



December 6, 2021

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Capital Programs Division - First Quarter Fiscal Year 2021-22
Capital Action Plan Performance Metrics

Overview

Staff has prepared a quarterly progress report on capital project delivery for the period of July 2021 through September 2021, for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects.

Recommendation

Receive and file as an information item.

Background

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

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

Discussion

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

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

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

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

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

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



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

CAP milestones achieved in the first quarter FY 2021-22 include:

Freeway Projects

- The construction ready milestone for the State Route 55 widening from Interstate 405 to Interstate 5 (I-5) was achieved. This enabled the California Transportation Commission (CTC) to allocate a combined \$235.9 million to the construction phase at the CTC meeting on October 14, 2021. This includes \$115 million from the Trade Corridor Enhancement Program, \$80 million from the State Transportation Improvement Program, \$25 million from the Local Partnership Competitive Program, and \$15.9 million from the State Highway Operation and Protection Program. The California Department of Transportation (Caltrans) is planning to advertise the construction contract for bids before the end of 2021.

Recap of FY 2021-22 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2021-22 reflects seven planned major project delivery milestones to be accomplished in the FY (Attachment B). The single planned milestone in the first quarter this FY was achieved.

Notable CAP Updates and FY 2021-22 Risks

The complete environmental milestone for the I-5 El Toro Road interchange improvement project was moved out six months, from July 2022 to January 2023.

In November 2021, staff will update the Board of Directors (Board) on progress working with the cities of Laguna Hills, Laguna Woods, and Lake Forest on an Alternatives Assessment (AA) Study, which developed potential new additional interchange improvement alternatives. Conclusion of the AA Study, concurrence from the three cities and Caltrans, and an assessment of additional environmental studies and review will determine additional adjustments to this project's complete environmental milestone.

On the OC Streetcar project, staff continues to work with the Federal Transit Administration (FTA) and FTA's project management oversight consultant to finalize a comprehensive project risk, cost, and schedule assessment. Staff intends to bring an updated overall cost and schedule forecast to the OCTA Board before the end of the year. Staff's assessment of construction risks and schedule result in a forecast construction completion, which is the planned revenue service date, delayed from October 2023 until January 2024.

As reported to the OCTA Board in October 2021, forecast construction cost escalation is 11 percent or more through this calendar year, and will remain 6 percent to 11 percent through 2023. Construction bids in the region reflect a variable market with great variations in pricing between bidders due to varying risks in subcontract and material pricing and supply. Staff monitors these market trends and updates project cost estimates to account for market conditions and forecast construction cost escalation.

Summary

Capital project delivery continues to progress and is reflected in the CAP. The planned FY 2021-22 performance metrics created from forecast project schedules are used as a general project delivery performance indicator throughout the FY. Staff will continue to manage project costs and schedules across all project phases and report quarterly.

Attachments

- A. Capital Action Plan, Status Through September 2021
- B. Capital Programs Division, Fiscal Year 2021-22 Performance Metrics Through September 2021

Prepared by:

A handwritten signature in blue ink, appearing to read 'James G. Beil', is positioned above the printed name.

James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646