



August 5, 2019

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Capital Programs Division - Fourth Quarter Fiscal Year 2018-19 and Planned Fiscal Year 2019-20 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 budgeted 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 budgeted 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 fourth quarter FY 2018-19 include:

Freeway Projects

- Final design was completed on the Interstate 5 (I-5) widening from Alicia Parkway to El Toro Road. This is the northernmost of three segments of I-5 widening between State Route 73 (SR-73) and El Toro Road. Final review and construction contract packaging is being performed by the California Department of Transportation (Caltrans).
- The I-5 widening between SR-73 and Oso Parkway achieved the construction ready milestone. This is the southernmost of three segments of I-5 widening between SR-73 and El Toro Road. Caltrans will advertise the estimated \$121 million contract for construction bids in August 2019.
- Landscape construction was completed on the northbound State Route 57 replacement planting project from Orangethorpe Avenue to Lambert Avenue.

Rail and Station Projects

- Construction of the Fullerton Transportation Center Elevator Upgrade contract was completed. The City of Fullerton has accepted all work and is working with the contractor on closeout activities.

The following CAP milestones missed the planned delivery through the fourth quarter of FY 2018-19:

The complete environmental milestone for the I-5 widening from Interstate 405 to State Route 55 was not completed in the fourth quarter and is now not anticipated to be completed until February 2020. The environmental approval was delayed approximately four months in order to perform additional surveys to validate existing geometrics and perform studies required to support Caltrans approval of the project Design Standard Decision Document (DSDD). In addition, Caltrans is now requiring OCTA to upgrade and replace the median concrete barrier throughout the approximately nine-mile long project and implement other safety enhancements as directed. This required late change will require additional design effort and may impact the draft DSDD, create additional variations in ROW requirements, and impact overall project cost.

The Anaheim Canyon Metrolink Station expansion project missed two milestones in the fourth quarter (completion design and construction ready). These milestones are now planned in September 2019 and December 2019, respectively. The City of Anaheim was unable to provide suitable protection or relocation of an existing aged city water line in La Palma Avenue crossing through the OCTA railroad ROW and requested additional modifications to adjacent traffic signals on La Palma Avenue. In addition, it was determined access for construction vehicles and machinery into the constrained site will require agreements with adjacent property owners to be negotiated and in place prior to construction.

The Placentia Metrolink Station missed three milestones this FY (construction ready, advertise construction, award contract) which have been re-scheduled into FY 2019-20. This new station will be constructed on a BNSF Railway-owned-and-operated rail line. Metrolink and BNSF Railway are cooperatively working together negotiating an updated Shared Use Agreement (SUA) which will provide the required BNSF approvals for construction of the station. The final SUA is targeted to be ready for Metrolink member agency approval the end of October 2019.

Recap of 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. The CAP and performance metrics have been updated to reflect both milestones achieved and missed through the fourth quarter of the FY (Attachment B). Nineteen of the 25 (76 percent) planned milestones in the FY were achieved.

New FY 2019-20 Performance Metrics

The CAP and performance metrics have been updated with the latest project status, and there are 19 major project delivery milestones planned in FY 2019-20 (Attachment C). Of note, four major freeway projects are scheduled to become environmentally cleared in FY 2019-20.

FY 2019-20 Cost and Performance Metrics Risks

Primary FY 2019-20 risks include third party agreements and approvals, and market cost trends impacting both construction costs and professional services contract costs. Construction costs may continue to experience increases in the FY due to continued change in markets for materials and labor. Staff will monitor construction bid pricing and market indicators, and will update project cost estimates as appropriate. Recent architectural and engineering support contract cost negotiations are reflecting increasing rates which will translate into higher contract implementation costs.

Completion of environmental clearance for the I-5 El Toro Interchange project may be delayed if there is lack of concurrence on the selected project preferred alternative from the key stakeholder cities of Laguna Hills, Laguna Woods, and Lake Forest,

Advancing the Placentia Metrolink Station project to construction in the third quarter of FY 2019-20 is dependent on successful negotiation of the Metrolink/BNSF Railway SUA and execution of the SUA by all Metrolink member agencies. In addition, construction cost increases realized during the delay in getting the project approved and advertised are being assessed, and any required programming changes will be brought to the OCTA Board for consideration and approval.

Summary

Capital project delivery continues to progress and is reflected in the CAP. The planned FY 2019-20 performance metrics created from forecast project schedules will be used as a general project delivery performance indicator throughout the FY. 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 June 2019
- B. Capital Programs Division, Fiscal Year 2018-19 Performance Metrics Through June 2019
- C. Capital Programs Division, Fiscal Year 2019-20 Performance Metrics Plan

Prepared by:

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

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