

Measure M2 Updated



- Timeline
 - ✓ Early Action Plan - adopted in 2007 (five year plan)
 - ✓ M2020 - adopted in 2012 (eight year plan – replaced mid stream)
 - ✓ Next 10 Plan - adopted in 2016 (ten year plan)
- Accelerates projects and programs
 - ✓ Delivers improvements sooner
 - ✓ Realizes savings through lower debt / reduced escalation
 - ✓ Capitalizes on low bid environment
 - ✓ Readies projects to capture external funding
 - ✓ Utilizes local funding - 91 Express Lanes excess revenue



M2 Sales Tax Revenue Forecast

- Updated 2017 forecast is \$13.5 billion
 - \$700 million less than the 2016 forecast
- Most areas of M2 Plan scale to available revenue
- Freeway program doesn't scale due to set scopes
 - Net freeway program revenue loss - \$272 million
 - Net freeway project cost increase - \$90 million

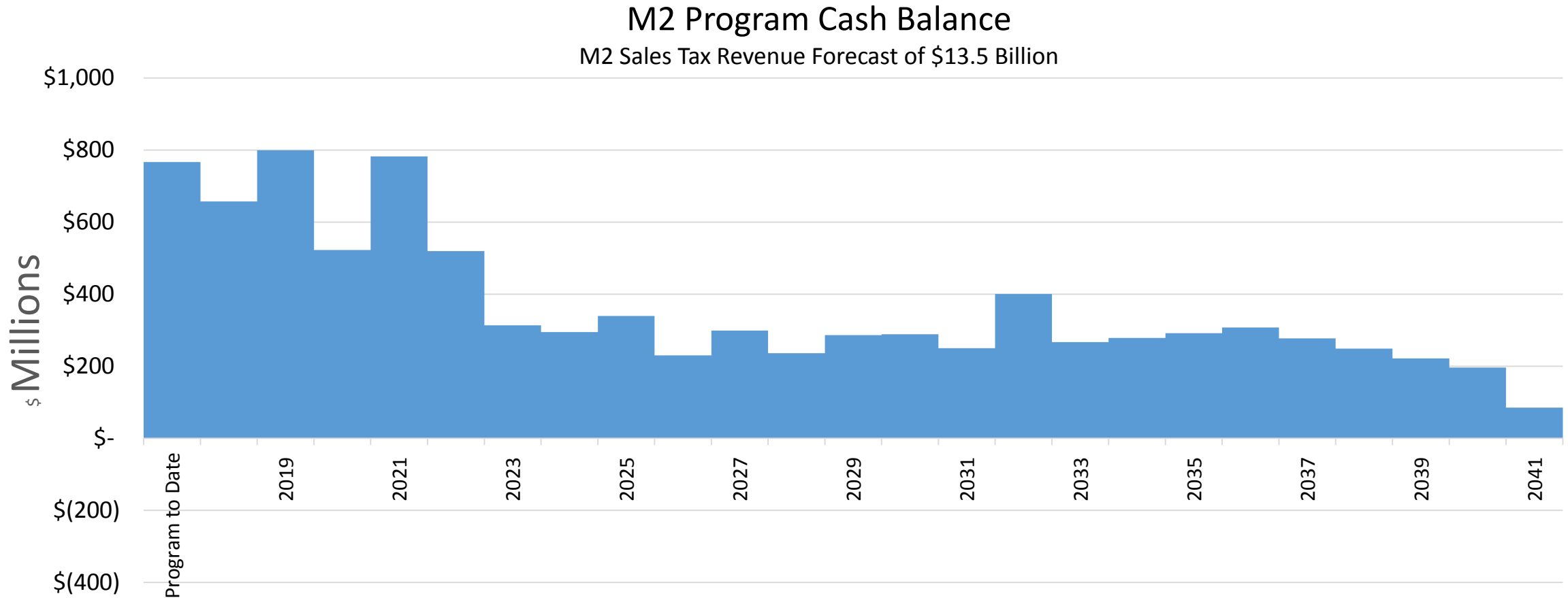
MEASURE M M2 Projects and Programs		
Freeway Projects		
I-5	Santa Ana Freeway Interchange Improvements	A
I-5	Santa Ana/San Diego Freeway Improvements	B C D
SR-22	Garden Grove Freeway Access Improvements	E
SR-55	Costa Mesa Freeway Improvements	F
SR-57	Orange Freeway Improvements	G
SR-91	Riverside Freeway Improvements	H I J
I-405	San Diego Freeway Improvements	K L
I-605	Freeway Access Improvements	M
All	Freeway Service Patrol	N
Streets & Roads Projects		
	Regional Capacity Program	O
	Regional Traffic Signal Synchronization Program	P
	Local Fair Share Program	Q
Transit Projects		
	High Frequency Metrolink Service	R
	Transit Extensions to Metrolink	S
	Metrolink Gateways	T
	Expand Mobility Choices for Seniors and Persons with Disabilities	U
	Community Based Transit/Circulators	V
	Safe Transit Stops	W
Environmental Cleanup		
	Clean Up Highway and Street Runoff that Pollutes Beaches	X
Taxpayer Safeguards and Audits		
	Collect Sales Taxes (State charges required by law)	
	Oversight and Annual Audits	

- Next 10 Plan Approved November 2016
 - ✓ Board approved use of net excess 91 Express Lanes revenue up to the full cost of two eligible 91 projects
 - ✓ Cash flow included \$463 million (partial cost only)
- Next 10 Plan - Update November 2017
 - ✓ Revised cash flow assumes \$748.7 million* in net excess revenues
 - ✓ Retains priority schedule for Project I - State Route 91 between State Route 57 and State Route 55



* 91 Express Lanes excess revenue is brought into the cash flow as costs are incurred up to full amount of the two eligible 91 projects.

M2 Program Cash Balance



*Based on June 2017 M2 Sales Tax Revenue Forecast of \$13.5 Billion and use of \$748 million of 91 Express Lanes revenues

Next 10 Deliverables Summary

- Deliver up to \$4.3 billion in freeway projects
- Allocate nearly \$1 billion of funding for streets and roads improvements
- Invest approximately \$1 billion to enhance access to rail and transit including delivery of the OC Streetcar
- Ensure ongoing preservation of open space Preserves and provide \$40 million in water quality grants



- Distribute the Updated Next 10 Plan to local jurisdictions and stakeholders
- Work with our transportation partners to seek cost saving measures on delivery of the Next 10 Plan of projects and programs
 - ✓ Identify cost-effective alternates that meet the intent of the M2 scope as projects advance through project development for Board of Directors (Board) consideration
- Monitor the risk associated with the changing environment and return to the Board with updates as appropriate

