



**August 14, 2017**

**To:** Members of the Board of Directors

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

A handwritten signature in blue ink, appearing to read "Darrell Johnson", is placed to the right of the "From:" line.

**Subject:** 2017 Chief Executive Officer's Initiatives and Action Plan –  
Second Quarter Progress Report

### **Overview**

At the end of each quarter, the Chief Executive Officer updates the Board of Directors on the activities and accomplishments related to the 2017 Chief Executive Officer's Initiatives and Action Plan. This report summarizes the second quarter achievements for calendar year 2017 (April through June). These efforts directly support the 2017 Orange County Transportation Authority Board Strategic Initiatives.

### **Recommendation**

Receive and file as an information item.

### **Background**

On February 13, 2017, the Board of Directors (Board) approved the 2017 Chief Executive Officer's (CEO) Initiatives (Initiatives) and Action Plan (Action Plan), which support the 2017 Board Strategic Initiatives (Attachment A). The CEO Initiatives are provided as Attachment B, with the accompanying Action Plan. The Action Plan consists of ten initiatives implemented through 59 projects/programs, and monitored through 89 milestones. This report provides a summary of the second quarter (Q2) milestones from April 1, 2017 until June 30, 2017.

### **Discussion**

In Q2, 33 milestones were scheduled for completion. As of the end of Q2, 23 of 33 milestones have been completed. The Q2 highlights include Board approval for the OC Streetcar Project to enter into the federal Full Funding Grant Agreement (FFGA), Board approval of Orange County Transportation Authority's (OCTA) fiscal year (FY) 2017-18 Budget and Personnel and Salary Resolution (PSR), and preparation work for the issuance of Notice to Proceed (NTP) #2 for construction on the Interstate 405 (I-405) Design-Build Project.

The ten milestones not completed in Q2 are summarized in Attachment B. The reasons for the milestones not being completed are related to dependency on coordination with outside agencies or internal schedule adjustments.

Listed below are some of the Q2, 2017 CEO Action Plan accomplishments.

- Measure M Regional Capacity Program (RCP): On April 10, 2017, the Board approved funding for 13 projects, in the amount of \$32.24 million, from the 2017 RCP call for projects. The Board additionally approved \$2.5 million to fund five projects from the 2017 Regional Traffic Signal Synchronization Program.
- OC Bus 360° Plan Update: On May 22, 2017, the Board was updated on the progress of the OC Bus 360° Plan. The goals are to reverse ridership declines by reducing passenger travel times, improving travel speeds, and designing services to better serve existing customers and attract new customers. The OC Bus 360° update indicated an increase in ridership on improved routes and a reduction in the rate of overall ridership decline. This update will be presented biannually, in Q2 and the fourth quarter.
- State Route 55 (SR-55) between I-405 and Interstate 5 (I-5): On June 12, 2017, the Board authorized the negotiation and execution of a cooperative agreement with California Transportation Commission to provide oversight of the final design for the SR-55 Improvement Project between I-405 and I-5. This action was part of joint OCTA/California Department of Transportation efforts to expedite the project.
- Vanpool Program: On June 12, 2017, the Board approved the selection of a contractor to provide commuter vanpool services. The Vanpool Program continues to grow and now has 540 vanpools in operation.
- Lakeview Avenue Grade Separation Project: In June 2017, the Lakeview Avenue Grade Separation Project was completed early and opened to traffic two months ahead of schedule. This project constructed a vehicular overpass on the Burlington Northern Santa Fe mainline train tracks, providing improved traffic flow.
- Measure M2 (M2) Environmental Mitigation Program: In June 2017, the final permits for the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) for the M2 Preserves (Preserves) were approved by the Wildlife Agencies (California Department of Fish and Wildlife, and the United States Fish and Wildlife Service). As part of the NCCP/HCP process, in September 2016, the Board approved retaining a fund manager (California Community Foundation) to establish an

endowment for the long-term management of the Preserves. To date, five of the seven Preserve Resource Management Plans (RMPs) have been completed. These RMPs guide the management of the Preserves as required under the NCCP/HCP. OCTA anticipates the release of the remaining two RMPs to the public by the end of summer 2017. These two RMPs will follow a similar 90-day public comment period that was afforded to interested parties.

- FY 2017-18 Budget and PSR: On June 12, 2017, the Board approved OCTA's FY 2017-18 Budget by resolution. OCTA's budget presents a balanced plan of sources and uses of funds, while providing for the current and future transportation needs of Orange County. The Board also approved changes to the PSR as part of the budget approval process.
- Metrolink Parking Structure at the Orange Transportation Center: On June 12, 2017, the Board approved the contract award for the construction of the Metrolink parking structure at the Orange Transportation Center.
- I-405 Improvement Project NTP #2: For the past 18 months, OCTA has been working toward securing a Transportation Infrastructure Finance Innovation Act (TIFIA) loan. On May 8, 2017, the Board approved the use of a letter of credit/line of credit supported by Local Transportation Authority sales tax revenues to secure the TIFIA loan. On June 22, 2017, the Board approved the substantially final form of the TIFIA Loan Agreement between OCTA and the United States Department of Transportation in the amount of \$629 million. On July 26, 2017, OCTA signed the final documents with the U.S. Department of Transportation for a \$629 million loan. OCTA received a 2.91 percent interest rate, which is expected to save more than \$300 million in financing costs over the 35-year life of the loan, as compared to toll revenue bond financing. The loan will cover one-third of the \$1.9 billion project, and construction is expected to begin by early next year.

In addition, below are a few notable Q2 2017 accomplishments not included in the CEO Action Plan.

- Grant Award for the 2017 and 2018 Orange County Fair Express Service: On April 24, 2017, the Board accepted the grant award of \$834,222 from the Mobile Source Air Pollution Reduction Review Committee to support the Orange County Fair Express Service. The grant funds directly support the operating costs of the Orange County Fair Express Service for the 2017 and 2018 fair seasons. OCTA partners with the OC Fair to provide easy access, admission discounts, and cross marketing opportunities to ensure success of the service.

- Transit Master Plan - Investment Framework and Transit Opportunity Corridors: During Q2, the Board was presented the Transit Master Plan Investment Framework. The goal is to work towards an integrated bus, rail, and paratransit plan for Orange County. The plan will identify future potential transit corridor studies and recommended changes to existing transit service.
- Low Carbon Transit Operations Program (LCTOP) College Student Pass Pilot Program: In February 2017, the Board approved the use of LCTOP funds to focus on ridership growth for college and university students within the Rancho Santiago Community College District. Santa Ana College (SAC) volunteered and was chosen to implement the pilot project. This three year pilot pass program will allow every student from SAC to ride OCTA's fixed-route bus service with a valid student ID. The pilot program would include the first year of ridership paid by LCTOP funds, with the second and third year paid for by the student transportation fee.
- Bike to Work Program: In May 2017, OCTA conducted a comprehensive marketing/outreach program to increase awareness for bicycling and bike safety in Orange County. Through a targeted marketing campaign to commuters and the public, OCTA generated more than 1,000 pledges and 32,000 bike video views. Leveraging the national Bike to Work Program, OCTA organized and participated in several bike events throughout the County.
- 2017 Angels Express Promotion: In April 2017, OCTA kicked off its annual Angels Baseball Express promotion. This program is designed to encourage rail transit ridership through marketing campaigns and partnership with the Angels organization.

### ***Summary***

OCTA made considerable progress toward the completion of the CEO Action Plan this quarter. The 2017 second quarter accomplishments will shape the strategies for the remaining milestones for the year.

### ***Attachments***

- A. 2017 Board Strategic Initiatives
- B. 2017 CEO Initiatives and Action Plan – Second Quarter Progress Report