

**Date:** **Monday, June 11, 2007**

**Time:** **9:00 a.m.**

**Where:** **Orange County Transportation Authority Headquarters  
600 South Main Street, First Floor - Conference Room 154  
Orange, California 92868**



**Notice of Special Meeting  
Orange County Transportation Authority  
Board of Directors**

**Notice Is Hereby Given** that a Special Meeting of the Orange County Transportation Authority Board of Directors is hereby called to be held on:

**Monday, June 11, 2007, at 8:15 a.m.**

Orange County Transportation Authority  
600 South Main Street - Room 109  
Orange 92868

**Public Comments**

Members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes for all comments, unless different time limits are set by the Chairman subject to the approval of the Board of Directors.

**1. Closed Session**

- A. Pursuant to Government Code Section 54957.6 to meet with Orange County Transportation Authority designated representative Sherry Bolander regarding collective bargaining agreement negotiations with the Teamsters Local 952 representing the coach operators.
- B. Pursuant to Government Code Section 54956.9(a) to discuss Heyser v. Orange County Transportation Authority;  
OCSC No. 06CC08665.

**Adjournment**

The regular meeting of the OCTA/OCSAFE/OCSAAV/OCLTA/OCTD follows at **9:00 a.m. on June 11, 2007**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.

Carolyn V. Cavecche  
Chairman



## **BOARD AGENDA**

Orange County Transportation Authority Board Meeting  
OCTA Headquarters  
First Floor - Room 154, 600 South Main Street  
Orange, California  
***Monday, June 11, 2007, at 9:00 a.m.***

*ACTIONS*

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

### **Invocation**

Director Mansoor

### **Pledge of Allegiance**

Director Green

### **Agenda Descriptions**

The agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board of Directors may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

### **Public Comments on Agenda Items**

Members of the public wishing to address the Board of Directors regarding any item appearing on the agenda may do so by completing a Speaker's Card and submitting it to the Clerk of the Board. Speakers will be recognized by the Chairman at the time the agenda item is to be considered. A speaker's comments shall be limited to three (3) minutes.



## **BOARD AGENDA**

*ACTIONS*

### **Special Matters**

1. **Recognition of 2007 APTA Roadeo Team**  
Beth McCormick
2. **Resolution of Appreciation to Gary Johnson, City of Anaheim**
3. **Recommendations for the Public Hearing on the Orange County Transportation Authority's Fiscal Year 2007-08 Budget**  
Andrew Oftelie/James S. Kenan

#### ***Overview***

The Orange County Transportation Authority Fiscal Year 2007-08 Budget presents a balanced plan of sources and uses of funds while providing for the current and future transportation requirements of Orange County. The public hearing provides the public the opportunity to comment on the details of the budget. The Board of Directors may approve the fiscal year 2007-08 budget following the public hearing on June 11, 2007, at the regularly scheduled Board meeting on June 25, 2007, or in a special meeting convened prior to July 1, 2007, when state law mandates budget approval.

#### ***Committee Recommendations***

- A. Conduct a public hearing on the Orange County Transportation Authority's Fiscal Year 2007-08 Budget on June 11, 2007.
- B. Approve by resolution the Orange County Transportation Authority's Fiscal Year 2007-08 Budget.
- C. Approve changes to the Personnel and Salary Resolution; excluding the recommended change to delete the maximum dollar amount for relocation expenses.
- D. Authorize the Purchasing Agent to execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements.
- E. Elimination of the \$35,000 cap for relocation reimbursement be continued pending more information being provided for the Finance & Administration Committee review.



## **BOARD AGENDA**

### *ACTIONS*

### **Consent Calendar (Items 4 through 17)**

All matters on the Consent Calendar are to be approved in one motion unless a Board Member or a member of the public requests separate action on a specific item.

#### **Orange County Transportation Authority Consent Calendar Matters**

**4. Approval of Minutes**

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of May 29, 2007.

**5. Approval of Resolution of Appreciation to Gary Johnson, City of Anaheim**

**6. Consultant Selection for the Orange County/Los Angeles Intercounty Transportation Study**

Wendy L. Garcia/Kia Mortazavi

#### ***Overview***

The Orange County Transportation Authority and the Los Angeles County Metropolitan Transportation Authority share an interest in addressing intercounty congestion. Offers were received from firms to conduct a study to develop conceptual alternatives for improving intercounty travel in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform professional and technical services.

#### ***Recommendation***

Authorize the Chief Executive Officer to negotiate and execute Agreement C-7-0658 between the Orange County Transportation Authority and IBI Group, in an amount not to exceed \$298,953, to conduct a study to develop conceptual alternatives for improving travel between Orange and Los Angeles counties.



## **BOARD AGENDA**

### *ACTIONS*

7. **Funding for the City of La Habra Senior Shuttle Transportation Program**  
Monica Giron/James S. Kenan

#### ***Overview***

The expansion of the City of La Habra's Senior Shuttle Transportation Program has increased the operating cost to a level above available funding. Although the City of La Habra received a Section 5309 federal grant for the project, it does not allow for operating expenditures. The Orange County Transportation Authority proposes to transfer unrestricted local funds to be used only for operations of the City of La Habra's Senior Shuttle Transportation in exchange for the federal grant funds.

#### ***Recommendation***

Authorize the Chief Executive Officer to execute a Memorandum of Understanding with the City of La Habra to provide public transit operating assistance of \$155,430, for fiscal year 2006-07, in exchange for an equivalent amount of Section 5309 federal grant funds.

8. **Third Quarter Fiscal Year 2006-07 Grant Status Report**  
Monica Giron/James S. Kenan

#### ***Overview***

The Quarterly Grant Status Report summarizes grant activities for information purposes for the Orange County Transportation Authority Board of Directors. This report focuses on significant activity for the period of January through March 2007. The Quarterly Grant Status Report summarizes future and pending grant applications, executed and current grant awards, and closed-out grant agreements.

#### ***Recommendation***

Receive and file as an information item.



## BOARD AGENDA

### ACTIONS

9. **Resolution to Establish the Orange County Local Transportation Authority Measure M Appropriations Limitation for Fiscal Year 2007-08**  
Monica Giron/James S. Kenan

#### **Overview**

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

#### **Recommendation**

Adopt Orange County Local Transportation Authority/Measure M Resolution No. 2007-24 to establish the Orange County Local Transportation Authority/Measure M appropriations limit at \$1,182,377,210, for fiscal year 2007-08.

10. **Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limitation for Fiscal Year 2007-08**  
Monica Giron/James S. Kenan

#### **Overview**

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

#### **Recommendation**

Adopt Orange County Transportation Authority Resolution No. 2007-23 to establish the Orange County Transportation Authority General Fund appropriations limit at \$7,794,258 for fiscal year 2007-08.



## BOARD AGENDA

### ACTIONS

**11. Workers' Compensation Program Review**  
Al Gorski/James S. Kenan

**Overview**

The Orange County Transportation Authority is certified by the State of California to self-insure and administer its Workers' Compensation Program. The program was transferred to the Finance, Administration and Human Resources Division in June of 2004. This report will provide a current status of the program and the results of the numerous initiatives implemented since June of 2004.

**Recommendation**

Receive and file as an information item.

**12. Annual Insurance Program Review**  
Al Gorski/James S. Kenan

**Overview**

The Orange County Transportation Authority purchases various insurance coverages such as workers' compensation, liability, property, crime, terrorism, business interruption, life, health, dental, vision, and short-term and long-term disability insurance. The Orange County Transportation Authority contracts with insurance brokers for the marketing and placement of these coverages.

**Recommendation**

Receive and file as an information item.



## **BOARD AGENDA**

### *ACTIONS*

13. **Fiscal Year 2006-07 Third Quarter Budget Status Report**  
Rene I. Vega/James S. Kenan

#### ***Overview***

The Orange County Transportation Authority's staff has implemented the fiscal year 2006-07 budget. This report summarizes the material variances between the budget plan and actual revenues and expenses.

#### ***Recommendation***

Receive and file as an information item.

### **Orange County Local Transportation Authority Consent Calendar Matters**

14. **Consultant Selection for Pavement Management System Software Selection**  
Jennifer Bergener/Kia Mortazavi

#### ***Overview***

The Renewed Measure M requires establishment of a common countywide pavement management practice as a requirement for receipt of funds for local streets and roads projects. Proposals were solicited from firms to review and evaluate existing pavement management system software and recommend a uniform system for use in Orange County. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

#### ***Recommendation***

Authorize the Chief Executive Officer to negotiate and execute Agreement C-7-0656 between the Orange County Transportation Authority and Bucknam & Associates, Inc., in an amount not to exceed \$117,132, to review, evaluate, and recommend a uniform pavement management software system for Orange County.



## **BOARD AGENDA**

*ACTIONS*

### **Orange County Transit District Consent Calendar Matters**

**15. Amendment to Agreement for the Purchase of 78 Compressed Natural Gas 40-Foot Buses**

Lloyd Banta/Beth McCormick

***Overview***

The existing agreement with New Flyer of America, Inc., for the purchase of compressed natural gas forty-foot buses requires an amendment to include an additional 78 buses for bus rapid transit. This is the third amendment to the original agreement. This will raise the total number of buses purchased under this agreement to 377, and increase the maximum obligation of the contract to \$170,727,018.

***Recommendation***

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-5-0746 between the Orange County Transportation Authority and New Flyer of America, Inc., in an amount of \$40,500,000, increasing the maximum obligation of the contract to \$170,727,018.

**16. Agreement to Install Particulate Matter Soot Filters on 50 Articulated Buses**

Lloyd Banta/Beth McCormick

***Overview***

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved funds for the installation of particulate matter filters on up to 71 New Flyer diesel buses. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

***Recommendation***

Authorize the Chief Executive Officer to execute Agreement C-7-0407 between the Orange County Transportation Authority and Fleet Services, Inc., in an amount not to exceed \$441,769 for the installation of particulate matter filters on 50 New Flyer articulated buses.



## BOARD AGENDA

### ACTIONS

#### 17. **Blanket Purchase Order for Test and Operation Gases for Liquefied Natural Gas Buses and Facilities**

Lloyd Banta/Beth McCormick

##### **Overview**

As part of the proposed Orange County Transportation Authority's Fiscal Year 2007-08 Budget, the Board will be requested to approve the purchase of test and operation gases for liquefied natural gas buses and facilities. The current agreement to provide operation gases for liquefied natural gas buses will expire on June 30, 2007. Bids were received in accordance with the Orange County Transportation Authority's procurement procedures for Invitations for Bid.

##### **Recommendation**

Authorize the Chief Executive Officer to execute Blanket Purchase Order C-7-0746 between the Orange County Transportation Authority and Cameron Welding Supply, in an amount not to exceed \$60,000, for test and operation gases for liquefied natural gas buses and facilities, for a one-year period with four one-year options.

## Regular Calendar

### Orange County Transportation Authority Regular Calendar Matters

#### 18. **Agreement for Vanpool Providers and Launch of Vanpool Program**

Stella Lin/Ellen S. Burton

##### **Overview**

The Orange County Transportation Authority Fiscal Year 2006-2007 Budget includes funding for development of a vanpool program. On November 13, 2006, the Board of Directors authorized the release of a Request for Proposals for vanpool providers and offers were received in accordance with procurement procedures for professional and technical services. A cooperative agreement with neighboring county transportation commissions has been drafted, a vanpool program manager has been hired, and program policies and procedures have been developed. This report recommends the final steps to launch the vanpool program.



## BOARD AGENDA

### ACTIONS

#### 18. (Continued)

##### *Recommendations*

- A. Authorize the Chief Executive Officer to execute agreements between the Orange County Transportation Authority and Enterprise Rideshare, a subsidiary of Enterprise Rent-A-Car Company of Los Angeles; Midway Rideshare, a subsidiary of Midway Rent-A-Car, Incorporated; and VPSI, Incorporated for the period July 1, 2007 through June 30, 2010. The maximum cumulative obligation for vanpool participant support to all firms is not to exceed \$5,246,400.
- B. Direct staff to finalize and execute the Interagency Agreement for the Provision of Vanpool Services with Los Angeles, San Bernardino and Riverside county transportation commissions describing principles for compiling vanpool data for the purpose of reporting to the National Transit Database which serves as the basis for receiving Section 5307 Federal Transit Capital Funding apportionments.
- C. Direct staff to develop marketing materials in support of the vanpool program.

#### **Orange County Transit District Regular Calendar Matters**

#### 19. **Orange County Transportation Authority's "Family of Transit Services"** Jorge Duran/Beth McCormick

##### *Overview*

Orange County began transit operations in the fall of 1972 through the establishment of the Orange County Transit District by state legislation. The Orange County Transit District began operations with eight local fixed routes. Transit service has grown considerably into a "family of services" consisting of a variety of bus services targeting different markets as well as commuter rail service. Today, the Orange County Transportation Authority operates 81 bus routes, ACCESS paratransit service, sponsors Metrolink commuter rail service, and is developing a bus rapid transit program.

##### *Recommendation*

Receive and file as information.



## BOARD AGENDA

### ACTIONS

#### 20. **Bus Rapid Transit Program Implementation Plan**

Jorge Duran/Beth McCormick

##### **Overview**

The Bus Rapid Transit Program, approved in October 2005 as part of a five-year rapid transit program, plays a major role in satisfying commitments made to achieve air quality conformity by 2010 in the South Coast air basin. Staff has refined the previously approved Bus Rapid Transit Implementation Strategy and developed the Bus Rapid Transit Program Implementation Plan. This plan outlines the steps necessary to close out the project approval/environmental documentation phase, enter into final design, begin construction, and subsequently initiate bus rapid transit service.

##### **Recommendations**

- A. Approve the Bus Rapid Transit Program Implementation Plan.
- B. Direct staff to perform the necessary actions to execute the program as per the implementation schedule; execute the procurement and implementation strategy; implement the bus rapid transit elements including branding; manage the program within the expenditure plan.
- C. Direct staff to file the Notice of Exemption with the Orange County Clerk.

### **Other Matters**

#### 21. **Second Quarter Review of Chief Executive Officer's Goals for 2007**

#### 22. **Public Comments**

At this time, members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per speaker, unless different time limits are set by the Chairman subject to the approval of the Board of Directors.



## BOARD AGENDA

### ACTIONS

**23. Chief Executive Officer's Report**

**24. Directors' Reports**

**25. Closed Session**

- A. Pursuant to Government Code Section 54957.6 to meet with Orange County Transportation Authority designated representative Sherry Bolander regarding collective bargaining agreement negotiations with the Teamsters Local 952 representing the coach operators.
- B, Pursuant to Government Code Section 54956.9(a) to discuss Heyser v. Orange County Transportation Authority;  
OCSC No. 06CC08665.

**26. Adjournment**

The next regularly scheduled meeting of the Board will be held at **9:00 a.m. on June 25, 2007**, at the OCTA Headquarters.





BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>Wk</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Recommendations for the Public Hearing on the Orange County Transportation Authority's Fiscal Year 2007-08 Budget

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

***Committee Vote***

This item was passed by all Committee Members present.

Director Brown was not present to vote on this item.

***Committee Recommendations (reflects change from staff recommendations)***

- A. Conduct a public hearing on the Orange County Transportation Authority's Fiscal Year 2007-08 Budget on June 11, 2007.
- B. Approve by resolution the Orange County Transportation Authority's Fiscal Year 2007-08 Budget.
- C. Approve changes to the Personnel and Salary Resolution; excluding the recommended change to delete the maximum dollar amount for relocation expenses.
- D. Authorize the Purchasing Agent to execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements.
- E. Elimination of the \$35,000 cap for relocation reimbursement be continued pending more information being provided for the Finance & Administration Committee review.





**May 23, 2007**

**To:** Finance and Administration Committee

**From:** Arthur T. Leahy, Chief Executive Officer

**Subject:** Recommendations for the Public Hearing on the Orange County Transportation Authority's Fiscal Year 2007-08 Budget

**Overview**

The Orange County Transportation Authority Fiscal Year 2007-08 Budget presents a balanced plan of sources and uses of funds while providing for the current and future transportation requirements of Orange County. The public hearing provides the public the opportunity to comment on the details of the budget. The Board of Directors may approve the fiscal year 2007-08 budget following the public hearing on June 11, 2007, at the regularly scheduled Board meeting on June 25, 2007, or in a special meeting convened prior to July 1, 2007, when state law mandates budget approval.

**Recommendations**

- A. Conduct a public hearing on the Orange County Transportation Authority's Fiscal Year 2007-08 Budget on June 11, 2007.
- B. Approve by resolution the Orange County Transportation Authority's Fiscal Year 2007-08 Budget.
- C. Approve changes to the Personnel and Salary Resolution.
- D. Authorize the Purchasing Agent to execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements.

***Background***

Orange County Transportation Authority's (OCTA) staff has developed a balanced budget for fiscal year (FY) 2007-08 that defines the financial resources required to provide multi-modal transportation services to Orange County residents.

An informal budget workshop was conducted with the Board of Directors (Board) on Monday, May 14, 2007, during which staff made a presentation on the proposed plans for each of the OCTA's programs and services and their associated revenues and expenses.

Official notice of this public hearing was posted in accordance with OCTA's policy. According to state law, the budget must be approved prior to July 1, 2007.

***Discussion***

The preparation of the OCTA annual budget began in December 2006 in coordination with the Fiscal Year 2006-07 Comprehensive Business Plan. The development of the budget begins with preliminary revenue projections for the upcoming fiscal year which are further refined as additional information becomes available such as the release of revised economic forecasts, updates on the state budget and data collection on current year revenue performance.

The development of a service plan and program goals got underway in earnest in January 2007, as well as the input of budget requests into the OCTA's budget system. Following a brief period of review and consolidation, the initial budget request was presented to executive management with an emphasis on comparing revenue projections with proposed expenditures. OCTA's revenues continue to increase within such areas as sales taxes, passenger fares, property tax, and interest income. While these revenues are increasing compared to last year, use of these funds are restricted to their respective programs. Therefore, OCTA intends to deliver additional bus service, continue its investment in the Metrolink Expansion Plan, and continue its progress on major capital freeway improvement projects such as the Garden Grove Freeway (State Route 22) Phase II Project, the Santa Ana Freeway (Interstate 5) Gateway project, and the Riverside Freeway (State Route 91) project.

Meetings between division directors/managers and the budget team to review budget requests followed soon after. The result of these meetings was to

1) agree on either keeping or eliminating budget items (staffing, services and supplies, and capital items) or 2) agreeing to disagree and continuing the discussion in formal presentations of divisional budgets with the Chief Executive Officer (CEO).

Discussions stretched into May and included successive meetings to bring service plans in line with available funding. Once final revisions were made, the budget team began producing and distributing budget documents.

The FY 2007-08 budget represents a balanced plan of sources and uses of funds. The combination of estimated revenues and use of reserves produces available funding of \$986 million, while proposed expenditures and designations yield a total use of funds of \$986 million (Attachment A - Resolution and Attachment B - Budget Summary).

The available funding includes revenues of \$830 million and reserve usage of \$156 million. The reserve usage is comprised of funds previously designated or reserved for operating and capital projects. The largest reserve utilization is in the Orange County Transit District (OCTD) (\$46.5 million) and is used for the local share of capital purchases. In addition, OCTA will utilize approximately \$39 million in reserves to help fund the Metrolink expansion for locomotives, right-of-way acquisition, turn back facilities, and increased parking facilities. The OCTA will also contribute \$23 million from reserves to help fund the City of Santa Ana Bristol Street Widening Project.

The proposed use of funds consists of salaries and benefits of \$157.7 million, services and supplies of \$499.4 million, debt service of \$101.1 million, capital and fixed assets of \$191.8 million and designations for future operating and capital requirements of \$36.1 million. The largest designations are in the 91 Express Lanes Fund, which sets aside resources for future capital improvements along the Riverside Freeway Corridor (\$8 million), along with a repayment of funds (\$9.1 million) to the Commuter Urban Rail Endowment Fund which were borrowed for the original purchase of the toll roads. In addition, OCTA has designated \$9.3 million to help fund future OCTD fixed assets such as revenue vehicles and facility modifications.

On a year-over-year comparison, the FY 2007-08 budget is 16.8 percent (\$141.5 million) greater than the FY 2006-07 budget. The investment in the Metrolink expansion, \$75 million, and bus capital, \$41 million, accounts for the majority of this year-over-year variance.

**Recommendations for the Public Hearing on the Orange  
County Transportation Authority's Fiscal Year 2007-08  
Budget**

**Page 4**

The budget has been presented at the following public meetings as well as to individual Board Members upon request.

Committee	Conducted	Scheduled
Finance and Administration	April 25 May 9	May 23
Regional Planning and Highways		May 21 June 4
Transit Planning and Operations		May 24
Legislative and Government Affairs/Public Communications		May 17 June 7
Executive		June 4
Board of Directors Meeting	May 14 -Workshop	June 11

The Board may approve the FY 2007-08 budget following the June 11, 2007, public hearing or at the regularly scheduled meeting on June 25, 2007, or in a special meeting convened prior to July 1, 2007, by when state law mandates budget approval.

**Personnel and Salary Resolution**

The Personnel and Salary Resolution (P&S) (Attachment C) for FY 2007-08 includes a five percent merit pool, and a three percent special award pool for administrative employees. Administrative employees do not receive step increases, general increases, or cost of living adjustments. Special awards are a one time lump sum payment to recognize employees who have demonstrated outstanding performance and to further encourage that performance. A salary structure adjustment of two and one half percent is recommended for FY 2007-08. This will not result in any automatic salary increases for administrative employees. The union personnel will receive wage increases in accordance with their respective collective bargaining agreements.

**Information Systems Licensing and Maintenance Agreements**

Each year in conjunction with approving the budget, the Board approves OCTA's software and hardware licensing and maintenance agreements. OCTA's investment in its software packages and hardware systems must be preserved to ensure proper maintenance and to receive critical product

upgrades. The annual licensing and maintenance agreements are executed with each hardware and software developer on a sole source basis. The FY 2007-08 budget includes \$2.4 million for these licensing and maintenance agreements as well as \$0.7 million for emergency support during after hours, weekends, and holidays. A list of the agreements is included as Attachment D.

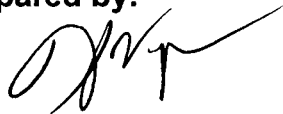
**Summary**

The Orange County Transportation Authority Fiscal Year 2007-08 Budget was reviewed by the Board of Directors in a workshop setting on May 14, 2007, and in each committee prior to the public hearing scheduled for June 11, 2007. The Board of Directors may approve the fiscal year 2007-08 budget following the public hearing on June 11, 2007, at the regularly scheduled meeting on June 25, 2007, or in a special meeting convened prior to July 1, 2007, by when state law mandates budget approval.

**Attachments**

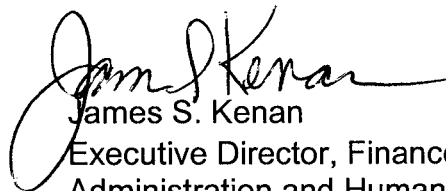
- A. A Resolution of the Board of Directors for the Orange County Transportation Authority Approving an Operating and Capital Budget for Fiscal Year 2007-08
- B. Orange County Transportation Authority Fiscal Year 2007-08 Budget Summary
- C. Personnel and Salary Resolution for Fiscal Year 2007-08
- D. Orange County Transportation Authority Licensing and Maintenance Agreements Sole Source List

**Prepared by:**



Rene Vega  
Section Manager, Budget Development  
Financial Planning and Analysis  
(714) 560-5702

**Approved by:**



James S. Kenan  
Executive Director, Finance,  
Administration and Human Resources  
(714) 560-5678

**RESOLUTION OF THE BOARD OF DIRECTORS FOR  
THE ORANGE COUNTY TRANSPORTATION AUTHORITY  
APPROVING AN OPERATING AND CAPITAL BUDGET  
FISCAL YEAR 2007-08**

**WHEREAS**, the Chief Executive Officer and staff have prepared and presented to the Board of Directors a proposed operating and capital budget in the amount of \$986 million for Fiscal Year 2007-08;

**WHEREAS**, said Chief Executive Officer and staff did conduct a public workshop before the Board of Directors on May 14, 2007, in the Board Chambers, at which time the proposed budget was considered;

**WHEREAS**, a public hearing was conducted on June 11, 2007, at which the public was invited to express its views and objections to said budget; and;

**WHEREAS**, the original of said proposed budget will be revised to reflect each and all of the amendments, changes, and modifications which the Board of Directors, up to the time of the approval of this resolution, believes should be made in said proposed budget as so submitted and to correct any non-substantive errors or omissions.

**NOW, THEREFORE BE IT RESOLVED**, by the Board of Directors of the Orange County Transportation Authority as follows:

1. The operating and capital budget of the Orange County Transportation Authority and all affiliated agencies for the Fiscal Year July 1, 2007 through June 30, 2008, is hereby approved, a copy of which is on file with the Clerk of the Board.
2. The Clerk of the Board shall certify to the passage and approval of this resolution, and it shall thereupon be in full force and effect.

ADOPTED SIGNED AND APPROVED this 11th day of June 2007.

AYES:

NOES:

ABSENT:

ATTEST:

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Wendy Knowles  
Clerk of the Board

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Carolyn Cavecche, Chairman  
Orange County Transportation Authority

**Orange County Transportation Authority  
Fiscal Year 2007-08  
Budget Summary**

*\$ in millions*

Estimated Revenues	\$	830.0
Utilization of Designated/Reserved Fund		156.0

<b>Total Sources of Funds</b>	<b>\$</b>	<b>986.0</b>
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Appropriate Funds to:

Salaries and Benefits	\$	157.7
Services and Supplies		499.4
Debt Service		101.0
Capital / Fixed Assets		191.8

<b>Total Expenses</b>	<b>\$</b>	<b>949.9</b>
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Designation of Funds	\$	36.1
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<b>Total Uses of Funds</b>	<b>\$</b>	<b>986.0</b>
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# PERSONNEL & SALARY RESOLUTION

FY 2007-2008

PROPOSED

# PERSONNEL & SALARY RESOLUTION

FY 2007-2008

ORANGE COUNTY TRANSPORTATION AUTHORITY  
PERSONNEL AND SALARY RESOLUTION  
EFFECTIVE JUNE 24, 2007

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ORANGE COUNTY TRANSPORTATION AUTHORITY  
PERSONNEL AND SALARY RESOLUTION  
EFFECTIVE JUNE 24, 2007

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## PERSONNEL AND SALARY RESOLUTION FOR ALL OCTA ADMINISTRATIVE EMPLOYEES

### PERSONNEL RESOLUTION

#### Section 1. Purpose

In an effort to establish an equitable and consistent plan for dealing with Human Resources matters, to attract and retain top talent, and to ensure consistent selection, promotion, and compensation practices based on merit, ability, and performance, the following Human Resources policies are hereby adopted for administrative employees.

#### Section 2. Human Resources

The Chief Executive Officer is charged with ensuring that Orange County Transportation Authority (the Authority or OCTA) Human Resources policies and procedures provide for an effective and efficient organization, staffed with qualified employees receiving fair and equitable treatment and career advancement opportunities. The Executive Director of Finance, Administration, and Human Resources is responsible for managing the Human Resources functions and is responsible for developing and administering Human Resources policies and procedures that are in the best interest of the Authority and its employees.

#### Section 3. Definitions

- a) **ADMINISTRATIVE EMPLOYEE** any employee of the Authority not covered by a collective bargaining agreement.
- b) **APPOINTING AUTHORITY** the Chief Executive Officer; he/she may delegate this responsibility.
- c) **AT-WILL** an employee's employment status may be changed, including but not limited to, termination of employment, by the Authority or the employee, at any time for any reason.
- d) **BOARD** the Board of Directors of the Orange County Transportation Authority.
- e) **CLASSIFICATION** or **CLASSIFICATION TITLE** the title that identifies the type of work being performed by one or more incumbents in a position.

Employees fill positions. Positions are given classification titles. Classification titles are assigned grades on the salary structure.

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- f) **COLLEGE INTERN** an extra-help employee who fills an intern position. The intern must be in college and be engaged in course work leading to an undergraduate or graduate degree in a field of study applicable to the hiring department's specialty.
- g) **EXECUTIVE EMPLOYEE** an employee classified as Chief Executive Officer, Deputy Chief Executive Officer, Chief of Staff, Executive Director, Division Director, Director of Special Projects, General Manager, Clerk of the Board, or Department Manager, Internal Audit.
- h) **EXEMPT EMPLOYEE** an employee in a position that is not covered under the provisions of the Fair Labor Standards Act regarding minimum wage, overtime, maximum hours, and record keeping.
- i) **EXTRA-HELP EMPLOYEE** an employee hired on a temporary basis to serve as part-time augmentation of staff in which the duty or task defined generally requires less than 20 hours of work per week and no more than 1,000 work hours within a continuous 12-month period. An extra-help employee does not serve an introductory period and is not eligible for employee benefits.
- j) **EXTRA-HELP POSITION** a position which is intended to be occupied on less than a year-round basis for reasons including, but not limited to, the following: to cover seasonal peak workloads, emergency extra workloads of limited duration, necessary vacation relief, paid sick leave, and other situations involving a fluctuating staff.
- k) **FULL-TIME EMPLOYEE** an administrative employee in a position with a normal workweek that totals at least 40 hours.
- l) **INTERN POSITION** an extra-help position that is occupied by a college intern or a student intern and provides assistance to departments by performing a variety of duties related to the intern's career field.
- m) **INTRODUCTORY PERIOD** a period of time during which a newly hired, promoted, or transferred full-time or part-time employee serves to demonstrate his/her ability to perform satisfactorily in the position.
- n) **NON-EXEMPT EMPLOYEE** an employee in a position that is covered under the provisions of the Fair Labor Standards Act regarding minimum wage, overtime, maximum hours, and record keeping.
- o) **PART-TIME EMPLOYEE** an administrative employee in a position with a normal workweek that totals at least 20 hours but not more than 36 hours.
- p) **POSITION** full-time and part-time positions in the Board approved fiscal year budget.

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- q) **PROMOTION** movement of an employee from one position to a different position in a higher salary grade.
- r) **STUDENT INTERN** an extra-help employee who fills an intern position. The intern must be a high school student, engaged in a work-study program sponsored by the high school.
- s) **RECLASSIFICATION** the salary grade of a particular classification or position is adjusted, either higher or lower, as a result of an evaluation process.
- t) **REHIRE** to employ someone who previously terminated his/her employment with the Authority (normally following a voluntary resignation) without restoring prior service.
- u) **REINSTATE** to return, within six months, an employee, previously terminated due to layoff, to active employment with the Authority and to restore prior service and benefit eligibility, with no formal break in service. Vacation, sick, and holiday hours for which the employee was paid at the time of termination are not restored. (This action is unrelated to retirement service credit.)
- v) **RETIREMENT** a voluntary separation of employment whereby an employee meets the eligibility requirements to receive retirement benefits as defined by the Orange County Employees Retirement System (OCERS), and applies for those benefits prior to termination.
- w) **SALARY RANGE** the minimum and maximum of the salary grade for a particular classification or group of classifications. It is based upon the scope and responsibility of work performed in comparison with other work performed within the Authority and in comparison with the competitive labor market.
- x) **TRANSFER** movement of an employee from one position to a different position in the same salary grade.

**Section 4. Human Resources Policies, Rules, and Procedures**

The Chief Executive Officer makes the final determination on the interpretation of Authority Human Resources policies as established by the Board and is authorized to establish and maintain Human Resources rules and procedures that are consistent with those policies.

Exceptions to the Personnel and Salary Resolution may be authorized in writing by the Chief Executive Officer. This exception authority may not be delegated.

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**Section 5.    Applicability of Human Resources Policies, Rules, and Procedures**

The provisions of the Human Resources Policies, Rules, and Procedures apply to all administrative employees except when they are modified by the provisions of a contract of employment.

Any employee of the Authority is authorized to perform work for the Orange County Transit District, the Orange County Service Authority for Freeway Emergencies, the Consolidated Transportation Service Agency, the Orange County Local Transportation Authority, and/or any other entity governed by the Orange County Transportation Authority Board of Directors as directed by the Appointing Authority.

The provisions of this Personnel and Salary Resolution apply equally to all administrative employees of the Orange County Transit District, the Orange County Service Authority for Freeway Emergencies, the Consolidated Transportation Service Agency, the Orange County Local Transportation Authority, and/or any other entity governed by the Orange County Transportation Authority Board of Directors, as directed by the Appointing Authority except when they are modified by the provisions of a contract of employment.

**Section 6.    Selection of Employees**

The Chief Executive Officer is the Appointing Authority for all positions except those reporting directly to the Board and is responsible for the selection and termination of all employees in all positions except those reporting directly to the Board. The Chief Executive Officer is authorized to approve revisions in classification titles and grades, provided that in no event will upgrades be in effect without Board approval and provided that any such changes are in accordance with the established Authority Policies, Rules, and Procedures, and the Board-adopted fiscal year budget.

**Section 7.    Introductory Period**

All full-time and part-time employees have an introductory period of 26 weeks. An employee who is promoted, transferred, or reinstated may be required to complete an introductory period for the new position. The introductory period is computed from the beginning of the pay period in which the employee was hired or promoted. Introductory status, because of promotion or transfer, does not break an employee's continuous service. The introductory period may be extended, in writing, at the discretion of the Appointing Authority.

During the introductory period, the employee may be terminated, suspended, or demoted at any time for any reason without right of appeal or hearing.

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**Section 8.    Intern Employees**

A person employed in an intern position is considered an employee in a special extra-help classification and will be compensated at hourly rates to be determined by the Appointing Authority. An intern is not eligible for employee benefits paid by the Authority except as required by law.

**Section 9.    Performance Planning and Review Program**

The Appointing Authority is responsible for developing and administering a formal performance planning and review program for all full-time and part-time administrative employees.

**Section 10.   Outside Employment/Activity**

An administrative employee may not engage in outside employment or other outside activity incompatible with the full and proper discharge of the duties and responsibilities of his/her Authority employment. Before accepting any outside employment, an employee must obtain written permission from the Appointing Authority.

**Section 11.   Reassignment, Dismissal, Reduction in Pay, Suspension**

The employment of each Authority employee whose employment is governed by the provisions of this Personnel and Salary Resolution is At-Will. The Appointing Authority has the right to reassign, dismiss, reduce pay, or suspend without pay any employee, at any time, for any reason.

**Section 12.   Elimination of Positions**

Whenever it becomes necessary in the judgment of the Board of Directors, usually upon recommendation of the Appointing Authority, the Board may eliminate any position. An employee who is transferred, reassigned, or laid off because of the elimination of a position may be placed in another position for which he/she is qualified, provided an opening exists.

**Section 13.   Layoff**

The Appointing Authority has the authority to lay off full-time and part-time employees for lack of funds or lack of work. An employee recalled within six months may be reinstated to the same position if the position is available.

An employee reinstated to the same or a different position within six months following the date of layoff retains all of his/her most recently held continuous service for the purpose of earning benefits.

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An employee placed on layoff may be granted paid health insurance in accordance with the following schedule:

<u>Years of Service</u>	<u>Number of Months</u>
Less than 3	1 month
3 but less than 5	2 months
5 but less than 10	3 months
10 or more	4 months

**Section 14. Severance Pay**

The Chief Executive Officer may authorize the payment of severance pay to full-time and part-time employees in accordance with the following schedule:

<u>Years of Service</u>	<u>Amount of Pay</u>
Less than 3	2 weeks
3 but less than 5	3 weeks
5 but less than 10	4 weeks
10 or more	5 weeks

The provisions of this section do not apply to any employee terminated for gross misconduct.

**Section 15. Grievance Procedures**

The Appointing Authority may establish and be responsible for the maintenance of grievance procedures for use by administrative employees.

**Section 16. Workweek and Overtime**

Except as otherwise provided by the Appointing Authority, the regular work period for a full-time Authority employee is 40 hours per week.

Authorized work performed in excess of 8 hours per day or in excess of 40 hours per workweek by a non-exempt employee is considered overtime. This definition does not apply to a non-exempt employee who regularly works a 9/80 work schedule, or who regularly works any other work schedule totaling 40 hours per workweek. For a non-exempt employee on such an alternative work schedule, authorized work performed in excess of the regularly scheduled hours per day or in excess of 40 hours per week is considered overtime. For purposes of calculating overtime compensation, paid holidays not worked, and pre-approved vacation not worked is treated as authorized work performed. If a designated holiday occurs on a regularly scheduled day off, these hours are not considered hours worked. Overtime must be authorized prior to performance of such work.

A non-exempt employee will be paid 1-1/2 times his/her regular rate for all time worked in excess of his/her regularly scheduled hours in a work day or in excess of forty (40)

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hours in a work week. Hours worked on a regularly scheduled day off, less any sick hours taken during the work week, will be paid at 1-1/2 times the employee's regular rate of pay.

In no case may a non-exempt employee's work schedule be changed when the purpose of such change is to avoid compensating the employee at 1-1/2 times his/her regular rate for work performed in excess of his/her regular work schedule.

If, in the judgment of the Appointing Authority, work beyond the normal workday, workweek, or work period is required, such work may be ordered.

A non-exempt employee who is required to work on a designated holiday will be paid 1-1/2 times his/her regular rate for authorized work performed, in addition to regular holiday pay.

An exempt employee is not eligible for overtime payment or any additional compensation for time worked in excess of 8 hours per day or 40 hours per workweek.

Sick leave and vacation accruals, as well as retirement service credits, accrue on paid hours worked excluding overtime.

**Section 17. Alternative Workweek Schedules**

The Appointing Authority has the authority to designate flexible starting, ending, and core times for the performance of work during the standard work day consistent with the Authority policy regarding "Workweek and Overtime". The Appointing Authority also has the authority to designate alternative workweek schedules, such as 4/10's or 9/80's, provided the administration of such schedules is consistent with any applicable state and federal laws.

The Appointing Authority may establish necessary guidelines to administer alternative workweek schedules at the department and work unit level.

**Section 18. Health, Life, and Disability Insurance Benefits**

The Appointing Authority will establish and be responsible for a health (medical, dental, and vision), life (life and accident), and disability insurance program for all full-time and part-time employees at a cost not to exceed the amount established by the Board in the annual budget. Disability insurance may include short-term disability and/or long-term disability benefits.

The Authority will pay full-time employees' health, life, and disability insurance premiums after the first month of employment at a cost based on the difference between the total plan premium and the OCTA contribution rates approved by the Board of Directors. Employees hired prior to June 27, 2004, will have the entire cost of employee

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and dependent premiums paid beginning the pay period following the completion of seven years of service.

After the first month of employment, the Authority will contribute 50% of the premium cost for health, life, and disability insurance for an employee hired into a part-time position, and their dependents, provided such part-time employee applies for such insurance coverage.

All full-time or part-time employees terminating employment may have continuing health (medical, dental, and vision) insurance pursuant to the governing provisions of the program in which they are enrolled. The employee will be required to pay the premium for the coverage selected in accordance with the provisions of COBRA, except as provided in Section 13 - Layoff.

Life insurance will be provided by the Authority to full-time and part-time employees in the amount of two times the annual salary for each full-time and part-time employee.

Supplemental life insurance and elder care options may be provided by the Authority for employees and/or their dependents to be paid for by the employee.

**Board Members**

The Appointing Authority may establish and be responsible for a health (medical, dental, and vision), and life (life and accident) for Board Members at a cost not to exceed the amount established by the Board in the annual budget.

For Board Members whose term of office commenced prior to June 27, 2005: the Board Members and their dependents shall have the entire cost of their premiums paid by the Authority.

For Board Members whose term of office, or new term of office, commenced after June 26, 2005, and prior to November 13, 2006: the Board Members will have the same premium cost as full-time employees and shall receive the same health benefits as full-time employees, which may change to reflect the current programs offered.

For Board Members whose term of office, or new term of office, commences on or after November 13, 2006, and who do not receive health benefits from the public entity they are elected to serve: the Board Members will have the same premium cost and the same health benefits as full-time employees paid by the Authority, which may change to reflect the current programs offered.

For Board Members whose term of office, or new term of office, commences on or after November 13, 2006, and who receive health benefits from the public entity they are elected to serve: the Board Members may choose to receive the same health benefits as full-time employees provided the Board Member pays 100% of the Authority premium, which may change to reflect the current programs offered.

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Life insurance will be provided by the Authority in the amount of \$50,000 coverage for each Board Member.

Supplemental life insurance and elder care options may be provided by the Authority to be paid for by the Board Member.

**Section 19. Retirement**

All full-time and part-time employees of the Authority will participate in the Orange County Employees Retirement System (OCERS) and will be governed by its rules and regulations.

An employee who retires from the Authority after January 1, 1995, and who (1) receives retirement benefits under OCERS, and (2) meets the eligibility criteria may be eligible for a supplemental retirement benefit. The Appointing Authority will be responsible for developing, administering, and maintaining the program. This program may be discontinued or modified at the discretion of the Chief Executive Officer.

The Authority will pay all of the employee contribution for full-time and part-time administrative employees.

Exceptions to the above policy resulting from the consolidation of the Orange County Transit District and the Orange County Transportation Commission are addressed in Section 40 – Grandfathered Benefits.

**Section 20. Holidays**

The Authority observes 11 paid holidays consisting of designated holidays and personal paid holidays as determined by the Chief Executive Officer. Personal paid holidays are taken at an employee's discretion following supervisory approval. When a holiday falls on a Saturday, the previous day will be observed as the holiday, and when a holiday falls on a Sunday, the next day will be observed as the holiday, unless otherwise designated by the Chief Executive Officer.

When a holiday falls on an employee's scheduled day off, either the previous working day or the next scheduled working day will be observed by the employee as the holiday.

A full-time, exempt employee will receive holiday pay for each of the above holidays and will be paid based on his/her normally scheduled workday.

A full-time, non-exempt employee will receive 88 hours of holiday pay at his/her regular rate during the calendar year.

All part-time employees will receive holiday pay for each holiday at his/her regular rate on a pro-rated basis.

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A full-time or part-time non-exempt employee who is required to work on a holiday will be paid at 1-1/2 times his/her regular hourly rate for all hours worked in addition to pay for his/her regularly-scheduled workday. An exempt employee will receive no premium pay for work on a scheduled Authority holiday.

An employee will be paid for any unused Personal Paid Holidays for the current calendar year in the event of termination or retirement. A maximum of two Personal Paid Holidays not taken in one calendar year may be carried forward to the following calendar year.

**Section 21. Vacation**

The Authority provides vacation leave with pay for full-time and part-time employees.

Vacation leave earned will be applied to the employee's vacation accumulation account only upon completion of each pay period except when an employee terminates. Upon termination, all unused vacation hours earned and accrued through the employee's termination date will be paid.

An employee will earn .0385 hours of vacation for each regular hour of pay in a regularly scheduled workweek (subject to a maximum of 80 hours per year until the completion of 2 years of service).

At the beginning of 3 years of service, the employee will earn .0577 hours of vacation for each regular hour of pay in a regularly scheduled workweek (subject to a maximum of 120 hours per year).

At the beginning of 10 years of service, the employee will earn .0770 hours of vacation for each regular hour of pay in a regularly scheduled workweek (subject to a maximum of 160 hours per year).

At the beginning of 15 years of service, the employee will earn .0808 hours of vacation for each regular hour of pay in a regularly scheduled workweek.

At the beginning of 16 years of service, the employee will earn .0847 hours of vacation for each regular hour of pay in a regularly scheduled workweek.

At the beginning of 17 years of service, the employee will earn .0885 hours of vacation for each regular hour of pay in a regularly scheduled workweek.

At the beginning of 18 years of service, the employee will earn .0924 hours of vacation for each regular hour of pay in a regularly scheduled workweek.

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At the beginning of 19 years of service, the employee will earn .0962 hours of vacation for each regular hour of pay in a regularly scheduled workweek (subject to a maximum of 200 hours per year).

Maximum allowable vacation credit

The maximum allowable vacation credit at any one time for a full-time or part-time employee with less than 2 years of service is 160 hours.

The maximum allowable vacation credit at any one time for a full-time or part-time employee with 2 years but less than 3 years of service is 240 hours.

The maximum allowable vacation credit at any one time for a full-time or part-time employee with 3 years but less than 10 years of service is 300 hours.

The maximum allowable vacation credit at any one time for a full-time or part-time employee with 10 but less than 19 years of service is 390 hours.

The maximum allowable vacation credit at any one time for a full-time or part-time employee with 19 or more years of service is 440 hours.

Employees will not accrue vacation hours in excess of these maximum amounts unless authorized by the Chief Executive Officer. The Chief Executive Officer is exempt from a maximum accrual.

Employee preference and length of service should govern in the scheduling of vacation time, and vacations will be scheduled consistent with efficient Authority operations.

Vacation Sell-Back

An employee has the option of receiving up to 120 hours of vacation pay each calendar year for accrued but unused vacation. An employee must use at least 40 hours of vacation during the previous 12 months before exercising the "sell-back" option. The "sell-back" option may be exercised twice in any given calendar year, but the total hours "sold-back" may not exceed 120 hours.

Under unusual circumstances involving verifiable emergencies, the Appointing Authority may authorize a cash value payment to an employee for an amount up to the total amount of accrued vacation.

An employee separating from the Authority will be paid, in a lump sum payment, for all unused vacation earned and accrued through his/her termination date at his/her current rate of pay.

Section 22. Sick Leave

The Authority provides a plan for full-time and part-time employees to earn paid sick leave.

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During the first 3 years of employment, an employee will earn .0347 hours of sick leave with pay for each paid hour in a regularly scheduled workweek (approximately 9 days per year). After a full-time or part-time employee has completed 3 years of service, sick leave will be earned at the rate of .0462 hours of sick leave with pay for each paid hour in a regularly-scheduled workweek (approximately 12 days per year).

Sick leave will be paid consistent with an employee's regularly scheduled workday. Sick leave earned will be added to the employee's sick leave accumulation account upon the completion of the pay period, with no credit to be applied during the progress of the pay period or for a fraction of the pay period during which an employee's service is terminated.

An employee who has accumulated sick leave in excess of 120 hours, as of the close of the first pay period ending in November, may choose to retain all unused accumulated sick leave and continue to accrue sick leave or to receive a single payment at his/her current rate of pay for the amount in excess of 120 hours. If the employee elects to receive payment, it will be paid prior to December 31 of that year.

An employee who separates from the Authority with 10 years or more of continuous service who is in good standing with the Authority will receive payment of any earned but unused sick leave up to a maximum of 160 hours.

Upon paid retirement from the Authority or death, an employee or the estate will be paid for the employee's unused or unpaid sick leave to a maximum of 240 hours. This benefit does not apply to deferred retirement except as provided above.

Upon termination from the Authority due to layoff, all unused or unpaid sick leave will be paid to the affected employee.

An employee who is injured on the job, resulting in loss of time, will be paid for the balance of the assignment on the day of injury at the regular rate of pay. The employee will also be paid for the time lost during the waiting period (first 3 days following date of injury, for which no Workers' Compensation benefits are provided). This payment will be at benefit rates provided under the Workers' Compensation Act. Payments under this section will not be charged against the employee's accumulated sick leave. Vacation and sick leave accruals will continue during this 3-day period and the employee will be credited as if he/she had worked his/her regularly scheduled hours each day.

For group insurance purposes only, time lost due to an on-the-job injury will not be considered an unpaid leave of absence.

**Catastrophic Leave Donations**

An employee may transfer accrued sick leave in 8-hour increments, provided the balance of his/her sick leave following the transfer is 120 hours or more, as follows:

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transferred hours will be made available to an employee, as designated by the transferor, who has exhausted all paid sick and vacation time and has been on unpaid medical leave of absence.

**Section 23. Leaves of Absence**

Leaves of absence may be granted by the Appointing Authority to employees with or without pay. This policy will be interpreted and applied in accordance with all applicable state and federal laws. Employees may not engage in other employment while on a leave of absence without prior written approval of the Authority.

- a) **FAMILY MEDICAL LEAVE OF ABSENCE:** An employee with at least 12 months of service with the Authority and who has worked 1,250 hours in the preceding 12 months is eligible for up to 12 weeks of leave in a 12-month period under the Family/Medical Leave Act for the purposes of: (1) the birth of a child of the employee; (2) the placement of a child with the employee in connection with adoption or foster care by the employee; (3) to care for the employee's spouse, child, or parent with a serious health condition; or (4) the employee's own serious health condition that makes the employee unable to perform his/her job duties (excluding leave taken for pregnancy-related disabilities).

Medical certification from the attending physician will be required for a leave.

For leaves other than the employee's own serious illness, the employee will be required to use accrued vacation, and leave in excess of accrued vacation will be unpaid unless the employee desires to use accrued sick leave. Sick leave must be used for the employee's own medical leave, and leave in excess of accrued sick leave will be unpaid unless the employee desires to use accrued vacation. Upon return to work, the employee will be entitled to his/her same position or a comparable position. If applicable, Workers' Compensation will run concurrent with family medical leave.

The Authority will continue to maintain and pay for the employee's group health coverage for the twelve-week period. If a leave exceeds the allowed twelve weeks, the Authority does not guarantee the employee's classification or employment.

In addition to Family/Medical Leave Act absences, an employee who is absent due to Pregnancy Disability Leave as described in section b) below may be entitled to a leave of absence under the California Family Rights Act.

- b) **PREGNANCY DISABILITY LEAVE:** A pregnant employee is entitled to a leave only for the period of actual medical disability attributable to pregnancy, childbirth, or related medical conditions up to a maximum of months. The employee may use accrued vacation or other accrued paid leave. Any leave in

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excess of accrued hours will be unpaid. An employee may integrate State Disability Insurance (SDI) benefits.

- c) PERSONAL LEAVE OF ABSENCE: When requested, the Appointing Authority may grant a personal leave of absence without pay for an initial period of 30-calendar days and extensions may be granted to a maximum of 6 months from the beginning date of the personal leave. A personal leave of absence may be effective, if granted, only after all vacation benefits are exhausted.

If the personal leave of absence extends for 30-calendar days or less, the employee will be returned to the original classification. If the personal leave of absence exists for more than 30-calendar days, the Authority will not guarantee the employee's classification or employment with the Authority, but will attempt to reinstate the employee to a like or similar classification. The employee will have continuing life insurance, medical, dental, and vision benefits for 30-calendar days following the date on which the personal leave of absence begins. During this period, the Authority will continue to provide the cost of the employee coverage and the same contribution for applicable dependent premiums at the then current rate.

After this period, the employee will be required to remit in advance each month the monthly cost of the group insurance premiums incurred during the remainder of the leave of absence if wishing to continue group insurance. Non-receipt of premium reimbursements will result in the termination of the employee's insurance.

- c) MILITARY LEAVE: An employee on mandatory leave of absence for training or service with US military forces will receive differential pay up to a total amount equivalent to regular pay. In instances where training or service with US military forces is not mandatory and is not covered by state or federal law, the leave of absence will be unpaid.
- d) BEREAVEMENT LEAVE: A full-time or part-time employee will be granted paid bereavement leave for time actually lost, up to 3 regularly-scheduled work days, to arrange for and/or attend the funeral of an immediate family member. Immediate family member includes spouse, parent, child, brother, sister, father- or mother-in-law, son- or daughter-in-law, stepchild, stepparent, stepbrother, stepsister, grandparent, or grandchild. Bereavement leave may be granted for each occurrence.

This paid bereavement leave will not be chargeable to sick leave or vacation. The Appointing Authority will authorize such absence from work.

An eligible employee who attends the funeral of an immediate family member outside a 350-mile radius from administrative offices of the Authority will be granted up to 5 days paid bereavement leave.

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FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

Additional leave, if required, to make arrangements and/or attend the funeral of an immediate family member may be approved by the Appointing Authority and will be charged against earned sick leave or accrued vacation hours.

- e) GENERAL: All paid time-off benefits will accrue during a leave of absence for only the period during which the employee is paid. An employee on unpaid leave of absence does not earn any service credits. An employee who returns to work from a leave of absence retains all accumulated service credits. Service credit for retirement benefits will be based on the specifications of the retirement system.

**Section 24. Jury Duty**

A full-time or part-time employee who is called for jury duty or for examination for jury duty will receive compensation at his/her regular rate of pay for those days that coincide with the employee's regularly-scheduled work days.

**Section 25. Education Expense Reimbursement**

The Authority may provide an Educational Expense Reimbursement Program to reimburse a non-introductory full-time employee for reasonable educational expenses for work-related courses. The Appointing Authority will be responsible for developing, administering, and maintaining the program.

A full-time employee will be reimbursed for eligible expenses associated with work-related courses in pre-approved certificate programs, system specific computer software training, English as a Second Language (ESL) classes, Spanish, and other specific work-related languages, as approved.

A full-time employee who satisfactorily completes a work-related course at an accredited high school, trade school, junior college, college, or university will be reimbursed in full for eligible expenses up to a maximum of \$2,000 per fiscal year. If an employee terminates employment, or gives notice of termination prior to completion of the course, no reimbursement will be made.

**Section 26. Automobile Allowance and Assignment of Automobiles**

The Authority may elect either to provide an automobile and all related expenses on a permanently assigned basis or to provide a monthly automobile allowance to the following: Executive Employees and Chief Engineer. The monthly allowance will be in lieu of any other compensation or reimbursement for expenses incurred in the use of his/her personal automobile in the performance of his/her duties. The automobile allowance will be in the same amount as is provided to the County of Orange managers at the department head or agency head level as determined by the Orange County Board of Supervisors.

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

The Authority may provide an automobile and all of the related expenses on a permanently assigned basis for each employee in the following positions: Base Manager, Bus Operations; Base Manager, Maintenance; Department Manager, Bus Operations; Department Manager, Maintenance; and Department Manager, Security Threat Assessment. The automobile assigned to an employee may be used by other employees during regular working hours.

When needed, the Appointing Authority is authorized to assign an automobile on a 24-hour (overnight) basis to an employee as required to conduct the business of the Authority.

**Section 27. Mileage Reimbursement**

An employee will be reimbursed for use of his/her private automobile for official business of the Authority at the rate established by the Internal Revenue Service.

The Authority will also reimburse each member of committees approved by the Board for use of his/her private automobile for official business of the Authority at the rate established by the Internal Revenue Service.

The Appointing Authority will determine what constitutes official Authority business, which would require use of an employee's private automobile. Local travel for mileage reimbursement purposes will include travel in Los Angeles, Orange, San Bernardino, Riverside, and San Diego counties.

**Section 28. Medical Examinations**

The Authority may provide employer-paid annual medical examinations for executive employees, department managers, and may provide employer-paid examinations for members of the Board of Directors.

**Section 29. Employee Use of Transportation System**

The Appointing Authority has established rules and procedures regarding an active or retired employee and his/her dependents' free transportation on the Authority's transportation services. The spouse of a deceased employee is also to be provided with free transportation on the Authority's Fixed Route bus services.

**Section 30. Employee Recreation Program**

The Appointing Authority will be responsible for monitoring the employee recreation program, which is administered by the Finance, Administration, and Human Resources Division.

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

**Section 31. Uniforms and Safety Shoes**

**Uniforms**

An employee with the classification title of Field Supervisor or Coach Operations Instructor, who is required to wear a uniform on the job, will be granted an allowance up to \$500 per year for the purchase of uniforms at the Authority's authorized uniform supplier. Uniform purchases must comply with the guidelines established by the Operations Division.

**Safety Shoes**

The Section Supervisors of Inventory Control, Facility Maintenance, Maintenance Supervisors, and employees working in Right-of-Way will be eligible for reimbursement of the cost of a pair of approved, steel-toed safety shoes. Upon presentation of proof of purchase, an employee will be reimbursed for the cost of the safety shoes up to a maximum of \$100 per year.

**Section 32. Computer Purchase Reimbursement Program**

The Authority may reimburse a non-introductory employee or member of the Board of Directors for 50% of actual expenditures for the cost of a personal computer, compatible software, maintenance contracts, repairs, and related equipment or supplies. Such expenditures must meet OCTA compatibility standards in order to be eligible for the 50% reimbursement. An employee may not receive more than \$500 during any twelve-month period.

Non-IBM equipment and/or software that does not meet OCTA compatibility standards may be approved on an exception basis only, and the decision will be based on the actual equipment being utilized in the office.

The first reimbursement payment will be made upon submission and approval of appropriate documentation. Subsequent payments will be made upon request on the anniversary date of the original payment to the employee.

To be eligible for this benefit, the employee must utilize a personal computer in his/her current position with the Authority. Computer purchase reimbursement shall be limited to an employee who is authorized to telecommute on a regular or periodic basis, or who is expected to perform work at home. The Appointing Authority will have final decision-making authority on job-relatedness.

If an individual terminates employment with the Authority or gives notice of termination from the Authority for any reason, no reimbursement or further reimbursement will be made.

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

**Section 33. Professional Licenses/Certificates**

The Authority will pay for any work-related professional licenses, certificates, or renewal fees as approved by the Appointing Authority.

**Section 34. Compensation**

The Authority will maintain a compensation plan for full-time and part-time employees as stated in the Salary Resolution and Salary Structure.

Salary ranges, rates, and employee benefits are to be reviewed and considered for adjustment, at least annually. This permits the Authority to assess periodically the competitiveness of the compensation plan and make necessary adjustments to reflect changes in internal equity and labor market conditions.

**Section 35. Deferred Compensation**

The Authority may provide all members of the Board of Directors, and all full-time, part-time, and extra-help employees, including those covered by a collective bargaining agreement, with a deferred compensation program. The Appointing Authority will be responsible for the establishment and administration of this program, utilizing the services of an outside administrator. This service will be provided at no cost to the Authority.

Enrollment in this program will be offered to employees on a voluntary basis, unless mandated by state or federal law. Employee contributions to the program will be made by payroll deduction. The Chief Executive Officer may authorize the Authority to pay all or part of the employee contributions for designated employees.

**Section 36. Recognition and Award Program**

The Appointing Authority may establish and maintain an employee service award program and employee appreciation programs to provide recognition to employees for performance, continuous service, safety, and commitment to public transportation.

**Section 37. Out-of-Pocket Expenses**

The Authority will reimburse its employees, the Board of Directors, and members of committees approved by the Board, for out-of-pocket expenses as provided in the policy regarding travel and conference expenses, incurred while in the conduct of official business for the Authority.

**Section 38. Childcare of Ill Children**

The Authority will reimburse an eligible employee the cost to care for an ill child or children up to \$50 per day, but not to exceed \$250 total per calendar year per

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

employee. Childcare must be provided by a state-licensed childcare facility or a state-licensed nurse.

**Section 39. Reimbursement of Relocation Expenses**

The Authority may provide relocation assistance under the following circumstances:

- a) When a new employee's permanent residence is outside a radius of 100 miles from the administrative offices of the Authority and outside the counties of Orange, Riverside, Los Angeles, and San Bernardino, and
- b) When the position is one of the following: (i) executive management, (ii) department manager, or (iii) requires an individual with a set of skills, experiences, and training which are in limited supply and high demand.

Approval of the Chief Executive Officer and the Executive Director of Finance, Administration and Human Resources is required. The Chief Executive Officer will inform the Finance and Administration Committee if the reimbursement for the relocation expenses exceeds \$20,000.

**Section 40. Grandfathered Benefits**

The following exceptions to policy as otherwise outlined in this Personnel and Salary Resolution result from the consolidation of the Orange County Transit District and the Orange County Transportation Commission.

The following benefits apply only to those employees who were employees of the Orange County Transportation Commission, on the payroll of the Orange County Transportation Commission, as of June 19, 1991.

- a) **RETIREMENT**: An employee covered under this section may continue to participate in the Public Employee's Retirement System and shall be governed by its rules and regulations.

The Authority will pay all of the normal contributions for such employees in addition to the employer's contribution.

- b) **ADMINISTRATIVE LEAVE**: Each non-exempt employee covered under this section will be entitled to 16 hours of paid Administrative Leave per fiscal year. Each exempt employee covered under this section will be entitled to 32 hours of paid Administrative Leave per fiscal year. Approval will be by the Appointing Authority. Any unused Administrative Leave for the current fiscal year will be paid to the employee in the event of termination or retirement. The maximum accrual amount for non-exempt employees will be 24 hours. The maximum accrual amount for exempt employees will be 48 hours.





## **PERSONNEL AND SALARY RESOLUTION FOR ALL ADMINISTRATIVE EMPLOYEES**

### **SALARY RESOLUTION**

#### **PHILOSOPHY AND PURPOSE**

The Authority's objective is to provide competitive wages based on the market for comparable work. Human Resources strives to administer the compensation program in a flexible but consistent manner. The purpose of the compensation program is to attract, retain, and motivate employees. Employees are recognized for their contributions through performance-based merit increases.

#### **Section 1. Purpose**

##### **a) The purpose of the Salary Resolution is to:**

- 1) Attract and retain a work force dedicated to excellence, thereby ensuring the Authority's ability to meet the present and future business objectives of the organization.
- 2) Maintain a salary program, which will give maximum incentive to real accomplishments and compensate individuals on the basis of merit without discrimination, while providing necessary administrative control of salary costs.
- 3) Provide salary structures, which are internally equitable and externally competitive.

##### **b) The Salary Structure is designed to provide:**

- 1) Salary grade ranges for classifications based upon the scope and level of responsibility of work performed in comparison to other work performed within the Authority and in comparison to the external market.
- 2) Salaries paid to employees that reflect the level of responsibilities of the classification and the performance of the individual.

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

**Section 2.    Administration**

- a) The Appointing Authority is responsible for the establishment of definitive guidelines for adjusting individual salaries and salary ranges. The development and administration of these guidelines may be delegated to appropriate staff.
- b) Within guidelines established by the Appointing Authority, compensation adjustments may be given (1) as an increase to base pay, (2) in a lump sum payment, and/or (3) as deferred compensation. The Appointing Authority is authorized to adjust an incumbent's salary. The salary of each Executive Employee will be determined by the Chief Executive Officer.
- c) All Full-time and Part-time Employees
  - 1) An employee may be hired or promoted into a position at any salary within the range for the classification; such salary is to be determined based on individual qualifications. Approval by the Appointing Authority is required for starting salaries at or above the midpoint of the range for external hires.
  - 2) A new employee will complete an introductory period. At the end of the introductory period, the employee's performance will be evaluated and the employee will be eligible for a merit increase based on the employee's performance level during the introductory period.
  - 3) Following the completion of the introductory period, subsequent performance reviews will be conducted annually and merit increases may be authorized at that time.
- d) Salary Increases
  - 1) An employee is eligible for a merit increase based on his/her performance evaluation rating at the time of his/her annual review unless the overall rating is unsatisfactory.
  - 2) For fiscal year 2008, the total dollar amount of all salary increases granted pursuant to the provisions above will not exceed 5.0% of the total budgeted salaries for Administrative positions authorized by the Board of Directors.

Individual merit increases may vary in size depending on performance. Dollars unspent in this budget may be used to supplement the special performance award budget for the same fiscal year.

Authorized positions, which are unfilled on the last Sunday of the previous fiscal year, will be considered at 90% of the midpoint of the appropriate salary range for the purpose of calculating the total dollar amount of all salary increases.

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

- 3) If an employee's salary is below the midpoint of the salary grade range for his/her classification, the employee may be considered for an interim review and salary increase of up to 3.0% or to the midpoint of the range, whichever is less. This applies to employees in salary grades A through U only.
- 4) An employee's performance may be reviewed at any time during the year as appropriate, but his/her salary may not be adjusted other than as provided in this Personnel and Salary Resolution.
- 5) An employee who has taken approved time off without pay in excess of 30 days during the review period may have his/her review date extended by a period of time up to the amount of time that the employee was on approved leave.

**e) Special Performance Awards**

- 1) The Appointing Authority may authorize special awards for full-time and part-time employees based on individual employee performance. Each award will be a single lump sum payment and will not increase an individual's base salary.
- 2) For the fiscal year 2008, the total dollar amount of all special awards granted pursuant to the provisions above will not exceed 3.0% of the total budgeted salaries for positions authorized by the Board of Directors.

Authorized positions, which are unfilled on the last Sunday of the previous fiscal year, will be considered at 90% of the midpoint of the appropriate salary range for the purpose of calculating the total dollar amount of all special performance awards.

**f) Reclassifications**

- 1) When an employee is assigned to a classification with a lower salary range, or when the employee's position is reclassified to a lower salary range, (a) the employee's salary may be reduced to the maximum of the new range, or (b) with the approval of the Appointing Authority, the employee may retain his or her salary paid prior to the new assignment.
- 2) Any employee promoted from one defined position and to a different position at a higher salary grade will be brought at least to the minimum of the salary range for the different position. The promoted employee may serve an introductory period of 26 weeks. At the end of the introductory period, the employee's performance will be evaluated and a salary increase may be authorized.

**PERSONNEL AND SALARY RESOLUTION  
FOR ALL OCTA ADMINISTRATIVE EMPLOYEES**

**g) Temporary Assignments**

When an employee is assigned duties of a different classification with the same or higher salary grade, the employee's salary may be increased by an amount not to exceed 5.0%. Such increase may be made only in those instances where the assignment will last at least 30 days and will not, in any event, be paid for a period in excess of 180 days, without written authorization by the Chief Executive Officer.

**h) Salary Structure**

The salary structure on the following pages will be effective June 24, 2007.

- 1) If any employee is earning less than the entry, or minimum of the new salary grade established for his or her classification, then that employee's salary will be raised to the new entry or minimum salary of the new salary grade effective June 24, 2007.
- 2) In the event that a position has been re-evaluated and reclassified into a higher salary grade, the incumbent employee(s) will not automatically receive a salary increase unless his/her salary falls below the new range minimum, nor will such employee be placed into a new introductory period status.
- 3) If any employee's salary is at or exceeds the maximum of the salary range for his/her classification, no additional salary increases to base pay may be granted without the approval of the Appointing Authority.

Orange County Transportation Authority  
Payroll Job Titles  
Salary Structure FY 2008  
Effective June 24, 2007

GRADE		MINIMUM	MAXIMUM	MIDPOINT
E	Hourly	13.05	16.04	19.03
	Monthly	2,262.00	2,780.27	3,298.54
	Annual	27,144.00	33,363.20	39,582.40
	Marketing Information Coordinator			
F	Hourly	13.98	17.27	20.55
	Monthly	2,423.20	2,993.47	3,562.00
	Annual	29,078.40	35,921.60	42,744.00
	Customer Relations Representative Marketing Information Coordinator, Senior Office Specialist, Assistant			
G	Hourly	14.76	18.33	21.90
	Monthly	2,558.40	3,177.20	3,796.00
	Annual	30,700.80	38,126.40	45,552.00
	Schedule Checker Secretary I, Senior			
H	Hourly	15.67	19.53	23.39
	Monthly	2,716.14	3,385.20	4,054.27
	Annual	32,593.60	40,622.40	48,651.20
	Customer Relations Representative, Senior Office Specialist Schedule Checker, Senior			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
J	Hourly	16.61	20.80	24.99
	Monthly	2,879.07	3,605.34	4,331.60
	Annual	34,548.80	43,264.00	51,979.20
	Computer Operator			
	Help Desk Technician, Associate			
	Office Specialist Senior			
	Offset Printer			
K	Schedule Analyst, Associate			
	Secretary II, Senior			
	Hourly	17.68	22.24	26.80
	Monthly	3,064.54	3,854.94	4,645.34
	Annual	36,774.40	46,259.20	55,744.00
	Administrative Specialist			
	Buyer, Associate			
	Grants Technician			
	Help Desk Technician			
	HR Assistant			
	Offset Printer, Senior			
	Secretary, Executive			
	Special Assignment			
	Warranty Coordinator			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
L	Hourly	19.11	24.19	29.26
	Monthly	3,312.40	4,192.94	5,071.74
	Annual	39,748.80	50,315.20	60,860.80
	Accountant, Associate Claims Representative, Associate Code Administrator Community Relations Specialist, Associate Compensation Analyst, Assistant Computer Operator, Senior Contract Administrator, Associate Customer Relations Specialist, Associate Employment Representative, Associate External Affairs Administrator Financial Analyst, Associate Fleet Analyst, Associate Government Relations Representative, Associate Help Desk Technician, Senior Human Resources Representative, Associate Marketing Specialist, Associate Media Relations Specialist, Associate Operations Analyst, Associate Public Information Specialist, Associate Right-of-Way Administrator, Associate Schedule Analyst Special Assignment Stops and Zones Planner, Associate Telecommunications Coordinator Training & Development Specialist, Associate Warranty Coordinator, Senior			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
M	Hourly	20.98	26.56	32.13
	Monthly	3,636.54	4,603.74	5,569.20
	Annual	43,638.40	55,244.80	66,830.40
	Access Eligibility Administrator Accountant Administrative Assistant to the Deputy CEO Administrative Assistant to the Executive Director Administrative Assistant to the General Manager Buyer Civil Engineer, Assistant Claims Representative Coach Operations Instructor Code Administrator, Senior Community Relations Specialist Compensation Analyst, Associate Contract Transportation Analyst Customer Relations Specialist Desktop Support Technician, Associate Employee Relations Representative, Associate External Affairs Administrator, Senior Field Supervisor Government Relations Representative Internal Auditor, Associate Intranet/Multimedia Specialist Local Government Relations Representative Marketing Program Administrator, Associate Marketing Specialist Media Relations Specialist Operations Analyst Payroll Administrator Printing and Reprographics Administrator Programmer Analyst, Associate Public Information Specialist Radio Dispatcher Rail Right-of-Way Administrator Section Supervisor II Service Analyst, Associate Special Assignment Stops and Zones Analyst Stops and Zones Planner, Senior Transportation Analyst, Associate Window Dispatcher			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
N	Hourly	23.10	29.24	35.38
	Monthly	4,004.00	5,068.27	6,132.54
	Annual	48,048.00	60,819.20	73,590.40
	Administrative Assistant to the CEO			
	Benefits Analyst			
	Business Relations Administrator			
	Civil Engineer, Associate			
	Clerk of the Board, Assistant			
	Compensation Analyst			
	Contract Administrator			
	Data Portal Administrator			
	Desktop Support Technician			
	Employee Relations Representative			
	Employment Representative			
	Field Administrator			
	Financial Analyst			
	Fleet Analyst			
	Grants Funding Specialist, Associate			
	Human Resources Representative			
	Internal Auditor			
	Intranet/Multimedia Specialist, Senior			
	IS Security Analyst, Associate			
	Loss Control and Accident Analyst			
	Maintenance Analyst, Senior			
	Marketing Specialist, Senior			
	Media Relations Specialist, Senior			
	Network Analyst, Associate			
	Operations Analyst, Senior			
	Programmer Analyst			
	Project Controls Analyst			
	Public Information Specialist, Senior			
	Right-of-Way Administrator			
	Safety, Health & Environmental Specialist, Associate			
	Schedule Analyst, Senior			
	Section Supervisor III			
	Service Analyst			
	Special Assignment			
	Stops and Zones Analyst, Senior			
	Training & Development Administrator			
	Transportation Analyst			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
P	Hourly	25.64	32.31	38.97
	Monthly	4,444.27	5,600.40	6,754.80
	Annual	53,331.20	67,204.80	81,057.60
	Alternative Fuels Technology Specialist, Associate			
	Accountant, Senior			
	Business Computing Solutions Specialist, Associate			
	Business Intelligence Analyst, Associate			
	Business Systems Analyst			
	Buyer, Senior			
	Civil Engineer			
	Claims Representative, Senior			
	Coach Operations Instructor, Senior			
	Community Relations Specialist, Senior			
	Contract Transportation Analyst, Senior			
	Customer Relations Specialist, Senior			
	Data Portal Administrator, Senior			
	Data Warehouse Architect, Associate			
	Desktop Support Technician, Senior			
	Employment Representative, Senior			
	Field Administrator, Senior			
	Government Relations Representative, Senior			
	Grants Funding Specialist			
	HR Business Partner			
	Local Government Relations Representative, Senior			
	Maintenance Field Administrator			
	Maintenance Instructor			
	Marketing Production Administrator			
	Marketing Program Administrator			
	Safety, Health & Environmental Specialist			
	Section Supervisor IV			
	Special Assignment			
	Systems Software Analyst, Associate			
	Training & Development Administrator, Senior			
	Web Developer			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
R	Hourly	28.39	35.97	43.54
	Monthly	4,920.94	6,234.80	7,546.94
	Annual	59,051.20	74,817.60	90,563.20
	Alternative Fuels Technology Specialist			
	Assistant Base Manager			
	Benefits Analyst, Senior			
	Business Computing Solutions Specialist			
	Business Intelligence Analyst			
	Business Systems Analyst, Senior			
	Community Relations Officer			
	Community Transportation Coordinator			
	Compensation Analyst, Senior			
	Contract Administrator, Senior			
	Database Administrator			
	Data Portal and Dashboard Developer			
	Data Warehouse Architect			
	Employee Relations Representative, Senior			
	Financial Analyst, Senior			
	Fleet Analyst, Senior			
	Grants Funding Manager			
	HR Business Partner, Senior			
	Inventory Analyst			
	IS Project Manager I			
	IS Security Analyst			
	Maintenance Field Administrator, Senior			
	Maintenance Instructor, Senior			
	Maintenance Supervisor			
	Network Analyst			
	OCTAP Administrator			
	Project Controls Analyst, Senior			
	Public Information Officer			
	Right-of-Way Administrator, Senior			
	Safety, Health & Environmental Specialist, Senior			
	Section Manager I			
	Service Analyst, Senior			
	Special Assignment			
	Telecommunications Administrator			
	Transportation Analyst, Senior			
	Web Developer, Senior			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
S	Hourly	31.88	40.37	48.85
	Monthly	5,525.87	6,997.47	8,467.34
	Annual	66,310.40	83,969.60	101,608.00
	Accountant, Principal Benefits Analyst, Principal Business Computing Solutions Specialist, Senior Business Intelligence Analyst, Senior Business Systems Analyst, Principal Civil Engineer, Senior Community Transportation Coordinator, Senior Compensation Analyst, Principal Construction Safety Officer Contract Administrator, Principal Database Administrator, Senior Data Portal and Dashboard Developer, Senior Financial Analyst, Principal Government Relations Representative, Principal Internal Auditor, Senior Investment Officer IS Project Manager II Local Government Relations Representative, Principal Network Analyst, Senior Operations Programs Manager Programmer Analyst, Senior Project Controls Manager Right-of-Way Administrator, Principal Section Manager II Small Business Program Administrator Special Assignment Systems Software Analyst Transportation Analyst, Principal			

**OCTA Salary Structure FY2008**  
**Payroll Job Titles**

**Effective**  
**June 24, 2007**

GRADE		MINIMUM	MIDPOINT	MAXIMUM
T	Hourly	35.85	45.29	54.72
	Monthly	6,214.00	7,850.27	9,484.80
	Annual	74,568.00	94,203.20	113,817.60
	Base Manager Business Computing Solutions Specialist, Lead Civil Engineer, Principal Data Warehouse Architect, Senior Internal Auditor, Principal Investment Officer, Senior IS Business Strategist IS Project Manager III IS Security Analyst, Senior LNG Engineer Media Relations Officer Project Manager, Bus Rapid Transit Project Manager, Development Section Manager III Special Assignment Systems Software Analyst, Senior			
U	Hourly	41.07	52.19	63.30
	Monthly	7,118.80	9,046.27	10,972.00
	Annual	85,425.60	108,555.20	131,664.00
	HR Section Manager, Senior IS Section Manager, Senior			
V	Hourly	44.42	56.44	68.46
	Monthly	7,699.47	9,782.94	11,866.40
	Annual	92,393.60	117,395.20	142,396.80
	Chief Engineer Department Manager Program Manager, Development			



**ORANGE COUNTY TRANSPORTATION  
AUTHORITY LICENSING AND MAINTENANCE AGREEMENTS  
SOLE SOURCE LIST**

**ATTACHMENT D**

<b>Vendor Name</b>	<b>The Standard Contracts Software / Hardware Product</b>	<b>Proposed Budgeted \$</b>
Alliance Systems	91 Express Lanes Interactive Intelligence Telephony System	50,000
Carpa Datum	Budget Activity Reporting / Budget System	50,000
Compusoft	Learning Management Systems, SAAV, Commuter Club, & Ad-hoc MS-Access / SQL Server Application Support	65,000
Computer Associates	Erwin, Test Bytes, Data Portal, Forest & Trees, Special Data Portal and UPDM Consulting Support, Desktop DNA	82,000
Dell Computer Inc.	91 Express Lanes Dell Computer Hardware	30,000
Giro	Map / HASTUS / Vehicle/ Crew/ Crew Opt/ Roster/ Minbus/ ATP/ Interface Program/ Geo Hastus Map/ Hastinfo/ Hastinfo - Web	90,000
Hitachi	Lawson Custom Interfaces & Modifications Support	50,000
Intellisec/Olliver Corporation	LENEL CARD Access/Security System	30,000
IPC Command Systems	Fixed Route & CTS Radio Dispatch Console Sub-Systems	50,000
Konica Minolta Business Solutions	Digital Convenience Copiers	70,000
Krypton	Unicenter & Database Performance Monitoring	60,000
Lawson Software Inc.	Lawson HR/Payroll Software	130,000
M/A-COM	Fixed Route Radio Network Management Console & Mobile Intermediary System	50,000
Mincom	Ellipse Interface Support	100,000
Mincom	Ellipse Software	200,000
Newlin Consulting	Ridership & Boardings Rpts Support	35,000
Northern Lakes Data Corp	"Toll Pro" Customer Account Management System for the 91 Express Lanes	250,000
Omega Contract Design	CIC Web Page Software (Trip Planner)/Business Objects	45,000
On Group	Special Emergency Support	49,000
On-Time Consulting	Oracle Engine & OWB Support & 10gas Ridership Reporting module Acct/MKt	65,000
Orbital Sciences Corp.	ITCS Fixed Route Radio Software Systems: SmartTrack CAD & AVL, Automated Passenger Counter, Advanced Traveler Information System, and Voice Annunciator	150,000
PIPS Technology, Inc.	ALPR Camera System for the 91 Express Lanes	40,000
SIRIT Corporation	Electronic Toll and Traffic Managemnet System for 91 Express Lanes	265,000
Third Wave Corporation	CAMM - NET	85,000
Thomas Bros,	Thomas Brothers, Maps	61,470
Transit Intelligence	OTS	48,000
Trapeze Software Group	Trapeze PASS, Interactive Voice Response, & Mobile Data Terminal Systems	90,000
Trapeze Software Group	Trapeze Software - PASS4 - Mapmaker	95,000
Trapeze Software Group	Trapeze - MDT software with Map Maker	100,000
<b>Subtotal</b>		<b>2,485,470</b>

**ORANGE COUNTY TRANSPORTATION  
AUTHORITY LICENSING AND MAINTENANCE AGREEMENTS  
SOLE SOURCE LIST**

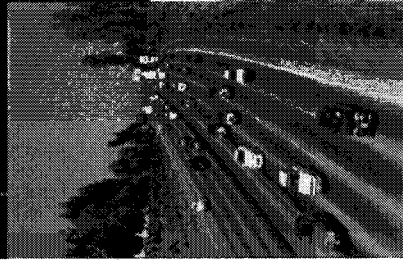
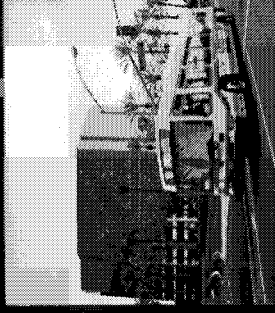
**ATTACHMENT D**

**Standard Contracts w/ Emergency Support**

(The vendors listed below have been detailed to reflect the cost of the emergency support that is required for these vendors. This support is not covered in the basic contract. It will be used for emergency support during after hours, weekends & holidays.)

<b>Vendor Name</b>	<b>Software / Hardware Product</b>	<b>Proposed Budgeted \$</b>
<b>Bi-Tech/ Sungard</b>	IFAS Special Support	5,500
	IFAS	70,000
<b>Database Systems Corp.</b>	(2) TRANSACT	17,000
	(2) PRILIB	
	(2) FAST	
	Tranview / Tranwriter / Easytran	
	Transact & Fast Emergency Support	8,000
<b>Hewlett-Packard</b>	Hewlett-Packard Computers Maintenance	280,800
	Computer Maintenance Emergency Support	21,600
<b>Oracle</b>	Oracle DB Engine & Mgt Packs & Gateway	140,000
	Oracle Emergency Support	20,000
<b>On Group</b>	MVON	25,000
	MVON Outsourced Support	49,000
<b>On Group</b>	HP/9000;developer;security - Fussion	16,000
	Blacksmith Emergency Support	48,000
<b>On-Time Consulting</b>	Oracle Forms & Reports Maintenance	35,000
	Auto Allocation Boarding/SalPlan Reports	
<b>Subtotal</b>		<b>735,900</b>
<b>Total of Contracts</b>		<b><u>3,221,370</u></b>

# Fiscal Year 2007-08 Proposed Budget *Public Hearing*



Board of Directors  
June 11, 2007

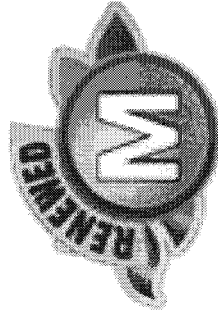




# Accomplishments FY 2006-07



Renewed Measure M2



Proposition 1B



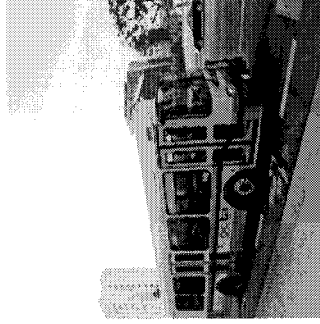
Garden Grove  
Freeway (SR-22)



Santa Ana  
Freeway (I-5)  
Gateway



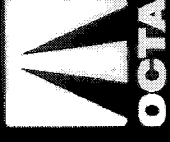
Increased Bus  
Service



Initiated New Metrolink  
Weekend Service



# Budget Process



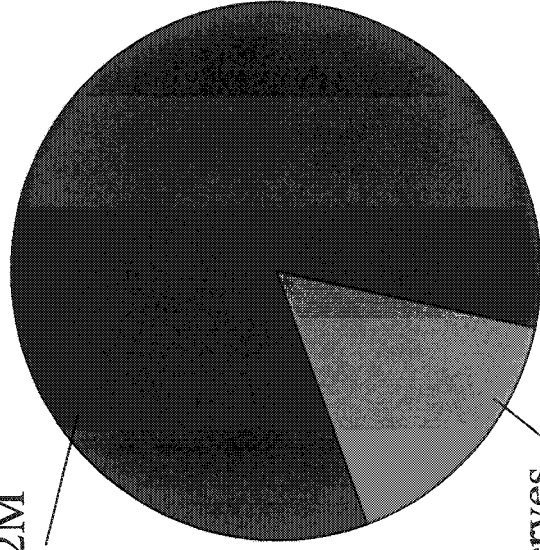
Development, Analysis and Recommendations	January - April
Finance and Administration Committee Briefings	March 28, April 25, May 9
Budget Workshop	May 14
Committee Presentations/One on One Meetings	May 17 - June 7
Public Hearing	June 11

# Balanced Budget



## Source of Funds \$991M

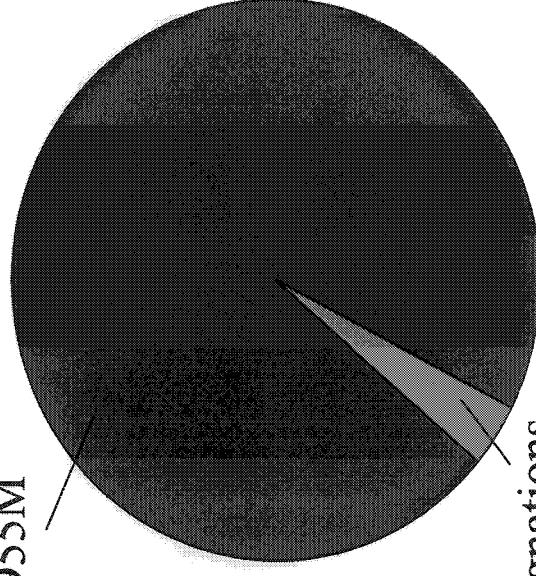
Revenues  
\$832M



Reserves  
\$159M

## Use of Funds \$991M

Expenditures  
\$955M



Designations  
\$36M

# Major Initiatives



Streets & Roads	\$114,289
Metrolink Service Expansion	95,694
Bus Rapid Transit	49,164
Garden Grove Freeway (SR-22) Phase II	30,400
Santa Ana Freeway I-5 Gateway Project	26,075
Anaheim Regional Transportation Intermodal Center	17,679
Go-Local	13,411

# Transit Services



<b>Bus Services</b>		
Directly Operated Fixed Route		\$216,943
Paratransit		35,297
Contract Fixed Route		7,114
<b>Bus Services Total</b>		<b>\$259,354</b>
<b>Metrolink Service</b>		<b>\$19,353</b>

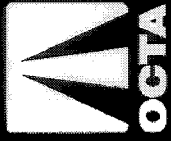
# Administrative Positions by Program



Program	Direct	*Allocated	Total
Bus Operations	204	197	401
Measure M	27	29	56
91 Express Lanes	4	8	12
Motorist & Taxi Services	4	2	6
Capital Projects	6	1	7
Commuter Rail	2	4	6
<b>Total</b>	<b>247</b>	<b>241</b>	<b>488</b>

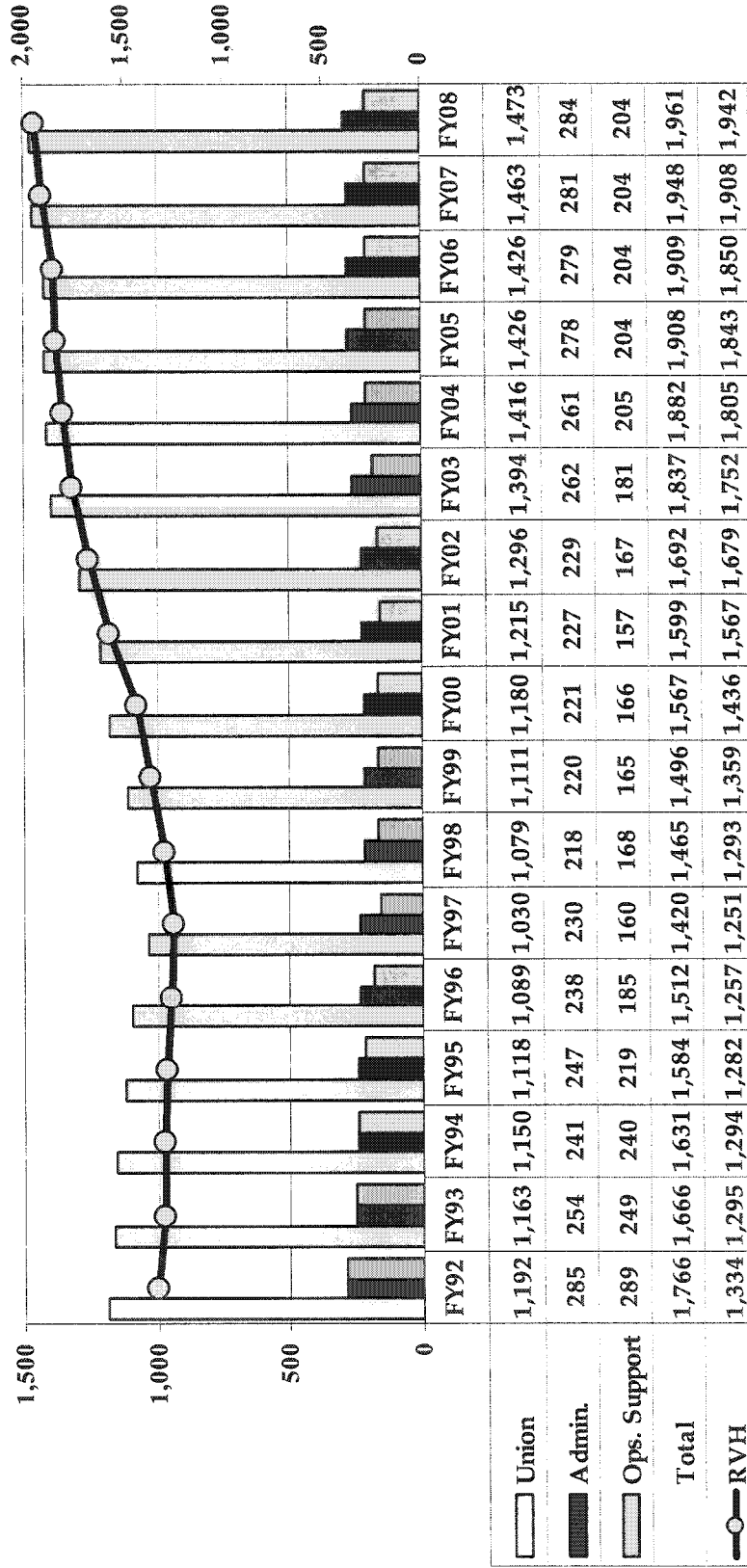
\* Allocated positions cover shared costs associated with general administration functions such as Executive Office, Clerk of the Board, Finance, Accounting, Human Resources, Purchasing, Labor Relations, etc.

# Staffing



Fixed Route  
Revenue Vehicle Hours  
(in thousands)

Positions



# Next Steps



Conduct Public Hearing	June 11
Approve Fiscal Year 2007-08 Budget	Before July 1
Provide Quarterly Reports	On Going
Renewed Measure M Budget Amendment	August 2007
Prepare 2007 CBP	Fall 2007



Minutes of the Meeting of the  
Orange County Transportation Authority  
Orange County Service Authority for Freeway Emergencies  
Orange County Local Transportation Authority  
Orange County Transit District  
Board of Directors  
May 29, 2007

## **Call to Order**

The May 29, 2007, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Cavecche at 9:04 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

## **Roll Call**

Directors Present: Carolyn Cavecche, Chairman  
Chris Norby, Vice Chair  
Jerry Amante  
Patricia Bates  
Arthur C. Brown  
Peter Buffa  
Bill Campbell  
Richard Dixon  
Paul Glaab  
Cathy Green  
Allan Mansoor  
John Moorlach  
Janet Nguyen  
Curt Pringle  
Miguel Pulido  
Mark Rosen  
Gregory T. Winterbottom  
Cindy Quon, Governor's Ex-Officio Member

Also Present: Arthur T. Leahy, Chief Executive Officer  
Paul E. Taylor, Deputy Chief Executive Officer  
Wendy Knowles, Clerk of the Board  
Laurena Weinert, Assistant Clerk of the Board  
Kennard R. Smart, Jr., General Counsel  
Members of the Press and the General Public

Directors Absent: None

## **Invocation**

Chairman Cavecche gave the invocation.

## **Pledge of Allegiance**

Director Buffa led the Board and audience in the Pledge of Allegiance to the Flag of the United States of America.

## **Public Comments on Agenda Items**

Chairman Cavecche announced that members of the public who wished to address the Board of Directors regarding any item appearing on the agenda would be allowed to do so by completing a Speaker's Card and submitting it to the Clerk of the Board.

## **Special Matters**

### **1. Presentation of Resolutions of Appreciation for Employees of the Month for May 2007**

Chairman Cavecche presented Orange County Transportation Authority Resolutions of Appreciation Nos. 2007-25, 2007-26, 2007-27 to Adolfo Penaloza, Coach Operator; Son Khuc, Maintenance; and Joanne Jacobsen, Administration, as Employees of the Month for May 2007.

## **Consent Calendar (Items 2 through 26)**

Chairman Cavecche stated that all matters on the Consent Calendar would be approved in one motion unless a Board Member or a member of the public requested separate action on a specific item.

Director Nguyen pulled Item 2; Director Rosen pulled item 5; Director Brown pulled Item 7; Director Glaab pulled Item 9; Director Moorlach pulled Item 10; Director Mansoor pulled Items 7 and 25; and staff pulled Item 26.

A motion was made by Vice Chairman Norby, and seconded by Director Green, to approve the balance of the Consent Calendar matters. Those items which were pulled were heard and voted upon separately.

## **Orange County Transportation Authority Consent Calendar Matters**

### **2. Approval of Minutes**

Director Nguyen pulled this item and stated that she wished to be shown as present for the vote on Item 28 in the subject minutes.

A motion was made by Director Pringle, seconded by Director Campbell, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of May 14, 2007.

### **3. Approval of Board Member Travel Request**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to approve the request by Director Bill Campbell to travel from June 1, 2007, to June 4, 2007, to attend the American Public Transportation Association 2007 Rail Conference in Toronto, Canada.

Director Nguyen was not present for the vote on this item.

### **4. Approval of Resolutions of Appreciation for Employees of the Month for May 2007**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to adopt Orange County Transportation Authority Resolutions of Appreciation Nos. 2007-25, 2007-26, and 2007-27 to Adolfo Penaloza, Coach Operator; Son Khuc, Maintenance; and Joanne Jacobsen, Administration, as Employees of the Month for May 2007.

Director Nguyen was not present for the vote on this item.

### **5. Liability Claims and Subrogations Compliance and Operational Review**

Director Rosen pulled this item and stated that he felt while settlement cases are discussed in Closed Session, the final approval of such settlements should be heard in open session, rather than in Closed Session.

General Counsel, Kennard R. Smart, Jr., responded that for claims up to \$15,000, the Manager of Risk Management has authority to settle. For claims from \$15,000 to \$50,000, there is a claims committee (made up of a representative of the Chief Executive Officer, General Counsel, and the Finance Director), and the committee must approve a settlement.

**5. (Continued)**

Mr. Smart further stated that a claim in excess of \$50,000 could be discussed in Closed Session and could be approved in Closed Session, depending on the status of the settlement. If, in fact, there is a settlement agreement that has been executed by the other party, and the last action to consummate the settlement is taken by the Board, then that action must be reported at that Board meeting immediately after the Closed Session. If, in fact, the authority is given to settle the matter, but there is not a document executed (the other part has not agreed to it), then the matter does not have to be presented in Closed Session; there is authority to settle it. If Members of the public request a copy of the settlement, they are entitled to it, but it does not require action in public by the Board.

Director Rosen asked for a memo from General Counsel detailing OCTA's claims and settlement process. He further stated that he felt settlements could be negotiated in Closed Session, but felt the final approval of a settlement should be presented in open session where the public has an opportunity to comment.

A motion was made by Director Rosen, seconded by Director Campbell, and declared passed by those present, to receive and file Liability Claims and Subrogations Compliance and Operational Review Internal Audit Report No. 07-010.

**6. Principles for Proposition 1B Implementation Legislation**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to approve a plan and approach for each category which achieves a fair share allocation for Orange County.

Director Nguyen was not present for the vote on this item.

**7. Health, Safety, & Environmental Compliance Department Update on Recent Accomplishments**

Director Brown pulled this item to highlight the accomplishments reflected in this report and commended staff on receiving the American Public Transportation Association's Gold Award for bus safety.

Director Mansoor stated he agreed with Director Brown and thanked everyone in the Health, Safety, and Environmental Compliance Department for the results reflected in this report.

A motion was made by Director Brown, seconded by Director Glaab, and declared passed by those present to receive and file as an information item.

Directors Pulido and Pringle were not present for the vote on this item.

## **8. State Legislative Status Report**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to adopt the following recommended positions on legislation:

Support AB 801 (Walters, R-Laguna Niguel)  
Support SB 56 (Runner, R-Antelope Valley)

Director Nguyen was not present for the vote on this item.

## **9. Federal Legislative Status Report**

Director Glaab pulled this item to emphasize the importance of this issue. He further stated that there would be significant impacts on OCTA, as well as other regional agencies, and the matter deserves a great deal of attention.

Chairman Cavecche informed Members that several OCTA Board Members met with Transportation Corridor Agencies' staff over the past week to develop strategy to insure there is a regional effort to make sure the amendment offered at this time does not get through Congress.

A motion was made by Director Glaab, seconded by Director Buffa, and declared passed by those present, to oppose the amendment from Representative Davis (D-San Diego) to the Fiscal Year 2008 National Defense Authorization Act which would repeal existing federal law allowing the Department of the Navy to grant an easement at the Marine Corps Base Camp Pendleton for the Foothill Transportation Corridor-South (State Route 241) toll road extension "notwithstanding any provision of State law to the contrary."

Vice Chairman Norby and Directors Pringle and Pulido were not present for this vote.

## **10. Scope of Work and Evaluation Criteria for Procurement of Federal Legislative Consulting Services**

Director Moorlach pulled this item to comment on the evaluation criteria, and asked for clarification on the difference between work plan versus project plan.

Richard J. Bacigalupo, Manager of Federal Relations, responded that the Task Force looked at the evaluation criteria and had the idea that the qualifications and staffing were essentially the same and in this procurement, qualifications and the individuals involved were one in the same, so they asked that to be at 50 percent.

Interviewers will try, through the interview process, to ask particular questions regarding the work intended to be done. For that purpose, a scope of work is put together which lists the top ten issues of interest that would be focused upon to learn each individual's particular strategy with respect to those ten issues.

**10. (Continued)**

Chief Executive Officer (CEO), Arthur T. Leahy, commented that this is a procurement which is very unusual in approach and, as with the last time this was procured for federal and state, there was not a staff recommendation, but rather staff will assemble the proposers and bring them to committee. The Committee will conduct interviews as may the Board. Mr. Leahy stated that it is of the utmost importance that Members have confidence in the advocates, and that is the ultimate goal.

Director Nguyen asked that current federal lobbyists include their past scopes of work and accomplishments on behalf of OCTA with their upcoming bids for advocacy work.

Director Pringle stated that he has felt for a long time that OCTA has been getting limited service, and stated that Board Members need to ask for what they want done by the advocates, and each of the advocates should have designated areas of responsibility. He felt that advocates with different expertise and different relationships should be considered.

Chairman Cavecche expressed that the Board has experienced frustration with how the advocacy in Washington, D.C., has been approached, and one of her goals is to work with the Board to realign how the approach to legislation will be handled in Washington, D.C.

A motion was made by Director Moorlach, seconded by Director Bates, and declared passed by those present, to approve the draft scope of work and evaluation criteria for the reprocurement of federal legislative consulting services and provide input to staff regarding the procurement process.

**11. Metrolink Ridership and On-Time Performance Report**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to receive and file as an information item

Director Nguyen was not present for the vote on this item.

**12. Selection of a Consultant for Preparation of the Ortega Highway (State Route 74) Operational and Safety Improvement Study**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to:

- A. Select HDR Engineering, Inc., as the top ranked firm to provide architectural and engineering services for the preparation of the Ortega Highway (State Route 74) Operational and Safety Improvement Study.

**12. (Continued)**

- B. Authorize the Chief Executive Officer to request a cost proposal from HDR Engineering, Inc., and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement.
- D. Authorize the Chief Executive Officer to negotiate a funding agreement with the Riverside County Transportation Commission.

Pursuant to Government Code Section 84308, Director Pringle abstained from voting on this item.

**13. Consultant Selection for 91 Express Lanes/Foothill-Eastern Transportation Corridor (State Route 241) Connector Feasibility Study**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to:

- A. Select CH2M Hill as the top ranked firm for the preparation of a feasibility study.
- B. Authorize Chief Executive Officer to request a cost proposal from CH2M Hill and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final Agreement C-7-0612.
- D. Authorize the Chief Executive Officer to execute a funding agreement with the Transportation Corridor Agencies.

Pursuant to Government Code Section 84308 , Chairman Cavecche and Directors Bates, Campbell, Moorlach, Pringle, and Rosen abstained from voting on this item.

Pursuant to Government Code Section 87102, Director Buffa abstained from voting on this item, citing this firm is a source of income to him.

**14. Customer Relations Report for Third Quarter Fiscal Year 2006-07**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to receive and file as an information item.

Director Nguyen was not present for the vote on this item.

**15. Agreement to Provide Employee Assistance Program Services**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to approve Agreement C-7-0032 between the Orange County Transportation Authority and Resources for Living to provide an Employee Assistance Program for all eligible employees and their families for a three-year period for a maximum obligation not to exceed \$186,345. The agreement will also include two one-year option terms.

Director Nguyen was not present for the vote on this item.

**16. Agreement with Stantec Inc., for Traffic and Revenue Forecasting Services**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-7-0630 with Stantec Inc., for traffic and revenue forecasting services, in an amount not to exceed \$150,000.

Director Nguyen was not present for the vote on this item.

**17. Agreement for Insurance Brokerage Services**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-7-0632 between the Orange County Transportation Authority and Marsh Risk and Insurance Services, Inc., in an amount not to exceed \$335,000, for the initial three-year term of the Agreement to provide insurance brokerage services for the Authority. The Agreement includes two one-year option terms at an additional cost.

Director Nguyen was not present for the vote on this item.

**Orange County Local Transportation Authority Consent Calendar Matters**

**18. Santa Ana Regional Transportation Center Pedestrian Bridge Improvement Project - Request for Budget Transfer**

This item was deferred from today's agenda and will come before the Board at a later date.

**19. Measure M Quarterly Progress Report**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to receive and file as an information item.

Director Nguyen was not present for the vote on this item.

## **Orange County Transit District Consent Calendar Matters**

### **20. Agreement for Restroom Supplies**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-7-0495 between the Orange County Transportation Authority and Waxie Sanitary Supply, in an amount not to exceed \$100,000, for restroom supplies for a one-year period with two one-year options.

Director Nguyen was not present for the vote on this item.

### **21. Agreement for Automotive Shop Supplies**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-7-0516 between the Orange County Transportation Authority and Shamrock Supply Company, Inc., in an amount not to exceed \$80,000, for automotive shop supplies for a one-year period with two one-year options.

Director Nguyen was not present for the vote on this item.

### **22. Agreement for the Installation of a Master Clock System at the Garden Grove and Anaheim Bases**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-7-0171 between the Orange County Transportation Authority and Greenfield Electric, Inc., in an amount not to exceed \$74,960, to install master clock systems at the Garden Grove and Anaheim maintenance bases.

Director Nguyen was not present for the vote on this item.

### **23. Agreement for Contracted Fixed Route Compressed Natural Gas Cutaway Buses**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Agreement C-6-0554 to Creative Bus Sales, Inc., in an amount not to exceed \$3,345,348, for the purchase of 20 compressed natural gas cutaway vehicles.
- B. Amend the current Fiscal Year 2006-07 Budget by \$985,348 to accommodate Agreement C-6-0554, resulting in a total budget allocation of \$3,345,348 for the purchase of these vehicles.

Director Nguyen was not present for the vote on this item.

**24. Agreement for Coach Operator, Instructor, and Field Supervisor Uniforms**

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-7-0614 between the Orange County Transportation Authority and Galls, Inc., in an amount not to exceed \$780,259, for coach operator, instructor, and field supervisor uniforms for an initial two-year term with three one-year options.

Director Nguyen was not present for the vote on this item.

**25. Amendment to Agreement with the Orange County Sheriff's Department**

Director Mansoor pulled this item and wanted to confirm this is for the last year of the agreement, and he inquired why the costs for this service provided by the Sheriff's Department has increased.

Beth McCormick, Interim General Manager of Transit, responded that the costs are related to projected labor cost increases. Ms. McCormick offered to review the line items of this budget with any Members who would like to do so and requested them to contact her if they wished a briefing.

A motion was made by Director Mansoor, seconded by Director Pulido, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-3-0656 between the Orange County Transportation Authority and the County of Orange, Orange County Sheriff's Department, in an amount not to exceed \$4,586,650, for Transit Police Services provided from July 1, 2007, through June 30, 2008.

**26. ACCESS Service Overview and Update**

Staff pulled this item due to two conflicting dates appearing in the report. Ms. McCormick clarified that the full report on this service will come to the Board on June 25, 2007.

Director Campbell inquired why the supporting data in this report is a month old and not more recent.

Curt Burlingame, Community Transportation Services, stated that updated data is available and can be provided. Chairman Cavecche requested that data still being verified be included in the information provided to Board Members, and Director Campbell asked that an update be sent out to all the Board Members.

A motion was made by Director Campbell, seconded by Director Green, and declared passed by those present, to receive and file this update as an information item.

## **Regular Calendar**

### **Orange County Transportation Authority Regular Calendar Matters**

#### **27. Renewed Measure M Draft Early Action Plan**

CEO, Arthur T. Leahy, provided opening comments and stated that staff seeks direction on the Renewed Measure M Program regarding this Plan, citing opportunities to advance projects and to deliver more rapidly than first anticipated. He also noted that separate from this action plan, there is money in the budget for an organizational review, and it is anticipated that an organizational readiness review will be done in the third quarter of the calendar year, which will examine the ability of the OCTA to manage and deliver the projects as outlined in this Early Action Plan.

Monte Ward, Special Projects Director, outlined the Plan for the Board and highlighted various aspects of it and what steps will be taken over the next few months.

Director Campbell requested staff look at funding for the State Routes 91-55-57 projects and an extension of State Route 55.

Director Bates requested staff consider adding an overarching policy statement regarding strategies for achieving early delivery of projects under Measure M.

A motion was made by Director Campbell, seconded by Director Pulido, and declared passed by those present, to:

- A. Approve the Renewed Measure M Draft Early Action Plan.
- B. Direct staff to circulate the Renewed Measure M Draft Early Action Plan for public review and comment.
- C. Direct staff to return with the Final Renewed Measure M Early Action Plan for consideration by the Transportation 2020 Committee no later than July 16 and the full Board of Directors no later than August 13.

**28. Anaheim Regional Transportation Intermodal Center Project Concept Report**

Jeanne Spinner LaMar, Manager of Local Initiatives, presented this report and highlighted the various aspects of the plan for an orderly and cost-effective development of the County's first comprehensive intermodal transportation facility.

At the conclusion of the presentation, Director Buffa requested that staff look into the design and use of mechanized garages for future parking structures.

Director Rosen suggested that the guideways from State Route 57 to the station be completed as soon as possible.

A motion was made by Vice Chairman Norby, seconded by Director Campbell, and declared passed by those present, to:

- A. Approve the Anaheim Regional Transportation Intermodal Center Project Concept Report.
- B. Direct staff to prepare an Anaheim Regional Transportation Intermodal Center joint development strategy and Draft Project Definition Report and submit it to the Board of Directors in fall of 2007.
- C. Direct staff to explore with the City of Anaheim testing interest in private investment at the Anaheim Regional Transportation Intermodal Center through a conference targeted with the investment and real estate communities in the fall of 2007.
- D. Authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-5-2585 between the Orange County Transportation Authority and Carter & Burgess, Inc., in an amount not to exceed \$485,000, to prepare a Project Definition Report and supporting documents on the Anaheim Regional Transportation Intermodal Center.

Director Moorlach supported Recommendations A through C, and voted in opposition of Recommendation D.

Pursuant to Government Code Section 84308, Director Bates abstained from voting on Recommendations B and D.

Director Dixon was not present to vote on this item.

## **Other Matters**

### **29. California Department of Transportation High-Occupancy Vehicle Lanes Update**

James Pinheiro, Caltrans District 12, presented an update on the potential opening of high-occupancy vehicle lanes in Orange County, changing controlled access to continuous access of the lanes.

Chairman Cavecche requested that staff do the front-work with Caltrans and be prepared to work with the Federal Highway Administration to get the high-occupancy lanes opened on the State Route 55. She also requested staff review the Berkeley report on high-occupancy lanes as soon as it becomes available, then report back to the Board on those findings.

### **30. Orange County Transportation Authority's Fleet and Hybrid Vehicle Options**

This item was deferred and will be presented at a future meeting.

### **31. City Bus Stop Policies in Orange County**

Vice Chairman Norby presented this pictorial report on the bus stops in the County, and explained the different styles. A motion was made by Vice Chairman Norby, seconded by Director Brown, and declared passed by those present, that presentation and information be passed along to all the cities, with Director Campbell not being present for this vote.

Vice Chairman Norby requested that OCTA offer assistance to the cities in their efforts to understand how to provide bus shelters, or if they have questions regarding advertising, etc.

Public comments were heard from:

Roy Shahbazian, resident of Orange, offered comments and encouraged OCTA to look at the bus stops in the County and that adequate seating be provided.

Jane Reifer, resident of Fullerton, encouraged staff to work with the cities in the County in order that bus stops be developed and shelters be added.

**32. Orange County Transportation Authority's Bus Customer Awareness, Attitudes, and Satisfaction Survey**

Stella Lin, Marketing Manager, provided an overview of the survey being conducted and discussion followed regarding various aspects of the survey questions. Following that discussion, Director Rosen suggested that all current questions stay in the survey, and responders may choose which questions they would like to answer.

The question arose as to the legal requirement for the age a young person must be before being allowed to respond to a survey, and Ms. Lin stated she will find out and report back to the Board.

A motion was made by Vice Chairman Norby, seconded by Director Green, and declared passed by those present, to send the survey out with separating married and living with a significant other into two different items, removal of questions 33 and 36, adding a question if the person lives in Orange County and of so, for how long. Focus should be placed on younger respondents' input since so many utilize the buses.

Director Mansoor voted in opposition of the motion; Director Campbell was not present for the vote on this item.

**33. Public Comments**

At this time, Chairman Cavecche stated that members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action would be taken on off-agenda items unless authorized by law.

Public comment was heard from:

Deborah Jones, resident of Garden Grove, offered her consulting services for efforts to work through a potential strike by Coach Operators through the contract negotiations.

**34. Chief Executive Officer's Report**

Chief Executive Officer, Arthur T. Leahy, reported that television station KOCE will present a piece entitled, "Challenges of the 91 Freeway", on June 28 at 7:00 p.m., and offered any Board Members who wished to participate to contact Media Relations.

### **35. Directors' Reports**

Director Campbell asked that staff provide an update on the eastbound State Route 22 at the southbound Interstate 5 at a future meeting.

Director Nguyen thanked staff for their assistance with bus tickets for a raffle at an event in her district.

Director Bates drew the attention of Board Members to a letter that was directed to the Chairman regarding the South County Major Investment Study, which focuses on an extension of the Foothill Transportation Corridor.

Director Bates also asked staff to see what can be done with regard to the Ortega Highway, where a chokepoint is developing in South Orange County and of great concern what can be done.

Director Rosen reported on a recent article in the San Francisco Chronicle that highlighted the procurement for the recent repair of the Bay Bridge connector that collapsed some weeks ago. He stated this was an excellent example of putting incentives for early completion into a contract, which is what the contractor did, earning a considerable incentive for doing so.

### **36. Closed Session**

A Closed Session was held:

- A. Pursuant to Government Code Section 54956.8 to discuss the purchase of real property located at 550 South Main Street, Orange, California, owned by UBS Partners. The OCTA negotiator is James S. Kenan and the negotiator for UBS Partners is Jon W. McClintock.
- B. Pursuant to Government Code Section 54957.6 to meet with Orange County Transportation Authority designated representative Sherry Bolander regarding collective bargaining agreement negotiations with the Teamsters Local 952 representing the coach operators.

Attending the Closed Session were: Chairman Cavecche and Directors Amante, Bates, Buffa, Brown, Green, Mansoor, Moorlach, Nguyen, Rosen, and Winterbottom.

**37. Adjournment**

The Board meeting adjourned at 12:30 p.m. Chairman Cavecche announced that the next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSSAAV Board would be held at **9:00 a.m. on June 11, 2007**, at OCTA Headquarters.

ATTEST

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Wendy Knowles  
Clerk of the Board

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Carolyn Cavecche  
OCTA Chairman





ORANGE COUNTY  
TRANSPORTATION AUTHORITY

RESOLUTION

GARY JOHNSON

**WHEREAS,** Gary Johnson has served the residents of Orange County for over thirty years, most recently as the Director of Public Works for the City of Anaheim, providing leadership and expertise in the development of many infrastructure improvements including the Platinum Triangle and development of the Anaheim Regional Transportation Intermodal Center; and

**WHEREAS,** Gary Johnson has been instrumental in helping Orange County Transportation Authority meet its objective of being more responsive to the transportation needs of the cities of Orange County; and

**WHEREAS,** Gary Johnson has provided effective guidance to Orange County Transportation Authority as a ranking member of the Technical Advisory Committee for more than 20 years; and

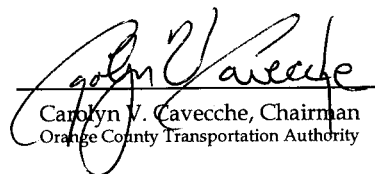
**WHEREAS,** Gary Johnson has been a valuable advisor to Orange County Transportation Authority in the administration of various street and road programs including Federal Aid Urban, Orange County Unified Transportation Trust, and Combined Transportation Funding Program; and

**WHEREAS,** Gary Johnson has been a leader in municipal public works in Orange County and received the first James L. Martin award from the League of California Cities for career achievement.

**NOW, THEREFORE, BE IT RESOLVED** that the Orange County Transportation Authority Board of Directors is privileged to recognize his outstanding public service.

**BE IT FURTHER RESOLVED** that Gary Johnson is commended for his insight, leadership, and support in realizing the Orange County Transportation Authority's vision to provide leadership in developing transportation solutions and that he has earned our sincerest thanks and appreciation.

Dated: June 11, 2007

  
Carolyn V. Cavecche, Chairman  
Orange County Transportation Authority







**June 11, 2007**

**To:** Members of the Board of Directors

**From:** Arthur T. Leahy, Chief Executive Officer <sup>ATL</sup>

**Subject:** Consultant Selection for the Orange County/Los Angeles Intercounty Transportation Study

### **Overview**

The Orange County Transportation Authority and the Los Angeles County Metropolitan Transportation Authority share an interest in addressing intercounty congestion. Offers were received from firms to conduct a study to develop conceptual alternatives for improving intercounty travel in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform professional and technical services.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Agreement C-7-0658 between the Orange County Transportation Authority and IBI Group, in an amount not to exceed \$298,953, to conduct a study to develop conceptual alternatives for improving travel between Orange and Los Angeles counties.

### **Background**

The Orange County Transportation Authority (OCTA) and the Los Angeles County Metropolitan Transportation Authority (METRO) have been in ongoing discussions regarding projects of mutual interest including planned freeway widenings, Metrolink expansion, and the overall need to investigate opportunities to improve travel between Orange and Los Angeles counties. Each day, nearly two million vehicles cross the border between the two counties, underscoring the need to jointly develop a plan for potential transportation improvements.

In order to address the growing intercounty traffic congestion, OCTA, jointly with METRO, proposes to conduct a study to identify a broad range of conceptual strategies for improving travel between the two counties. Consultant services are needed to conduct this study.

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***Discussion***

This procurement was handled in accordance with OCTA's policies and procedures for professional and technical services. Proposals are evaluated based on qualifications of the firm, qualifications of the technical team, effectiveness of the work plan, and costs. Award is recommended to the firm offering the most effective overall proposal considering factors such as staffing, prior experience with similar projects, approach to the project requirements, costs, and technical expertise in the field.

The project was advertised on March 20 and March 22, 2007, in a newspaper of general circulation. The notice for this project and a Request for Proposals (RFP) was sent on March 19, 2007, to 687 firms registered on CAMMNET. A pre-proposal meeting was held on March 28, 2007, and was attended by nine firms.

On April 18, 2007, two proposals were received. An evaluation committee consisting of staff from the OCTA's Planning and Analysis Department, Contracts Administration and Materials Management Department, METRO, and the Gateway Cities Council of Governments met to review the proposals. The evaluation committee reviewed both proposals and found both firms qualified for the work. The committee interviewed each of the qualified firms. The two qualified firms are:

Firm and Location

IBI Group  
Irvine, California

Iteris, Inc.  
Anaheim, California

Based on the material provided by the firms and the interview, the committee recommends the selection of IBI Group as the most qualified firm to conduct the Orange County/Los Angeles Intercounty Transportation Study. The firm demonstrated an excellent understanding of transportation issues in the study area, committed the resources of an outstanding project team with the ability to deliver the study on time and within budget, and submitted a work plan that effectively responds to the RFP.

**Fiscal Impact**

This project was approved in OCTA's Fiscal Year 2006-07 Budget, Development Division, Planning and Analysis Department, Account 1536-7519-A4450-C1X, and is funded with \$300,000 of state funds. METRO has committed to reimburse OCTA \$150,000 for the study through a separate agreement previously approved by the Board of Directors.

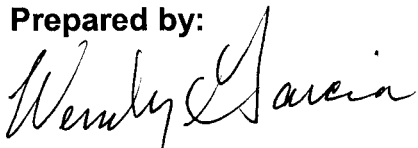
**Summary**

Based on the information provided, the evaluation committee recommends award of Agreement C-7-0658 to IBI Group, in an amount not to exceed \$298,953, to conduct the Orange County/Los Angeles Intercounty Transportation Study.

**Attachment**

None.

**Prepared by:**



Wendy Garcia  
Senior Transportation Analyst  
(714) 560-5738

**Approved by:**



Kia Mortazavi  
Executive Director, Development  
(714) 560-5741





*June 11, 2007*

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Funding Exchange with the City of La Habra for Senior Shuttle Transportation Program

### **Overview**

The expansion of the City of La Habra's Senior Shuttle Transportation Program has increased the operating cost to a level above available funding. Although the City of La Habra received a Section 5309 federal grant for the project, it does not allow for operating expenditures. The Orange County Transportation Authority proposes to transfer unrestricted local funds to be used only for operations of the City of La Habra's Senior Shuttle Transportation in exchange for the federal grant funds.

### **Recommendation**

Authorize the Chief Executive Officer to execute a Memorandum of Understanding with the City of La Habra to provide public transit operating assistance of \$155,430, for fiscal year 2006-07, in exchange for an equivalent amount of Section 5309 federal grant funds.

### **Background**

As the Federal Transit Administration's (FTA) designated grant recipient for Orange County, the Orange County Transportation Authority (OCTA) must adhere to federal guidelines in order to obtain grant funds for its sub recipients. The process includes developing the project scope and budget, submitting and executing the grant application, executing grant transfer agreements with FTA and sub recipients, processing reimbursement requests, monitoring performance and compliance, and providing a quarterly status report to the FTA. Recently, the City of La Habra was approved to receive a Section 5309 Capital Assistance grant in the amount of \$155,430, for their Senior Mobility Program (SMP).



***Discussion***

The City of La Habra provides public transportation services for its senior population with SMP funds. The SMP has been funded with both Local Transportation Funds from OCTA and a local city match, but expansion has required an increase in funding. The city received a Section 5309 Discretionary Capital grant to offset their operating costs in the amount of \$155,430, but allowable expenditures exclude operating costs. OCTA is proposing to assist the city by providing unrestricted local funding for operations to the city in exchange for their grant funds.

Under terms of the Memorandum of Understanding, OCTA would retain the FTA grant funding approved for the City of La Habra and would provide the city with funds equal to the funding allocation of \$155,430. OCTA intends to use the federal grant for the purchase of two paratransit vans.

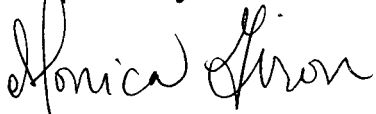
***Summary***

A Memorandum of Understanding between the City of La Habra and the Orange County Transportation Authority for the transfer of revenues would result in no loss of funding to either the city or the Orange County Transportation Authority and would permit a more efficient means of providing operating assistance to the city for continuing its Senior Mobility Program.

***Attachments***

- A. Memorandum of Understanding between Orange County Transportation Authority and the City of La Habra

**Prepared by:**



Monica Giron  
Associate Financial Analyst  
Financial Planning and Analysis  
(714) 560-5905

**Approved by:**



James S. Kenan  
Executive Director, Finance,  
Administration and Human Resources  
(714) 560-5678



1                                   **MEMORANDUM OF UNDERSTANDING NO. 7-0915**

2                                   **BETWEEN**

3                                   **ORANGE COUNTY TRANSPORTATION AUTHORITY**

4                                   **AND**

5                                   **THE CITY OF LA HABRA**

6                   **THIS MEMORANDUM OF UNDERSTANDING** is made and entered into this \_\_\_\_\_ day of  
7 \_\_\_\_\_, 2007, by and between the Orange County Transportation Authority (hereinafter  
8 referred to as "AUTHORITY") and The City of La Habra (hereinafter referred to as "CITY").

9                                   **WITNESSETH:**

10           **WHEREAS**, CITY has provided public transit services in the City of La Habra for its senior  
11 citizen population, funded with AUTHORITY's Local transportation Fund Article 4.5 funds, Office of  
12 Aging participation, and CITY local funds; and

13           **WHEREAS**, CITY now requires additional funding to expand the current of service; and

14           **WHEREAS**, CITY has agreed to release the Section 5309 federal earmark to AUTHORITY;

15           **NOW, THEREFORE**, AUTHORITY and CITY hereto agree as follows:

16           1.     AUTHORITY shall pay CITY the sum of One Hundred Fifty-Five Thousand Four  
17 Hundred Thirty Dollars (\$155,430).

18           2.     CITY shall use the Operating Funds to pay for costs of operating its senior transportation  
19 program. CITY shall not use the Operating Funds to pay for capital expenditures, or any other  
20 purposes or expenses.

21           3.     CITY shall indemnify, defend, and hold harmless AUTHORITY, its officers, directors,  
22 employees and agents from and against any and all claims (including attorney's fees and reasonable  
23 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage  
24 to or loss of use of property caused by the negligent acts, omission or willful misconduct by CITY, its  
25 officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of  
26 the performance of this Memorandum of Understanding.

MEMORANDUM OF UNDERSTANDING NO. 7-0915

This Memorandum of Understanding shall be effective upon execution by both parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Memorandum of Understanding to be executed on the effective date above written.

**CITY OF LA HABRA**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By \_\_\_\_\_

By \_\_\_\_\_

Brad Bridenbecker  
City Manager

Arthur T. Leahy  
Chief Executive Officer

APPROVED AS TO FORM:

By \_\_\_\_\_

Kennard R. Smart, Jr.  
General Counsel

APPROVED:

By \_\_\_\_\_

James S. Kenan  
Executive Director, Finance Administration and  
Human Resources

Date \_\_\_\_\_





BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup>Wendy Knowles, Clerk of the Board  
**Subject:** Third Quarter Fiscal Year 2006-07 Grant Status Report

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

***Committee Vote***

This item was passed by all Committee Members present.

Director Campbell was not present to vote on this item.

***Committee Recommendation***

Receive and file as an information item.





**May 23, 2007**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, <sup>ALW</sup> Chief Executive Officer  
**Subject:** Third Quarter Fiscal Year 2006-07 Grant Status Report

**Overview**

The Quarterly Grant Status Report summarizes grant activities for information purposes for the Orange County Transportation Authority Board of Directors. This report focuses on significant activity for the period of January through March 2007. The Quarterly Grant Status Report summarizes future and pending grant applications, executed and current grant awards, and closed-out grant agreements.

**Recommendation**

Receive and file as an information item.

**Background**

The Orange County Transportation Authority's (OCTA) long-term, proactive planning approach ensures the effective utilization of limited capital resources and improved operating effectiveness. One critical aspect of this proactive planning approach is to strategically seek and obtain federal, state, and local grant funding.

**Discussion**

The ongoing grant activities are categorized by future grant applications, pending grant applications, awarded/executed grant agreements, current grant agreements, and closed-out grant agreements.

**Future Grant Applications**

OCTA has five grant proposals currently under development as summarized on the following page and Attachment A.

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**Fiscal Year (FY) 2007 Federal Transit Agency (FTA) Section 5307 Formula Grant Program**

- The development of the FY 2007 FTA Section 5307 Formula Grant application is underway with expected submittal by the end of June 2007. The grant application consists of nearly \$49 million in federal capital and operating assistance to support OCTA's fixed route and paratransit operations. The grant application will also encompass the transfer of over \$5.6 million in Congestion Mitigation and Air Quality (CMAQ) funds to support vanpool and rideshare programs. The fund transfer paperwork was completed and submitted on April 23, 2007, for review by the California Department of Transportation (Caltrans).

**FTA Section 5309 Discretionary Bus Capital Grant Program**

- The development of two grant proposals is underway in response to a Federal notice published on March 23, 2007, which announced the competitive availability of FTA Section 5309 Discretionary Funds not allocated in FY 2006 and FY 2007. In keeping with OCTA Board direction received on April 9, 2007, staff will pursue \$9.5 million in federal grant funds to support the development of the Anaheim Regional Transportation Intermodal Center and \$3.5 million to purchase the vehicles needed to expand Inter-County Express Bus service. Proposals are due May 22, 2007, and require a maximum 20 percent local match.
- Staff has initiated work on the FY 2007 FTA Section 5309 Discretionary Capital Grant application and will be assisting in the development of several earmark projects in the upcoming months. The earmarks include over \$3.5 million in federal funding to support bus rapid transit, security equipment, traffic mitigation projects, transit terminal improvements, park-and-ride facilities, and the senior mobility program. In addition, the upcoming grant will include \$247,507 in federal earmark funds that have been successfully reprogrammed to support the OCTA bus system. Over the past year, staff has worked with congressional representatives to reprogram funds originally allocated to the City of Costa Mesa to ensure the funds are not lost to the region. Grant applications will be developed and submitted throughout the fiscal year based on project readiness. The federal funds require up to a 20 percent local match contribution and must be applied for by September 2008.

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FY 2006 Mobile Source Air Pollution Reduction Review Committee (MSRC):  
Air Quality Management District (AQMD)

- Staff continues work with the AQMD to pursue approximately \$1.4 million in competitive grant funds from the FY 2007 Carl Moyer Grant Program. The program aims to reduce emissions by promoting cleaner heavy-duty vehicles and equipment. The funds are being pursued to offset the incremental costs of repowering 232 buses with advanced low emission natural gas engines, and is in keeping with OCTA Board direction received on November 13, 2006. Proposals were submitted May 4, 2007.

#### Pending Grant Applications

The OCTA has two pending grant applications awaiting award or approval (Attachment B).

FY 2006 and FY 2007 Transit Security Grant Program (TSGP): Department of Homeland Security (DHS)

- Over the past year, staff has been working cooperatively with federal and state Homeland Security officials and various transit agencies, including the Los Angeles County Metropolitan Transportation Authority (LACMTA), to secure funds made available through the FY 2006 and FY 2007 TSGP. On January 26, 2007, staff submitted a final set of project proposals requesting a total of \$950,000 in FY 2006 TSGP funds. The grant funds are intended to facilitate the purchase of on-board bus security camera equipment (\$498,000), video security system for the Buena Park Metrolink Station (\$252,000), and the development of the OCTA Comprehensive Emergency Management Plan (\$200,000). In addition, a draft proposal requesting \$1 million was submitted concurrently to DHS for review. The proposal requests funding support for the on-board bus camera system project, which is in keeping with OCTA Board direction received on November 9, 2006. The grant funds would not require a local match contribution. A timeline for grant award notifications has not been released for either FY 2006 and FY 2007 programs.

#### Awarded/Executed Grants

Two competitive grants were awarded or executed in the current quarter.

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**FY 2006 MSRC: AQMD**

- On April 6, 2007, OCTA was awarded \$800,000 in grant funds from the Urban Transit Bus Engine Program offered by the MSRC. The grant will help support the purchase of 40 new buses equipped with advanced low emission natural gas engines. Similar to the AQMD's Carl Moyer Program, the new MSRC grant program was developed to promote cleaner heavy-duty engines that are certified to meet the 2010 nitrogen oxide (NOx) emission standard of 0.2 gram. The awarded funds are intended as a local match for federal funds awarded for bus purchases.
- On January 18, 2007, the MSRC awarded OCTA \$928,000 in grant funds to purchase and implement automated vehicle locator and mobile data terminal equipment to increase the efficiency of the Freeway Service Patrols (FSP) currently servicing Orange County. The grant is in keeping with OCTA Board direction received on November 27, 2006. The award requires a minimum 25 percent local match funded through the Orange County Service Authority for Freeway Emergencies (SAFE) program.

**Current Grant Agreements**

The OCTA has six current capital formula grant and four current capital discretionary grant agreements which are summarized on Attachment C.

**Capital Formula Grants:** OCTA receives an annual formula capital grant from the FTA. There are six active formula capital grants, totaling \$524.4 million. A total of \$494.2 million of these grants has been expended or obligated for procurement, leaving a remaining and available balance of \$30.3 million. Of the \$30.3 million available balance, \$26.2 million represents future procurements of alternative fuel buses for the expansion and replacement of OCTA's current fixed route fleet.

**Capital Discretionary Grants:** There are four active discretionary capital grants, totaling \$12.1 million. A total of \$6.8 million of these grants has been expended or obligated for procurement, leaving a remaining and available balance of \$5.3 million. The \$5.3 million available balance represents the construction of the Harbor Boulevard bus rapid transit demonstration project, security camera system at the Fullerton Transportation Center, and mobile fare equipment for OCTA and the City of Anaheim.

OCTA has \$296.1 million in current other discretionary grants which are summarized on Attachment D.

In addition to the specific grants outlined above, OCTA receives a variety of discretionary grants from sources such as Southern California Association of Governments, South Coast Air Quality Management District, MSRC, Federal Highway Administration, CMAQ, Traffic Congestion Relief Program, California Department of Transportation, and the State Highway Fund. The remaining and available balance on these discretionary grants is \$20.9 million. These funds will be received on a reimbursement of eligible expense basis.

#### **Closed-Out Grant Agreements**

The OCTA staff closed-out two FTA discretionary grant agreements and one MSRC grant in the current quarter. All federal funds attributed to CA-03-0561 and CA-03-0685 grant agreements and Contract #MS05047 have been expensed and reimbursed.

#### ***Summary***

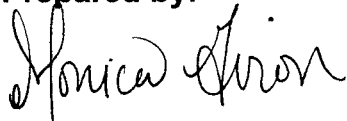
This report provides an update of the grant funded activities for the third quarter of fiscal year 2006-07, January through March 2007. Staff recommends this report be received and filed as an information item.

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**Attachments**

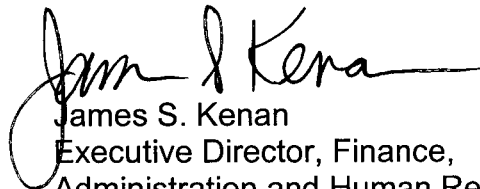
- A. Quarterly Grant Status Report, January through March 2007, Future Grant Applications.
- B. Quarterly Grant Status Report, January through March 2007, Pending Grant Applications.
- C. Quarterly Grant Status Report, January through March 2007, Current Formula & Discretionary Grants.
- D. Quarterly Grant Status Report, January through March 2007, Current Other Discretionary Grants.
- E. Quarterly Grant Status Report, January through March 2007, Federal Transit Administration Section 5307 Grant Funds.
- F. Quarterly Grant Status Report, January through March 2007, Federal Transit Administration Capital Grant Index.

**Prepared by:**



Monica Giron  
Associate Financial Analyst  
Financial Planning and Analysis  
(714) 560-5905

**Approved by:**



James S. Kenan  
Executive Director, Finance,  
Administration and Human Resources  
(714) 560-5678

**Quarterly Grant Status Report  
January through March 2007  
Future Grant Applications**

<b>Federal Transit Authority Section 5307 - Urbanized Area Formula Capital Grant Program</b>						
GRANT	GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	EST. SUBMITTAL DATE	EST. APPROVAL DATE	STATUS
Fiscal Year 2007 Transit Security Grant Program	\$ 54,600,000	\$ -	\$ 54,600,000	April 2007	TBD	Under Development
Discretionary Grants Sub-Total	\$ 54,600,000	\$ -	\$ 54,600,000			

<b>Federal Transit Authority Section 5309 (c) - Bus and Bus Related Facilities Program</b>						
Discretionary grants are funded by Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) / Transportation Equity Act for the 21st Century (TEA 21).						
Grants provide capital funds for projects that improve efficiency and coordination of transportation systems.						
GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	EST. SUBMITTAL DATE	EST. APPROVAL DATE	STATUS
Anaheim Regional Transportation Intermodal Center Development	\$ 9,500,000	\$ 2,375,000	\$ 11,875,000	May 2007	TBD	Under Development
Inter-County Express Bus service vehicles	\$ 3,500,000	\$ 875,000	\$ 4,375,000	May 2007	TBD	Under Development
Fiscal Year 2002 City of Costa Mesa	\$ 247,507	\$ 61,877	\$ 309,384	September 2008	TBD	Seeking Scope of Work change via the Federal Fiscal Year 2007 Appropriations Bill
Fiscal Year 2006 Earmark: Orange County Transportation Authority Bus Rapid Transit	\$ 1,485,000	\$ 371,250	\$ 1,856,250	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: Orange County Transportation Authority Security Surveillance and Monitoring Equipment	\$ 1,006,969	\$ 251,747	\$ 1,258,736	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: Orange County Purchase Buses for Rapid Transit	\$ 190,357	\$ 38,989	\$ 229,346	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: Orange County Projects to Encourage Use of Transit to Reduce Congestion	\$ 190,357	\$ 47,589	\$ 237,946	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: Santa Ana, Improve Santa Ana Transit Terminal	\$ 190,357	\$ 47,589	\$ 237,946	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: Yorba Linda Senior Mobility Program - Taking Retired Adults into Local Services	\$ 40,590	\$ 10,148	\$ 50,738	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: La Habra Shuttle Senior Transportation Program	\$ 155,430	\$ 38,858	\$ 194,288	September 2008	TBD	Pending Scope of Work; Awarded application required by Sept 2008
Fiscal Year 2006 Earmark: Intermodal Park and Ride Facility at Discovery	\$ 297,000	\$ 74,250	\$ 371,250	September 2008	TBD	Pending Scope of Work; Awarded application required by September 2008
Discretionary Grants Sub-Total	\$ 16,803,587	\$ 4,192,296	\$ 20,995,883			

<b>Mobile Source Air Pollution Reduction Review Committee</b>						
GRANT	GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	EST. SUBMITTAL DATE	EST. APPROVAL DATE	STATUS
Repower 232 buses with advanced low emission compressed natural gas	\$ 1,400,000	\$ -	\$ 1,400,000	March 2007	TBD	Under Development
Discretionary Grants Sub-Total	\$ 1,400,000	\$ -	\$ 1,400,000			

<b>FUTURE GRANTS TOTAL</b>	<b>\$ 72,803,587</b>	<b>\$ 4,192,296</b>	<b>\$ 76,995,883</b>
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**Quarterly Grant Status Report  
January through March 2007  
Pending Grant Applications**

<b>Department of Homeland Security</b>						
These grants are to be used for the protection of the Orange County's transportation system and the strengthening of Orange County Transportation Authority's critical facilities.						
<b>GRANT</b>	<b>FEDERAL GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>SUBMITTAL DATE</b>	<b>EST. APPROVAL DATE</b>	<b>STATUS</b>
Fiscal Year 2006 Homeland Security Grant Program	\$ 950,000	\$ -	\$ 950,000	January 2007	TBD	Submitted
Fiscal Year 2007 Homeland Security Grant Program	\$ 1,000,000	\$ -	\$ 1,000,000	January 2007	TBD	Submitted
Discretionary Grants Sub-Total	\$ 1,950,000	\$ -	\$ 1,950,000			

**Quarterly Grant Status Report  
January through March 2007  
Current Formula & Discretionary Grants**

**ATTACHMENT C**

**Federal Transit Authority SECTION 5307, 5309 AND 5313 GRANT FUNDS**

**Federal Transit Authority Section 5307 - Urbanized Area Formula Capital Grant Program**

Formula grants funded by the Transportation Equity Act for the 21st Century.

Funds are generally used to purchase revenue vehicles, vehicle and facility modifications and bus related equipment.

CURRENT GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	EXPENDED TO DATE	UNLIQUIDATED OBLIGATIONS	REMAINING BALANCE
Fiscal Year 2006	\$ 4,659,324	\$ 47,300,781	\$ 51,960,105	\$ 24,240,898	\$ 5,555,367	\$ 22,163,840
Fiscal Year 2005	84,263,773	14,660,716	\$ 98,924,489	\$ 34,447,290	\$ 64,351,199	\$ 126,000
Fiscal Year 2004 **	45,164,302	14,024,519	\$ 59,188,821	\$ 49,455,815	\$ 9,733,006	\$ -
Fiscal Year 2002-03 *	131,076,208	24,996,716	\$ 156,072,924	\$ 148,091,393	\$ 4,567,252	\$ 3,414,279
Fiscal Year 2001	30,138,775	7,474,532	\$ 37,613,307	\$ 21,376,124	\$ 16,062,104	\$ 175,079
Fiscal Year 2000	88,838,958	31,811,225	\$ 120,650,183	\$ 60,203,540	\$ 56,074,114	\$ 4,372,529
<b>Formula Grants Total</b>	<b>\$ 384,141,340</b>	<b>\$ 140,268,489</b>	<b>\$ 524,409,829</b>	<b>\$ 337,815,060</b>	<b>\$ 156,343,042</b>	<b>\$ 30,251,727</b>

Note: The Remaining Balance reflects funds in an Approved Grant waiting for the procurement contract.

\* The Fiscal Year 2002-03 Section 5307 Grant is a consolidated Fiscal Year 2001-02 and Fiscal Year 2002-03 mega grant.

\*\* The Fiscal Year 2003-04 Section 5307 Grant is "ONLY" 9/12 of the amount available because the extension of Transportation Equity Act for the 21st Century expired June 30, 2004.

**Federal Transit Authority Section 5309 - Discretionary Capital Grant Program**

Discretionary grants funded by the Transportation Equity Act for the 21st Century.

Grants provide capital funds for projects that improve efficiency and coordination of transportation systems.

CURRENT GRANT	FEDERAL GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	EXPENDED TO DATE	UNLIQUIDATED OBLIGATIONS	REMAINING BALANCE
Fiscal Year 2006 Bus Application	\$ 970,874	\$ 242,719	\$ 1,213,593	\$ -	\$ -	\$ 1,213,593
Fiscal Year 2005 Bus Application	4,344,932	1,037,983	\$ 5,382,915	\$ 1,286,700	\$ -	\$ 4,096,215
Fiscal Year 2001-02 Cities of Anaheim and Brea and Santa Ana Bus Base	1,930,671	469,249	\$ 2,399,920	\$ 1,971,760	\$ 428,160	\$ -
Fiscal Year 2001 Irvine Transportation Center Transitway	2,481,380	620,345	\$ 3,101,725	\$ -	\$ 3,101,725	\$ -
<b>Discretionary Grants Total</b>	<b>\$ 9,727,857</b>	<b>\$ 2,370,296</b>	<b>\$ 12,098,153</b>	<b>\$ 3,258,460</b>	<b>\$ 3,529,885</b>	<b>\$ 5,309,808</b>

Note: The above grant amounts include Federal Transit Authority amount and Orange County Transportation Authority local match but excludes operating assistance.

**Quarterly Grant Status Report  
January through March 2007  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

<b>South Coast Air Quality Management District Grant Program and Mobile Source Air Pollution Reduction Review Committee</b> Provides grants for the purchase of clean fuel revenue vehicles and other activities to reduce mobile source emissions.					
<b>CURRENT GRANT</b>	<b>STATE GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>REMAINING BALANCE</b>	<b>PROJECT STATUS</b>
Fiscal Year 2006 Mobile Source Air Pollution Reduction Committee Contract MS06045	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	This grant was awarded in September 2006 and provides funds to offset the capital costs of the Compressed Natural Gas fueling station at the Santa Ana Base.
Fiscal Year 2004-05 Mobile Source Air Pollution Reduction Committee Contract # PT05063	603,500	-	603,500	603,500	Grant awarded February 2005. Provides funds of \$150,000 to purchase and install 71 catalyzed diesel particulate filter systems to retrofit certain diesel-fueled buses. In June 2005, the Mobile Source Air Pollution Reduction Committee Board increased award amount to \$603,500. The contract was executed on March 26, 2006. The project is budgeted in Fiscal Year 2007. Requisition 41263 was approved on January 11, 2007. Buses to be modified are the 5200 series 40 New Flyer and 7200 & 7400 series New Flyer sixty foot articulated vehicles.
Fiscal Year 2004-05 Mobile Source Air Pollution Reduction Committee Contract # MS05040	200,000	-	200,000	200,000	Funds the purchase of up to 25 natural gas buses at \$8,000 per bus. The Mobile Source Air Pollution Reduction Committee contract was executed on March 23, 2006. First Article expected to be delivered May 2007 from New Flyer for contract C50746.
Fiscal Year 2002-03 Mobile Source Air Pollution Reduction Committee Contract #MS03041	1,360,000	-	1,360,000	1,360,000	This grant provides funding for 68 Liquefied Natural Gas buses at \$20,000 each. On June 1, 2004, Orange County Transportation Authority executed a contract with Mobile Source Air Pollution Reduction Committee with an expiration date of 2008. Orange County Transportation Authority is working with Mobile Source Air Pollution Reduction Review Committee to reprogram the funding to the current Compressed Natural Gas bus procurement.
Fiscal Year 2002-03 Mobile Source Air Pollution Reduction Committee Contract #MS04006	405,000	-	405,000	325,000	Funds 10 gasoline/electric hybrid buses at \$40,000 each plus \$5,000 for mechanical training. Contract executed on November 9, 2004. Two vehicles have been received and accepted. A reimbursement has been received for \$80,000. The remaining balance will be utilized on a future bus procurement.
Fiscal Year 2002-03 South Coast Air Quality Management District Contract # TBD	1,000,000	-	1,000,000	1,000,000	Funds the expansion of the Liquefied Natural Gas fueling infrastructure at the Garden Grove and Anaheim facilities. Funds were awarded in October 2002. Orange County Transportation Authority submitted a request to Air Quality Management District on August 12, 2004, to use the funds for Liquefied Natural Gas fuel tank upgrades. Air Quality Management District staff responded on September 29, 2004, agreeing to the scope change and also agreeing to allow funds to be used for new alternative fuel refueling infrastructure at the Santa Ana Base. The Air Quality Management District Board concurred with staff recommendation on December 3, 2004. Awaiting contract.
Fiscal Year 2006 Mobile Source Air Pollution Reduction Committee Contract # TBD	928,000	-	928,000	928,000	Provides funding for the purchase and implementation of automated vehicle locator and mobile data terminal equipment to increase the efficiency of the Freeway Service Patrols. The award requires a minimum 25 percent match funded through the Orange County Service Authority for Freeway Emergencies.
Fiscal Year 2006 Mobile Source Air Pollution Reduction Committee Contract # TBD	800,000	-	800,000	800,000	This grant will help support the purchase of 40 new buses equipped with advanced low emission natural gas engines. The grant was awarded on April 6, 2007.

**Quarterly Grant Status Report  
January through March 2007  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

**Traffic Congestion Relief Program**

**Governor's Traffic Congestion Relief Program State funding for the Garden Grove Project Advanced Planning Study**

CURRENT GRANT	STATE GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
Fiscal Year 2002	\$ 394,269	\$ -	\$ 394,269	\$ -	The advanced Planning Study for the Garden Grove Project is complete and the final reimbursement was received on 1/15/2003.

**Governor's Traffic Control Relief Program funding for the Garden Grove Project Planning, Construction, Construction Management, ROW**

Fiscal Year 2002	180,100,000	-	180,100,000	7,786,834	In July 2005, Orange County Transportation Authority was granted the remaining allocation of \$123.7 million of Traffic Congestion Relief Program funds. To date, Orange County Transportation Authority has been allocated \$180.1 million with \$4.9 million allocated to California Department of Transportation for Environmental and Quality Assurance and Quality Control activities. Reimbursements received to date total \$167.4 million against the following phases: Phase 2 (Preliminary Design and detailed Plans, Specifications and Estimates) at \$31.1 million and Phase 3 (Right of Way) at \$26.1 million, and Phase 4 (Initial Mobilization for Construction) at \$110.2 million. Reimbursement pending in the amount of \$3.9 million with \$3.9million
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**State Transportation Improvement Program**

**Programming, Planning, Monitoring (PPM)**

Fiscal Year 2003 Program	\$ 3,500,000	\$ -	\$ 3,500,000	\$ 70,000	Annual State Transportation Improvement Program allocation for the Programming, Planning, Monitoring.
Fiscal Year 2005 Program	1,287,000	-	1,287,000	801,761	Annual State Transportation Improvement Program allocation for the Programming, Planning, Monitoring.
Fiscal Year 2006 Program	1,777,000	-	1,777,000	1,777,000	Annual State Transportation Improvement Program allocation for the Programming, Planning, Monitoring.

**California Integrated Waste Management Board**

Targeted Rubberized Asphalt Concrete Incentive Grant Program	\$ 150,000	\$ -	\$ 150,000	150,000	Funding to help offset the costs of rubberized asphalt on the Garden Grove Freeway Improvement Project.
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**Federal Highway Administration Grant Program (FHWA)**

**Value Pricing Pilot Program (VPP) for research and potential deployment of OCTA's Performance Monitoring and Pricing Project.**

Fiscal Year 2005 Value Pricing Pilot Program	\$ 588,000	\$ 147,000	\$ 735,000	\$ 735,000	Funds for Performance Monitoring and Pricing Pilot project on 91 Express Lanes. Will review speed and travel time sensor technology options, approaches to dynamic pricing and policy impacts. Funding requires a 20 percent match, rebudgeted in 2008.
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**Federal Highway Administration Grant Program Congestion Mitigation Air Quality**

**Federal funding for the Garden Grove Project Construction**

Fiscal Year 2004	\$ 101,276,120	\$ -	\$ 101,276,120	\$ 2,845,729	Funding for the construction of Carpool lanes on the Garden Grove Freeway. Amount received to date is \$98.4 million.
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**Quarterly Grant Status Report  
January through March 2007  
Current Other Discretionary Grants**

**DISCRETIONARY ALLOCATIONS**

**Department of Homeland Security**

**These grants are to be used for the protection of the Orange County's transportation system.**

Fiscal Year 2005 Urban Area Security Initiative	\$ 17,500	\$ -	\$ 17,500	\$ 17,500	The cities of Santa Ana, Anaheim and the Orange County Sheriffs department competitively make available a portion of their grant award. Funds provided for (5) mobile hand held radios which were received in December 2006.
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**State Office of Homeland Security**

**These grants are to be used for the protection of the Orange County's transportation system.**

CURRENT GRANT	STATE GRANT AMOUNT	LOCAL SHARE AMOUNT	TOTAL GRANT AMOUNT	REMAINING BALANCE	PROJECT STATUS
Fiscal Year 2005 Transit Security Grant Program	\$ 958,450	\$ -	\$ 958,450	\$ 958,450	Funds on-board bus security cameras, bus system security analysis, communication equipment and /or command post vehicle and update of Emergency Operations Plan.

**Federal Transit Authority Section 5313 (b) - Transit Planning Grant Program**

**Caltrans is the Federal Grant Recipient**

Fiscal Year 2004	\$ 50,000	\$ 12,000	\$ 62,000	\$ 50,572	Funds statewide planning and other technical assistance activities, planning support for non-urbanized areas, research, development and demonstration projects, fellowships for training in the public transportation field, and human resource development. The Orange County Transportation Authority is utilizing funding for (5) Intern positions.
Fiscal Year 2003-04	280,000	33,037	313,037	313,037	Funding to conduct a commuter rail needs assessment at 18 commuter rail stations located along the three Metrolink lines in Orange County. The study will assess demand for parking, rail feeder service, and transit oriented development. Southern California Association of Governments is the recipient of these funds, with Orange County Transportation Authority as management lead on the project. The Memorandum Of Understanding with Southern California Association of Governments was executed March 15, 2007.
<b>Total</b>	<b>\$ 295,874,839</b>	<b>\$ 192,037</b>	<b>\$ 296,066,876</b>	<b>\$ 20,922,382</b>	



**Quarterly Grant Status Report**  
**January through March 2007**  
**Federal Transit Administration Section 5307 Grant Funds**

<b>Federal Transit Administration Section 5307 - Urbanized Area Formula Capital Grant Program</b>				
<b>Note: Operating Assistance Only</b>				
<b>CURRENT GRANT</b>	<b>FEDERAL GRANT AMOUNT</b>	<b>LOCAL SHARE AMOUNT</b>	<b>TOTAL GRANT AMOUNT</b>	<b>FTA DATE PAID</b>
Fiscal Year 2006 *	\$ 4,659,324	\$ 19,355,615	\$ 24,014,939	Oct. 3, 2006
Fiscal Year 2005 *	\$ 5,341,510	24,844,621	\$ 30,186,131	Oct. 4, 2005
Fiscal Year 2004 *	\$ 3,010,031	15,503,544	\$ 18,513,575	Aug. 30, 2004
Fiscal Year 2002-03	\$ 6,966,007	37,562,925	\$ 44,528,932	Aug. 21, 2003
Fiscal Year 2001 *	\$ 3,155,000	16,411,495	\$ 19,566,495	March 8, 2002
Fiscal Year 2000 *	\$ -	-	\$ -	Sept. 29, 2000
<b>Formula Grants Sub-Total</b>	<b>\$ 23,131,872</b>	<b>\$ 113,678,200</b>	<b>\$ 136,810,072</b>	

Note: \* Includes Americans with Disabilities Act Paratransit Operating Assistance "ONLY"

**Quarterly Grant Status Report  
January through March 2007  
Federal Transit Administration Capital Grant Index**

(thru March 31, 2007)

GRANT NO.	DESCRIPTION	OBLIG. DATE	GRANT BUDGET	UNLIQUIDATED OBLIGATIONS	TOTAL OUTLAYS	TOTAL COMMIT/ COSTS	REMAINING BALANCE	PERCENT COMPLETE	ANTICIPATED CLOSE-OUT
CA-03-0561	Bus Purchase/Intermodal Facility	9/21/2000	\$ 5,031,979	\$ -	\$ 5,031,979	\$ 5,031,979	\$ -	100.00%	Closed - April '07
CA-03-0585	Irvine Transportation Center	9/26/2001	\$ 3,101,725	\$ 3,101,725	\$ -	\$ 3,101,725	\$ -	0.00%	March '08
CA-03-0626	Cities of Anaheim and Brea	8/25/2003	\$ 2,399,920	\$ 428,160	\$ 1,971,760	\$ 2,399,920	\$ -	76.86%	March '08
CA-03-0685	Cities of Anaheim and Brea	8/25/2004	\$ 1,188,981	\$ -	\$ 1,188,981	\$ 1,188,981	\$ -	100.00%	Closed - April '07
CA-03-0709	2005 Section 5309 Bus Application	3/3/2006	\$ 5,382,915	\$ -	\$ 1,286,700	\$ 1,286,700	\$ 4,096,215	23.90%	February '08
CA-03-0754	2006 Section 5309 Bus Application	8/22/2006	\$ 1,213,593	\$ -	\$ -	\$ -	\$ 1,213,593	0.00%	December '08
CA-90-X962	Program of Projects	9/25/2000	\$120,650,183	\$ 56,074,114	\$ 60,203,540	\$ 116,277,654	\$ 4,372,529	49.90%	December '07
CA-90-Y048	Program of Projects	3/4/2002	\$ 37,613,307	\$ 16,062,104	\$ 21,376,124	\$ 37,438,228	\$ 175,079	54.81%	March '08
CA-90-Y163	Program of Projects	8/14/2003	\$156,072,924	\$ 4,567,252	\$148,091,393	\$ 152,658,645	\$ 3,414,279	94.89%	March '08
CA-90-Y237	Program of Projects	8/19/2004	\$ 59,188,821	\$ 9,733,006	\$ 49,455,815	\$ 59,188,821	\$ -	80.12%	March '08
CA-90-Y349	Program of Projects	9/22/2005	\$ 98,924,489	\$ 64,351,199	\$ 34,447,290	\$ 98,798,489	\$ 126,000	33.14%	March '08
CA-90-Y428	Program of Projects	9/28/2006	\$ 51,960,105	\$ 5,555,367	\$ 24,240,898	\$ 29,796,265	\$ 22,163,840	46.29%	March '09
<b>TOTALS</b>			<b>\$542,728,942</b>	<b>\$ 159,872,927</b>	<b>\$347,294,480</b>	<b>\$ 507,167,407</b>	<b>\$ 35,561,535</b>	<b>63.99%</b>	





BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WV</sup>Wendy Knowles, Clerk of the Board  
**Subject:** Resolution to Establish the Orange County Local Transportation Authority Measure M Appropriations Limitation for Fiscal Year 2007-08

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

**Committee Vote**

This item was passed by all Committee Members present.

Director Campbell was not present to vote on this item.

**Committee Recommendation**

Adopt Orange County Local Transportation Authority/Measure M Resolution No. 2007-24 to establish the Orange County Local Transportation Authority/Measure M appropriations limit at \$1,182,377,210, for fiscal year 2007-08.





**May 23, 2007**

**To:** Finance and Administration Committee

**From:** Arthur T. Leahy, <sup>M</sup>Chief Executive Officer

**Subject:** Resolution to Establish the Orange County Local Transportation Authority/Measure M Appropriations Limitation for Fiscal Year 2007-08

### **Overview**

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

### **Recommendation**

Adopt Orange County Local Transportation Authority/Measure M Resolution No. 2007-24 to establish the Orange County Local Transportation Authority/Measure M appropriations limit at \$1,182,377,210, for fiscal year 2007-08.

### **Background**

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the Gann Initiative. The proposition created Article XIII B of the California Constitution which is also known as the Gann appropriations limitation.

Both the Article XIII B appropriations limit and its implementing legislation were modified by Proposition 111, approved by voters in 1990. The law specifies that the appropriations of revenues, "proceeds of taxes" by state and local governments, may only increase annually by a limit based on a factor comprised of the change in population and the change in California per capita personal income. The appropriation limit includes any interest earned from the investment of the proceeds of taxes and must be reviewed during the annual financial audit.

***Discussion***

In accordance with the requirements of Article XIII B, a resolution has been prepared and is attached for review (Attachment A). The resolution establishes the Orange County Local Transportation Authority/Measure M appropriations limit for fiscal year (FY) 2007-08 at \$1,182,377,210, excluding federal grant funds and other funds to be received from sources not subject to the appropriations limitation. Appropriations subject to limitation do not include appropriations for debt service, costs of complying with the mandates of the courts or the federal government, or capital outlay projects.

Based on the FY 2007-08 approved budget for the Local Transportation Authority/Measure M Fund, appropriations subject to limitation equal \$322,934,398. This amount consists of \$300,298,891 in Measure M ½ cent sales taxes and \$22,635,507 in interest estimated to be received in FY 2007-08. Attachment B shows the calculation of the FY 2007-08 Orange County Local Transportation Authority/Measure M appropriations limit. The change in population and change in California per capita personal income rates were obtained from the State of California, Department of Finance.

***Summary***

Staff recommends adoption of the Orange County Local Transportation Authority/Measure M Resolution No. 2007-24, which will establish the Fiscal Year 2007-08 appropriation limit at \$1,182,377,210.

**Resolution to Establish the Orange County Local  
Transportation Authority/Measure M Appropriations  
Limitation for Fiscal Year 2007-08**

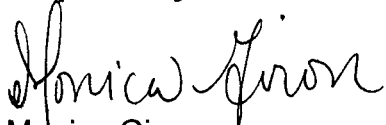
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**Page 3**

***Attachments***

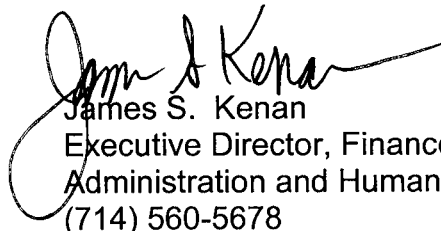
- A. Resolution of the Orange County Local Transportation Authority/Measure M Establishing Appropriations Limit for Fiscal Year 2007-08.
- B. Orange County Local Transportation Authority/Measure M Fiscal Year 2007-08 Gann Appropriations Limitation.

**Prepared by:**



Monica Giron  
Associate Financial Analyst  
Financial Planning and Analysis  
(714) 560-5905

**Approved by:**



James S. Kenan  
Executive Director, Finance,  
Administration and Human Resources  
(714) 560-5678

**RESOLUTION OF THE  
ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY/MEASURE M  
ESTABLISHING APPROPRIATIONS LIMIT FOR  
FISCAL YEAR 2007-08**

**WHEREAS**, Article XIII B of the California constitution and Sections 7900 through 7913 of the California Government Code require the establishment of an appropriations limit; and

**WHEREAS**, appropriations limits are applicable to funds received from the proceeds of taxes and interest earned on such proceeds.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The Orange County Local Transportation Authority/Measure M hereby determines that pursuant to Section 7902b of the California Government Code, the appropriations limit for the Orange County Local Transportation Authority/Measure M for Fiscal Year 2007-08 is \$1,182,377,210.
2. The total amount authorized to be expended by the Orange County Local Transportation Authority/Measure M during the Fiscal Year 2007-08 from the proceeds of taxes, including interest earned from the investment of the proceeds of taxes, is \$322,934,398.
3. The appropriations limit for Fiscal Year 2007-08 exceeds proceeds of taxes for Fiscal Year 2007-08 by \$859,442,812.

ADOPTED SIGNED AND APPROVED this 11<sup>th</sup> day of June 2007.

AYES:

NOES:

ABSENT:

ATTEST:

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Wendy Knowles  
Clerk of the Board

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Carolyn Cavecche, Chairman  
Orange County Local Transportation Authority

**ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY/MEASURE M  
FISCAL YEAR 2007-08  
GANN APPROPRIATIONS LIMITATION**

**A. PER CAPITA CHANGE**

California per capita personal income change	4.42%
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**B. POPULATION CHANGE**

County of Orange	0.84%
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**C: GANN CALCULATION**

Per capita change:	4.42%	Converted to ratio:	1.0442
Population change:	0.84%	Converted to ratio:	1.0084

Gann factor for FY 2007-08	1.0442 x 1.0084 =	1.0530
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<b>FY 2006-07 APPROPRIATIONS LIMIT</b>	<b>\$1,122,895,973</b>
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<b>Ratio of change</b>	<b>1.0530</b>
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<b><u>FY 2007-08 APPROPRIATIONS LIMIT</u></b>	<b><u>\$1,182,377,210</u></b>
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BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WV</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limitation for Fiscal Year 2007-08

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

**Committee Vote**

This item was passed by all Committee Members present.

Director Campbell was not present to vote on this item.

**Committee Recommendation**

Adopt Orange County Transportation Authority Resolution No. 2007-23 to establish the Orange County Transportation Authority General Fund appropriations limit at \$7,794,258 for fiscal year 2007-08.





**May 23, 2007**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limitation for Fiscal Year 2007-08

### **Overview**

The State Constitution requires that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year pursuant to Article XIII B.

### **Recommendation**

Adopt Orange County Transportation Authority Resolution No. 2007-23 to establish the Orange County Transportation Authority General Fund appropriations limit at \$7,794,258 for fiscal year 2007-08.

### **Background**

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the Gann Initiative. The proposition created Article XIII B of the California Constitution which is also known as the Gann appropriations limitation.

Both the Article XIII B appropriations limit and its implementing legislation were modified by Proposition 111, approved by voters in 1990. The law specifies that the appropriations of revenues, "proceeds of taxes" by state and local governments, may only increase annually by a limit based on a factor comprised of the change in population and the change in California per capita personal income. The appropriation limit includes any interest earned from the investment of the proceeds of taxes and must be reviewed during the annual financial audit.

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***Discussion***

In accordance with the requirements of Article XIIIB, a resolution has been prepared and is attached for review (Attachment A). The resolution establishes the Orange County Transportation Authority (OCTA) General Fund appropriations limit for fiscal year (FY) 2007-08 at \$7,794,258, excluding federal grant funds and other funds to be received from sources not subject to the appropriations limitation.

Based on the FY 2007-08 approved budget for the General Fund, appropriations subject to limitation equal \$5,260,889. Proceeds of taxes subject to the appropriations limitation consist of a transfer of \$4,841,889 in ¼ cent sales tax revenues from the Orange County Local Transportation Fund to the General Fund for administration and planning and programming of the Local Transportation Fund plus \$419,000 in interest earned on the proceeds of these taxes. Attachment B shows the calculation of the FY 2007-08 OCTA General Fund appropriations limit. The change in population and change in California per capita personal income rates were obtained from the State of California, Department of Finance.

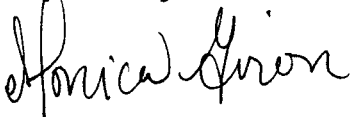
***Summary***

Staff recommends adoption of the Orange County Transportation Authority General Fund Resolution No. 2007-23, which will establish the fiscal year 2007-08 appropriation limit at \$7,794,258.

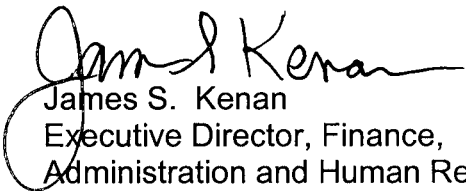
***Attachments***

- A. Resolution of the Orange County Transportation Authority General Fund Establishing Appropriations Limit for Fiscal Year 2007-08.
- B. Orange County Transportation Authority General Fund Fiscal Year 2007-08 Gann Appropriations Limitation.

**Prepared by:**

  
Monica Giron  
Associate Financial Analyst  
Financial Planning and Analysis  
(714) 560-5905

**Approved by:**

  
James S. Kenan  
Executive Director, Finance,  
Administration and Human Resources  
(714) 560-5678

**RESOLUTION OF THE  
ORANGE COUNTY TRANSPORTATION AUTHORITY GENERAL FUND  
ESTABLISHING APPROPRIATIONS LIMIT FOR  
FISCAL YEAR 2007-08**

**WHEREAS**, Article XIII B of the California Constitution and Sections 7900 through 7913 of the California Government Code require the establishment of an appropriations limit; and

**WHEREAS**, appropriations limits are applicable to funds received from the proceeds of taxes and interest earned on such proceeds.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The Orange County Transportation Authority/General Fund hereby determines that pursuant to Section 7902b of the California Government Code, the appropriations limit for the Orange County Transportation Authority/General Fund for Fiscal Year 2007-08 is \$7,794,258.
2. The total amount authorized to be expended by the Orange County Transportation Authority/General Fund during Fiscal Year 2007-08 from the proceeds of taxes, including interest earned from the investment of the proceeds of taxes, is \$5,260,889.
3. The appropriations limit for Fiscal Year 2007-08 exceeds proceeds of taxes for Fiscal Year 2007-08 by \$2,533,369

ADOPTED, SIGNED, AND APPROVED this 11th day of June 2007.

AYES:

NOES:

ABSENT:

ATTEST:

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Wendy Knowles  
Clerk of the Board

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Carolyn Cavecche, Chairman  
Orange County Local Transportation Authority

**ORANGE COUNTY TRANSPORTATION AUTHORITY GENERAL FUND  
FISCAL YEAR 2007-08  
GANN APPROPRIATIONS LIMITATION**

**A. PER CAPITA CHANGE**

California per capita personal income change	4.42%
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**B. POPULATION CHANGE**

County of Orange	0.84%
------------------	-------

**C: GANN CALCULATION**

Per capita change:	4.42%	Converted to ratio:	1.0442
Population change:	0.84%	Converted to ratio:	1.0084
Gann factor for FY 2007-08		$1.0442 \times 1.0084 =$	1.0530

<b>FY 2006-07 APPROPRIATIONS LIMIT</b>	<b>\$7,402,156</b>
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<b>Ratio of change</b>	<b>1.0530</b>
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<b><u>FY 2007-08 APPROPRIATIONS LIMIT</u></b>	<b><u>\$7,794,258</u></b>
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BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WY</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Workers' Compensation Program Review

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

***Committee Vote***

This item was passed by all Committee Members present.

Director Campbell was not present to vote on this item.

***Committee Recommendation***

Receive and file as an information item.





**May 23, 2007**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Workers' Compensation Program Review

### **Overview**

The Orange County Transportation Authority is certified by the State of California to self-insure and administer its Workers' Compensation Program. The program was transferred to the Finance, Administration and Human Resources Division in June of 2004. This report will provide a current status of the program and the results of the numerous initiatives implemented since June of 2004.

### **Recommendation**

Receive and file as an information item.

### **Background**

California employers are required by Section 3700 of the California Labor Code to secure payment of workers' compensation benefits by being insured or self-insured with the approval of the Department of the Industrial Relations. Orange County Transportation Authority (OCTA) has been self-insured since 1977. OCTA is also self-insured and self-administered for liability claims, which has been handled by the Risk Management Department since 1977.

As a result of the 2004 reorganization, the responsibility for the administration of the Workers' Compensation Program was transferred from the Benefits Section of the Human Resources Department to the Risk Management Department. The transfer of this responsibility to the Risk Management Department represented a philosophical shift to treat workers' compensation as a liability instead of a benefit.

At the time of the transfer, workers' compensation payouts, new claims, insurance, and other administrative costs associated with the program were trending negatively for OCTA as illustrated in Attachment A.

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***Discussion*****The Problem**

From fiscal years 1998 to 2004, OCTA experienced a steady annual increase in claim frequency from a low of 218 to a high of 336 new injury claims. In that same time period, the payout of workers' compensation benefits on behalf of injured workers rose from \$1,904,848 to \$6,678,372. In June of 2004, workers' compensation unpaid claims reserves reached an all time high of \$10,106,679.

In addition to self-insurance, OCTA purchases excess workers' compensation insurance to provide coverage for major losses. The excess insurance company, known as a reinsurer, provides statutory workers' compensation liability coverage above the self-insured retention (SIR).

The workers' compensation insurance premiums for OCTA's program doubled from fiscal year 2002 to fiscal year 2003 due to negative claims development which necessitated increasing the SIR from \$300,000 to \$500,000, for fiscal year 2004 in an effort to halt premium increases. Despite the increase to a \$500,000 SIR, OCTA's insurance premium doubled again from fiscal year 2003 to fiscal year 2004 which necessitated an additional increase in the SIR from \$500,000 to \$1,000,000, for fiscal year 2005 in another attempt to further halt increases in the insurance premium.

**New Approach**

Immediately after the transfer of this responsibility, goals were established by the Risk Management Department to promote a safer work environment, effect a positive change in the workers' compensation culture at OCTA, cost effectively manage the Workers' Compensation Program, provide the injured employees with efficient and effective medical care, and assure legal compliance with workers' compensation regulations. To meet these goals, the following four point approach was developed:

1. Return to the basics. Conduct and complete a timely comprehensive review of the current program including a review of all contracts, methods, claim processes and generators of costs.
2. Examine the feasibility of all alternative techniques with a focus on maintaining the current Self-Insured/Third Party Administration (TPA) with maximum efficiency and cost containment.
3. Select and implement the best techniques to meet OCTA's goals and objectives that complement OCTA's mission, values, and culture.

4. Monitor and modify the program on a regular basis and develop a systematic method of measuring success using an activity and results set of standards in compliance with the law.

#### **Staff Changes**

The new philosophy and organization's commitment to the program required additional staffing and resources to successfully manage the program. A new position of Claims Manager was requested and approved by the Board of Directors in November 2004. To properly manage the program and maintain compliance with workers' compensation laws, temporary staffing was added to handle the daily requirements to ensure adherence to time-sensitive state regulations. The hiring of the new Claims Manager has resulted in new dedicated resources being assigned to the Workers Compensation Program and this has produced very positive results for the program.

#### **Legislative Changes**

In addition to OCTA's new commitment to reforming its Workers' Compensation Program, the State of California enacted legislative changes that would have an impact on employers. The enactment of AB 749 (Chapter 6, Statutes of 2002), effective January 2003, provided for workers' compensation benefit levels to increase each January beginning in 2003, with no ending date. These increases went into effect without any meaningful workers' compensation reform and continued until April 2004, when SB 899 (Chapter 34, Statutes of 2004) was enacted. This latest reform heralded by Governor Schwarzenegger provided potential medical and permanent disability cost-containment in exchange for the increased benefit levels.

#### **Insurance Market Changes**

While the changes in AB 749 had a negative impact on the insurance market, the insurance companies were watching California to see what impact changes from SB 899 may have on employers' programs. Fortunately, SB 899 provided much legislative relief and cost-containment for employers and the workers' compensation insurance market. As a result, OCTA was able to renew its excess workers' compensation coverage without a rate increase and was able to successfully reduce its SIR from \$1,000,000 to \$750,000 in fiscal year 2006.

### Cultural Change

In October 2004, in order to facilitate a cultural change and reduce workers' compensation claim costs, Chief Executive Officer, Art Leahy, proposed a workers' compensation cost-savings sharing initiative with Teamster's Local Union 952 (Union) on behalf of OCTA's coach operators.

On October 24, 2004, OCTA and the Union agreed to share in any reductions in coach operator claims payouts below an agreed upon payout baseline. The plan, known as the coach operator Workers' Compensation Reduction Plan was executed and is in effect through June 30, 2007. The yearly claims payout baseline was agreed to be \$4,674,048, which was the average amount of coach operator claims paid in fiscal year 2003 and fiscal year 2004. In addition, \$850,000 was added to the union contract for funding to conclude the negotiation process. This amount was agreed to be deducted from any baseline reductions before any savings from the program are shared with the Union.

After OCTA received \$284,000 in savings each year, 40 percent of the remaining savings from the baseline figure was to be shared with the Union. The remaining 60 percent of savings would go to OCTA. An additional 10 percent of the remaining savings could be shared with the Union if there was a 10 percent reduction in new claims from the new claims baseline goal. As such, coach operators would be entitled to an additional 10 percent sharing of the savings if they were below the 262 yearly baseline of new claims. If both baseline goals were met, the Union could share a total of 50 percent of savings with the remaining 50 percent going to OCTA.

Although the overall Workers' Compensation Program achieved a reduction of \$735,869 to OCTA in fiscal year 2005, the payouts to coach operators exceeded the baseline goal. Therefore, no cost savings were achieved for the Union. However, in fiscal year 2006, OCTA realized an overall reduction of \$1,244,783, and the Union and OCTA were able to share \$344,540 in savings, with OCTA fully recovering the \$850,000 in the two-year period. For fiscal year 2006, the Union received \$172,270 for its members.

### Contract Changes

While OCTA is self-insured and self-administered for liability claims, the administration of workers' compensation claims is handled by a TPA. At the time of the transition, the Risk Manager requested an internal audit be conducted on the self-administered program for the adequacy of both internal and external controls. The Internal Audit Department conducted the audit in

early 2005 and issued Internal Audit Report No. 05-016 with 19 recommendations for improvements that were immediately implemented by the Risk Management Department.

As a result of the internal audit and a complete review of the performance of OCTA's TPA, Request for Proposals (RFP) 5-2590 was issued for TPA Services. In the RFP, vendors were asked to provide proposals to include "bundled" and "unbundled" services. Historically, OCTA had relied on one vendor to provide a variety of professional claims services or "bundled" program that included TPA services, and other services like utilization review, bill review, and medical case management.

The evaluation of the proposals confirmed that an "unbundled" approach to use specialized individual vendors would lead to better quality and performance control and a cost-savings opportunity for OCTA. In November of 2005, the Board of Directors endorsed this strategy by approving a staff recommendation to award a TPA contract for claims administration services to TRISTAR Risk Management and to enter into letters of agreement with separate vendors for utilization review, bill review, and medical case management services. The new TPA, TRISTAR Risk Management, replaced a firm that had been OCTA's TPA for 12 years.

Additionally, the Risk Management Department met with each existing vendor, including workers' compensation defense attorneys, claim investigators, and industrial clinics to review current practices and to develop more cost-effective approaches and methods of measuring and reporting performance results.

#### Loss Prevention

In order to effect real change in the costs of workers' compensation, part of the cultural change required a renewed focus on working safely and accountability for unsafe acts. The Risk Management Department and Health, Safety and Environmental Compliance Department along with the Transit Division developed a number of loss prevention and loss control methods for the reduction in new injury claims. Some of the methods included the following:

1. A transitional work program was developed and implemented to provide temporary light duty work for injured employees to aid their recovery while reducing temporary disability benefit payouts.
2. Alternate industrial medical facilities were explored to ensure quality medical care for our injured employees. Once selected, medical treatment protocols and procedures were implemented. These protocols aided in

providing consistent cost-effective quality medical care in keeping with the goals of the program.

3. Work rule enforcement and discipline standards were applied to all accidents caused by work rule violations regardless of whether the violation caused an injury. Previously, work rule violations that resulted in employee injuries were not subject to discipline.
4. Annual required training (ART) classes for coach operators were redesigned to be facilitated by the risk management staff to increase coach operator safety awareness.
5. A new requirement was established that all new work-related injuries must be reported to the injured worker's direct supervisor. This was done to commence an immediate investigation and to remedy any hazards found. In addition, it would also serve to improve timely processing of the workers' compensation claims as required by law.
6. A low back injury initiative was developed by the Health, Safety and Environmental Compliance Department, which included a bus seat study and a body mechanics educational campaign to reduce the incidents of low back injuries. New back claims for Calendar Year 2006 were reduced by 22 percent.
7. Operation Teamwork was developed by the Transit Division to have peers ride along to observe fellow coach operator behaviors and provide non-disciplinary feedback to improve safe driving practices.

As a result of the success of OCTA's overall safety initiatives, the American Public Transportation Association (APTA) awarded OCTA the 2007 Bus Safety Gold Award.

Since the 2004 transfer of the workers' compensation responsibilities, partnerships were formed, and strategic and technical plans were developed and implemented to achieve necessary and significant accomplishments in this program. From the support and direction of the Board of Directors and Executive Management, to the assistance and partnerships of the Health, Safety and Environmental Compliance Department and the Transit Division, the program accomplishments truly exemplify OCTA's values at work.

The program results since 2004 are summarized below in Table 1.1.

## Results

Table 1.1

Fiscal Year	New Claims	Claim Payments	Subrogation Recoveries	Unpaid Reserves
2004	336	\$6,678,372	\$18,691	\$10,106,679
2005	306	\$5,942,503	\$84,888	\$8,729,553
2006	271	\$4,697,720	\$64,998	\$8,725,916
2007*	160	\$4,398,212	\$189,010	\$7,502,664

\*Projected

Overall, the loss prevention initiatives reduced new injury claims from 336 in fiscal year 2004 to 271 in fiscal year 2006, a 19.3 percent reduction. New injury claims are projected to decrease to 160 for fiscal year 2007, a total reduction of more than 52 percent since 2004.

Effective claims management oversight contributed to a reduction in claim payouts from \$6,678,372 in fiscal year 2004 to \$4,697,720 in fiscal year 2006, a 29.7 percent reduction. Claim payouts are projected to decrease to \$4,398,212 for fiscal year 2007, a total reduction of more than 34 percent since 2004.

## Subrogation

Sometimes employees are injured on the job as result of the negligence of a third party. In all cases, OCTA looks for causal factors attributable to the negligence of others and actively pursues the responsible party by making a subrogation claim. It is a challenge to fully recover these expenses given the differing standards between workers' compensation and civil laws as they relate to the necessity of the workers' compensation medical treatment and reasonableness of the costs expended by OCTA. However, OCTA makes every effort to cost effectively pursue subrogation claims to maximize recoveries. Despite the challenges, the Risk Management Department has developed a more successful subrogation component to the program since 2004, recovering \$84,888 (fiscal year 2005); \$64,998 (fiscal year 2006); and \$189,010 (fiscal year 2007 year-to-date), for a total of \$338,896 since the transfer of this responsibility.

Along with subrogation, OCTA successfully prosecuted it's first workers' compensation fraud case in December 2006 with restitution ordered.

Unpaid reserves were also reduced from \$10,106,679 in fiscal year 2004 to \$8,725,916 in fiscal year 2005, a 13.7 percent reduction. Unpaid reserves are projected to decrease to \$7,502,264 for fiscal year 2007, a total reduction of more than 25 percent since 2004.

Claims loss performance improvements since 2004 resulted in a reduction in the SIR level from \$1,000,000 to \$750,000 without an increase in our excess workers' compensation premium rate.

Strengthened partnerships and increased safety awareness by coach operators resulted in the sharing of \$172,270 from reductions in claim payouts in fiscal year 2006. Projected claim payouts, based on year-to-date results, are likely to lead to continued sharing of workers' compensation savings for fiscal year 2007.

A favorable change to OCTA's culture toward safety and workers' compensation is evident given the reduction of new injury claims and new litigation. Keeping the goal of "providing injured workers with quality medical care and attention" has reduced litigated cases from a total of 45 in fiscal year 2005 to 17 in fiscal year 2007 year-to-date. As workers' compensation claims are handled in a fair and equitable manner, the need for legal representation diminishes.

The following are future initiatives for the Workers' Compensation Program:

1. Continue fine tuning the claims management processes to further reduce claim losses.
2. Further strengthen Union partnerships.
3. Hire a full time permanent worker' compensation support staff member in order to continue claims loss reductions and minimize the risk of expending valuable time and expense to reselect and retrain others in the event that the current temporary worker secures permanent employment elsewhere.
4. Explore the most beneficial options of reducing the excess workers' compensation SIR or capitalize on the program accomplishments to further reduce workers' compensation insurance premiums.
5. Continue to work with the Authority's Health, Safety and Environmental Compliance Department to help implement new cost effective safety programs.

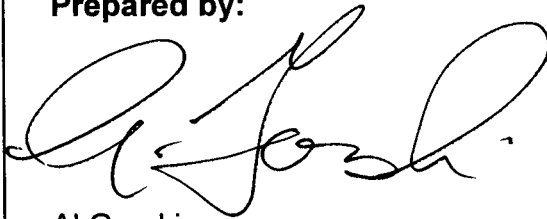
**Summary**

Overall, the new Workers' Compensation Program has experienced a significant trend reversal since the transfer of the program responsibilities in 2004 to the Finance, Administration, and Human Resources Division. Total cost savings during this period of time are \$2,637,747 while reserves have been lowered by \$2,604,015. While future enhancements will be explored and further direction and support from the Board of Directors will be sought, the program continues to achieve its stated goals and objectives.

**Attachment**

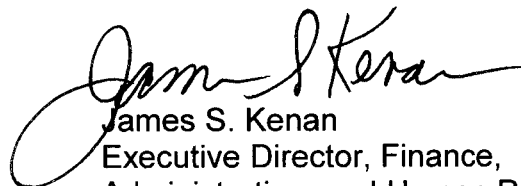
A. Historical Total Cost of Risk Workers' Compensation

**Prepared by:**



Al Gorski  
Department Manager,  
Risk Management  
(714) 560-5817

**Approved by:**

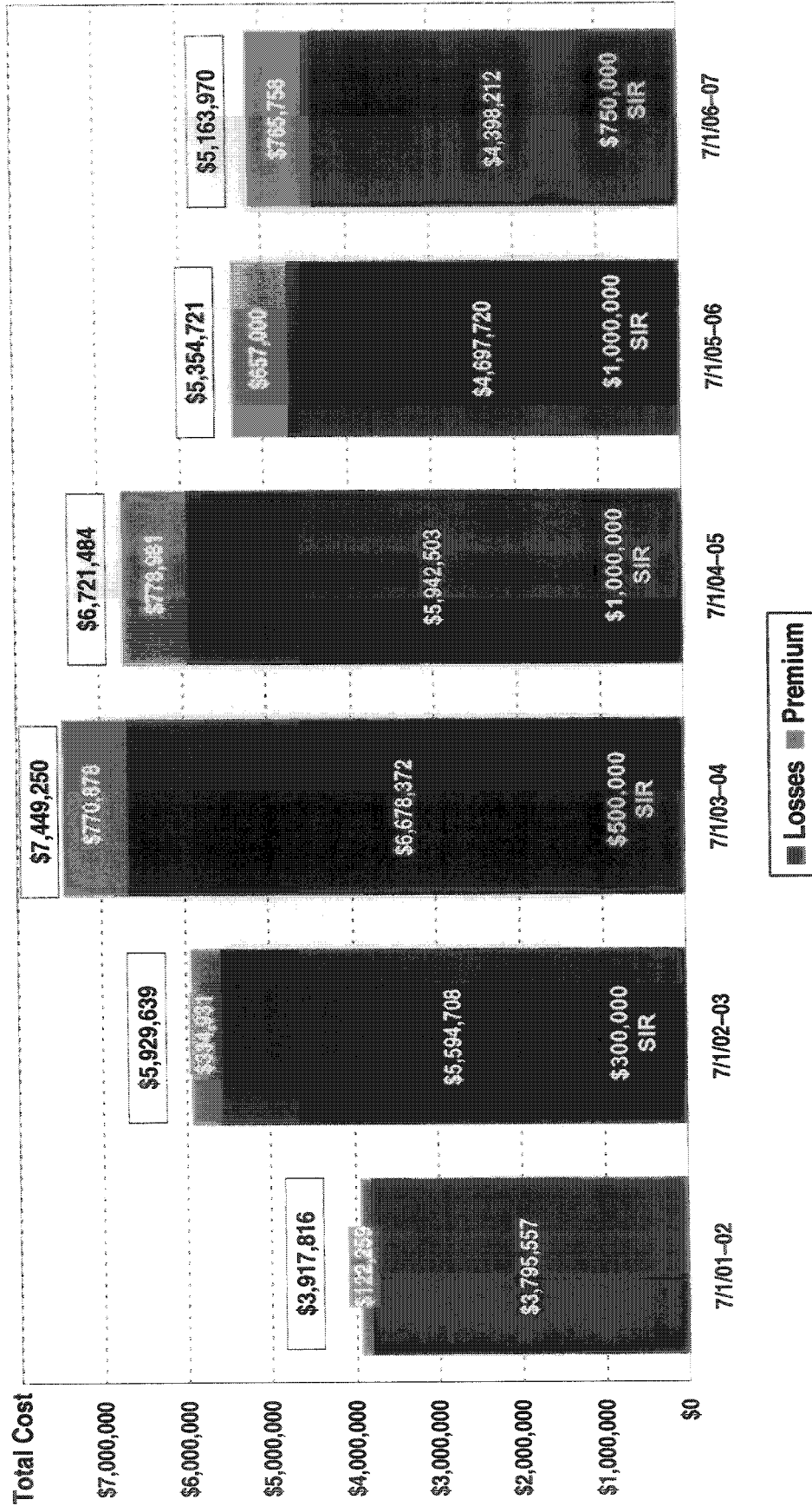


James S. Kenan  
Executive Director, Finance,  
Administration, and Human Resources  
(714) 560-5678





# Historical Total Cost of Risk Workers Compensation



Note: Workers Compensation payouts for 7/1/07-07 are estimated.





BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Annual Insurance Program Review

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

***Committee Vote***

This item was passed by all Committee Members present.

Director Campbell was not present to vote on this item.

***Committee Recommendation***

Receive and file as an information item.





**May 23, 2007**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Annual Insurance Program Review

### **Overview**

The Orange County Transportation Authority purchases various insurance coverages such as workers' compensation, liability, property, crime, terrorism, business interruption, life, health, dental, vision, and short-term and long-term disability insurance. The Orange County Transportation Authority contracts with insurance brokers for the marketing and placement of these coverages.

### **Recommendation**

Receive and file as an information item.

### **Background**

The Risk Management Department currently works with Marsh Risk and Insurance Services, the Orange County Transportation Authority's (OCTA) Broker of Record, for the marketing and placement of the property and casualty coverages while the Human Resources Department works with Mercer Health and Benefits, LLC for the marketing and placement of health and disability coverages.

On November 8, 2006, the Finance and Administration Committee directed staff to follow a five-point process in the procurement of all insurance coverages, which included an annual review of all insurance coverages by the Finance and Administration Committee. This report will include renewal dates, areas of liability, coverage amounts, and insurance carrier information. This report shall take place at the second Finance and Administration Committee meeting in May each year.

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***Discussion***

The OCTA purchases various insurance coverages such as workers' compensation, liability, property, crime, terrorism, business interruption, life, health, dental, vision, and short and long-term disability insurance.

**Workers' Compensation**

Workers' compensation insurance is a state-mandated form of insurance covering workers injured in job-related accidents. Employers are required by Section 3700 of the California Labor Code to secure payment of workers' compensation benefits by being insured or self-insured with the approval of the Department of Industrial Relations (DIR). The OCTA has been self-insured since 1977. The OCTA purchases excess workers' compensation insurance to provide coverage for major losses. The excess insurance company provides statutory workers' compensation liability coverage above the self-insured retention (SIR) level. Employer's liability is an additional coverage provided by excess insurance carriers as part of the standard excess policy. The employer's liability coverage includes the costs for defending OCTA in a lawsuit but excludes any award of damages.

The OCTA's Excess Workers' Compensation Insurance policy from October 01, 2005 through September 30, 2006 with ACE American Insurance Company (ACE) had an aggregate SIR of \$1 million per claim or occurrence and coverage to statutory limits with a rate of \$0.7419 per \$100 of payroll. At the end of the policy expiration, the insurance carrier audits the actual payroll for the policy year and adjusts the premium cost accordingly. The OCTA's estimated payroll for last year's policy period was \$88,585,898, which resulted in the deposit of premium of \$657,257. After the carrier conducted the audit on the actual payroll, the premium was adjusted to \$713,041, based on an actual payroll of \$99,110,077.

As a result of SB 899 (Chapter 34, Statutes of 2004) legislation, OCTA and other California employers have realized a favorable impact on their claims experience and a more competitively priced workers' compensation insurance market. The OCTA's staff aggressively negotiated with ACE to quote a reduced SIR level of \$750,000, and to reduce or maintain the premium rate. ACE provided a quote for an SIR level of \$1 million and coverage to statutory limits with a reduced rate of \$0.5564 per \$100 of an estimated payroll of \$101,189,411. This quote was a 25 percent reduction in premium rate versus the prior policy rate but would continue to expose OCTA to any losses up to \$1 million. ACE also provided a quote for a reduced SIR level of \$750,000, and coverage to statutory limits with a flat rate renewal of \$0.7419 per \$100 of payroll. As directed by the Finance and

Administration Committee, OCTA opted to renew the excess workers' compensation policy with ACE at last year's rate of \$0.7419 per \$100 of payroll to obtain better protection at the reduced SIR of \$750,000. The current Excess Workers' Compensation Insurance policy is effective from October 01, 2006 to September 30, 2007.

#### **Excess Liability**

The OCTA is also self-insured for liability claims. However, OCTA purchases excess liability insurance to provide financial protection against potential high exposure liability losses. Last year's policy period included a primary excess liability policy for \$5 million in coverage with Clarendon National Insurance Company for a premium of \$259,380, as well as secondary excess liability insurance coverage for \$5 million through ARCH Insurance Group for a premium of \$122,000. Collectively, these policies provided OCTA with \$10 million of liability insurance in excess of the \$5 million SIR.

At the time of renewal for this policy, OCTA as well as other public transit organizations experienced a less favorable insurance market due to fewer insurance companies willing to write transportation risks. In addition, OCTA experienced a loss in 2005 above the SIR level that required Clarendon National Insurance Company to contribute toward the Board approved settlement to resolve the case. As a result, staff expected OCTA to encounter higher premium quotes for the November 01, 2006, renewal. However, the policies renewed with twice the amount of coverage for only a 15 percent increase in policy premium. The OCTA's current primary excess liability policy with Everest National Insurance Company provides coverage of \$10 million in excess of the SIR for a premium of \$339,966. In addition, OCTA's secondary excess liability insurance through Great American Insurance Company provides an additional \$10 million in coverage beyond the primary policy, for a premium of \$98,940. Purchasing both policies provides OCTA with \$20 million of liability insurance in excess of the \$5 million SIR which is more in line with OCTA's exposure to loss for an additional premium of only \$57,526 from the prior policy period. Both of the current excess liability insurance policies are effective from November 01, 2006 to October 31, 2007.

#### **Property**

Aside from the 91 Express Lanes property, OCTA currently owns buildings, contents, and buses with an insurable value of \$577,037,482. To protect property from accidental loss, OCTA purchases property insurance. The annual property insurance policy for OCTA renews on the first of December each year. Last year, OCTA was insured with Continental Casualty Company

for an annual premium of \$195,376, which was based on the stated property values of \$411,317,562, determined at the time the policy was purchased in November 2005.

Insurance companies determine property insurance quotes based upon current insurance market conditions affecting rates per \$100 in property values and the total value of property to be insured. The prior year's rate with Continental Casualty was \$.0475 per \$100 of OCTA's property value, which included property coverage for the bus fleet and non-revenue vehicles. The OCTA has purchased property insurance at very reasonable rates in recent years due to a favorable loss history and a long relationship with prior carriers. However, as a result of underwriting losses experienced by insurers from their property policies in the Gulf Coast region in 2005, premium quotes for this term for property insurance policy were expected to increase. Another factor that increased premiums for OCTA is the 28 percent increase in insurable property values in this policy period. The insurable values increased to include routine replacement value adjustments to existing property, adding the purchase of the Anaheim and Irvine properties, and more coverage for the new bus procurement.

The OCTA is currently insured for this property with Travelers Insurance Company for an annual premium of \$236,585, which is based on the stated property values of \$577,037,482, determined at the time this policy was purchased in November 2006. The property rate per \$100 of insurable values was reduced from \$.0475 to \$.041, representing a 13.68 percent decrease. Factoring in this decrease with the 28 percent increase in insurable values resulted in only a 21 percent increase in actual premium from the prior year. The current property insurance policy is effective from November 01, 2006 to October 31, 2007.

#### 91 Express Lanes Property

The OCTA purchases property, earthquake, flood, and terrorism insurance for the roadway, structures, and business personal property, including business interruption coverage for the 91 Express Lanes. The 91 Express Lanes insurance policy for the March 01, 2006 through February 28, 2007, policy period consisted of a primary property policy with AXIS Reinsurance Company, a primary difference-in-conditions (flood and earthquake) policy with Empire Indemnity Insurance Company, and a secondary difference-in-conditions policy with Glencoe Insurance. This policy period insured \$112,243,232 of 91 Express Lanes property for an annual premium of \$372,783.

The OCTA has purchased property insurance for the 91 Express Lanes at very reasonable rates in prior years due to a soft property insurance market and a favorable loss history. However, the residual effects of substantial underwriting losses from the 2005 Gulf Coast hurricanes hardened the overall property insurance market and caused it to become less competitive as many property insurers sustained significant underwriting losses from their policies in the Gulf Coast. These underwriting losses were expected to adversely affect OCTA's property insurance premium renewal quotes and the insurance market's capacity to insure.

The renewal values for the 91 Express Lanes were increased 3 percent for the roadway and business personal property with an additional \$755,097 for new camera equipment and software and \$422,000 for tenant improvements to the Riverside Drive office. In addition, an estimated \$640,000 for new telephone equipment was equally divided and added to the equipment and software values at the Riverside Drive and Corona offices. The transponder inventory value was increased to \$200,000 and the business interruption value was increased to \$34 million to reflect current traffic and revenue volumes. All together, the insurable values increased by 8 percent. Despite the hardened market and increases in property values, the 91 Express Lanes insurance policy was renewed with only a 6 percent increase in policy premium.

The coverage renewed with two highly rated insurance carriers rather than three. The primary property and flood policy was placed with AXIS Reinsurance Company while the earthquake coverage was placed with Empire Indemnity Insurance Company. The OCTA currently has \$120,916,610 of insurable property value for the 91 Express Lanes property and insures it for a total annual premium of \$396,462. The insurance policies on this property are effective from March 01, 2007 to February 29, 2008.

#### Crime

The OCTA also purchases a crime insurance policy, which protects OCTA against public employee dishonesty for \$2 million, forgery or alteration of documents for \$1 million, theft, robbery, and burglary for \$100,000, computer fraud with wire funds transfer for \$2 million, and credit card forgery for \$25,000. From fiscal year 2001 through fiscal year 2004, crime insurance policy premiums had increased from \$13,225 to \$15,602. Fortunately, staff was able to take advantage of a multi-year policy renewal discount, which reduced the annual premiums to \$13,302. The current crime insurance policy is effective for a three-year term from May 01, 2005 to April 30, 2008, for a total of \$39,906.

## Health Insurance

The OCTA presently has agreements with various companies to provide medical, dental, vision, life insurance and disability services for administrative employees (unrepresented) and employees represented by the Transportation Communications International Union (TCU). In 2005, the Board approved replacing OCTA's self-funded preferred provider organization (PPO) plans with fully insured plans. At that time, all health insurance plans were converted to a calendar year basis. In 2007, the employee contribution structure for health insurance coverage was modified to 10 percent for employees with no dependents and 15 percent for those who select dependent coverage as specified in the fiscal year 2007 Personnel & Salary Resolution.

Converting the self-funded medical and dental programs to fully-insured plans along with implementing plan design modifications resulted in a cost savings of approximately \$845,000. In addition, the conversion to fully-insured plans also released approximately \$2.5 million in reserves and limited OCTA's risk.

## Medical Providers

The OCTA currently offers three choices of medical plans to its employees and their families. On November 14, 2005, the Board approved new contracts for CIGNA Healthcare of California (CIGNA) to provide an open access plus (OAP) plan and a health maintenance organization (HMO) plan for the period January 1, 2006 through December 31, 2006. In addition, the Board approved an amendment to the agreement with Kaiser Foundation Health Plan, Inc. (Kaiser) to provide an HMO plan for the period July 1, 2006 through December 31, 2006.

Kaiser Foundation Health Plan, Inc. offered a 17.03 percent renewal increase for calendar year 2007, an estimated annual amount of \$881,000, for prepaid medical services through December 31, 2007. In addition, effective January 1, 2007, Kaiser also changed their rating methodology and now applies higher group-specific risk adjustment factors rather than spreading the risk among many employers. The heavier weighting applied to risk factors is the main contributor to the relatively higher rate increase in 2007 than in prior years.

CIGNA Healthcare of California, offered an 18 percent renewal increase for calendar year 2007 for both the HMO and OAP Plans, an estimated annual amount of \$1,014,000, for prepaid medical services and an estimated annual amount of \$3,068,000, for OAP medical services through December 31, 2007. This renewal rate is based on the claims experience during the six month

period of January 1, 2006 through June 30, 2006. During this limited period there were several large claims, and many of the claims were not yet fully matured. As a result, CIGNA applied very conservative factors when developing the renewal rates, leading to the higher than anticipated increases.

#### **Vision Service Plan**

Vision Service Plan (VSP) is offered to employees who select CIGNA medical coverage since Kaiser medical also includes vision coverage. VSP offered a 9.8 percent renewal increase for calendar year 2007, in an estimated annual amount of \$111,000, for vision claims and administration services through December 31, 2009. The VSP network is comprised primarily of ophthalmologists, optometrists, and no retail stores.

#### **Dental Services**

The OCTA has offered two dental plans through SmileSaver to its employees and their families since 1981. This contract has been extended through December 31, 2007. Additionally, on November 14, 2005, the Board approved a new contract with MetLife to provide a preferred dental plan for the period January 1, 2006 through December 31, 2007. There will be no additional increase in dental plan rates for calendar year 2007.

#### **Life and Disability Insurance**

Lincoln Financial Group offered rates with a zero percent increase. All rates are guaranteed for two years. In addition, Lincoln Financial Group provided an enhanced AD&D policy, with no change in rates, to include paralysis, repatriation, seat belt benefits, and education among other benefits. Lincoln Financial also agreed to increase the annual maximum benefit amount for the life and AD&D policies to \$500,000 with no change in premium for an estimated annual amount of \$151,000, for life and AD&D insurance and an estimated annual amount of \$119,000, for short-term and long-term disability insurance through December 31, 2008.

#### **Flexible Spending Account**

OCTA offers employees a Flexible Spending Account (FSA) for healthcare expenses of the employee, spouse, and dependents, as well as dependent care expenses, through non-taxable reimbursements. Previously, the FSA was administered internally by human resources. Due to an effort to protect employees' personal health information along with the cost benefit, the Board

approved contracting with a third-party administrator to review medical claims and receipts for reimbursing employees beginning in calendar year 2007.

Creative Benefits, Inc. offered a rate guarantee of three years for an estimated annual amount of \$8,500 for administering the flexible spending account (FSA) effective January 1, 2007 through December 31, 2009. The references received were extremely positive related to customer service and turnaround time. Creative Benefits Inc. also offers a direct interface with medical providers to automatically reimburse employees for expenses.

### **Summary**

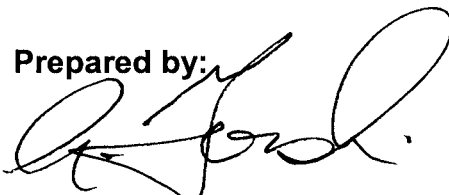
The Orange County Transportation Authority purchases various insurance coverages such as workers' compensation, liability, property, crime, terrorism, business interruption, life, health, dental, vision, and short-term and long-term disability insurance. The Orange County Transportation Authority contracts with insurance brokers for the marketing and placement of these coverages. All of the necessary insurance and purchased benefits were renewed on time and with Board approval within the approved budget.

The Risk Management and Human Resources staff will continue to work with Orange County Transportation Authority's brokers on strategies for future renewals in order to obtain the best possible insurance coverage and lowest policy premium rates. Staff is in the process of developing renewal strategies for insurance coverage and purchased benefits and has established a scheduled timeline as outlined in Attachment A.

### **Attachment**

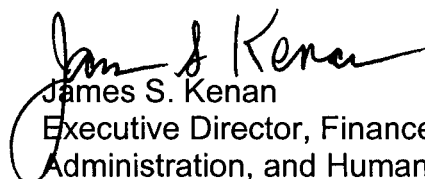
#### **A. Insurance Coverage Renewal Timeline**

**Prepared by:**



Al Gorski  
Department Manager,  
Risk Management  
(714) 560-5817

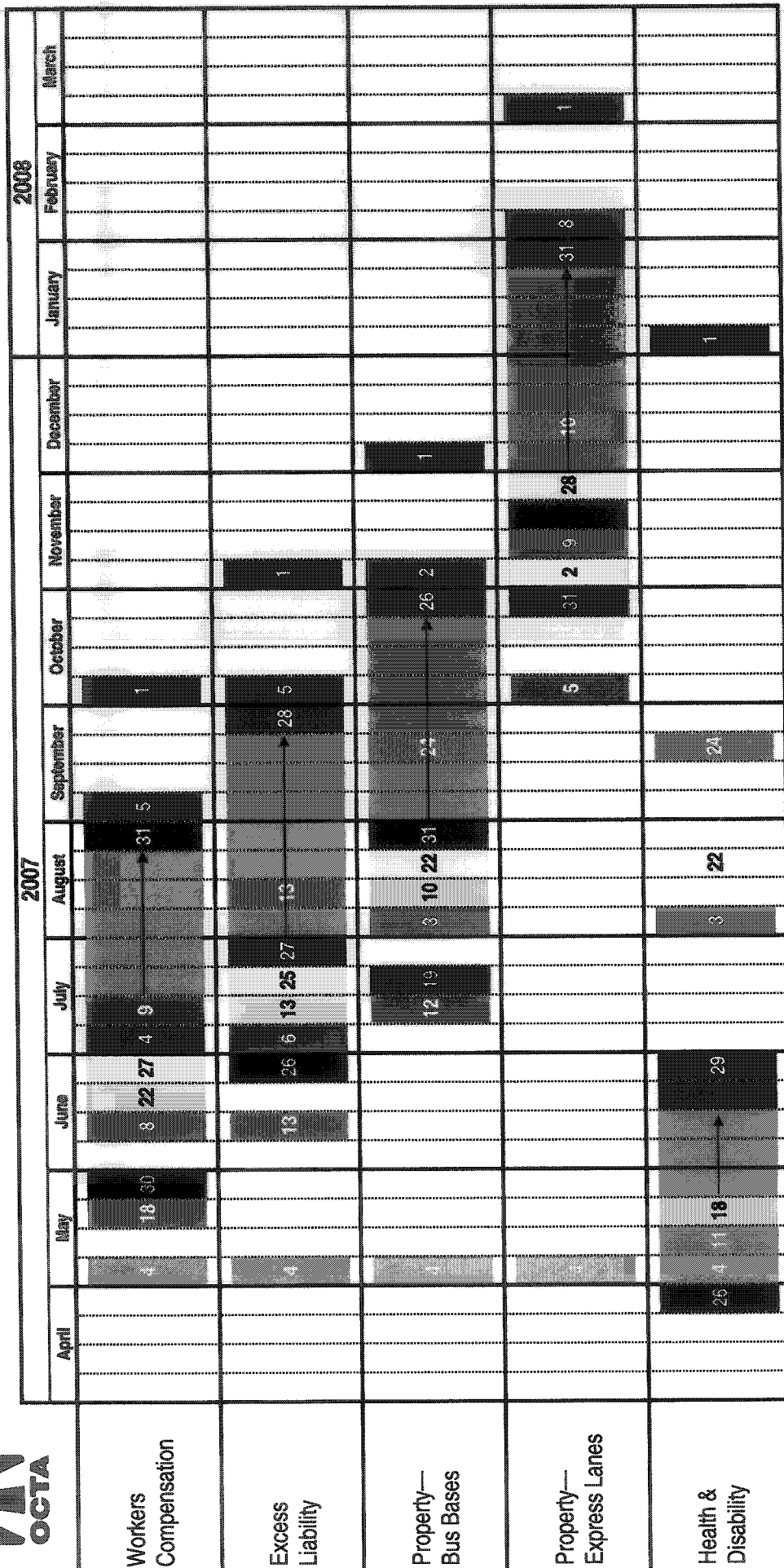
**Approved by:**



James S. Kenan  
Executive Director, Finance,  
Administration, and Human Resources  
(714) 560-5678



# Insurance Coverage Renewal Timeline



Stewardship Review/Annual Renewal Report	Marsh to send request for renewal information	Renewal Strategy Meeting	Renewal Applications from OCTA due	Renewal Specs to Market	Carrier Negotiations	Carrier quotes due Marsh	Proposal to OCTA	Staff Report Due	F&A Committee Meeting	Board Meeting	Renewal Date
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MARSH





*BOARD COMMITTEE TRANSMITTAL*

***June 11, 2007***

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Fiscal Year 2006-07 Third Quarter Budget Status Report

Finance and Administration Committee

May 23, 2007

**Present:** Directors Amante, Bates, Brown, Buffa, Campbell, and Moorlach  
**Absent:** Director Cavecche

***Committee Vote***

This item was passed by all Committee Members present.

Director Campbell was not present to vote on this item.

***Committee Recommendation***

Receive and file as an information item.





**May 23, 2007**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, <sup>W</sup>Chief Executive Officer  
**Subject:** Fiscal Year 2006-07 Third Quarter Budget Status Report

### **Overview**

The Orange County Transportation Authority's staff has implemented the fiscal year 2006-07 budget. This report summarizes the material variances between the budget plan and actual revenues and expenses.

### **Recommendation**

Receive and file as an information item.

### **Background**

The Board of Directors (Board) approved the Orange County Transportation Authority (OCTA) Fiscal Year (FY) 2006-07 Budget on June 12, 2006. The approved budget itemizes the anticipated revenues and expenses necessary to meet OCTA's transportation programs and service commitments. The OCTA budget is a compilation of individual budgets for each of OCTA's funds, including the General Fund; three enterprise funds; eight special revenue funds; two capital project funds; one debt service fund; three trust funds; and five internal service funds.

The approved revenue budget is \$844.5 million comprised of \$731 million in current year revenues and \$113.5 million in use of reserves. The approved expenditure budget is \$844.5 million with \$773.4 million of current year expenditures and \$71.1 million of designations.

This report will analyze material variances between the year-to-date budget and actuals for both revenues and expenditures.

Through the third quarter, there have been 18 Board approved budget amendments. A summary of each amendment follows:

Fiscal Year 2006-07 Amended Budget		
	Description	Amount (in thousands)
6/12/2006	Approved Budget	\$ 844,529
7/24/2006	Asphalt pavement reconstruction at the Garden Grove Base	589
8/24/2006	Acquisition of real property for Anaheim Regional Transportation Intermodal Center	32,500
8/24/2006	Acquisition of 249 compressed natural gas buses (plus amendment #2 on Feb 12)	108,818
9/20/2006	Acquisition of Laidlaw land and building	16,000
9/25/2006	Construction of Buena Park Intermodal Facility	8,572
9/25/2006	Parking expansion at the Irvine Transportation Center	4,733
11/13/2006	Go Local Program	3,400
11/27/2006	Garden Grove Freeway Phase II improvement project	10,000
11/27/2006	Modifications to compressed natural gas facility at the Santa Ana Base	297
11/27/2006	Settlement Agreement with Swinerton and Tower Engineering	1,064
12/11/2006	Staffing support for the delivery of transit and highway projects	200
3/19/2007	Bristol street widening project	3,600
3/19/2007	Orange County Registrar of Voter's - Measure M Election	884
3/19/2007	Santa Ana base contract change orders	803
3/19/2007	Fixed route radio system computing equipment and software replacement	450
3/19/2007	Staffing support for coach operator recruiting	30
3/19/2007	Additional funds for Measure M competitive program	15,000
3/31/2007	Total Amended Budget	\$ 1,051,469

### Discussion

Staff monitors and analyzes current year revenues and expenditures versus the amended budget. This report will provide budget-to-actual explanations for any material variances.

### Staffing

A staffing plan of 1,945 full-time equivalent (FTE) positions was approved in the FY 2006-07 budget. On two separate occasions, the Board amended the staffing plan increasing the FTE's to 1,948. As of March 31, 2007, 1,901 of these positions were filled and the overall vacancy rate for OCTA was 2.5 percent, with Administrative and Union groups experiencing a 6.5 and 1.2 percent rate, respectively. A breakdown of the vacancy rate by job category is provided on page 3.

## Full -Time Equivalent Vacancy Rate

	Budget	Filled	Vacancy Rate
Coach Operators	1,155	1,148	0.6%
Maintenance Union	263	254	3.7%
Transportation Communications International Union	45	44	2.3%
Union Subtotal	1,463	1,446	1.2%
Direct Transit Operations Support	204	191	6.8%
Other Administrative	281	265	6.2%
Administrative Subtotal	485	456	6.5%
Total Authority	1,948	1,901	2.5%

## Revenue Summary

Since the Board's original approval, OCTA has augmented its revenue budget by \$206.9 million. As the table below indicates, the amended revenue budget for FY 2006-07 is \$1.1 billion. This section of the report focuses on major variances between budgeted and actual revenues for the third quarter.

## Fiscal Year 2006-07 Amended Revenue Budget

	Revenues (in thousands)				
	Current Year	Reserves	Federal Sources	Local Sources	Total
Approved Budget	\$ 731,046	\$ 113,483	\$ -	\$ -	\$ 844,529
Amendments		96,315	109,765	860	206,940
Total Amended Budget	\$ 731,046	\$ 209,798	\$ 109,765	\$ 860	\$ 1,051,469

NOTE: Federal Sources includes: Congestion Management & Air Quality (CMAQ), Federal Transit Administration (FTA) and Capital Assistance

The year-to-date revenue of \$487.9 million is 21 percent under the amended budget of \$620.8 million. Variances at the summary object level are presented below:

Fiscal Year 2006-07 Revenue Summary (March 31, 2007)  
(in thousands)

Description	Year to Date Budget	Year to Date Actual	Variance	%
Federal Capital Assistance Grants	\$ 141,625	\$ 25,671	\$ (115,954)	-82%
Federal Operating Grants	22,159	179	(21,980)	-99%
State Grants	16,806	974	(15,832)	-94%
Department of Motor Vehicles Fees Revenue	3,876	2,977	(899)	-23%
Advertising Revenue	3,150	2,791	(359)	-11%
Property Tax Revenue	6,589	6,368	(221)	-3%
Fees and Fines	126	118	(9)	-7%
Gas Tax Exchange	17,078	17,078	-	0%
Rental Income	700	1,169	469	67%
Farebox Revenue	39,315	39,845	530	1%
Sales Tax Revenue	310,752	312,101	1,350	0%
Miscellaneous	1,029	3,557	2,528	246%
Other Financial Assistance	2,508	6,482	3,974	158%
Interest Income	28,242	33,433	5,191	18%
Toll Road Revenue	26,871	35,181	8,311	31%
<b>Total Revenue</b>	<b>\$ 620,825</b>	<b>\$ 487,923</b>	<b>\$ (132,902)</b>	<b>-21%</b>

\*(under) / over

Note: Revenues in the following four categories (Federal Capital & Operating Grants, State Grants & Other Financial Assistance) are received on a reimbursement basis. Revenues budgeted here can be received in future years rather than the year in which they are reflected in the budget. In addition, reimbursements budgeted in a prior year can be received in the current year. This will lead to a variance between budgeted revenues and actual cash receipts. Revenues received include reimbursements from the Federal Transit Administration (FTA), California Department of Transportation (Caltrans), cities, and other agencies.

Federal Capital Assistance Grants: Actuals of \$25.7 million are 82 percent below the budget of \$141.6 million. The majority of the variance (\$90 million) can be attributed to the pending receipt of 249 Compressed Natural Gas (CNG) buses. In addition, there is also federal funding (\$10.7 million) associated with the procurement of both paratransit and contracted fixed route vehicles. Once these vehicles are received and accepted, as scheduled, in the

summer of 2007, OCTA will initiate a reimbursement request from the FTA for capital assistance funds.

Furthermore, \$6.7 million of the variance can be attributed to the procurement of 52 Metrolink rail cars and locomotives. This is due to reimbursement requests being dependent on invoices submitted to OCTA from the Southern California Regional Rail Authority (SCRRA), the lead agency on this procurement.

Finally, payments related to the Keller Street Storage Facility and the Mail Dock Relocation were anticipated to be incurred during this fiscal year (\$1.8 million). However, both projects are in the design phase which is expected to be completed by October 2007 and contracts to begin construction are expected to be awarded by February 2008. As a result, these projects have been re-budgeted in FY 2007-08.

Federal Operating Grants: Actuals are running \$22 million below the amended budget of \$22.2 million. The majority of this variance can be attributed to the timing of the reimbursements submitted to the FTA for preventative maintenance (\$14.5 million) and operating assistance (\$3.8 million) for OCTA's paratransit service. OCTA will seek reimbursement within the fourth quarter. In addition, Federal Highway Administration funds (\$2.4 million) were redirected to the Riverside County Transportation Commission for the Irvine-Corona Expressway feasibility studies.

State Grants: Actuals are running \$15.8 million below the amended budget of \$16.8 million. This is primarily due to the Santa Ana Freeway (Interstate 5) Gateway Project (\$10.2 million). When the budget was developed, staff anticipated to seek reimbursement for right-of-way (ROW) activities. However, reimbursement for these activities will be sought directly by Caltrans. As a result, the year-end estimate has been reduced to zero. In addition, the Chokepoint and Soundwall Programs (\$2.8 million) will be re-budgeted in subsequent fiscal years when the State Transportation Improvement Program (STIP) funding becomes available. Another project contributing to the overall variance is the Central County Corridor Major Investment Study (\$0.9 million). The study has been delayed to next fiscal year to allow sufficient time to incorporate Board input. Another variance is the Costa Mesa Freeway (State Route 55) Access Study (\$0.3 million), which will be awarded in May of 2007. The State Route 55 (SR-55) and Ortega Highway Improvement Plans (\$0.6 million), the Orange County/Los Angeles Border Study (\$0.4 million), and Public Awareness Campaigns (\$0.3 million) will all be awarded in June of 2007.

Department of Motor Vehicles (DMV) Fees Revenue: Actuals of \$3 million are \$0.9 million below the amended budget of \$3.9 million. This is due to both, the

DMV Fee Revenue for the Service Authority for Freeway Emergencies (SAFE), \$0.2 million, and the Service Authority for Abandoned Vehicles (SAAV), \$0.7 million, running one and two months in arrears, respectively.

Advertising Revenue: Actuals of \$2.8 million are \$0.4 million below the budget of \$3.2 million. This is due to the timing of receipts from the contractor running one month in arrears. Actuals are expected to be in line with the budget by year end due to the minimum guarantee.

Property Tax Revenue: Actuals of \$6.4 million are \$0.2 million below the budget of \$6.6 million. Property tax revenues are collected on all secured and unsecured property in Orange County by the County's Tax Collector's office, and historically there has been a lag time with the tax receipts provided to OCTA. However, the year-end estimated actuals are anticipated to be in line with the budget as the Tax Collector's office records pending tax revenues.

Sales Tax Revenue: Actuals of \$312.1 million are \$1.4 million above the budget of \$310.8 million. The sales tax revenue category is comprised of the following funds: Local Transportation Authority (LTA), Local Transportation Funds (LTF) and the State Transit Assistance Fund (STAF). Combined sales tax revenues are currently exceeding the budget by \$1.4 million. The primary reason for the current overrun is due to a significant infusion of STAF dollars as a result of Proposition 42 prior year repayments and spillover.

Miscellaneous: Actuals of \$3.5 million are \$2.5 million above the amended budget of \$1 million. This variance is attributed to the receipt of several miscellaneous revenues that were not anticipated in this fiscal year and therefore not budgeted. The first is the receipt of proceeds from the sale of various parcels of land to the Anaheim Redevelopment Agency (\$1.2 million). In addition, OCTA received \$0.6 million from the sale of a surplus parcel located on the Fullerton Park-n-Ride property. Finally, \$0.5 million of the variance is due to payments received from the Moulton Niguel (\$0.3 million) and Santa Margarita Water Districts (\$0.2 million) for ROW along Oso Creek.

Other Financial Assistance: Actuals of \$6.5 million are \$4 million over the amended budget of \$2.5 million. This is due to receiving reimbursements from Caltrans related to the Garden Grove Freeway (State Route 22) Design Build Project Management. As noted earlier, the revenues associated with prior year encumbrances will not necessarily match the encumbrance based budget because the revenues are not received until the expenses are incurred.

Interest Income: Actuals of \$33.4 million are \$5.2 million above the budgeted amount of \$28.2 million. The nine-month return on the OCTA investment portfolio was approximately 3.46 percent through the third quarter or 74 basis

points higher than the budget. For FY 2006-07, the OCTA budgeted an annualized rate of 3.625 percent (or 2.72 percent for the first nine months). The OCTA portfolio continues to perform well with regards to income and market price appreciation.

**Toll Road Revenue:** The third quarter actuals of \$35.2 million are \$8.3 million greater than the amended budget of \$26.9 million. Toll road revenues have consistently trended above the Stantec, Inc. (formerly known as Vollmer) forecast, which has been considered by staff to be a conservative projection. For this fiscal year, staff utilized 2005 actual toll road revenues as a base, and applied Stantec's, Inc. growth projections for both 2006 and 2007 to calculate the FY 2006-07 revenue budget. Despite this revised calculation, toll road revenues continue to outpace the budget.

#### Expense Summary

The expenditure budget has been increased by \$206.9 million as a result of 18 Board approved amendments that were summarized previously. As the table below indicates, the amended expenditure budget for FY 2006-07 is \$1.1 billion.

Fiscal Year 2006-07 Amended Expenditure Budget

In Thousands	Expenditures		
	Current Year	Designations	Total
Approved Budget	\$ 773,409	\$ 71,120	\$ 844,529
Amendments	206,940	-	206,940
Total Amended Budget	\$ 980,349	\$ 71,120	\$ 1,051,469

This next section focuses on major variances between budgeted and actual expenditures for the third quarter. These variances are explained at an object summary level based on the Expense Summary table included on the following page. Through the third quarter, actual expenditures of \$651.4 million represent a 7.7 percent under run in comparison to the amended budget of \$705.5 million.

## Fiscal Year 2006-07 Expense Summary (March 31, 2007)

<i>In Thousands</i>	Year to Date		Year to Date		
Description	Budget	Actual	Variance	%	
<b>Salaries</b>					
Compensated Absences	\$ 8,178	\$ 8,264	\$ (86)	-1.0%	
Salaries	68,848	67,850	998	1.4%	
<i>Total Salaries</i>	77,026	76,114	912	1.2%	
<b>Benefits</b>					
Pensions	13,268	14,969	(1,702)	-12.8%	
Insurances	1,652	1,799	(146)	-8.8%	
Other Benefits	3,982	3,200	781	19.6%	
<i>Total Benefits</i>	18,902	19,968	(1,066)	-5.6%	
<i>Total Salaries and Benefits</i>	\$ 95,927	\$ 96,082	\$ (155)	-0.2%	
<b>Services and Supplies</b>					
Miscellaneous Expense	1,082	3,363	(2,281)	-210.9%	
Utilities	1,534	1,835	(301)	-19.6%	
Taxes	93	362	(268)	-287.9%	
Contract Transportation	27,407	27,655	(249)	-0.9%	
Debt Service	97,256	97,217	39	0.0%	
Travel, Training, Mileage	563	406	157	27.9%	
Leases	3,751	3,572	180	4.8%	
Maintenance Expense	7,720	7,535	186	2.4%	
Other Materials and Supplies	1,516	1,329	187	12.3%	
Advertising Fees	802	392	410	51.2%	
Tires and Tubes	1,683	1,260	423	25.1%	
Office Expense	3,031	1,826	1,205	39.7%	
Fuels and Lubricants	16,514	14,701	1,813	11.0%	
Outside Services	25,884	21,376	4,508	17.4%	
Insurance Claims Expense	27,749	17,602	10,147	36.6%	
Contributions to Other Agencies	126,704	116,072	10,632	8.4%	
Professional Services	\$ 43,360	\$ 25,253	\$ 18,107	41.8%	
<i>Total Services and Supplies</i>	\$ 386,648	\$ 341,754	\$ 44,893	11.6%	
<b>Capital and Fixed Assets</b>					
Capital Expense-Local Funding	172,136	189,789	(17,653)	-10.3%	
Capital Expense-Grant Funding	26	(5)	31	119.4%	
Construction in Progress	28,897	19,616	9,281	32.1%	
Work In Process	\$ 21,897	\$ 4,199	\$ 17,698	80.8%	
<i>Total Capital and Fixed Assets</i>	\$ 222,956	\$ 213,599	\$ 9,357	4.2%	
<i>Total All Expenses</i>	\$ 705,531	\$ 651,435	\$ 54,096	7.7%	

\*under / (over)

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**Services and Supplies**

Third quarter services and supplies actuals of \$341.8 million are 11.6 percent below the amended budget of \$386.6 million. Detailed explanations have been provided for the sub-categories with the largest variances.

**Miscellaneous Expense:** Actuals of \$3.4 million are over the amended budget of \$1.1 million by \$2.3 million. The variance can be attributed to the off-site improvements (street and storm drain work) located adjacent to the Santa Ana Bus Base. These improvements were completed on property owned by the City of Santa Ana. Since these improvements reside on city property, they were subsequently expensed as opposed to being capitalized as an OCTA asset.

**Office Expense:** Actuals of \$1.8 million are under the amended budget of \$3 million by \$1.2 million or 39.7 percent. The majority of this variance is related to printing (\$0.3 million), postage (\$0.3 million), personal computer (PC) workstations and hardware (\$0.2 million), software (\$0.2 million), and general office supplies and equipment (\$0.1 million). Printing, postage, and general office supplies and equipment are used on an as needed basis, thus the year-end estimate will be decreased accordingly. As for PC workstations and hardware and software, these actuals are expected to level off by year end as the Information Systems (IS) Department completes its annual computer migration cycle.

**Fuel and Lubricants:** Actuals of \$14.7 million are under the amended budget of \$16.5 million by \$1.8 million or 11 percent. The primary factor for this variance is due to decrease in cost for liquefied natural gas (LNG), which was budgeted at \$1.30 per gallon. Actuals are being invoiced at a market rate between \$0.69 to \$0.82 per gallon, which equates to approximately \$1.1 million of the variance. Also contributing to the variance is the line item for gasoline, \$0.2 million, and compressed natural gas (CNG), \$0.2 million. These fuels were budgeted based on the arrival of both new gasoline and CNG buses, which were initially projected to arrive early in the fiscal year. However, these two types of buses are now expected to arrive in the Summer of 2007.

**Outside Services:** Actuals of \$21.4 million are under the amended budget of \$25.9 million by \$4.5 million or 17.4 percent. The variance can be attributed to the following under-runs: Other services (\$1.1 million), equipment repair and maintenance (\$1.1 million), revenue vehicle repairs and maintenance (\$0.9 million), security services (\$0.6 million), building repairs and maintenance (\$0.5 million), and custodial services (\$0.2 million).

Within other services, the majority of the variance (\$1.1 million) is attributed to the under-run in Metrolink weekend service (\$0.6 million). Since the development of the FY 2006-07 budget, staff has received a revised weekend service plan from the Southern California Regional Rail Authority (SCRRA) for the Orange County (OC) and the Inland Empire Orange County (IEOC) lines. The reason for this revised plan is due to the maintenance efforts being performed by Burlington Northern Santa Fe (BNSF). This effort has prevented SCRRA from delivering the level of service initially planned and therefore staff anticipates an under run of approximately \$0.8 million by year-end. The remaining portion of this variance (\$0.5 million) can be attributed to the FSP program, which is running one month in arrears.

Equipment repair and maintenance is contributing \$1.1 million to the overall variance of \$4.5 million. This is due in part to Bus Stop Maintenance Services (\$0.3 million), which are currently one month in arrears. Furthermore, the actual monthly expenses are running \$20,000 less than anticipated. The year-end estimated actuals for the bus stop maintenance will be decreased to reflect this under run. In addition, \$0.3 million of the variance is due to the Electronic Infrastructure Updates (EIU) for the 91 Express Lanes. This variance is due to the EIU expenditures being budgeted on a monthly basis. However, staff reviewed the 91 Express Lanes amended budget and determined that expenses for this line item will be incurred in the fourth quarter. Another service contributing \$0.2 million to the variance is hardware and software annual maintenance. The IS Department does anticipate these funds to be fully expensed by year end. An additional \$0.2 million of the variance is due to radio repair components and equipment which is utilized on an as needed basis.

Revenue vehicle repairs and maintenance are contributing \$0.9 million of the variance. This is primarily due to revenue vehicle repairs and maintenance associated with bus shop jack stand pads (\$0.3 million) and bus technology improvements (\$0.2 million). The variance (\$0.3 million) for bus shop jack stand pads is being re-budgeted for next fiscal year, due to the timing of the procurement schedule. Technology improvements were initially anticipated to be expensed on a monthly basis. However, after further review, staff has determined that these expenses will be incurred during the fourth quarter. One other project contributing to the variance is ACCESS revenue vehicles (\$0.3 million). Expenses for major vehicle repairs and maintenance for the ACCESS revenue vehicles has been running under the budget, which is due to the fact that the fleet is relatively new. The average fleet age for ACCESS vehicles is approximately 2.6 years old. The low average fleet age in combination with the vehicle repairs still covered under manufacturer warranty has led to an under run year-to-date.

Another part of the variance is attributed to security services associated with Transit, Metrolink, and the 91 Express Lanes. The invoice for each program is one month in arrears contributing approximately \$0.6 million of the overall variance. The building repairs and maintenance is contributing to the overall variance (\$0.5 million). This is due to items in this category being expensed on an as needed basis. Items include: dock light replacement at Newport Beach Transportation Center, locksmith services, tree pruning services, restripe and repaint facility yards, pest control services, plumbing system repairs, and other general building repair and maintenance. Finally, custodial services are contributing \$0.2 million of the variance. This is due to invoices being one month in arrears. Actuals are expected to be in line by year end.

**Insurance Claims Expense:** Insurance claims represent expenses associated with Healthcare, Workers' Compensation and Physical Loss and Property Damage (PL/PD). The actuals of \$17.6 million are \$10.1 million below the amended budget of \$27.7 million. The primary reason for the under-run is due to the decline in the average number of pending workers' compensation claims from 471 to 283, as staff works to close them at a faster rate. In addition, the severity of new claims are not as significant as previously experienced, which has resulted in lower cost to the OCTA. If this trend continues, staff projects claims expense to remain under budget through the balance of the year.

**Contributions to Other Agencies:** Actuals of \$116.1 million are \$10.6 million below the amended budget of \$126.7 million. The primary reason for this variance is due to the Bristol Street Widening Project, that was projected to have year-to-date expenditures of \$29.5 million, versus actuals of \$19.8 million. However, actuals are expected to increase significantly by the end of the year.

**Professional Services:** Actuals of \$25.3 million are under the amended budget of \$43.4 million by \$18.1 million. The variance can be attributed to under-runs in the Measure M program (\$7.9 million), 91 Express Lanes (\$1.5 million), General Fund (\$3.8 million), Commuter Urban Rail (\$1 million), and Internal Service Funds (\$0.5). Detailed explanations are listed below.

Within the Measure M program, there is a variance of \$3.4 million related to the State Route 22 (SR-22) Design Build Project and the recently Board approved SR-22 Phase II improvement project. This is due to pending invoices, which are expected to be recorded in the fourth quarter.

Also, a series of planning studies are contributing to the overall variance by \$1.4 million, the 91 Viaduct Conceptual Engineering (\$0.5 million), Costa Mesa Freeway Improvement Plan (\$0.5 million), and the Orange County – Los Angeles Border Study (\$0.4 million). All three of these

projects are currently in the initial procurement phase and contracts are expected to be awarded in the fourth quarter.

On-Call Transportation Modeling Services are currently under-running by \$0.5 million. These services are utilized on an as needed basis. After further review, staff has determined that only \$0.1 million of these funds will be expensed for this fiscal year. The Interstate 5 (I-5) Gateway Design contract change orders are contributing to the variance (\$0.5 million). This is because there have been less than anticipated change orders for the year. The Project Delivery Oversight Support for streets and roads projects is contributing to the variance (\$0.5 million) and this item is expected to be expensed by the fourth quarter. Another project contributing to the overall variance is the Smart Street Deployment Plan (\$0.3 million); however, a contract is scheduled to be executed in May 2007. Also the Combined Transportation Funding Programs Database Upgrade and Expansion project is in the initial phase of scope development (\$0.3 million) and will be re-budgeted in FY 2007-08.

The Aliso Creek Soundwall Design project (\$0.1 million) is expected to be expensed by the fourth quarter, while the Peralta Hills Soundwall Design contract change orders (\$0.1 million), will not be required as anticipated because the project has moved beyond the design phase and is in the construction phase. Also the I-5 Gateway Design and Landscaping has been re-budgeted next fiscal year due to design issues with Caltrans (\$0.5 million). The SR-22 Public Awareness Campaign for Phase II has been delayed until next year thus contributing to the overall variance (\$0.3 million).

Within the 91 Express Lanes, there are several items that are contributing to the overall professional services variance. There are consultant services which are under running the budget by \$1.5 million. These consultant services were anticipated to be utilized for operational and technical support on an as needed basis. After further review, staff forecasts the year-end estimate to reach \$0.7 million.

The General Fund is contributing to the under run by \$3.8 million due to several items. First, there is an under run of \$1.9 million related to the San Diego Freeway for preliminary engineering. Staff has reviewed and determined that only \$0.9 million will be required for this study, of which \$0.3 million will be expensed this fiscal year. Second, there is an under-run of \$0.9 million related to the Central County Corridor Major Investment Study. The study has been delayed to next fiscal year because staff would like feedback from the new OCTA Board on this study. In doing so, the study would miss the FY 2006-07 procurement schedule. Also contributing to the variance are the 91 Viaduct Conceptual Engineering and the State Route 55 Improvement Plan projects (\$1 million). The procurement process for these

projects has been initiated and the contracts are expected to be awarded in June 2007.

In the Commuter and Urban Rail Endowment Fund, the following two projects are under running the budget and contributing to the overall variance: the procurement associated with the Expansion Plan Project Management Support (\$0.8 million) and the Los Angeles-San Diego Rail Corridor Agency ROW Maintenance (\$0.2 million). Staff expects to begin receiving invoices for both of these projects by year-end.

In the Internal Service Funds, there is a variance of \$0.5 million due to under runs in legal services. Legal fees are estimated by staff based on expected usage, however this is not guaranteed and timing of usage is based on need. As a result, the timing of actual monthly expenditures will not necessarily match budgeted monthly cash flow estimates.

#### **Capital and Fixed Assets Summary**

As of the third quarter, capital and fixed asset actuals of \$213.6 million are 4.2 percent below the amended budget of \$223 million.

Capital Expense – Local Funding: Actuals of \$189.8 million are \$17.7 million over the amended budget of \$172.1 million. The variance is attributed to the North American Bus Industry Engine Replacement Program. Actuals for this program were encumbered earlier than initially anticipated.

Construction in Progress: Actuals of \$19.6 million are 32.1 percent or \$9.3 million under the budgeted amount of \$28.9 million. The variance can be primarily attributed to two budget items associated with the I-5 Gateway Project (\$9.2 million). The ROW Acquisition/Union Pacific Railroad Storage Track Relocation (\$4.3 million) is currently under-running through the third quarter due to pending ROW litigation and the under-run in Capital Construction and Management (\$4.9 million) expenses is the result of Caltrans having direct access to the state construction funds.

Work in Process: Actuals of \$4.2 million are \$17.7 million below the amended budget of \$21.9 million. The reason for this variance is due to the contingency amount (\$14.4 million) set aside for SR-22 Design-Build project contract change orders (CCO). Contingency funds are utilized on an as needed basis and as of March 31, 2007, there are no CCO requests submitted. In addition, SR-22 ROW Utility Relocation expenses (\$2.5 million) are also under budget due to the lag time associated with the utility companies submitting invoices for completed construction and relocation work.

### Fund Level Analysis

A fund level analysis as well as fund level financial schedules for the General Fund, LTA, OCTD, 91 Express Lanes Fund and the Internal Service Funds are included as Attachments A and B.

### **Summary**

This budget to actual summary report provides information through the third quarter of FY 2006-07 for OCTA activities.

Third quarter revenues were 21 percent lower than the amended revenue budget, primarily due to pending receipt of grant funds for 249 CNG buses. The vehicles should begin arriving by late summer 2007, and at that point, OCTA will begin seeking reimbursement of Federal Capital Assistance Grants, Federal Operating Grants, and State Grants. All other major revenue sources remain on target or are exceeding expectations through the third quarter.

Within the Services and Supplies category, the largest under-run is due to the Bristol Street Widening Project and pending invoices related to SR-22 Design Build Project Management services. Staff anticipates to see much of the costs associated with these projects to be incurred during the fourth quarter.

As for Capital Expenses, the largest under run is related to the SR-22 Design-Build project. This is primarily due to the contingency amount (\$14.4 million) set aside for contract change orders. Contingency funds have not been utilized as anticipated. Staff will continue to monitor the budget on a monthly basis and apprise the Board of any material variances by year end.

Staff recommends this report be received and filed as an information item by the Finance and Administration Committee.

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***Attachments***


- A. Fund Level Analysis.
- B. Fund Level Financial Schedules.

**Prepared by:**



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**Fund Level Analysis**

**General Fund – Revenue Summary**

Revenues are running \$10.4 million under the budget of \$13.2 million or 79.2 percent. Expenditures are also under by \$17.1 million compared to a budget of \$71.5 million or 23.9 percent. Expenses in the General Fund are greater than revenues because the majority of General Fund activities are incurred on behalf of other funds and are allocated appropriately at year-end.

**Variance Analysis – Revenues**

Federal Capital Grants: Are running under by \$4.6 million against a budget of \$5.7 million. The variance is due to a delay in the parking expansion at the Irvine Transportation Center (ITC) for \$4.7 million. Final design plans were completed in August 2006 and lot plans are out for bid, with construction anticipated to begin in the Spring of 2007. As expenses are incurred, Orange County Transportation Authority (OCTA) will seek reimbursement for federal capital grants and offset this variance. In addition, the City of Anaheim pass through funds for the purchase of fareboxes (\$0.8 million) was initially anticipated to be received in the second quarter. However, staff has been notified by the city that this project will be delayed until next fiscal year. The overall variance is also partially off-set by revenues received from prior year expenditures (\$1 million).

Federal Operating Grants: The actuals are running under the amended budget by \$4 million. This variance is primarily due to the Irvine-Corona Expressway study. Funds for this study were initially budgeted and were going to be sought by OCTA staff. However, the Riverside County Transit Commission is the lead on the project and will now take on the responsibility of seeking these funds from the Federal Highway Administration directly.

State Assistance: The actuals are running under the amended budget by \$2.5 million. This can be attributed to the Central County Major Investment Study (\$0.9 million) which has been delayed, pending input from new Board members. In addition, the Costa Mesa Freeway Access Study (\$0.3 million) will be awarded in May of 2007. Contracts for the Costa Mesa Freeway and Ortega Highway Improvement Plans (\$0.6 million), the Orange County/Los Angeles Border Study (\$0.4 million), and their associated Public Awareness Campaigns (\$0.3 million) will all be awarded in June of 2007.

Other Financial Assistance: The actuals of \$1.5 million are over the budgeted amount of \$0.5 million. OCTA has received reimbursements from the City of Irvine as part of a mutual agreement associated with the Culver Drive widening project.

## **Variance Analysis – Expenses**

Professional Services: The actuals of \$5.5 million are under the amended budget of \$10.7 million by \$5.2 million or 48.9 percent. First, there is an under run of \$1.9 million related to the San Diego Freeway (I-405) for Preliminary Engineering. Staff has reviewed and determined that only \$0.9 million will be required for this study, of which \$0.3 million will be expensed this fiscal year. Second, there is an under run of \$0.9 million related to the Central County Major Investment Study. The study has been delayed to next fiscal year because staff would like feedback from the new OCTA Board on this study. In doing so, the study would miss the fiscal year 2007 procurement schedule. Also contributing to the variance (\$1 million) are the 91 Viaduct Conceptual Engineering and the Costa Mesa Freeway Improvement Plan projects. The procurement process for these projects has been initiated and the contracts are expected to be awarded in June 2007.

Contributions to Other Agencies - The actuals of \$20.9 million are 31.3 percent below the amended budget of \$30.5 million. The primary reason for this variance is due to the Bristol Street Widening Project, that was projected to have year-to-date expenditures of \$29.5 million, versus actuals of \$19.8 million. However, actuals are expected to increase significantly by year end.

## **Local Transportation Authority (LTA) Fund – Revenue and Expense Summary**

Revenues of \$231.5 million are 4.9 percent under the amended budget of \$243.3 million. Expenditures of \$122.5 million are 26.7 percent under the amended budget of \$167.2 million.

## **Variance Analysis – Revenues**

Taxes and Fees: The actuals for taxes and fees are running 6.8 percent below the amended budget of \$213.7 million. This category represents the ½-cent LTA sales tax revenues. LTA sales tax receipts are administered and advanced by the State Board of Equalization based on transactions and use tax within the county. The methodology used by staff to calculate the ½ cent LTA sales tax was based on a ratio of 1.97 in comparison to the ¼ percent Local Transportation Fund (LTF), however, the actual ratio (1.90) has proven to be less than the amount staff initially anticipated.

State Assistance: There are zero actuals against a budgeted amount of \$10.2 million. This is primarily due to State Transportation Improvement Project (STIP) funds for the Santa Ana Freeway (Interstate 5) Gateway Project. When

the budget was developed, staff anticipated to seek reimbursement for right-of-way (ROW) related to the Interstate 5 (I-5) Gateway Project. However, reimbursement for ROW activities related to the I-5 Gateway Project will be sought directly by the California Department of Transportation (Caltrans). As a result, the year-end estimate has been reduced to zero.

**Sale Capital Assets:** There are actuals of \$1.2 million against a budget of zero. The variance is due to the proceeds from the sale of land parcels between Broadway and Crescent along the I-5 freeway.

**Interest Income:** The actuals of \$14.8 million are \$1.6 million over the budgeted amount of \$13.2 million. The nine-month return on the OCTA's investment portfolio was approximately 3.46 percent through the third quarter or 74 basis points higher than the budget. For fiscal year (FY) 2006-07, the OCTA budgeted an annualized rate of 3.625 percent (or 2.72 percent for the first nine months). The OCTA's portfolio continues to perform well with regards to income and market price appreciation.

**Other Financial Assistance:** The actuals of \$4.4 million are \$4 million above the amended budget of \$0.4 million. This is due to receiving reimbursements from Caltrans related to the Garden Grove State Route 22 Design Build Project Management. The revenues associated with prior year encumbrances will not necessarily match the budget because the revenues are not received until the expenses are incurred.

**Federal Capital Assistance Grants:** Revenues in this category are received in response to the reimbursement of expenditures. Revenues budgeted here will most likely be received in future years. Conversely, revenues received in the current year were most likely budgeted in prior years.

Actuals of \$11.6 million are \$5.8 million above the budgeted amount of \$5.7 million. This variance can be attributed to two projects: The Board approved a budget amendment for the construction of the Buena Park Intermodal Facility in September 2006. Construction is scheduled to be completed by July 2007 and staff will seek reimbursement at that time, which is contributing to \$3.2 million of the variance. In addition, the I-5 Gateway project is also contributing to the variance by \$6.8 million. This variance represents the STIP funding that will be applied to the total project costs. However, the actual funds will be passed through Caltrans, which is the lead agency for this project. Also, the overall variance is partially offset by the Federal Transit Administration (FTA) 5309 capital assistance grants reimbursed this year for \$1.4 million for the Buena Park Rail station.

The variance is further offset with a net reimbursement of \$3.6 million of Congestion Mitigation Air Quality funds through the third quarter, which is associated with the State Route 22 (SR-22) Design-Build Project.

### **Variance Analysis – Expenses**

**Contributions to Other Agencies:** The actuals of \$59.7 million are \$8.9 million or 13 percent below the amended budget of \$68.6 million. The variance can be attributed to the Measure M Combined Transportation Funding Program (CTFP). Furthermore, OCTA staff is working diligently with cities to expedite the close of previously approved projects and releasing their final payments. As a result, actuals are anticipated to be in line with the amended budget by year end.

**Professional Services:** Through the third quarter, professional services are \$9.2 million or 45.5 percent under the amended budget of \$20.3 million. Within the Measure M program, there is a variance of \$3.4 million related to the SR-22 Design Build Project and the recently board approved SR-22 Phase II improvement projects. This is due to pending invoices, which are expected to be recorded in the fourth quarter.

Also, a series of planning studies are contributing to the overall variance by \$1.4 million. The 91 Viaduct Conceptual Engineering (\$0.5 million), Costa Mesa Freeway Improvement Plan (\$0.5 million), and the OC/LA Border Study (\$0.4 million) are all currently in the initial procurement phase and contracts are expected to be awarded in the fourth quarter.

On-Call Transportation Modeling Services are currently under-running by \$0.5 million. These services are utilized on an as needed basis. After further review, staff has determined that only \$0.1 million of these funds will be expensed for this fiscal year. The I-5 Gateway Design contract change orders (CCO) is contributing to the variance (\$0.5 million). This is because there have been less than anticipated change orders for the year. The Project Delivery Oversight Support for streets and roads projects is contributing to the variance (\$0.5 million) and this item is expected to be expensed by the fourth quarter. Another project contributing to the overall variance is the Smart Street Deployment Plan (\$0.3 million), however, a contract is scheduled to be executed in May 2007. Also the CTFP Database Upgrade and Expansion project is in the initial phase of scope development (\$0.3 million) and will be re-budgeted in fiscal year 2007-08.

The Aliso Creek Soundwall Design project (\$0.1 million) is expected to be expensed by the fourth quarter, while the Peralta Hills Soundwall Design contract change orders (\$0.1 million) will not be required as anticipated because the

project has moved beyond the design phase and is in the construction phase. Also, I-5 Gateway Design and Landscaping has been re-budgeted next fiscal year due to design issues with Caltrans (\$0.5 million). The SR-22 Public Awareness Campaign for Phase II has been delayed until next year thus contributing to the overall variance (\$0.3 million).

**Construction in Progress:** The actuals of \$17.4 million are 34.5 percent under the budgeted amount of \$26.5 million. The variance can be primarily attributed to two budget items associated with the I-5 Gateway Project (\$9.2 million). The ROW Acquisition/Union Pacific Railroad Storage Track Relocation (\$4.3 million) is currently under-running through the third quarter due to pending ROW litigation and the under-run in Capital Construction and Management (\$4.9 million) expenses is the result of Caltrans having direct access to the state construction funds.

**Work in Process:** The actuals of \$1 million are \$17.2 million below the amended budget of \$18.2 million. The reason for this variance is due to the contingency amount (\$14.4 million) set aside for SR-22 Design-Build project CCO. Contingency funds are utilized on an as needed basis and as of March 31, 2007, no CCO requests have been submitted. In addition, SR-22 ROW Utility Relocation expenses (\$2.5 million) are also under budget due to the lag time associated with the utility companies submitting invoices for completed construction and relocation work.

### **Orange County Transit District Fund – Revenue and Expense Summary**

Revenues of \$75.5 million are 61.1 percent below the amended budget of \$194 million. Expenditures of \$292.2 million are 4.5 percent over the amended budget of \$279.7 million.

### **Variance Analysis – Revenues**

**Federal Capital Grants:** Actuals of \$3.2 million are 96.9 percent below the budget of \$105.3 million. The majority of the variance (\$90 million) can be attributed to the pending receipt of 249 Compressed Natural Gas (CNG) buses. In addition, there is also federal funding (\$10.7 million) associated with the procurement of both Paratransit and Contracted Fixed Route vehicles. Once these vehicles are received and accepted, as scheduled in the summer of 2007, OCTA will initiate a reimbursement request from the FTA for capital assistance funds.

**Federal Operating Grants:** Actuals of \$0.2 million are 99 percent below the amended budget of \$18.2 million. The majority of this variance can be attributed

to the timing of the reimbursements submitted to the FTA for preventative maintenance (\$14.5 million) and operating assistance (\$3.8 million) for OCTA's Paratransit service. OCTA will seek reimbursement within the fourth quarter.

**Interest Income:** The actuals of \$4.7 million are \$1.7 million over the amended budgeted amount of \$3 million. The nine-month return on the OCTA's investment portfolio was approximately 3.46 percent through the third quarter or 74 basis points higher than the budget. For FY 2006-07, the OCTA budgeted an annualized rate of 3.625 percent (or 2.72 percent for the first nine months). The OCTA's portfolio continues to perform well with regards to income and market price appreciation.

### **Variance Analysis – Expenses**

**Fuels and Lubricants:** Actuals of \$14.7 million are under the amended budget of \$16.5 million by \$1.8 million or 11 percent. The primary factor for this variance is due to Liquefied Natural Gas (LNG) which was budgeted at \$1.30 per gallon. Actuals are being invoiced at a market rate between \$0.69 to \$0.82 per gallon, which equates to approximately \$1.1 million of the variance. Also contributing to the variance is the line item for gasoline, \$0.2 million, and CNG, \$0.2 million. These fuels were budgeted based on the arrival of both new gasoline and CNG buses, which were initially projected to arrive early in the fiscal year. However, these two type of buses are now expected to arrive in the Summer of 2007.

**Outside Services:** Actuals of \$6 million are \$3 million or 33.3 percent lower than the budgeted amount of \$9 million. The variance can be attributed to the following under-runs: revenue vehicle repairs and maintenance (\$1.1 million), equipment repair and maintenance (\$0.7 million), building repairs and maintenance (\$0.5 million), security services (\$0.3 million), and custodial services (\$0.2 million).

Revenue vehicle repairs and maintenance are contributing \$1.1 million of the variance. A portion of this variance is associated with the bus shop jack stand pads (\$0.3 million) and bus technology improvements (\$0.2 million). The jack stands will be re-budgeted next fiscal year and the technology improvements will be incurred in the fourth quarter. One other project contributing to the variance is ACCESS revenue vehicles (\$0.3 million). Expenses for major vehicle repairs and maintenance for the ACCESS revenue vehicles have been running under the budget due to the low average fleet age in combination with the vehicle repairs still under manufacturer warranty.

Equipment repair and maintenance is contributing \$0.7 million to the overall variance of \$3 million. This is primarily due to Bus Stop Maintenance Services (\$0.3 million) which are currently one month in arrears and on average actual monthly expenses are less than expected by approximately \$20,000. The year-end estimate for the bus stop maintenance will be decreased to reflect this under run. An additional \$0.2 million that is contributing to the variance is due to radio repair components and equipment which are being utilized less than anticipated.

As for building repairs and maintenance, it is contributing \$0.5 million to the variance. This is due to items in this category being expensed on an as needed basis and are also being utilized less than anticipated. Items include: dock light replacement at Newport Beach Transportation Center, locksmith services, tree pruning services, restripe and repaint facility yards, pest control services, plumbing system repairs, and other general building repair and maintenance items. Another part of the variance is attributed to security services (\$0.3 million) and Transit Custodial services (\$0.2 million) due to invoices being one month in arrears.

Capital Exp-Locally Funded: The actuals of \$153.8 million are overrunning the amended budget of \$134.6 million by \$19.2 million or 14.3 percent. This is attributed to the North American Bus Industries (NABI) replacement engines project that was encumbered earlier than planned.

Work in Process: Actuals of \$5.7 million are over the amended budget of \$3.7 million by \$2 million. The variance can be attributed to the off-site improvements (street and storm drain work) located adjacent to the Santa Ana Bus Base. These improvements were completed on property owned by the City of Santa Ana. Since these improvements reside on city property, they were subsequently expensed as opposed to being capitalized as an OCTA asset.

## **91 Express Lanes Fund – Revenue and Expense Summary**

Revenues of \$37.8 million are 31.6 percent above the amended budget of \$28.7 million. Expenditures of \$19 million are 20.2 percent under the amended budget of \$23.8 million.

### **Variance Analysis – Revenues**

Miscellaneous Toll Road Revenue: The actuals of \$6.7 million are over the amended budget of \$2.9 million by \$3.8 million. This is primarily due to the increase in the violation processing fees (\$1.8 million) as well as the increase in

the monthly minimum fee income account (\$1.5 million), which is attributed to an increase of transponders in circulation.

**Toll Road Revenue:** Actuals of \$29 million are 18.8 percent greater than the amended budget of \$24.4 million. Toll road revenues have consistently trended above the Stantec, Inc. (formerly known as Vollmer) forecast, which has been considered by staff to be a conservative projection. For this fiscal year, staff utilized 2005 actuals toll road revenues as a base, and applied Stantec's Inc. growth projections for both 2006 and 2007 to calculate the fiscal year 2006-07 revenue budget. Despite this revised calculation, toll road revenues continue to outpace the budget.

**Professional Services:** Expenditures of \$2.2 million are \$1.3 million under the amended budget of \$3.5 million. Within the 91 Express Lanes, there are several items that are contributing to the overall professional services variance. There are consultant services which are under running the budget by \$1.5 million. These consultant services were anticipated to be utilized for Operational and Technical support on an as needed basis. After further review, staff forecasts the year-end estimate to reach \$0.7 million.

**Capital Expense-Locally Funded:** The actuals of \$3.1 million are under the amended budget of \$4.7 million by \$1.6 million. One contributing factor is related to the surplus in transponder inventory (\$0.7 million). Also contributing to the variance are the Phone System Replacement project (\$0.3 million) and Traffic Operations Center/Traffic Management System Upgrades (\$0.4 million), which will be executed in May.

### **Internal Service Funds – Revenue and Expense Summary**

Revenues of \$2.3 million are 40.1 percent above the amended budget of \$1.7 million. Expenditures of \$18 million are 35.9 percent under the amended budget of \$28 million.

### **Variance Analysis – Expenses**

**Insurance Claims Expense:** Insurance claims represent expenses associated with healthcare, workers' compensation, and personal liability and property damage (PL/PD). The actuals of \$17.4 million are \$9.5 million below the amended budget of \$26.9 million. The primary reason for the under run is due to the decline in the average number of pending workers' compensation claims from 471 to 283, as staff works to close them at a faster rate. In addition, the severity of new claims is not as significant as previously experienced, which has

resulted in lower cost to the OCTA. If this trend continues, staff projects claims expense to remain under budget through the balance of the year.



**Fund Level Financial Schedules**

**General Fund  
Revenues and Expenses**

<i>In Thousands</i>	Year to Date	Year to Date		
Description	Budget	Actual	Variance	%
Federal Capital Grants	\$ 5,735	\$ 1,095	\$ (4,640)	-80.9%
Federal Operating Grants	4,013	5	(4,008)	-99.9%
State Assistance	2,360	(139)	(2,499)	-105.9%
Interest Income	264	51	(213)	-80.7%
Miscellaneous	206	133	(73)	-35.3%
Fees and Fines	113	109	(3)	-3.0%
Other Financial Assistance	465	1,475	1,010	217.2%
Total Revenues	13,155	2,730	(10,425)	-79.2%
Other Benefits	901	917	(16)	-1.7%
Compensated Absences	-	-	-	0.0%
Extra Help Employees	595	545	50	8.4%
Insurances	497	429	68	13.7%
Pensions	3,733	3,608	126	3.4%
Salaries-Regular Employees	13,861	12,922	939	6.8%
Total Salaries and Benefits	19,589	18,421	1,167	6.0%
Utilities	588	706	(118)	-20.0%
Outside Services	2,348	2,400	(52)	-2.2%
Maintenace Expense	5	2	3	62.7%
Leases	2,812	2,797	15	0.5%
Other Materials and Supplies	104	66	39	37.1%
Advertising Fees	270	231	39	14.5%
Travel, Training, and Mileage	332	245	87	26.2%
Miscellaneous Expense	431	269	163	37.7%
Office Expense	1,601	912	689	43.1%
Professional Services	10,738	5,492	5,246	48.9%
Contributions to other Agencies	30,464	20,929	9,536	31.3%
Total Services and Supplies	49,694	34,048	15,647	31.5%
Capital Expense-Locally Funded	2,173	1,875	299	13.8%
Total Expenses	\$ 71,457	\$ 54,343	\$ 17,113	23.9%

\*Revenues - (under) / over

\*Expenses - under / (over)

## Local Transportation Authority Fund (Measure M) Revenues and Expenses

<i>In Thousands</i>	Year to Date		Year to Date	
Description	Budget	Actual	Variance	%
Taxes/Fees	\$ 213,726	\$ 199,267	\$ (14,459)	-6.8%
State Assistance	10,194	-	(10,194)	-100.0%
Rental Income	48	218	170	353.2%
Sale Capital Assets	-	1,157	1,157	100.0%
Interest Income	13,183	14,777	1,594	12.1%
Other Financial Assistance	400	4,439	4,039	1009.7%
Federal Capital Assistance Grants	5,784	11,607	5,822	100.7%
Total Revenues	\$ 243,336	\$ 231,464	\$ (11,872)	-4.9%
Debt Service	\$ 763	\$ 938	\$ (175)	-22.9%
Utilities	-	11	(11)	100.0%
Travel, Training, and Mileage	9	3	6	66.8%
Miscellaneous Expense	10	1	9	88.9%
Advertising Fees	24	0	24	99.0%
Outside Services	81	3	79	96.9%
Office Expense	239	-	239	100.0%
Contributions to Other Agencies	68,554	59,645	8,909	13.0%
Professional Services	20,248	11,027	9,220	45.5%
Total Services and Supplies	89,928	71,628	18,300	20.4%
Capital Expense-Locally Funded	32,500	32,500	-	0.0%
Capital Expense-Grant Funded	26	(5)	31	119.4%
Construction in Progress	26,546	17,399	9,148	34.5%
Work in Process	18,204	971	17,233	94.7%
Total Capital	\$ 77,276	\$ 50,864	\$ 26,412	34.2%
Total Expenses	\$ 167,205	\$ 122,492	\$ 44,713	26.7%

\*Revenues - (under) / over

\*Expenses - under / (over)

## Orange County Transit District Fund Revenues and Expenses

<i>In Thousands</i>	Year to Date		Year to Date	
Description	Budget	Actual	Variance	%
Federal Capital Grants	\$ 105,318	\$ 3,240	\$ (102,078)	-96.9%
Federal Operating Grants	18,146	174	(17,972)	-99.0%
Other Financial Assistance	18,024	17,085	(939)	-5.2%
Advertising Revenue	3,429	2,979	(450)	-13.1%
Taxes/Fees	6,589	6,368	(221)	-3.4%
Rental Income	270	414	144	53.1%
Farebox Revenue	39,036	39,663	627	1.6%
Insurance Recoveries	183	858	674	368.1%
Interest Income	3,025	4,716	1,691	55.9%
Total Revenues	\$ 194,020	\$ 75,495	\$ (118,525)	-61.1%
Pensions	9,506	11,338	(1,832)	-19.3%
Salaries-Regular Employees	53,416	53,716	(301)	-0.6%
Compensated Absences	6,334	6,555	(221)	-3.5%
Insurances	1,151	1,366	(215)	-18.7%
Extra Help Employees	868	574	294	33.9%
Other Benefits	3,074	2,279	796	25.9%
Total Salaries & Benefits	\$ 74,349	\$ 75,828	\$ (1,479)	-2.0%
Contributions to other Agencies	\$ 1,024	\$ 1,966	\$ (942)	-92.0%
Contract Transportation	23,205	23,499	(295)	-1.3%
Utilities	825	1,068	(243)	-29.5%
Insurance Claim Expense	-	0	(0)	100.0%
Travel, Training, and Mileage	193	149	44	22.9%
Debt Service	300	230	71	23.6%
Advertising Fees	123	25	98	79.4%
Other Materials and Supplies	1,351	1,244	106	7.9%
Miscellaneous Expense	397	279	118	29.6%
Leases	578	456	121	21.0%
Maintenance Expense	7,716	7,533	183	2.4%
Office Expense	899	709	190	21.1%
Tires and Tubes	1,683	1,260	423	25.1%
Professional Services	3,217	2,252	965	30.0%
Fuels and Lubricants	16,514	14,697	1,817	11.0%
Outside Services	8,993	5,998	2,995	33.3%
Total Services & Supplies	\$ 67,017	\$ 61,367	\$ 5,650	8.4%
Capital Expense-Locally Funded	134,589	153,773	(19,184)	-14.3%
Work in Process	3,693	5,678	(1,985)	-53.7%
Total Capital	\$ 138,282	\$ 159,451	\$ (21,169)	-15.3%
Total Expenses	\$ 279,649	\$ 296,646	\$ (16,998)	-6.1%

\*Revenues - (under) / over

\*Expenses - under / (over)

## 91 Express Lanes Fund Revenues and Expenses

<i>In Thousands</i>	Year to Date		Year to Date	
Description	Budget	Actual	Variance	%
Insurance Recovery	\$ 10	\$ 51	\$ 41	392.2%
Interest Income	1,401	2,083	681	48.6%
Miscellaneous Toll Road Revenue	2,882	6,660	3,778	131.1%
Toll Road Revenue	24,430	29,020	4,590	18.8%
Total Revenues	\$ 28,723	\$ 37,814	\$ 9,091	31.6%
Miscellaneous Expense	160	193	(33)	-20.5%
Utilities	\$ 15	\$ 23	\$ (8)	-51.4%
Contributions to Othr Agencies	-	-	-	0.0%
Office Expense	178	166	12	6.8%
Travel, Training, and Mileage	20	6	15	72.6%
Contract Transportation	4,202	4,156	46	1.1%
Leases	362	316	46	12.7%
Advertising Fees	292	80	212	72.7%
Debt Service	8,123	7,730	393	4.8%
Outside Services	1,381	768	613	44.4%
Insurance Claims Expense	875	253	622	71.1%
Professional Services	3,504	2,178	1,326	37.9%
Total Services & Supplies	\$ 19,113	\$ 15,868	\$ 3,245	17.0%
Capital Expense-Locally Funded	\$ 4,703	\$ 3,142	\$ 1,561	33.2%
Total Capital	\$ 4,703	\$ 3,142	\$ 1,561	33.2%
Total Expenses	\$ 23,815	\$ 19,009	\$ 4,806	20.2%

\*Revenues - (under) / over

\*Expenses - under / (over)

## Internal Service Funds Revenues and Expenses

<i>In Thousands</i>	Year to Date		Year to Date		
Description	Budget	Actual	Variance	%	
Insurance Recoveries	\$ 191	\$ 17	\$ (175)	-91.3%	
Interest Income	1,343	1,739	396	29.5%	
Charges for Services	113	551	438	389.3%	
Total Revenues	\$ 1,646	\$ 2,307	\$ 660	40.1%	
Miscellaneous Expense	\$ 2	\$ 2	\$ 0	6.4%	
Outside Services	63	50	12	19.6%	
Professional Services	958	463	495	51.7%	
Insurance Claims Expense	26,874	17,349	9,524	35.4%	
Total Services and Supplies Expenses	\$ 27,989	\$ 17,947	\$ 10,042	35.9%	

\*Revenues - (under) / over

\*Expenses - under / (over)





***June 11, 2007***

**To:** Members of the Board of Directors

**From:** Arthur T. Leahy, Chief Executive Officer

**Subject:** Consultant Selection for Pavement Management System Software Selection

***Overview***

The Renewed Measure M requires establishment of a common countywide pavement management practice as a requirement for receipt of funds for local streets and roads projects. Proposals were solicited from firms to review and evaluate existing pavement management system software and recommend a uniform system for use in Orange County. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

***Recommendation***

Authorize the Chief Executive Officer to negotiate and execute Agreement C-7-0656 between the Orange County Transportation Authority and Bucknam & Associates, Inc., in an amount not to exceed \$117,132, to review, evaluate, and recommend a uniform pavement management software system for Orange County.

***Background***

The Renewed Measure M includes a specific requirement that each local jurisdiction adopt and fund a pavement management plan in order to be eligible to receive Measure M funds. Currently, there are no consistent standards for reporting pavement conditions countywide. Additionally, there are approximately ten different software systems in use in Orange County that use a range of measures to evaluate and report pavement conditions. This presents significant issues when determining overall countywide pavement conditions and needs because the inputs and criteria used in each software varies.

In order to meet the requirements outlined in the Renewed Measure M, the Orange County Transportation Authority (OCTA) will undertake an effort to

review and evaluate the various pavement management software systems currently available. Based on that review and evaluation, and working with the Technical Advisory Committee, staff will develop a recommendation for the use of a uniform software in Orange County. Consultant services have been requested to assist with this effort.

***Discussion***

This procurement was handled in accordance with OCTA's policies and procedures for professional and technical services. Proposals are evaluated based on qualifications of the lead firm, qualifications of the technical team, effectiveness of the work plan, and costs. Award is recommended to the firm offering the most effective overall proposal considering factors such as staffing, prior experience with similar projects, approach to the project requirements, costs, and technical expertise in the field.

The project was advertised on March 13 and March 15, 2007, in a newspaper of general circulation. The notice for this project and a Request for Proposals (RFP) was sent on March 12, 2007, to 717 firms registered on CAMMNET. A pre-proposal meeting was held on March 19, 2007, and was attended by six firms.

On April 9, 2007, eight proposals were received. An evaluation committee consisting of staff from OCTA's Capital Programs Department, Contracts Administration and Materials Management Department, and members from the Technical Advisory Committee met to review the proposals. The evaluation committee reviewed all proposals and found four firms qualified for the work. The committee interviewed each of the qualified firms. In rank order, the four qualified firms are:

Firm and Location

Bucknam & Associates, Inc.  
Laguna Niguel, California

Nichols Consulting Engineers  
Huntington Beach, California

Advanced Infrastructure Management  
Brea, California

MACTEC  
Irvine, California

Based on the material provided by the firms, the committee recommends the selection of Bucknam & Associates, Inc., as the most qualified firm to conduct the pavement management system review and evaluation. The firm demonstrated an excellent understanding of the issues related to pavement management, committed the resources of an outstanding project team with the ability to deliver the study on time and within budget, and submitted a work plan that effectively responds to the RFP.

**Fiscal Impact**

This project was not included in OCTA's Fiscal Year 2006-07 Budget. Funds have been transferred from Account 1536-7519-A1012-BXK to Account 1533-7519-A0001-KSA and will be reimbursed through previously approved federal funds for the Arterial Highway Rehabilitation Program.

**Summary**

Based on the information provided, the evaluation committee recommends award of Agreement C-7-0656 to Bucknam & Associates, Inc., in an amount not to exceed \$117,132, to conduct the pavement management system review and evaluation.

**Attachment**

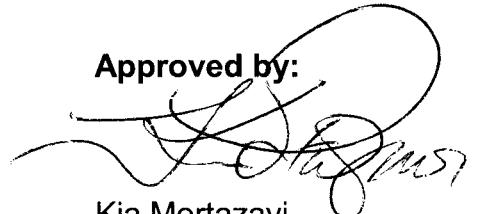
None.

**Prepared by:**



Jennifer Bergener  
Acting Manager, Capital Programs  
(714) 560-5462

**Approved by:**



Kia Mortazavi  
Executive Director, Development  
(714) 560-5741





BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WV</sup>Wendy Knowles, Clerk of the Board  
**Subject:** Amendment to Agreement for the Purchase of 78 Compressed Natural Gas 40-foot Buses

Transit Planning and Operations Committee

May 24, 2007

**Present:** Directors Brown, Dixon, Green, Moorlach, Nguyen, Norby, Pulido, and Winterbottom  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-5-0746 between the Orange County Transportation Authority and New Flyer of America, Inc., in an amount of \$40,500,000, increasing the maximum obligation of the contract to \$170,727,018.





**May 24, 2007**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for the Purchase of 78 Compressed Natural Gas 40-Foot Buses

### **Overview**

The existing agreement with New Flyer of America, Inc., for the purchase of compressed natural gas forty-foot buses requires an amendment to include an additional 78 buses for bus rapid transit. This is the third amendment to the original agreement. This will raise the total number of buses purchased under this agreement to 377, and increase the maximum obligation of the contract to \$170,727,018.

### **Recommendations**

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-5-0746 between the Orange County Transportation Authority and New Flyer of America, Inc., in an amount of \$40,500,000, increasing the maximum obligation of the contract to \$170,727,018.

### **Background**

A Request for Proposals (RFP) was issued on February 25, 2005, for the procurement of up to 377 alternative fuel 40-foot buses. New Flyer of America, Inc., (New Flyer) was awarded a contract for an initial production of 50 compressed natural gas (CNG) buses, with a not to exceed value of \$21,408,912.

On May 8, 2006, the Board of Directors authorized the first amendment to this agreement for an additional \$106,446,904, to increase the initial order by 249 buses. Amendment No. 1 was executed for an additional \$102,341,088, and increased the not to exceed value of the contract to \$123,750,000.

On February 12, 2007, the Board authorized Amendment No. 2 to this agreement to accommodate \$6,477,018 in scope changes. To date, the Board

has approved \$130,227,018 for this agreement (Attachment A). The first article prototype has been delivered and approximately 50 buses are in production. Delivery of these buses is expected to begin this month.

Staff conducted a fleet evaluation, looking at a range of costs, to determine the best fleet options for the bus rapid transit (BRT) service. Evaluation criteria included capital cost, passenger convenience, cost/benefit, and impact to project schedule. Staff presented the Board various fleet options, and on August 28, 2006, the Board authorized staff to proceed with the low cost option, which is to exercise the existing 78 vehicle option to the New Flyer contract.

### ***Discussion***

This procurement was originally handled in accordance with the Orange County Transportation Authority's (Authority) procedures for fixed assets. The original agreement was awarded on a competitive basis. The RFP was structured to offer the Authority the ability to purchase buses as needed on an "up to" quantity basis over multiple years. The quantity was up to 377 buses, which allowed for projected fleet needs through the year 2010.

To date, 299 buses have been ordered; an additional 78 buses may be purchased under this agreement through an amendment. These 78 buses are needed to deploy the BRT program. By executing a third amendment to this agreement for the 78 vehicles, the Authority would receive the first delivery of 48 buses in mid-2009, and a second delivery of the remaining 30 in mid-2010.

The BRT Harbor Boulevard corridor requires 24 vehicles and will begin operation in late 2008, prior to the receipt of the 78 buses in this option. These 24 buses will be borrowed from the buses delivered from the base 299 bus order from New Flyer. These buses will be used for approximately one year, and when the 48 BRT buses arrive in mid-2009, the borrowed 24 will be returned to the fixed route service fleet and the remaining 24 will be used on the second BRT corridor, scheduled for implementation in late 2009. The last delivery lot of 30 buses will be used for the third corridor scheduled for deployment in late 2010.

The 78 BRT buses will be very similar to the base 299 buses, and will include the upgrades previously authorized by the Board. In addition, the BRT buses will include the following:

- Enhanced paint and graphics to reflect BRT branding
- Enhancements to the destination sign, graphics, and multi-color
- Engine upgrade to the low oxides of nitrogen (NOx) option
- Fleet expansion items, to include, radio system and fareboxes

These 78 vehicles will not include advanced technologies such as Real Time Passenger Information (RTPI), or Transit Signal Priority (TSP). While these are other elements of the BRT program being pursued, the exact systems to be used have not been selected by the Authority, therefore any equipment necessary to support these technologies will be installed after the 78 buses have been delivered.

The cost associated with the 78 bus option is an estimate at this time, as the final negotiation with New Flyer is pending. For that reason, this Board request is based on a not to exceed value. The following explains the need to use an estimate at this time:

- The exact cost and associated materials required by the low NOx engine upgrade are unknown, however staff has experience with the upgrade resulting from an Engine Re-power Project on the 232 NABI buses and this same engine upgrade will be pursued on a portion of the 299 New Flyer base order.
- The RFP used to arrive at this agreement included a means of escalation based on Producers Price Index, the exact amount of this escalation is unknown, but is estimated to be nine percent.
- The final approved version of BRT branding is pending.

Further detail of the approximate itemization is referenced on Attachment B.

#### **Fiscal Impact**

The funds for Amendment No. 3 to Agreement C-5-0746 are included in the Authority's proposed fiscal year (FY) 2007-08 Budget. These funds are available through the State Transportation Improvement Program for the BRT Project. Pending approval of the Authority's FY 2007-08 Budget, funds will be available in Transit/Technical Services, Account 2114-9024-D2116-FM5, in the amount of \$40,500,000.

**Summary**

Staff recommends approval of Amendment No. 3 to Agreement C-5-0746, in the amount of \$40,500,000, with New Flyer of America, Inc., to purchase an additional 78 buses to be used for BRT service. This amendment will increase the not to exceed amount of this agreement to \$170,727,018.

**Attachments**

- A. New Flyer of America, Incorporated, Agreement C-5-0746 Fact Sheet
- B. Itemization of Bus Features and Approximate Cost

**Prepared by:**



Lloyd Banta  
Acting Manager, Maintenance  
714-560-5975

**Approved by:**



Beth McCormick  
Acting General Manager, Transit  
714-560-5964

**New Flyer of America, Incorporated  
Agreement C-5-0746 Fact Sheet**

1. June 13, 2005, Agreement C-5-0746, \$21,408,912, approved by the Board of Directors.
  - Agreement to purchase 50 compressed natural gas powered buses, with an exercisable optional delivery of up to 150 additional units anticipated in 2008, and an exercisable optional delivery of up to 177 additional units anticipated in 2009.
2. May 8, 2006, Amendment No. 1 to Agreement C-5-0746, \$102,341,088, approved by the Board of Directors.
  - Although the Board of Directors approved an amendment in an amount not to exceed \$106,446,904, which would have brought the total agreement not to exceed cost to \$127,855,816, Amendment No. 1 was executed for a total not to exceed amount of \$123,750,000.
3. May 22, 2006, Board of Directors approved an additional \$3,000 per bus (initial 50 buses) to compensate for increase in surveillance cameras. This equals a total of \$150,000 to be added to Agreement C-5-0746 through an amendment that was never executed or budget adjustment.
4. August 28, 2006, Board of Directors approves proceeding with 78 BRT buses and to amend Fiscal Year 2006-07 Budget by \$106,446,904. This was to re-budget for the Boards previous Amendment No. 1 funds that were not encumbered in Fiscal Year 2005-06. Amendment No. 1 was executed on August 24, 2006.
5. Amendment No. 2 to Agreement C-5-0746, approved by Board of Directors on February 12, 2007. This amendment was executed on March 20, 2007.
  - Amend Fiscal Year 2006-07 Budget, increase of \$2,371,202 with a total not to exceed \$130,227,018
  - Authorize Amendment No. 2 to Agreement C-5-0746, increase of \$6,477,018 with a total not to exceed \$130,227,018 to accommodate scope changes
  - Scope changes were necessary to incorporate various enhancements and available technologies that were selected for inclusion in the vehicle specifications between the time of original scoping, production of the first article, and final inspection. For example, the addition of video surveillance equipment as referenced under item #3 above
6. Amendment No. 3 to Agreement C-5-0746, pending Board approval to exercise the 78 bus option for the BRT, increasing the value by \$40,500,000

Total maximum obligation with New Flyer of America, Inc. : \$170,727,018

## Itemization of Bus Features and Approximate Cost

Item	Initial Unit Price	78 BRT Buses for Amendment 3						Extended Total for 30 Lot 2 w/ PPI	%
		Qty	PPI %	Extended Total for 48 Lot 1 w/ PPI		Qty	PPI %		
Base Bus, to include only diagnostic equipment	\$350,045	48	9.0%	\$18,314,354		30	12.0%	\$11,761,512	PPI for 48 9.0%
SS Passenger Seats	\$3,239	48	9.0%	\$169,464		30	12.0%	\$108,830	PPI for 30 12.0%
Camera System	\$10,313	48	9.0%	\$539,576		30	12.0%	\$346,517	
AGM Battery	\$50	48	9.0%	\$2,616		30	12.0%	\$1,680	
Teleflex Pedals	\$762	48	9.0%	\$39,868		30	12.0%	\$25,603	
Passenger Contactless Door, Vapor "CLASS"	\$1,621	48	9.0%	\$84,811		30	12.0%	\$54,466	
Automatic Passenger Counters	\$4,560	48	9.0%	\$238,579		30	12.0%	\$153,216	
Radio Preparation, without Orbital Radio / AMDT	\$7,534	0	9.0%	\$0		0	12.0%	\$0	
Radio Preparation, with Orbital Radio / AMDT	\$14,721	48	9.0%	\$770,203		30	12.0%	\$494,626	
Manuals 2 lots @ \$8,780 each	\$8,780	0	9.0%	\$0		0	12.0%	\$0	
Spare Components, see note 3	\$152,277	1	9.0%	\$165,982		0	12.0%	\$0	
Taxable Subtotal Base				\$20,325,453				\$12,946,450	
Tax				\$1,575,223				\$1,003,350	
Sub-Total				\$21,900,676				\$13,949,799	

Note, entering a % value in the above cells will populate the worksheet w/ "PPI", excluding "engine upgrade"

Non-Taxable Itemization							
Training 2 lots @ \$52,880 each	\$52,880	0	9.0%	\$0	0	12.0%	\$0
Credit to 299 buses (\$500 discount)	-\$500	0		\$0	0		\$0
Delete stop request redundant sign	-\$56	48		-\$2,680	30		-\$1,675
ADA Accessibility Equipment	\$16,115	48	9.0%	\$843,137	30	12.0%	\$541,464
Delivery	\$2,321	48	9.0%	\$121,435	30	12.0%	\$77,986
Delco 50DN	-\$200	48		-\$9,600	30		-\$6,000
Non-Taxable Subtotal Base				\$952,292			\$611,775

## Change Order Itemization

Change Order Item	Unit Price	Qty		Extended Total	Qty		Extended Total
Run Box Security Key	\$20	48	9.0%	\$1,067	30	12.0%	\$685
Synthetic Rear Axle Oil	\$105	48	9.0%	\$5,479	30	12.0%	\$3,519
Smart Tire System	\$517	48	9.0%	\$27,039	30	12.0%	\$17,364
Kevlar Seating Inserts	\$887	48	9.0%	\$46,393	30	12.0%	\$29,794
Passenger Seating Upgrade	\$2,009	48	9.0%	\$105,096	30	12.0%	\$67,493
Softpad Parking Brake	\$34	48	9.0%	\$1,779	30	12.0%	\$1,142
Screw Compressor & Warranty	\$1,778	48	9.0%	\$93,000	30	12.0%	\$59,725
Upgrade Fire Suppression Detectors	\$408	48	9.0%	\$21,347	30	12.0%	\$13,709
Standardize Operator's Seat	\$125	48	9.0%	\$6,546	30	12.0%	\$4,204
Pilot Camera Install	\$4	0	9.0%	\$0	0	12.0%	\$0
Waterproof touch tape switches at door	\$102	48	9.0%	\$5,351	30	12.0%	\$3,436
Taxable Base				\$313,097			\$201,071
Tax				\$24,265			\$15,583
Sub-Total of Change Orders				\$337,362			\$216,655

## BRT Itemization (Estimate)

Destination Sign Upgrade (Multi-Color / Graphic Programmability)	\$5,000	48	9.0%	\$261,600	30	12.0%	\$168,000
ISL G Engine Upgrade, low Nox	\$11,422	48	0.0%	\$548,260	30	0.0%	\$342,662
Paint / Graphics Upgrade	\$10,000	48	9.0%	\$523,200	30	12.0%	\$336,000
Farebox for Expansion beyond Spares, see Note 2	\$12,000	0	9.0%	\$0	0	12.0%	\$0
Taxable Base				\$1,333,060			\$846,662
Tax				\$103,312			\$65,616
Sub-Total of BRT Adjustments				\$1,436,372			\$912,279

Grand Total with PPI Adjustment	\$24,626,701	\$15,690,507
Approximate per bus Cost (Total / Qty)	\$513,056	\$523,017

Bus Procurement Project Total, 78 Buses w/ PPI	\$40,317,209
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## Notes

2) The fareboxes could (would) be purchased separately or pulled from spares, ie "fare collection" grant. It is doubtful that the RFP included an option for the farebox.

3) The "spare component" cell populates from the Spare Component worksheet w/o tax

Yellow highlighted "Qty" cells are at "zero" value"

The 48 Lot 1 buses are assumed delivery complete by 6-09 and the 30 Lot 2 by 6-10

The proposed budget for this project in FY 07/08 budget is assumed \$40,500,000

The Pricing above uses assumptions based on base price from Amendment 2 of Agreement C-5-0746, and engine upgrade email from Flyer dated 5-4-07





BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** Agreement to Install Particulate Matter Soot Filters on 50 Articulated Buses

Transit Planning and Operations Committee

May 24, 2007

**Present:** Directors Brown, Dixon, Green, Moorlach, Nguyen, Norby, Pulido, and Winterbottom  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

Directors Nguyen and Pulido were not present to vote on this item.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Agreement C-7-0407 between the Orange County Transportation Authority and Fleet Services, Inc., in an amount not to exceed \$441,769 for the installation of particulate matter filters on 50 New Flyer articulated buses.





**May 24, 2007**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Agreement to Install Particulate Matter Filters on 50 Articulated Buses

### **Overview**

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved funds for the installation of particulate matter filters on up to 71 New Flyer diesel buses. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

### **Recommendation**

Authorize the Chief Executive Officer to execute Agreement C-7-0407 between the Orange County Transportation Authority and Fleet Services, Inc., in an amount not to exceed \$441,769 for the installation of particulate matter filters on 50 New Flyer articulated buses.

### **Background**

The original Mobile Source Air Pollution Reduction Review Committee (MSRC) awarded the Orange County Transportation Authority (OCTA) a grant to install particulate matter (PM) filters on 71 vehicles. The PM filters will reduce the emission of soot by 85 percent. Originally, OCTA planned to install these PM filters on 50 of the 1995 New Flyer 5200 series buses, and 21 of the 50 New Flyer articulated buses. However, the Board authorized accelerating the procurement of 299 compressed natural gas buses, replacing the 5200 series. These buses are now scheduled to be retired in less than a year. By the year 2009, the only remaining active diesel vehicles in the OCTA fixed route fleet shall be the 50 articulated buses. These buses are 1999, 2000, and 2002 vintage buses, and could be in service until 2013.

The grant provides for up to \$8,500 for each PM filter, which is 96.2 percent of the cost. OCTA will provide 3.8 percent of the cost, which is \$335 per unit. Total MSRC grant is \$425,000, while OCTA's portion is \$16,769. Staff will work with the MSRC to revise the grant based on the approved action.

***Discussion***

A Request for Proposals (RFP) 7-0407 was issued to 137 firms registered on CAMMNET. The RFP was advertised on February 16 and February 20, 2007, in a newspaper of general circulation. On March 1, 2007, a pre-proposal meeting was held with six firms attending. On March 29, 2007, four proposals were received. Following the initial proposal evaluations, the committee short-listed two firms based on a set of criteria such as technical merit, qualifications, resources, management, price, and other financial impacts. Interviews were conducted on April 11, 2007. After completing the interviews and evaluations, the evaluation committee recommended to proceed and request the best and final offers from the short-listed bidders. On May 4, 2007, the best and final offers were evaluated. Based on the evaluation committee's findings the following firm is recommended for consideration of an award for providing the most comprehensive and detailed work plan that will meet the delivery requirements of the RFP.

Firm and Location

Fleet Services, Inc.  
Anaheim, California

**Fiscal Impact**

This project is approved in the Authority's Fiscal Year 2006-07 Budget, Transit Division/Maintenance/Technical Services, Account 2114-9024-D2108-D2B, using MSRC grant funding.

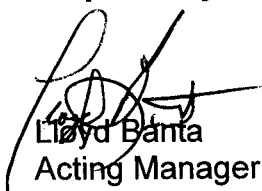
***Summary***

Staff recommends approval of Agreement C-7-0407, for \$441,769, to Fleet Services, Inc. for the installation of PM filters on 50 New Flyer articulated buses.

***Attachment***

- A. Best and Final Offer Price Summary – RFP 7-0407 Particulate Filter Systems 5/1/07

**Prepared by:**



Lloyd Banta

Acting Manager, Maintenance  
714-560-5975

**Approved by:**



Beth McCormick  
Acting General Manager, Transit  
714-560-5964



# Best and Final Offer Price Summary - RFP 7-0407 Particulate Filter Systems 5/1/07

**Note:**

1. Tax on Parts calculated @ 7.75%
2. The pricing shown for training consists of four classes @120.00 per class.
3. Pricing for manuals is for a set of ten each.

Price Summary for 60 ft. New Flyer Low Floor Bus 5/1/07				
	Qty	Fleet Services		Valley Power Systems
1.0 - Replacement of Particulate Matter Filter System (New Flyer D-60LF)				
Parts		\$ 7,740.49		\$ 7,552.59
Labor		\$ 495.00		\$ 788.00
Tax		\$ 599.89		\$ 585.33
Total	50	\$ 8,835.38	\$ 441,769.00	\$ 8,925.92 \$ 446,296.00
3.0 - Parts Manuals and Schematics (SOW para. 3.6)		\$ -		\$ -
4.0 Training (SOW Paragraph 3.7)		\$ -		\$ 480.00
Total Bid Price			\$ 441,769.00	\$ 446,776.00

**Note:**

Optional 60ft Articulated Buses Include:  
 (10 ea ) 1998 New Flyer with ISL 330hp engine  
 (20 ea ) 1999 New Flyer with ISL 330hp engine  
 (20 ea ) 2000 New Flyer with ISL 330hp engine  
 Total : 50 Buses

Firm selected by the Evaluation Committee





**May 24, 2007**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Blanket Purchase Order for Test and Operation Gases for Liquefied Natural Gas Buses and Facilities

### **Overview**

As part of the proposed Orange County Transportation Authority's Fiscal Year 2007-08 Budget, the Board will be requested to approve the purchase of test and operation gases for liquefied natural gas buses and facilities. The current agreement to provide operation gases for liquefied natural gas buses will expire on June 30, 2007. Bids were received in accordance with the Orange County Transportation Authority's procurement procedures for Invitations for Bid.

### **Recommendation**

Authorize the Chief Executive Officer to execute Blanket Purchase Order C-7-0746 between the Orange County Transportation Authority and Cameron Welding Supply, in an amount not to exceed \$60,000, for test and operation gases for liquefied natural gas buses and facilities, for a one-year period with four one-year options.

### **Background**

The Orange County Transportation Authority (Authority) is required to have functioning methane gas detectors that can indicate an alarm when gaseous methane is leaking in the interior or engine compartment of the Authority's buses that are fueled with liquefied natural gas (LNG), or leaks within the facilities that LNG buses are operated. A specific mix of gases is required in order to setup, calibrate, and test the proper function of the leak detection sensors and systems in the event of a leak of LNG or methane gas.

Additionally, the Authority requires the use of clean, ultra-dry nitrogen gas to actuate the valves on the LNG fueling station, and provide a constant purge to the LNG nozzles to keep them free of debris and moisture that could freeze and create leaks. Clean nitrogen gas is also required to purge the LNG vehicle

tanks when defueling those tanks in order to provide a safe work environment when maintenance will be performed on the LNG bus fuel system.

***Discussion***

This procurement was handled in accordance with the Authority's procedures for sealed bids. An Invitation for Bid (IFB) was advertised on April 11 and April 17, 2007, in a newspaper of general circulation. On April 10, 2007, an IFB was issued and an electronic notice was sent to 218 firms that were registered on CAMMNET. No pre-bid meeting was held for this procurement.

On May 7, 2007, two bids were received. The firm who proposed the overall lowest responsive, responsible bid is recommended for the award.

Firm and Location

Cameron Welding Supply  
Stanton, California

**Fiscal Impact**

This product will be requested in the Authority's Fiscal Year 2007-08 Budget, Transit Division, Maintenance Department, Account 2162-7799-D2108-94N, 2164-7799-D2108-94T, and 2165-7799-D2108-ENM, and is funded through the Local Transportation Fund.

***Summary***

Staff recommends award of Blanket Purchase Order C-7-0746 to Cameron Welding in an amount not to exceed \$60,000, for the purchase of test and operation gases for liquefied natural gas buses.

***Attachment***

None.

**Prepared by:**



Lloyd R. Banta  
Acting Manager, Maintenance  
(714) 560-5975

**Approved by:**



Beth McCormick  
Acting General Manager, Transit  
(714) 560-5964





*BOARD COMMITTEE TRANSMITTAL*

***June 11, 2007***

***To:*** Members of the Board of Directors

***From:*** Wendy Knowles, Clerk of the Board

***Subject:*** Blanket Purchase Order for Test and Operation Gases for Liquefied Natural Gas Buses and Facilities

Transit Planning and Operations Committee

May 24, 2007

**Present:** Directors Brown, Dixon, Green, Moorlach, Nguyen, Norby, Pulido, and Winterbottom

**Absent:** None

***Committee Vote***

This item was passed by all Committee Members present.

Director Pulido was not present to vote on this item.

***Committee Recommendation***

Authorize the Chief Executive Officer to execute Blanket Purchase Order C-7-0746 between the Orange County Transportation Authority and Cameron Welding Supply, in an amount not to exceed \$60,000, for test and operation gases for liquefied natural gas buses and facilities, for a one-year period with four one-year options.





BOARD COMMITTEE TRANSMITTAL

June 11, 2007

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Agreement for Vanpool Providers and Launch of Vanpool Program

Transit Planning and Operations Committee

May 24, 2007

**Present:** Directors Brown, Dixon, Green, Moorlach, Nguyen, Norby, Pulido, and Winterbottom  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations**

- A. Authorize the Chief Executive Officer to execute agreements between the Orange County Transportation Authority and Enterprise Rideshare, a subsidiary of Enterprise Rent-A-Car Company of Los Angeles; Midway Rideshare, a subsidiary of Midway Rent-A-Car, Incorporated; and VPSI, Incorporated for the period July 1, 2007 through June 30, 2010. The maximum cumulative obligation for vanpool participant support to all firms is not to exceed \$5,246,400.
- B. Direct staff to finalize and execute the Interagency Agreement for the Provision of Vanpool Services with Los Angeles, San Bernardino and Riverside county transportation commissions describing principles for compiling vanpool data for the purpose of reporting to the National Transit Database which serves as the basis for receiving Section 5307 Federal Transit Capital Funding apportionments.
- C. Direct staff to develop marketing materials in support of the vanpool program.





**May 24, 2007**

**To:** Transit Planning and Operations Committee

**From:** Arthur T. Leahy, Chief Executive Officer

**Subject:** Agreement for Vanpool Providers and Launch of Vanpool Program

### **Overview**

The Orange County Transportation Authority Fiscal Year 2006-2007 Budget includes funding for development of a vanpool program. On November 13, 2006, the Board of Directors authorized the release of a Request for Proposals for vanpool providers and offers were received in accordance with procurement procedures for professional and technical services. A cooperative agreement with neighboring county transportation commissions has been drafted, a vanpool program manager has been hired, and program policies and procedures have been developed. This report recommends the final steps to launch the vanpool program.

### **Recommendations**

- A. Authorize the Chief Executive Officer to execute agreements between the Orange County Transportation Authority and Enterprise Rideshare, a subsidiary of Enterprise Rent-A-Car Company of Los Angeles; Midway Rideshare, a subsidiary of Midway Rent-A-Car, Incorporated; and VPSI, Incorporated for the period July 1, 2007 through June 30, 2010. The maximum cumulative obligation for vanpool participant support to all firms is not to exceed \$5,246,400.
- B. Direct staff to finalize and execute the Interagency Agreement for the Provision of Vanpool Services with Los Angeles, San Bernardino and Riverside county transportation commissions describing principles for compiling vanpool data for the purpose of reporting to the National Transit Database which serves as the basis for receiving Section 5307 Federal Transit Capital Funding apportionments.
- C. Direct staff to develop marketing materials in support of the vanpool program.

### ***Background***

Since 2005, the Orange County Transportation Authority (OCTA) has collaborated with Los Angeles, San Bernardino, and Riverside counties to develop a regional vanpool program. A draft Interagency Agreement for the Provision of the Vanpool Services has been developed (Attachment A).

Based on the agreement, all Section 5307 program funds attributable to the vanpool service subsidized and reported by the subsidizing agency will be returned to that agency, regardless of where the vanpool service originates. Each transportation agency is responsible for providing service where the workplace destination is within the respective county. For example, OCTA will subsidize a vanpool that originates in Riverside County and travels to an Orange County workplace and will claim all corresponding federal grant funds for the trip.

On November 13, 2006, the OCTA Board of Directors received a vanpool program update. That report described the program approach and outlined federal reporting requirements. The Board of Directors directed staff to incorporate the vanpool program in the OCTA Comprehensive Funding Strategy and approved guiding principles for a regional cooperative agreement to report vanpool miles. The Board of Directors also approved evaluation criteria and authorized the release of a Request for Proposals (RFP) for vanpool provider services.

Based on a recommendation from the Transit Planning and Operations Committee, a pre-RFP bidder's workshop was held on November 28, 2006, to gather comments on a draft scope of work.

The Board of Directors approved the OCTA Comprehensive Funding Strategy which includes initial funding for the vanpool program on May 14, 2007. The program estimated cost, including vanpool subsidies, marketing, and technical support over a three-year period is \$5,496,400 (Attachment B).

### ***Discussion***

A vanpool is made up of a group of people who regularly commute to work in a shared van. One person volunteers to be the driver/coordinator, and all riders split costs such as the van-use payment, fuel, parking, and tolls. Riders meet at times and locations agreed to by the participants.

Vanpools can help Orange County fulfill air quality requirements by providing an additional transit mode for commuters not served by traditional transit.

Nationwide, vanpool programs produced the most significant growth of any transit mode in the last decade. Between 1996 and 2005, the number of vanpools grew by 286 percent and the number of agencies reporting vanpool miles grew by 89 percent according to the Federal Transit Administration.

Like similar vanpool programs across the country, this self-funding program will serve as a stimulus to increase the number of vanpool users in Orange County. In southern California, both the Los Angeles County Metropolitan Transportation Authority (LACMTA) and the San Diego Association of Governments (SANDAG) currently operate vanpool programs. By contracting with vanpool companies and subsidizing vanpools, transit agencies become eligible to report vanpool miles traveled and related operational expenses which results in increased federal allocation of funds to their region. Based on historical federal transportation appropriations, costs associated with OCTA's vanpool program will be offset by increased transit funds. Federal funds will be received approximately 18 months following the completion of the first fiscal year of operation.

Based on current market demand for vanpools, OCTA will support and has budgeted for a maximum of 330 vanpools in the first year of the program. A subsidy of up to \$400 for every qualifying van each month will be provided to the vanpool provider. The maximum number of vanpools will be increased by ten percent for each of the next two years, with a total vanpool support cost of \$5,246,400 for all three years (Attachment B). The vanpool providers will provide vans, maintenance, insurance, customer billing and collections, customer service, reports to OCTA, and related administrative services. Vanpool participants pay a monthly fee to the selected vanpool provider.

OCTA determines which vans it will support based on entry requirements and selection criteria. Each vanpool provider will submit applications it has received from potential vanpool program participants to OCTA for approval. To qualify for the program, the vanpool group must have a worksite destination in Orange County and have 80 percent start-up occupancy. Due to the large number of expected vanpool applicants, OCTA has established priorities for accepting vanpool participants into the program:

- 1st Priority – Vanpool participants with home origins in Orange County
- 2nd Priority – Highest total mileage commutes (distance traveled multiplied by number of passengers)

This procurement was handled in accordance with the OCTA's procedures for professional and technical services. The project was advertised on February 5 and 9, 2007, in a newspaper of general circulation and was posted

on OCTA's CAMMNET on February 2, 2007. A pre-proposal meeting was attended by three firms on February 12, 2007.

On February 26, 2007, three offers were received. An evaluation committee composed of staff from Contracts Administration and Materials Management, Marketing, Financial Planning and Analysis, Risk Management, and Motorist Services was established to review all offers submitted. As a competitive negotiated procurement, all offers were evaluated on the basis of qualifications of the firm, staffing and project organization, work plan, and cost and price. The evaluation committee found all three firms met all requirements for providing vanpool services for OCTA and recommends the following firms for consideration:

Firm and Location

Enterprise Rideshare, a subsidiary of Enterprise Rent-A-Car Company of  
Los Angeles  
Los Angeles, California

Midway Rideshare, a subsidiary of Midway Rent-A-Car, Incorporated  
Los Angeles, California

VPSI, Incorporated  
Troy, Michigan

**Fiscal Impact**

The vanpool program is included within the External Affairs budget for fiscal year 2007-2008, pending Board of Directors' approval. Staff is proposing to initially fund the vanpool subsidies with Congestion Mitigation and Air Quality (CMAQ) funds made available through the federal Safe, Accountable, Flexible, and Efficient Transportation Equity Act: a Legacy for Users.

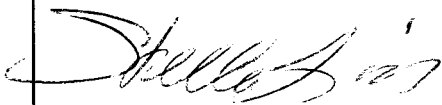
**Summary**

Staff recommends award of Agreement Numbers C-7-0272, C-7-0734, and C-7-0735 to Enterprise Rideshare, Midway Rideshare, and VPSI, Incorporated, to provide vanpool services for OCTA. The maximum cumulative obligation for vanpool participant support to all firms is not to exceed \$5,246,400 for fiscal years 2008 through 2010. OCTA staff should be directed to execute the Interagency Agreement for the Provision of Vanpool Services and develop vanpool marketing materials so the OCTA vanpool program may launch by July 1, 2007.

**Attachments**

- A. Draft Interagency Agreement for the Provision of Vanpool Services
- B. Vanpool Program Estimated Costs

**Prepared by:**



Stella Lin  
Manager, Marketing  
(714) 560-5342

**Approved by:**



Ellen S. Burton  
Executive Director, External Affairs  
(714) 560-5923



**DRAFT**

**INTERAGENCY AGREEMENT FOR THE PROVISION OF REGIONAL VANPOOL SERVICES**

**INTRODUCTION**

This Interagency Agreement for the Provision of Regional Vanpool Services (the "AGREEMENT") is made and entered into by and among the following public agencies that are parties to this AGREEMENT. :

- (a) ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA)
- (b) LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (Metro)
- (c) RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC)
- (d) SAN BERNARDINO ASSOCIATED GOVERNMENTS (SANBAG)

These parties are collectively referred to as the county transportation commissions ("CTCs").

**RECITALS**

WHEREAS, the CTCs are responsible for the provision of publicly supported transportation services within their respective planning boundaries; and

WHEREAS, the CTCs and other public transit operators ("Subsidizing Agency") within the CTCs' planning boundaries may wish to subsidize public vanpool services, and these services may operate beyond the boundaries of the Subsidizing Agency's' respective Urbanized Reporting Areas (UZAs); and

WHEREAS, the Federal Transit Administration (FTA) apportions 5307 Program Funds based on population and the information reported to the National Transit Database (NTD); and

WHEREAS, the parties to this AGREEMENT wish to return Section 5307 Program Funds generated by Subsidizing Agency vanpools serving the public and that operate across county boundaries and UZAs to the Subsidizing Agencies;

NOW THEREFORE, the parties to this AGREEMENT agree to the following:

**1.0 PURPOSE**

It is the purpose of this AGREEMENT is to establish that each CTC will cooperate in the operation of vanpool programs through the annual distribution of Section 5307 Program Funds generated as a result of such operation.

**2.0 PRINCIPLES**

- A. Each CTC agrees that all Section 5307 Program Funds attributable to the vanpool services subsidized and reported by the Subsidizing Agency will be returned to the Subsidizing Agency regardless of where the service operates.

- B. Each Subsidizing Agency shall provide all administration of National Transit Database (NTD) reporting associated with the vanpools it subsidizes in accordance with NTD requirements.
- C. Each Subsidizing Agency shall remain responsible to initiate, coordinate and manage the funding process as described in Attachment 1 with CTCs.
- D. Term of Agreement: This Agreement shall be effective upon execution by all parties of this agreement, and will continue in full force unless terminated in accordance with Section 4.

### **3.0 METHOD FOR DETERMINING ALLOCATION OF SECTION 5307 PROGRAM FUNDS**

- A. Each Subsidizing Agency shall compile and report to the NTD all vanpool-mode information in accordance with (FTA) guidelines.
- B. Each Subsidizing Agency shall write a Grant Request for Section 5307 funds in each UZA where vanpool miles related to their Vanpool Program operate except when the UZA population, according to the last census, was under 200,000. The Grant Request will reflect only funds attributable to the NTD data reported by a Subsidizing Agency.
- C. CTCs will concur with the Grant Request and authorize the transfer of funds utilizing the process described in Attachment 1 to this MOU.

### **4.0 MISCELLANEOUS**

- A. This AGREEMENT shall be governed by California Law. If any provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- B. This AGREEMENT constitutes the entire understanding between parties, with respect to subject matter herein. This AGREEMENT shall not be amended, nor any provision or breach, and hereof waived except in writing signed by the parties.
- C. Any other agreement between the parties, or any of them and any Subsidizing Agency related to the provision or allocation of Section 5307 Program Funds for the vanpool program, hereby incorporates all of the provisions contained in this AGREEMENT and is subject to all of the terms and conditions thereof.
- D. This AGREEMENT may be executed in counterparts, each of which shall be an original, but all of which shall constitute one instrument.
- E. Any party may withdraw from this AGREEMENT upon thirty (30) days written notice to each party. The effective date of withdrawal will be the beginning of the following NTD reporting year so as not to affect the inter-county allocation for the year of withdrawal.

- |  |   |
|--|---|
| <p><b>LOS ANGELES COUNTY<br/>TRANSPORTATION AUTHORITY</b></p> <p>By: _____<br/> Roger Snoble                      Date<br/> Chief Executive Officer</p> <p><b>APPROVED AS TO FORM FOR METRO:</b></p> <p>By: _____<br/> Deputy                                  Date</p>                      | <p><b>SAN BERNARDINO ASSOCIATED<br/>GOVERNMENTS</b></p> <p>By: _____<br/> Mark A. Grasso                      Date<br/> Executive Director</p> <p><b>APPROVED AS TO FORM FOR SANBAG:</b></p> <p>By: _____<br/> Jean-Rene Basle                      Date<br/> SANBAG Counsel</p>  |
| <p><b>ORANGE COUNTY TRANSPORTATION<br/>AUTHORITY</b></p> <p>By: _____<br/> Arthur T. Leahy                      Date<br/> Chief Executive Officer</p> <p><b>APPROVED AS TO FORM FOR OCTA:</b></p> <p>By: _____<br/> Kennard R. Smart, Jr.                      Date<br/> General Counsel</p> | <p><b>RIVERSIDE COUNTY TRANSPORTATION<br/>COMMISSION</b></p> <p>By: _____<br/> Eric Haley                                  Date<br/> Chief Executive Officer</p> <p><b>APPROVED AS TO FORM FOR RCTC:</b></p> <p>By: _____<br/> Steve C. DeBaun                      Date<br/> Best, Best &amp; Krieger, L.L.P.<br/> Legal Counsel</p> |

<p><b>LOS ANGELES COUNTY TRANSPORTATION AUTHORITY</b></p> <p>By: _____          Roger Snoble                      Date          Chief Executive Officer</p> <p><b>APPROVED AS TO FORM FOR METRO:</b></p> <p>By: _____          Deputy                      Date</p>	<p><b>SAN BERNARDINO ASSOCIATED GOVERNMENTS</b></p> <p>By: _____          Mark A. Grasso                      Date          Executive Director</p> <p><b>APPROVED AS TO FORM FOR SANBAG:</b></p> <p>By: _____          Jean-Rene Basle                      Date          SANBAG Counsel</p>
<p><b>ORANGE COUNTY TRANSPORTATION AUTHORITY</b></p> <p>By: _____          Arthur T. Leahy                      Date          Chief Executive Officer</p> <p><b>APPROVED AS TO FORM FOR OCTA:</b></p> <p>By: _____          Kennard R. Smart, Jr.                      Date          General Counsel</p>	<p><b>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</b></p> <p>By: _____          Eric Haley                      Date          Chief Executive Officer</p> <p><b>APPROVED AS TO FORM FOR RCTC:</b></p> <p>By: _____          Steve C. DeBaun                      Date          Best, Best &amp; Krieger, L.L.P.          Legal Counsel</p>



**Vanpool Program Estimated Costs  
July 2007- June 2010**

<b>Description</b>	<b>FY 07/08</b>	<b>FY 08/09</b>	<b>FY 09/10</b>	<b>Total</b>
Maximum Vanpools	330	363	400	
\$400 per van/month	\$1,584,000	\$1,742,400	\$1,920,000	\$5,246,400
Marketing & Outreach	\$50,000	\$50,000	\$50,000	\$150,000
Technical Support Services	\$50,000	\$25,000	\$25,000	\$100,000
Total Program Cost	\$1,684,000	\$1,817,400	\$1,995,000	\$5,496,400



# **POWERPOINT PRESENTATION**

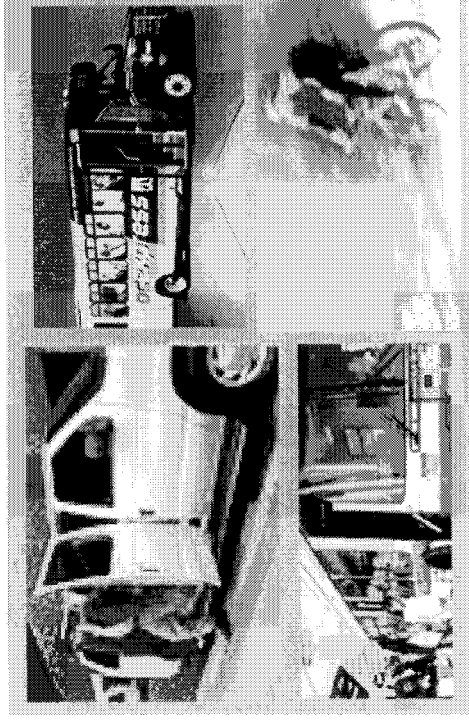
# OCTA Vanpool Program



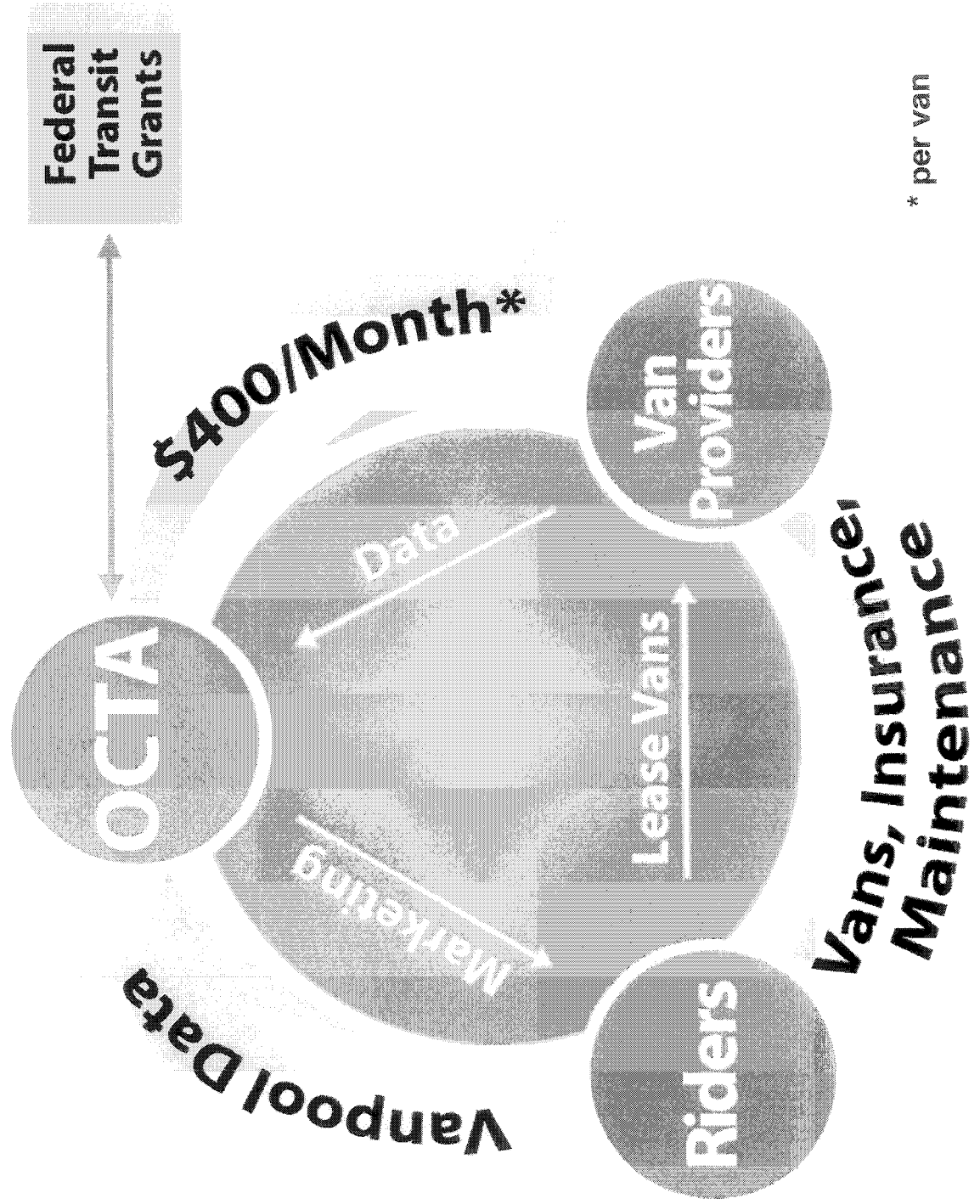
Board of Directors  
June 11, 2007

# Background

- Broadens transportation options
- Increases federal transit funding
- Supports mobility/air quality goals
- Uses carpool lane network



# Program Overview



\* per van

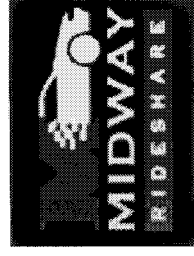
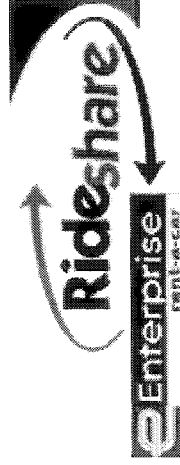
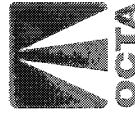
# Estimated Cost and Funding

Description	FY 07/08	FY 08/09	FY 09/10	Total
Number of Vanpools	330	363	400	
Contribution	\$1,584,000	\$1,742,400	\$1,920,000	\$5,246,400*
Marketing	\$50,000	\$50,000	\$50,000	\$150,000
Technical Support	\$50,000	\$25,000	\$25,000	\$100,000
Total	\$1,684,000	\$1,817,400	\$1,995,000	\$5,496,400

\* Funded by Congestion Mitigation and Air Quality Funding

# Procurement

- RFP authorized November 13, 2006
- Pre-bid November 28, 2006
- Three proposals in February 26, 2007
- Recommend award of three contracts



# Next Steps

- Award contracts
- Execute interagency agreement
- Develop marketing materials
- Launch vanpool program







*BOARD COMMITTEE TRANSMITTAL*

***June 11, 2007***

***To:*** Members of the Board of Directors  
***From:*** Wendy Knowles, Clerk of the Board  
***Subject:*** Orange County Transportation Authority's "Family of Transit Services"

Transit Planning and Operations Committee

May 24, 2007

***Present:*** Directors Brown, Dixon, Green, Moorlach, Nguyen, Norby, Pulido, and Winterbottom  
***Absent:*** None

***Committee Vote***

This item was passed by all Committee Members present.

***Committee Recommendation***

Receive and file as information.





**May 24, 2007**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Orange County Transportation Authority's "Family of Transit Services"

### **Overview**

Orange County began transit operations in the fall of 1972 through the establishment of the Orange County Transit District by state legislation. The Orange County Transit District began operations with eight local fixed routes. Transit service has grown considerably into a "family of services" consisting of a variety of bus services targeting different markets as well as commuter rail service. Today, the Orange County Transportation Authority operates 81 bus routes, ACCESS paratransit service, sponsors Metrolink commuter rail service, and is developing a bus rapid transit program.

### **Recommendation**

Receive and file as information.

### **Background**

In June 1991, the Orange County Transportation Authority (OCTA) was officially established, through the consolidation of various public agencies, as the comprehensive transportation and transit agency for the county. Prior to consolidation, all planning activities and operation of transit services were under the jurisdiction of the Orange County Transit District (OCTD). The OCTD began operations in August of 1972 with eight local bus routes. In the first full year of operations in 1973, service consisted of 18 local fixed routes and carried about 2.1 million riders. Today service has grown to 81 bus routes and annual boardings exceed 68 million (Attachment A). The OCTA's presence in Orange County has evolved from a small bus operation in 1972 to 12<sup>th</sup> largest transit system today according to the American Public Transportation Association (APTA). In 2005 APTA recognized OCTA by awarding it the prestigious 2005 Outstanding Public Transportation System Award. In addition, the OCTA participates in the ownership and funding of a regional commuter rail service,

and is preparing for a major expansion of this service in 2010. Finally, OCTA's bus rapid transit (BRT) program is nearing the implementation phase with service scheduled to roll out in 2008, 2009 and 2010.

OCTA uses a "family of transit services" approach in the planning and delivery of transit service. Bus services are tailored to various market demands and needs. While each type of service targets certain market needs, they also work together to move people efficiently where trip making involves the use of more than a single service type.

OCTA's "Family of Transit Services"	
Route Number	Service Type
1-99	Local Fixed Routes
100-199	Community Routes
200-299	Intracounty Express Routes
400-499	StationLink Routes
500-599	Bus Rapid Transit (planned)
600-699	Special Shuttle Routes
700-799	Intercounty Express Routes
NA	Paratransit ACCESS Service
NA	Metrolink Commuter Rail Service

Travel time is an important factor for commuters when choosing a travel mode. OCTA's "family of services" offers various options with different travel speeds (Attachment B).

### ***Discussion***

The structure of services currently in place has evolved as a result of strategic planning, periodic large scale service studies, and on-going revisions to routes and schedules to respond to near-term changes in the operating environment. The "family of transit services" that the OCTA provides serves different markets and travel demands. A target market approach was developed and is effectively used to communicate the message of "family of transit services" to customers and the public (Attachment C). For ease of understanding, the OCTA's "family of transit service" can be grouped as follows:

#### **Local and Local Community Fixed Route Service (Routes 1-199)**

Services in this broad category operate along defined routes and make multiple stops spaced about ¼ mile apart. At all stops, passengers may board and alight. All routes charge the same fare per boarding. Average speeds for local

service is approximately 13 miles per hour. This category is sub-divided to differentiate those routes forming the OCTA major grid network of local routes (routes 1 – 99), and those providing more local community transportation (routes 100 – 199).

Currently, 41 OCTA bus routes operate along the major arterials comprising a “grid” network. They usually serve multiple Orange County municipalities and operate longer distances along a single major corridor such as Beach Boulevard (Route 29), Harbor Boulevard (Route 43), Katella Avenue (Route 50), and Westminster Avenue – 17<sup>th</sup> Street (Route 60). Typically, passenger volumes require the use of higher capacity 40-foot and 60-foot buses. Thirty-four of these routes operate seven days a week, two operate Monday through Saturday, while five operate weekdays only. All but one of the 41 routes is directly operated using 40-foot or 60-foot vehicles.

There are 14 OCTA local community routes; nine of these are operated by the OCTA's contracted fixed route provider using smaller buses. The use of smaller buses is mandated by local roadway constraints or lower passenger demand, which is better matched with lower capacity vehicles. Unlike the OCTA grid routes, local community routes typically serve multiple streets and local community generators. In addition, they provide connections to the major grid routes to make trips beyond the community of origin. Six of these routes operate seven days of the week, one operates Monday through Saturday, while seven routes operate weekdays only (Attachment D).

#### Express Bus Service (Routes 200-299 and Routes 700-799)

Express routes are categorized into two types, intracounty (routes 200-299), which transport commuters within Orange County, and intercounty (routes 700-799), which transport riders between Orange County and neighboring counties (Los Angeles, San Bernardino and Riverside). The OCTA operates 11 express routes, six of which are intracounty and five that operate into neighboring counties. Express routes operate Monday through Friday during peak hours with longer distance home-to-work commuters targeted. Service operates primarily on freeways, utilizing the HOV network where possible, to offer customers travel times comparable to travel by automobile. Stops are fewer and farther apart compared to local bus service. Express routes are more direct, and operate to and from areas that exhibit high origin/destination pairs. Five express routes are operated by OCTA's contracted fixed route provider using smaller vehicles, while six are directly operated using standard 40-foot buses. Intercounty express bus services charge a premium fare that may be two to three times the local bus fare and vehicles offer additional passenger amenities (Attachment E).

StationLink Service (Routes 400 – 499)

These services were introduced to transport commuter rail passengers between Metrolink train stations and their employment destinations in Orange County. StationLink buses travel over a defined route with limited stops located at major employment centers. The trips are scheduled to meet specific train trips and, when needed, buses wait for late trains to ensure passengers reach their final destinations. The OCTA operates 13 StationLink routes weekdays during the morning and evening commute periods. Metrolink passengers may board StationLink routes free of charge. Ten StationLink routes are operated by OCTA's contracted fixed route provider using smaller vehicles, while three are directly operated and equipped with standard 40-foot buses. In addition to this dedicated StationLink service, train stations in Orange County are also served by local bus routes (Attachment F). Metrolink riders may transfer to OCTA local buses serving train stations free of charge as well.

Bus Rapid Transit (500-599)

In October 2005, the Board of Directors approved the implementation of the Bus Rapid Transit program. The approved BRT program is part of the Transportation Control Measure package that replaced the CenterLine Light Rail Project. BRT service will begin to be deployed in 2008 and the first phase will become fully operational by late 2010 on the following corridors:

- Harbor Boulevard Corridor - Fullerton to Costa Mesa – December 2008
- Westminster/17th Corridor – Santa Ana to Long Beach – December 2009
- 28-Mile Corridor – Brea to Irvine – December 2010

BRT routes offer important speed improvements over local bus service. The speed improvement offers existing bus riders a faster ride, and may also attract new bus riders who choose to commute by transit. BRT can operate on freeways or arterial streets. A BRT system combines a simple route layout, frequent service, limited stops, passenger information systems, traffic signal priority for transit, cleaner and quieter vehicles, and high-quality passenger facilities. BRT travel speeds are typically 20 to 30 percent faster than local bus service.

The BRT system is shown on Attachment G.

Special Shuttle Routes (600 – 699)

Special shuttle routes include special event services such as; weekend service to the Orange County Fair (Orange County Fair Flyer), a weekend shuttle linking rail passengers (Metrolink and AMTRAK) traveling to the Irvine Transportation Center with the Irvine Spectrum, and a special community route deviation shuttle operating in the Talega community of San Clemente.

Paratransit Service

Another important product in the "family of transit services" provided by the OCTA is paratransit service, provided through the ACCESS program. This service is federally mandated by the Americans with Disabilities Act (ADA) and is specifically offered to individuals who are not capable of using the local bus service due to a physical or cognitive disability. As such, these individuals have to apply and qualify for this service under strict federal guidelines. As prescribed by law, service must be provided during the same days and hours of fixed route operation within a  $\frac{3}{4}$  mile corridor of fixed route service. In addition, trips are reserved at least 24 hours in advance, service must be provided on a curb-to-curb basis, and fares may not be more than the base undiscounted fixed route fare.

OCTA also works with other agencies to provide paratransit services to seniors.

Metrolink Commuter Rail Service

Long distance commute needs are served with commuter rail. The OCTA officially introduced Metrolink commuter rail service in April 1994. Metrolink is operated by the Southern California Regional Rail Authority (SCRRA), a joint powers authority with five member agencies representing the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura. As one of the five member agencies, the OCTA administers all of Orange County's Metrolink rail service. The Orange County Metrolink commuter rail service includes 10 stations in Orange County (with an 11th station in Buena Park scheduled to open this year), and provides a total of 44 daily weekday trains on three lines:

- Orange County (OC) Line (600 series train numbers) with daily service from Los Angeles Union Station to Oceanside
- 91 Line (700 series train numbers) serving Riverside, Fullerton, and Los Angeles Union Station
- Inland Empire-Orange County (IEOC) Line (800 series train numbers) with daily service from San Bernardino and Riverside to Oceanside

All the services described and provided by OCTA make up the "family of transit services" (Attachment H).

Transit Planning

The OCTA is responsible for short range and long range planning and operation of transit services. The existing transit network and future expansion plans are a product of technical studies, on-going monitoring, and extensive input from the public, transit riders, and coach operators. Short range planning deals with the strategies for maintaining and adjusting the bus service and managing the service change process. The OCTA plans to grow bus service by 4.7 percent

per year over the next five years. The allocation of future resources is categorized into different programs or campaigns to address anticipated, future demand. Staff identified these major categories for improvements:

- Expansion of express bus service
- More frequent service in the core area of the bus system
- Improvements in the hours of operation for local bus service
- Improvements in South Orange County
- Improvements in service to address Metrolink service expansion, and
- Introduction of BRT service in Orange County on three corridors by 2010

Staff has developed a bus service plan that addresses all of these areas of improvements.

#### Service Performance and Monitoring

During fiscal year 2005-06, the OCTA operated over 1.8 million revenue hours, over 23.4 million revenue miles, and carried nearly 67.8 million passengers. Local fixed route service is the core of the OCTA's business, consuming about 96 percent of the resources, and carrying 97 percent of the bus system passengers. A small percentage of the resource is spent on express and StationLink services, about 3 percent and 1 percent, respectively. Likewise, they also account for a small percentage of the ridership, about 2 percent and 1 percent, respectively. The table below shows service performance for fiscal year 2005-06:

Service Type	Annual Boardings	Annual RVH	Annual RVM
Local Fixed Route <sup>^</sup>	65,858,153	1,768,364	21,907,104
Express Routes	1,440,171	55,388	1,199,056
StationLink routes	481,622	26,081	308,016
Bus System Total	67,779,946	1,849,833	23,414,176
OCTA Metrolink Service	3,547,697	NA	NA
ACCESS Service	1,149,455	570,912	8,770,867

<sup>^</sup>Local Fixed Route: Includes Local, Community, and Shuttle Routes

RVH = Revenue Vehicle Hours

RVM = Revenue Vehicle Miles

A thorough performance measurements report is submitted to the Board quarterly for review and discussion.

A major event that helped shape the future of transit in Orange County is guided by the Five-Year Transit Program adopted by the Board of Directors in October 2005. This program includes a comprehensive menu of transit improvements including:

- Expand Metrolink service to provide all-day, evening, and weekend service between Laguna Niguel and Fullerton
- Build HOV access ramps on the San Diego Freeway (Interstate 405) at Von Karman and Bear Street
- Build high occupancy vehicle connectors at the confluence of the Garden Grove Freeway (State Route 22), San Diego Freeway (Interstate 405), and San Gabriel River Freeway (Interstate 605)
- Invest in gateways to regional rail through high speed rail
- Extend passenger delivery to and from Metrolink stations through partnerships with the cities, known as the Go Local Program
- Implement a Bus Rapid Transit system

### ***Summary***

The various types of bus services, commuter rail service, and the upcoming BRT service, together make up the "family of transit services" provided by OCTA. These services are a key part of the lives of the county's residents and visitors, and contribute toward the welfare and vitality of Orange County. The OCTA's future plans include a strategic and steady expansion of transit services to meet the changing needs of the community.

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**Attachments**

- A. Route list and destination points
- B. OCTA "Family of Transit Services" Range of Speed and Average Speed
- C. OCTA's Bus Family of Transit Service
- D. OCTA Local Fixed Route Service
- E. OCTA Express Bus Service
- F. Metrolink and OCTA Rail Feeder Service
- G. Bus Rapid Transit Corridors
- H. Transit System Map

**Prepared by:**

  
Jorge L. Duran  
Project Manager  
(714) 560-5765

**Approved by:**

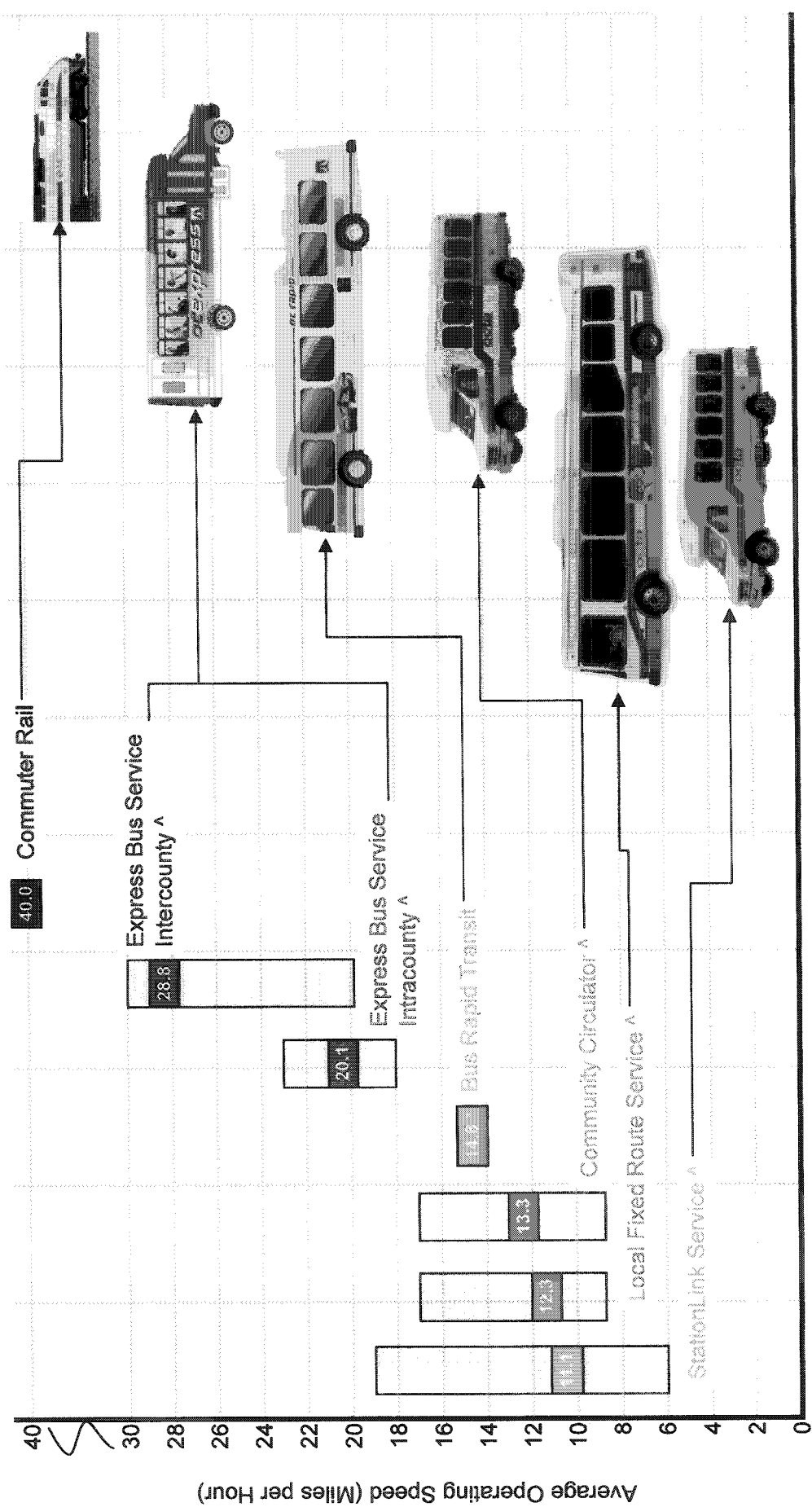
  
Beth McCormick  
Acting General Manager, Transit  
(714) 560-5964

## Route List and Destination Points

Local Fixed Route Service		Community Circulator	
1	Long Beach - San Clemente via Pacific Coast Highway	131	Yorba Linda - Orange via Lakeview Ave./Riverdale Ave./Tustin Ave.
20	La Habra - Yorba Linda via Imperial Highway	145	Santa Ana - Costa Mesa via Raitt St./Greenville St./Fairview St.
21	Fullerton - Huntington Beach via Valley View St./Bolsa Chica Rd.	147	Brea - Santa Ana via Birch St./Brea Blvd./Harbor Blvd./Raymond Ave./Haster/La Veta Ave.
24	Fullerton - Orange via Malvern Ave./Chapman Ave./Tustin Ave.	164	Seal Beach - Westminster via Seal Beach Blvd./Lampson/Edwards
25	Fullerton - Huntington Beach via Knott Ave./Golden West St.	167	Anaheim - Irvine via Santiago Blvd./Hewes St./Bryan Ave.
26	Fullerton - Yorba Linda via Commonwealth Ave./Yorba Linda Blvd.	172	Huntington Beach - Costa Mesa via Main St./Garfield/Sunflower
29	Brea - Huntington Beach via La Habra Blvd./Beach Blvd.	173	Huntington Beach - Costa Mesa via Atlanta Ave./Hamilton Ave./Victoria St./Orange Ave./Fair Dr./Bear St.
30	Cerritos - Anaheim via Orangethorpe Ave.	175	Irvine via Yale Ave./Campus Drive
33	Fullerton - Huntington Beach via Magnolia St.	177	Foothill Ranch - Laguna Hills via Lake Forest Dr./Muirlands Blvd./Los Alisos Blvd
35	Fullerton - Huntington Beach via Brookhurst St.	178	Huntington Beach - Irvine via Adams Ave./Birch St./Campus Dr
37/A	La Habra - Fountain Valley via Euclid St.	187	Laguna Hills - Dana Point via El Toro Rd./Aliso Creek Rd./Niguel Rd
38	Lakewood - Anaheim Hills via La Palma Ave./Del Amo Blvd.	188	Laguna Hills - Irvine via Moulton Pkwy./Irvine Center Dr./Alton Pkwy./Ridge Route
42/A	Orange - Seal Beach via Lincoln Ave./Los Alamitos Blvd./Seal Beach Blvd.	191/A	Mission Viejo - San Clemente via Rancho Viejo Rd./Camino Capistrano/El Camino Real
43	La Habra - Costa Mesa via Harbor Blvd./Whittier Blvd.	193	San Clemente via Camino de los Mares/Camino Vera Cruz/Avenida Pico
46	Los Alamitos - Orange via Ball Rd./Taft	<b>Express Bus Service Intra-county</b>	
47	Brea - Newport Beach via Brea Blvd./Anaheim Blvd./Fairview St.	205	Anaheim - Laguna Hills Express via 5 Freeway
50	Long Beach - Orange via Katella Ave.	206	Santa Ana - Lake Forest Express via 5 Freeway
51	Santa Ana - Costa Mesa via Flower St.	211	Seal Beach - Irvine Express via 405 Freeway
53	Brea - Irvine via Main St.	212	Irvine - San Juan Capistrano Express via 405 Freeway
54	Garden Grove - Orange via Chapman Ave.	213/A	Brea - Irvine Express via 55 Freeway
55	Santa Ana - Newport Beach via Standard Ave./Bristol St./Fairview St./17th St	216	San Juan Capistrano Express - Costa Mesa via 405 Freeway
56	Garden Grove - Orange via Garden Grove Blvd	<b>StationLink Service</b>	
57	Brea - Newport Beach via State College Blvd./Bristol St	410	Anaheim Canyon Metrolink Station - Anaheim via Tustin Ave./La Palma Ave.
59	Brea - Irvine via Kraemer Blvd./Glassell St./Grand Ave./Von Karman	411	Anaheim Canyon Metrolink Station - Canyon Corporate Center via Coronado St./La Palma Ave.
60	Long Beach - Tustin via Westminster Ave./17th St	430	Anaheim Metrolink Station/Amtrak Station - Anaheim Resort Area via Katella Ave./Harbor Blvd./Ball Rd.
62	Huntington Beach - Santa Ana via Golden West St./Hazard Ave./Civic Center Dr	453	Orange Transportation Center - St. Joseph's Hospital via Chapman Ave./Main St./La Veta
64	Huntington Beach - Tustin via Bolsa Ave./1st St	454	Orange Transportation Center - Garden Grove via Chapman Ave./Metropolitan Dr.
66	Huntington Beach - Irvine via McFadden Ave./Walnut Ave	462	The Depot at Santa Ana - Civic Center via Santa Ana Blvd.
70	Sunset Beach - Dana Point via Edinger Ave./Irvine Center Dr./Moulton Pkwy./Golden Lantern Dr	463	The Depot at Santa Ana - Hutton Center via Grand Ave.
71	Yorba Linda - Balboa via Tustin Ave./Red Hill Ave./Newport Blvd	464	The Depot at Santa Ana - Costa Mesa via 5 Freeway/55 Freeway/Sunflower Ave.
72	Sunset Beach - Tustin via Warner Ave	470	Tustin Metrolink Station - John Wayne Airport via Harvard Ave./Michelson/MacArthur Blvd.
74	Fountain Valley - Irvine via Segerstrom Ave./Dyer Rd./Barranca Ave	471	Tustin Metrolink Station - Irvine via Red Hill/Jamboree Rd./Von Karman St.
75	Tustin - Newport Beach via Jamboree Rd./Harvard St.	480	Irvine Transportation Center - Lake Forest via Alton Pkwy./Bake Pkwy./Lake Forest Dr.
76	Huntington Beach - Newport Beach via Talbert Ave./MacArthur Blvd.	482	Irvine Transportation Center - Irvine Center & Discovery via Alton Pkwy./Barranca Pkwy.
79	Tustin - Newport Beach via Irvine Blvd./Culver Dr./University Ave.	490	Laguna Niguel/Mission Viejo Metrolink Station - Aliso Viejo via Crown Valley Pkwy./Moulton Pkwy./Aliso Creek Pkwy.
82	Foothill Ranch to Laguna Niguel via Portola/Santa Margarita/Antonio Pkwy./Crown Valley Pkwy	<b>Shuttles</b>	
85	Mission Viejo - Dana Point via Crown Valley Pkwy.	686	Irvine Transportation Center - Irvine Spectrum via Ada/Alton/Irvine Center/Fortune
86	Costa Mesa - Mission Viejo via Alton Pkwy./Jeronimo Rd.	693	San Clemente via Avenida Pico/Camino la Pedriza
87	Rancho Santa Margarita - Laguna Niguel via Alicia Pkwy.	<b>Express Bus Service Inter-county</b>	
89	Mission Viejo - Laguna Beach via El Toro Rd./Laguna Canyon Rd.	701	Huntington Beach - Los Angeles Express via 405 Freeway/605 Freeway/105 Freeway/110 Freeway
91	Laguna Hills - San Clemente via Paseo Valencia/Camino Capistrano/Del Obispo St.	721	Fullerton - Los Angeles Express via 110 Freeway/91 Freeway
<b>Proposed Bus Rapid Transit Routes</b>		757	Pomona - Santa Ana Express via 57 Freeway
543	Fullerton - Costa Mesa Harbor Boulevard Corridor	758	Chino - Irvine Spectrum Express via the 5 Freeway
580	Long Beach - Santa Ana Westminster Corridor	794	Riverside/Corona - South Coast Metro Express via 91 Fwy/55 Fwy
557	Brea - Irvine 28-Mile Corridor		

# OCTA "Family of Transit Services"


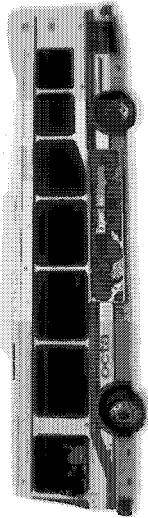

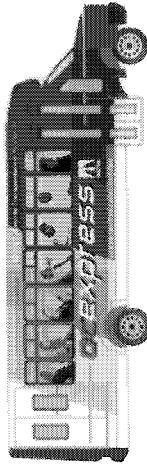

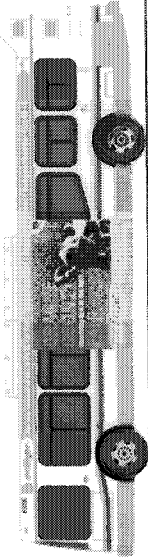
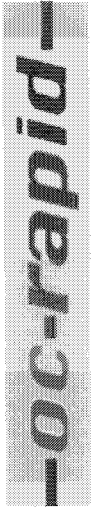
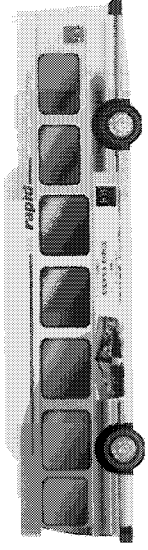

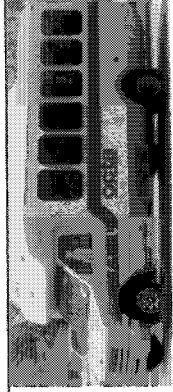
## Range of Speed and Average Speed



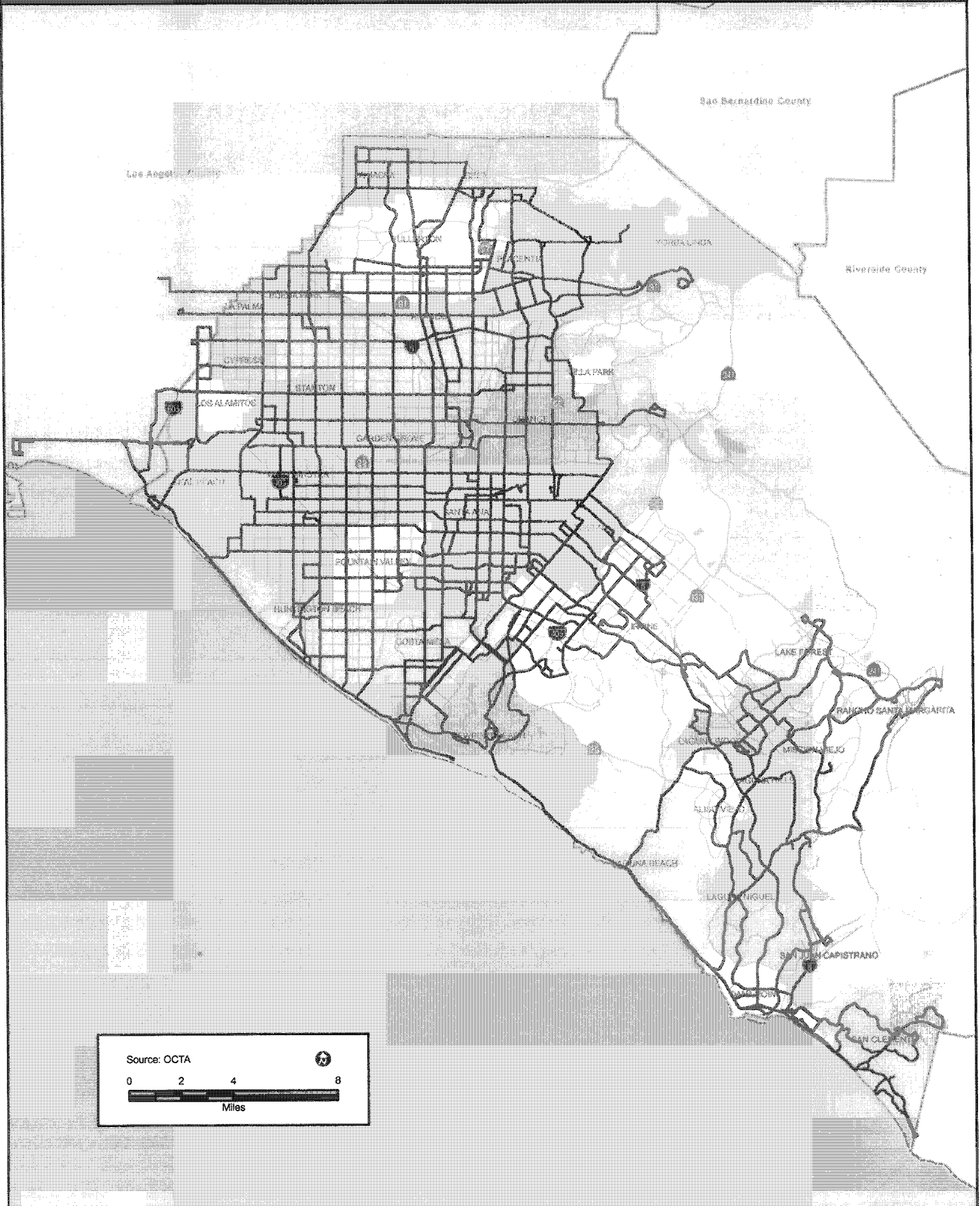
\* Note: Average speed for Bus Rapid Transit is assumed to be 20% greater than Local Bus Speed

^ Note: Bus type and size varies depending on ridership

## OCTA's Bus Family of Transit Services

<p><b>Countywide local fixed route bus – OCTA Bus</b></p> <ul style="list-style-type: none"> <li>regular "big bus", local routes</li> </ul> <p><b>Rail Feeder Service – StationLink</b></p> <ul style="list-style-type: none"> <li>rail connector service, 13 routes</li> </ul>		
<p><b>Inter-county bus service – OC Express</b></p> <ul style="list-style-type: none"> <li>travels on freeways between counties</li> <li>fewer stops</li> </ul>		
<p><b>Orange County Fair Service – OC Flyer</b></p> <ul style="list-style-type: none"> <li>seasonal service</li> </ul>		
<p><b>Bus Rapid Transit – OC Rapid</b></p> <ul style="list-style-type: none"> <li>limited stop fixed route bus on arterials</li> <li>branding package proposed</li> <li>launching service 2008</li> </ul>		
<p><b>Paratransit Service – ACCESS</b></p> <ul style="list-style-type: none"> <li>for persons with disabilities who qualify under the Americans with Disabilities Act</li> </ul>		

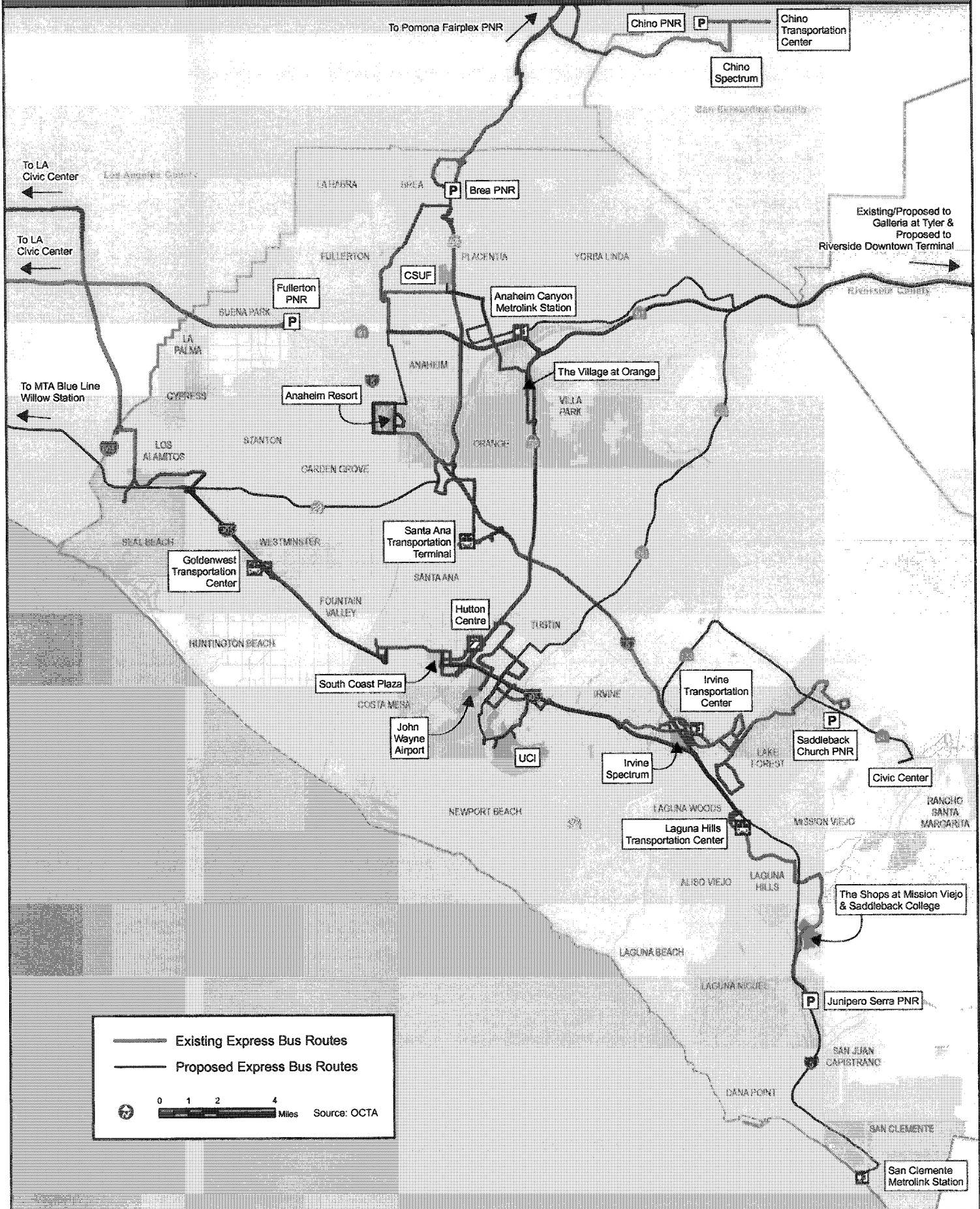
## OCTA Local Fixed Route Service



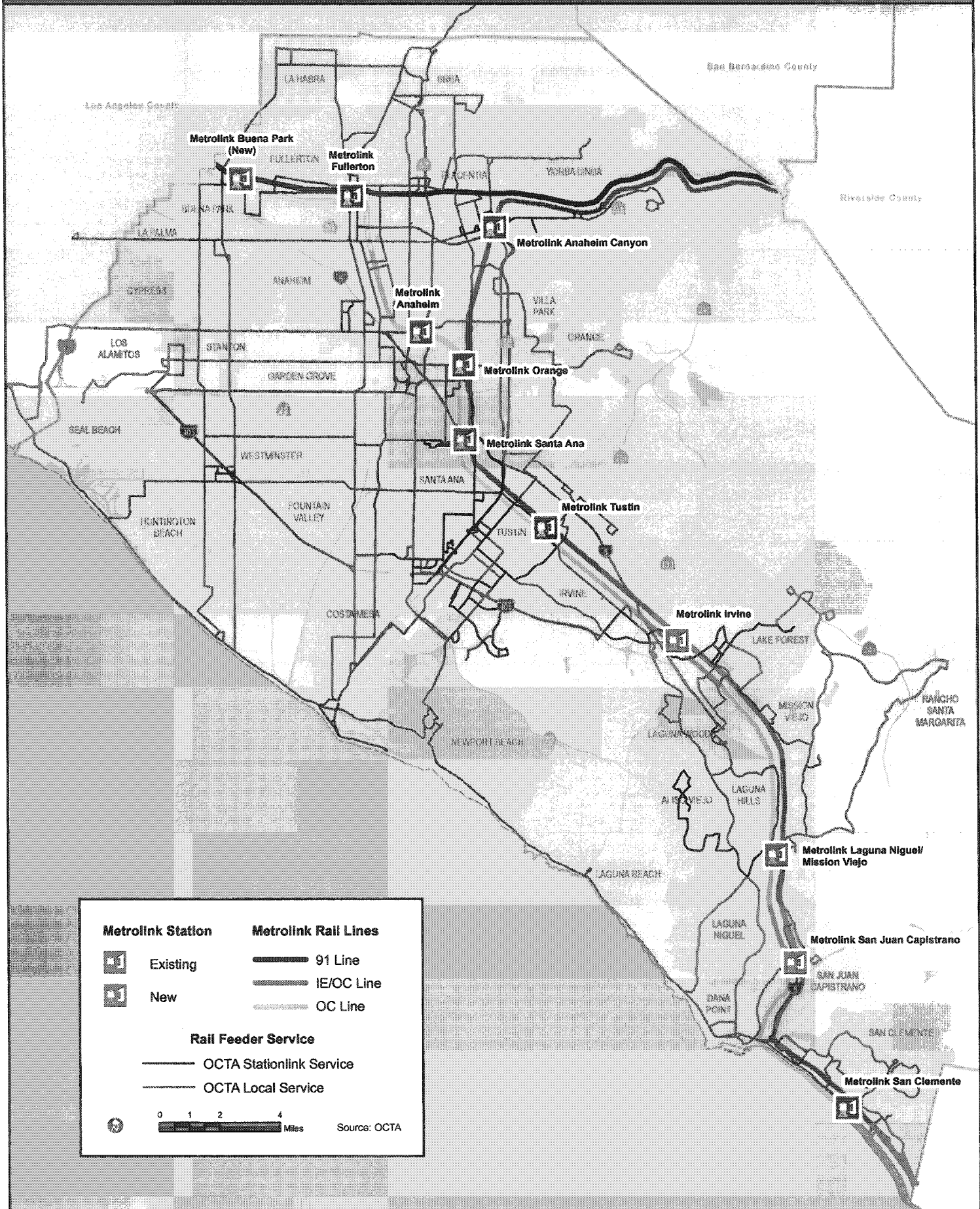
Source: OCTA

0 2 4 8  
Miles

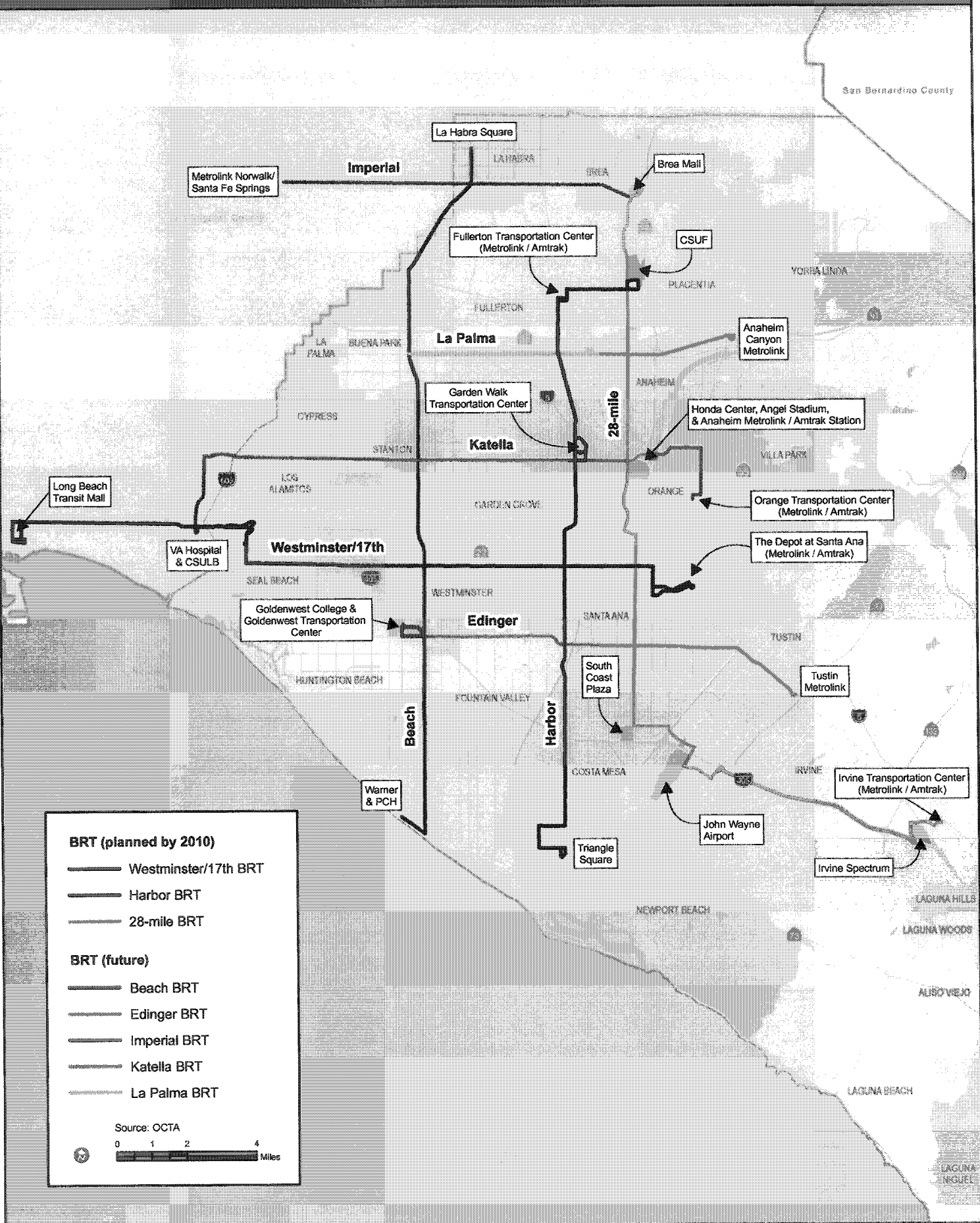
# OCTA Express Bus Service



# Metrolink and OCTA Rail Feeder Services



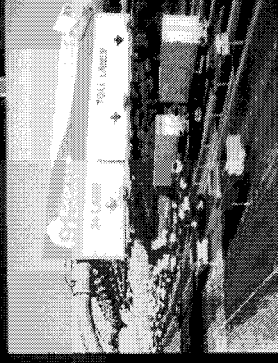
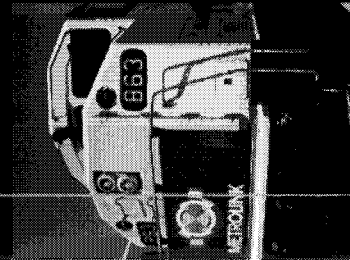
# Bus Rapid Transit Corridors



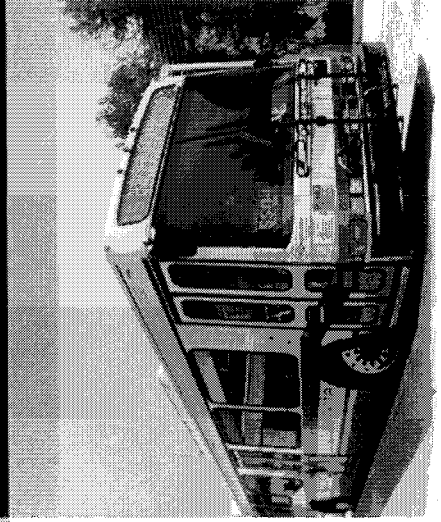
[illegible]

Portions of this map copyrighted by Thomas Bros Maps and reproduced with permission.

# **POWERPOINT PRESENTATION**

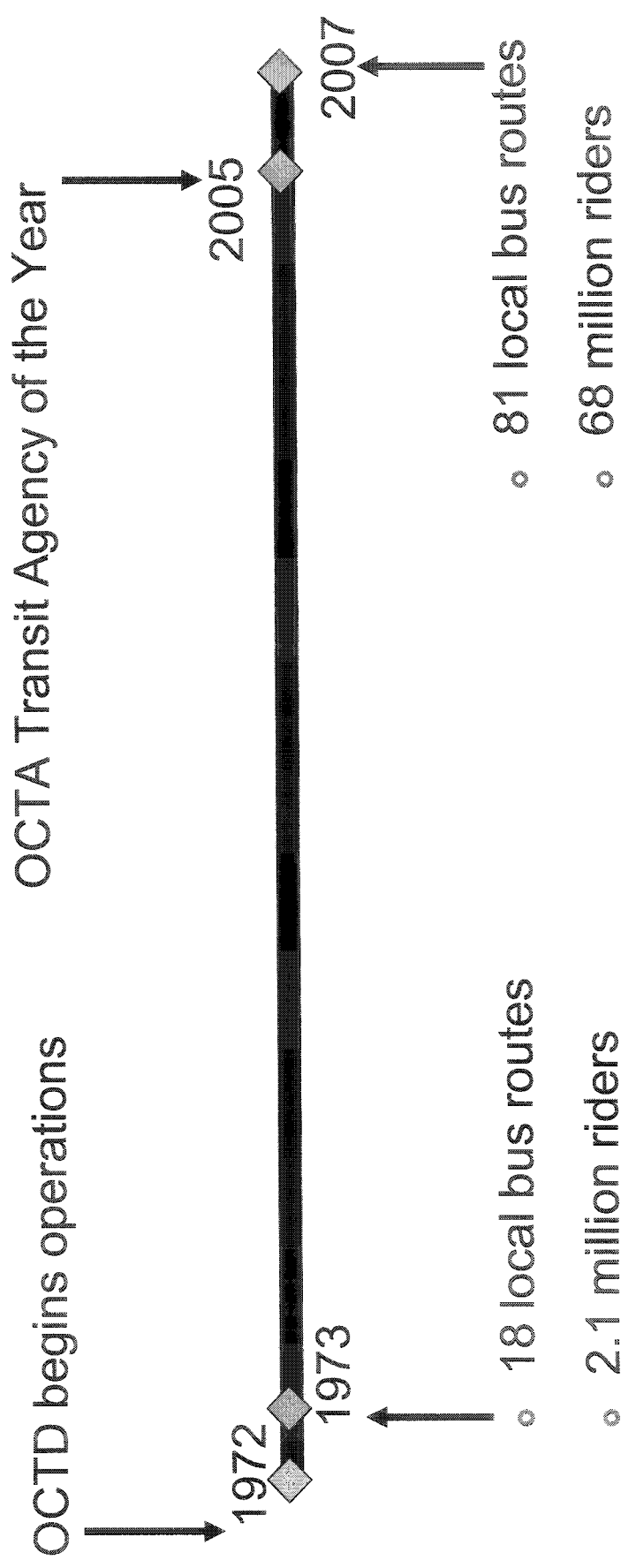


# **Orange County Transportation Authority's "Family of Transit Services"**


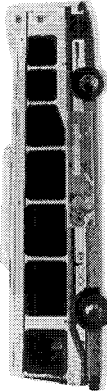

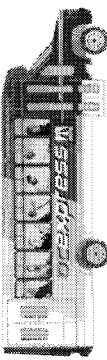



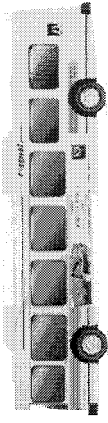

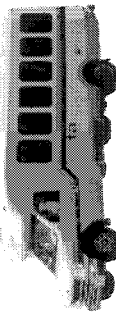




Board of Directors  
June 11, 2007

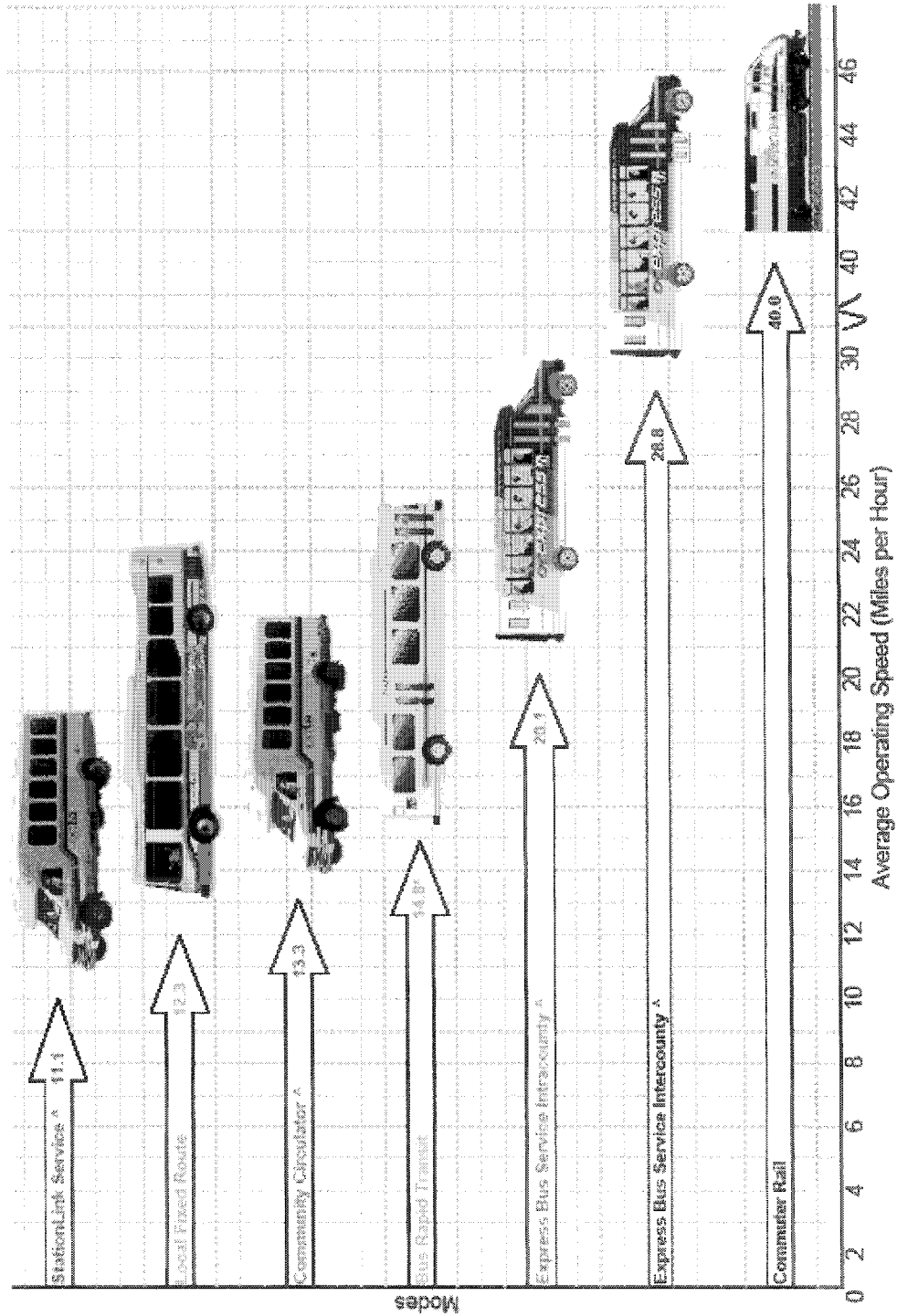
# Background



# Family of Transit Services Branding

	 Countywide local fixed route bus	<ul style="list-style-type: none"> <li>regular "big bus", local routes</li> <li><b>StationLink</b></li> <li>rail connector service, 13 routes</li> </ul>
	 Inter-county bus service -- OC Express	<ul style="list-style-type: none"> <li>travels on freeways between counties</li> <li>fewer stops</li> </ul>
	 Orange County Fair Service -- OC Flyer	<ul style="list-style-type: none"> <li>seasonal service</li> </ul>
	 Bus Rapid Transit -- OC Rapid	<ul style="list-style-type: none"> <li>limited stop fixed route bus on arterials</li> <li>branding package proposed</li> <li>launching service 2008</li> </ul>
	 Paratransit Service -- ACCESS	<ul style="list-style-type: none"> <li>for persons with disabilities who qualify under the Americans with Disabilities Act</li> </ul>
	 Metrolink Commuter Rail Service	<ul style="list-style-type: none"> <li>Orange County Line</li> <li>91 Line</li> <li>Inland Empire-Orange County Line</li> </ul>

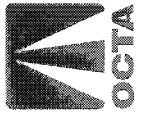
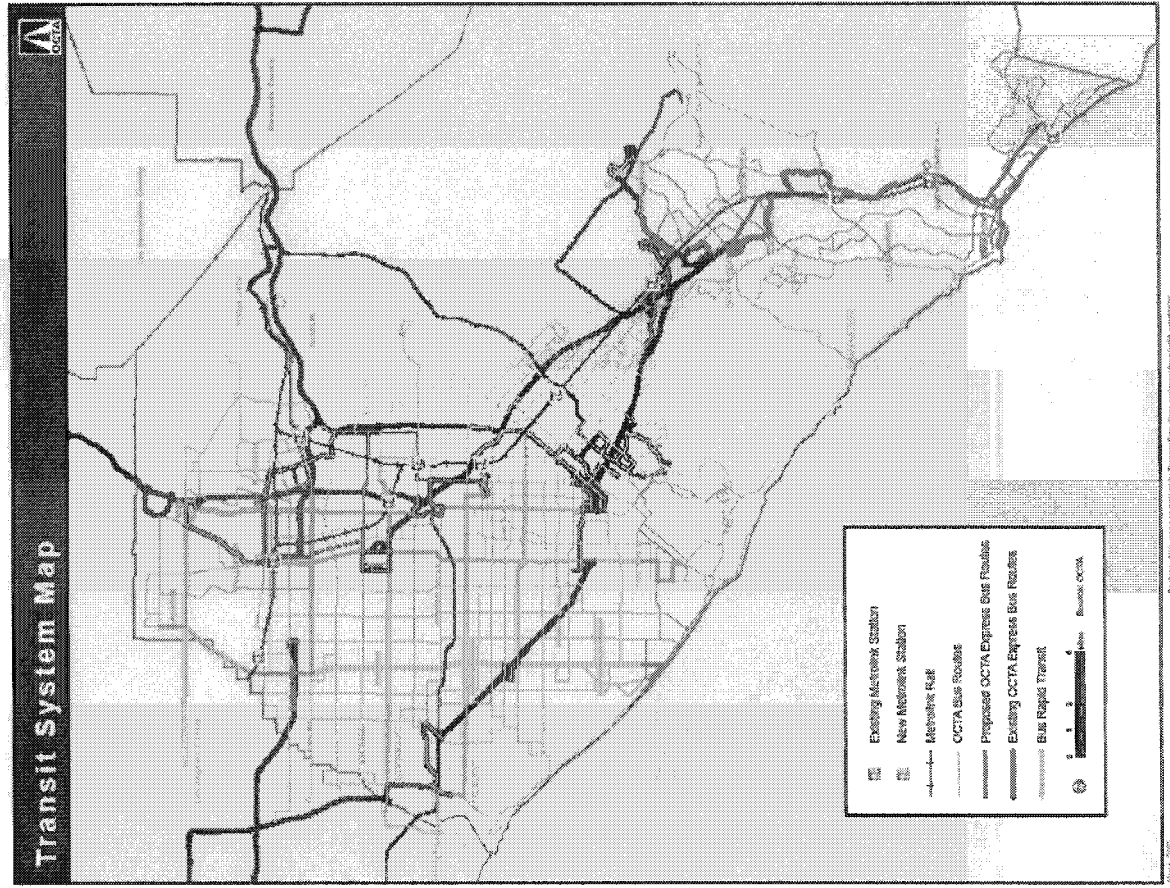
# Transit Speed Factor



\* Note: Average speed for Bus Rapid Transit is assumed to be 20% greater than Local Bus Speed

\* Note: Bus type and size varies depending on ridership

# Transit Coverage







BOARD COMMITTEE TRANSMITTAL

**June 11, 2007**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject:** Bus Rapid Transit Program Implementation Plan

Transit Planning and Operations Committee

May 24, 2007

**Present:** Directors Brown, Dixon, Green, Moorlach, Nguyen, Norby, Pulido, and Winterbottom  
**Absent:** None

**Committee Vote**

This item was passed by all Committee Members present.


**Committee Recommendations**

- A. Approve the Bus Rapid Transit Program Implementation Plan.
- B. Direct staff to perform the necessary actions to execute the program as per the implementation schedule; execute the procurement and implementation strategy; implement the bus rapid transit elements including branding; manage the program within the expenditure plan.
- C. Direct staff to file the Notice of Exemption with the Orange County Clerk.





**May 24, 2007**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy,  Chief Executive Officer  
**Subject:** Bus Rapid Transit Program Implementation Plan

### **Overview**

The Bus Rapid Transit Program, approved in October 2005 as part of a five-year rapid transit program, plays a major role in satisfying commitments made to achieve air quality conformity by 2010 in the South Coast air basin. Staff has refined the previously approved Bus Rapid Transit Implementation Strategy and developed the Bus Rapid Transit Program Implementation Plan. This plan outlines the steps necessary to close out the project approval/environmental documentation phase, enter into final design, begin construction, and subsequently initiate bus rapid transit service.

### **Recommendations**

- A. Approve the Bus Rapid Transit Program Implementation Plan
- B. Direct staff to perform the necessary actions to execute the program as per the implementation schedule; execute the procurement and implementation strategy; implement the bus rapid transit elements including branding; manage the program within the expenditure plan
- C. Direct staff to file the Notice of Exemption with the Orange County Clerk

### **Background**

On October 14, 2005, the Orange County Transportation Authority (Authority) Board of Directors (Board) approved a Bus Rapid Transit (BRT) Implementation Strategy (Attachment A) as part of the five-year program that identified steps necessary to implement this service. The approved BRT program is part of the

transportation control measure package that replaced the CenterLine Light Rail Project. BRT service was identified in the implementation strategy to be operational by late 2010 on the following corridors:

- Harbor Boulevard Corridor - Fullerton to Costa Mesa
- Westminster/17th Corridor - Santa Ana to Long Beach
- 28-Mile Corridor - Brea to Irvine
- The Irvine Business Complex (IBC) Shuttle

The implementation strategy included information ranging from the assumptions used to develop BRT service in Orange County through the start-up and activation of the service. The total funding established for the development of the BRT program is \$133,073,000. The majority of the funding, \$128,573,000, was approved by the Board on November 28, 2005, via the adoption of the 2006 State Transportation Improvement Program (STIP) (Attachment B). The remaining \$4,500,000 are Section 5309 Capital Program funds.

While the implementation strategy provided an initial road map to the opening of this service, significant additional refinement was required, specifically in the areas of BRT element assumptions, cost estimates, schedule, and planned procurements. Staff returned to the Transit Planning & Operations Committee on April 12, 2007, to review the progress in refining the strategy and provided an outline of the BRT Program Implementation Plan. As a result of this meeting, staff was directed to return with the BRT Program Implementation Plan for final Board approval.

### ***Discussion***

Since the Board approval of the BRT program on October 14, 2005, staff has focused on the development of a comprehensive BRT Implementation Plan consistent with the assumptions originally presented to the Board in the BRT Implementation Strategy. The BRT Program Implementation Plan (Attachment C) provides additional information on the proposed features for the BRT program, branding, implementation schedule, and expenditure plan.

Since October 2005, the California Department of Transportation (Caltrans) and the individual cities/agencies along the BRT corridors have been consulted to develop consensus on the BRT program elements and approach.

Staff has determined that the BRT Program is exempt from the California Environmental Quality Act (CEQA) and has prepared a Notice of Exemption (NOE), which will be filed with the Orange County Clerk. Staff has also determined that the BRT Program is subject to categorical exclusions (CE)

under the National Environmental Policy Act (NEPA). The environmental review findings are provided (Attachment D).

BRT is expected to offer faster travel times, schedule reliability, provide a viable option for discretionary riders, enhance the bus system identity and image, and increase system capacity. As a result of the development of the BRT service, accrued benefits include ridership growth, operational cost efficiencies, and the ability to apply innovations from BRT to other Authority services.

The total projected cost for the BRT Program is approximately \$126,600,000. The projected costs include technology, civil construction, rolling stock capital costs, design and construction services, project management consultant support services, and Authority labor. A detailed breakdown of the program expenditure plan is provided within the BRT Program Implementation Plan.

#### Fiscal Impacts

Staff has determined that the Authority can finance the proposed BRT program with STIP and Section 5309 Capital Program funds. The procurements identified in the BRT Program Implementation Plan for design, installation, and construction are all within the approved funding, and will be subject to the Board's annual authorization of the Authority's budget.

#### ***Summary***

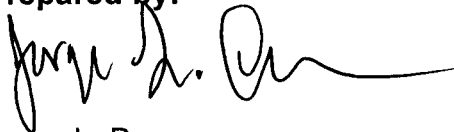
The BRT Program Implementation Plan solidifies the schedule, budget, and branding, as well as defines the path forward to meet previous commitments made for rapid transit towards congestion mitigation and air quality conformity by the end of 2010. Staff will return at later meetings to request approval to release Request for Proposals (RFP), Invitations for Bid (IFB), execute contracts identified in the BRT Implementation Plan, and to provide periodic updates as to the Program's status.

---

***Attachments***


- A. Minutes Excerpt - Bus Rapid Transit Implementation Strategy and Regional Transportation Improvement Program Amendments - Board of Directors' Meeting held on October 14, 2005
- B. Minutes Excerpt – Comprehensive Funding Strategy and Policy Direction, and Adoption of the 2006 State Transportation Improvement Program - Board of Directors' Meeting held on November 28, 2005
- C. OCTA BRT Program Implementation Plan; May 10, 2007 - Revision 0
- D. Environmental Review Findings

**Prepared by:**



Jorge L. Duran  
Project Manager  
(714) 560-5765

**Approved by:**



Beth McCormick  
Acting General Manager, Transit  
(714) 560-5964



## AFFILIATED AGENCIES

Orange County  
Transit DistrictLocal Transportation  
AuthorityService Authority for  
Freeway EmergenciesConsolidated Transportation  
Service AgencyCongestion Management  
AgencyService Authority for  
Abandoned VehiclesMINUTES EXCERPT

The following is an excerpt from the Minutes of the Board of Directors' Meeting held on October 14, 2005.

**1. Bus Rapid Transit Implementation Strategy and Regional Transportation Improvement Program Amendments**

Motion was made by Director Winterbottom, seconded by Vice Chairman Brown, and declared passed by those present, to:

- A. Direct staff to cease all efforts towards The CenterLine Light Rail Project and redirect resources to other rapid transit projects.
- B. Approve the recommended Transportation Control Measure package as a substitute for the CenterLine Transportation Control Measure in the Regional Transportation Plan and Regional Transportation Improvement Program that provides equivalent emission reductions within the same timeframe and same geographic area.
- C. Direct staff to submit a formal request to the Southern California Association of Governments that the substitute Transportation Control Measure projects be amended into the Regional Transportation Plan and Regional Transportation Improvement Program as Transportation Control Measures in place of the Centerline Transportation Control Measure.
- D. Request the Southern California Association of Governments Regional Council approval of the Transportation Control Measure substitute projects and Regional Transportation Plan and Regional Transportation Improvement Program amendments incorporating the Transportation Control Measure substitute projects at their November 2005 meeting.
- E. Approve the Bus Rapid Transit Implementation Strategy, and direct staff to begin its refinement.
- F. Authorize staff to process necessary Regional Transportation Plan, Regional Transportation Improvement Program, and State Transportation Improvement Program amendments as required by the above actions.

The foregoing excerpt was presented to the Board of Directors on October 28, 2007, as part the complete minutes of the October 14, 2007, OCTA Board of Directors' meeting.

A handwritten signature in cursive script, reading "Wendy Knowles", is written over a horizontal line.

Wendy Knowles  
Clerk of the Board

Dated: April 3, 2007



**AFFILIATED AGENCIES**

Orange County  
Transit District

Local Transportation  
Authority

Service Authority for  
Freeway Emergencies

Consolidated Transportation  
Service Agency

Congestion Management  
Agency

Service Authority for  
Abandoned Vehicles

**MINUTES EXCERPT**

The following is an excerpt from the Minutes of the Board of Directors' Meeting held on **November 28, 2005.**

**9. Comprehensive Funding Strategy and Policy Direction, and Adoption of the 2006 State Transportation Improvement Program**


Motion was made by Director Rosen, seconded by Director Winterbottom, and declared passed by those present, to:

- A. Approve overall policy direction for programming of local, state, and federal funds.
- B. Approve a comprehensive local, state, and federal funding plan for \$1.455 billion from fiscal year 2005-06 through fiscal year 2010-2011
- C. Adopt the 2006 State Transportation Improvement Program
- D. Approve a Bristol Street Widening Project Funding Plan:
  1. Commit to seek full funding in the amount of \$225 million for the Bristol Street Widening Project
  2. Program \$125 million in State Gas Tax Subvention funds in the period from fiscal year 2006-07 through fiscal year 2011-12 for the Bristol Street Widening Project.
  3. Direct the Chief Executive Officer to seek an additional \$100 million from other sources, including, but not limited to, federal appropriations, state grants or local funds to complete the Bristol Street Widening Project.
  4. Direct the Chief Executive Officer to negotiate a cooperative agreement with the City of Santa Ana that defines the Orange County Transportation Authority's responsibilities for project funding of \$225 million and that City's responsibilities for project implementation.

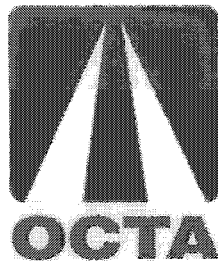
- E. Approve the use of Measure M Transit funds for the Metrolink Service Expansion
- F. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program as well as execute any necessary agreements to facilitate the above actions.

Director Correa was not present for this vote.

The foregoing excerpt was presented to the Board of Directors on December 12, 2005, as part the complete minutes of the November 28, 2005, OCTA Board of Directors' meeting.

  
\_\_\_\_\_  
Wendy Knowles  
Clerk of the Board

Dated: April 3, 2007



# **OCTA BRT Program Implementation Plan**



Prepared By:  
**Carter Burgess**  
PMC Team

May 10, 2007  
Revision 0

## Glossary of Terms

<b>A&amp;E</b>	Architectural and Engineering
<b>BRT</b>	Bus Rapid Transit
<b>BRTeam</b>	Bus Rapid Transit Team
<b>CAMM</b>	Contracts Administration and Materials Management
<b>CTC</b>	California Transportation Commission
<b>IBC</b>	Irvine Business Complex
<b>IFB</b>	Invitation for Bid
<b>ITS</b>	Information Technology Systems
<b>JWA</b>	John Wayne Airport
<b>M2</b>	Renewed Measure M
<b>NTP</b>	Notice to Proceed
<b>OCTA</b>	Orange County Transportation Authority
<b>PA/ED</b>	Project Approval and Environmental Document
<b>PIP</b>	Project Implementation Plan
<b>PMC</b>	Project Management Consultant
<b>PS&amp;E</b>	Plans, Specifications, and Estimates
<b>PW</b>	Public Works
<b>RFP</b>	Request for Proposal
<b>RTPI</b>	Real Time Passenger Information
<b>STIP</b>	State Transportation Improvement Program
<b>TP&amp;O</b>	Transit Planning and Operations
<b>TSP</b>	Transit Signal Priority

## **BUS RAPID TRANSIT PROGRAM IMPLEMENTATION PLAN**

The Orange County Transportation Authority (Authority) Bus Rapid Transit (BRT) Program is comprised of three BRT Corridors totaling approximately 70 miles in length. Also included in this Program is the Irvine Business Complex (IBC) Shuttle, which is a bus circulator and BRT connector in the IBC section of the City of Irvine. When completed, this Program will provide a rapid transit alternative to Orange County commuters and visitors. Table 1 summarizes the alignment characteristics and service patterns for the Program.

**TABLE 1**

<b>CORRIDOR</b>	<b>HARBOR BOULEVARD</b>	<b>WESTMINSTER/ 17<sup>TH</sup></b>	<b>28-MILE</b>	<b>IBC SHUTTLE</b>
<b>Opening</b>	Late 2008	Late 2009	Late 2010	Late 2010
<b>Length</b>	19 miles	22 miles	28 miles	Varied
<b>Alignment</b>	N-S from Fullerton to Costa Mesa	E-W from Santa Ana to Long Beach	N-S from Brea to Irvine	Cities of Tustin and Irvine including IBC
<b>Regional Connections</b>	Fullerton Transportation Center	Long Beach Transit Mall & Santa Ana Depot	ARTIC, Santa Ana Depot, John Wayne Airport, & The Station at Irvine	Tustin Metrolink Station & John Wayne Airport
<b>Fleet Size</b>	23, 40-ft buses	23, 40-ft buses	32, 40-ft buses	12, 30-ft buses
<b>Service Hours</b>	Weekdays 5 am – 8 pm	Weekdays 5 am – 8 pm	Weekdays 5 am – 8 pm	Weekdays 5 am – 7 pm
<b>Frequency</b>	10 min peak, 12 min off-peak	10 min peak, 12 min off-peak	10 min peak, 12 min off-peak	10 min peak, 10 min midday routes

### **IMPLEMENTATION SCHEDULE**

Staff has developed an implementation schedule (Figure 1) consistent with the original implementation strategy, which results in passenger service beginning on the corridors as described above. The schedule outlines a ramp-up implementation approach. Beginning in December 2008, service on the Harbor Corridor will begin Pilot Program operations consisting of branded buses serving the designated BRT stops with static

identification signage. This initial ramp-up provides the Authority with a window to solicit feedback from passengers, conduct surveys, and refine operational service patterns to maximize efficiency. In conjunction, the ramp-up will allow the procured contractors to refine their designs and test these designs in an operating environment, which will reduce integration timeframes and streamline construction efforts.

Beginning in 2009, the construction on the Harbor Corridor for enhanced shelters, required civil site modifications, Transit Signal Priority (TSP), and Real-Time Passenger Information (RTPI) will begin concurrently with the Pilot Program operations. Construction on the Westminster/17<sup>th</sup> Corridor will also commence in 2009 so that both corridors will provide revenue service with all the defined BRT elements in December of 2009. Finally, in December 2010, revenue operations will begin on the 28-Mile Corridor with all the defined BRT elements as well as the IBC Shuttle. This ramp-up approach provides the greatest flexibility for implementation while ensuring project schedule adherence.

The design of the implementation schedule is accommodating to the STIP funding process. There are three distinct project phases, which include Project Approval and Environmental Document (PA/ED), design, and construction. Each phase is mutually exclusive and must be completed prior to entry into the following phase. The OCTA BRT Program is currently in the PA/ED phase, and upon Board approval of the Implementation Plan, the project will progress towards entry into the design phase.

## **PROCUREMENT AND IMPLEMENTATION STRATEGY**

Design, construction, and installation of the OCTA BRT elements will be accomplished in accordance with the Authority's procurement policies and procedures via the following procurement packages:

- Technology System – Architectural and Engineering (A&E) services will be procured to design the technology systems (i.e. TSP and RTPI) on all three BRT corridors, as well as any technology elements for the IBC Shuttle. Upon completion of the final design, the consultant will then furnish and install the technology systems, as well as any defined technology elements for the IBC Shuttle.
- Public Works Design – A&E services will be procured to design and develop the bid and specification documents for the enhanced shelters, civil site modifications, and related public works requirements to support the technology implementation on all three corridors and the IBC Shuttle. Upon completion of

the final design, the consultant will provide design/construction support activities as required by OCTA during the construction phase.

- Public Works Construction – Construction services will be procured to install the enhanced shelters, construct civil site modifications, and to perform all other required public works tasks in support of the construction of the final design on all three corridors and the IBC Shuttle.
- Signage Procurement – A firm will be selected to furnish and install static BRT identification signage and perform related work at all BRT stops on the Harbor Corridor for the Pilot Program operations.
- Rolling Stock for Three BRT Corridors – OCTA has a contract with New Flyer to purchase 299 buses, (40-foot low-floor CNG buses) for local fixed route service. On August 28, 2006, the Board authorized staff to proceed with the option to use the same bus for the BRT Program. Pending Board approval to execute an option to the current New Flyer contract, an additional 78 buses (40-foot low-floor CNG buses) will be procured to support the Harbor, Westminster/17<sup>th</sup>, and 28-Mile corridors.
- Rolling Stock for IBC Shuttle – 12 buses (30-foot alternative fuels buses) will be procured either via a new contract or by reaching an agreement with another agency to add-on to their current procurement.

The procurement packages, including evaluation criteria, will be brought back to the Board for review and approval prior to release. Staff will also return to the Board for approval to execute the procurements with the selected team(s).

## **BRT ELEMENTS**

### **Real-Time Passenger Information (RTPI) System**

- Stand alone or integrated system
- Global Positioning System-based vehicle location in real-time
- Displays at each station provide:
  - Countdown bus arrival information with variable message capability
  - Next BRT buses (real-time)
  - Next several local buses (schedule based)
- Enhanced dispatch/oversight tools
- Ability for remote monitoring
- Arrival information and trip planning (exact technologies are to be determined through the design, i.e. internet, cell phone, Personal Data Assistant, and/or telephonic public information services)

- Extended warranty (5-7 years)
- Service proven and expandable solution

### **Transit Signal Priority (TSP) System**

- Conditional priority with no driver control/intervention
  - Priority based on defined parameters
  - Logic based and control via on-board bus computer and traffic signal controllers
- Provide extended green or early green up to 10 percent of the total traffic signal cycle time
- Check-in/check-out feature to maximize intersection efficiency
- Requires equipment additions to the buses as well as equipment modifications/additions to the local traffic control devices at intersections
- Service proven and expandable solution

### **Enhanced BRT Shelters**

- Consistent style across all corridors
- Ability to fit within right-of-way constraints
- Meet Americans with Disabilities Act (ADA) requirements
- Enhanced visual appeal through:
  - Branding
  - Compatibility with urban environment
- Modular design (scalable and flexible components)
- Co-locate with local stops
- Preferred far-side placement
- Civil stop modifications (i.e. curb, gutter, paint)
- Extension of the bus zone to accommodate two buses (recommend accommodating potential of future increased bus lengths)

### **Rolling Stock**

- 78 BRT Buses
  - 23 buses for Harbor Corridor
  - 23 buses for Westminster/17<sup>th</sup> Corridor
  - 32 buses for 28-Mile Corridor
- 12 IBC Shuttle Buses
- Bus/shuttle deliveries to be coordinated with the BRT Implementation Schedule

## **Branding**

Since spring 2006, OCTA has reached out to potential and current bus riders to gauge perceptions and attitudes of BRT and determine the most appealing design, bus name, and slogan for the new bus fleet and shelters. The distinct look and feel should communicate that BRT is a new service that is faster and has fewer stops.

Design concepts and service branding names were first presented to the Legislative and Government Affairs/Public Communications Committee and the Transit Planning and Operations Committee for guidance. OCTA staff then presented refined design concepts, names, and messaging through a roundtable discussion before the Citizen's Advisory Committee, comment cards distributed to visitors at the Orange County Fair, as well as surveys placed on the OCTA web site.

After factoring in all input, eight design concepts and five service branding names were vetted through four focus groups, which were conducted on September 13 and 14, 2006. Seven positioning statements were also vetted with the 35 focus group participants.

According to the focus group firm's analysis, the top name was OC Rapid, and the preferred slogan was "More go. Less stop." The rationale provided for selecting the slogan was because the statement was concise, easy to remember, and clearly defined BRT service characteristics. The orange and silver color combination, with orange in the front and a silver background, was the favored design because of its sleek and modern appearance.

Based on all feedback, staff recommends naming the service OC Rapid with the "More go. Less stop." slogan and using a modern silver and orange color design (Figure 2).

## **EXPENDITURE PLAN**

The total projected cost for the BRT Program is approximately \$126,600,000 and will be subject to the Board's annual authorization of the Authority's budget. The projected costs include technology, civil construction, and rolling stock capital costs, design and construction services, project management consultant support services, and Authority labor. A detailed breakdown of the projected Program costs is provided (Figure 3).

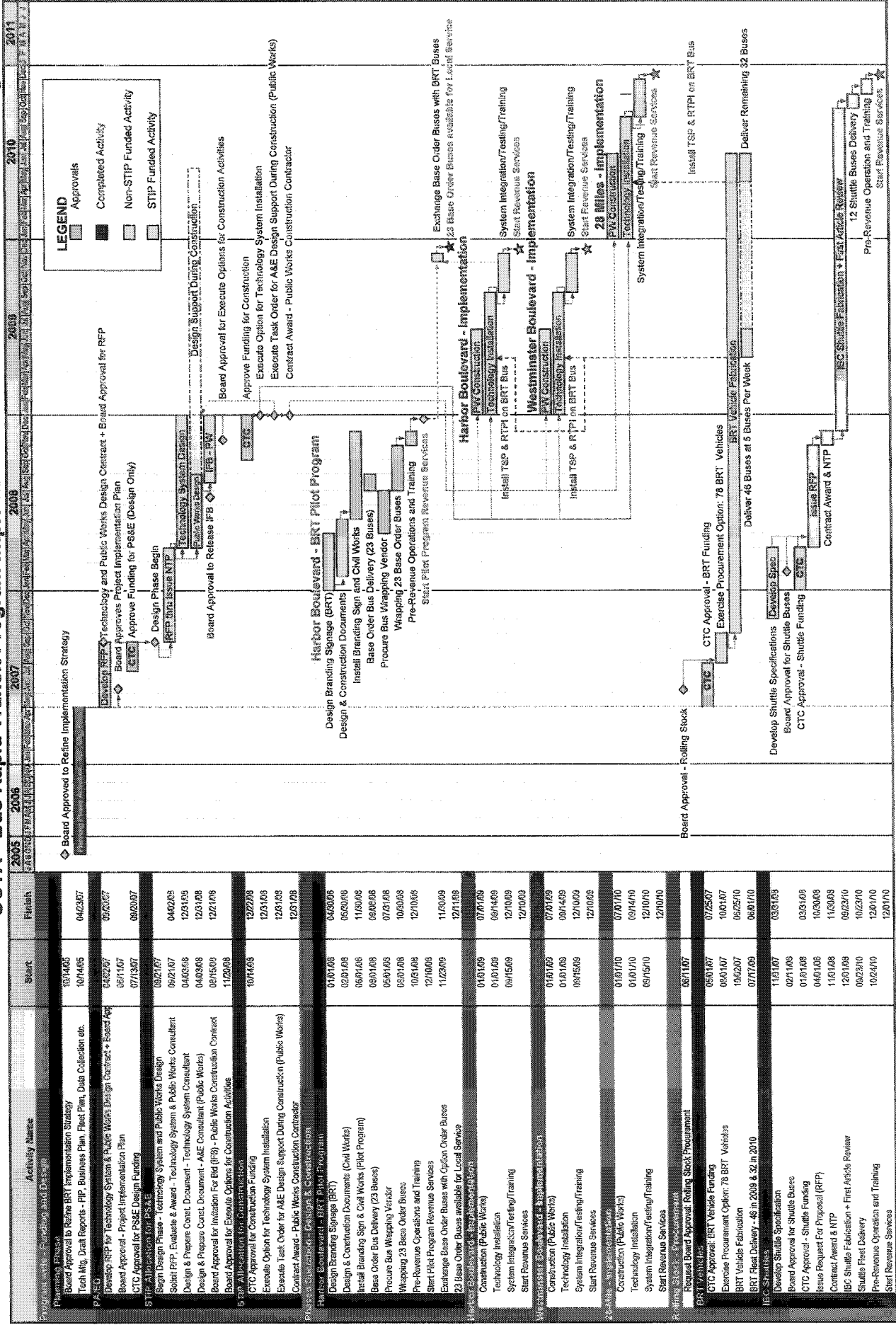
The total funding established for the development of the BRT Program is \$133,073,000. The majority of the funding, \$128,573,000, was approved by the Board on

November 28, 2005, via the adoption of the 2006 State Transportation Improvement Program (STIP). The remaining \$4,500,000 are Federal Section 5309 funds. It should be noted that the STIP is a use-it or lose-it funding source. As such, the Authority will be estimating allocation requests on the conservative side to minimize the probability of not utilizing funds. The 5309 funds will act as contingency reserves and/or will cover any activities that are not eligible for reimbursement under the STIP. Table 2 summarizes the purpose for each of the established funding sources.

**TABLE 2**

<b>Source</b>	<b>Amount</b>	<b>Purpose</b>
STIP	\$3,573,000	Project Approval and Environmental Documentation (PA/ED) phase
STIP	\$125,000,000	Design, construction, and rolling stock
Federal Section 5309	\$4,500,000	Contingency and covers any activities not eligible for reimbursement under STIP <ul style="list-style-type: none"> <li>• \$3,700,000 for PA/ED, design, and construction</li> <li>• \$800,000 for rolling stock</li> </ul>
<b>Total</b>	<b>\$133,073,000</b>	

### OCTA - Bus Rapid Transit Program Implementation Schedule



# Staff Recommended Branding Option

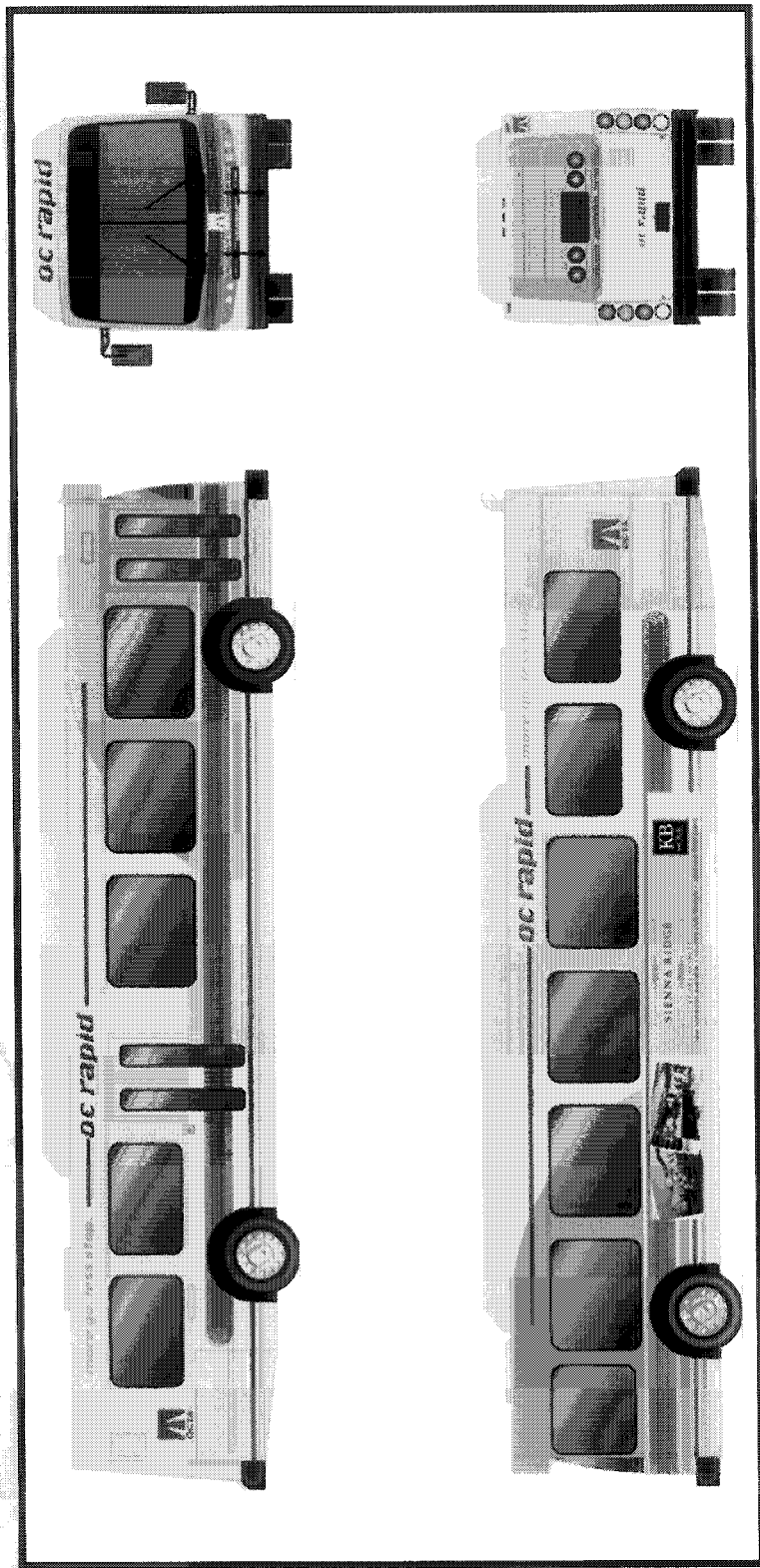


Figure 2

# OCTA - Bus Rapid Transit Program - Expenditure Plan Rough Order of Magnitude (ROM) Costs

		\$ In Millions	
		Breakdown	Total
<b>A. Technology / Civil</b>			
<b>1 Real Time Passenger Information (RTPI)</b>			<b>15.1</b>
a. Install RTPI Equipment: 140 stations @avg \$65K to \$75K per station		10.5	
b. Install RTPI Equipment: 78 BRT buses @avg \$25K to \$28.8K per bus		2.2	
c. Install RTPI Equipment: Transit Management Center		2.4	
<b>2 Transit Signal Priority (TSP)</b>			<b>22.1</b>
a. Install TSP Equipment at Intersections - Harbor Blvd. Corridor		7.5	
b. Install TSP Equipment at Intersections - Westminster/17th Corridor		6.9	
c. Install TSP Equipment at Intersections - 28-Mile Corridor		6.5	
d. Install TSP Equipment: 78 BRT buses @avg \$12K to \$13K per bus		1.0	
e. Install TSP Equipment: Transit Management Center		0.2	
<b>3 Enhanced Shelters / Civil Work</b>			<b>16.0</b>
a. Enhanced Shelters: 140 shelters @avg \$13K to \$15K per shelter		2.1	
b. Civil Work at Station: 140 stations @avg \$87K to \$105K per station		13.9	
<b>B. Rolling Stock</b>			
<b>1 78 BRT Buses</b>			<b>40.0</b>
a. 78 BRT Buses @avg \$492K to \$513K per bus		40.0	
<b>2 12 Irvine Business Complex (IBC) Shuttle</b>			<b>5.5</b>
a. 12 IBC Shuttle Buses @avg \$417K to \$458K per bus		5.5	
<b>C. Professional Services</b>			<b>27.9</b>
1 Design, Program Mgt., Construction Mgt, & OCTA Oversight		27.9	
<b>Total Rough Order of Magnitude (ROM):</b>			<b>126.6</b>

Figure 3

## **ENVIRONMENTAL REVIEW FINDINGS**

### **State Environmental Regulations**

Staff has determined the BRT Program to be exempt from the California Environmental Quality Act (CEQA) regulations and have prepared a Notice of Exemption to be filed with the Orange County Clerk pending OCTA Board Authorization of the BRT Implementation Plan.

Pursuant to Authority's environmental implementation procedures for CEQA, the following exemption statutes are designated in the Notice of Exemption:

- **Categorical Exemption (CE), CEQA Regs. 15202 (e):** New Construction or Conversion of Small Structures; Construction and locating of limited numbers of new small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structures. The numbers of structures described in this section are the maximum allowable on any legal parcel. Bus shelters or BRT stations fall within this class of exemption.
- **Statutory Exemption (SE):** The BRT Program is a bus service change and is exempt under Public Resource Code Sections 21080 (b) (10) and (11) because the additional bus services will increase passenger and commuter services on existing highway rights of ways currently in use.

### **Federal Environmental Regulations**

Staff has determined the BRT Program to be exempt from the National Environmental Policy Act (NEPA) having referenced the following exemption statutes in the Federal Transit Administration 5309 Grant Application:

- **23 CFR 771.117(c)(8):** Signs and Bus Shelters – Installation of fencing, pavement markings, signs, small passenger shelters, traffic signals, and railroad warning devices where no substantial land acquisition or traffic disruption will occur.
- **23 CFR 771.117(c)(17):** Purchase of Vehicles – The purchase of vehicles by the applicant where use of these vehicles can be accommodated by existing or by new facilities which themselves are within a Categorical Exclusion.

The CEQA and NEPA exemptions were based on the conclusions of the environmental checklist, which evaluated the potential environmental impacts of the various elements of the BRT Program. The environmental checklist confirms that none of the exceptions set forth in CEQA (Pub. Resources Code §21084) and the CEQA Guidelines (14 Cal. Code Regs §15300.2) to the use of a CEQA exemption apply. The environmental checklist form addresses the following environmental issues:

- Aesthetics
- Air Quality
- Cultural Resources
- Hazardous Materials
- Land Use and Planning
- Noise
- Public Services
- Transportation and Traffic
- Mandatory Findings of Significance
- Agricultural Resources
- Biological Resources
- Geology and Soils
- Hydrology & Water Quality
- Mineral Resources
- Population and Housing
- Recreation
- Utilities and Service Systems

Based on the analysis provided in the environmental checklist, staff determined that the BRT Program will not result in any potentially significant environmental impacts; thereby confirming that none of the exceptions to the use of a CEQA exemption apply.

In conjunction with the checklist, staff prepared a BRT Traffic Impact Analysis in accordance with the requirements of the California Department of Transportation (Caltrans), District 12. The study analyzed the forecasted traffic impacts associated with the proposed BRT Program involving buses in frequent peak hour service, buses having their own distinct identity, buses offering Transit Signal Priority (TSP), and buses serving enhanced bus shelters that display real-time bus arrival information.

TSP is an operational strategy that facilitates the movement of buses through traffic-signal controlled intersections. Based on a set of parameters, TSP gives buses additional green-light time by extending green cycle or providing an early green light at traffic signals to reduce the time they are slowed down by traffic signals. It is used to enhance regional mobility by improving bus travel times and reliability.

The traffic analysis evaluated each of the proposed BRT corridors with respect to two features of the project that could potentially impact traffic operations:

- Additional trips associated with BRT buses; and
- Transit Signal Priority (TSP)

# NOTICE OF EXEMPTION

Exempt per Govt. Code Section 6103

[X] Office of Planning and Research  
1400 10th Street, Room 121  
Sacramento, CA 95814

[ ] County of Riverside  
2720 Gateway Drive  
Riverside, CA 92507

[X] County of Orange  
P.O. Box 238  
Santa Ana, CA 92702

[X] County of Los Angeles  
12400 E. Imperial Hwy. Room 2001  
Los Angeles, CA 90650

FROM: Orange County Transportation Authority  
550 South Main Street  
Orange, CA 92863-1584

DATE: March 26, 2007

**PROJECT TITLE:** OCTA Bus Rapid Transit Program

**PROJECT LOCATION:** Orange and Los Angeles Counties, California

**DESCRIPTION OF NATURE, PURPOSE AND BENEFICIARIES OF PROJECT:** On October 14, 2005, the OCTA Board of Directors approved for study three bus rapid transit (BRT) corridors totaling 69 miles in length: Harbor Boulevard BRT (Fullerton to Costa Mesa), Westminster/17<sup>th</sup> BRT (Santa Ana to Long Beach), and 28-Mile BRT (Brea to Irvine). Also included in the BRT program is the Irvine Business Complex (IBC) Shuttle in the IBC area of the City of Irvine. The three BRT corridors and IBC Shuttle are part of a countywide BRT network and are scheduled to open for revenue service in 2008, 2009, and 2010.

The OCTA Board of Directors terminated the CenterLine Light Rail Transit project on October 2005. Subsequently, staff undertook a transportation control measure (TCM) substitution. This substitution included the 28-Mile BRT and IBC Shuttle, which are included in the approved July 2006 Regional Transportation Improvement Program (RTIP). The Harbor Boulevard BRT and Westminster/17<sup>th</sup> BRT are also included as TCMs in the approved July 2006 RTIP.

The BRT program improves bus service to attract more bus riders. The beneficiaries of the project are the general public, and more specifically, users of transit services within Orange County.

**NAME OF PUBLIC AGENCY APPROVING PROJECT:** Orange County Transportation Authority

**NAME OF AGENCY CARRYING OUT PROJECT:** Orange County Transportation Authority

**EXEMPT STATUS:**

- [ ] MINISTERIAL (Section 15073)
- [ ] DECLARED EMERGENCY: Section 15071 (a)
- [ ] EMERGENCY PROJECT: Section 15071 (b) and (c)
- [X] CATEGORICAL EXEMPTION: Section 15303 (e)
- [X] STATUTORY EXEMPTION: Public Resource Code 21080(b)(10) and (11)
- [ ] CEQA GENERAL RULE EXEMPTION: CEQA Regs. 15061(b)(3)

**REASON WHY PROJECT IS EXEMPT:** Bus service changes are exempt under Public Resource Code sections 21080(b)(10) and (11) because they institute or increase passenger or commuter services on highway rights of way or high-occupancy vehicle lanes already in use.

Bus stops/stations as part of the BRT system would be Categorically Exempt from CEQA pursuant to the Class 3 exemption, New Construction or Conversion of Small Structures. This exemption applies to construction and location of limited numbers of new, small facilities or structures. Section 15303(e) applies to accessory (appurtenant) structures, such as bus stops/stations for the BRT system.

**CONTACT PERSON:** Jorge L. Duran  
Section Manager III      **TELEPHONE:** (714) 560-5765

**SUBMITTED BY:**

\_\_\_\_\_  
Arthur T. Leahy  
Chief Executive Officer  
Orange County Transportation Authority

\_\_\_\_\_  
Date



# **Initial Study**

## ***Bus Rapid Transit Program and Irvine Business Complex Shuttle***

Prepared for:

**Orange County Transportation Authority  
550 South Main Street  
Orange, CA 92863**

Prepared by:

**Jones & Stokes  
17310 Red Hill Avenue, Suite 320  
Irvine, CA 92614**

December 2006



# Initial Study

## ***Bus Rapid Transit Program and Irvine Business Complex Shuttle***

### **Preface**

This Initial Study was prepared despite the fact that it is not required for a Statutory Exemption or Categorical Exemption under the California Environmental Quality Act (CEQA). The purpose of this Initial Study is for the Orange County Transportation Authority (OCTA) to determine if any impacts would occur and to take measures to avoid any impacts. No impacts were identified.

- 1. Project Title:** Bus Rapid Transit Program and Irvine Business Complex Shuttle Project
- 2. Lead Agency Name and Address:** Orange County Transportation Authority (OCTA)  
550 South Main Street  
Orange, CA 92863
- 3. Contact Person and Phone Number:** Jorge Duran, Section Manager III  
(714) 560-5765
- 4. Project Location:** Orange and Los Angeles Counties, California
- 5. Project Sponsor's Name and Address:** Same as Lead Agency
- 6. General Plan Designation:** Roadways (usually not designated)
- 7. Zoning:** Roadways (usually not designated)

**8. Description of Project:**

**Introduction**

On October 14, 2005, the Orange County Transportation Authority (OCTA) Board of Directors directed staff to study three bus rapid transit (BRT) corridors totaling 69 miles in length. The three BRT corridors will provide a transit alternative to commuters in Orange and Los Angeles Counties and are scheduled to open for revenue service in 2008, 2009, and 2010. Also included in the BRT program is the Irvine Business Complex (IBC) Shuttle, which is a bus circulator in the IBC area of the City of Irvine. This shuttle is scheduled to open for revenue service by the end of 2010.

The three BRT corridors and IBC Shuttle are part of a countywide BRT network. The CenterLine Light Rail Transit (CenterLine) project was terminated by the OCTA Board of Directors in October 2005. Subsequently, OCTA undertook a transportation control measure (TCM) substitution

approved by the regional transportation conformity working group, the Southern California Association of Governments (SCAG), and the Federal Highway Administration (FHWA). The three BRT corridors and IBC Shuttle are included in the 2006 Regional Transportation Improvement Program (RTIP) as TCM projects (federal approval date of October 2, 2006).

### **BRT Elements**

The proposed project includes the following elements:

- ***Non-Dedicated (Mixed Flow) on Arterials:*** In this configuration, the BRT vehicles would share the traffic lanes with general traffic on the BRT-designated arterials.
- ***Frequent Service and Real-Time Passenger Information:*** The BRT service would operate every 10 minutes during the morning and evening commute periods. This service would allow peak hours commuters an alternative mode of getting around Orange and Los Angeles Counties. The system will also include variable message signs at each stop/station indicating when the next bus arrives and other public information.
- ***Transit Signal Priority:*** The BRT service would have transit signal priority (TSP) in which the vehicles would have equipment to communicate with the traffic signals. The TSP would grant preference to BRT buses along the BRT routes to maximize the throughput of passengers.
- ***Distinct Bus Identity:*** The vehicles to be used for the BRT corridors would be low-floor, 40-foot, compressed natural gas (CNG) buses. The BRT vehicles would have a distinct bus identity that would distinguish this service from the general OCTA fixed-route bus service. The buses would be painted in a distinct paint scheme for exclusive BRT recognition on designated arterials.
- ***Enhanced Bus Shelters/Stops:*** The BRT would include shelters/stops along the routes within existing right-of-way. The stops/stations would be branded as BRT stops.
- ***System Branding:*** The BRT service would be branded as a unique service to reflect its benefit to commuters in Orange and Los Angeles Counties.

### **Proposed Routes**

There are three BRT routes and one IBC shuttle to be implemented by the end of 2010 (see Figures 1 and 5 in the Exhibits section of this report). The routes are listed below, including their respective terminus points.

***Harbor Boulevard Non-Dedicated (Mixed Flow) BRT – City of Fullerton or La Habra to City of Costa Mesa:*** BRT service on Harbor Boulevard would operate north-south between Fullerton and Costa Mesa over a 19-mile route that would link Anaheim, Garden Grove, Santa Ana, and Fountain Valley (see Figure 2). Harbor Boulevard BRT service would provide regional connections to Metrolink, Amtrak, and other OCTA bus services at the Fullerton Transportation Center. The Harbor Boulevard BRT characteristics/project elements would be similar to those described above.

This BRT corridor would have 23 low-floor, 40-foot, CNG buses. Harbor Boulevard BRT service would operate weekdays from approximately 5:00 AM to 8:00 PM. Service is planned to operate every 10 minutes during the morning and evening commute periods, and every 12 minutes at other times.

regional BRT service operated by OCTA by providing direct connections to multi-modal transit services in Los Angeles County at the Long Beach Transit Mall. In addition to extensive bus services operated by several carriers at the Transit Mall, the Westminster/17th BRT would provide high-speed direct connections to the Blue Line light rail transit corridor. The eastern terminal at the Santa Ana Regional Transportation Center (SARTC) would also provide direct connections to Amtrak and Metrolink commuter rail services, and other local bus routes operated by OCTA. The Westminster/17th BRT project elements would be similar to those described above.

This BRT corridor would have 23 low-floor, 40-foot, CNG buses. The Westminster/17th BRT would operate weekdays from approximately 5:00 AM to 8:00 PM. Trips would be operated every 10 minutes during the morning and evening commute periods, and every 20 minutes at other times of the day.

***28-Mile Non-Dedicated (Mixed Flow) BRT - City of Brea to City of Irvine:*** The 28-Mile BRT corridor would link the Cities of Fullerton, Anaheim, Orange, Santa Ana, and Costa Mesa with Brea to the north and Irvine to the south (see Figure 4). Five major transportation centers would be served including the Fullerton Transportation Center, the future Anaheim Regional Transportation Center (ARTIC), the SARTC, John Wayne Airport, and the Irvine Transportation Center (ITC).

This BRT corridor would have 33 low-floor, 40-foot, CNG buses. As with the two preceding services, the operating plan for this BRT corridor calls for 10-minute frequencies weekdays during the morning and evening commute periods, and 12-minute frequencies at other times. The service is planned to cover a 15-hour span between the hours of 5:00 AM and 8:00 PM.

***Irvine Business Complex Shuttle:*** IBC shuttle is a bus circulator system that would provide service to the IBC area within Irvine (see Figure 5). Connections to Metrolink and John Wayne Airport are included. The shuttle service would be provided during the morning and evening commute periods on specified routes. During the midday period, the shuttle would provide service within the IBC on a midday route.

The shuttle service would have 12 30-foot buses. The operating plan for this shuttle calls for 10-minute frequencies weekdays during the morning and evening commute periods, and 10-minute frequencies for the midday routes. The service is planned to cover a 14-hour span between the hours of 5:00 AM and 7:00 PM.

- 9. Surrounding Land Uses and Setting:** Various land uses and settings including Commercial, Industrial, Institutional, Office, Open Space, Recreational, Residential, and Transportation.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>I. AESTHETICS.</b>	Would the project:				
a.	Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings along a scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Create a new source of substantial light or glare that would adversely affect daytime or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project would increase bus services along existing bus routes that have existing infrastructure and services. The project includes installation of bus shelters/stops similar to existing OCTA bus shelters/stops and would not impact views. The additional buses proposed by the project would move through various viewsheds as they travel along their routes and may block views for pedestrians or other drivers briefly, but they would not permanently affect any areas along the routes. No impacts to scenic vistas would occur.
- b. **No Impact.** The proposed project does not have the potential to damage any scenic resources. The project would not require the removal or alteration of any trees, rock outcroppings, historic buildings, or any other resources along the bus routes. No damage to any of these resources would occur; therefore, no impacts would occur.
- c. **No Impact.** The proposed project would increase bus services along existing transportation routes. This is consistent with the existing aesthetic setting, which includes various frequently traveled roadways in Orange and Los Angeles Counties. The project would not have any elements that impact the visual character or quality of the bus routes or the surrounding area. No impacts would occur.
- d. **No Impact.** The additional buses proposed as part of the project would be equipped with standard exterior and interior lighting. The project would remove some cars and add buses; therefore, it would not contribute to additional light and glare on the roadways. No impacts would occur.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>II. AGRICULTURAL RESOURCES.</b> In determining whether impacts on agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation. Would the project:				
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Conflict with existing zoning for agricultural use or conflict with a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Involve other changes in the existing environment that, due to their location or nature, could result in conversion of Farmland to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a. **No Impact.** The proposed project would provide additional bus services along existing roadways. The proposed project is consistent with the existing uses in the project area. No conversion of Farmland to non-agricultural uses would be required to implement the proposed project. No impacts would occur.

b. **No Impact.** The proposed project would provide additional bus services along existing roadways. Due to the nature of their use, roadways are not zoned for agricultural use and are not eligible for Williamson Act contracts; therefore, the project would not be in conflict with existing zoning for agricultural uses and would not be in conflict with any Williamson Act contract. No impacts would occur.

c. **No Impact.** The proposed project would not disrupt or damage the operation or productivity of any areas designated as farmland. The project is consistent with the existing roadway uses in the project area and would not require the construction of any structures. No land use changes would be required to implement the project and no land use changes would occur in other areas as a result of the project; therefore, no farmland could be affected by the project. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>III. AIR QUALITY.</b> When available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:					
a.	Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is a nonattainment area for an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e.	Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a-e. **No Impact.** The project fits into one of the categories of projects (Purchase of new buses and rail cars to replace existing vehicles or for minor expansions of the fleet) listed in Table 2 of 40 CFR 93.126 that are exempt from the requirement to determine conformity. Nevertheless, the proposed project is included in the July 2006 Southern California Association of Governments (SCAG) Regional Transportation Improvement Program (RTIP) as a transportation control measure (TCM) substitution project, which demonstrates that the project's operational emissions (which include the ozone precursors reactive organic gases [ROG] and oxides of nitrogen [NOX]) meet the transportation conformity requirements imposed by the U.S. Environmental Protection Agency (EPA) and the South Coast Air Quality Management District (SCAQMD). TCMs are strategies to reduce emissions from on-road mobile sources.

As noted above, the BRT corridors have been included in the July 2006 SCAG RTIP (federal approval date of October 2, 2006) as TCMs. The 28-Mile BRT/IBC Shuttle is included in the RTIP as project number ORA110501, the Harbor Boulevard BRT is included as ORA120531, and the Westminster/17<sup>th</sup> BRT is included as ORA120532 (SCAG 2006).

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>IV. BIOLOGICAL RESOURCES. Would the project:</b>					
a.	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marshes, vernal pools, coastal wetlands, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f.	Conflict with the provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**a. No Impact.** The project would be implemented on existing roadways located in a fully urbanized setting. The affected roadways are void of any natural vegetation or wildlife habitat and do not have the potential to accommodate any candidate, sensitive, or special-status species. No impacts would occur.

**b. No Impact.** The proposed project routes are located on existing roadways that are void of any riparian habitat or other sensitive natural communities; therefore, the proposed project does not have the potential to impact such biological resources. No impacts would occur.

c. **No Impact.** The proposed project would not result in impacts to wetland areas. The project area consists of various existing paved roadways that do not contain any wetland areas. Furthermore, there are no soils exposed in the project area that would allow wetland conditions to develop. No impacts would occur.

d. **No Impact.** The project area consists of existing roadways in Orange and Los Angeles Counties. The vegetation on these roadways is limited to landscaping that was planted for aesthetic purposes along medians and sidewalks. Additionally, the roadways are not established wildlife corridors or wildlife nursery sites. No impacts would occur.

e. **No Impact.** The project would not conflict with any local policies or ordinances protecting biological resources. The project area does not contain any biological resources that are protected by local policies. No impacts would occur.

f. **No Impact.** The project area includes existing roadways. These roadways do not contain any sensitive biological resources. The project would not conflict with provisions of an adopted conservation plan or other local, regional, or state conservation plan. No impacts would occur.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>V. CULTURAL RESOURCES.</b> Would the project:				
a. Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a. **No Impact.** The proposed project would be implemented within numerous existing paved roadways in Orange and Los Angeles Counties, and would include bus shelters/stops similar to existing OCTA shelters/stops within existing right-of-way. Given the existing use of these roadways for pedestrian and vehicular traffic, no historic resources would be affected. Therefore, no historic resources would be impacted by the project.

b. **No Impact.** The proposed project would be implemented within numerous existing paved roadways in Orange and Los Angeles Counties, and would include bus shelters/stops similar to existing OCTA shelters/stops within existing right-of-way. Given the existing use of these roadways for pedestrian and vehicular traffic, no archaeological resources are expected to be affected. Additionally, the project would not require excavation; therefore, no buried archaeological resources would be impacted by the project. No impacts would occur.

c. **No Impact.** The proposed project would be implemented within numerous existing paved roadways in Orange and Los Angeles Counties, and would include bus shelters/stops similar to existing OCTA shelters/stops within existing right-of-way. Given the existing use of these roadways for pedestrian and vehicular traffic, no unique paleontological resources or sites or unique geological features are expected to be affected. Additionally, the project would not require excavation; therefore, no buried paleontological resources or sites or unique geological features would be impacted by the project. No impacts would occur.

d. **No Impact.** The proposed project does not have the potential to impact any human remains. The project would increase public bus services along various existing paved roadways in Orange and Los Angeles Counties. The proposed project would not require excavation, and therefore, would not impact any human remains. No impacts would occur.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>VI. GEOLOGY AND SOILS.</b> Would the project:				
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
1. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Strong seismic groundshaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project and potentially result in an onsite or offsite landslide, lateral spreading, subsidence, liquefaction, or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems in areas where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a.1 through a.4. **No Impact.** The proposed project would provide additional public bus services to existing bus routes on existing roadways. The project would not result in increased exposure of people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, strong seismic groundshaking, seismic-related ground failure, including liquefaction, or landslides. No impacts would occur.

b. **No Impact.** The proposed project would utilize various existing roadways and associated infrastructure in Orange and Los Angeles Counties. Installation of bus shelters/stops would be required

within existing right-of-way, but would not result in soil erosion or loss of topsoil. No impacts would occur.

c. **No Impact.** The proposed project would utilize various existing roadways and associated infrastructure in Orange and Los Angeles Counties. Installation of bus shelters/stops would be required within existing right-of-way, but would not result in an onsite or offsite landslide, lateral spreading, subsidence, liquefaction, or collapse. No impacts would occur.

d. **No Impact.** The proposed project would utilize existing roadways and associated infrastructure. The proposed project would not result in the permanent relocation of persons to the project area or result in substantial risks to life or property. No impacts would occur.

e. **No Impact.** The proposed project would increase public bus services on various existing roadways and bus routes in Orange and Los Angeles Counties. No septic tanks or other wastewater disposal systems would need to be installed in support of the project. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>VII. HAZARDS AND HAZARDOUS MATERIALS.</b>					
	Would the project:				
a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Emit hazardous emissions or involve handling hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e.	Be located within an airport land use plan area or, where such a plan has not been adopted, be within two miles of a public airport or public use airport, and result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f.	Be located within the vicinity of a private airstrip and result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h.	Expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project would provide additional bus services on existing bus routes in Orange and Los Angeles Counties. It would not include the routine transport, use, or disposal of hazardous materials. The buses would be fueled with CNG. Impacts associated with the

transmission, storage, and use of CNG fuel have been addressed in previous environmental documentation prepared by OCTA (Kleinfelder 2006). No impacts would occur.

- b. **No Impact.** The buses would be fueled with CNG. Buses would be fueled by dispensing the compressed gas directly into the vehicle fuel tank. There is a potential that a leak in the system or operator error may release a natural gas vapor cloud into the atmosphere. If this gas cloud is in an explosive concentration and encounters an ignition source (open flame, spark, etc) this could create an explosion or fire (Kleinfelder 2006). Impacts associated with the transmission, storage, and use of CNG fuel have been addressed in previous environmental documentation prepared by OCTA (Kleinfelder 2006). Mitigation to address this impact has also been incorporated into the environmental documentation. No impacts would occur.
- c. **No Impact.** The proposed BRT route and IBC shuttle would be implemented on existing roadways in Orange and Los Angeles Counties totaling 69 miles. It is likely that the project area comes within one-quarter mile of an existing or proposed school at some point along these roadways. However, buses utilized for the proposed project would be powered by CNG. Emissions from these buses would be minimal and would not be hazardous. Impacts associated with the transmission, storage, and use of CNG fuel have been addressed in previous environmental documentation prepared by OCTA (Kleinfelder 2006); therefore, no impacts would occur.
- d. **No Impact:** The proposed BRT routes and IBC shuttle and bus shelters/stops and sidewalks would utilize existing roadways and associated infrastructure. Therefore, the project does not have the potential to create a significant hazard to the public or the environment by being located on a hazardous materials site. No impacts would occur.
- e. **No Impact.** The proposed project would be implemented to provide additional public transportation opportunities in Orange and Los Angeles Counties. The project would not result in additional people living or working in the project area; therefore, no impacts would occur.
- f. **No Impact.** The proposed project would be implemented to provide additional public transportation opportunities in Orange and Los Angeles Counties. The project would not result in additional people living or working in the project area; therefore, no impacts would occur.
- g. **No Impact.** The proposed BRT routes and IBC shuttle would be located on existing roadways that have previously been incorporated into emergency plans. The proposed project does not have any elements that would interfere with an adopted emergency response plan or emergency evacuation plan. No impacts would occur.
- h. **No Impact.** The proposed project would utilize existing roadways and associated infrastructure in urban areas of Orange and Los Angeles Counties. No wildlands exist along the routes that would be used by the public buses; therefore, the project has no potential to expose people or structures to a significant risk of loss, injury, or death involving wildland fires. In addition, the project would not involve the construction or expansion of any structures within or adjacent to wildlands. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>VIII. HYDROLOGY AND WATER QUALITY.</b>					
	Would the project:				
a.	Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge, resulting in a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level that would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation onsite or offsite?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding onsite or offsite?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e.	Create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f.	Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g.	Place housing within a 100-year flood hazard area, as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h.	Place within a 100-year flood hazard area structures that would impede or redirect floodflows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i.	Expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
j.	Contribute to inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project would provide additional bus services along several existing bus routes in Orange and Los Angeles Counties. The project would not involve water use or require discharge of water. There is no potential for the project to violate any water quality standards or waste discharge requirements. No impacts would occur.
- b. **No Impact.** The proposed project would not use any water, nor would it include any activities, such as grading or excavation, that could interfere with groundwater recharge. Therefore, it does not have the potential to result in a net deficit in aquifer volume or a lowering of the local groundwater table level. No impacts would occur.
- c. **No Impact:** The proposed project would not alter the existing drainage pattern in the project area. The project would utilize existing roadways and associated infrastructure. The project would not include any grading or excavation that could alter the drainage pattern in the project area. Therefore, the project does not have the potential to result in substantial erosion or siltation onsite or offsite. No impacts would occur.
- d. **No Impact.** The proposed project would not alter the existing drainage pattern or substantially increase the rate or amount of surface runoff in the project area. The project would utilize existing roadways and associated infrastructure. The project would not include any grading or excavation that could alter the drainage pattern or increase surface runoff in the project area. Therefore, the project does not have the potential to result in flooding onsite or offsite. No impacts would occur.
- e. **No Impact:** The proposed project would not produce any wastewater or additional runoff. Therefore, the project does not have the potential to exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. No impacts would occur.
- f. **No Impacts.** The proposed project would provide additional public bus services along existing bus routes. The additional buses would remove automobiles off the local roadways and result in a net decrease in traffic. The project would not contribute to the degradation of water quality. No impacts would occur.
- g. **No Impact.** The proposed project does not involve construction or expansion of any housing; therefore, no impacts would occur.
- h. **No Impact.** The proposed project would not involve construction or expansion of any structures that would impede or redirect flood flows; therefore, no impacts would occur.
- i. **No Impact.** The proposed project would be implemented to provide public transportation opportunities in Orange and Los Angeles Counties. The project would not expose people or

structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam. No impacts would occur.

- j. **No Impact.** The proposed project would provide additional public bus services on existing roadways and bus routes. It would not result in increased exposure of people or structures to potential inundation by seiche, tsunami, or mudflow. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>IX. LAND USE AND PLANNING.</b>	Would the project:				
a.	Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, a general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project does not involve construction or expansion of any structures. The project would utilize existing roadways and associated infrastructure and does not have the potential to divide an established community. No impacts would occur.
- b. **No Impact.** The proposed project would utilize existing roadways and associated infrastructure in Orange and Los Angeles Counties. Transportation is consistent with the intended uses of the roadways. The project would not conflict with any applicable land use plan, policy, or regulation. No impacts would occur.
- c. **No Impact.** The project area includes existing roadways in Orange and Los Angeles Counties. The roadways are located in an urbanized setting and, given the highly developed nature of the roadways, no locally designated species or natural communities exist within them. The proposed project is intended to increase the amount of available public transportation opportunities. Transportation is consistent with the intended uses of the roadways and is not in conflict with any applicable habitat conservation plan or natural community conservation plan. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>X. MINERAL RESOURCES.</b>	Would the project:				
a.	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** Loss of mineral resources occurs when a site is disturbed so much as to prevent mineral extraction at the site, thus resulting in loss of availability of that resource. The proposed project would utilize existing roadways and associated infrastructure; therefore, the project does not have the potential to result in the loss of mineral resources. No impacts would occur.
- b. **No Impact.** See response to X.a. above.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XI. NOISE.</b>	Would the project:				
a.	Expose persons to or generate noise levels in excess of standards established in a local general plan or noise ordinance or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Expose persons to or generate excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e.	Be located within an airport land use plan area, or, where such a plan has not been adopted, within two miles of a public airport or public use airport and expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f.	Be located in the vicinity of a private airstrip and expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project would utilize existing heavily traveled roadways. The project would introduce additional buses to existing bus routes in Orange and Los Angeles Counties. The buses would be dispersed along existing bus routes at different frequencies over a 15-hour time span. The increase in noise at any given point along the routes would be minimal. This amount of noise would not be discernable among the existing noise levels along the roadways. Therefore, the project would not result in noise levels being raised enough to exceed the standards established in a local general plan or noise ordinance or applicable standards of other agencies. No impacts would occur.
- b. **No Impact.** The proposed project would provide additional public bus services on existing bus routes in Orange and Los Angeles Counties. The project does not have the potential to expose persons to or generate excessive groundborne vibration or groundborne noise levels. No impacts would occur.
- c. **No Impact.** See response to XI.a above.

- d. **No Impact.** The proposed project would utilize existing heavily traveled roadways. Receptors along the route would experience very brief increases in noise as individual buses pass these receptors. However, while the buses would cause brief increases in noise along their routes, the noise would be consistent with noise produced by existing buses and other traffic in the project area and would not be significant given the existing noise levels on the roads. The project would not result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project. No impacts would occur.
- e. **No Impact.** The proposed project would be implemented to provide public transportation opportunities in Orange and Los Angeles Counties. The project would not result in additional people living or working in the project area. Therefore, the project does not have the potential to expose additional people residing or working in the project area to excessive noise levels from public airports. No impacts would occur.
- f. **No Impact.** The proposed project would provide public transportation opportunities in Orange and Los Angeles Counties. The project would not result in additional people living or working in the project area. Therefore, the project does not have the potential to expose additional people residing or working in the project area to excessive noise levels from private airstrips. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XII. POPULATION AND HOUSING.</b>	Would the project:				
a.	Induce substantial population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Displace a substantial number of existing housing units, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Displace a substantial number of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project does not include construction of any new homes or businesses. Additionally, the project would utilize existing roadways and associated infrastructure. No extension of roads would be required for the project. No impacts would occur.
- b. **No Impact.** The proposed project would utilize existing roadways and associated infrastructure. The project would be contained within existing right-of-way; therefore, the project does not have the potential to displace existing housing units. No impacts would occur.
- c. **No Impact.** The proposed project would utilize existing roadways and associated infrastructure. The project would be contained within existing right-of-way; therefore, the project does not have the potential to displace people. No impacts would occur.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XIII. PUBLIC SERVICES.</b> Would the project:				
a. Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the following public services:				
Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a. **No Impact.** An increased need for public services is generally a result of significant population growth in an area. The proposed project does not include any elements that would result in population growth; therefore, no impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XIV. RECREATION.</b> Would the project:					
a.	Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The increase in use of recreational facilities is generally a result of significant population growth in an area. The proposed project does not include any elements that would result in population growth; therefore, the project does not have the potential to increase the use of existing neighborhood and regional parks or other recreational facilities. No impacts would occur.
- b. **No Impact.** The proposed project does not include any public recreational facilities and would not result in the demand for new recreational facilities; therefore, no impacts would occur.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XV. TRANSPORTATION/TRAFFIC.</b> Would the project:				
a. Cause an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in the number of vehicle trips, the volume-to-capacity ratio on roads, or congestion at intersections)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Cause, either individually or cumulatively, exceedance of a level-of-service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Substantially increase hazards because of a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The proposed project would provide additional public bus service along existing bus routes on existing roadways and remove automobiles off of the roadways resulting in a decrease in traffic. The addition of bus trips spread across several heavily traveled routes in Orange and Los Angeles Counties over a 15-hour period is not considered significant. No impacts would occur. (OCTA 2006b).
- b. **No Impact.** The proposed project would provide additional public bus service along existing bus routes on existing roadways. The addition of bus trips spread across several heavily traveled routes in Orange and Los Angeles Counties over a 15-hour period is not considered significant. The increase in bus trips is not expected to exceed a level-of-service designated for roads or highways. The project is anticipated to remove automobiles from local roadways and result in a net decrease in traffic. The proposed project is consistent with statewide, regional, and local planning goals. No impacts would occur.

- c. **No Impact.** The proposed project would be implemented to provide additional public transportation opportunities in Orange and Los Angeles Counties. No air traffic patterns would be impacted by the project.
- d. **No Impact.** The proposed project would increase public bus services along existing routes in Orange and Los Angeles Counties. The project would utilize existing roadways and infrastructure and include bus stops/stations similar to existing OCTA bus stops/stations. The increase in number of buses is consistent with existing transportation uses in the project area. Therefore, the project does not have the potential to substantially increase hazards from the implementation of a design feature or introduction of an incompatible use. No impacts would occur.
- e. **No Impact.** The proposed project would utilize existing roadways and associated infrastructure. The increase of bus services along these roadways does not have the potential to affect emergency access to the roadways or the surrounding area. No impacts would occur.
- f. **No Impact.** The proposed project would not generate a need for parking. The project would not result in an increase in people living or working in the project area who would require parking. The project would introduce additional buses to the project area; however, but no additional parking would result. When not in use on the routes, the buses would be housed at existing OCTA facilities where parking is available. No impacts would occur.
- g. **No Impact.** The proposed project would be implemented to provide additional public transportation opportunities in Orange and Los Angeles Counties. No roadway construction, expansion, or changes would be required for the project; therefore, the project does not have the potential to conflict with adopted policies, plans, or programs supporting alternative transportation. No impacts would occur.

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XVI. UTILITIES AND SERVICE SYSTEMS. Would the project:</b>					
a.	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b.	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d.	Have sufficient water supplies available to serve the project from existing entitlements and resources, or would new or expanded entitlements be needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e.	Result in a determination by the wastewater treatment provider that serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f.	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g.	Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a. **No Impact.** The proposed project would not result in any discharge of wastewater; therefore, the project does not have the potential to exceed the wastewater treatment requirements of the applicable Regional Water Quality Control Board. No impacts would occur.

b. **No Impact.** The proposed project would not use any water and would not result in any discharge of wastewater; therefore, the project does not have the potential to require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities. No impacts would occur.

c. **No Impact.** The project does not have the potential to require or result in the construction of new stormwater drainage facilities or expansion of existing facilities. No impacts would occur.

- d. **No Impact.** The proposed project would not use any water; therefore, existing water supply entitlements would not be impacted by the project. No new or expanded entitlements would be required for the project. No impacts would occur.
- e. **No Impact.** The proposed project would not result in any discharge of wastewater; therefore, the project would not impact existing wastewater treatment facilities. No impacts would occur.
- f. **No Impact.** The proposed project would not generate additional solid waste; therefore, the project would not impact landfill capacities. No impacts would occur.
- g. **No Impact.** The proposed project would not generate additional solid waste; therefore, the project does not have the potential to conflict with federal, state, or local statutes or regulations related to solid waste. No impacts would occur.

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than- Significant Impact	No Impact
<b>XVII. MANDATORY FINDINGS OF SIGNIFICANCE.</b>				
a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Does the project have impacts that are individually limited but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Does the project have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a. **No Impact.** The project area is highly urban in character and does not contain biological resources that would be affected by the implementation of the project. Additionally, no cultural resources, either historical or prehistorical, are expected to be affected by the project. No impacts would occur.
- b. **No Impact.** The proposed project would not have impacts that are cumulatively considerable. No significant impacts have been identified for the project.
- c. **No Impact.** The project would not have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly. No impacts have been identified for the project.

# List of Preparers

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Aaron Carter  
Lisa Randall

Project Director  
Task Leader/Environmental Planner  
Environmental Planner  
Graphics  
Technical Editor

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# References

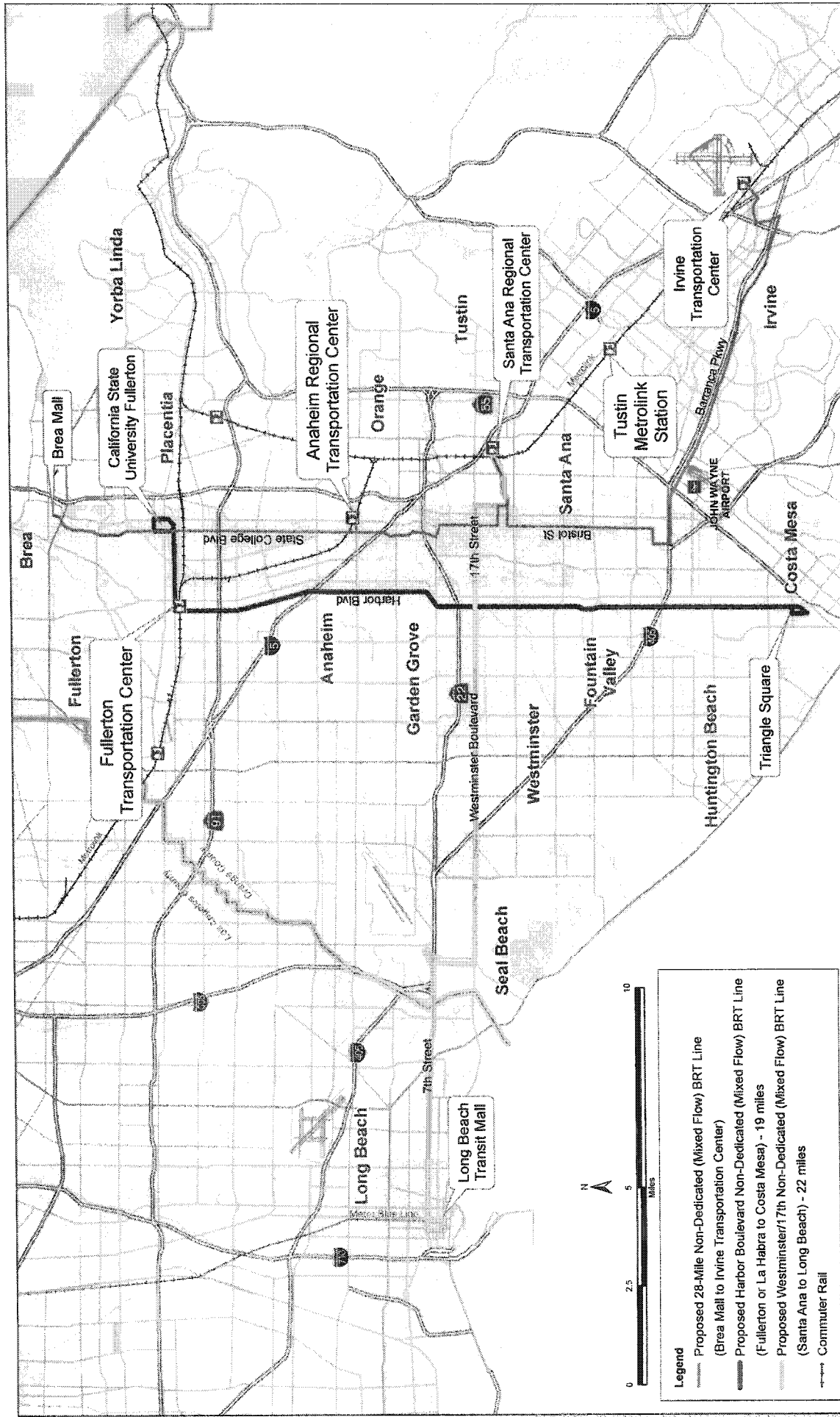
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OCTA. 2006a. Long-Range Transportation Plan Final Program Environmental Impact Report Volume 1: Final EIR. Prepared by LSA Associates, Inc. for OCTA. Irvine, CA. July.

OCTA. 2006b. OCTA Bus Rapid Transit Traffic Impact Analysis, Caltrans Facilities. Prepared by RBF for OCTA. Irvine, CA November.

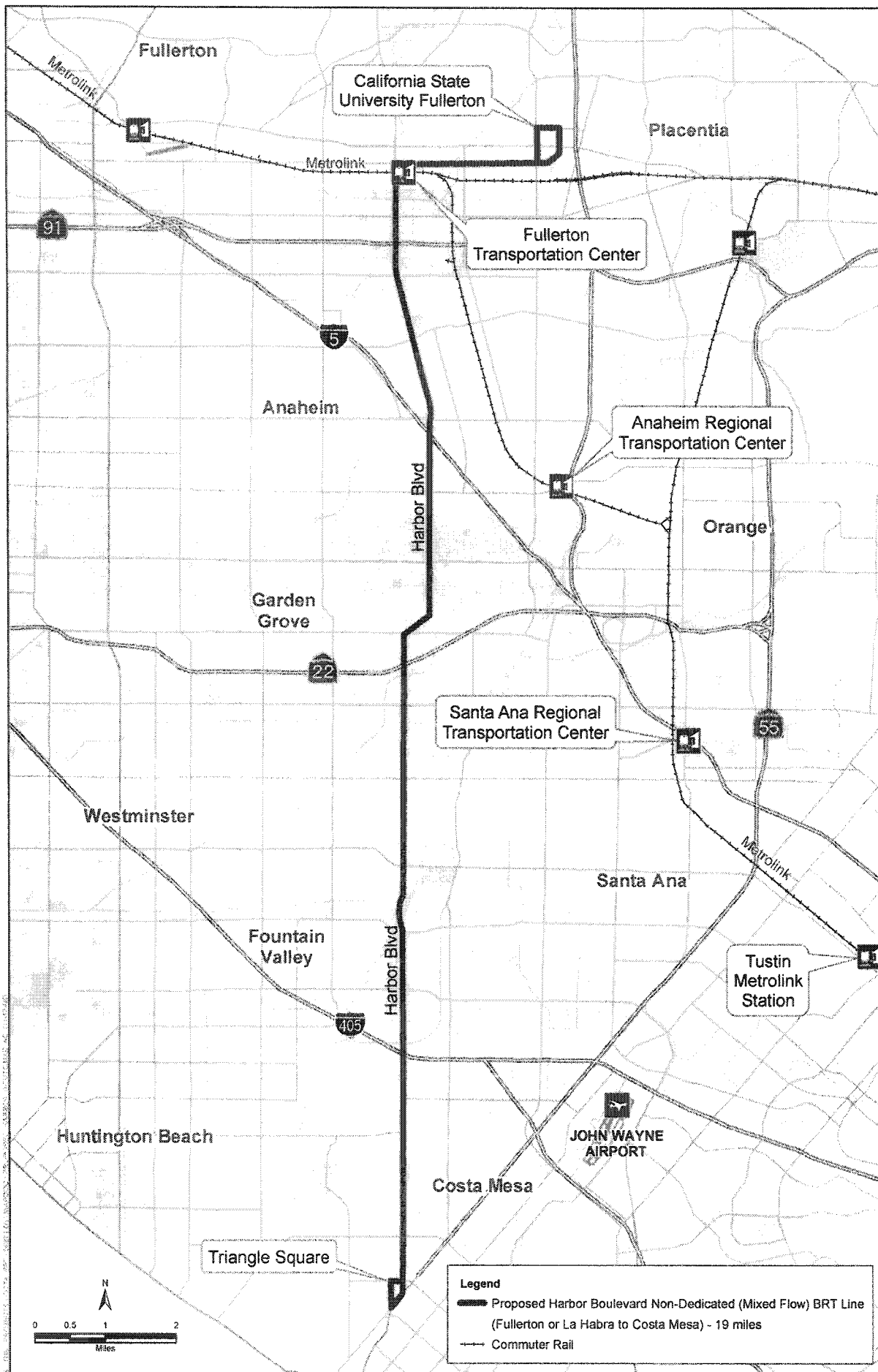
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# Figures

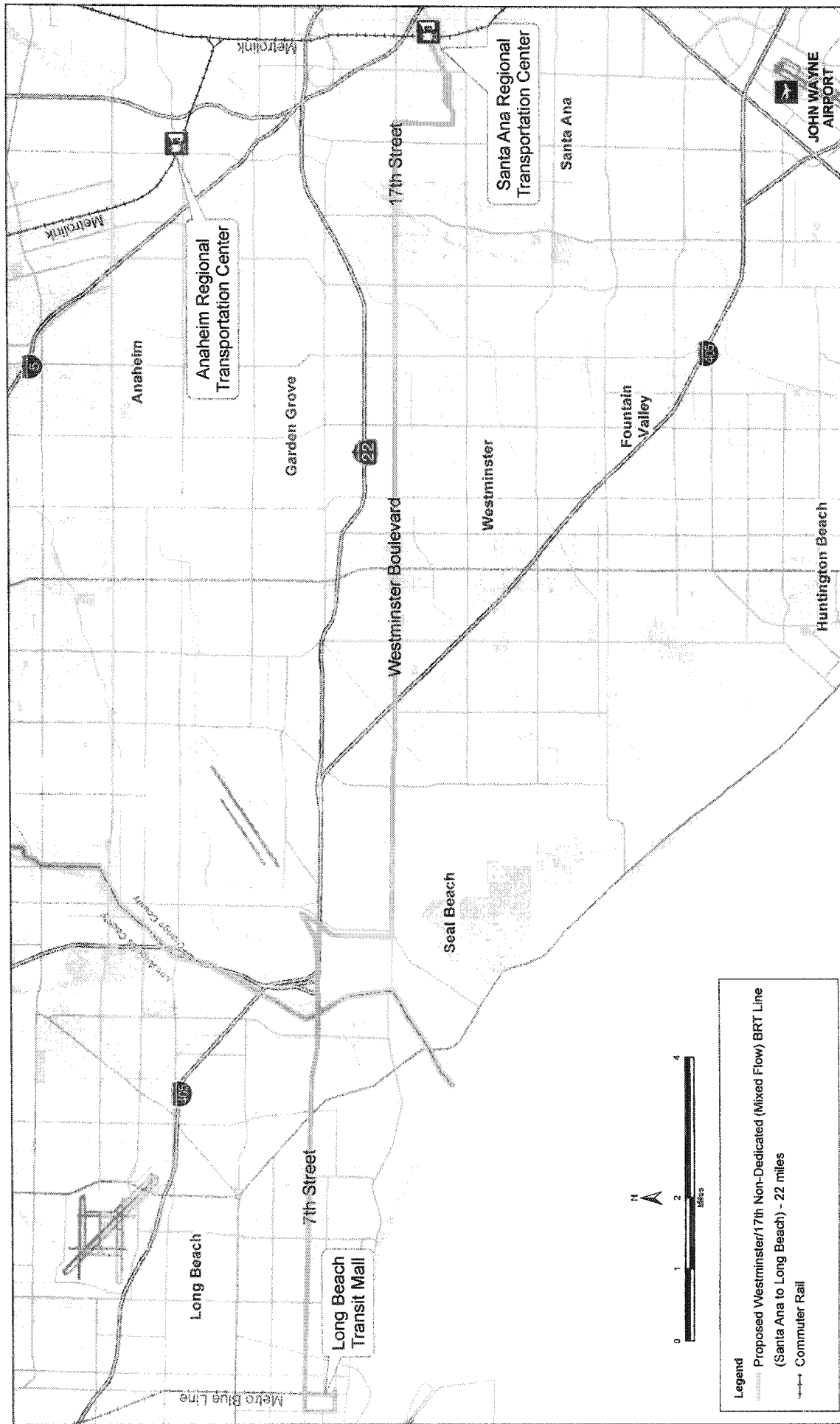


**Figure 1**  
**Proposed BRT Lines**  
**OCTA Bus Rapid Transit and Irvine Business Complex Shuttle Initial Study**

SOURCE: ESRI Streetmap USA (2005)



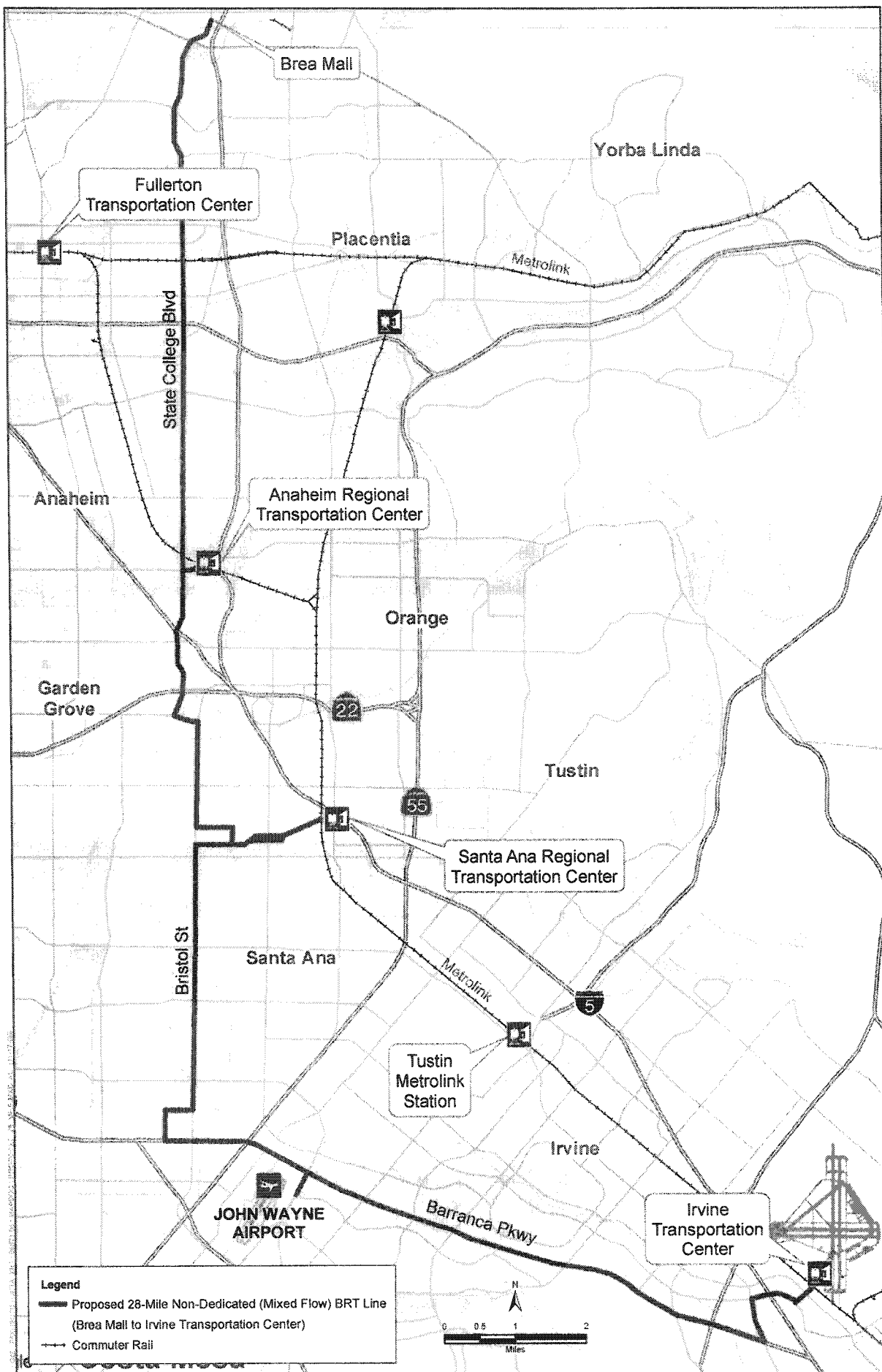
SOURCE: ESRI Streetmap USA (2005)



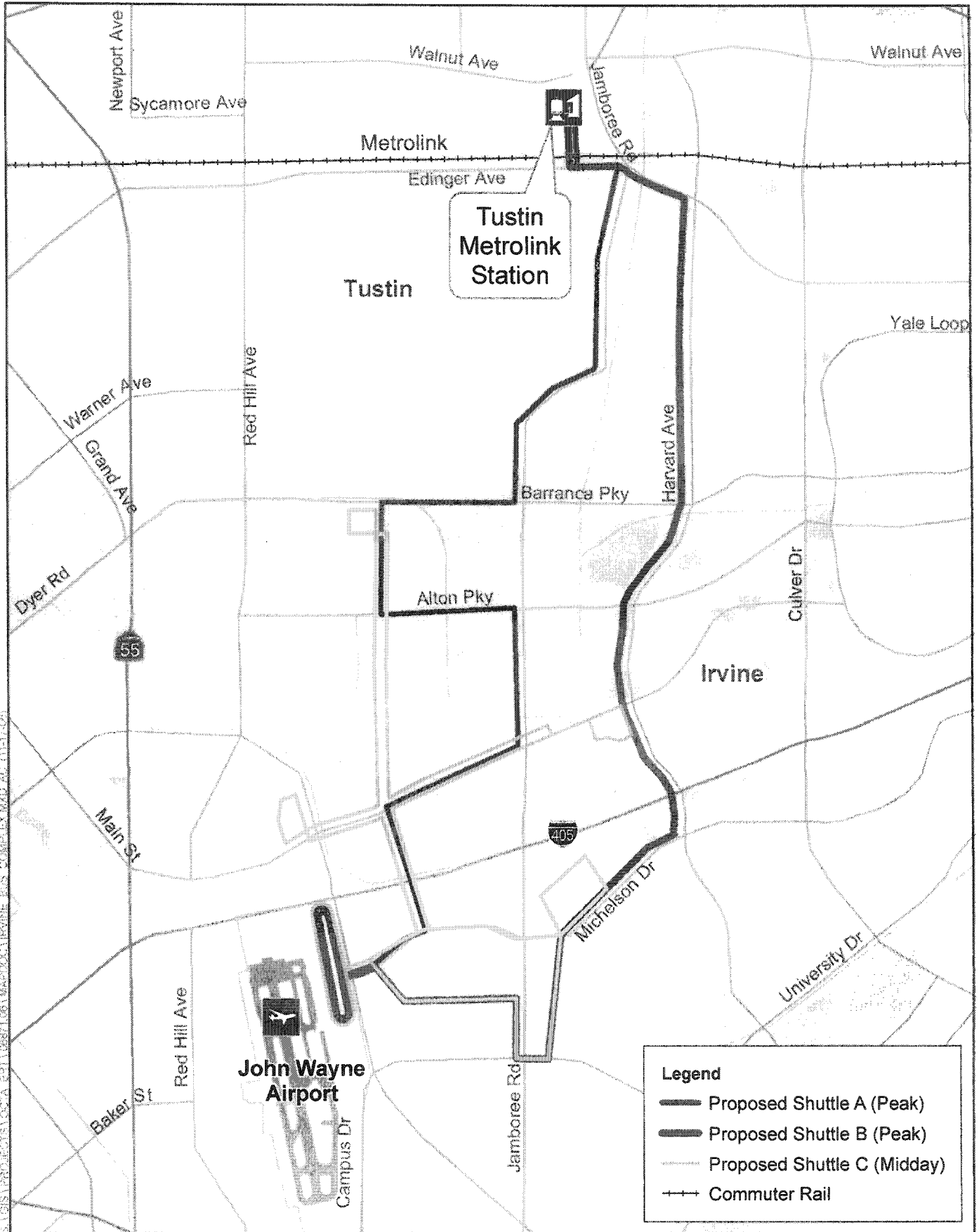
**Figure 3**  
**Proposed Westminister/17th BRT Line**  
**OCTA Bus Rapid Transit and Irvine Business Complex Shuttle Initial Study**

SOURCE: ESRI Streetmap USA (2005)

**Jones & Stokes**



SOURCE: ESRI Streetmap USA (2005)



SOURCE: ESRI Streetmap USA (2005)

**Figure 5**  
**OCTA Bus Rapid Transit and Irvine**  
**Business Complex Shuttle Initial Study**

# **POWERPOINT PRESENTATION**



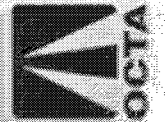
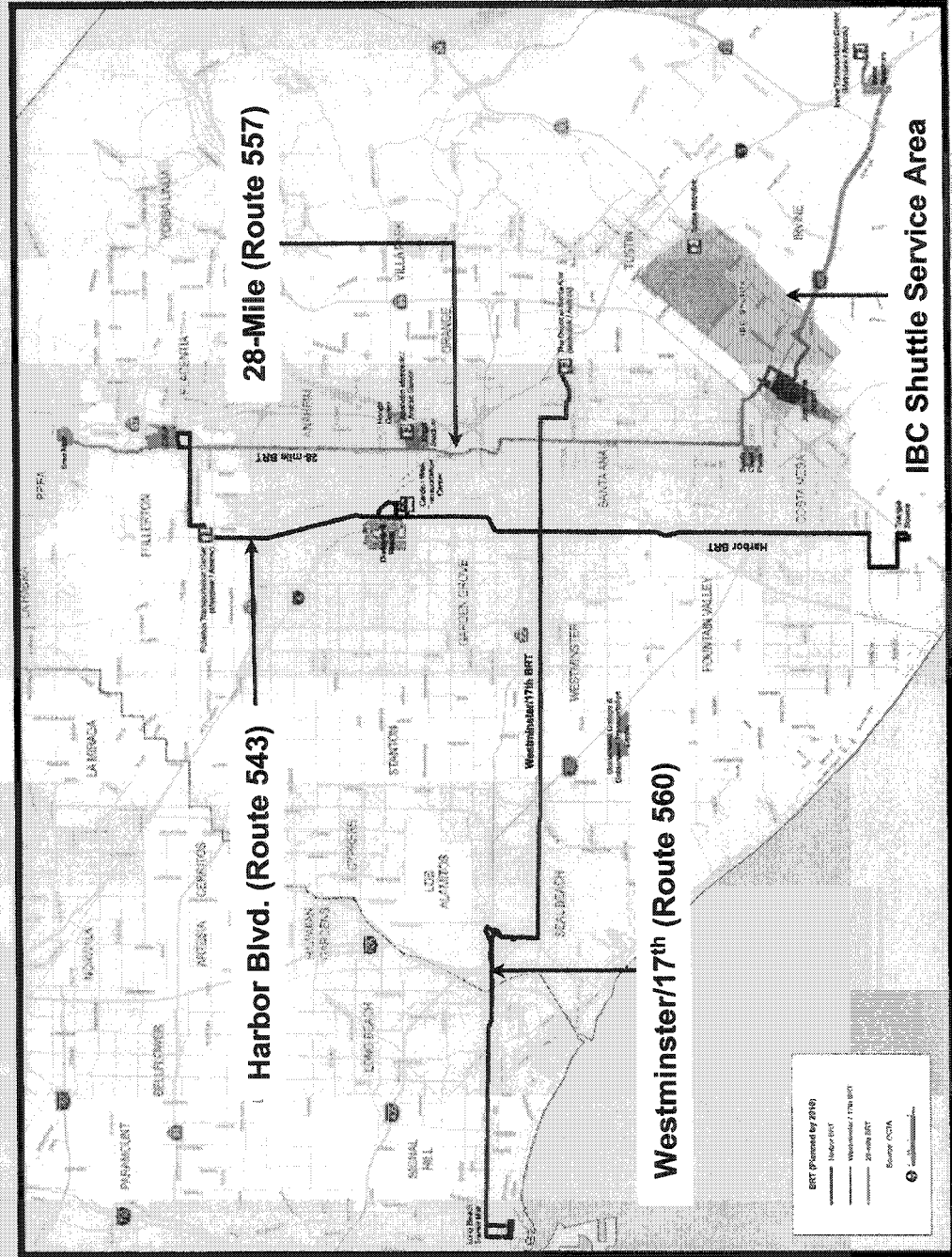
**BRTeam**

# **Bus Rapid Transit Program Implementation Plan**

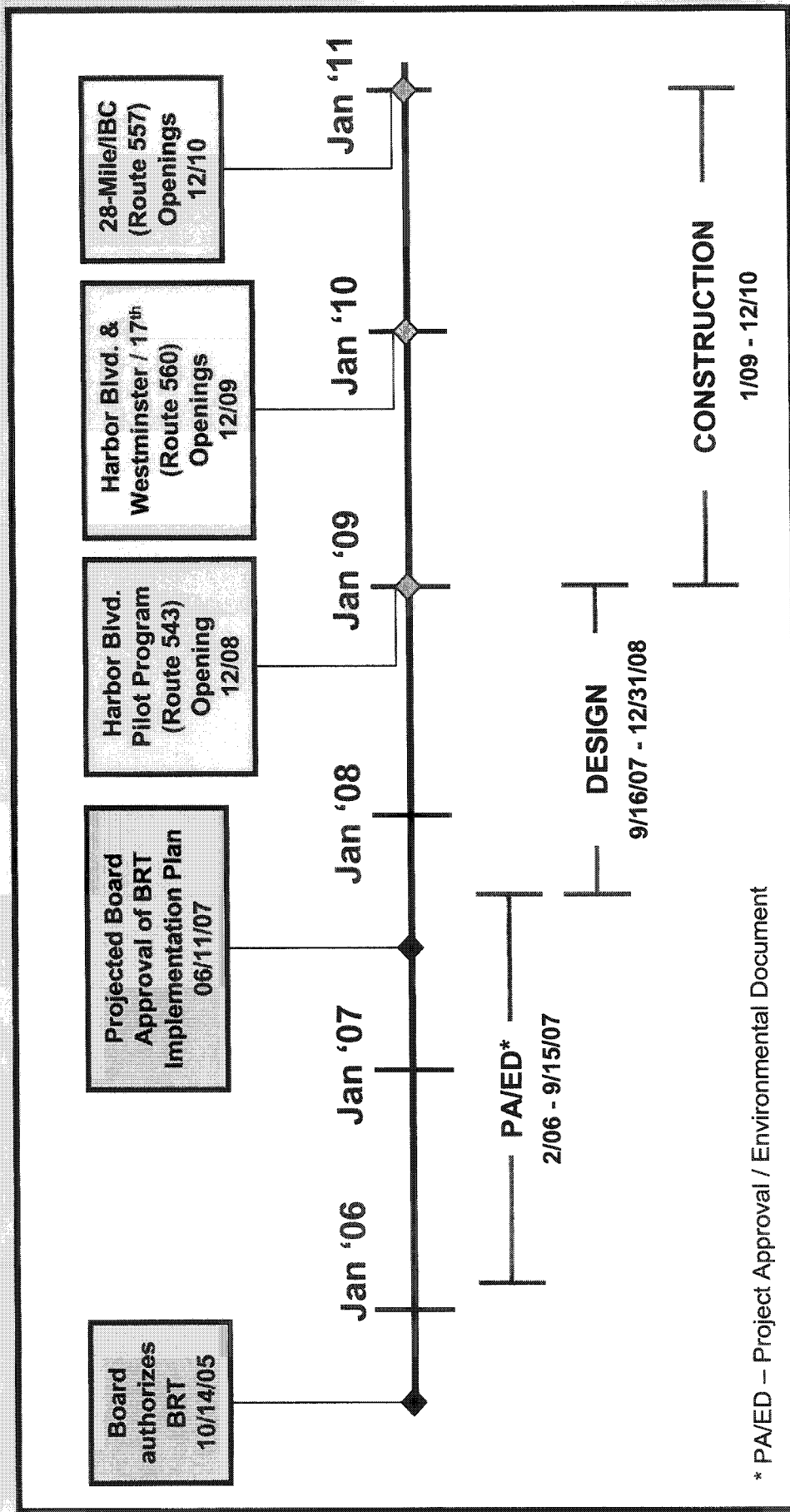
Board of Directors Presentation  
June 11, 2007



# Bus Rapid Transit Corridors



# Ramp-Up of BRT Service



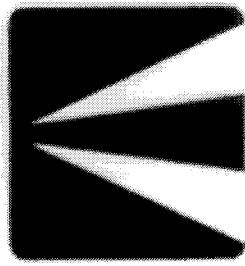
\* PA/ED – Project Approval / Environmental Document



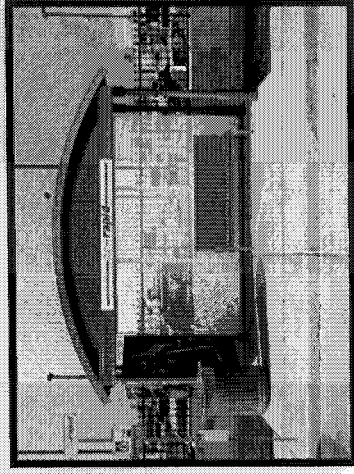
# Board Approved Bus Rapid Transit Elements



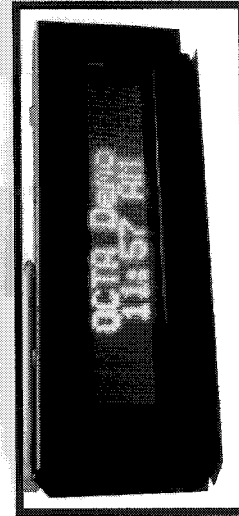
Non-Dedicated  
(Mixed Flow) on  
Arterials



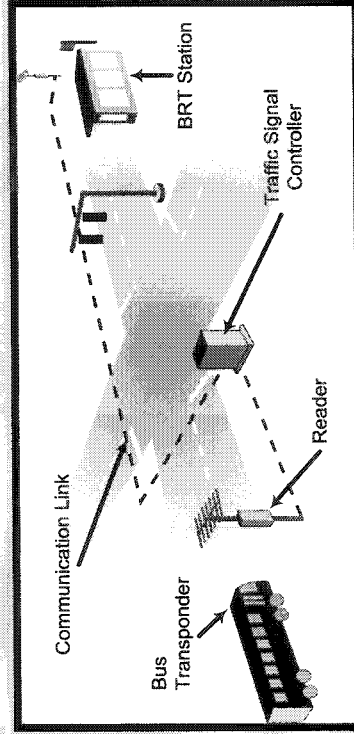
**OCTA**  
BRT Program



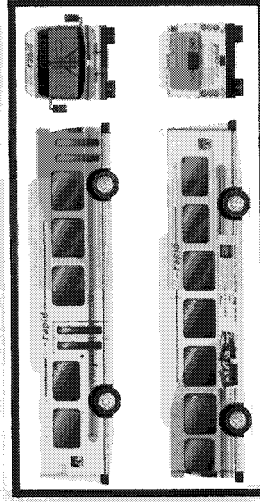
Enhanced Shelters



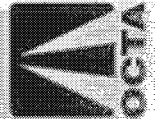
Frequent Service & Real Time  
Passenger Information



Transit Signal Priority

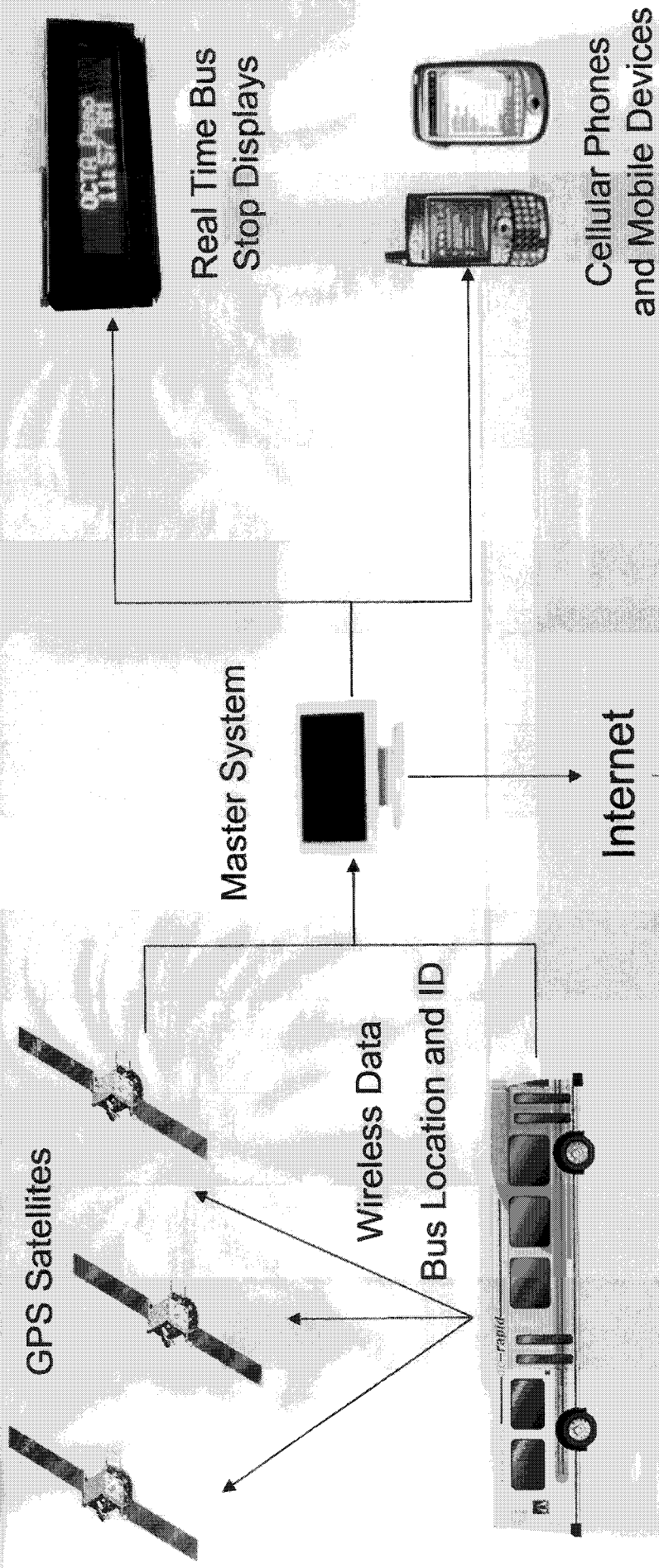


Distinct Bus Identity  
System Branding

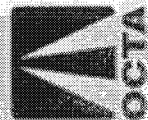
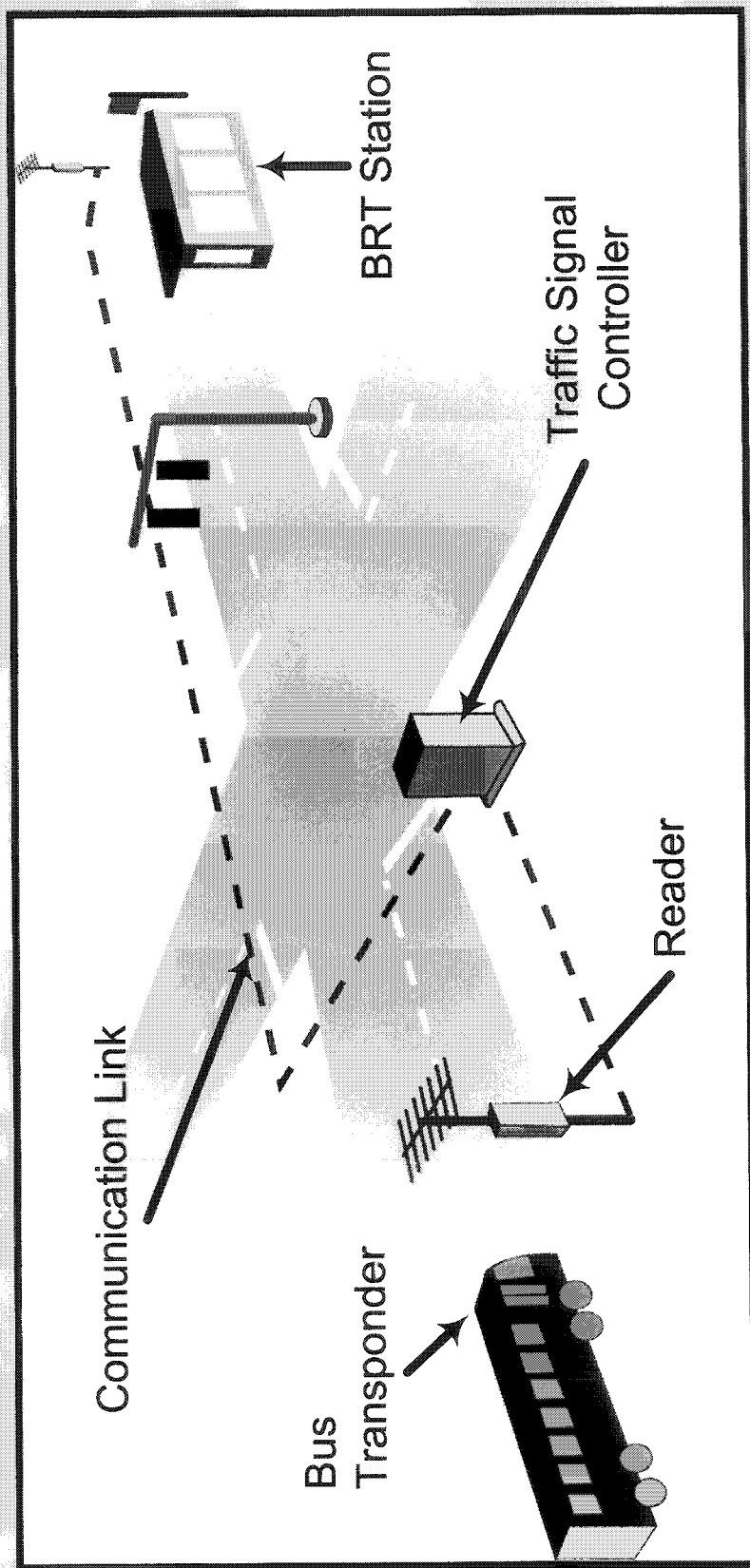


**BRT Team**

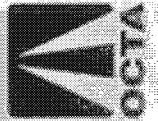
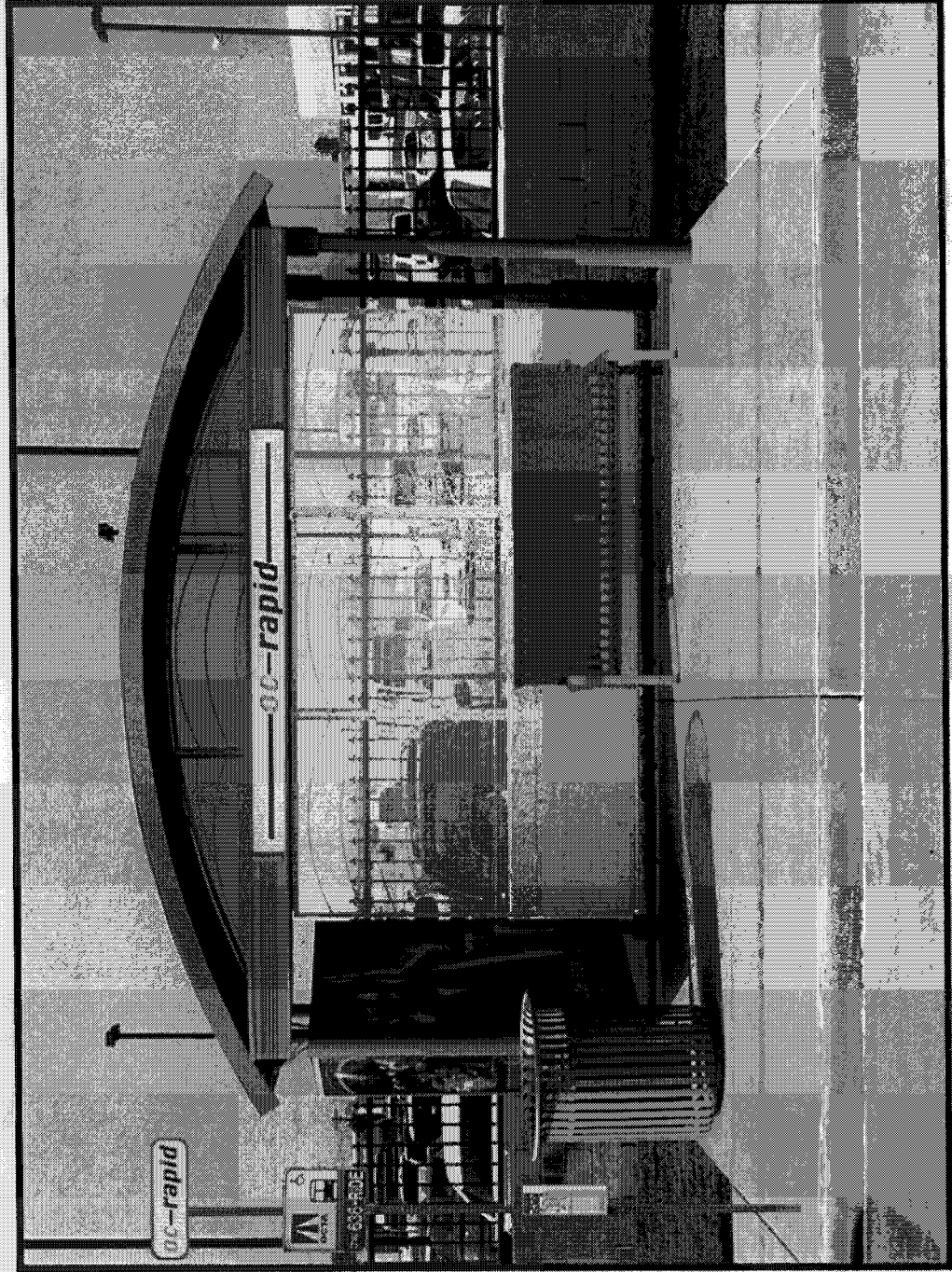
# Real Time Passenger Information System



# Transit Signal Priority



# Enhanced Shelters



**BR Team**

# Rolling Stock

## Three BRT Corridors

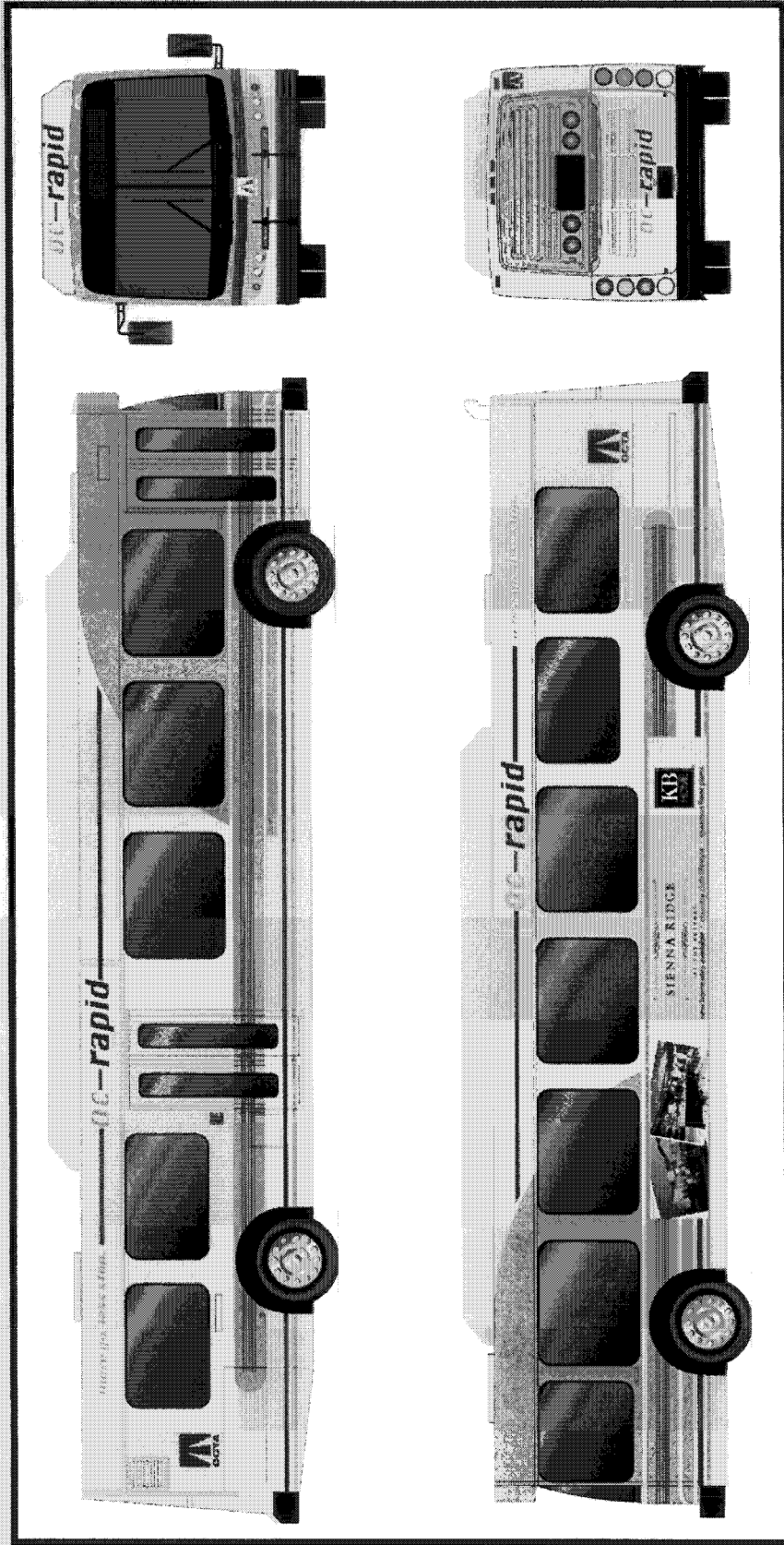
78, 40-foot  
low-floor CNG  
buses

## IBC Shuttle

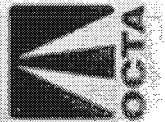
12, 30-foot  
alternative fuels  
buses



# Branding - OC Rapid



**"More go. Less Stop."**







MEMO

June 11, 2007

To: Members of the Board of Directors

From: Arthur T. Leahy, <sup>By</sup> Chief Executive Officer

Subject: **Second Quarter Review of Chief Executive Officer's Goals for 2007**

This is the report on the Chief Executive Officer's goals for the second quarter for calendar year 2007.

The goals are comprehensive and address a wide range of key performance areas for the Orange County Transportation Authority. They also provide a useful instrument for monitoring results during the year.

I will update the Board of Directors on the status of the goals on a quarterly basis.

ATL:psz  
Attachment



**Chief Executive Officer's Goals**  
**2007**  
**Second Quarter Review**

<u>CEO Goal Reference Number</u>	<u>CEO's Goal</u>	<u>Date</u>	<u>Summary</u>	<u>Performance Measurement</u>	<u>Divisional Responsibility</u>	<u>Status</u>
1	State bonds: Obtain funding for OC projects.	First Quarter	<ul style="list-style-type: none"> <li>• Passage of Proposition 1B makes \$19.9 billion available for statewide transportation infrastructure.</li> <li>• Approx \$100 million in STIP funds and \$210 million in Transit capital funds will flow directly to OCTA.</li> <li>• Additional funding will be allocated on a competitive basis for Corridor Mobility, Goods Movement, Transit Security and State and Local Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Submission of CMIA projects to CTC by January 16, 2007</li> <li>• Submission of STIP augmentation projects in Spring 2007</li> <li>• Participation and submission of projects for Goods Movement, Transit Security, Transit Capital and State Local Partnership on a schedule TBD.</li> </ul>	Development	<p><b>Completed</b> • Resulted in \$384 million for 5 projects</p> <p><b>Completed</b> • STIP augmentation submitted 4/2/07</p> <ul style="list-style-type: none"> <li>• Follow-up legislation for these programs a still under development. A time line for completion is yet to be determined</li> </ul>
	Obtain Fair Share of Corridor Mobility Improvement Account (CMIA) Funding from Prop 1B		In cooperation with the Development Division and the Director of Special Projects, develop and implement strategy to receive an equitable share of CMIA funds	California Transportation Commission award of funding for SR-22 and SR-91 projects	<b>Executive Office, State Relations &amp; Development</b>	<b>Completed</b> OCTA was awarded \$383.5 million (8.7% of total available)
2	SR-22 (Phase II)	First Quarter	<p>I-405 to I-605 HOV Connectors -- Begin preliminary design:</p> <p>Summary: Preliminary engineering is required to further refine the project scope and quantify the schedule of critical navy R/W acquisitions.</p>	Execute design contract	Development	<b>Completed</b> Design contract approved by Board on 5/14/07

**Chief Executive Officer's Goals  
2007  
Second Quarter Review**

<b>CEO Goal Reference Number</b>	<b><u>CEO's Goal</u></b>	<b><u>Date</u></b>	<b><u>Summary</u></b>	<b><u>Performance Measurement</u></b>	<b><u>Divisional Responsibility</u></b>	<b><u>Status</u></b>
3	Comprehensive Review of Disadvantaged Enterprise Business (DBE) program	First Quarter	Conduct a comprehensive review of the DBE program including DBE certification program	Recommendations for conducting an efficient DBE program incorporated during annual budget preparation	<b>Employee &amp; Labor Relations and Civil Rights</b>	Based on a Ninth Circuit Court decision, federal regulations require recipients of federal funding to conduct a disparity study to determine whether the recipients DBE program should be race neutral or race conscious. With approval of the Board, this study will be conducted jointly with other agencies. Accomplishment of this goal is delayed until the disparity study is conducted. The study should begin in August 07 with completion in 2008.
4	Federal Legislative Goals & Advocacy Team	First Quarter	Perform peer reviews, establish targeted goals and performance measurements to ensure effective representation in Washington DC.	Complete by 2nd quarter of 2007.	<b>Executive Office, Federal Relations</b>	Peer analysis completed. Regular monthly meetings of a legislative strategy group are being held to establish federal program goals to be discussed as part of the procurement process.
5	Bus Rapid Transit Branding	First Quarter	Development branding for Bus Rapid Transit service	Bus rapid transit branding recommendation provided March 2007	<b>External Affairs</b>	<b>Completed</b> Pending Board approval on June 11 as part of the BRT implementation plan
6	I-405 Project Development Study (PDS)	First Quarter	Initiate public participation for I-405 PDS	Convene I-405 Policy Advisory Committee	<b>External Affairs</b>	<b>Completed</b> I-405 Policy Working Group convened 4/25/07. Next meeting will be in the fall.

**Chief Executive Officer's Goals  
2007  
Second Quarter Review**

<u>CEO Goal Reference Number</u>	<u>CEO's Goal</u>	<u>Date</u>	<u>Summary</u>	<u>Performance Measurement</u>	<u>Divisional Responsibility</u>	<u>Status</u>
7	Procurement Policy -- OCTA staff will conduct a workshop to review procurement process	First Quarter	The procurement workshop will provide the Board of Directors with a review of the current procurement process. Staff will seek Board direction to finalize any changes to the process.		<b>Finance, Administration and Human Resources</b>	<b>Completed</b> Procurement Recommendations were approved by the Board 4/23/07. Staff will implement Board approved recommendations.
8	Bus Operations Strategic Plan	First Quarter Feb-07	Develop a 5-year strategic plan from CBP that Considers fleet, facility and personnel needs		<b>Transit</b>	Re-evaluation due to change in General Manager
9	Re-initiate Central County Corridor Study	Second Quarter	Present initial results of SR-57 extension discussion with Army Corp of Engineers. Seek policy direction on SR-57 Extension next steps.	Convene Central County MIS Policy Committee to provide direction on upcoming study efforts.	<b>Development</b>	The Chairman of the Board is currently considering membership for this committee
10	Measure M	Second Quarter	Establish priorities for implementation of renewed Measure M	Adopt five-year project delivery plan	<b>Development</b>	Workshop held 2/26/07. Draft plan submitted to the Board 5/29/07
11	SR-22 (Phase I) Completion - travel lanes open	Second Quarter	SR-55 to Valley View -- Open all lanes west of the Magnolia Street bridge:  The incorporation of the Garden Grove request to reconstruct the Magnolia bridge as part of the SR- 22 design- build project delayed opening the HOV and auxiliary lanes west of Magnolia to the end of the project.	Open the HOV and auxiliary lanes west of Magnolia Street	<b>Development</b>	<b>Completed</b> All travel lanes are open on the SR-22 project, except two city street locations added via change order - City Drive at Metropolitan and Garden Grove Blvd at Fairview. A third city street, the Magnolia St. under crossing, was scheduled to be open in July but was open prior to April 30. Punchlist work, street rehabilitation, sign installation, landscaping and other misc work will continue.

**Chief Executive Officer's Goals  
2007  
Second Quarter Review**

<b>CEO Goal Reference Number</b>	<b>CEO's Goal</b>	<b>Date</b>	<b>Summary</b>	<b>Performance Measurement</b>	<b>Divisional Responsibility</b>	<b>Status</b>
12	Coach Operator Collective Bargaining Agreement	Second Quarter	Negotiations of the three-year Coach Operator Collective Bargaining Agreement that expires on April 30, 2007	Target for signed CBA on April 30, 2007	<b>Employee &amp; Labor Relations and Civil Rights</b>	60-day cooling off period ordered by court
13	Staff will secure Board approval of the 2007 Comprehensive Business Plan (CBP) and use the assumptions from the base year as the starting point for the FY 2007-08 budget.	Second Quarter Apr-07	The Comprehensive Business Plan is a financially constrained twenty-year plan that details service levels for Authority programs and sets the targets for the annual budget.		<b>Finance, Administration and Human Resources</b>	On hold pending Board approval of the Renewed Measure M Early Action Plan
14	2007-08 Annual Budget and 2007-08 Personnel & Salary Resolution  Staff will secure Board approval for the 2007-08 Personnel & Salary Resolution	Second Quarter Jun-07	The 2007-08 Annual Budget balances sources and uses of funds, without an unplanned use of reserves, and is consistent with the CBP and Board-approved goals, policies, and procedures. Compensation policies and procedures adopted for administrative employees.  Compensation policies and procedures adopted for administrative employees.	Staff will secure Board approval for the 2007-08 Annual Budget and 2007-08 Personnel & Salary Resolution in June.	<b>Finance, Administration and Human Resources</b>	Board workshop was held on May 14. Public Hearing will be conducted on June 11.
15	Audit Standards	Second Quarter	Internal Audit will review, evaluate and update the department's standards to ensure compliance with standards promulgated by the industry's professional organizations (AICPA, IIA, GAO, California State Board of Accountancy) and compliance with all state and federal legislation	Updated Internal Audit Policies and Procedures Manual	<b>Internal Audit</b>	Update approximately 50% complete
16	Internal Audit Policy	Second Quarter	Prepare and adopt Authority-wide policies and procedures for the conduct of Internal Audits	Updated Internal Audit Policy	<b>Internal Audit</b>	On Schedule for completion by the end of June

**Chief Executive Officer's Goals  
2007  
Second Quarter Review**

<b>CEO Goal Reference Number</b>	<b><u>CEO's Goal</u></b>	<b><u>Date</u></b>	<b><u>Summary</u></b>	<b><u>Performance Measurement</u></b>	<b><u>Divisional Responsibility</u></b>	<b><u>Status</u></b>
17	Grade Crossing Mitigation Policy funding	Third Quarter	Develop policy for Grade Separation project prioritization and develop project development schedule	Policy development and prioritization by July 1.	<b>Development</b>	In progress, policy development pending approval of Renewed Measure M five-year project delivery plan
18	Quiet Zone Policy Development	Third Quarter	Development of OCTA policy for funding, (capital and operating), liability and prioritization for implementation of Railroad Quiet Zones in Orange County	Development of policy consistent with Federal Railroad Administration Rules, California Public Utilities Commission, and SCRRA policy. Ensure integration with current OCTA grade crossing safety improvement program	<b>Development</b>	In progress, draft policy due for Board action 6/11/07
19	Signal Synchronization Program - Euclid demo	Third Quarter	Initiate signal synchronization on Euclid Street from La Habra to Fountain Valley.	Submit initial benefits report to RP&H.	<b>Development</b>	About 80 percent of the new signal timing plans for the Euclid St. signal synchronization project were implemented in May 2007. The final timing plans will be in place in June 2007, and evaluation results will be available this summer.
20	2008 STIP Priorities	Third Quarter	Development of 2008 STIP priorities and candidate projects consistent with STIP guidelines, CTC/Caltrans Fund Estimate and 2006 LRTP	Submission of 2008 STIP by Statutory deadline of December 15, 2007	<b>Development</b>	In development
21	SR-22 (Phase II)	Third Quarter	Construction method chosen:  Upon completion of preliminary engineering, schedule, cost and possible design-build authority will be quantified to allow a Board policy decision on the construction procurement method.	Board policy direction	<b>Development</b>	Final design has been initiated. Staff will present alternatives for construction of the project to the Board in the fall of 2007.

**Chief Executive Officer's Goals  
2007  
Second Quarter Review**

<b>CEO Goal Reference Number</b>	<b><u>CEO's Goal</u></b>	<b><u>Date</u></b>	<b><u>Summary</u></b>	<b><u>Performance Measurement</u></b>	<b><u>Divisional Responsibility</u></b>	<b><u>Status</u></b>
22	Internal Audit Annual Plan	Third Quarter	Complete all audits on the 2006-07 Audit Plan excluding several periodically scheduled control reviews (inventory and payroll) which may be folded into the 2007-08 plan as "full scope" audits, and the Veolia audit which will be redesigned for greater efficiency and "continuous compliance" evaluations.	Completion of all 2006-07 audits, except as noted	<b>Internal Audit</b>	Expect completion by 3rd quarter
23	Maintenance Collective Bargaining Agreement	Third Quarter	Negotiations of the three-year Maintenance Collective Bargaining Agreement that expires on September 30, 2007	Target for signed CBA on September 30, 2007	<b>Employee &amp; Labor Relations and Civil Rights</b>	Management proposals being developed
24	Federal Legislative Goals & Advocacy Team	Fourth Quarter	Reprocure OCTAs federal advocacy team to ensure maximum representation in Washington DC.	Rebid in the 3rd quarter. Complete by 4th quarter.	<b>Executive Office, Federal Relations</b>	Scope of work and evaluation criteria approved by the Board on May 29. RFP to be issued June 15. Preproposal conference to be held in Washington DC on June 28.
25	Maximize Annual Federal Appropriations	Fourth Quarter	Work with the Board to maximize annual federal appropriations for OCTA transportation projects.	Goal is to reach a minimum of \$10 million in earmarks for OCTA projects.	<b>Executive Office, Federal Relations</b>	Grant proposals for FY 2007 bus discretionary funding, totaling \$13 million, submitted to FTA on May 22. FY 2008 requests, totaling \$57 million, submitted to congressional delegation.
26	Threat & Vulnerability Assessment	Fourth Quarter	This is a system-wide risk-based assessment which will objectively quantify bus, rail and facility assets within the County. This analysis is a critical component in developing budget strategies and competing for Homeland Security grant allocations.	Comprehensive assessment and debriefing with stakeholders. Complete by 4th quarter of 2007.	<b>Executive Office, Security</b>	Initiated December 2006 with effort underway

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27	Costa Mesa Freeway / SR-55 Access Study	Fourth Quarter	Integrate public participation into planning activities	Convene SR-55 Access Study policy advisory group / outline study process	<b>External Affairs</b>	External Affairs workplan presented to Legislative Committee April 2007; included 55 Access Study plan
28	Internal Audit Risk Assessment & Administrative Software	Fourth Quarter	Evaluate and select audit software that will be used for performing annual risk assessment, monitoring audit findings and implementation of recommendations, producing timekeeping and productivity reports, standardizing workpaper templates and reports.	Selection of software and development of implementation plan	<b>Internal Audit</b>	In Progress. RFP will be circulated in 3rd quarter.
29	I-5 Gateway Project	Yearlong	Four-year project to widen I-5 freeway through Buena Park to Los Angeles county line - adding lanes, widening bridges, and enhancing freeway aesthetics.	• Complete Western Bridge; • Attain 30% completion level	<b>Development</b>	The I-5 Gateway project is progressing to open Western Avenue bridge this summer and to accomplish freeway widening construction up to the 30% completion level by the end of the year
30	Metrolink Expansion Program	Yearlong	Progress towards initiation of 30-minute service by end of 2009. Specifically focus on turning and support facilities at Fullerton, Laguna Niguel/Mission Viejo, Irvine	• Complete Project Definition packages • Complete Environmental analysis for Fullerton and Laguna Niguel/Mission Viejo. • Initiate right-of-way acquisition • Initiate design phase  • Execute Cooperative Agreement with Metrolink	<b>Development</b>	• 2/3 of Project Definition packages are complete. • In progress • RFP released for right-of-way acquisition • Track and signal improvement design in progress • Cooperative Agreement signed and executed
31	Consolidating LOSSAN services	Yearlong	Lay groundwork for integration of Amtrak, Metrolink, and Coaster service through Orange County	Initiate short-term actions between Metrolink and Coaster	<b>Development</b>	Regionwide CEO meetings underway to discuss work plan

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32	Goods Movement	Yearlong	OCTA becomes full partner with other counties in planning for goods movement to mitigate community impacts.  Develop goals and priorities for Board consideration.	Staff newly formed Goods Movement Committee. Participate in Multi-County Goods Movement Action Plan. (MCGMAP)	<b>Development</b>	<ul style="list-style-type: none"> <li>• Workshop with Board scheduled in January. MCGMAP scheduled for completion in March</li> <li>• Goods movement strategy due to LGA 5/17/07</li> </ul>
33	SR-91 Toll Extension - Riverside	Yearlong	Consult with Riverside County on proposed 91 Express Lanes extension to I-15.	Monitor progress and conduct follow-up analysis.	<b>Development State Relations Finance, Administration &amp; Human Resources</b>	Staff is participating in meetings with RCTC. Analysis will be included in Vollmers Toll & Revenue analysis currently underway. Legislation has cleared first policy committee.
34	South County MIS	Yearlong	Continue South Orange County Major Investment Study	Conduct public outreach in Spring 2007.	<b>Development &amp; External Affairs</b>	SOCMIS Policy Working Group meetings - ongoing Stakeholder meeting on 1/24/07. Policy meetings on 2/20 and 3/21/07. E-mail, web updates, and public input ongoing.
35	MTA Coordination	Yearlong	Meet and confer with MTA on projects of mutual interest.	<ul style="list-style-type: none"> <li>• Continue meetings with MTA staff and Board.</li> <li>• Fund OC/LA Intercounty Agreement</li> </ul>	<b>Development</b>	Ongoing
36	Go Local Program	Yearlong	Continue Development of phase 1 of the Go Local Program.	<ul style="list-style-type: none"> <li>• Complete MOU's with all Orange County Cities interested in participating in phase 1 of the Go Local Program.</li> <li>• Develop schedule and scoring criteria for initiation of phase 2</li> </ul>	<b>Development</b>	18 MOU's have been signed and executed for Phase 1

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37	HOV Policy Changes	Yearlong	Pursue changes to HOV policies with Caltrans.	Cooperative Agreements with Caltrans regarding continuous access HOV policy.	<b>Development</b>	Pilot program underway on SR-22. Ongoing discussions with Caltrans for expansion of policy to include other OC freeways. Caltrans is investigating safety, striping, and signage issues.
38	OCTA - Caltrans liaison	Yearlong	Partner with District 12 to improve productivity	Achieve measurable reductions in project approval time	<b>Development</b>	On-going senior staff meetings underway
39	OC - Intercounty Cooperation	Yearlong	Coordinate across county lines	Policy-level meetings with MTA, SANDAG & RCTC	<b>Development</b>	On-going senior staff meetings underway
40	ARTIC	Yearlong	Development of interim Metrolink station at newly acquired ARTIC site. Begin development of master site plan for ARTIC site.	<ul style="list-style-type: none"> <li>• Development of detailed schedule, plans, and cost estimate for interim Metrolink station.</li> <li>• Define roles and responsibilities for City, OCTA, and SCRRA for interim station development.</li> <li>• Complete report of public facilities.</li> <li>• Complete private stakeholder solicitations.</li> </ul>	<b>Development</b>	<ul style="list-style-type: none"> <li>• Design basis report for site complete.</li> <li>• Initiated project concepts for build out of ARTIC</li> </ul>
41	Public Information	Yearlong	Provide public information about OCTA initiatives and services to the media, cities, customers, constituencies. Reach out to existing and potential users of services and program stakeholders i.e. commuters, students, seniors, city officials, business leaders, environmental groups, employees, etc.	Accurate information is provided in advance of changes for bus, Metrolink, ACCESS, 91 Express Lanes and for highway, streets & roads, transit & other projects and funding programs. Quarterly customer relations and weekly outreach reports are delivered.	<b>External Affairs</b>	Weekly reports ongoing. Quarterly Customer Relations report delivered 2/26/07. Web updates ongoing for all projects. News Media summary of activities in weekly updates and Board news alerts ongoing.
42	Public Participation: Advisory & Oversight Committees	Yearlong	Staff Citizen's Advisory, Special Needs in Transit, Measure M Citizens / Taxpayers Oversight Committees	Updates are provided in weekly and quarterly reports; key issues are identified for Board.	<b>External Affairs</b>	Outreach reports submitted to Board on weekly basis.

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43	OCTA will meet the following goals on the SR-91 Express Lanes: (a) 14,800,000 trips on the lanes (b) \$42,100,000 in toll revenue	Yearlong	To maintain consistency with bond indenture requirements, the SR -91 Express Lanes 2007 revenue and vehicle trip goals are derived from annualized estimates of Vollmer weekly traffic and revenue forecasts.		<b>Finance, Administration and Human Resources</b>	SR-91 Express Lanes is on pace to meet its trip and revenue goals. As of 3/31/07, trips are at 3,624,856 and revenues are at \$10,374,640.
44	State Legislative approach	Yearlong	Identify and implement strategies to advance legislative goals in Sacramento		<b>State Relations</b>	Ongoing - Increased Board participation in advocacy efforts
45	Bus Revenue Projections	Yearlong	Provide 1.8 million hours of revenue and non-revenue service		<b>Transit</b>	We have provided actual hours within one percent of target hours and are gradually converting to non-revenue to revenue hours.
46	Bus Operations	Yearlong	Reduce passenger complaint frequency by 10%		<b>Transit</b>	Customer complaints are down by 3.1% over prior year period
47	Passenger Boardings	Yearlong	Provide 72.2 million passenger boardings		<b>Transit</b>	Boardings are up by 1.5% over prior year period with 6.9 million as the year end estimate (72.2 million goal was based on higher than budgeted hours).
48	Maintenance	Yearlong	Increase miles between road calls by 6%		<b>Transit</b>	Miles between road calls are up by 4.4%
49	Maintenance	Yearlong	Control cost per vehicle hour and mile		<b>Transit</b>	Cost per vehicle hour is down 2.9%, while the cost per vehicle mile is down by 2.3%

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50	Maintenance	Yearlong	Maintain a fleet which is clean and graffiti free		Transit	We maintain a zero tolerance for graffiti free buses
52	CNG Fueling Facilities at Santa Ana, Garden Grove, and Anaheim	Yearlong	<p><u>Santa Ana Base CNG Fueling Station</u>            Installation of 4 CNG compressors, gas dryer, 4 buffer storage tanks, 3 CNG dispensers, methane gas detection system, and underground gas pipeline.</p> <p><u>Anaheim &amp; Garden Grove CNG Fueling Stations</u>            Installation of CNG compressors, gas dryer, buffer storage tanks, 3 CNG dispensers, methane gas detection system, and underground gas pipeline</p>	<p>• Santa Ana - Complete construction by March 2007</p> <p>• Anaheim &amp; Garden Grove - Board recommendation for award by May 2007</p>	Development	<p>• Construction complete. Punchlist item disposition in progress</p> <p>• Design, construction, operation and maintenance contracts for Anaheim &amp; Garden Grove approved on 5/14/07</p>
51	Bus Rapid Transit	Yearlong	Complete Project Implementation Plan and move forward with vehicle procurement for BRT fleet (implement option)	Bring to Board for review and adoption	Transit	Board will consider the implementation plan and vehicle procurement on June 11