



December 3, 2018

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Capital Programs Division - First Quarter Fiscal Year 2018-19
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 is a quarterly update on the CAP performance metrics, which are a snapshot of the planned CAP project delivery milestones in the budget fiscal year (FY).

Discussion

The Capital Programs Division objective is to deliver projects on schedule and within the approved project budget. Key project 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 project groupings; freeway projects, grade separation projects, rail and station projects, and facility projects. Schedule milestones are used as performance indicators of progress in project delivery. The CAP performance metrics provides a FY snapshot of the milestones targeted for delivery in the budget FY, and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost of the project across all phases of project delivery, including support costs, and 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 project 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 letter. The CAP status update is also included in the M2 Quarterly 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 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 approved 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 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. On a monthly basis, actual dates are updated when milestones are achieved, and forecast dates are updated to reflect project delivery status.

CAP milestones achieved in the first quarter FY 2018-19 include:

Freeway Projects

- The complete environmental milestone for the Interstate 405 widening from Interstate 5 (I-5) to State Route 55 (SR-55) was achieved. The final design and ROW phases are planned to begin in December 2022. This will align the construction phase with funding availability in 2026, as planned in the 2018 Next 10 Delivery Plan (Next 10 Plan) adopted by the OCTA Board of Directors (Board) on September 10, 2018.
- Final design was completed on the I-5 widening from State Route 73 to Oso Parkway. The California Department of Transportation (Caltrans) is completing acquisition of ROW and the final construction contract packaging. The project is planned to be ready to advertise for construction bids in July 2019.

- Construction of high-occupancy vehicle (HOV) lanes on I-5 from Avenida Pico to Avenida Vista Hermosa was completed.
- Construction of HOV lanes on I-5 from Pacific Coast Highway to San Juan Creek Road was completed.

Rail and Transit Projects

- The San Juan Capistrano railroad passing siding project achieved completion of design, construction ready, and advertise construction milestones. The construction bid opening was on October 23, 2018.
- The OCTA Board awarded the OC Streetcar project construction contract on September 24, 2018.

Recap of First Quarter FY 2018-19 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2018-19 reflects 25 planned major project delivery milestones to be accomplished in the FY, eight of which were planned in the first quarter of the FY. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the first quarter of FY 2017-18 (Attachment B). All eight (100 percent) of the planned milestones were achieved in the first quarter of the FY.

FY 2018-19 Cost and Performance Metric Risk Look Ahead

There are continued risks in obtaining third party agreements and approvals, and increased costs due to construction labor and material market trends. In September 2018, the Board was provided information on current and forecast construction markets, updated project cost estimates, and updated revenue forecasts which culminated with the Board adopting the updated Next 10 Plan.

As reported to the OCTA Board at the end of last FY, the award contract milestone for construction of the second HOV lane on I-5 between SR-55 and State Route 57 was missed because the eight bids received were found non-responsive by Caltrans. The project was re-advertised, and Caltrans received two bids on October 18, 2018. Caltrans is currently assessing the bids for responsiveness.

The I-5 widening from Oso Parkway to Alicia Parkway is planned to be advertised for construction bids in the second quarter this FY, and market trends have the potential to adversely impact the construction bid with higher costs.

The OC Streetcar Full Funding Grant Agreement (FFGA) needed to secure the Capital Improvement Grants Program New Starts funding from the Federal Transit Administration (FTA) is pending final congressional notification and review prior to execution of the FFGA by FTA.

As reported in previous quarters, construction of the Placentia Metrolink Station has been delayed due to the need for an agreement between BNSF Railway (BNSF) and Metrolink for the use of BNSF-owned and operated track and indemnification terms. Final approval of the new station by BNSF, City of Placentia acquisition of ROW from BNSF, and finalization of the BNSF construction and maintenance agreement for the project remain to be completed. The project schedule is continually being re-assessed, and the planned advertisement for construction may not be achieved until June 2019.

The Fullerton Transportation Center Elevator Upgrade project being constructed by the City of Fullerton is behind schedule, and liquidated damages will be assessed on the contractor. The project is forecast to be complete in the second quarter of the current FY.

Summary

Significant capital project delivery progress has been achieved and is reflected in the CAP. The planned FY 2018-19 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 September 2018
- B. Capital Programs Division, Fiscal Year 2018-19 Performance Metrics Through September 2018

Prepared by:

A handwritten signature in blue ink, appearing to read "James G. Beil".

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