



**May 1, 2017**

**To:** Executive Committee

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

**Subject:** Capital Programs Division - Third Quarter Fiscal Year 2016-17  
Capital Action Plan Performance Metrics

### **Overview**

The Orange County Transportation Authority's Strategic Plan key strategies and objectives to achieve the goals for Mobility and Stewardship include delivery of all Capital Action Plan projects on time and within budget. The Capital Action Plan is used to create a performance metric to assess capital project delivery progress on highway, grade separation, rail, and facility projects. This report provides an update on the Capital Action Plan delivery and performance metrics.

### **Recommendation**

Receive and file as an information item.

### **Background**

The Orange County Transportation Authority (OCTA) Capital Programs Division is responsible for project development and delivery of highway, grade separation, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery commitments reflect defined project scope, costs, and schedules. Project delivery commitments shown in the Capital Action Plan (CAP) are key strategies and objectives to achieve the Strategic Plan goals for Mobility and Stewardship.

This report provides an update on the CAP performance metrics, which are the fiscal year (FY) snapshot of the planned CAP project delivery milestones in the budgeted FY. The Capital Programs Division also provides Metrolink commuter rail ridership, revenue, and on-time performance reports and metrics as part of rail program updates.

***Discussion***

The Capital Programs Division objective is to deliver projects on schedule and within the approved project budget. Key projects' cost and schedule commitments are captured in the CAP, which is regularly updated with new projects and project status (Attachment A). The CAP is categorized into four key groupings of projects; freeway projects, grade separation projects, rail and station projects, and key facility projects. Simple milestones are used as performance indicators of progress in project delivery. The CAP performance metrics provide a FY snapshot of the milestones targeted for delivery in the budgeted FY, and provide both transparency and measurement of annual capital project delivery performance.

The CAP project cost represents the total cost of the project across all phases of project delivery, including support costs, and right-of-way (ROW) and construction capital costs. The established baseline cost is shown in comparison to either the actual or forecast cost. The baseline costs may be shown as to-be-determined (TBD) if project scoping studies or other project scoping documents have not been approved, and may be updated as project delivery progresses and milestones are achieved. Actual or forecast costs represent the estimated total project cost across all project delivery phases. Measure M2 (M2) projects are identified with the corresponding project letter and the M2 logo. The CAP update is also included in the M2 Quarterly Report.

The CAP summarizes the very complex capital project delivery schedules into eight key milestones used as a metric to track progress.

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 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 the approved milestone dates in comparison to the 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 the 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. Actual dates will be updated when milestones are achieved, and forecast dates will be updated to reflect project delivery status.

#### Key Findings

CAP third quarter FY 2016-17 milestones achieved include:

#### Freeway and OC Bridges Railroad Grade Separation Projects

- Final design of the southbound Interstate 405 auxiliary lane between University Drive and State Route 133 was completed. The design phase is funded through the State Transportation Improvement Program (STIP). Funding for construction has not yet been identified.
- Two milestones were completed on the State Route 91 post-widening replacement planting project between State Route 57 (SR-57) and Interstate 5 (I-5) as the contract was both advertised for construction and awarded by the California Department of Transportation (Caltrans).

The following CAP milestones missed the planned delivery through the third quarter of FY 2016-17.

- The begin environmental milestone for the I-5 El Toro Interchange reconstruction project has not been achieved. OCTA committed federal funding to pay Caltrans to prepare the draft project report, environmental studies, and draft environmental documentation, and Caltrans informed OCTA that work will not begin until all federal funding approvals are in place, which is anticipated in April 2017. Caltrans will present an overview of the project alternatives and planned schedule to complete the environmental clearance to the OCTA Regional Planning and Highways Committee on May 1, 2017, and to the OCTA Board of Directors (Board) on May 8, 2017.
- The complete environmental milestone for the Anaheim Canyon Metrolink Station expansion project was not achieved in the third quarter. However, the California Environmental Quality Act clearance for the project was obtained on January 12, 2017, and National Environmental Policy Act clearance is expected in April 2017. On April 10, 2017, the Board approved the release of a request for proposals to procure a consultant to complete final design of the project.
- Four milestones, the complete design, construction ready, advertise construction, and award contract milestones for the SR-57 post-widening replacement planting between Orangethorpe Avenue and Lambert Road have not been achieved. The project continues to be delayed as the design consultant addresses design product quality issues and extensive Caltrans comments. OCTA and Caltrans are working with the consultant to address the design quality issues and complete the design in the fourth quarter. The construction ready, advertise construction, and award contract milestones will not be achieved this FY and are being rescheduled to FY 2017-18.
- The complete design milestone for construction of the second high-occupancy vehicle (HOV) lane on I-5 between State Route 55 (SR-55) and SR-57 was not completed pending resolution of availability of STIP construction funding, which was delayed by the California Transportation Commission (CTC) from FY 2017-18 to FY 2018-19. Final design is planned to be complete in June 2017. Finalization of the Caltrans construction cooperative agreement required to complete the contract packaging, advertisement for bids, award, and administration of the construction contract is dependent on availability of the \$36.3 million construction phase STIP funding, and is impacting the project construction delivery schedule on a month-to-month basis.

- Three milestones, the construction ready, advertise construction, and award contract milestones for the SR-57 post-widening replacement planting between Katella Avenue and Lincoln Avenue have not been achieved. Resolution of Caltrans' final review comments are being incorporated into the plans, specifications, and estimates, and the project is anticipated to be construction ready in the fourth quarter. Advertisement and award of the contract are being rescheduled to FY 2017-18.
- The award contract milestone for construction of the Orange Metrolink Station parking expansion project has not been achieved. The initial construction advertisement and bidding process was cancelled due to failure of bidders to meet Disadvantaged Business Enterprise goals, and to clarify specifications for the design and Federal Buy America requirements. The project was re-advertised, and bids were opened on January 12, 2017. Bid protests were received from several bidders, and the Board will consider the contract award to the lowest responsive responsible bidder on May 8, 2017.
- The construction completion milestone for the I-5 widening from Avenida Vista Hermosa to Pacific Coast Highway, one of three segments of widening in San Clemente, was missed. A higher number of non-activity rain days were experienced, and the contractor is performing repairs to a damaged fiber optic communication line. Construction completion is anticipated in May 2017.
- The construction completion milestone for the Fullerton Transportation Center elevator upgrades, administered by the City of Fullerton, was missed. The contractor experienced delays due to an elevator subcontractor substitution and BNSF Rail work windows. Construction completion is now anticipated in January 2018.

#### Recap of Third Quarter FY 2016-17 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2016-17 reflected 33 planned project delivery milestones to accomplish, 27 of which were planned through the third quarter. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the third quarter of FY 2016-17 (Attachment B). Fourteen of the planned 27 milestones through the third quarter, and one fourth quarter milestone, have been completed (55.6 percent).

Seven of the 13 milestones missed through the third quarter are delays in landscape design consultant completion and associated approvals from Caltrans on landscape replacement planting projects.

### Risks and Look Ahead Project Concerns

Schedule delay and cost risks are a high potential on the I-5 widening project between State Route 73 and El Toro Road, which is being delivered in three logical construction segments. As previously reported, the 2016 STIP adopted by the CTC delayed availability of funding for construction of the southerly most segment, which includes the Avery Parkway interchange, from FY 2018-19 to FY 2020-21. All three segments have interrelated construction schedules for traffic staging, and any significant delay to one of the segments will impact the construction schedule of the remaining two segments. Staff is currently maintaining the interrelated delivery schedules for all three segments, and ROW appraisals are underway to prepare offers for the needed acquisitions to construct the projects. The first of the three segments is scheduled to advertise for construction bids in mid-2018. The continued delay in STIP funding for construction of the southerly segment will result in delays to construction schedules for all three segments. These construction schedule delays will result in significant cost increases due to escalation and additional timeframes required for temporary construction easements.

Similarly, STIP funding for construction of the second HOV lane on I-5 between SR-55 and SR-57 was delayed by the CTC from FY 2017-18 to FY 2018-19. Final design will be complete in the fourth quarter and is planned to be submitted to Caltrans for final contract packaging prior to construction advertisement. The construction funding delay is delaying the project schedule on a month-to-month basis.

On April 6, 2017, the State Legislature passed SB 1 (Beall, D-San Jose), which includes stabilization of the STIP Regional Transportation Improvement Program over a ten-year period. OCTA immediately sent a letter to the CTC (Attachment C) requesting action to amend the STIP and return these two programmed I-5 projects to its previously-approved programming FY. The restoration of project funding will eliminate risk of schedule delays and cost increases.

The award contract milestone for the SR-57 post-widening replacement planting between Katella Avenue and Lincoln Avenue will not be completed in the current FY as planned due to delays in Caltrans safety reviews of the final design, as discussed previously in this report. The planned advertise contract milestone this FY is now delayed into August 2017, next FY.

The construction cost for the SR-57 post-widening replacement planting between Orangethorpe Avenue and Lambert Road is likely to increase as the final design work is completed. Caltrans has added significant scope to this landscape project, including additional roadside maintenance vehicle turnouts, relocations of recently constructed guardrails, and numerous other unanticipated

items. Staff will assess the cost and funding as the final design is completed and the engineer's estimate is finalized.

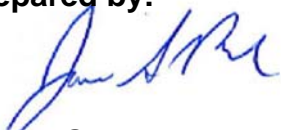
***Summary***

Continued capital project delivery progress has been achieved and reflected in the CAP. The planned FY 2016-17 performance metrics created from forecast project schedules will be used as a general project delivery performance indicator. Staff will continue to manage project costs and schedules across all project phases to meet project delivery commitments and report quarterly.

***Attachments***

- A. Capital Action Plan, Status Through March 2017
- B. Capital Programs Division, Fiscal Year 2016-17 Performance Metrics Status Through March 2017
- C. Letter from Darrell Johnson, Chief Executive Officer, Orange County Transportation Authority, to Susan Bransen, Executive Director, California Transportation Commission, Dated April 10, 2017

**Prepared by:**



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