - The following services were provided:
 - uniformed patrol and plainclothes enforcement at OCTA-owned properties, on railroad rights-of-way, and on-board OCTA's buses
 - response to calls for service as needed
 - traffic enforcement as it relates to the operation of fixed-route vehicles
 - special enhancement team for enhanced services and Homeless Liaison Officers, Anti-Terrorism Anti-Crime, Community Oriented Policing, and Visible Intermodal Prevention and Response Team (VIPR)
 - taxicab applicant review
 - specialized and internal investigations conducted as needed
 - security at OCTA Board meetings, public hearings, and special events as requested
 - coordinate with other transit security, local, state, and federal law enforcement agencies
 - participate in multi-agency drills on a local and regional level
 - coordination on security-related grant funding
 - Other assistance available through this contract includes three Explosive Detection Canines for hazardous device detection and other law enforcement services such as the Mounted Enforcement Unit.
 - Sheriff staff deployment to include:
 - One Captain position serving as the Chief of Transit Police Services
 - Five Sergeant positions
 - One Investigator position

- Twenty Deputy Sheriff II – Fixed-Route Enforcement positions; includes three canines with Bomb Technicians
 - Five Deputy Sheriff II – Right-of-Way Enforcement positions
 - One Office Specialist position
2. April 22, 2021, Amendment No. 1 to Cooperative Agreement No. C-0-2330, \$9,389, approved by the Contracts Administration and Materials Management Department.
- To add one patrol video system
3. June 14, 2021, Amendment No. 2 to Cooperative Agreement No. C-0-2330, \$11,133,059, approved by the Board.
- To increase the maximum obligation for the second year of the five-year agreement.
 - \$11,133,059 for continued services with no staffing change, a 4.97 percent increase over FY 2020-21.
 - Breakdown of increase: Breakdown of increase: Wage, Benefit, and Other Direct Cost 4.93 percent, Special Services 0.04 percent
 - A provision for up to \$447,957 for Special Services.
 - \$89,528 for Special Enforcement
 - \$23,179 for Seasonal Law Enforcement
 - \$151,500 for Canine Units
 - \$60,000 for Mounted Enforcement Units
 - \$110,000 for VIPR/Counter Terrorism Team
 - \$13,750 for Angels Express
4. June 13, 2022, Amendment No. 3 to Cooperative Agreement No. C-0-2330, \$11,674,866, pending approval by the Board.
- To increase the maximum obligation for the third year of the five-year agreement. This amount includes:
 - \$11,226,909 for continued services with no staffing change, a 4.87 percent increase over FY 2021-22.
 - Breakdown of increase: Wage, Benefit, and Other Direct Cost 4.87 percent, Special Services 0.00 percent
 - A provision for up to \$447,957 for Special Services.
 - \$89,528 for Special Enforcement
 - \$23,179 for Seasonal Law Enforcement
 - \$151,500 for Canine Units


- \$60,000 for Mounted Enforcement Units
- \$110,000 for VIPR/Counter Terrorism Team
- \$13,750 for Angels Express

Total committed to County of Orange, OCSD Cooperative Agreement No. C-0-2330:
\$33,414,261.



June 6, 2022

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Measure M2 Quarterly Progress Report for the Period of January 2022 Through March 2022

Overview

Staff has prepared the Measure M2 Quarterly Progress Report for the third quarter of fiscal year 2021-22 as information for the Orange County Transportation Authority Board of Directors. This report highlights progress on Measure M2 projects and programs and is 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 Transportation Investment Plan (Plan) for the Measure M2 (M2) one half-cent sales tax for transportation improvements. The Plan provides a 30-year revenue stream for a broad range of transportation and environmental improvements, as well as a governing ordinance, which 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 and high standards of quality called for in the measure, as 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 staff reports and overall reports on the status of various capital projects by the Capital Programs Division.

Discussion

This quarterly report reflects current activities and progress across all M2 programs for the period of January 1, 2022, through March 31, 2022 (Attachment A). The report includes project budget and schedule information as provided and reported in the Capital Action Plan. Information on the Local Fair Share and Senior Mobility Program (SMP) payments made to cities during the quarter is also included.

Additionally, Attachment A includes a summary of the Program Management Office activities, of which two areas are highlighted below.

Ordinance Safeguards

To evaluate OCTA's efficiency and effectiveness in the delivery of M2, the M2 Ordinance requires a performance assessment to be conducted at least once every three years. Four prior performance assessments have been completed to date. Efforts for the fifth performance assessment covering the period between fiscal year (FY) 2018-19 through FY 2020-21 were initiated in July 2021. During the quarter, the consultant incorporated additional clarifying information based on staff input and finalized the report. The final report was presented to the Executive Committee on April 4, 2022, and the Board on April 25, 2022. The consultant's report reflects a positive assessment of OCTA's efficiency and effectiveness in the delivery of M2 projects and programs. While there were no significant findings, recommendations for enhancements were made. These recommendations will be addressed as appropriate and progress updates will be provided in future M2 quarterly reports.

In addition, the Program Management Office annually updates a compliance matrix to ensure the numerous requirements in the M2 Ordinance are met. The matrix details the status of each requirement and includes links to supporting documentation. This quarter, the annual update was completed and was presented to the Taxpayer Oversight Committee on April 12, 2022, as a resource for committee members.

Market Conditions Key Indicators Analysis and Forecast

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 into a cost pressure index model to identify potential cost risk factors on M2 project delivery. The results of the fall analysis were presented to the Board on October 11, 2021, which forecasted that OCTA may experience a high inflation cost environment from 2022 through 2024, due to more volatile market conditions.

During the quarter, the consultant team completed the spring update of the construction cost pressure index model. The report forecasts the highest inflationary cost environment (ranging 11 percent to 40 percent) for the remainder of 2022, and maintains a high inflation cost environment in 2023 and 2024 (ranging from six percent to 11 percent). Major drivers of the cost pressures include an increase in requests for building materials, and by correlation, the cost of materials as well as lower unemployment rates and higher construction salaries. While the economy has shown signs of improving, strong inflationary pressures and supply chain disruptions continue to offset benefits. Staff will continue to monitor market conditions and provide updates to the Board as appropriate.

Progress Update

The following provides an overview of M2 accomplishments to date by mode, as well as highlights of activities that occurred during the third quarter of FY 2021-22.

Freeway Program

The M2 Freeway Program consists of 30 project segments to be delivered by 2041. To date, 13 project segments are complete, four are in construction, and another nine are in or nearing final design. The remaining four project segments are in various stages of project development as described below.

- Interstate 5 (I-5) between State Route 73 (SR-73) and El Toro Road – A project update on construction activities was provided to the Regional Planning and Highways (RPH) Committee on March 7, 2022, and to the Board on March 28, 2022. This project is comprised of three segments and includes two interchange improvements at Avery Parkway and La Paz Road. The project is anticipated to be completed by late 2024. (Project C and Project D)
- State Route 55 (SR-55) between Interstate 405 (I-405) and I-5 – The project was advertised for construction on December 6, 2021, and the bid opening was held on March 10, 2022. The California Department of Transportation is reviewing the apparent low bid (approximately 0.8 percent below the engineer's estimate) for conformance with all bidding, subcontracting, and security bonding requirements. Construction is anticipated to begin in summer of 2022. (Project F)
- SR-55 between I-5 and State Route 91– On February 14, 2022, the Board approved the consultant selection to prepare plans, specifications, and estimate. Design efforts are anticipated to begin in summer of 2022. (Project F)

- I-405 between SR-73 and Interstate 605 – Construction on the project is proceeding and a quarterly project update was provided to the RPH Committee on February 7, 2022, and to the Board on February 14, 2022. During the quarter, the first half of the Brookhurst Street bridge was completed and opened to traffic; the full bridge is anticipated to be completed in summer of 2023. The project is approximately 78 percent complete. (Project K)

Streets and Roads

Since 2011, more than \$1 billion, which includes nearly \$53.9 million in leveraged external funds, has been allocated to local jurisdictions for transportation improvements through the streets and roads competitive and formula funding programs. To date, 437 project phases have been allocated through M2 competitive streets and roads funding programs, of which 313 phases, equating to approximately 72 percent, have been completed. Additionally, M2 provided \$152.6 million, a portion of the \$666.5 million total program cost, to grade separate seven streets and rail crossings, leveraging the majority of the funds (\$513.9 million) from local, state, and federal sources.

An update to the countywide signal synchronization plan was presented to the RPH Committee on March 7, 2022, and to the Board on March 14, 2022. Staff evaluated the 2009 Traffic Signal Synchronization Master Plan and the M2 Regional Traffic Signal Synchronization Program (RTSSP) and identified opportunities for enhancements, such as transitioning from a corridor-based synchronization to a zone-based synchronization approach that is retimed on a regular basis and continuing to offer annual calls for projects (call) that balance funds between synchronization and capital improvements. OCTA will initiate a baseline countywide signal synchronization effort using external funding. Staff also plans to return to the Board in summer 2022 with recommended guideline updates for the 2023 RTSSP call. (Project P)

Transit

The M2 transit mode includes several programs designed to provide additional transportation options. M2 is the primary funding source for Metrolink commuter rail service in Orange County and includes funding for rail station improvements and transit connections to extend the reach of the services. Due to the coronavirus (COVID-19) pandemic, Metrolink implemented temporary service reductions. On April 4, 2022, Metrolink partially restored some services in response to customer feedback and demand for more train trips to accommodate ridership recovery efforts. The three lines serving Orange County now operate 45 weekday trains, a 17 percent reduction from 54 weekday trains. During the quarter, ridership recovery continued to trend positively, as total boardings on the Orange County Line increased on average by approximately 102 percent

compared to the same quarter last year; however, full recovery of ridership could take over 24 months. As ridership continues to recover, Metrolink and OCTA will continue to reassess the service needs in Orange County.

Since 2011, M2 has provided competitive multi-year transit funding commitments for bus and station van extension services connecting to Metrolink (\$483,133 to date), local community-based transit circulators and planning studies (\$40.0 million to date), and bus stop improvements (\$2.9 million to date). In parallel, M2 provides a set amount of funding to support three programs intended to expand mobility choices for seniors and persons with disabilities (\$100.9 million¹ to date). A few transit highlights during the quarter are noted below.

- OC Streetcar – A quarterly update was presented to the Transit Committee on January 13, 2022, and to the Board on January 24, 2022, providing information on the status of construction activities, vehicle manufacturing, and public outreach. During the quarter, construction activities continued with placement of the first embedded track-slab concrete on Fourth Street, installation of ballasted track between the Westminster and Santa Ana River bridges, and installation of the first steel structures for the Maintenance and Storage Facility. (Project S)
- A ridership report was provided to the Transit Committee on January 13, 2022, and to the Board on January 24, 2022. Impacts from the pandemic have eased as additional grant-funded services were reinitiated by local agencies. Of the 35 projects awarded, 17 are currently active, nine have been cancelled (primarily due to low ridership), six are currently suspended (or not initiated) due to COVID-19, and three have been completed. (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 impacts of M2 freeway projects.

Since 2011, the ECP has allocated approximately \$54.1 million to local jurisdictions for 188 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 nearly 45.3 million gallons of trash have been captured since the

¹ Only includes disbursed funds. On October 12, 2020, the Board approved a temporary exception to the SMP Guidelines, which allows for OCTA to hold allocations in reserve for agencies with suspended services due to the COVID-19 pandemic. The funds will be held until the State lifts the State of Emergency or transportation services resume, whichever occurs first.

inception of the program, which is the equivalent of filling nearly 105 football fields with one foot deep of trash.

- The 12th Tier 1 call was released on March 14, 2022, for approximately \$3 million. Applications are due on June 16, 2022, and programming recommendations are anticipated to be presented to the Board in the fall of 2022. (Project X)

Additionally, 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 (Preserves) and funded 12 projects to restore habitat on 350 acres of open space across Orange County to fulfill the necessary 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 established endowment. The performance of the fund may affect the timeframe for full funding of the endowment. As of March 31, 2022, the balance of the endowment was \$21,042,295, which is above the FY 2021-22 target amount of \$20,076,431. Current projections indicate that OCTA remains on track to meet the endowment target of \$46.2 million in FY 2027-28.

Challenges

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

- The spring update of the market conditions key indicators analysis and forecast report anticipates a high inflationary cost environment through 2024 due to volatile market conditions. Additionally, contractors have reported continued escalation of material and equipment pricing due to supply shortages, which could affect the ability to order, as well as affect delivery schedules from suppliers. Staff will continue to monitor market pricing trends and material availability, along with the impacts on construction in the region.
- Recently introduced state bills (AB 2237 [Friedman, D-Burbank] and AB 2438 [Friedman, D-Burbank]), could impact the delivery of M2 projects. These would significantly change the administration and use of external funding for M2 projects (in the future as well as funds that have already been programmed) and would also undermine OCTA's ability to deliver a project regardless of funding source if a project is found inconsistent with state goals. On April 25, 2022, the Board adopted oppose positions on both AB 2237 and AB 2438. Staff will continue to

remain engaged on these issues and provide updates to the Board as appropriate.

- The OC Streetcar Project has faced many challenges, such as unforeseen utility conflicts and conditions, contaminated materials, construction quality control and compliance, added oversight and approvals, and several change requests. Recent community concerns regarding construction along Fourth Street in the City of Santa Ana have been shared with the Board.
- COVID-19 has affected many elements of M2, such as sales tax revenue forecast, traffic patterns, transit ridership, and administrative processes. To provide flexibility and help local jurisdictions manage the impacts of the pandemic, the Board has approved multiple adjustments including M2 Ordinance amendments and guideline exceptions. While recent updates indicate recovery of ridership and revenues, continued tracking of COVID-19 impacts to M2 are prudent.

Staff will continue to monitor all COVID-19 impacts and program challenges closely to ensure M2 remains deliverable as promised to voters.

Summary

A quarterly report covering activities from January 2022 through March 2022, 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. Hard copies are available by mail upon request.

Attachment

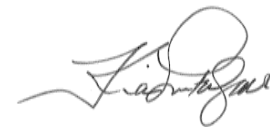
- A. Measure M2 Quarterly Progress Report, Third Quarter of Fiscal Year 2021-22, January 1, 2022 through March 31, 2022

Prepared by:



Francesca Ching
Section Manager,
Measure M2 Program Management Office
(714) 560-5625

Approved by:



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



MEASURE M2 QUARTERLY PROGRESS REPORT

Third Quarter of Fiscal Year 2021 – 22
January 1, 2022 through March 31, 2022

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 Transportation Investment Plan (Plan) for the Measure M2 (M2) one-half cent sales tax for transportation improvements. Voters originally endorsed Measure M 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, 2022, through March 31, 2022, 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. Hard copies are mailed upon request.



The cover photo shows a fully installed drainage inlet filter used to capture trash, debris, and other pollutants in the City of Lake Forest. This project was funded by a Tier 1 grant through the M2 Environmental Cleanup Program. On March 14, 2022, the Board authorized the release of the 12th Tier 1 call for projects (call) to make approximately \$3 million available. Staff estimates that over 45.3 million gallons of trash has been captured as a result of the installation of Tier 1 water quality improvement devices since 2011. This is equivalent to filling 105 football fields with one-foot deep of trash.



MEASURE M2 PROGRESS REPORT

TABLE OF CONTENTS

Section	Project	Page
Project Schedules		i
M2 Delivery Risk Update		1
Next 10 Delivery Plan Update		3
Freeway Program (Projects A-N)		8
Interstate 5 (I-5) Projects	[A-D]	8
State Route 22 (SR-22) Projects	[E]	12
State Route 55 (SR-55) Projects	[F]	12
State Route 57 (SR-57) Projects	[G]	13
State Route 91 (SR-91) Projects	[H-J]	15
Interstate 405 (I-405) Projects	[K-L]	18
Interstate 605 (I-605) Projects	[M]	19
Freeway Service Patrol	[N]	19
Streets and Roads Programs (Projects O, P and Q)		20
Regional Capacity Program and OC Bridges Railroad Program	[O]	20
Regional Traffic Signal Synchronization Program	[P]	23
Local Fair Share Program	[Q]	23
Transit Programs (Projects R, S, T, U, V and W)		25
High Frequency Metrolink Service	[R]	25
Transit Extensions to Metrolink	[S]	29
Metrolink Gateways	[T]	31
Expand Mobility Choices for Seniors and Persons with Disabilities	[U]	31
Community Based Transit/Circulators	[V]	32
Safe Transit Stops	[W]	33
Environmental Programs (Project X and Freeway Mitigation Program)		34
Environmental Cleanup	[X]	34
Freeway Environmental Mitigation Program (part of Projects A - M)		34
Program Management Office		38
M2 Financing and Schedule of Funding		43
Local Fair Share - M2 Funding by Agency		49
Capital Action Plan - Capital Project Status		51
Common Abbreviations		57




MEASURE M2 PROJECT SCHEDULES

					
Conceptual	Environmental	Design, Advertise, & Award	Design-Build	Construction	Complete

		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
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 Tonner Canyon Road (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/About-OC-Go/Projects-and-Programs/#/schedule>




 Local Tax Dollars at Work
MEASURE M2 PROJECT SCHEDULES

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
J SR-91, SR-55 to SR-241	Completed in 2013													
J SR-91 EB, SR-241 to SR-71	Completed in 2011													
J SR-91, SR-241 to I-15 (TBD)														
K I-405, SR-73 to I-605	[Hatched bar from 2017 to 2024]													
L I-405, I-5 to SR-55 (Further Schedule TBD)	[Green bar from 2017 to 2019]													
M I-605, Katella Avenue Interchange	[Green bar from 2017 to 2019], [Blue bar from 2021 to 2024], [Orange bar from 2024 to 2026]													
O Kraemer Boulevard Grade Separation (Placentia)	Completed in 2014													
O Lakeview Avenue Grade Separation (Anaheim/Placentia)	[Orange bar from 2017 to 2018]													
O Orangethorpe Avenue Grade Separation (Anaheim/Placentia)	Completed in 2016													
O Placentia Avenue Grade Separation (Placentia)	Completed in 2014													
O Raymond Avenue Grade Separation (Fullerton) ¹	[Orange bar from 2017 to 2019]													
O State College Boulevard Grade Separation (Fullerton) ¹	[Orange bar from 2017 to 2019]													
O Tustin Avenue/Rose Drive Grade Separation (Anaheim/Placentia)	Completed in 2016													
R Sand Canyon Grade Separation (Irvine)	Completed in 2016													
R Rail-Highway Grade Crossing Safety Enhancement	Completed in 2011													
R San Clemente Beach Trail Safety Enhancements	Completed in 2014													
R Anaheim Canyon Metrolink Station Improvements	[Green bar from 2017 to 2018], [Blue bar from 2018 to 2021], [Orange bar from 2021 to 2023]													
R Fullerton Transportation Center Improvements	[Orange bar from 2017 to 2020]													
R Laguna Niguel/Mission Viejo Metrolink Station Americans with Disabilities Act (ADA) Ramps	[Orange bar from 2017 to 2018]													
R Orange Transportation Center Metrolink Parking Structure	[Blue bar from 2017 to 2018], [Orange bar from 2018 to 2020]													
R Placentia Metrolink Station Improvements and Parking Structure (Further Schedule TBD)	[Blue bar from 2017 to 2018]													
R San Clemente Pier Station Lighting	[Orange bar from 2017 to 2018]													
R Laguna Niguel to San Juan Capistrano Metrolink Station Passing Siding Project	[Blue bar from 2017 to 2020], [Orange bar from 2020 to 2022]													
R Tustin Metrolink Station Parking Structure	Completed in 2011													
R,T Anaheim Regional Transportation Intermodal Center (ARTIC) ¹	Completed in 2014													
S OC Streetcar	[Blue bar from 2017 to 2019], [Orange bar from 2019 to 2024]													

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/About-OC-Go/Projects-and-Programs/#!/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	The 2021 M2 revenue forecast is \$13.2 billion, which is a \$1.6 billion (13.8 percent) year-over-year increase from the 2020 forecast. While this is good news, it is still \$200 million less than the pre-pandemic 2019 M2 sales tax forecast. Major swings in future revenue projections may challenge delivery.	Sales tax revenues were impacted by the Great Recession, COVID-19, and changes in consumer spending habits. The 2018 Wayfair decision has alleviated some impacts due to the ability to collect sales tax on out-of-state purchases.
2	Reduced external funding opportunities for the M2 freeway program.	Staff will continue to monitor sales tax revenue actuals and annually review the M2 cash flow to ensure that M2 is delivered as promised to voters.
3	State and federal priorities continue to shift and favor projects that reduce automobile travel, which limit future external funding opportunities for the M2 freeway projects.	Current external funding commitments are assumed in the M2 cash flow for the 2021 Next 10 Plan, but prospects of future revenues for highway projects are low.
4	Potential for an environment of increasing cost as M2 capital projects are readied for construction.	The spring 2022 update of the Next 10 Plan Market Conditions Forecast and Risk Analysis reflects the highest inflationary environment for the remainder of 2022, followed by a high inflationary environment for 2023 and 2024. This is driven by increases in construction wages, building permits, construction materials, and supply chain disruptions.
5	Inability to scale the M2 Freeway Program to available revenue and still deliver the M2 commitments.	To further protect against potential cost increases in the M2 freeway program, an 11 percent program level expense line item was incorporated in the 2021 M2 cash flow for an economic uncertainty allowance. 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.
6	The M2 Freeway Program includes set project scopes leaving limited flexibility in what is delivered.	OCTA will work closely with the California Department of Transportation (Caltrans) to apply value engineering strategies on projects to manage costs.




MEASURE M2 PROGRESS REPORT

Delivery Risk		Explanation	Proposed Action
5	Schedule and scope changes on capital projects that impact delivery and project costs.	Changes as a result of updated highway standards or issues identified in the field regularly impact scope, schedule, and costs.	OCTA will work closely with project partners and project contractors to limit changes in scope, schedule, and costs.
6	Sustain Metrolink train service as an attractive alternative to driving in Orange County within the limits of available revenue.	Operational cost of Metrolink service continues to grow as the system ages, track-sharing arrangements with BNSF Railway Company (BNSF) are revised, and new air quality requirements are implemented. COVID-19 has introduced new risks as ridership and revenue have been greatly impacted in Orange County.	In September 2020, Metrolink adopted a Recovery Plan Framework to ensure the safety of passengers and employees and restore service in a post-COVID-19 environment. Metrolink received \$64.6 million in one-time federal funds through the Coronavirus Aid, Relief and Economic Security Act, \$4.7 million in Coronavirus Response and Relief Supplemental Appropriations Act funding, and \$22.7 million in American Rescue Plan Act funding which alleviates some concerns in the near-term. OCTA will continue to work closely with Metrolink and member agencies to ensure cost increases are minimized, while continuing to seek external revenue.
Resource			
7	Low unemployment and 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.	External demand for key talent creates shortages which drive up delivery costs. If shortages continue, project delivery costs could rise but if additional labor resources are available, it may temper costs and reduce delivery risk.	Expert and timely coordination between OCTA and project partners is imperative to manage this risk.
8	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 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
Regulatory		
9 Changing federal and state directives could affect M2 freeway project approvals.	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.	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.

Next 10 Delivery Plan ▼

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

On November 14, 2016, the Board approved the Next 10 Plan, 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 December 13, 2021, the Board adopted the 2021 updated Next 10 Plan, which covers fiscal year (FY) 2020-21 through FY 2029-30. The update incorporated the \$13.2 billion sales tax revenue forecast, revised project estimate and schedules, as well as the fall market conditions forecast and risk analysis. As a result of OCTA’s strategic planning to date, the 2021 Next 10 Plan continues to demonstrate that the Plan remains deliverable.

Next 10 Plan Deliverables

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

1. Deliver 14 freeway improvement projects through construction (Projects A-M).

The M2 Freeway Program is currently made up of 30 projects/project segments. This deliverable includes 14 projects to be delivered through construction by FY 2029-30. These projects would bring the total number of completed projects to 26, which equates to approximately 87 percent of the M2 Freeway Program. Of the 14 projects to be delivered, one project has been completed, four are in construction, and nine are in or nearing design. For more details, see [pages i-ii](#) (Project Schedules) and the project updates contained in their respective sections.

Upcoming activities:

- 3 • SR-55, I-405 to I-5 - Award construction contract



MEASURE M2 PROGRESS REPORT

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 FY 2029-30, 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 Tonner Canyon Road), Project J (SR-91 between SR-241 and I-15), and Project L (I-405 between I-5 and SR-55). These projects will continue to be reevaluated annually as part of the Next 10 Plan review. The next review of the Next 10 Plan is anticipated in fall 2022. 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, synchronize signals (Project O and P), and continue flexible funding to local jurisdictions to preserve the quality of streets or for use on other transportation needs, as appropriate (Project Q).

As of March 2022, OCTA has awarded approximately \$455.6 million in competitive funding through the Regional Capacity Program (RCP) (Project O) and Regional Traffic Signal Synchronization Program (RTSSP) (Project P) through annual calls. Additionally, approximately \$561.4 million in Local Fair Share (LFS) (Project Q) funds have been distributed to local jurisdictions.

On August 9, 2021, the Board authorized the 12th call providing up to \$40 million for Project O and Project P in available M2 funds. Applications were received on October 21, 2021. Based upon project selection criteria as specified in the Comprehensive Transportation Funding Programs (CTFP) guidelines, final programming recommendations are anticipated to be presented to the Board for consideration in May 2022. For more details, see the project updates on [page 20](#).

Upcoming activities:

- Project O and P - Programming recommendations for the 12th call

4. Maintain Metrolink service and complete rail station improvements (Project R).

In March 2020, all Metrolink services were impacted by the statewide enforcement of stay-at-home orders that resulted from the COVID-19 pandemic. Metrolink implemented temporary service reductions in March and November 2020 due to the decline in ridership. The three lines serving Orange County (Orange County, Inland Empire-Orange County, and the 91/Perris Valley lines) now operate 41 trains, which is down from the 54 daily trains operated prior to COVID-19. Metrolink is planning to partially restore services in April 2022 in response to customer feedback and to aid in ridership recovery efforts. Metrolink and OCTA will continue to assess service needs in Orange County and reinstate trains as appropriate.

Within this program, funding is provided for rail corridor and station improvements to accommodate increased passenger train service including station upgrades, parking expansions, and safety enhancements, such as the Anaheim Canyon Metrolink Station Improvement Project, which began construction in May 2021.



MEASURE M2 PROGRESS REPORT

A recent impact to Metrolink in Orange County is the railroad track stabilization effort in the City of San Clemente. In September 2021, tidal surges along with a failing slope severely degraded the railroad track structure. OCTA owns the railroad right-of-way (ROW) in the affected area. Metrolink has performed the majority of the emergency repair work with contract forces on behalf of OCTA. These repairs are being funded from the commuter rail fund. More enduring treatments are in the early stage of planning to ensure the stability of the tracks in this area. Future updates to the Next 10 Plan will need to consider the financial implications of the additional track improvement needs. For more details, see the project updates on [page 25](#).

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

OC Streetcar

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 included placement of the first embedded track-slab concrete on Fourth Street, installation of ballasted track between the Westminster and Santa Ana River bridges, and erecting the first steel structures for the Maintenance and Storage Facility (MSF). The first seven cars are in the final stages of equipping with installation of the last remaining vehicle components. The eighth car is in final assembly and preparations are underway to commence static and dynamic testing. For more details, see the project updates on [page 29](#).

Bristol Street Transit Corridor Study

The study focused on developing options to improve the flow of traffic and public transit along Bristol Street between West 17th Street and Sunflower Avenue (South Coast Metro) and connections to John Wayne Airport and the SARTC. The consultant team submitted the final report to OCTA in June 2021, and the results of the study is anticipated to be presented to the Board and made available to the public later this year.

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, more than \$100.9 million¹ 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 31](#).

¹ Only includes disbursed funds. On October 12, 2020, the Board approved a temporary exception to the SMP guidelines, which allows for OCTA to hold allocations in reserve for agencies with suspended services due to the COVID-19 pandemic. The funds will be held until the State lifts the State of Emergency or transportation services resume, whichever occurs first.



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 35 projects and ten planning studies totaling approximately \$52 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.

As of March 2022, 17 projects are active, nine have been cancelled (primarily due to low ridership), six are suspended (or not initiated) due to the COVID-19 pandemic, and three have been completed. Staff continues to work with local agencies through letters of interest requests, workshops, CTFP guidelines revisions, calls, and cooperative agreement amendments to fine-tune this program and facilitate successful project implementation. For more details, see the program updates on [page 32](#).

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. To date, construction for 49 improvements has been completed, ten improvements are anticipated to be completed by summer 2022, 53 improvements are in various stages of implementation, and ten improvements have been cancelled by the awarded agency. For more details, see the program updates on [page 33](#).

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 Environmental Mitigation Program (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. While the performance of the endowment fund will affect the time frame for full funding, current projections indicate that OCTA is on track to meet the target of \$46.2 million in FY 2027-28. As of March 31, 2022, the balance of the endowment was \$ 21,042,295. For more details, see the program updates on [page 34](#).



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 approved over \$30 million in funding for 199 Tier 1 projects through 11 calls and \$27.9 million for 22 Tier 2 projects through two calls. To date, of the 199 Tier 1 projects, construction on 171 have been completed, 17 are in various stages of implementation, and 11 have been cancelled. Of the 22 Tier 2 projects, 18 projects have been constructed and four have been cancelled by the awarded agency.

The 12th Tier 1 call was released on March 14, 2022, providing up to \$3 million in available M2 funds to support projects that protect beaches and waterways throughout Orange County. Applications for the call are due on June 16, 2022. Based upon project selection criteria as specified in the CTFP guidelines, programming recommendations are anticipated to be presented to the Board for consideration in fall 2022. Staff will continue to analyze revenues for future calls and is currently assessing the timing of a future Tier 2 call. For more details, see the program updates on [page 34](#).

Upcoming activities:

- Project X – Programming recommendations for the 12th call

FREWAYS

INTERSTATE 5 (I-5) PROJECTS ▾

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

Status: PROJECT COMPLETE

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



PROJECT A

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.

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 – Ten Percent Complete

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

PROJECT B

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 consultant finalized the project schedule, obtained Caltrans encroachment permits for surveying and geotechnical activities, and continued to refine geometric enhancements to reduce overall costs associated with ROW and utility relocations. In addition, utility notification letters for upcoming relocation work were prepared for distribution. Coordination relating to locations of soundwalls, overhead signage, landscaping is ongoing.

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

Status: Design Phase Underway - 40 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, 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 consultant continued limited surveying of existing facilities and obtaining as-builts from various agencies, and worked on addressing comments from Caltrans on the 35 percent design package. Coordination relating to the locations of soundwalls, overhead signage, landscaping, staging, and drainage is ongoing. Due to potential schedule delays during the ROW phase, this project is marked as a cost/schedule risk in the Capital Action Plan (CAP).

FREWAYS

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. With a cost estimate of \$557.11 million, the project was above the \$500 million threshold for a “Major Project” designation, as determined by the Federal Highway Administration (FHWA). Major projects require a Cost Estimate Review (CER) workshop. A CER was conducted by the FHWA, Caltrans, and OCTA in February 2018 and resulted in an estimated project cost of \$612.6 million. The OCTA cost estimate for the three segments is currently \$577.1 million.

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

Status: Construction Underway - 56 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 various drainage systems in preparation for northbound and southbound freeway widenings, several retaining walls in both directions, and guard rail systems throughout the project. In addition, Caltrans and OCTA continued coordinating utility work with San Diego Gas and Electric.

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

Status: Construction Underway - 68 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 opened two northbound I-5 on-ramps at La Paz Road, continued construction of several retaining walls in both directions, graded slopes on northbound I-5, and continued installation of the bridge over the Oso Creek in both directions. The contractor also jacked and repaired the mainline I-5 where existing bearings supporting the bridge over the railroad had failed and completed the closure pour between the widened and existing bridge. Staff continued coordination of the service contract with Metrolink.

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

Status: Construction Underway - 31 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

FREWAYS

contract was awarded on September 23, 2020, and construction began on October 13, 2020. This quarter, the contractor installed columns and bent cap falsework for the Los Alisos overcrossing bridge, continued work on several retaining walls, completed the demolition of a soundwall near the El Toro Road off-ramp, and installed pile foundations on the new northbound on-ramp over El Toro Road. Staff also continued coordination with Southern California Edison for the relocation of existing facilities and with Caltrans on ROW and utility relocations.

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 Road, 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 In Review

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

Summary: Caltrans is the lead in 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 assessment kick-off meeting was held on September 16, 2020, and the draft final assessment study was completed in October 2021. This quarter, OCTA continued coordination with Caltrans and the cities to determine which build alternatives to include in the environmental process. A project update is anticipated to be presented to the Board in May 2022, followed by project updates to the three cities. Staff is anticipated to return to the Board in summer 2022 with feedback from the cities on the proposed alternatives. Due to the dependency on acquiring consensus from all three cities, this project is marked as a cost/schedule risk in the CAP.



FREWAYS

STATE ROUTE 22 (SR-22) PROJECTS ▾

Segment: SR-22 Access Improvements

Status: PROJECT COMPLETE

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



PROJECT E

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 Measure M (M1).

STATE ROUTE 55 (SR-55) PROJECTS ▾

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

Status: Design Phase Complete; Construction Contract Award Underway

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

PROJECT F

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 design of this project was initiated on September 15, 2017, and the final design was submitted on June 1, 2021. ROW certification and ready-to-list status were obtained on September 2, 2021. The project was advertised on December 6, 2021, and the bid opening was held on March 10, 2022. The apparent low bid is 0.8 percent below the engineer’s estimate. Bid results are currently under review and construction is anticipated to begin in mid-2022. 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: Environmental Phase Complete; Design Contract Awarded

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

Summary: This project studied 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 Board approved the release of the RFP for the preparation of plans, specifications, and estimates (PS&E) on September 13, 2021, and awarded the contract on February 14, 2022. Final design services are anticipated to begin in mid-2022.



FREWAYS

STATE ROUTE 57 (SR-57) PROJECTS ▾

PROJECT G

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

Status: Design Phase Underway

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

Summary: This project studied 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 Board approved the release of the RFP for the preparation of PS&E on March 8, 2021, and awarded the contract on July 12, 2021. The design of this project was initiated on March 28, 2022.

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 soundwall improvements 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.



FREEWAYS

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 Tonner Canyon Road

Status: Schedule TBD

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

Summary: Caltrans previously completed a Project Study Report/Project Development Support document to add a northbound truck-climbing lane (approximately 2.5 miles) from Lambert Road to Tonner Canyon Road in the City of Brea. This project requires coordination with Los Angeles County Metropolitan Transportation Authority (LA Metro) on planned improvements or related work across the Orange County/Los Angeles County Line. The mainline project includes interchange and ramp improvements at Lambert Road. Through the SB 1 (Chapter 5, Statutes of 2017) Trade Corridor Enhancement Program, funds were allocated to initiate the construction phase for interchange improvements at Lambert Road, which will complement and serve as a first phase to the freeway improvement project. Construction began in mid-2019 and is anticipated to be completed in summer 2022. Phase two, which is the mainline improvement, was initially approved for State Transportation Investment Program (STIP) funding in March 2018 to initiate the environmental phase. However, due to the 2019 STIP reduction, funding was shifted to cover projects already underway. 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.



FREEWAYS

STATE ROUTE 91 (SR-91) PROJECTS ▾

PROJECT H

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.

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

Status: PROJECT COMPLETE

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



PROJECT I

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 the use of 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 - 85 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 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 quarter, the design team obtained and addressed comments on the 95 percent design submittal and initiated the right-of-way appraisal process.



FREEWAYS

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

Status: Design Phase Underway - 38 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. The design of this project was initiated on June 17, 2020. This quarter, the design team submitted the 65 percent roadway design package to Caltrans for review and continued utility coordination.

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

Status: Design Phase Underway - 32 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 quarter, the design team continued work on the 65 percent roadway design package and utility coordination.

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

Status: PROJECT COMPLETE

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



PROJECT J

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.



F R E E W A Y S

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 I-15

Status: Riverside County Transportation Center's (RCTC) Design-Build - Initial Phase Complete on March 20, 2017; Alternatives Analysis Underway

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

Summary: This project plans to add a general purpose lane on SR-91 between SR-241 and I-15. 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 to capitalize on available funding. Freeway improvements that cross county lines require close coordination to maintain seamless travel. While the portion of this project between SR-241 and the Orange County/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 westbound direction (in Orange County) to address a bottleneck issue affecting the City of Corona. With OCTA's support, RCTC developed the 91 Corridor Operation Project, which began construction in late 2020 and was completed and opened to traffic in January 2022. In addition, OCTA and RCTC are conducting 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. In May 2020, the consultant team initiated efforts for the geometric and design alternatives analysis. The consultant conducted a value analysis workshop where various stakeholders provided feedback on conceptual alternatives. A final alternatives analysis report is anticipated to be completed in April 2022.



FREWAYS

INTERSTATE 405 (I-405) PROJECTS ▾

PROJECT K

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

Status: Design-Build Underway - 78 Percent Complete

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

Summary: OCTA and Caltrans are working together to widen I-405 by adding a general purpose lane (approximately 14 miles) between Euclid Street and I-605 in both directions and a second HOV lane in both directions that will combine 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.² The project limits span approximately 16 miles. Additional improvements include reconstruction of local interchanges and making improvements 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.

During the quarter, work continued on ROW acquisition, utility coordination, public outreach, installation of drainage systems, retaining walls, paving, and bridge construction. Design is substantially complete with the review of various design refinements and construction submittals ongoing. OCTA's toll lanes system integrator is under contract and working with OCTA and the design-builder. Construction on one-stage bridges (closed during construction) continued at Newland Street, Ward Street, and Warner Avenue. Two-stage bridges (partially closed but allows throughway traffic during construction) at Bolsa Avenue, Brookhurst Street, Fairview Road, Goldenwest Street, and Westminster Boulevard are also underway. In total, 18 bridges will be replaced and widened, of which eight have been completed and opened to date. The remaining ten are in various stages of construction. In addition to one- and two-stage bridges, construction to widen the existing freeway bridges on the Beach Boulevard/Bolsa Avenue railroad crossing, old Navy railroad crossing, and at the Harbor Boulevard and Santa Ana River bridges is ongoing. Construction of the Heil Street pedestrian overcrossing and the new SR-73/I-405 connector bridge is also underway. Public outreach, through virtual neighborhood meetings, continues to be held to discuss construction activities. Substantial completion of the project is anticipated in late 2023.

² The general purpose lane portion of the project is an M2 project and will be funded by a combination of local, state, and federal funds. The express lanes portion of the project is financed and paid for by those who choose to pay a toll and use the 405 Express Lanes.



FREEWAYS

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

PROJECT L

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.

INTERSTATE 605 (I-605) PROJECTS ▼

Segment: I-605, Katella Avenue Interchange Improvements

PROJECT M

Status: Design Phase Underway - 60 Percent Complete

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

Summary: This project will make enhancements at 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 worked on addressing comments from Caltrans on the 65 percent roadway design package, prepared a supplemental design standard decision document, continued to coordinate with County of Orange and County of Los Angeles on encroachment permit requirements for work near regional drainage facilities, updated the utility management matrix, and continued work on the 65 percent structures design package. The design team also began work on a pre-construction record of survey.

FREEWAY SERVICE PATROL ▼

PROJECT N

Status: Service Ongoing

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

Summary: Freeway Service Patrol (FSP) provides assistance to 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 16,677 services.³ Since June 2012, FSP has provided a total of 661,814 services³ on the Orange County freeway system.

³ Service calculations are based on all services provided as FSP is funded by M2 and external sources.

STREETS AND ROADS

REGIONAL CAPACITY PROGRAM ▼

PROJECT O

Status: 12th 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 11 calls, the Board has awarded 164 projects (202 project phases)⁴ totaling nearly \$339.8 million including \$24 million in external funding. On August 9, 2021, the Board approved the release of the 12th call for up to \$40 million between Project O and Project P. Applications for the call were received on October 21, 2021. During the quarter, staff presented proposed programming recommendations to the Technical Steering Committee (TSC) on March 9, 2022, and the Technical Advisory Committee (TAC) on March 23, 2022. Programming recommendations are anticipated to be presented to the Board in May 2022.

⁴ To date, 19 of the 202 project phases awarded by OCTA totaling approximately \$32.3 million have been cancelled by the awarded local jurisdictions.

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. Minor activities this quarter include continued work on the closeout of two projects.

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 by the cities of Anaheim and Placentia 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.



STREETS AND ROADS

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 from the cities of Anaheim and Placentia in 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 from the cities of Anaheim and Placentia 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 from the cities of Anaheim and Placentia 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.

STREETS AND ROADS

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 from the City of Fullerton in May 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. Activities this quarter include project closeout with BNSF and processing final invoices. Funding reimbursement and closeout are ongoing.

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 ROW support. Construction began on March 27, 2014, and the improvements opened to traffic on November 1, 2017. Construction acceptance was obtained from the City of Fullerton in March 2018. OCTA turned over maintenance responsibilities to the City of Fullerton and completed the one-year warranty on constructed items. This quarter, funding reimbursement and closeout were 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 from the cities of Anaheim and Placentia 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.

STREETS AND ROADS

REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM ▼

PROJECT P

Status: 12th 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 more than 3,200 intersections over more than 838 miles of streets (94 completed projects). Through 11 calls, 104 projects⁵ totaling more than \$115.8 million have been awarded. Overall, OCTA has funded 123 projects⁵ totaling more than \$140.8 million, including \$25.5 million in leveraged external funding.

On August 9, 2021, the Board approved the release of the 12th call for up to \$40 million between Project O and Project P. Applications were received on October 21, 2021. During the quarter, staff presented proposed programming recommendations to the TSC on March 9, 2022, and the TAC on March 23, 2022. Programming recommendations are anticipated to be presented to the Board in May 2022.

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

LOCAL FAIR SHARE ▼

PROJECT Q

Status: Ongoing

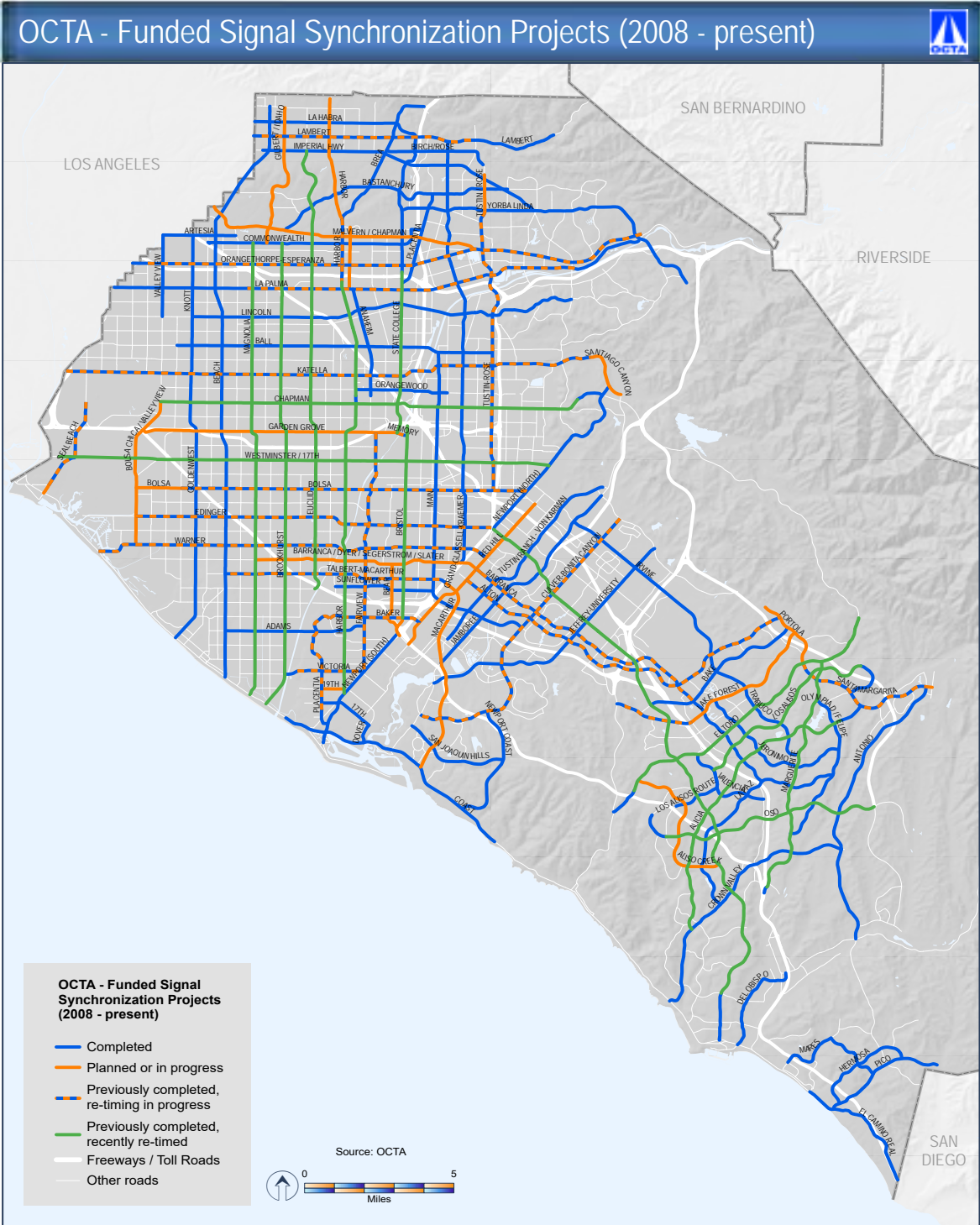
Contact: Ben Torres, Finance • (714) 560-5692

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. Annually, all local jurisdictions are reviewed to determine eligibility to receive M2 funds. All local jurisdictions have been found eligible to receive LFS funds. On a bimonthly basis, 18 percent of net revenues are allocated by formula. Since 2011, approximately \$561.4 million in LFS payments have been provided to local jurisdictions.

For more details, see funding allocation by local agency on [pages 49-50](#).



STREETS AND ROADS



10/6/2021



TRANSIT

PROJECT R

HIGH FREQUENCY METROLINK SERVICE ▾

Project R will 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: Service Ongoing

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. However, in March 2020, all Metrolink services were impacted by the statewide enforcement of stay-at-home orders that resulted from the COVID-19 pandemic. Metrolink implemented temporary service reductions in March and November 2020 due to the decline in ridership. The three lines serving Orange County (Orange County, Inland Empire-Orange County, and the 91/Perris Valley lines) now operate 41 weekday trains, a 24 percent reduction from 54 weekday trains. Metrolink is planning to partially restore services in April 2022 in response to customer feedback and to aid in ridership recovery efforts. Metrolink and OCTA will continue to assess service needs in Orange County and reinstate trains as appropriate.



TRANSIT

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, better access to platforms, among other improvements have been made or are underway. For schedule information on station improvement projects, please see the CAP pages on [pages 51-55](#).



Segment: **Anaheim Canyon Metrolink Station Improvements**

Status: Construction Underway - 26 Percent Complete

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

Summary: This OCTA-led project will add a second main track and passenger platform, extend the existing passenger platform, add improvements to at-grade crossings for pedestrian circulation, and install new station amenities including benches, shade structures, and ticket vending machines. The construction contract was awarded on March 22, 2021, and construction began on May 10, 2021. This quarter, construction continued with grading of the new rail bed as well as placement of rail and ballast (gravel used to form the bed of the railroad track). The project is anticipated to be completed in early 2023.

Segment: **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.

Segment: **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

Segment: Orange Transportation Center Metrolink Parking Structure

Status: PROJECT COMPLETE

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



Summary: This project includes 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.

Segment: 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.

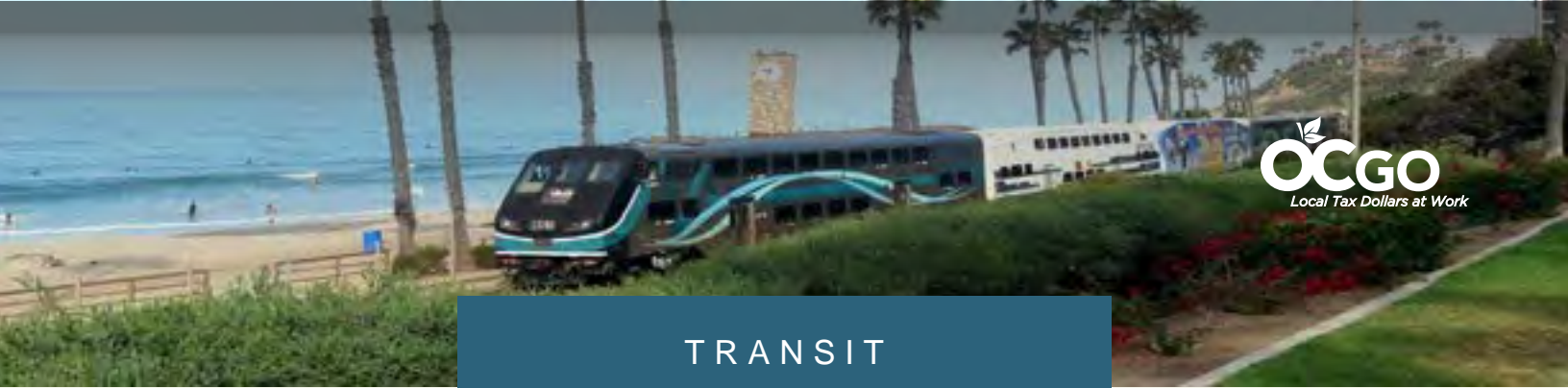
Segment: San Clemente Pier Station Lighting

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.



TRANSIT

Additional Rail Corridor Improvements

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
- 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 (FTA) State of Good Repair requirement, enhance safety, and provide clear warnings to passengers
- Replacement of stairs at the Fullerton Transportation Center

Underway:

- Installation of riprap (erosion preventing stonewall) to stabilize tracks south of the San Clemente Pier Station
- Design of additional slope stabilization and drainage improvements in Mission Viejo and Laguna Niguel
- ROW acquisition to replace the San Juan Creek railroad bridge in the City of San Juan Capistrano, which will not preclude a future bike trail on the south end along the creek

Segment: 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.

Segment: 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.



TRANSIT

Segment: 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 EXTENSIONS TO METROLINK ▼

PROJECT S

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, Limited Notice to Proceed Executed with Operations and Maintenance (O&M) Contractor

Contact: Ross Lew, Rail • (714) 560-5775
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

In the Pacific Electric ROW, the construction contractor installed ballasted track between the Westminster and Santa Ana River bridges, and from the Santa Ana River bridge to the at-grade crossing at Fifth Street. Construction at the MSF reached a milestone with erection of the first structural steel on March 2, 2022. Work continued on the MSF structure (40 percent of structural steel in place), inspection pits, turntables, vehicle wash station (60 percent of structural steel in place), yard amenities and utilities.

On February 1, 2022, construction of embedded track and sidewalk widening on Fourth Street began in two segments between French Street and Bush Street, and Main Street and Broadway Street. Fourth Street demolitions included the entire street, parking areas and portions of sidewalk, relocation of street lighting, and installation of traffic and train control conduits. The first embedded track-slab concrete placement on Fourth Street was on March 24, 2022, from French Street to 300 feet westerly. Additional 300-foot segments of track-slab will be constructed in these first two segments through April 2022. Along Santa Ana Boulevard,



TRANSIT

construction continues with new curb and gutter as well as preparation for new sidewalk once traffic signals and overhead contact system poles are placed.

Vehicle and Operations

The vehicle manufacturer continued production of the eight S700 streetcar vehicles. The first seven cars are in the final stages of equipping with installation of the last remaining vehicle components. The eighth car is in final assembly and preparations are underway to commence static and dynamic testing next quarter. In March 2022, staff traveled to the vehicle manufacturer's factory in the City of Sacramento to conduct acceptance tests for the Computer Aided Dispatch/Automated Vehicle Location equipment and pre-first article inspection for Car 1. Other key activities during the quarter included conducting the swing table test, which tests the wheel rotation, and finalizing plans for delivery of the vehicle spare parts. Negotiations continued with the vehicle manufacturer regarding an updated schedule including storage options to align with the availability of the project infrastructure needed to accept and test the vehicles.

The O&M general manager has been coordinating with staff on several processes which will be performed by the O&M consultant during system integration testing, pre-revenue operations, and revenue operations.

Cost and Schedule

On December 13, 2021, the Board approved a revised project schedule and budget of \$509.54 million. Staff is coordinating with the Southern California Association of Governments and FTA to execute the grants associated with the Board action and are working closely with the construction contractor and vehicle manufacturer to achieve the March 2024 revenue service date.

- 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.



TRANSIT

METROLINK GATEWAYS ▾

PROJECT T

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.

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 SNEMT Program, and the Fare Stabilization Program. Since inception, more than \$100.9 million^{6,7} in Project U funding has been provided under M2.

⁶ 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: Senior Mobility Program

PROJECT U

Status: Ongoing

Contact: Beth McCormick, Transit • (714) 560-5964

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 age 60 and above multiplied by available revenues. The remaining unallocated funds are distributed to the M2 Project U Fare Stabilization Program.

Since inception, nearly \$29.1 million⁷ has been provided to support 2,552,561 boardings for seniors traveling to medical appointments, nutrition programs, shopping destinations, and senior and community center activities. Due to the COVID-19 pandemic, several local jurisdictions have modified or suspended service. This quarter,



TRANSIT

nearly \$1.3 million^{6,7} was paid out to 31 of the 32 participating cities that are currently active. One city has temporarily suspended services due to the COVID-19 pandemic.

⁷ Only includes disbursed funds. On October 12, 2020, the Board approved a temporary exception to the SMP guidelines, which allows for OCTA to hold allocations in reserve for agencies with suspended services due to the COVID-19 pandemic. The funds will be held until the State lifts the State of Emergency or transportation services resume, whichever occurs first.

Project: Senior Non-Emergency Medical Transportation Program

Status: Ongoing

Contact: Beth McCormick, Transit • (714) 560-5964

Summary: This program provides one percent of net M2 revenues to supplement existing countywide SNEMT services. Since inception, nearly \$31.3 million has been allocated to support nearly 1.44 million SNEMT boardings⁸. This quarter, more than \$1.4 million⁶ in SNEMT funding was paid to the County of Orange.

⁸ The SNEMT 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.

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.

More than \$2 million⁶ 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 2.1 million program-related boardings recorded on fixed-route and ACCESS services, approximately \$593,000 was utilized. The senior and disabled boardings recorded are based on pass sales and ACCESS boardings figures. Since inception, more than \$40.5 million has been allocated to support more than 130 million program-related boardings.

COMMUNITY BASED TRANSIT/CIRCULATORS ▼

Status: Service Updates

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

PROJECT V

Summary: This program provides funding for local jurisdictions to develop local bus transit services, such as community-based circulators and shuttles, that 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 35 projects and ten planning studies totaling approximately \$52 million. Out of the 35 projects, 17 are currently active, nine have been cancelled (primarily due to low ridership), six are currently suspended (or not initiated) due to COVID-19, and three 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 fiscal year funding caps. During the quarter, staff continued to work with local jurisdictions to update existing cooperative agreements to incorporate these programmatic changes.

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, most of these services are generally meeting the January 2021 modified performance metrics. The most recent Project V ridership report was presented to the Transit Committee on January 13, 2022, and the Board on January 24, 2022. The next Project V ridership report is scheduled for summer 2022. Lessons learned from the success of implemented services are incorporated into recommendations for future funding guidelines and programming recommendations.

SAFE TRANSIT STOPS ▼

Status: City-Initiated Improvements Underway or Completed

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

PROJECT W

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, October 2018, and April 2020), which have awarded 122 projects totaling just over \$3.1 million. Of the 122 projects, 49 improvements have been completed, ten improvements are anticipated to be completed by summer 2022, 53 improvements are in various stages of implementation, and ten have been cancelled. Staff will review M2 revenues and assess the appropriate timing for the next call.

ENVIRONMENTAL

CLEAN UP HIGHWAY AND STREET RUNOFF THAT POLLUTES BEACHES ▼

Project: Environmental Cleanup Program

PROJECT X

Status: Ongoing

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 11 rounds of funding under the Tier 1 grants program.

A total of 199 projects, amounting to more than \$30 million, have been awarded by the Board since 2011. Of the 199 projects, construction on 171 projects have been completed, 17 are in various stages of implementation, and 11 have been cancelled by the awarded agency. On March 14, 2022, the Board approved the release of the 12th Tier 1 call for \$3 million; applications are due on June 15, 2022. Staff estimates that over 45.3 million gallons of trash have been captured as a result of the installation of Tier 1 devices since the inception of the Tier 1 Program in 2011. This is equivalent to filling nearly 105 football fields with one foot deep of trash. 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 appropriate timing of the next Tier 2 call is being assessed and will be determined by funding availability as well as the number of viable projects from eligible agencies.

FREEWAY MITIGATION ▼

Project: 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 the California Department of Fish and Wildlife (Wildlife Agencies), this program allocates funds to acquire land and fund habitat restoration



ENVIRONMENTAL

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 also 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 (Corps) 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 between OCTA, the Corps, and the State Board, and constitute another groundbreaking milestone for the M2 EMP.

To date, 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 are currently at various stages of implementation. To date, four 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.

As part of the Conservation Plan requirement, an endowment has been established to pay for the long-term management of the Preserves. The most recent Board-adopted 2021 Next 10 Plan confirms that OCTA will be able to continue endowment deposits of \$2.9 million annually. The sixth endowment deposit was made in July 2021. Quarterly investment reports are provided to the Board, with the most recent one in February 2022. As of March 31, 2022, the endowment balance was \$21,042,295, which is above the FY 2021-22 target of \$20,076,431. Current projections indicate that OCTA 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 time frame. The next report is anticipated to be presented to the Board in June 2022.

Staff will continue to oversee and provide endowment updates to the Finance and Administration Committee and the Environmental Oversight Committee (EOC) on a regular basis. Resource management plans (RMP) for the Preserves were finalized 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. Staff will continue to oversee and manage the Preserves until a long-term manager(s) is established.

As required by the Conservation Plan, OCTA is developing fire management plans (FMP) for the Preserves. Each Preserve will have its own separate FMP. These FMPs will provide guidelines for decision-making at all stages,



ENVIRONMENTAL

including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. It was anticipated that these FMPs would be completed in 2021. However, due to delays related to easement information, external Wildlife Agencies staff turnover and the inclusion of new 2021 species data, these FMPs are now anticipated to be completed by the end of 2022. The delay of completing these FMPs do not negatively impact the Conservation Plan or associated permits. Once complete, they will be posted on OCTA's website.

Conservation Plan annual 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 are reviewed and must be approved by the Wildlife Agencies. In summary, the annual reports to date document that OCTA's activities through 2020 were in compliance and on target with the Conservation Plan commitments. OCTA will continue with its efforts to complete the required objectives on time. The next annual report is anticipated to be provided to the Board in late 2022. The annual reports are available for public review at www.PreservingOurLegacy.org.

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 C (I-5 from SR-73 to El Toro Road), 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.

In September 2021, OCTA reinitiated docent-led hikes and equestrian ride tours in the Preserves. Staff will continue to monitor the impacts of COVID-19 and potential health agency guidance on public gatherings. The 2022 schedule is available on the M2 website 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.



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. The consultant'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.

The 2021 fall analysis to the Board identified that OCTA may experience a high inflation cost environment (ranging from six percent to 11 percent) from 2022 through 2024. Compared to the prior update presented to the Board in November 2020, cost pressures have increased significantly due to increases in building permits and, by correlation, the cost of materials. This is partly due to market disruptions, the impacts to many industries, and overall demand. Another factor that contributes to these inflationary pressures is unemployment. The prior report captured the high unemployment economy due to the COVID-19 pandemic starting in early 2020, which has since declined and may lead to additional cost pressure in the future. Staff incorporated the information from this analysis into the M2 cash flow for the 2021 update of Next 10 Plan.

During the quarter, the consultant team updated the forecasting model and shared with staff the results. Economic pressures since the fall analysis suggest an even higher inflationary cost environment (ranging from 11 percent to 40 percent) for 2022 and maintains a forecasted high cost environment in 2023 and 2024 (ranging from six percent to 11 percent). The main factors for the increasing cost environment include low unemployment, increasing wages, and higher demand and cost of construction materials.

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. With four years of the Next 10 Plan completed to date, on December 14, 2020, the Board approved to shift the timeframe from four years to FY 2020-21 through



PROGRAM MANAGEMENT

FY 2029-30. The PMO monitors progress on the ten deliverables identified in the Next 10 Plan and provides status updates.

Annually, OCTA reviews the Next 10 Plan and M2 program assumptions based on changes to the revenue forecast and updated project cost and schedules. The 2021 Next 10 Plan incorporating the updated forecast of \$13.2 billion and was presented to the Board on December 13, 2021. Prudent financial decisions to date result in a delivery plan that continues to fulfill OCTA's commitment to the voters in Orange County.

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. Four 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, and FY 2015-16 through FY 2017-18. Findings and recommendations are implemented as appropriate. The fifth assessment began in July 2021 and covers the period between July 1, 2018, and June 30, 2021. During the quarter, the consultant completed a draft report and shared assessment recommendations with staff. The final report is anticipated to be presented to the Board in April 2022.

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, the 2021 update of the matrix was completed by the PMO in coordination with the responsible OCTA point of contact to ensure compliance and includes links to electronic documents verifying the response. The matrix will be shared with the Taxpayer Oversight Committee (TOC) at their next scheduled meeting in April 2022 to aid the TOC in determining OCTA's compliance with M2.

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 in summer 2022.



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 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.

Project F (SR-55, I-405 to I-5) was advertised on December 6, 2021. On March 10, 2022, construction bids for the project were opened. The apparent low bidder was 0.8 percent below the engineer’s estimate. Staff will monitor the SR-55 project contract award and 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 (currently \$13.2 billion or 46 percent lower) as a result of economic conditions, the funds available to support administrative salaries and benefits have also declined from the original expectations. While revenue has declined, the administrative effort needed to deliver M2 remains the same. Additionally, the initiation of the 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 currently has Board approval to use funds from the Orange County Unified Transportation Trust (OCUTT) fund to cover costs above the one percent, with the understanding that those funds will be repaid with interest in future years that OCTA administrative costs fall below the one percent cap. As of June 30, 2012, OCTA had borrowed approximately \$5.2 million from OCUTT. Over the last few years, OCTA has experienced underruns in



PROGRAM MANAGEMENT

the one percent administration cap and has made payments to OCUTT to reduce the outstanding balance. As of September 30, 2021, the principal and accrued interest balances have been 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.

Taxpayer Oversight Committee

The M2 Ordinance requires a Taxpayer Oversight Committee (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 is scheduled to meet every other month. 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
- The Chair shall annually certify whether M2 funds have been spent in compliance 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

On March 12, 2020 and March 18, 2020, the Governor enacted Executive Orders N-25-20 and N-29-20, authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public due to COVID-19. As a result, the TOC held a meeting on February 8, 2022, via teleconference.

On February 8, 2022, the TOC voted unanimously to affirm the receipt and review of the M2 Quarterly Revenue and Expenditure Reports (December 2021). The TOC also received presentations on the OC Streetcar, 2021 Next 10 Plan, and on the M2 Quarterly Progress Report for the first quarter of FY 2021-22. The TOC also received an update on the M2 triennial performance assessment.

Two subcommittees assist the TOC with their safeguard responsibilities: the Annual Eligibility Review (AER)



PROGRAM MANAGEMENT

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 an Expenditure Report. 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.

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; University of California, Fullerton; and California State University, 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 new sales tax forecast methodology as part of the FY 2016-17 budget development process. This methodology includes a more conservative approach by utilizing the MuniServices, LLC forecast for the first five years and the three-university average for the remaining years.

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

Original projections in 2005 during the development of M2 estimated total nominal M2 sales tax collections at \$24.3 billion. OCTA received final sales tax receipts for FY 2020-21 in August 2021 and presented the 2021 M2 sales tax forecast update on Board on September 27, 2021. The current revised total nominal sales tax collections over the life of M2 is estimated to be approximately \$13.2 billion, which represents a year-over-year increase of \$1.6 billion in forecasted sales tax when compared to last year's forecast.

Although this increase provides a positive outlook on the M2 Program, staff will continue to work closely with MuniServices, LLC and the three universities to monitor the short- and long-term impacts on M2 sales tax revenues due to COVID-19 and its variants. OCTA staff is considering these impacts in the FY 2022-23 budget development process that is currently underway. The proposed budget growth rate for FY 2022-23 is 3.9 percent.

Based on the sales tax forecast information provided by MuniServices, LLC, the budgeted growth rate is 3.6 percent for FY 2021-22. The next updated forecast is anticipated to be brought to the Board in fall 2022.

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2022 (Unaudited) Schedule 1

(\$ in thousands)	Quarter Ended Mar 31, 2022	Year to Date Mar 31, 2022 (A)	Period from Inception to Mar 31, 2022 (B)
Revenues:			
Sales taxes	\$ 114,411	\$ 315,719	\$ 3,392,757
Other agencies' share of Measure M2 costs:			
Project related	8,061	13,855	786,674
Non-project related	-	-	454
Interest:			
Operating:			
Project related	(922)	(762)	5,354
Non-project related	1,681	6,088	94,972
Bond proceeds	2,850	3,574	87,218
Debt service	1	3	1,067
Commercial paper	-	-	393
Right-of-way leases	45	214	1,591
Proceeds on sale of assets held for resale	-	11	12,212
Donated assets held for resale			
Project related	-	-	2,071
Miscellaneous:			
Project related	-	-	331
Non-project related	29	29	129
Total revenues	<u>126,156</u>	<u>338,731</u>	<u>4,385,223</u>
Expenditures:			
Supplies and services:			
Sales tax administration fees	831	2,493	34,854
Professional services:			
Project related	9,318	20,618	466,432
Non-project related	458	935	35,211
Administration costs:			
Project related	2,622	7,868	101,872
Non-project related:			
Salaries and Benefits	1,250	2,749	34,405
Other	1,533	4,597	58,546
Other:			
Project related	131	242	5,791
Non-project related	17	45	5,230
Payments to local agencies:			
Project related	27,750	61,188	1,197,901
Capital outlay:			
Project related	56,334	173,888	1,793,518
Non-project related	-	-	31
Debt service:			
Principal payments on long-term debt	8,455	8,455	75,550
Interest on long-term debt and commercial paper	17,686	35,371	284,626
Total expenditures	<u>126,385</u>	<u>318,449</u>	<u>4,093,967</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(229)</u>	<u>20,282</u>	<u>291,256</u>
Other financing sources (uses):			
Transfers out:			
Project related	3,084	(123,019)	(441,044)
Transfers in:			
Project related	2,936	7,499	197,401
Bond proceeds	-	-	804,625
Payment to refunded bond escrow agent	-	-	(45,062)
Total other financing sources (uses)	<u>6,020</u>	<u>(115,520)</u>	<u>515,920</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	<u>\$ 5,791</u>	<u>\$ (95,238)</u>	<u>\$ 807,176</u>

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2022 (Unaudited) Schedule 2

(\$ in thousands)	Quarter Ended Mar 31, 2022 (actual)	Year to Date Mar 31, 2022 (actual) (C.1)	Period from Inception through Mar 31, 2022 (actual) (D.1)	Period from April 1, 2022 through March 31, 2041 (forecast) (E.1)	Total (F.1)
Revenues:					
Sales taxes	\$ 114,411	\$ 315,719	\$ 3,392,757	\$ 9,808,871	\$ 13,201,628
Operating interest	1,681	6,088	94,972	138,647	233,619
Subtotal	<u>116,092</u>	<u>321,807</u>	<u>3,487,729</u>	<u>9,947,518</u>	<u>13,435,247</u>
Other agencies share of M2 costs	-	-	454	-	454
Miscellaneous	29	29	129	-	129
Total revenues	<u>116,121</u>	<u>321,836</u>	<u>3,488,312</u>	<u>9,947,518</u>	<u>13,435,830</u>
Administrative expenditures:					
Sales tax administration fees	831	2,493	34,854	95,494	130,348
Professional services	458	935	31,436	104,012	135,448
Administration costs:					
Salaries and Benefits	1,250	2,749	34,405	99,200	133,605
Other	1,533	4,597	58,546	170,590	229,136
Other	17	45	2,210	15,600	17,810
Capital outlay	-	-	31	-	31
Environmental cleanup	409	1,401	47,421	196,146	243,567
Total expenditures	<u>4,498</u>	<u>12,220</u>	<u>208,903</u>	<u>681,042</u>	<u>889,945</u>
Net revenues	<u>\$ 111,623</u>	<u>\$ 309,616</u>	<u>\$ 3,279,409</u>	<u>\$ 9,266,476</u>	<u>\$ 12,545,885</u>
		(C.2)	(D.2)	(E.2)	(F.2)
Bond revenues:					
Proceeds from issuance of bonds	\$ -	\$ -	\$ 804,625	\$ 199,300	\$ 1,003,925
Interest revenue from bond proceeds	2,850	3,574	87,218	68,952	156,170
Interest revenue from debt service funds	1	3	1,067	3,299	4,366
Interest revenue from commercial paper	-	-	393	-	393
Total bond revenues	<u>2,851</u>	<u>3,577</u>	<u>893,303</u>	<u>271,551</u>	<u>1,164,854</u>
Financing expenditures and uses:					
Professional services	-	-	3,775	698	4,473
Payment to refunded bond escrow	-	-	45,062	-	45,062
Bond debt principal	8,455	8,455	75,550	809,470	885,020
Bond debt and other interest expense	17,686	35,371	284,626	476,974	761,600
Other	-	-	3,020	-	3,020
Total financing expenditures and uses	<u>26,141</u>	<u>43,826</u>	<u>412,033</u>	<u>1,287,142</u>	<u>1,699,175</u>
Net bond revenues (debt service)	<u>\$ (23,290)</u>	<u>\$ (40,249)</u>	<u>\$ 481,270</u>	<u>\$ (1,015,591)</u>	<u>\$ (534,321)</u>

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of
March 31, 2022 (Unaudited)
Schedule 3

Project	Description	Net Revenues through Mar 31, 2022	Total Net Revenues
	(G)	(H)	(I)
	(\$ in thousands)		
Freeways (43% of Net Revenues)			
A	I-5 Santa Ana Freeway Interchange Improvements	\$ 129,258	\$ 494,498
B	I-5 Santa Ana/SR-55 to El Toro	82,560	315,847
C	I-5 San Diego/South of El Toro	172,438	659,680
D	I-5 Santa Ana/San Diego Interchange Upgrades	70,955	271,448
E	SR-22 Garden Grove Freeway Access Improvements	33,002	126,255
F	SR-55 Costa Mesa Freeway Improvements	100,656	385,077
G	SR-57 Orange Freeway Improvements	71,147	272,184
H	SR-91 Improvements from I-5 to SR-57	38,502	147,297
I	SR-91 Improvements from SR-57 to SR-55	114,545	438,209
J	SR-91 Improvements from SR-55 to County Line	96,861	370,558
K	I-405 Improvements between I-605 to SR-55	295,039	1,128,717
L	I-405 Improvements between SR-55 to I-5	87,923	336,364
M	I-605 Freeway Access Improvements	5,500	21,042
N	All Freeway Service Patrol	41,253	157,818
	Freeway Mitigation	70,507	269,737
	Subtotal Projects	1,410,146	5,394,731
	Net (Bond Revenue)/Debt Service	-	-
	Total Freeways	\$ 1,410,146	\$ 5,394,731
	%		
Street and Roads Projects (32% of Net Revenues)			
O	Regional Capacity Program	\$ 327,945	\$ 1,254,604
P	Regional Traffic Signal Synchronization Program	131,172	501,820
Q	Local Fair Share Program	590,294	2,258,259
	Subtotal Projects	1,049,411	4,014,683
	Net (Bond Revenue)/Debt Service	-	-
	Total Street and Roads Projects	\$ 1,049,411	\$ 4,014,683
	%		

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of March 31, 2022 (Unaudited) Schedule 3

Expenditures through Mar 31, 2022 (J)	Reimbursements through Mar 31, 2022 (K)	Net M2 Cost (L)
\$ 10,937	\$ 7,589	\$ 3,348
13,969	9,745	4,224
268,712	50,452	218,260
2,739	529	2,210
5	-	5
60,770	24,187	36,583
51,644	12,432	39,212
34,959	824	34,135
38,929	36,704	2,225
17,431	15,912	1,519
1,138,696	151,885	986,811
9,203	6,954	2,249
4,188	16	4,172
6,170	-	6,170
58,158	6,189	51,969
<u>1,716,510</u>	<u>323,418</u>	<u>1,393,092</u>
<u>139,164</u>	<u>-</u>	<u>139,164</u>
<u>\$ 1,855,674</u>	<u>\$ 323,418</u>	<u>\$ 1,532,256</u>
		48.5%
\$ 794,180	\$ 505,352	\$ 288,828
91,422	12,985	78,437
<u>566,104</u>	<u>77</u>	<u>566,027</u>
1,451,706	518,414	933,292
<u>40,775</u>	<u>-</u>	<u>40,775</u>
<u>\$ 1,492,481</u>	<u>\$ 518,414</u>	<u>\$ 974,067</u>
		30.9%

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of
March 31, 2022 (Unaudited)
Schedule 3

Project	Description	Net Revenues through Mar 31, 2022	Total Net Revenues
	(G)	(H)	(I)
	(\$ in thousands)		
Transit Projects (25% of Net Revenues)			
R	High Frequency Metrolink Service	\$ 314,484	\$ 1,251,266
S	Transit Extensions to Metrolink	289,496	1,107,511
T	Metrolink Gateways	35,117	64,125
U	Expand Mobility Choices for Seniors and Persons with Disabilities	107,947	435,030
V	Community Based Transit/Circulators	65,571	250,851
W	Safe Transit Stops	7,237	27,688
	Subtotal Projects	819,852	3,136,471
	Net (Bond Revenue)/Debt Service	-	-
	Total Transit Projects	\$ 819,852	\$ 3,136,471
	%		
Environmental Cleanup (2% of Revenues)			
X	Clean Up Highway and Street Runoff that Pollutes Beaches	\$ 69,755	\$ 268,705
	Net (Bond Revenue)/Debt Service	-	-
	Total Environmental Cleanup	\$ 69,755	\$ 268,705
	%		
Taxpayer Safeguards and Audits			
	Collect Sales Taxes (1.5% of Sales Taxes)	\$ 50,891	\$ 198,024
	%		
	Oversight and Annual Audits (1% of Revenues)	\$ 34,877	\$ 134,352
	%		

FINANCING

Schedule of Revenues, Expenditures and Changes in Fund Balance as of **March 31, 2022 (Unaudited)** *Schedule 3*

Expenditures through Mar 31, 2022 <i>(J)</i>	Reimbursements through Mar 31, 2022 <i>(K)</i>	Net M2 Cost <i>(L)</i>
\$ 430,014	\$ 98,849	\$ 331,165
143,429	2,133	141,296
98,220	60,956	37,264
103,288	88	103,200
14,770	1,439	13,331
1,200	26	1,174
<u>790,921</u>	<u>163,491</u>	<u>627,430</u>
<u>22,804</u>	<u>-</u>	<u>22,804</u>
<u>\$ 813,725</u>	<u>\$ 163,491</u>	<u>\$ 650,234</u>
		20.6%
<u>\$ 47,421</u>	<u>\$ 311</u>	<u>\$ 47,110</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 47,421</u>	<u>\$ 311</u>	<u>\$ 47,110</u>
		1.4%
<u>\$ 34,854</u>	<u>\$ -</u>	<u>\$ 34,854</u>
		1.0%
<u>\$ 34,405</u>	<u>\$ -</u>	<u>\$ 34,405</u>
		1.0%

LOCAL FAIR SHARE

M2 Funds		
ENTITY	3RD QUARTER FY 2021-22	FUNDS TO DATE
ALISO VIEJO	\$292,107	\$7,020,581
ANAHEIM	\$2,561,329	\$58,664,395
BREA	\$416,209	\$10,083,147
BUENA PARK	\$656,341	\$15,657,815
COSTA MESA	\$1,068,997	\$25,727,436
CYPRESS	\$394,322	\$9,285,531
DANA POINT	\$254,901	\$5,893,809
FOUNTAIN VALLEY	\$462,358	\$10,926,222
FULLERTON	\$984,576	\$22,957,947
GARDEN GROVE	\$1,130,573	\$26,267,690
HUNTINGTON BEACH	\$1,480,991	\$34,355,337
IRVINE	\$2,149,641	\$48,365,143
LAGUNA BEACH	\$182,940	\$4,471,517
LAGUNA HILLS	\$252,501	\$5,992,296
LAGUNA NIGUEL	\$505,111	\$11,735,637
LAGUNA WOODS	\$95,489	\$2,240,238
LA HABRA	\$412,343	\$9,329,331
LAKE FOREST	\$617,278	\$14,050,251

LOCAL FAIR SHARE

M2 Funds		
ENTITY	3RD QUARTER FY 2021-22	FUNDS TO DATE
LA PALMA	\$104,276	\$2,816,201
LOS ALAMITOS	\$98,072	\$2,285,286
MISSION VIEJO	\$679,738	\$16,408,862
NEWPORT BEACH	\$821,243	\$19,401,554
ORANGE	\$1,262,543	\$29,184,532
PLACENTIA	\$358,068	\$8,138,694
RANCHO SANTA MARGARITA	\$321,247	\$7,469,547
SAN CLEMENTE	\$442,775	\$9,982,336
SAN JUAN CAPISTRANO	\$292,735	\$6,705,649
SANTA ANA	\$2,103,823	\$49,049,951
SEAL BEACH	\$178,126	\$4,369,143
STANTON	\$231,111	\$5,271,248
TUSTIN	\$698,576	\$15,860,317
VILLA PARK	\$39,739	\$919,906
WESTMINSTER	\$637,481	\$15,051,280
YORBA LINDA	\$465,225	\$10,650,256
COUNTY UNINCORPORATED	\$1,989,668	\$34,803,856
TOTAL M2 FUNDS	\$24,642,453	\$561,392,940

CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline

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	TBD	TBD	TBD
Project B	\$230.5	Jan-20	Jul-24	Aug-25	Mar-29
I-5, Yale Avenue to SR-55	\$200.4	Aug-18	TBD	TBD	TBD
Project B Cost/Schedule Risk	\$200.4	Jan-20	Jan-24	Mar-25	Sep-28
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	\$195.8	May-14	Aug-18	Dec-19	Green: Sep-24
I-5, Oso Parkway to Alicia Parkway	\$196.2	Jun-14	Jun-17	Jun-18	Nov-23
Project C & D	\$203.1	May-14	Dec-17	Mar-19	Yellow: Jan-24
I-5, Alicia Parkway to El Toro Road	\$133.6	Jun-14	Jun-18	May-19	Oct-24
Project C	\$165.9	May-14	May-19	Sep-20	Green: Oct-24
I-5, SR-73 to El Toro Road (Landscape)	TBD	N/A	TBD	TBD	TBD
Project C	\$12.4	N/A	Mar-24	Nov-24	Jun-26
I-5, I-5/El Toro Road Interchange	TBD	Nov-19	TBD	TBD	TBD
Project D Cost/Schedule Risk	TBD	Red: Jan-23	TBD	TBD	TBD

*Status through March 2022. For detailed project information, please refer to the individual project section within this report.

CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline

Bold = Forecasted/Actual

Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
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	Jul-21	Aug-25
Project F	Cost/Schedule Risk \$503.2	Aug-17	Apr-20	Apr-22	May-26
SR-55, I-5 to SR-91	\$131.3	Jan-20	TBD	TBD	TBD
Project F	\$131.3	Mar-20	Jul-25	Jul-26	Sep-29
SR-57 Northbound (NB), Orangewood Avenue to Katella Avenue	\$71.8	Dec-18	TBD	TBD	TBD
Project G	\$71.8	Mar-19	Apr-24	Mar-25	Nov-27
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

*Status through March 2022. For detailed project information, please refer to the individual project section within this report.

CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline

Bold = Forecasted/Actual

Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
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	\$100.9	Jun-20	Jan-23	Feb-24	Sep-27
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	Jul-23	Jul-24	Mar-28
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	Apr-24	Apr-25	Sep-28
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)	\$2,080.2	Mar-13	Nov-15	Nov-16	Feb-24
Project K	\$2,080.2	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

*Status through March 2022. For detailed project information, please refer to the individual project section within this report.

CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline

Bold = Forecasted/Actual

Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
I-605, I-605/Katella Interchange	\$29.0	Nov-18	Mar-23	Feb-24	Nov-25
Project M	\$29.0	Oct-18	Mar-23	Mar-24	Dec-25
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
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

*Status through March 2022. For detailed project information, please refer to the individual project section within this report.



CAPITAL ACTION PLAN

Grey = Milestone achieved

Green = Forecast milestone meets or exceeds plan

Yellow = Forecast milestone is one to three months later than plan

Red = Forecast milestone is over three months later than plan

Non-bolded = Planned/Baseline

Bold = Forecasted/Actual

Capital Projects	Cost	Schedule			
	Baseline/Forecast	Plan/Forecast			
	(millions)	Complete Environmental	Complete Design	Award Contract	Complete Construction
Rail and Station 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
San Juan Capistrano Passing Siding	\$25.3	Jan-13	May-16	Dec-16	Feb-21
	\$36.4	Mar-14	Aug-18	Mar-19	Nov-20
Anaheim Canyon Station	\$27.9	Dec-16	May-19	Nov-19	Jan-23
	\$34.2	Jun-17	Oct-20	Mar-21	Jan-23
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
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
	\$5.0	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	\$526.1	Mar-12	Sep-17	Aug-18	Mar-24
Project S Cost/Schedule Risk	\$526.1	Mar-15	Nov-17	Sep-18	Mar-24

*Status through March 2022. For detailed project information, please refer to the individual project section within this report.

This Page Intentionally Left Blank



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 Transportation	Caltrans
Capital Action Plan	CAP
Comprehensive Transportation Funding Program	CTFP
Conservation Properties	Preserves
Construction and Maintenance	C&M
Coronavirus	COVID-19
Cost Estimate Review	CER
Early Action Plan	EAP
Environmental Cleanup Allocation Committee	ECAC
Environmental Cleanup Program	ECP
Environmental Document	ED
Environmental Mitigation Program	EMP
Environmental Oversight Committee	EOC
Federal Highway Administration	FHWA
Federal Transit Administration	FTA
Fire Management Plan	FMP
Fiscal Year	FY
Freeway Service Patrol	FSP
Full Funding Grant Agreement	FFGA
High Occupancy Vehicle	HOV
Interstate 5	I-5
Interstate 15	I-15
Interstate 405	I-405
Interstate 605	I-605
Local Fair Share	LFS
Los Angeles County Metropolitan Transportation Authority	LA Metro
Measure M2 or Renewed Measure M	M2
Metrolink Service Expansion Program	MSEP
Notice to Proceed	NTP
Next 10 Delivery Plan	Next 10 Plan
Natural Community Conservation Plan/Habitat Conservation Plan	Conservation Plan
Operation and Maintenance	O&M
Orange County Transportation Authority	OCTA



COMMON ABBREVIATIONS

Orange County Unified Transportation Trust	OCUTT
Ordinance No. 3	M2 Ordinance
Pacific Coast Highway	PCH
Plans, Specifications, and Estimates	PS&E
Program Management Office	PMO
Project Report	PR
Regional Capacity Program	RCP
Regional Traffic Signal Synchronization Program	RTSSP
Request for Proposals	RFP
Resource Management Plan	RMP
Right-of-Way	ROW
Riverside County Transportation Commission	RCTC
Santa Ana Regional Transportation Center	SARTC
Senate Bill 1	SB 1
Senior Mobility Program	SMP
Senior Non-Emergency Medical Transportation	SNEMT
Southern California Edison	SCE
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 133	SR-133
State Route 241	SR-241
State Transportation Improvement Program	STIP
Southern California Regional Rail Authority	Metrolink
Taxpayer Oversight Committee	TOC
Technical Advisory Committee	TAC
Technical Steering Committee	TSC
To Be Determined	TBD
Transportation Investment Plan	Plan
United States Army Corps of Engineers	Corps



November 2021

FREEWAY IMPROVEMENT PROGRAM (A-N)

Interstate 5 (I-5) Projects

- A** I-5, SR-55 to SR-57
- B** I-5, I-405 to SR-55
- C** I-5, SR-73 to El Toro Road
- C** I-5, Avenida Pico to San Juan Creek Road
- D** I-5 Highway Interchanges

State Route 22 (SR-22) Projects

- E** SR-22 Access Improvements

State Route 55 (SR-55) Projects

- F** SR-55, I-405 to I-5
- F** SR-55, I-5 to SR-91

State Route 57 (SR-57) Projects

- 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 Lambert Road
- G** SR-57 NB, Lambert Road to Tonner Canyon Road

State Route 91 (SR-91) Projects

- H** SR-91 WB, I-5 to SR-57
- I** SR-91, SR-57 to SR-55
- J** SR-91, SR-55 to Riverside County Line

Interstate 405 (I-405) Projects

- K** I-405, SR-73 to I-605
- L** I-405, I-5 to SR-55

Interstate 605 (I-605) Projects

- M** I-605 Katella Avenue Interchange Improvements

Freeway Mitigation Restoration Projects
Part of Projects A-M

Freeway Mitigation Acquisition Projects
Part of Projects A-M

STREETS & ROADS (O-Q)

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

TRANSIT PROJECTS (R-W)

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

OTHER PROJECTS NOT SHOWN

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

- Project U:** Senior Mobility Program, Senior Non-Emergency Medical Transportation Program, and Fare Stabilization Program
- Project V:** Community Based Transit/Circulators
- Project W:** Safe Transit Stops
- Project X:** Environmental Cleanup Program



June 6, 2022

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: SB 1196 (Umberg, D-Santa Ana) Update

Overview

SB 1196 (Umberg, D-Santa Ana) seeks to make the Anaheim Transportation Network eligible for state transit funding. The bill was presented to the Orange County Transportation Authority Legislative and Communications Committee and Board of Directors with a recommended oppose position on March 17, 2022, and April 11, 2022, respectively. While no position was adopted at that time, pursuant to direction by the Orange County Transportation Authority Board of Directors, additional conversations have taken place with Senator Umberg and the Anaheim Transportation Network. An update is provided on the status of those discussions.

Recommendation

Provide staff direction on a position for SB 1196 (Umberg, D-Santa Ana).

Discussion

SB 1196 (Umberg, D-Santa Ana): Transportation Development Act: eligibility: Anaheim Transportation Network.

SB 1196 was initially introduced on February 17, 2022, and sought to define the Anaheim Transportation Network (ATN) as a public transportation “operator” in statute to allow ATN to be eligible to receive state transit funding under the Transportation Development Act – from both the Local Transportation Fund (LTF) and State Transit Assistance (STA). By doing this, the bill would have also made ATN eligible for formula funds from both SB 1 (Chapter 5, Statutes of 2017) State of Good Repair (SGR) funding and cap-and-trade Low Carbon Transit Operations Program (LCTOP) funds, which are both allocated via the STA formula. In addition, the bill would have allowed increased eligibility for ATN to apply for competitive grant programs as a transit “operator.” OCTA is currently the primarily recipient for all of these funds in Orange County. Funding from the LTF and STA are the only sources of state transit funding that OCTA can use for

operational purposes, while funding from LCTOP and SGR have been used for a variety of capital and fare programs, including such things as the Youth Ride Free program, the college pass program, and zero-emission technology.

According to their articles of incorporation, ATN is a nonprofit public benefit corporation that was initially formed through an environmental mitigation measure under the Anaheim Resort Specific Plan environmental impact report to consolidate various shuttles operated by resorts and attractions within the Anaheim resort area.

Based within the Anaheim resort area, ATN's Board of Directors are not elected officials, but rather consist of resort hoteliers, Disneyland, Angels Baseball, the Honda Center, and other hospitality organizations. The City of Anaheim has a seat on the Board of Directors, currently held by the city's Deputy Director of Convention, Sports & Entertainment. ATN provides a service primarily designed to transport guests to and from Disneyland and other tourist destinations and is not designed to serve Orange County's general transit riding public. Illustrating this point, in ATN's 2021 Annual Stakeholder Report, it stated that 79 percent of total passenger boardings for 2021 were from Disneyland's Toy Story parking lot. In 2020, 46 percent of ATN's total revenues were generated from this parking lot.

As originally introduced, this bill would have significant impacts on OCTA funding while not providing a commensurate level of public transportation. Based on the analysis of the bill in its initial form, Orange County Transportation Authority (OCTA) staff estimated that if SB 1196 passed as introduced, ATN could be eligible for about \$26 million from all funding sources, representing about 17 percent of OCTA's existing service levels. A majority of these funds would be diverted away from OCTA.

OCTA staff presented on SB 1196 to the March 17, 2022, Legislative and Communications Committee meeting, and the April 11, 2022, Board of Directors (Board) meeting, and recommended an "oppose" position. Staff presented this "oppose" recommendation because of concerns not only about the significant shift of funding away from OCTA to an entity that does not currently meet the definition of a public transportation "operator," directly impacting transit services throughout Orange County, but also because of concerns that this bill was inconsistent with statutory intent to facilitate coordinated transit planning and service in the County through OCTA. OCTA's initial analysis of the bill is included as Attachment A. Following its deliberation, the Board did not take a position, rather directing staff to meet with ATN and explore the potential for a non-legislative pathway, and work with Senator Umberg to limit the impacts of the bill. The Board also emphasized the importance of working with Senator Umberg to ensure that in any alternative, the result would be a net funding gain for Orange County and would not divert funds from OCTA.

Since that Board direction, OCTA staff has met with both ATN and Senator Umberg. In these meetings, OCTA has conveyed that existing statute affords ATN the opportunity to qualify for state transit funding if they can qualify as a “municipal operator,” as defined under statute. This would mean that ATN would have to be “wholly owned or controlled by the city or county.” OCTA has offered to work with ATN and assist them in meeting this requirement, if this is a path ATN would like to pursue. Senator Umberg has indicated that while he supports those conversations, he would like to pursue a double-track approach, and continue moving forward with SB 1196.

SB 1196 has been amended since it was initially presented to the Board. The bill in its current form is included as Attachment B. As SB 1196 currently reads, ATN would be defined as an “STA-eligible operator,” for purposes of Section 99314 of the Public Utilities Code, which governs the distribution of STA funding based on each transit agency’s annual revenues. This would only be the case if ATN’s bylaws are amended to increase transparency and accountability, including to provide for appointment of ATN’s Board of Directors by the Anaheim City Council.

While this language is an effort to try to narrow ATN’s eligibility for state transit funding and increase public accountability of its Board of Directors, there are still concerns that this would not preclude ATN from accessing funds from other state transit funding sources, redirecting funding from OCTA. This concern was confirmed in the Senate Floor Legislative Analyses for the bill (Attachment C), in addition to that analysis confirming an existing process to allow for eligibility, as provided under a bill OCTA supported in 2017, AB 1113 (Chapter 86, Statutes of 2017). Similar conclusions were also reached in the Senate Appropriations Committee analysis (Attachment D), which also notes that ATN is not a public transportation operator and that is why they do not currently qualify for state transit funding. Senate Appropriations Committee analysis expresses concern that SB 1196 creates a precedent of ATN sidestepping existing law by avoiding restructuring as a fully public transit district, and instead just defining themselves as eligible for state transit funding in statute. This could be replicated by other entities in the State if successful, further diluting funding available for public transportation purposes.

In a good faith effort to make SB 1196 be consistent with the stated intent of Senator Umberg and ATN, and also address concerns raised by OCTA and state legislative staff, OCTA staff drafted amendments to the bill, which are included as Attachment E. These amendments would do the following:

1. Remove the amendments out of the existing section to a standalone section, and clearly state that ATN would only be eligible for funding the revenue share of STA funding, and will not be eligible for or claim funds from the LTF, SGR, LCTOP, or future transit operations funding. The language would also ensure that OCTA is reimbursed for any funding lost

due to ATN's eligibility for funding it receives pursuant to Public Utilities Code section 99314.

2. Consistent with existing law, clearly state that OCTA is the entity which would make the findings that ATN is eligible for the funding provided pursuant to Public Utilities Code section 99314.
3. Include required findings to ensure that ATN increases transparency and is in compliance with government transparency and accountability rules – including existing language in SB 1196 related to the appointment of the ATN Board of Directors by the Anaheim City Council, and additional language to ensure compliance by ATN with the Ralph M. Brown Act, Fair Political Practices Commission requirements and the California Public Records Act.
 - a. As part of the findings, ensure there is no duplication of routes between OCTA and ATN, and that ATN reimburses OCTA for any complementary paratransit service required as part of ATN's service.
 - b. As part of the findings, ensure that ATN is addressing a demand that exists for transit service, and that OCTA cannot otherwise provide that service. As part of this effort, analysis can be done related to equity considerations.
 - c. Include a requirement that ATN must supply OCTA with any required documentation to make the associated findings.
4. Include language to cross-reference existing statutory provisions that make OCTA the lead agency for the planning and development of any future fixed guideway projects.
5. Cross-reference existing requirements related to STA funding that ATN would be subject to, if deemed eligible.

OCTA has shared these amendments with Senator Umberg's office, who at the time this staff report was drafted, has shared them with ATN and is awaiting comment or input. At the June 6, 2022, Executive Committee meeting, OCTA staff will provide an update on the status of these suggested amendments. SB 1196 is currently pending in the Assembly Transportation Committee, and must be voted on before July 1, 2022, to remain viable. The last scheduled Assembly Transportation Committee hearing is June 27, 2022, with position letters due by June 20, 2022. The last day for the author to amend the bill prior to the committee hearing, pursuant to Assembly Transportation Committee deadlines, is June 17, 2022. Given these deadlines, if the Board wishes to inform this bill when it is heard in policy committee, a position would need to be adopted at the June 13, 2022, Board meeting.

Summary

An update is provided on a bill to allow the Anaheim Transportation Network to be eligible for state transit funding.

Attachments

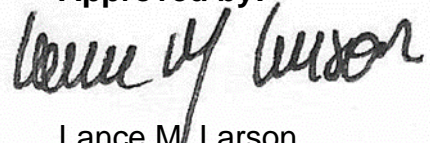
- A. SB 1196 (Umberg, D-Santa Ana) Bill Analysis, dated February 28, 2022
- B. SB 1196 (Umberg, D-Santa Ana) Bill Language
- C. Senate Rules Committee, Office of Senate Floor Analysis – SB 1196 (Umberg, D-Santa Ana)
- D. Senate Committee on Appropriations Analysis – SB 1196 (Umberg, D-Santa Ana)
- E. OCTA Proposed Amendments to SB 1196 (Umberg, D-Santa Ana)

Prepared by:



Kristin Jacinto
Manager, State and Federal
Relations
(714) 560-5754

Approved by:



Lance M. Larson
Executive Director,
Government Relations
(714) 560-5908

BILL: SB 1196 (Umberg, D-Santa Ana)
Introduced February 17, 2022

SUBJECT: SB 1196 would redirect state transit funding to a private shuttle operator from public transportation purposes in Orange County

STATUS: Pending in Senate Transportation Committee

SUMMARY AS OF FEBRUARY 28, 2022:

SB 1196 (Umberg, D-Santa Ana) would define Anaheim Transportation Network (ATN) as a public transportation “operator” in statute and allow ATN to be eligible to receive state transit funding under the Transportation Development Act (TDA) – from both the Local Transportation Fund (LTF) and State Transit Assistance (STA). In addition, ATN would be eligible for formula funds from both SB 1 (Chapter 5, Statutes of 2017) State of Good Repair (SGR) funding and cap-and-trade Low Carbon Transit Operations Program (LCTOP) funds, which are both allocated via the STA formula. By being defined as a public “operator” in statute, ATN could be eligible for various state competitive funding programs like the Transit and Intercity Rail Capital Program.

EFFECTS ON ORANGE COUNTY:

According to their articles of incorporation, ATN is a nonprofit public benefit corporation that was initially formed through an environmental mitigation measure under the Anaheim Resort Specific Plan environmental impact report to consolidate various shuttles operated by resorts and attractions within the Anaheim resort area. Based in the Anaheim resort area, ATN’s Board of Directors are not elected officials, but rather consist of resort hoteliers, Disneyland, Angels Baseball, the Honda Center and other hospitality organizations. The City of Anaheim has a seat, currently held by the city’s Deputy Director of Convention, Sports & Entertainment. While primarily focused on transporting riders within the resort district of Anaheim, ATN has previously operated routes in other cities, including Costa Mesa, Garden Grove, Buena Park and Orange. These routes were all intended, however, to serve guests of the resort district. According to their 2021 Title VI Plan:

- 88 percent of ATN’s ridership live outside of Southern California
- 64 percent of ATN’s ridership live outside of the State
- 93 percent of trips on ATN were for vacations or to attend conventions or meetings

ATN provides a service primarily designed to transport guests to and from Disneyland and other tourist destinations and is not intended to serve Orange County’s general transit riding public. Illustrating this point, in ATN’s 2021 Annual Stakeholder Report, it stated that 79 percent of total passenger boardings for 2021 were from Disneyland’s Toy Story parking lot. In 2020, 46 percent of ATN’s total revenues were generated from this parking lot.

SB 1196 is unprecedented in not only seeking to add an additional entity within the definition of public “operator” in an area already served by an existing transit district, but in also adding an entity that is primarily created and operated to serve private interests.

This is inconsistent with the intent of the statutes governing state transit funding, and in the State's overall goals to facilitate coordinated transit planning to promote increased ridership.

SB 1196 would not only define ATN as a public "operator," making it eligible for both the population and revenue components of STA funding, but it would also define ATN's operation area – tied specifically to its articles of incorporation – for purposes of LTF eligibility. This would significantly shift transit funding within Orange County as a result of ATN seeking eligibility for both STA and LTF, in addition to those funding sources like LCTOP and SGR that are directly linked to STA. In total, it is estimated that ATN could be eligible for about \$26 million from all funding sources, representing about 17 percent of the Orange County Transportation Authority's (OCTA) existing service levels. Only about \$900,000 is estimated to be based on new revenues to Orange County, with the vast majority coming directly from OCTA's share of those fund sources. Any increased funding to Orange County, as a result of this bill, would come directly from other transit agencies in the State. Because of uncertainties associated with ATN's current revenues, and on its ability to comply with TDA requirements related to farebox, operational costs, etc., there is the potential that less funding could be generated, and Orange County could actually lose funding if ATN cannot comply with state requirements.

If SB 1196 were to pass, nothing in the bill requires OCTA to approve this funding shift or conduct any oversight related to the need for these funds or services, which is what occurs in the case of municipal operators in other parts of the State. There is no requirement this diversion of funds be negotiated in any manner, nor is any limitation placed on total funds that can be provided to ATN. Because of the broad definition of operating area included in SB 1196, and the ability for ATN to amend its articles of incorporation at any time, ATN would have discretion to argue for an even higher share of funding than what is outlined above.

Because of the immediate impact to OCTA's budget, a significant decrease in service and workforce demands would immediately take place. OCTA would potentially be forced to stop operating its service within ATN's operating area, including the complementary paratransit service. ATN does not offer paratransit service that complies with federal requirements, which could impact residents in that service area. By having to eliminate service, this could lead to a disruption on some of OCTA's most in-demand transit routes in the county's most disadvantaged communities that connect to other cities within Orange County. Adding a new transit operator to the county would also create increased complexity in fares and tickets, inconsistent with statewide trends. This would be a direct impact to some of the most disadvantaged residents of the county, and completely disrupt coordinated transit planning. Furthermore, the reduction in funding from sources like LCTOP and SGR could directly impact OCTA's projects funded by those programs, including the Youth Ride Free program, college pass programs, and zero-emission bus purchases.

An OPPOSE position is consistent with OCTA's 2021-22 State Legislative Platform principle to "Oppose redirecting or reclassifying transportation revenue sources, including

earned interest, for anything other than their intended purposes” and to “Support the retention of existing and future local revenue sources.”

OCTA POSITION:

Staff recommends: OPPOSE

AMENDED IN SENATE APRIL 18, 2022

AMENDED IN SENATE APRIL 4, 2022

SENATE BILL

No. 1196

Introduced by Senator Umberg

February 17, 2022

An act to amend Section 99312.2 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1196, as amended, Umberg. State Transit Assistance Program: eligibility: Anaheim Transportation Network.

Existing law establishes the State Transit Assistance (STA) Program under the Transportation Development Act. Existing law requires the transfer of a specified portion of the sales tax on diesel fuel, in addition to various other revenues, to the Public Transportation Account, a trust fund in the State Transportation Fund. Pursuant to the STA program, existing law requires certain funds in the account to be allocated by the Controller by formula to specified local transportation agencies for public transportation purposes. Existing law provides that only STA-eligible operators are eligible to receive an allocation from a local transportation agency from the portion of program funds based on transit operator revenues and makes those operators eligible for other certain funds under the STA program, as provided. Under existing law, an STA-eligible operator is defined as a public transportation operator eligible to claim local transportation funds.

This bill would, for purposes of the STA ~~program~~, *program funds allocated based on transit operator revenues*, expand the definition of an STA-eligible operator to include the Anaheim Transportation Network if its bylaws are revised to increase transparency and

accountability, including to provide for the appointment of its board of directors by the Anaheim City Council.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 99312.2 of the Public Utilities Code is
2 amended to read:

3 99312.2. (a) The State Transit Assistance Program, also known
4 as the STA program, which provides for allocations of funds made
5 available from the Public Transportation Account pursuant to
6 Sections 99313 and 99314, and which is governed by Sections
7 99312 to 99314.9, inclusive, is hereby continued in existence. The
8 purpose of the STA program is to provide a source of state funding
9 to eligible public transportation operators and other transportation
10 agencies in order to support their local and regional transit
11 operating and capital needs.

12 (b) For purposes of the STA program, the following terms shall
13 have the following meanings:

14 (1) “Public transportation operator” has the same meaning as
15 “operator,” as defined in Section 99210, as long as that operator
16 operates a “public transportation system,” as defined in Section
17 99211.

18 (2) “STA-eligible operator” means a public transportation
19 operator eligible to claim local transportation funds under either
20 Article 4 (commencing with Section 99260) or Article 8
21 (commencing with Section 99400), or under both articles, and ~~also~~
22 *also, for purposes of funds allocated pursuant to Section 99314,*
23 means the Anaheim Transportation Network for public
24 transportation purposes if the Anaheim Transportation Network’s
25 bylaws are revised to increase transparency and accountability,
26 including to provide for the appointment of the Anaheim
27 Transportation Network’s board of directors by the Anaheim City
28 Council.

29 (c) The only entities eligible to receive direct allocations from
30 the Controller under Sections 99313 and 99314 shall be
31 transportation planning agencies, county transportation
32 commissions, and the San Diego Metropolitan Transit Development
33 Board. The Controller shall distribute funds attributable to

1 transportation planning agencies, county transportation
2 commissions, and the San Diego Metropolitan Transit Development
3 Board to the applicable county treasurer’s office. Upon the request
4 of a transportation planning agency, county transportation
5 commission, or the San Diego Metropolitan Transit Development
6 Board, the Controller shall instead distribute the applicable funds
7 directly to the requesting agency.

8 (d) Only STA-eligible operators shall be eligible to receive STA
9 program funds allocated by transportation planning agencies,
10 county transportation commissions, and the San Diego
11 Metropolitan Transit Development Board pursuant to Section
12 99314. An STA-eligible operator, at its discretion, may further
13 suballocate funds it receives pursuant to Section 99314 to an entity
14 operating local community transit services that is eligible to claim
15 local transportation funds pursuant to Article 4.5 (commencing
16 with Section 99275) but that is otherwise ineligible to directly
17 receive funds allocated pursuant to Section 99314.

18 (e) An entity operating community transit services pursuant to
19 Article 4.5 (commencing with Section 99275) may be allocated
20 funds pursuant to Section 99313 as a subrecipient at the discretion
21 of the transportation planning agency, the county transportation
22 commission, or the San Diego Metropolitan Transit Development
23 Board.

24 (f) The Los Angeles County Metropolitan Transportation
25 Authority, which is both a county transportation commission for
26 purposes of Sections 99313 and 99314, and an STA-eligible
27 operator for purposes of Section 99314, may incorporate into its
28 report pursuant to Section 99243 any operating costs for local
29 community transit service under contract with the authority,
30 including service provided by a consolidated transportation service
31 agency pursuant to Section 99204.5 or by operators eligible to
32 expend local transportation funds only under Article 4.5
33 (commencing with Section 99275).

O

SENATE RULES COMMITTEE
Office of Senate Floor Analyses
(916) 651-1520 Fax: (916) 327-4478

SB 1196

THIRD READING

Bill No: SB 1196
Author: Umberg (D)
Amended: 4/18/22
Vote: 21

SENATE TRANSPORTATION COMMITTEE: 12-1, 4/26/22
AYES: Gonzalez, Allen, Archuleta, Becker, Cortese, Dodd, Limón, McGuire,
Min, Newman, Rubio, Skinner
NOES: Melendez
NO VOTE RECORDED: Bates, Dahle, Wieckowski, Wilk

SENATE APPROPRIATIONS COMMITTEE: 6-0, 5/19/22
AYES: Portantino, Bradford, Jones, Kamlager, Laird, Wieckowski
NO VOTE RECORDED: Bates

SUBJECT: State Transit Assistance Program: eligibility: Anaheim
Transportation Network

SOURCE: Anaheim Transportation Network

DIGEST: This bill expands the definition “State Transit Assistance (STA)-eligible operator” to include the Anaheim Transportation Network (ATN), for the purposes of receiving STA funds for public transportation purposes if ATN’s bylaws are revised to increase transparency and accountability, including to provide for the appointment of the ATN’s Board of Directors by the Anaheim City Council. This bill also declares that ATN is an STA-eligible operator for the purposes of STA funding allocated according to transit operator revenues from the prior fiscal year.

ANALYSIS:

Existing law:

- 1) Provides, pursuant to the Transportation Development Act (TDA) of 1971, funding for transit and non-transit related purposes that comply with regional transportation plans. It serves to improve existing public transportation services and encourage regional transportation coordination. TDA provides funding for public transit from two funding sources: 1) the Local Transportation Fund (LTF), which is derived from a 1/4 cent of the general sales tax collected statewide; and 2) the State Transit Assistance fund (STA), which is derived from the statewide sales tax on diesel fuel.
- 2) Defines 1) public transit “operator” as any transit district, included transit district, municipal operator, included municipal operator, or transit development board; 2) “public transportation system” as any system of an operator which provides transportation services to the general public by any vehicle which operates on land or water, regardless of whether operated separated from or in conjunction with other vehicles; and 3) “municipal operator” as a city or county, including any nonprofit corporation or other legal entity wholly owned or controlled by the city or county, which operates a public transportation system, or which on July 1, 1972, financially supported, in whole or in part, a privately owned public transportation system, and which is not included, in whole or in part, within an existing transit district.
- 3) Defines “STA-eligible operator” as a public transportation operator eligible to claim LTF under either Article 4 or Article 8 of TDA law, or under both articles.
- 4) Defines “qualifying revenues” to mean fare revenues, including fares generated for community transit services under contract with the STA-eligible operator, and any other funds used by the operator in the delivery of transit service, except federal and state funds.
- 5) Requires the State Controller’s Office (SCO) to allocate funds to specified regional transportation planning agencies (RTPA)s for public transportation purposes. Requires STA funds be allocated by the SCO by formula with 50% being allocated according to population and 50% being allocated according to transit operator revenues from the prior fiscal year.

- 6) Requires that only STA-eligible operators are eligible to receive an allocation from the portion of program funds based on transit operator revenues, which includes an amount corresponding to the STA-eligible operators within the jurisdiction of each RTPA. Requires amount allocated to a RTPA be based on the ratio that the total qualifying revenue of all STA-eligible operators in the jurisdiction bears to the total qualifying revenue of all STA-eligible operators in the state.
- 7) Requires the RTPA with jurisdiction over a transit operator to verify the operator is eligible for funding under the STA program prior to the operator submitting its report to the SCO, and requires the SCO to reflect the verification on the operator's report.
- 8) Requires the SCO to design and adopt a uniform system of accounts and records under which operators, as defined, prepare and submit annual reports of their operation.
- 9) Requires operators to prepare and submit annual reports of their operation to RTPAs having jurisdiction over them and to the SCO. Requires the report to contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available. Requires the report to specify (1) the amount of revenue generated from each source and its application for the prior fiscal year, and (2) the data necessary to determine which section, as specified, the operator is required to be in compliance in order to be eligible for funds.
- 10) Imposes certain financial requirements on transit operators making claims for transit funds, including requirements that fares collected by the operator cover a specified percentage of operating costs, and that an operator's total operating cost per revenue vehicle hour not exceed operating revenues and the percentage change in the Consumer Price Index (CPI). Establishes different farebox recovery requirements depending upon population.

This bill:

- 1) Expands the definition of "STA-eligible operator" to include ATN for public transportation purposes if ATN's bylaws are revised to increase transparency and accountability, including to provide for the appointment of ATN's Board of Directors by the Anaheim City Council.

- 2) Declares that ATN is an STA-eligible operator for the purposes of STA funding allocated according to transit operator revenues from the prior fiscal year.

Background

- 1) *Who is ATN?* ATN is a local non-profit 501 (c) (4) transportation management association and a service provider of the Anaheim Resort Transportation (ART) system. ATN provides transportation services to the cities of Anaheim, Garden Grove, Santa Ana, Buena Park, Costa Mesa and Orange by operating a fleet of transit buses along fixed routes to provide transportation to local and regional event destinations, rail stations, retail establishments, etc. They operate along a system of 22 fixed routes and with an active fleet of 74 alternative fuel buses. Prior to March 2020, ATN was expecting to have an annual ridership of over 9.5 million passengers.
- 2) *How did ATN get started?* As described in the 2017 report, *Integrated Transportation and Capacity Building Plan (Plan)*, ATN was created in 1995 to provide various public transportation services to the City of Anaheim, including managing a transportation demand management program for large employers. According to recent press reports, roughly 88% of ATN's ridership lives outside of Southern California, with 64% living outside of the state. Nearly 93% of ATN trips were for people on vacations or attending conventions.

ATN's articles of incorporation states that, "the specific purpose of this corporation is to organize the collective actions of the public and private sectors to address the unique transportation and air quality issues of local employers, major event centers, and visitor-and convention-related businesses located throughout certain portions of the City of Anaheim, California known as the Anaheim Resort Area ("ARA") and Stadium Business Center ("SBC"); to facilitate a forum for the corporation's members and other interested persons to work together to develop workable transportation solutions; and to provide leadership to maximize access, enhance mobility, and assist with regulatory compliance, including environmental mitigation measures, all for the benefit of the corporation's members and the public who are visitors to, or are employed within, the ARA, and the SBC."

The relationship between ATN and the City of Anaheim was formalized in 2004, when the City awarded ATN a non-exclusive franchise agreement to operate ART service in Anaheim. This agreement was renewed in 2011 and again in 2019.

- 3) *How is ATN governed?* ATN is currently governed by a 15 member Board of Directors plus one ex-officio non-voting member, and ATN's Executive Director and General Counsel. The members represent resorts and businesses that are part of ATN's service territory, including Disneyland and the Anaheim Ducks arena. One board member represents the City of Anaheim. Some of the members of the Board are elected and some appointed, both by business members of the ATN service territory. Although ATN is not a public agency, according to their bylaws, the Board of Directors observe the Ralph M. Brown Act for their meetings. However, it is unclear if ATN also complies with the California Public Records Act and the California Political Reform Act as required for public agencies.
- 4) *How is ATN funded?* ATN is funded from a variety of sources, including locally generated fees, fare revenue, and some federal apportionments and grants. According to their bylaws, ATN collects membership dues from lodging establishments, retail facilities, event centers, commercial offices, institutional uses, manufacturing facilities, and standalone restaurants. Additionally, ATN receives funding from local assessments, with revenue generated by a 2% fee levied on hotel/motel room rentals and 25% of the funds are required to be allocated to support transportation activities, including ATN.

As mentioned, ATN also receives funding from the Federal Transit Administration (FTA). Specifically, ATN is authorized to contribute their ridership data to the National Transit Database, which makes them eligible to receive some federal funding. Specifically, according to the Orange County Transportation Authority (OCTA), ATN receives annual allocations based on this ridership data from FTA's Urbanized Area Formula Grants (5307) program at roughly \$750,000 annually, which is allocated to ATN through OCTA. The funds can be used for capital projects and operations.

According to ATN, they have also received federal funding from FTA's Bus and Bus Facilities (5339) program, which provides one-time grants to replace, rehabilitate and purchase buses and related equipment. Additionally, in 2018, ATN received a grant from the state's Transit Intercity Rail Capital Program, (TIRCP) for \$28 million to start a micro transit service; electrify its fleet, including the purchase and deployment of 40 ZEB electric buses; and build new operations and maintenance facilities.

- 5) *What is STA and how does it work?* In 1971, the Legislature enacted the Mills-Alquist-Deddeh Act, otherwise known as TDA, which dedicated a statewide 1/4 cent sales tax to local transportation. That 1/4 cent sales tax, now known as the LTF, generates over \$1.6 billion annually primarily for public transit. Later, the Legislature created a second state funding source for public transit under the TDA called the STA. The STA, which generates more than \$700 million annually, is derived from the sales tax on diesel fuel and can be used by transit operators for both capital projects and transit operations. STA is distributed throughout the state to RTPAs, half based on population and half based on annual revenues generated by each eligible entity. The RTPA then allocates the funding share to each eligible entity in their jurisdiction. To receive STA funds, a transit operator must be deemed eligible by the relevant RTPA for the area in which they operate. The RTPA is required to certify and report the eligible transit operators to SCO.
- 6) *What is an STA-eligible operator?* Specifically, TDA law defines a public transit operator as, “any transit district, included transit district, municipal operator, included municipal operator, or transit development board.” Additionally, the passage of AB 1113 (Bloom, Chapter 86, Statutes of 2017), which revised and recast provisions of the STA program, defined an STA-eligible operator for the purposes of receiving STA funding. Specifically, an STA-eligible operator is a public transit operator, as defined above, that operates a public transportation system, and is eligible to claim LTF funding under TDA. In addition to defining STA-eligible operator, AB 1113 set up a process requiring each RTPA to certify that each transit provider in their jurisdiction meet the definitions and requirements to be an STA-eligible operator.

STA-eligible operators also must meet numerous reporting requirements to continue to receive state funds. For example, they are required to prepare and submit annual reports of their operations to RTPAs and to the SCO. The report, called Financial Transactions Report (FTR), details the operator’s revenue and expenditures for the fiscal year. The data in the FTR is used to calculate STA payments to transit operators based on “qualifying revenue” of each of the state’s transit agencies. Additionally, STA-eligible operators are required to meet state performance measures including requirements that fares collected by the operator cover a specified percentage of operating costs, and that an operator’s total operating cost per revenue vehicle hour not exceed operating revenues and the percentage change in the Consumer Price Index (CPI), and

certain farebox recovery ratios. The SCO and the California Department of Transportation (Caltrans), oversee operators' compliance with these measures.

Comments

- 1) *Purpose.* According to the author, “public transportation is an important service to the citizens and economy in Orange County who rely on these resources. Over 9.5 million resident, employees, and visitors use the Anaheim Transportation Network each year to connect with job centers, theme parks, and other venues. The Anaheim Transportation Network is a nonprofit, federally recognized transportation agency that receives federal funds to support its services. However, Anaheim Transportation Network is currently ineligible for state funds that would allow their transportation network to expand and improve to better serve their community. Therefore, SB 1196 will put the Anaheim Transportation Network on a level playing field with other public transportation services in California by making the network eligible to receive State Transit Assistance funds.”
- 2) *SB 1196 declares ATN is an STA-eligible operator.* SB 1196 was introduced to define ATN as a STA-eligible public transit operator under state law for the purposes of receiving STA funding. Currently, although ATN does receive federal funding, it is not eligible for state transit operating funds as established by TDA law. Recent author's amendments attempt to narrow the impact of the bill by specifying that ATN is an STA-eligible operator for the “purposes of fund allocated pursuant to section 99314 of the Public Utilities Code.” This is the portion of STA funds that are calculated based on the qualifying revenues generated by each transit agency in a specific RTPA area. According to ATN, they are attempting to not negatively impact OCTA's funding that they receive from the portion of STA based on the population of Orange County.

Although ATN may have the intent of “walling off” only the revenue portion of STA funds, declaring ATN a STA-eligible operator may have wider reaching impacts. First, it is unclear whether ATN would become eligible to also be a claimant for LTF funds in the future. TDA law is quite intertwined and one of the requirements for being a STA-eligible operator is the ability to claim LTF funds. Additionally, being a STA-eligible operator automatically makes the agency eligible for programs that use STA eligibility and formulas. These include the Low Carbon Transit Operations Program (LCTOP), funded by the state's cap-and-trade revenues; and the SB 1 program, State of Good Repair program. According to an analysis by OCTA, ATN could have the potential to

be eligible for over \$25 million annually in funding. However, if the bill is able to be implemented as intended by ATN, ATN estimates they would receive roughly \$930,000 annually. The actual number is unknown as the SCO would verify the qualifying revenue for ATN to calculate STA funding to be allocated.

Finally, ATN would have to comply with state operational costs ratios, and likely TDA requirements for farebox recovery.

- 3) *SB 1196 requires ATN to change.* SB 1196 would require ATN's bylaws to be revised to increase transparency and accountability, including providing for the appointment of the Board of Directors by the Anaheim City Council. It is unclear what the impact of this requirement would be. Specifically, there are no definitions for what increasing transparency and accountability would mean. As mentioned, currently ATN voluntarily complies with the Brown Act for the purposes of public meetings. However, it is unclear whether their Board members and staff have been designated by the agency to comply with the Political Reform Act and file a Statement of Economic Interest (Form 700) with the Fair Political Practices Commission. Would this be considered a way to increase transparency and accountability? Also, the bill requires these changes to happen before ATN would receive any STA funding, but it is unclear what entity would oversee and determine whether ATN has complied.

The bill also requires the Anaheim City Council to appoint the Board of Directors. Would the make-up of the Board change? Would more public members be added? Also, it is unclear if there are any legal implications, (e.g. public agency requirements), that might apply if the city appoints all of the members of the Board. Finally, if as part of this process, ATN and City of Anaheim decide they want to update the incorporation status of ATN from a non-profit to be a public agency, what impact would that have for OCTA and what funding would ATN then be eligible for?

- 4) *OCTA and ATN could work together.* As detailed above, there is an existing AB 1113 process for transit providers to become STA-eligible operators. As ATN evolves, they could work with OCTA to determine what requirements would need to be met and try to develop a path to become a public transit operator under TDA law. However, SB 1196 legislates ATN's eligibility and attempts to define and limit the funding they could receive. TDA law still requires OCTA to certify STA-eligible operators within their jurisdiction to the SCO before any STA or other funds would be allocated. This would include OCTA confirming that ATN meets the legal requirements and ATN

would submit FTR's and other required financial documents to SCO to determine eligibility and funding amount.

- 5) *SB 1196 has statewide impacts.* AB 1113 was developed through a consensus process by the California Transit Association to clear up any confusion by operators and the SCO about who is eligible for STA funding. Adding a new operator through legislation and bypassing this process sets a concerning precedent, and could create a path for other agencies and organizations to become STA-eligible operators. STA represents a major source of funding for transit operations. Any additional STA-eligible operators added to the program, or to LCTOP or State of Good Repair, dilutes funds from every other agency in the state. At a time when transit operators continue to struggle back from COVID-19, adding new operators will impact their resources, even if it is a small amount per agency.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- Unknown significant redirection of Public Transportation Account funds from other STA-eligible transit operators to ATN. Staff notes that the bill would not result in additional expenditures of state funding. Rather, funds allocated to ATN would be deducted from the amounts that would otherwise be allocated to other STA-eligible operators on a formula basis. Specifically, the actual amount redirected to ATN would be based upon the ratio of its qualifying revenues, as reported to the State Controller's Office (SCO), in relation to the total qualifying revenue of all STA-eligible operators in the state. (Public Transportation Account)
- The SCO indicates that costs to add ATN to the STA program would be minor, including reviews of annual financial transactions reports of qualifying revenues used to determine allocation amounts. (General Fund)

SUPPORT: (Verified 5/19/22)

Anaheim Transportation Network (source)
Anaheim Chamber of Commerce
Antelope Valley Transit Authority
Build
BYD North America
California Teamsters Public Affairs Council
Chrysalis

Knott's Berry Farm
Orange County Conservation Corps
Rotary Club of Anaheim
Sunline Transit Agency
Teamsters Local 952
Visit Anaheim

OPPOSITION: (Verified 5/19/22)

None received

ARGUMENTS IN SUPPORT: According to the Rotary Club of Anaheim, “public transportation service, like those provided by ATN, play a critical role in getting our clients to and from job sites. The area serviced by ATN is the core of the job market in Orange County. By strengthening our local transit system, we will be better positioned to service the needs of our community.”

Prepared by: Melissa White / TRANS. / (916) 651-4121
5/21/22 15:56:46

**** **END** ****

SENATE COMMITTEE ON APPROPRIATIONS
Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

SB 1196 (Umberg) - State Transit Assistance Program: eligibility: Anaheim Transportation Network

Version: April 18, 2022

Urgency: No

Hearing Date: May 9, 2022

Policy Vote: TRANS. 12 - 1

Mandate: No

Consultant: Mark McKenzie

Bill Summary: SB 1196 would designate the Anaheim Transportation Network (ATN) as a “State Transit Assistance (STA)-eligible operator” for purposes of receiving allocations of specified STA funds for public transportation purposes, if certain conditions are met.

Fiscal Impact:

- Unknown significant redirection of Public Transportation Account funds from other STA-eligible transit operators to ATN. Staff notes that the bill would not result in additional expenditures of state funding. Rather, funds allocated to ATN would be deducted from the amounts that would otherwise be allocated to other STA-eligible operators on a formula basis. Specifically, the actual amount redirected to ATN would be based upon the ratio of its qualifying revenues, as reported to the State Controller’s Office (SCO), in relation to the total qualifying revenue of all STA-eligible operators in the state. (Public Transportation Account)
- The SCO indicates that costs to add ATN to the STA program would be minor, including reviews of annual financial transactions reports of qualifying revenues used to determine allocation amounts. (General Fund)

Background: Existing law, under the Transportation Development Act (TDA or Mills-Alquist-Deddeh Act), establishes the State Transit Assistance Program to provide state funding to eligible public transportation operators and other transportation agencies to support local and regional transit operating and capital needs. STA funds are derived from the state sales tax on diesel fuel revenues, which are continuously appropriated to the SCO and allocated to transportation planning agencies pursuant to statutory formulas, and subsequently distributed to eligible public transit operators. Half of the STA funds are allocated on the basis of each region’s proportionate share of the state’s population (Public Utilities Code Sec. 99313), and half of the funds are allocated on the basis of the proportionate share of the total qualifying revenue of all STA-eligible operators in the state (PUC Sec 99314), as specified. According to SCO reports, the diesel fuel sales tax generated approximately \$670 million in STA funding in 2019-20, but revenues have dropped dramatically as a result of the COVID-19 pandemic, falling to \$319 million in 2021-22.

Existing law defines an “STA-eligible operator” as a public transportation operator (transit district, municipal operator, or transit development board) that operates a public transportation system providing transportation services to the general public, as

specified, and that is eligible to claim TDA funding derived from a ¼ cent of the state general sales tax dedicated to public transit (the Local Transportation Fund). Each regional transportation agency (RTPA) certifies eligibility of transit operators that receive STA funds and reports eligible operators to the SCO. Each STA-eligible operator must submit a financial transactions report (FTR) to the SCO each year that specifies the amount of revenue generated from specified sources each year and the data necessary to confirm compliance for eligibility purposes. The SCO uses these FTRs to determine each eligible operators “qualifying revenue,” which is then used to calculate each operator’s share of STA revenues under PUC Sec. 99314. Existing law defines “qualifying revenue” as fare revenues, including fares generated for community transit under contract, and any other funds used by the operator in the delivery of transit service, except federal and state funds.

ATN was created in 1995 to provide various public transportation services to the City of Anaheim, including managing a transportation demand program for large employers. ATN was formed as a public-private partnership and incorporated by the City of Anaheim and local businesses as a non-profit 501(c)(4) corporation. In 2002, ATN became a service provider for the Anaheim Resort Transportation (ART) system. The relationship between ATN and the City of Anaheim was formalized in 2004, when the City awarded ATN a non-exclusive franchise agreement to operate ART service in Anaheim. This agreement was renewed in 2011 and again in 2019. As part of the 2019 agreement, the City of Anaheim stated that ATN “operates a public transportation system and provides public transit and mobility services for and within the City of Anaheim,” that is “responding to a transportation need not otherwise being met with the community and jurisdiction of the City of Anaheim.” ATN currently operates a system of 22 fixed routes and owns an active fleet of 82 buses, many of which are zero-emission vehicles, providing transportation services to the cities of Anaheim, Garden Grove, Santa Ana, Buena Park, Costa Mesa and Orange. Prior to the Covid-19 pandemic, over 9.7 million passengers used ATN’s public transit services each year.

ATN’s articles of incorporation, as re-certified in 2012, state that, “the specific purpose of this corporation is to organize the collective actions of the public and private sectors to address the unique transportation and air quality issues of local employers, major event centers, and visitor-and convention-related businesses located throughout certain portions of the City of Anaheim, California known as the Anaheim Resort Area (“ARA”) and Stadium Business Center (“SBC”); to facilitate a forum for the corporation’s members and other interested persons to work together to develop workable transportation solutions; and to provide leadership to maximize access, enhance mobility, and assist with regulatory compliance, including environmental mitigation measures, all for the benefit of the corporation’s members and the public who are visitors to, or are employed within, the ARA, and the SBC.”

ATN is currently governed by a 15 member Board of Directors plus one ex-officio non-voting member, and ATN’s Executive Director and General Counsel. The members represent resorts and businesses that are part of ATN’s service territory. Some board members are elected and others are appointed, both by business members of the ATN service territory. Although ATN is not a public agency, according to their bylaws, the Board of Directors observe the Ralph M. Brown Act for their meetings.

ATN is funded from a variety of sources, including locally generated assessment fees, fare revenues, and some federal apportionments and grants. According to their bylaws, ATN collects membership dues from lodging establishments, retail facilities, event centers, commercial offices, institutional uses, manufacturing facilities, and standalone restaurants. In 2006, the Federal Transit Administration (FTA) issued a National Transit Database Identification Number to ATN, making the organization eligible to receive federal funding. According to ATN's 2021-22 Budget Transmittal report, it anticipated revenues of \$16.5 million in 2021-22, including \$2.9 million in fare revenues, \$8.7 million in local revenues, \$930,000 in federal apportionments, as well as \$3 million from federal COVID-19 relief funds.

Proposed Law: SB 1196 would expand the definition of "STA-eligible operator," for purposes of STA program funds that are allocated on the basis of transit operator revenues, to include ATN, if its bylaws are revised to increase transparency and accountability, including to provide for the appointment of ATN's board of directors by the Anaheim City Council.

Related Legislation: AB 1113 (Bloom), Chap. 86/2017, revised and recast provisions governing the STA program and the allocation of funding to public transportation operators, including definitions that determine which public transportation operators are eligible to receive funds, as specified.

Staff Comments: While ATN provides transit services to the general public, it is not a public transportation operator (transit district, municipal operator, or transit development board) that operates a public transportation system, as specified in STA law. Rather than restructuring as a fully public transit district, this bill would establish a precedent by statutorily designating ATN as an "STA-eligible operator" for purposes of receiving STA funds that are based on an operator's qualifying revenue, if specified conditions are met. As noted above, each eligible operator's allocation is based on the ratio of its qualifying revenue in relation to the total qualifying revenue of all STA-eligible operators in the state. The revenue allocated to ATN under this bill would be derived from the fixed amount of diesel fuel sales tax revenues dedicated for this purpose at the expense of other eligible operators. As such, the fiscal impacts represent a shift of state funding, rather than an additional expenditure of Public Transportation Account funds.

It is unclear whether the designation of ATN as an STA-eligible operator under PUC Sec. 99314 would make it eligible for other state programs that use the STA formulas as the basis of eligibility. Examples of such programs include the Low-Carbon Transit Operations Program (LCTOP), which provides Greenhouse Gas Reduction Fund revenues for transit operating and capital assistance, and the State of Good Repair Program, an SB 1 program which provides annual funding to transit operators for eligible transit maintenance, rehabilitation, and capital projects. To the extent ATN would become eligible for other transit programs, this bill could create additional cost pressures.

99312.2.

(a) The State Transit Assistance Program, also known as the STA program, which provides for allocations of funds made available from the Public Transportation Account pursuant to Sections 99313 and 99314, and which is governed by Sections 99312 to 99314.9, inclusive, is hereby continued in existence. The purpose of the STA program is to provide a source of state funding to eligible public transportation operators and other transportation agencies in order to support their local and regional transit operating and capital needs.

(b) For purposes of the STA program, the following terms shall have the following meanings:

(1) "Public transportation operator" has the same meaning as "operator," as defined in Section 99210, as long as that operator operates a "public transportation system," as defined in Section 99211.

(2) "STA-eligible operator" means a public transportation operator eligible to claim local transportation funds under either Article 4 (commencing with Section 99260) or Article 8 (commencing with Section 99400), or under both articles, ~~and also, for purposes of funds allocated pursuant to Section 99314, means the Anaheim Transportation Network for public transportation purposes if the Anaheim Transportation Network's bylaws are revised to increase transparency and accountability, including to provide for the appointment of the Anaheim Transportation Network's board of directors by the Anaheim City Council.~~

(c) The only entities eligible to receive direct allocations from the Controller under Sections 99313 and 99314 shall be transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board. The Controller shall distribute funds attributable to transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board to the applicable county treasurer's office. Upon the request of a transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, the Controller shall instead distribute the applicable funds directly to the requesting agency.

(d) Only STA-eligible operators shall be eligible to receive STA program funds allocated by transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board pursuant to Section 99314. An STA-eligible operator, at its discretion, may further suballocate funds it receives pursuant to Section 99314 to an entity operating local community transit services that is eligible to claim local transportation funds pursuant to Article 4.5 (commencing with Section 99275) but that is otherwise ineligible to directly receive funds allocated pursuant to Section 99314.

(e) An entity operating community transit services pursuant to Article 4.5 (commencing with Section 99275) may be allocated funds pursuant to Section 99313 as a subrecipient at the discretion of the transportation planning agency, the county transportation commission, or the San Diego Metropolitan Transit Development Board.

(f) The Los Angeles County Metropolitan Transportation Authority, which is both a county transportation commission for purposes of Sections 99313 and 99314, and an STA-eligible operator for purposes of Section 99314, may incorporate into its report pursuant to Section 99243 any operating costs for local community transit service under contract with the authority, including service provided by a consolidated transportation service agency pursuant to Section 99204.5 or by operators eligible to expend local transportation funds only under Article 4.5 (commencing with Section 99275).

99312.6

(a) Notwithstanding any other provision of law, the Anaheim Transportation Network shall be eligible for funding pursuant to Section 99314, and deemed an STA-eligible operator for that purpose, if the Orange County Transportation Authority, as the transportation planning agency for Orange County, makes the following findings:

(1) The Anaheim Transportation Network's Board of Directors are appointed by the Anaheim City Council, and the appointed Board of Directors are subject to and shall comply with the requirements of Political Reform Act of 1974 (Government Code Sections 81000, et seq. and all meetings of the Anaheim Transportation Network's Board of Directors are subject to the and shall comply with the Ralph M. Brown Act (Government Code Sections 54950 et seq.) In addition, the Anaheim Transportation Network is subject to and shall comply with the California Public Records Act (Government Code Section 6250 et seq.).

(2) The services provided by the Anaheim Transportation Network supplement fixed route transit services provided by the Orange County Transportation Authority and do not duplicate routes, unless otherwise approved by the Orange County Transportation Authority.

(3) The Anaheim Transportation Network agrees to reimburse OCTA for the full cost of providing complementary paratransit services and associated planning requirements, necessary for Anaheim Transportation Network's fixed route service, and which is in compliance with Section 99155 and 99155.5.

(4) The services offered by the Anaheim Transportation Network are provided in an area not receiving adequate public transportation services, that the Orange County Transportation Authority cannot otherwise meet. As part of this analysis, the Orange County Transportation Authority may develop criteria to ensure cost-effectiveness, community support, and equity considerations are taken into account.

(5) Anaheim Transportation Network provides the Orange County Transportation Authority documentation related to the revenues, operating costs, patronage of its system and any and all other documentation required by the Orange County Transportation Authority necessary for it to make the findings required in this subsection (a).

(b) If it is determined by the Orange County Transportation Authority that the Anaheim Transportation Network is eligible for funding pursuant to 99314, the Anaheim Transportation Network must comply with all related requirements including those in Sections 99245, 99245.5, 99248, 99251, 99314, and 99314.6.

(c) The Anaheim Transportation Network shall not be eligible for and shall not make any claims for any other state transit funding provided pursuant to Section 99312.1, Section 99313, Article 4 (commencing with Section 99260), Article 4.5 (commencing with Section 99275), Article 8 (commencing with Section 99400), Section 75320 of the Public Resources Code, or future sources of funding provided for transit operations purposes.

(d) The Anaheim Transportation Network shall reimburse the Orange County Transportation Authority for any revenues that the Orange County Transportation Authority would be eligible for pursuant to Section 99314 if Anaheim Transportation Network was not otherwise eligible.

(e) Any public mass transit service or capital construction project undertaken by the Anaheim Transportation Network, shall be subject to the provisions of Section 130303, and authorities granted to the Orange County Transportation Authority related to the coordination and approval of mass transit services and determination and approval of capital development projects, including exclusive public mass transit guideway systems.



Orange County Transportation Authority

Fiscal Year 2022-23 Budget Workshop Questions & Answers

1. Question: What is Metrolink’s subsidy per boarding?

Answer: Metrolink has provided the following subsidy per boarding by line.

FISCAL YEAR (FY)	OC LINE	IEOC LINE	91/PVL LINE
FY18 Actual	\$ 2.92	\$ 12.81	\$ 17.12
FY19 Actual	\$ 3.28	\$ 14.01	\$ 19.38
FY20 Actual	\$ 6.25	\$ 20.37	\$ 31.94
FY21 Actual	\$ 88.20	\$ 93.71	\$ 118.58
FY22 Budget	\$ 13.43	\$ 34.42	\$ 43.91
FY23 Budget	\$ 26.55	\$ 27.84	\$ 40.06

* OC: Orange County, IEOC – Inland Empire/Orange County, 91/PVL: 91/Perris Valley

2. Question: Will additional details and statistics regarding Metrolink’s annual budget be made available?

Answer: Yes, the entire Metrolink budget will be provided to the Board of Directors (Board) upon its formal transmittal which is anticipated to be May 27th. It will also be included in the budget public hearing agenda item scheduled for the June 8, 2022, Finance and Administration (F&A) Committee, and the June 13, 2022, Board meeting.

3. Question: Are the 91 Express Lanes operating at a surplus?

Answer: Yes, the 91 Express Lanes are anticipated to generate \$22.8 million in net excess revenue after its operating, capital, and debt service expenditures have been met. Section 130240(e)(2)(B) of the Public Utilities Code states that excess toll revenues can be used to make operational or capacity improvements designed to reduce congestion or improve the flow of traffic on State Route 91, between State Route 57 to the west and the Orange and Riverside County Line to the east. Eligible projects for these funds are included within the State Route 91 Implementation Plan, which is updated annually and brought to the Board for approval. The 2022 update for the plan is anticipated to go the Board in June.

4. Question: Why is the administrative employee headcount increasing?

Answer: Administrative headcount is increasing to support new requirements (cyber security), advancements of projects (OC Streetcar operations), and additional needs (finance, planning, procurement, and human resources). In some cases, the Orange County Transportation Authority (OCTA) has been holding off on adding needed administrative positions for the past two years while dealing with the impacts and uncertainty of the pandemic.



Orange County Transportation Authority

Fiscal Year 2022-23 Budget Workshop Questions & Answers

5. Question: How do the budgeted increases in administrative employee's salaries compare to the budgeted increases in union employee's salaries?

Answer: The fiscal year (FY) 2022-23 proposed budget includes a merit pool of five percent and a non-base building special award (bonus) pool of four percent for administrative employees.

Unlike the union groups, administrative employees are unrepresented, at-will employees with no collective bargaining agreement, no automatic step increases, and no automatic cost-of-living adjustments. Annual compensation adjustments for the administrative employees are awarded based on a pay-for-performance plan more common to the private sector. The Board has total discretion on whether to fund the administrative pay-for-performance plan on an annual basis when the Personnel and Salary Resolution is presented to the Board for consideration as part of the annual budget. If the pay-for-performance plan is funded by the Board, the Chief Executive Officer (CEO) ensures that compensation adjustments are awarded to each individual based on their individual performance against their documented annual performance goals. Additionally, the CEO ensures that the aggregate amount of merit adjustments and one-time special awards do not exceed the pool amounts approved by the Board.

A number of factors are utilized to determine the amounts of the proposed merit and special award pools for administrative employees including funding availability and market studies that are updated each year.

In contrast to the administrative compensation budget, which is brought to the Board annually, the union collective bargaining agreements are agreements generally spanning three years. Coach operators received five percent in May 2022 and will receive an additional five percent in 2023. The Transportation Communications International Union (TCU), which represents our Facilities Technicians and Parts Clerks, received eight percent this year and will receive an additional four percent next year. The maintenance contract expires in September 2022. Negotiating parameters for that contract are planned to go to the Board on May 23, 2023, for approval; however, the maintenance employees did receive a wage adjustment of four and a quarter percent in September 2021.

6. Question: Are there any projects in need of funding to which OCTA can allocate the forecasted higher than anticipated sales tax receipts?

Answer: No. OCTA has a fully funded capital sinking fund to ensure there is sufficient funding to keep all current assets in a state of good repair. All planned facilities and equipment projects are fully funded and in alignment with the Transit Asset Management Plan required by the Federal Transit Administration (FTA).



7. Question: How is bus ridership recovering following the pandemic by line?

Answer: Details of current weekday ridership compared to pre-pandemic weekday ridership, by line, are included on page 5 of this document.

8. Question: What would the financial impact be of OCTA converting the entire bus fleet to zero-emission buses?

Answer: The incremental cost increase of converting the entire fixed-route and paratransit bus fleets to zero-emission vehicles, including necessary fueling infrastructure, is approximately \$383.5 million.

The biggest cost driver for the increased cost is the incremental cost to purchase a zero-emission bus compared to a compressed natural gas (CNG) powered bus. For example, the majority of OCTA's fixed-route fleet is comprised of 40-foot CNG buses, which cost \$645,000 per unit. A 40-foot hydrogen bus costs \$1.3 million, which over doubles the per unit price per bus. The significant price difference is also found in the pricing for 60-foot zero-emission buses and paratransit buses. As a result, the anticipated increased cost to convert both the fixed-route and paratransit fleets to zero-emission vehicles is \$360 million. OCTA's bus bases would also require new fueling infrastructure to fuel the zero-emission buses, and the anticipated infrastructure cost is \$23.5 million.

9. Question: What is the farebox recovery in the FY 2022-23 budget?

Answer: The farebox recovery is anticipated to be 11.29 percent in FY 2022-23. Therefore, OCTA subsidizes approximately 88.71 percent of the cost to operate bus service.

10. Question: Will administrative compensation be discussed in open session or closed session?

Answer: Administrative compensation will be discussed in open session. Administrative employees are not represented and are at-will employees, as such the decisions for compensation rest completely with the Board. Administrative employees pay is not subject to a collective bargaining agreement but is governed by a Personnel and Salary Resolution which is approved annually with the budget at the public hearing.

11. Question: Please provide a summary of merits and special awards given to OCTA employees over the last few FYs.

Answer: Managers set performance goals for each employee at the end of each FY for the following FY (or when an employee is new to OCTA). These goals are developed to support the Board and CEO initiatives to ensure that employees are focusing and being measured on what is



Orange County Transportation Authority

Fiscal Year 2022-23 Budget Workshop Questions & Answers

important to the organization as defined by the CEO and Board. Towards the end of the FY, the employee completes a self-appraisal and provides supporting examples of work performance against their responsibilities and performance goals. The manager will carefully evaluate the employee's work performance against the responsibilities and performance goals with a narrative summary and will rate the employee's performance on a five-point scale. The performance review is reviewed and routed to, and approved by, higher level managers. All performance reviews are reviewed by Human Resources. After all approvals, the manager meets with the employee to discuss the employee's performance for that review period and goals for the next FY. The manager recommends a merit increase, if any, based upon the performance review rating and those recommendations are provided to Executive Directors and, ultimately, the CEO, Deputy CEO, and the Executive Director of People and Community Engagement. Additional details are available on pages 6 - 9 of this document.

12. Question: Why does OCTA's FY 2022-23 budgeted farebox recovery ratio not meet the 20 percent requirement from the State?

Answer: The state-mandated farebox recovery requirement of 20 percent was suspended beginning FY 2020-21 through FY 2022-23. In addition, the law changed in July 2021 to allow other revenues, including property tax, advertising revenue, and FTA revenues to be used towards the calculation of farebox recovery. Paratransit expenditures can also be excluded from operating costs, including the additional revenue sources and excluding paratransit operating costs brings OCTA's farebox recovery above 20 percent.

The assumption of 11.29 percent for the FY 2022-23 budgeted farebox recovery ratio in question 9 was calculated using only fare revenue in the calculation and does not include any additional eligible revenue sources in the calculation.

13. Question: Does OCTA anticipate any impact to farebox recovery with the new Youth Ride Free fare?

Answer: The Youth Ride Free fare is not anticipated to impact farebox recovery. OCTA intends to use Low Carbon Transit Operations Program funding from the State to backfill the loss in fare revenue, as approved by the Board on February 14, 2022. This revenue source can be included as fare revenue in the calculation of the farebox recovery.



Orange County Transportation Authority

Fiscal Year 2022-23 Budget Workshop Questions & Answers



Orange County Transportation Authority

Weekday Ridership Comparison: March 11, 2020 vs April 27, 2022

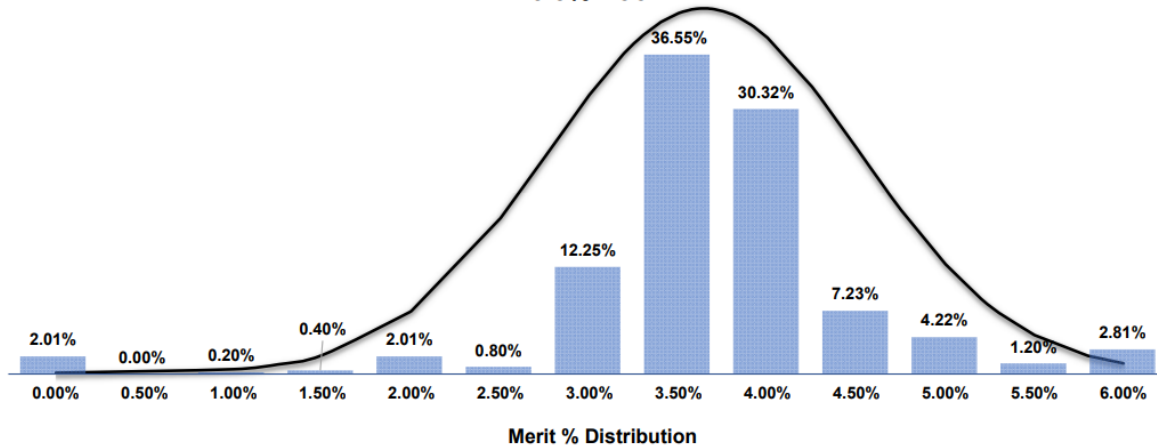
#	Route	March 11, 2020	April 27, 2022	Change (#)	Change (%)
1	1-Long Beach - San Clemente	1,439	1,247	-192	-13%
25	25-Fullerton - Huntington Beach	1,186	988	-198	-17%
26	26-Buena Park - Yorba Linda	1,687	1,216	-471	-28%
29	29-La Habra - Huntington Beach	4,718	4,192	-526	-11%
30	30-Cerritos - Anaheim	2,366	1,127	-1,239	-52%
33	33-Fullerton - Huntington Beach	1,184	830	-354	-30%
35	35-Fullerton - Huntington Beach	2,596	1,706	-890	-34%
37	37-La Habra - Fountain Valley	3,752	2,757	-995	-27%
38	38-Lakewood - Anaheim Hills	3,472	2,894	-578	-17%
42	42-Orange - Seal Beach	4,913	3,552	-1,361	-28%
43	43-Fullerton - Costa Mesa	6,268	4,926	-1,342	-21%
46	46-Long Beach - Orange	2,122	1,188	-934	-44%
47	47-Fullerton - Newport Beach	6,672	5,636	-1,036	-16%
50	50-Long Beach - Orange	3,676	3,594	-82	-2%
53	53-Orange - Irvine	6,042	4,250	-1,792	-30%
54	54-Garden Grove - Orange	3,994	2,695	-1,299	-33%
55	55-Santa Ana - Newport Beach	3,846	3,117	-729	-19%
56	56-Garden Grove - Orange	1,426	1,243	-183	-13%
57	57-Brea - Newport Beach	9,415	7,625	-1,790	-19%
59	59-Anaheim - Irvine	2,014	1,329	-685	-34%
60	60-Long Beach - Tustin	5,685	4,152	-1,533	-27%
64	64-Huntington Beach - Tustin	6,253	5,248	-1,005	-16%
66	66-Huntington Beach - Irvine	6,317	5,482	-835	-13%
70	70-Sunset Beach - Tustin	3,099	1,981	-1,118	-36%
71	71-Yorba Linda - Newport Beach	2,493	1,516	-977	-39%
72	72-Sunset Beach - Tustin	1,689	1,266	-423	-25%
76	76-Huntington Beach - Newport Beach	270	365	95	35%
79	79-Tustin - Newport Beach	1,507	1,142	-365	-24%
82	82-Mission Viejo - Rancho Santa Margarita	370	299	-71	-19%
83	83-Anaheim - Laguna Hills	1,728	1,293	-435	-25%
85	85-Mission Viejo - Dana Point	293	239	-54	-18%
86	86-Costa Mesa - Mission Viejo	483	401	-82	-17%
87	87-Rancho Santa Margarita - Laguna Niguel	254	281	27	11%
89	89-Lake Forest - Laguna Beach	1,025	749	-276	-27%
90	90-Tustin - Dana Point	1,088	861	-227	-21%
91	91-Mission Viejo - Laguna Hills	1,324	1,134	-190	-14%
123	123-Anaheim to Huntington Beach	755	752	-3	0%
129	129-La Habra - Anaheim	584	424	-160	-27%
143	143-La Habra - Brea	624	631	7	1%
150	150-Santa Ana to Costa Mesa	874	899	25	3%
153	153-Brea - Orange	339	368	29	9%
167	167-Anaheim - Irvine	751	714	-37	-5%
177	177-Foothill Ranch - Laguna Hills	333	315	-18	-5%
178	178-Huntington Beach - Irvine	341	325	-16	-5%
206	206-Santa Ana - Lake Forest	46	-	-46	-100%
213	213-Brea - Fullerton - Placentia - Irvine	37	-	-37	-100%
453	453-Orange Metrolink Station - Orange	106	62	-44	-42%
463	463-Santa Ana Depot to Imperial Promenade	73	68	-5	-7%
472	472-Tustin Metrolink Station to Irvine	128	75	-53	-41%
473	473-Tustin Metrolink Station to UCI	159	151	-8	-5%
480	480-Irvine Metrolink Station - Irvine Spectrum	87	45	-42	-48%
529	529-GWTC to FPNR - Bravo!	1,247	934	-313	-25%
543	543-Fullerton - Costa Mesa - Bravo!	2,615	2,011	-604	-23%
560	560-Santa Ana to Long Beach - Bravo!	3,240	2,136	-1,104	-34%
701	701-Los Angeles - Huntington Beach Express	106	-	-106	-100%
721	721-Los Angeles - Fullerton Express	74	-	-74	-100%
794	794-Riverside / Corona to South Coast Metro Express	113	-	-113	-100%
862	862-Downtown Santa Ana Shuttle	375	231	-144	-38%
	Total Boardings	119,673	92,662	-27,011	-23%



Orange County Transportation Authority

Fiscal Year 2022-23 Budget Workshop Questions & Answers

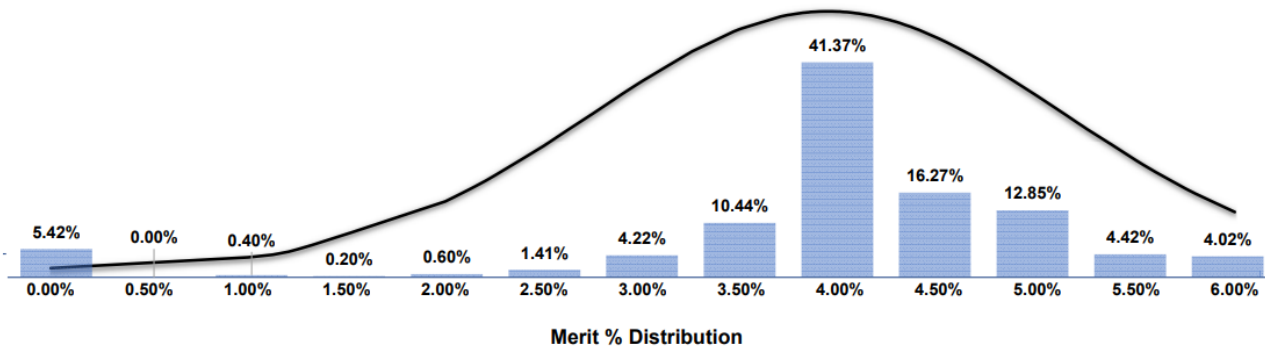
FY 2017-2018 % of Total Population and Merit % Distribution Bell Curve
3.5% Pool



■ % of Total Population by Merit % Distribution

In the graph above, the bar chart represents the total percentage of administrative positions that received a Merit and what percentage they received. The bell curve line represents the Merit pool distribution by Merit percentage.
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.

FY 2018-2019 % of Total Population and Merit % Distribution Bell Curve
4.0% Pool



■ % of Total Population by Merit % Distribution

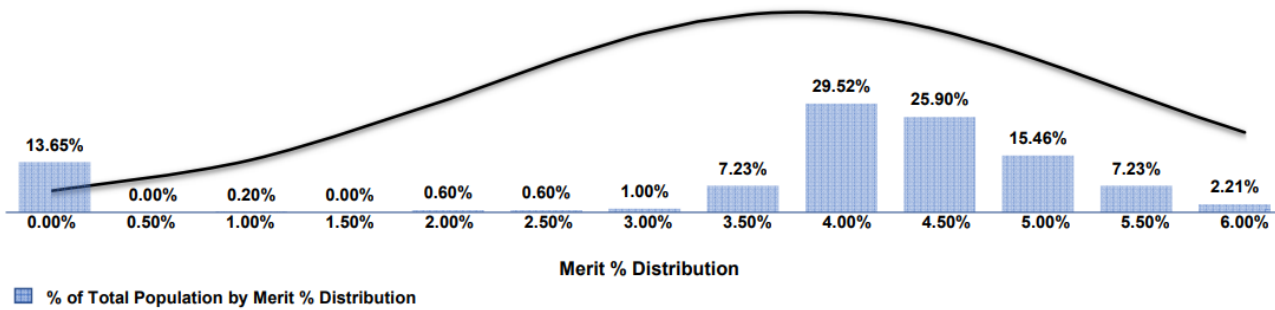
In the graph above, the bar chart represents the total percentage of administrative positions that received a Merit and what percentage they received. The bell curve line represents the Merit pool distribution by Merit percentage.
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.



Orange County Transportation Authority

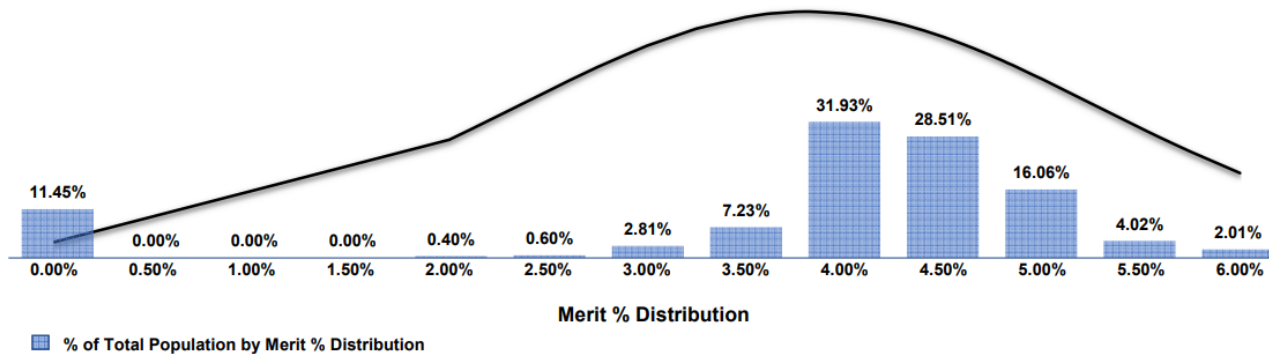
Fiscal Year 2022-23 Budget Workshop Questions & Answers

**FY 2019-2020 % of Total Population and Merit % Distribution Bell Curve
4.0% Pool**



In the graph above, the bar chart represents the total percentage of administrative positions that received a Merit and what percentage they received. The bell curve line represents the Merit pool distribution by Merit percentage.
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.

**FY 2021-2022 % of Total Population and Merit % Distribution Bell Curve
4.0% Pool**



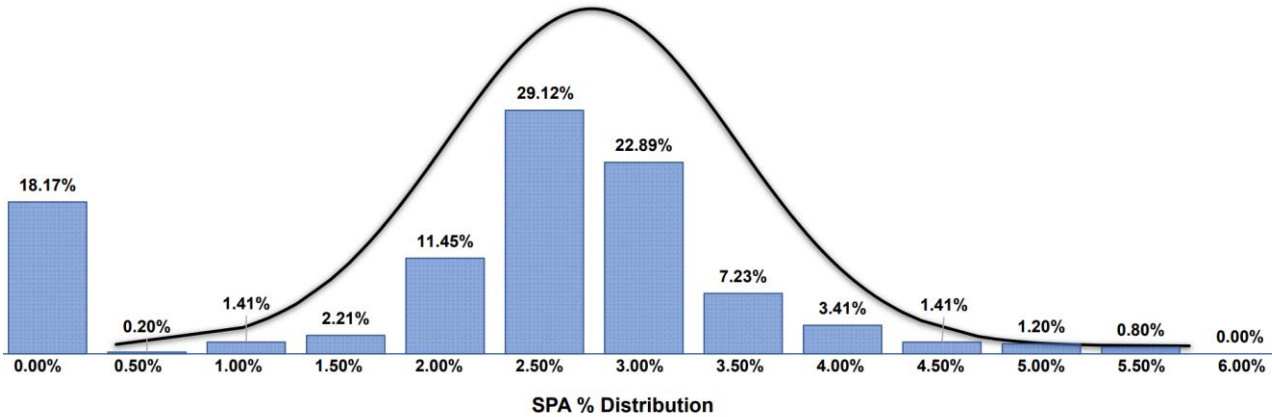
In the graph above, the bar chart represents the total percentage of administrative positions that received a Merit and what percentage they received. The bell curve line represents the Merit pool distribution by Merit percentage.
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.



Orange County Transportation Authority

Fiscal Year 2022-23 Budget Workshop Questions & Answers

**FY 2017-2018 % of Total Population and
Special Performance Award (SPA) % Distribution Bell Curve
3.0% Pool**

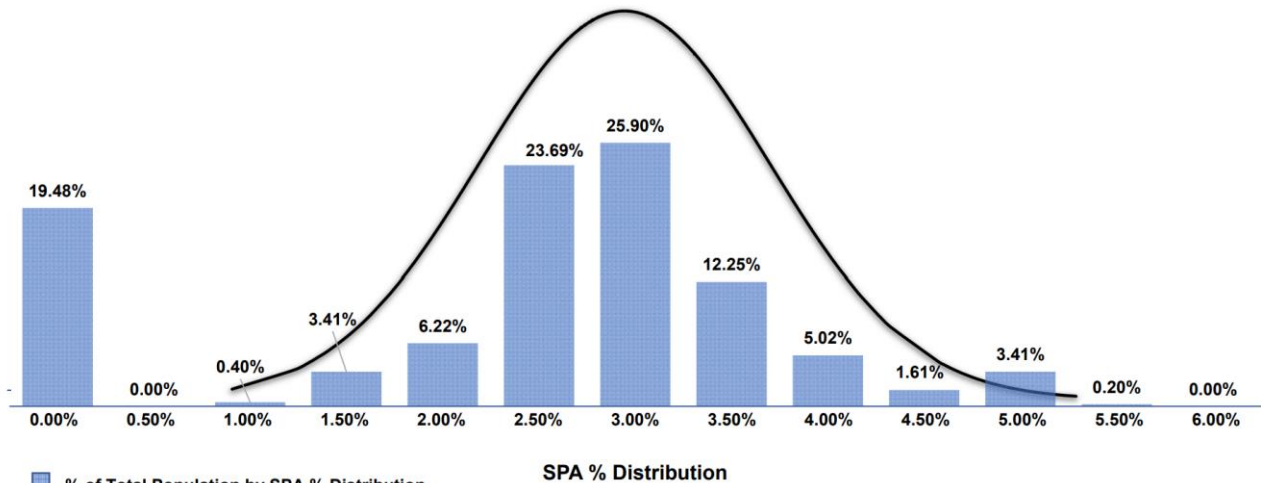


■ % of Total Population by SPA % Distribution

In the graph above, the bar chart represents the total percentage of administrative positions that received a SPA and what percentage they received. The bell curve line represents the SPA pool distribution by SPA percentage.

Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.

**FY 2018-2019 % of Total Population and
Special Performance Award (SPA) % Distribution Bell Curve
3.0% Pool**



■ % of Total Population by SPA % Distribution

In the graph above, the bar chart represents the total percentage of administrative positions that received a SPA and what percentage they received. The bell curve line represents the SPA pool distribution by SPA percentage.

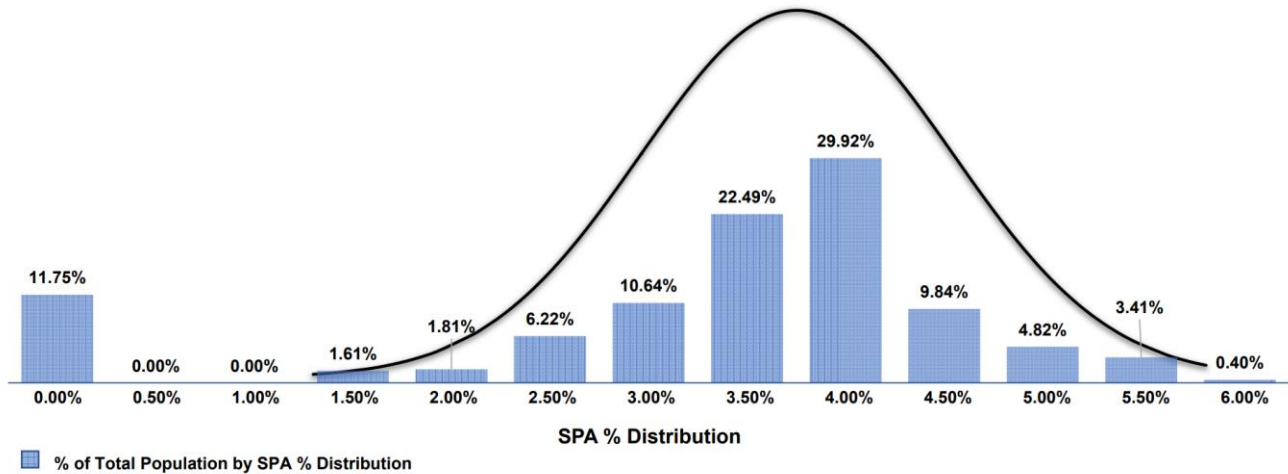
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.



Orange County Transportation Authority

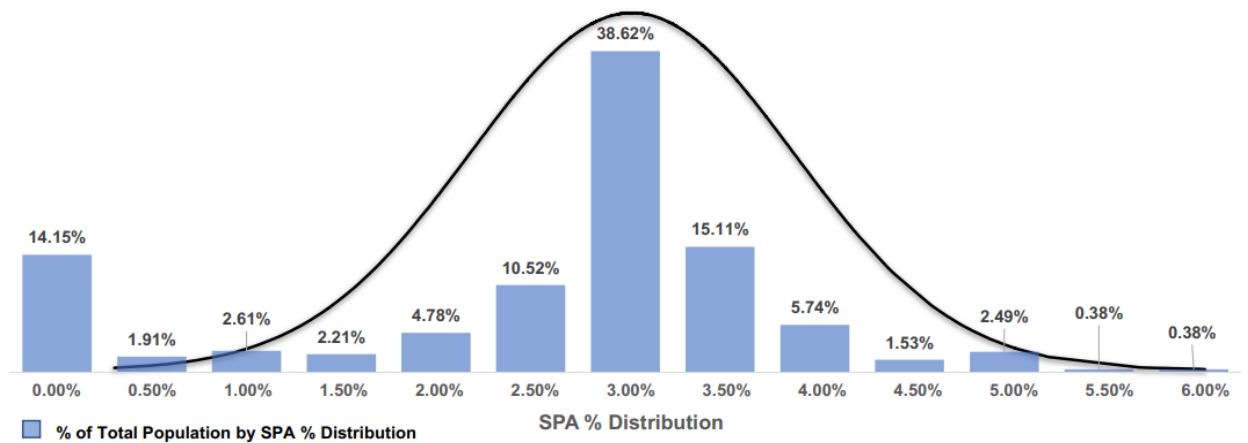
Fiscal Year 2022-23 Budget Workshop Questions & Answers

**FY 2019-2020 % of Total Population and
Special Performance Award (SPA) % Distribution Bell Curve
4.0% Pool**



In the graph above, the bar chart represents the total percentage of administrative positions that received a SPA and what percentage they received. The bell curve line represents the SPA pool distribution by SPA percentage.
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.

**FY 2021-2022 (In progress) % of Total Population and
Special Performance Award (SPA) % Distribution Bell Curve
3.0% Pool**



In the graph above, the bar chart represents the total percentage of administrative positions that received a SPA and what percentage they received. The bell curve line represents the SPA pool distribution by SPA percentage.

Notes:

- * Percentages were rounded to the nearest 0.5 percent for grouping purposes.
- * This fiscal year is still in progress and not all SPAs have been processed for this fiscal year.