



November 4, 2024

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: First Quarter Fiscal Year 2024-25 Capital Action Plan and Performance Metrics

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is written over the "From:" line of the memo.

Overview

Staff has prepared a quarterly progress report on capital project delivery for the period of July 2025 through September 2025, for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) delivers highway, transit, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery milestones are planned carefully with consideration of project scope, costs, schedule, and assessment of risks. The milestones reflected in the Capital Action Plan (CAP) are OCTA's planned and budgeted major project delivery commitments.

This report provides the first quarter progress report on the CAP performance metrics, which are a snapshot of the planned CAP project delivery milestones in fiscal year (FY) 2024-25.

Discussion

OCTA's 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 project status and any new projects (Attachment A). The CAP is categorized into four key project groupings

of freeway, railroad grade separation, and rail and station projects. Schedule milestones are used as performance indicators of progress in project delivery. The CAP performance metrics report provides a FY snapshot of the milestones targeted for delivery in the FY and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost across all phases of project delivery, including support costs, 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 delivery progresses and milestones achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project logo. The CAP status update is also included in the M2 Quarterly Progress 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 construction 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 planned baseline 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 a partnering 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. Project schedules are reviewed monthly, and milestone achievements and updated forecast dates are included to reflect project delivery status.

CAP milestones achieved in the first quarter of FY 2024-25 include:

- The complete design milestone was achieved for the State Route 57 (SR-57) northbound improvements between Orangewood Avenue and Katella Avenue. The project is now with the California Department of Transportation (Caltrans) Office Engineer for final review and packaging with a target construction contract advertisement by Caltrans in July 2025.
- The complete design milestone was achieved for the Interstate 5 (I-5) Improvement Project between Yale Avenue and State Route 55 (SR-55). Pending completion of project ROW activities, the target construction contract advertisement by Caltrans is in July 2025.
- The award contract milestone was achieved for the Transit Security and Operations Center Project. The OCTA Board of Directors (Board) awarded the construction contract to Bernards Bros., Inc., the lowest responsive, responsible bidder, in the amount of \$44,452,000, on September 23, 2024.

The following CAP milestones missed the planned delivery through the first quarter of FY 2024-25:

Freeway Projects

- The construction ready milestone for the Interstate 605 (I-605)/Katella Avenue Interchange Improvement Project was missed due to final ROW acquisition activities. However, the project did achieve the

construction ready milestone on October 4, 2024, just outside the first quarter. The project is planned to be advertised for construction by Caltrans in January 2025.

Recap of FY 2024-25 Performance Metrics

The performance metrics snapshot provided at the beginning of FY 2024-25 reflected four planned major project delivery milestones to be accomplished through the first quarter (Attachment B). Three of the four planned milestones were delivered within the quarter. The I-605/Katella Avenue Interchange Project was delayed by only days and has since been achieved.

CAP Milestone and Cost Variance Updates

I-5, Pico to San Diego County

The forecast complete environmental milestone was revised from July 2025 to January 2026 to assess and gain agreement from Caltrans on measures to mitigate project-induced increases in vehicle miles traveled.

I-5, State Route 73 (SR-73) to Oso Parkway

The forecast complete construction milestone was revised from January 2025 to February 2025 based on construction progress to date.

I-5, Oso Parkway to Alicia Parkway

The forecast complete construction milestone was revised from October 2024 to November 2024 based on construction progress to date.

I-5, Alicia Parkway to El Toro Road

The forecast complete construction milestone was revised from February 2025 to March 2025 based on construction progress to date. The forecast cost increased by \$5.7 million from \$203.6 million to \$209.3 million due to construction contract change orders and support cost projections.

I-5, SR-73 to El Toro Road Replacement Planting and Landscape

The forecast complete design milestone was revised from January 2025 to February 2025 based on Caltrans progress to date. This necessitates revising the construction ready milestone to June 2025, the advertise construction date to August 2025, the award contract date to November 2025, and the complete construction date to May 2027.

I-5, I-5/El Toro Road Interchange

The forecast complete environmental milestone was revised from April 2026 to February 2027 to allow time to gain general consensus amongst the cities of Laguna Hills, Laguna Woods, and Lake Forest prior to finishing technical studies and releasing the environmental document to the public for comment.

I-5, Interstate 405 to Yale Avenue

The forecast cost increased by \$86.4 million from \$230.5 million to \$316.9 million. The project cost estimates were last updated in 2021 when the project report was being prepared. The final design and engineers estimate includes updated final bid quantities and unit pricing which accounts for significant escalation since 2021 out to the mid-point of construction.

I-5, Yale Avenue to SR-55

The forecast cost increased by \$31.8 million from \$258.2 million to \$290 million. The project cost estimates were last updated in 2021 when the project report was being prepared. The final design and engineers estimate includes updated final bid quantities and unit pricing which accounts for significant escalation from 2021 to the mid-point of construction.

SR-57 Northbound, Orangewood Avenue to Katella Avenue

The forecast cost increased by \$20.5 million from \$114.9 million to \$135.4 million. The project cost estimates were last updated in early 2019 when the project report was being prepared. The final design and engineers estimate includes updated final bid quantities and unit pricing which accounts for significant escalation from 2019 to the mid-point of construction.

State Route 91 (SR-91), SR-55 to Lakeview Avenue (Segment 1)

The forecast award contract milestone was revised from October 2024 to November 2024 since Caltrans opened the construction bids on October 16, 2024.

SR-91, La Palma Avenue to SR-55 (Segment 2)

The forecast construction ready milestone was revised from August 2025 to September 2025. This also results in the forecast advertise construction milestone being revised to December 2025, the award contract milestone revised to March 2026, and the complete construction milestone revised to July 2030.

SR-91 Eastbound Corridor Operations Project (State Route 241 to State Route 71)

The Riverside County Transportation Commission (RCTC) is preparing the project report and environmental clearance. Based on project progress, the forecast complete environmental milestone is being revised from April 2025 to August 2025.

91 Express Lanes to State Route 241 Toll Connector

The Transportation Corridor Agencies is preparing the final design for the project. Based on reported progress, the complete design milestone is being revised from January 2025 to February 2025. This also results in the construction ready milestone being revised to May 2025, and the award contract milestone revised to September 2025. These milestones will be updated as project approvals and agreements are completed.

I-605, I-605/Katella Interchange

The advertise construction milestone was revised to January 2025, the award contract milestone revised to May 2025, and the complete construction milestone revised to January 2027.

FY 2024-25 Cost and Performance Metrics Risks

The OC Streetcar project cost and schedule risks related to design deficiencies and contractor performance persist. Staff, in partnership with the Federal Transit Administration (FTA) and FTA's consultants, are still finalizing an FTA-prescribed 90 percent complete risk assessment to forecast the most probable completion cost and schedule. Following a thorough review by the FTA's program management consultant, staff will report the updated risk-based cost and schedule to the Board in late 2024 or early 2025. Regular reports will continue to be provided to the Board on project status.

Final engineers' estimates for projects moving to the construction phase continue to be higher than planned. The recent apparent low construction bid on the SR-91 Improvement Project between SR-55 and Lakeview Avenue came in 14.11 percent higher than the engineers' estimate. Staff is assessing the unit pricing data from this bid to make any needed adjustments to the final engineers' estimates on other near term projects. Staff will continue to monitor construction bids in the region and account for any identified escalation of material and labor costs.

Summary

Capital project delivery continues to progress and is reflected in the CAP. Through the first quarter of FY 2024-25, 75 percent of the planned CAP milestones were delivered. Forecast schedules and costs have been updated for the FY 2024-25 performance metrics, which will be used as a general quarterly project delivery performance indicator in FY 2024-25. 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 2024
- B. Capital Programs Division, Fiscal Year 2024-25 Performance Metrics Through September 2024

Prepared by:



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