



**February 3, 2025**

**To:** Executive Committee

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

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

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is positioned in the upper right corner of the page.

**Overview**

Staff has prepared a quarterly progress report on capital project delivery for the period of October 2024 through December 2024, 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 second 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. Project delivery schedule milestones are used as performance indicators of progress in meeting commitments. The CAP performance metrics report provides a snapshot of delivery milestones planned for delivery in the FY and provides transparency and a performance measurement for 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 summarized in the M2 Quarterly Progress Report.

The CAP consolidates 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 complete 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 the consultant preparing or working on the specific phase of a project. Planned milestone dates can be revised to reflect new dates from approved baseline schedule changes. Baseline schedule changes are typically made when transitioning to a new project delivery phase, or when significant change is identified during a phase of project delivery. Project schedules are reviewed monthly, and milestone achievements and updated forecast dates are included to reflect project delivery status.

The following CAP milestones were completed in the second quarter of FY 2024-25:

- The complete design milestone was achieved for the State Route 91 (SR-91) Improvement Project between Acacia Street and La Palma Avenue in the City of Anaheim. The SR-91 Improvement Project between State Route 55 (SR-55) and State Route 57 (SR-57) is being delivered through three separate contracts. This is the westerly contract, Segment 3.
- The complete design milestone was achieved for the Interstate 5 (I-5) Improvement Project between Interstate 405 (I-405) and Yale Avenue. The I-5 Improvement Project between I-405 and SR-55 is being delivered through two separate contracts. This is the northerly contract, Segment 2. Pending completion of project ROW activities, the target construction contract advertisement by the California Department of Transportation (Caltrans) is in July 2025.
- The complete design milestone was achieved for the I-5 Landscaping Project between State Route 73 (SR-73) and El Toro Road. This is a follow-on project to install new freeway landscape and hardscape as the I-5 Improvement Project between SR-73 and El Toro Road construction is coming to completion.

- Both the construction ready and advertise construction milestones were achieved for the Interstate 605 (I-605)/Katella Avenue Interchange Improvement Project. Construction bids were received and opened on January 23, 2025.
- The complete construction milestone was achieved for Segment 2 of the I-5 Improvement Project between Oso Parkway and Alicia Parkway. Caltrans accepted the construction contract as completed on December 19, 2024. This is the middle segment of three segments on the I-5 Improvement Project between I-405 and SR-73.

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

#### Freeway Projects

- The award contract milestone for construction of the SR-91 Improvement Project between SR-55 and Lakeview Avenue was missed. However, Caltrans was able to award the contract on January 3, 2025, only missing the second quarter by three days. The SR-91 Improvement Project between SR-55 and SR-57 is being delivered through three separate contracts. This is the easterly contract, Segment 1.

#### Recap of FY 2024-25 Performance Metrics Through the Second Quarter

The performance metrics snapshot provided at the beginning of FY 2024-25 reflected nine planned major project delivery milestones to be accomplished through the second quarter (Attachment B). Nine planned milestones were delivered through the second quarter. The award contract for the I-605/Katella Avenue Interchange Project was delayed by only days into the third quarter, and the complete design for the I-5 landscaping project complete design planned for the third quarter was delivered early.

#### Second Quarter CAP Milestone and Cost Variance Updates

##### I-5, Avenida Pico to San Diego County Line

The complete environmental milestone forecast was revised from January 2026 to June 2026 due to the evolving discussions regarding project-induced increases in vehicle miles traveled (VMT), and potential means, methods, and costs being required by Caltrans to mitigate the induced VMT.

I-5, SR-73 to Oso Parkway

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

I-5, Alicia Parkway to El Toro Road

The complete construction milestone forecast was revised from March 2025 to June 2025 based on construction progress to date. The forecast final cost increased to \$227.3 million due to construction contract change orders and support cost projections.

I-5, SR-73 to El Toro Road Landscaping

With an earlier than anticipated complete design achieved, forecast milestones for construction ready is revised to January 2025, advertise construction to February 2025, the award contract to April 2025, and complete construction to November 2026.

I-5, I-405 to Yale Avenue

The forecast cost increased by \$71.2 million, from \$316.9 million to \$388.1 million. The final design and engineers estimate have been updated to include the cost of Caltrans-funded scope included in the design and updated support costs. Caltrans contribution is approximately \$50.1 million.

I-5, Yale Avenue to SR-55

The forecast cost increased by \$37.9 million, from \$290 million to \$327.9 million. The final design and engineers' estimate have been updated to include the cost of Caltrans-funded scope included in the design and updated support costs. Caltrans contribution is approximately \$27.9 million.

SR-55, I-5 to SR-91

The forecast cost increased by \$70.8 million, from \$131.3 million to \$202.1 million. The design estimate has been updated to include the acquisition of additional ROW needed for the project, updated bid quantities and unit pricing and updated support costs.

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

The forecast award contract and complete construction dates were revised based on the actual contract award date of December 18, 2024. The forecast

cost was increased by \$6.8 million, from \$133.9 million to \$140.7 million to reflect the awarded construction contract value.

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

The forecast cost increased by \$172.3 million, from \$208.4 million to \$380.7 million. The design estimate has been updated to include additional ROW acquisition costs, updated bid quantities and unit pricing, and updated support costs.

SR-91, Acacia Street to La Palma Avenue (Segment 3)

The forecast cost increased by \$19 million, from \$238.5 million to \$257.5 million. The design estimate has been updated to include updated bid quantities and unit pricing, estimated cost of Caltrans-funded scope included in the project design and updated support costs. Caltrans contribution is approximately \$35.1 million.

I-605, I-605/Katella Avenue Interchange

The forecast award contract milestone was revised to March 2025 based on the actual advertisement and bid dates. The forecast cost increased by \$3.3 million, from \$49.7 million to \$53 million, to reflect the final engineers' estimated cost for the project advertised for construction bids.

**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 has finalized the FTA-prescribed 90 percent complete risk assessment to forecast the most probable completion cost and schedule. Staff plans to report on the updated risk-based cost and schedule changes to the Board of Directors (Board) in February 2025. Quarterly project status reports will continue to be provided to the Board.

Final engineers' estimates for projects moving to the construction phase continue to be higher than planned. Staff will continue to assess unit pricing data from other construction bids in the region and make needed adjustments to forecast costs to account for 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 December 2024
- B. Capital Programs Division, Fiscal Year 2024-25 Performance Metrics Through December 2024

**Prepared by:**



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