

Date: Monday, July 24, 2006

Time: 9:00 a.m.

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



AGENDA

Orange County Transportation Authority Board Meeting
OCTA Headquarters
First Floor - Room 154, 600 South Main Street
Orange, California
Monday, July 24, 2006, 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 Wilson

Pledge of Allegiance

Director Norby

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.



AGENDA

ACTIONS

Special Matters

1. **Final Program Environmental Impact Report for the 2006 Long-Range Transportation Plan**

Kia Mortazavi/Paul C. Taylor

Overview

The Final Program Environmental Impact Report for the 2006 Long-Range Transportation Plan is presented for Board of Directors' certification, along with the associated and related actions.

Recommendation

Recommend the Board of Directors approve the attached resolution certifying the Program Environmental Impact Report for the 2006 Long Range Transportation Plan and adopting the Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program, in compliance with the California Environmental Quality Act.

2. **Final 2006 Long-Range Transportation Plan**

Kia Mortazavi/Paul C. Taylor

Overview

The final 2006 Long-Range Transportation Plan is presented for Board of Directors' approval.

Recommendations

- A. Recommend the Board of Directors adopt the Balanced Plan and approve the final 2006 Long-Range Transportation Plan.
- B. Direct staff to forward the final 2006 Long-Range Transportation Plan to the Southern California Association of Governments for inclusion in the 2007 Regional Transportation Plan.
- C. Direct staff to return in 60 days with an action plan to implement the recommendations of the 2006 Long-Range Transportation Plan.



AGENDA

ACTIONS

3. **Adoption of the Renewed Measure M Transportation Plan and Ordinance Number 3**
Monte Ward

Overview

On April 24, 2006, the Board of Directors directed staff to seek approval from Orange County cities and the Board of Supervisors of the Renewed Measure M Transportation Investment Plan for purposes of placing it before the voters. All 34 cities and the Board of Supervisors have taken this action. Orange County Local Transportation Authority Ordinance Number 3, fully incorporating the Renewed Measure M Transportation Investment Plan and proposing a continuation of the existing local one-half cent transportation sales tax for 30 years from 2011 to 2041, is presented for approval by a two-thirds vote of the Board. Also presented for approval is a resolution requesting that this matter be placed before Orange County voters at the election of November 7, 2006.

Recommendations

- A. Adopt Orange County Local Transportation Authority Ordinance Number 3, including the Renewed Measure M Transportation Investment Plan.
- B. Adopt Orange County Local Transportation Authority Resolution Number 2006-41 requesting that the Orange County Board of Supervisors place the renewal of Measure M on the November 7, 2006, ballot.
4. **Resolutions In Recognition of League of Cities' Measure M Super Committee Members**



AGENDA

ACTIONS

Consent Calendar (Items 5 through 33)

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

5. Approval of Chairman's Travel Request

Request for Chairman Brown to travel to Portland, Oregon, from August 13-16, 2006, to attend the 2006 Western Council of Governments (COG) Conference.

6. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of June 26, 2006.

7. Internal Audit Department Reporting Structure and Management Recruitment Process

Lisa Monteiro

Overview

At the direction of the Orange County Transportation Authority's Finance and Administration Committee, staff is making recommendations for a revised reporting structure and management recruitment process for the Internal Audit Department.



AGENDA

ACTIONS

7. (Continued)

Committee Recommendations

- A. Approve the formation of an Audit Oversight Committee, determine its membership, and direct staff to:
 - 1. Research possible candidates for a public member of the Audit Oversight Committee and return with recommendations; and
 - 2. Establish a schedule for the Audit Oversight Committee to meet with the Internal Audit Department on a quarterly basis.
- B. Direct staff to continue to provide all internal audit reports to the Finance and Administration Committee for review and approval.
- C. Approve a change in reporting structure whereby the Internal Audit Department would report to the Chief Executive Officer and to the Board of Directors.
- D. Retain the title of Internal Audit Manager.

8. **Fiscal Year 2006-07 Internal Audit Plan**

Lisa Monteiro

Overview

At the direction of the Orange County Transportation Authority's Board of Directors, the Internal Audit Department develops and implements an annual internal audit plan as an essential tool to assist management in the discharge of their responsibilities and to protect the integrity of the Orange County Transportation Authority's operations and assets.

Recommendations

- A. Approve the Fiscal Year 2006-07 Internal Audit Plan.
- B. Direct the Internal Audit Manager to provide quarterly updates on the audit plan progress.



AGENDA

ACTIONS

9. **Evaluation Criteria Weighting for Selection of Triennial Performance Auditors for the Fiscal Years 2003-04 through 2005-06**

Lisa Monteiro

Overview

Staff has developed the proposed evaluation criteria weighting to initiate the competitive procurement process to conduct the triennial performance audits for fiscal years 2003-04 through 2005-06.

Recommendation

Approve the proposed evaluation criteria weighting specifying the following:

- Qualifications of the firm - 20 percent
- Staffing and project organization - 30 percent
- Work plan - 30 percent
- Cost and price - 20 percent

10. **Review of Department of Motor Vehicles' Pull Notice Program**

Lisa Monteiro

Overview

The Internal Audit Department has completed a review of controls and operations of Orange County Transportation Authority's Department of Motor Vehicles' Pull Notice Program. Five recommendations were made to strengthen internal controls, make operations more efficient, and ensure compliance with applicable laws and regulations. Management staff has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

Recommendation

Receive and file the Review of Department of Motor Vehicles' Pull Notice Program, Internal Audit Report No. 06-010.



AGENDA

ACTIONS

11. **Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update**
Lisa Monteiro

Overview

The Orange County Transportation Authority Board of Directors adopted the Annual Internal Audit Plan for Fiscal Year 2005-06. This is the quarterly update for the fourth quarter of the fiscal year.

Recommendation

Receive and file the Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update.

12. **Third Quarter Payroll Review**
Lisa Monteiro

Overview

The Internal Audit Department has completed a payroll review of 60 randomly selected Orange County Transportation Authority employees. With one exception, payments to the employees sampled were valid, accurate and within the authorized pay range. One employee's pay rate exceeded the maximum hourly rate by 16 cents.

Recommendation

Receive and file the Third Quarter Payroll Review, Internal Audit Report No. 06-029.

13. **Transit Police Services Audit**
Lisa Monteiro

Overview

The Internal Audit Department has completed a contract compliance and operational audit of Transit Police Services. Twelve recommendations were made to improve management oversight of the contract and control over contract compliance. Management indicated that the recommendations will be implemented.



AGENDA

ACTIONS

13. (Continued)

Recommendation

Direct staff to implement the recommendations made in the Transit Police Services audit.

14. **Preparation of the 2007 State and Federal Legislative Platforms**

Wendy Villa/Richard J. Bacigalupo

Overview

The Orange County Transportation Authority is preparing the legislative platform in advance of the 2007 sessions of the California Legislature and United States Congress. As a listing of objectives and issue positions, the legislative platforms provide general direction to staff and legislative representatives in Sacramento and Washington, D.C.

Recommendation

Approve the preparation plan and timeline for the State and Federal Legislative Platforms.

15. **Federal Legislative Status Report**

Kristine Murray/Richard J. Bacigalupo

Overview

The Federal Legislative Status Report includes a summary of the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission authorized by the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users, as well as the Administration's national congestion relief program.

Recommendation

Receive and file as an information item.



AGENDA

ACTIONS

16. **Resolution for National Criminal History Access**
Thomas Little/Richard J. Bacigalupo

Overview

The State of California, Department of Justice has recently been granted access to the Federal Bureau of Investigation criminal history database for pre-employment background checks.

Recommendation

Staff recommends that the Orange County Transportation Authority authorize the submission of a resolution to the California State Department of Justice to request permission to access the Federal Bureau of Investigation national database for pre-employment, licensing and certification criminal background checks.

17. **Award of Construction Contract for Americans with Disabilities Act Bus Stop Modifications (Phase 3, Construction Package 7)**
Dipak Roy/Paul C. Taylor

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board of Directors approved construction of Americans with Disabilities Act improvements at the Orange County Transportation Authority's bus stops countywide. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0412, between the Orange County Transportation Authority and LH Engineering Company, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$775,905, for Americans with Disabilities Act bus stop modifications in the cities of Huntington Beach, Costa Mesa, and Seal Beach.



AGENDA

ACTIONS

18. **Selection of a Consultant for Construction Management, Inspection, and Survey Support Services for the State Route 90 (Imperial Highway) Smart Street Project**
Dipak Roy/Paul C. Taylor

Overview

As part of the Orange County Transportation Authority Fiscal Year 2006-2007 Budget, the Board approved construction management, inspection, and survey services for the State Route 90 (Imperial Highway) Smart Street project. Proposals and statements of qualifications were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering services. These procedures are in accordance with both federal and state legal requirements.

Recommendations

- A. Select Lim & Nascimento Engineering Corporation as the top-ranked firm to provide construction management, inspection, and survey support services for the State Route 90 (Imperial Highway) Smart Street project.
 - B. Authorize staff to request a cost proposal from Lim & Nascimento Engineering Corporation and negotiate an agreement for their services.
 - C. Authorize the Chief Executive Officer to execute the final agreement.
19. **Recommended South Orange County Signal Synchronization Pilot Project**
Anup Kulkarni/Paul C. Taylor

Overview

The Orange County Transportation Authority has been working with local agencies to recommend a corridor for the south Orange County signal synchronization pilot project. Oso Parkway/Pacific Park Drive is recommended for the south Orange County pilot project.



AGENDA

ACTIONS

19. (Continued)

Committee Recommendations

- A. Designate Oso Parkway/Pacific Park Drive as the south Orange County signal synchronization pilot project.
- B. Direct staff to return to the Board of Directors with a schedule and budget for the Oso Parkway/Pacific Park Drive project.
- C. Director staff to return in 90 days for a discussion of public policy objectives that would be the focus of the Euclid Street and Oso Parkway/pacific Park Drive pilot projects.

20. **91 Express Lanes Pavement Maintenance Project**
Dipak Roy/Paul C. Taylor

Overview

Pavement maintenance and repairs to the 91 Express Lanes are necessary as recommended by a Pavement Management Report. Since the California Department of Transportation is doing similar work on the main lanes of the Riverside Freeway (State Route 91), it is advantageous to all to combine the two efforts.

Recommendations

- A. Authorize staff to negotiate a price for the California Department of Transportation to perform pavement work on the 91 Express Lanes.
- B. Authorize the Chief Executive Officer to execute a contribution agreement with the California Department of Transportation in an amount not to exceed \$1,370,600.



AGENDA

ACTIONS

21. **Rail Program Status Update**
Darrell E. Johnson/Paul C. Taylor

Overview

Staff is providing an update on the Orange County Transportation Authority rail program, including the Metrolink Commuter Rail Program and grade crossing improvements underway in Orange County.

Recommendation

Receive and file as information item.

22. **2006 Regional Transportation Improvement Program and Financial Plan**
Jennifer Bergener/Paul C. Taylor

Overview

The Orange County Transportation Authority is responsible for the biennial preparation of the Regional Transportation Improvement Program for Orange County. This document is required under both federal and state law, and outlines the financial plan to deliver regionally significant transportation improvement projects in Orange County. A summary of the Transportation Improvement Program and a resolution are submitted for approval.

Recommendation

Approve the Orange County Regional Transportation Improvement Program project list and financial plan for fiscal year 2006-07 through fiscal year 2011-12, and adopt Orange County Transportation Authority Resolution No. 2006-48.



AGENDA

ACTIONS

23. Evaluation Criteria Review for Design Services for the Garden Grove Freeway (State Route 22) Phase II Project

Kathleen Perez/Paul C. Taylor

Overview

Staff has developed proposed evaluation criteria weighting to initiate the competitive procurement process to retain a firm to provide design services for the Garden Grove Freeway (State Route 22) Phase II Project.

Recommendation

Approve the proposed evaluation criteria specifying a weighting of 100 percent for technical qualifications associated with architectural and engineering services, which conform to both state and federal law.

24. Amendment to Agreement for Telecommunications Systems Maintenance and On-Site Technician(s)

Barry Reynolds/James S. Kenan

Overview

On August 25, 2003, the Board of Directors approved an agreement with Verizon Select Services Inc., in the amount of \$492,755 to provide Telecommunications maintenance and on-site technician services. Verizon Select Services, Inc., was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0666 between the Orange County Transportation Authority and Verizon Select Services Inc., in an amount not to exceed \$225,000, to exercise the first option year offered in the original agreement.



AGENDA

ACTIONS

25. **Second Quarter 2006 Debt and Investment Report**
Kirk Avila/James S. Kenan

Overview

The California Government Code requires that the Orange County Transportation Authority Treasurer submit a quarterly investment report detailing the Orange County Transportation Authority's investment activity for the period. This investment report covers the second quarter of 2006, April through June, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

Receive and file the Quarterly Debt and Investment Report prepared by the Treasurer as an information item.

26. **New York Meetings with Rating Agencies, Insurers, and Investors**
Kirk Avila/James S. Kenan

Overview

Since the early nineties, the Orange County Transportation Authority has maintained an active investor relations program. As part of this program, each year the Orange County Transportation Authority conducts a series of meetings with rating agencies, insurance companies, and investors in New York, New York. This year the trip took place during the week of June 19, 2006.

Recommendation

Receive and file as an information item.



AGENDA

ACTIONS

27. Customer Relations Service Quality Report for Third Quarter Fiscal Year 2005-06

Adam Raley/Ellen S. Burton

Overview

The Customer Relations Service Quality Report is submitted to the Orange County Transportation Authority Board of Directors on a quarterly basis. The report provides a statistical analysis of customer communications received during the quarter, as well as details proactive activities undertaken by staff to ensure quality service to customers.

Recommendation

Receive information for discussion and possible action as deemed appropriate by the Board.

28. Agreement for Rideshare Support Services

Stella Lin/Ellen S. Burton

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved resources for Rideshare program support services. Offers to provide these services were received in accordance with the Orange County Transportation Authority's procurement policy. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0344 between the Orange County Transportation Authority and Inland Transportation Services for the period August 1, 2006 to July 31, 2007 in an amount not to exceed \$100,000, with three option terms for Rideshare support services.



AGENDA

ACTIONS

29. Citizens' Advisory Committee Update
Tamara S. Warren/Ellen S. Burton

Overview

The Orange County Transportation Authority's Citizens' Advisory Committee has been meeting for a year under their new structure. A summary of the committee activities and the appointment status is provided with this report.

Recommendations

- A. Receive and file the status report on Citizens' Advisory Committee activities over the past year.
- B. Recommend the Board of Directors adopt resolutions of appreciation 2006-42 through 2006-44 for members of the 2005-2006 Citizens' Advisory Committee whose terms have expired and will not be continuing.

Orange County Transit District Consent Calendar Matters

30. Pass Sales Review
Lisa Monteiro

Overview

The Internal Audit Department has completed a limited review of controls and operations over pass sales vendors and the employer pass program. Thirteen recommendations were made to strengthen internal controls and make operations more efficient. Management has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

Recommendation

Direct staff to implement the recommendations made in the Pass Sales Review.



AGENDA

ACTIONS

31. Agreement for Asphalt Pavement Reconstruction at the Garden Grove Base

James J. Kramer/Paul C. Taylor

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2005-06 Budget, the Board of Directors approved asphalt pavement reconstruction at the Garden Grove Base. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures.

Recommendations

- A. Increase the Development Division Fiscal Year 2006-07 Budget by \$589,000, for asphalt pavement reconstruction at the Garden Grove Base.
- B. Contingent upon approval of budget increase, authorize the Chief Executive Officer to execute Agreement C-6-0419 between the Orange County Transportation Authority and R.J. Noble, the lowest responsive, responsible bidder, in an amount not to exceed \$589,000, for asphalt pavement reconstruction at the Garden Grove Base.

32. Agreement for Purchase of Electrical Utility Equipment at the Santa Ana Base

James J. Kramer/Paul C. Taylor

Overview

In November 2005, the Orange County Transportation Authority's Board of Directors approved a lease-to-own compressed natural gas fueling station at the Santa Ana Base. Electrical service upgrades are required to operate the new compressed natural gas fueling station at the Santa Ana Base.

Recommendation

Authorize the Chief Executive Officer to execute an Agreement C-6-0501 between the Orange County Transportation Authority and Southern California Edison, in an amount not to exceed \$93,569, for new electrical service upgrades at the Santa Ana Base.



AGENDA

ACTIONS

33. **Amendment to Agreement for Uniform Rental and Cleaning Service**
Al Pierce/John D. Byrd

Overview

On September 12, 2003, the Board of Directors approved an agreement with Prudential Overall Supply, to provide uniform rental and cleaning service for all maintenance employees for a three-year period with one option year.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-3-0683 between the Orange County Transportation Authority and Prudential Overall Supply, in an amount not to exceed \$91,984, to exercise the one-year option, for uniform rental and cleaning service.

Regular Calendar

There are no Regular Calendar Matters.

Other Matters

34. **Chairman's Goals**
35. **Chief Executive Officer's Goals**

The Board of Directors and the Chief Executive Officer agreed upon a set of goals for 2006

36. **Chief Executive Officer's Report**
37. **Directors' Reports**
38. **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.



AGENDA

ACTIONS

39. Closed Session

- A. Pursuant to Government Code Section 54956.9(c).
- B. Pursuant to Government Code Section 54956.8, to discuss negotiations regarding the real property located at 1750 South Douglass Road, Anaheim, California. The real property is owned by the County of Orange, and its negotiator is Thomas Mauk; the negotiator for the Orange County Transportation Authority is James S. Kenan.

40. Adjournment

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSAAV Board will be held at **9:00 a.m. on August 14, 2006**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Final Program Environmental Impact Report for the 2006 Long-Range Transportation Plan

Regional Planning and Highways Committee

July 17, 2006

Present: Directors Cavecche, Correa, Green, Monahan, Norby, and Pringle
Absent: Directors Dixon, Ritschel, and Rosen

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Recommend the Board of Directors approve the attached resolution certifying the Program Environmental Impact Report for the 2006 Long-Range Transportation Plan and adopting the Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program, in compliance with the California Environmental Quality Act.



July 17, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Final Program Environmental Impact Report for the 2006 Long-Range Transportation Plan

Overview

The Final Program Environmental Impact Report for the 2006 Long-Range Transportation Plan is presented for Board of Directors' certification, along with the associated and related actions.

Recommendation

Recommend the Board of Directors approve the attached resolution certifying the Program Environmental Impact Report for the 2006 Long-Range Transportation Plan and adopting the Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program, in compliance with the California Environmental Quality Act.

Background

On January 9, 2006, the Board of Directors (Board) approved release of the draft 2006 Long-Range Transportation Plan (LRTP) and the associated Draft Program Environmental Impact Report (DPEIR) for public review. In a separate action, the Board also approved release of the draft of the Renewed Measure M Transportation Investment Plan (Investment Plan) for public review. The LRTP presented three alternatives to address future growth and mobility needs projected for Orange County. The proposed extension of Measure M is the basis for the Balanced Plan (referred to as the proposed plan in the DPEIR). The Balanced Plan is the recommended alternative and includes the projects and programs identified in the Investment Plan in addition to those funded by traditional transportation revenues (Constrained Alternative). Therefore, the DPEIR addresses the potential environmental impacts of both the LRTP and the Investment Plan.

Discussion

The draft LRTP and DPEIR were circulated for public review from January 12, 2006 through March 31, 2006. A total of 30 agencies, organizations, and individuals provided comments on the LRTP and DPEIR. The final LRTP and Final Program Environmental Impact Report (FPEIR) have incorporated clarifications and corrections in response to comments received (Attachment A). A separate Responses to Comments document (Attachment B), which includes copies of each comment letter received and provides a response to significant environmental issues raised in these letters, has been prepared as part of the FPEIR. The FPEIR is intended to address the potential environmental impacts of potential subsequent discretionary actions by the Board, including approval of the LRTP and actions to facilitate the renewal of Measure M.

Key issues raised through the comment process include concerns that the DPEIR did not address climate change or greenhouse gas emissions, concerns that the DPEIR did not evaluate a broad enough range of alternatives (in regard to both more transit and more highway emphasis), and concerns that the proposed plan resulted in a significant growth in vehicle miles traveled (VMT) compared to existing conditions. In regard to the climate change issue, note that in June 2005, Governor Schwarzenegger signed Executive Order S-3-05, which established greenhouse gas emission reduction targets for the State of California over the next 45 years (Attachment C). These issues are briefly discussed below.

Climate Change/Global Warming Issues: Several comments were received stating the LRTP did not address global warming/greenhouse gas issues. These included requests by the California Attorney General and several environmental organizations to assess the project's potentially significant impact on global warming due to increases in greenhouse gas emissions and to impose mitigation measures to control or reduce these emissions. However, neither the United States Environmental Protection Agency, the California Air Resources Board, or the South Coast Air Quality Management District has developed a methodology for assessing whether an individual project would have a significant impact on global warming due to greenhouse gas emissions. Nonetheless, the Orange County Transportation Authority (OCTA) has acknowledged in the FPEIR that greenhouse gas emissions are an emerging issue and attempted to quantify carbon dioxide (CO₂) emissions. This analysis found that the proposed plan would result in a reduction in CO₂ emissions compared to the future conditions if the plan were not implemented.

LRTP Alternatives: Several comments were received indicating the DPEIR did not evaluate a sufficient range of alternatives, and that the DPEIR should have evaluated alternatives that have a greater emphasis on transit (in support of environmental goals) or on highway programs. The alternatives in the LRTP represent a balance between meeting long-term mobility needs and remaining sensitive to community and environmental issues. Contrary to the assertion by the California Attorney General and others that the LRTP relied too heavily on highway improvements, transit programs, including existing services, comprise the largest single component of the LRTP. The highway program has been designed to minimize community impacts by maximizing the efficiency of the existing system within available right-of-way to the extent possible. It also includes an innovative environmental program designed to provide comprehensive mitigation of overall freeway program impacts, rather than piecemeal mitigation of individual projects.

Increase in VMT: Several comments were received suggesting the proposed plan resulted in a significant increase in VMT compared to existing conditions. While the VMT for 2030 increased significantly compared to existing levels for the proposed plan as well as the other alternatives, the increase is due to the growth in population and employment forecast for 2030, and occurs under all future conditions, including the future no project condition. The alternatives themselves result in only minor differences in VMT.

Next Steps

Assuming the OCTA Board certifies the FPEIR, OCTA will prepare and file a Notice of Determination with the County Clerk notifying the public of the Board's California Environmental Quality Act determination.

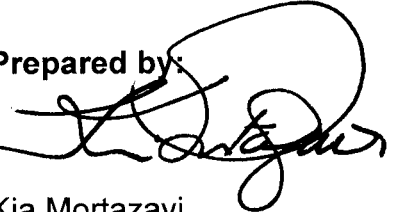
Summary

The DPEIR for the 2006 LRTP, which also addresses the potential environmental impacts of the proposed extension of Measure M, has been reviewed by the public and responses have been prepared for all comments received. OCTA staff proposes that the Regional Planning and Highways Committee recommend approval of the attached resolution (Attachment D) certifying the FPEIR and adopting the Findings of Fact and Statement of Overriding Considerations (Exhibit A to Attachment D) and Mitigation Monitoring and Reporting Program (Exhibit B to Attachment D).

Attachments

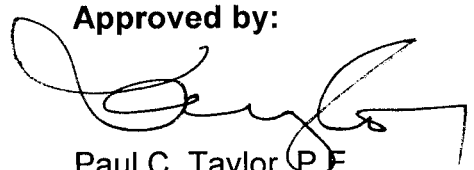
- A. Orange County Transportation Authority 2006 Long-Range Transportation Plan Final Program Environmental Impact Report
- B. Final Program Environmental Impact Report Volume II: Responses to Comments
- C. Executive Order (S-3-05)
- D. Resolution of Certification for the Final Program Environmental Impact Report for the 2006 Long-Range Transportation Plan

Prepared by:



Kia Mortazavi
Director, Strategic Planning
(714) 560-5741

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431

ATTACHMENT A

ORANGE COUNTY TRANSPORTATION AUTHORITY
2006 LONG-RANGE TRANSPORTATION PLAN
FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT

ATTACHMENT B

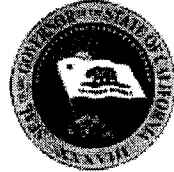
FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT
VOLUME II: RESPONSES TO COMMENTS

ARE INCLUDED ON THE ATTACHED COMPACT DISK

Executive Order

EXECUTIVE DEPARTMENT

STATE OF CALIFORNIA



EXECUTIVE ORDER S-3-05
by the
Governor of the State of California

WHEREAS, California is particularly vulnerable to the impacts of climate change; and

WHEREAS, increased temperatures threaten to greatly reduce the Sierra snowpack, one of the State's primary sources of water; and

WHEREAS, increased temperatures also threaten to further exacerbate California's air quality problems and adversely impact human health by increasing heat stress and related deaths, the incidence of infectious disease, and the risk of asthma, respiratory and other health problems; and

WHEREAS, rising sea levels threaten California's 1,100 miles of valuable coastal real estate and natural habitats; and

WHEREAS, the combined effects of an increase in temperatures and diminished water supply and quality threaten to alter micro-climates within the state, affect the abundance and distribution of pests and pathogens, and result in variations in crop quality and yield; and

WHEREAS, mitigation efforts will be necessary to reduce greenhouse gas emissions and adaptation efforts will be necessary to prepare Californians for the consequences of global warming; and

WHEREAS, California has taken a leadership role in reducing greenhouse gas emissions by: implementing the California Air Resources Board motor vehicle greenhouse gas emission reduction regulations; implementing the Renewable Portfolio Standard that the Governor accelerated; and implementing the most effective building and appliance efficiency standards in the world; and

WHEREAS, California-based companies and companies with significant activities in California have taken leadership roles by reducing greenhouse gas (GHG) emissions, including carbon dioxide, methane, nitrous oxide and hydrofluorocarbons, related to their operations and developing products that will reduce GHG emissions; and

WHEREAS, companies that have reduced GHG emissions by 25 percent to 70 percent have lowered operating costs and increased profits by billions of dollars; and

WHEREAS, technologies that reduce greenhouse gas emissions are increasingly in demand in the worldwide marketplace, and California companies investing in these technologies are well-positioned to profit from this demand, thereby boosting California's economy, creating more jobs and providing increased tax revenue; and

WHEREAS, many of the technologies that reduce greenhouse gas emissions also generate operating cost savings to consumers who spend a portion of the savings across a variety of sectors of the economy; this increased spending creates jobs and an overall benefit to the statewide economy.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power invested in me by the Constitution and statutes of the State of California, do hereby order effective immediately:

1. That the following greenhouse gas emission reduction targets are hereby established for California: by 2010, reduce GHG emissions to 2000 levels; by 2020, reduce GHG emissions to 1990 levels; by 2050, reduce GHG emissions to 80 percent below 1990 levels; and

2. That the Secretary of the California Environmental Protection Agency ("Secretary") shall coordinate oversight of the efforts made to meet the targets with: the Secretary of the Business, Transportation and Housing Agency, Secretary of the Department of Food and Agriculture, Secretary of the Resources Agency, Chairperson of the Air Resources Board, Chairperson of the Energy Commission, and the President of the Public Utilities Commission; and
3. That the Secretary shall report to the Governor and the State Legislature by January 2006 and biannually thereafter on progress made toward meeting the greenhouse gas emission targets established herein; and
4. That the Secretary shall also report to the Governor and the State Legislature by January 2006 and biannually thereafter on the impacts to California of global warming, including impacts to water supply, public health, agriculture, the coastline, and forestry, and shall prepare and report on mitigation and adaptation plans to combat these impacts; and
5. That as soon as hereafter possible, this Order shall be filed with the Office of the Secretary of State and that widespread publicity and notice be given to this Order.



IN WITNESS WHEREOF I have here unto set my hand and caused the Great Seal of the State of California to be affixed this the first day of June 2005.

/s/ Arnold Schwarzenegger

Governor of California

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**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY**

**CERTIFYING THE PROGRAM ENVIRONMENTAL IMPACT REPORT FOR THE 2006
LONG RANGE TRANSPORTATION PLAN AND RENEWAL OF MEASURE M AND
ADOPTING FINDINGS OF FACT, A STATEMENT OF OVERRIDING
CONSIDERATIONS, AND A MITIGATION, MONITORING AND REPORTING
PROGRAM**

WHEREAS, the Board of Directors ("Board") of the Orange County Transportation Authority (the "Authority") is presently considering the approval of a project known as the 2006 Long Range Transportation Plan, which includes the transportation projects and programs in the proposed Measure M renewal Transportation Investment Plan ("Project"); and

WHEREAS, the Authority is the lead agency for the Project, pursuant to the California Environmental Quality Act of 1970 (CEQA) (Public Resources Code § 21000 et. seq.), as amended, the State of California CEQA Guidelines (14 Cal. Code Regulations § 14000 et. seq.); and

WHEREAS, the Authority has caused to be prepared the Draft Program Environmental Impact Report (the "Draft PEIR") for the Project that assesses the significant environmental impacts, mitigation measures, and alternatives associated with the Project; and

WHEREAS, the Authority has consulted with other public agencies and the general public, and provided such agencies and the public with the opportunity to provide written and oral comments on the Draft PEIR, as required by CEQA; and

WHEREAS, the Authority has reviewed the comments received and responded to the significant environmental issues raised during the review and consultation process; and

WHEREAS, the Final PEIR is comprised of (i) the Draft PEIR, (ii) a list of persons, organizations and public agencies commenting on the Draft PEIR, (iii) comments received from the public and interested agencies, (iv) revisions to the text of the Draft PEIR reflecting changes made in response to comments and other information, (vi) other minor changes to the text of the Draft PEIR, and (vii) attachments and documents incorporated by reference into the Final PEIR.

WHEREAS, the Board reviewed all documentation/materials comprising the Final PEIR and found that the Final PEIR considers all environmental effects of the Project and is complete and adequate and fully complies with all of the requirements of CEQA; and

WHEREAS, a Mitigation Monitoring and Reporting Program (MMRP) has been drafted to meet the requirements of Public Resources Code section 21081.6 and is attached hereto as Exhibit B. The MMRP is designed to ensure compliance with the feasible mitigation measures imposed upon the Project to avoid or substantially lessen the significant effects identified in the Final PEIR; and

WHEREAS, CEQA (Public Resources Code section 21081) and the CEQA Guidelines (14 Cal. Code Regulations 15091) require that the Board make one or more of the following findings prior to approval of a project for which an EIR has been completed, identifying one or more significant environmental effects of the project, along with a statement of fact supporting each finding:

Finding 1 – Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects as identified in the EIR.

Finding 2 – Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding, Such changes have been adopted by such other agency or can and should be adopted by such agency.

Finding 3 – Specific economic, legal, social, technological, or other considerations make infeasible, the mitigation measures or project alternatives identified in the EIR.

WHEREAS, the Board contemplates and directs continuing compliance with CEQA and the CEQA Guidelines in the implementation of the various transportation improvements and elements of the Project.

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

Section 1. That the Board certifies that Final PEIR is complete and adequate in that it addresses all of the environmental effects of the Project and fully complies with the requirements of CEQA and the CEQA Guidelines.

Section 2. That the Board has considered the information contained in the Final PEIR prior to approving the Project and that the Final PEIR reflects the independent review and judgment of the Authority.

Section 3. That the Board makes the findings contained in the “Findings of Fact and Statement of Overriding Considerations” with respect to each of the significant impacts identified in the Final PEIR. Specifically, the Board finds that each fact in support of the individual findings is true and based upon substantial evidence in the record including the Final PEIR. The “Findings of Fact and Statement of Overriding

Considerations” is attached hereto as Exhibit A and incorporated herein by this reference.

Section 4. That the Board finds that although the Final PEIR identifies certain significant environmental effects that will result if the Project is approved, those significant effects which can be feasibly mitigated or avoided have been reduced to a level of insignificance by the incorporation of project design features, standard conditions and requirements, and the imposition of mitigation measures on the approved Project. The individual mitigation measures identified for the Project are incorporated into the Mitigation Monitoring and Reporting Program (MMRP) for the Project attached hereto as Exhibit B and incorporated herein by reference.

Section 5. That the Board finds that no significant new information has been added to the Final PEIR such that recirculation for additional public review is necessary or required pursuant to the CEQA Guidelines (14 Cal. Code Regs. §15088.5).

Section 6. That the Board adopts the MMRP attached as Exhibit B, and directs that the mitigation measures be incorporated into the Project prior to or concurrent with Project approval and implementation.

Section 7. That the Board finds that the unavoidable adverse effects of the Project as identified in the “Findings of Fact and Statement of Overriding Considerations” that have not been reduced to a less than significant level have been, nonetheless, lessened in their severity by the imposition of the mitigation measures identified in the MMRP. The Board further finds that the remaining, unavoidable significant impacts of the Project are outweighed by the economic, social, or other benefits of the Project that are more particularly described in Section 8, Statement of Overriding Considerations of the “Findings of Fact and Statement of Overriding Considerations.”

Section 8. That the Board adopts the recitation of the overriding considerations as set forth in Section 8, Statement of Overriding Considerations of the “Findings of Fact and Statement of Overriding Considerations” and finds that these overriding considerations justify approval of the Project notwithstanding certain unavoidable environmental effects which cannot be feasibly mitigated.

Section 9. The documents and other materials that constitute the record of proceedings on which the Board’s decision are based are located at the Orange County Transportation Authority, 600 South Main Street, Orange, CA. The custodian of these documents is the Planning and Analysis Department. This information is provided in compliance with CEQA (Public Resources Code §21081.6(a)(2)) and the CEQA Guidelines (14 Cal. Code Regs. §15091(e)).

ADOPTED, SIGNED AND APPROVED this 24th day of July, 2006.

AYES:

NOES:

ABSTAIN:

ABSENT:

Wendy Knowles
Clerk of the Board

Arthur C. Brown, Chairman
Orange County Transportation Authority

OCTA Resolution No. 2006-49

EXHIBIT A

**FINDINGS OF FACT AND
STATEMENT OF OVERRIDING CONSIDERATIONS**

EXHIBIT A

FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS

1.0 INTRODUCTION

1.1 Organization of California Environmental Quality Act (CEQA) Findings of Fact

- Section 1.0, “Introduction,” outlines the organization of this document and identifies the location and custodian of the record of proceedings.
- Section 2.0, “Environmental Setting and the Project,” describes the location and characteristics of the site, project overview, project design standards, project objectives and benefits, and the required permits and approvals for the project.
- Section 3.0, “CEQA Review and Public Participation,” describes the steps the Orange County Transportation Authority (OCTA) has undertaken to comply with the State CEQA Guidelines as they relate to public input, review, and participation during the preparation of the Draft and Final Program Environmental Impact Reports (PEIRs).
- Section 4.0, “Environmental Effects that are Less Than Significant without Mitigation Measures,” provides a summary of insignificant impacts and findings adopting the PEIR’s conclusions of insignificance.
- Section 5.0, “Potentially Significant Environmental Effects that can be Reduced to Insignificance through Feasible Mitigation Measures,” provides a summary of potentially significant environmental effects for which implementation of identified feasible mitigation measures would avoid or substantially reduce the environmental effects to less than significant levels.
- Section 6.0, “Significant Environmental Effects that Cannot be Mitigated to a Less Than Significant Level through Feasible Mitigation Measure,” provides a summary of potentially significant environmental effects for which no feasible mitigation measures are identified or for which implementation of identified feasible mitigation measures would not avoid or substantially reduce the environmental effects to less than significant levels.
- Section 7.0, “Findings Regarding Project Alternatives,” provides a summary of the alternatives considered for the project.
- Section 8.0, “Statement of Overriding Considerations,” provides a summary of all of the project’s significant unavoidable adverse impacts. In addition, this section identifies the project’s substantial benefits that outweigh and override the project’s significant unavoidable impacts such that the impacts are considered acceptable.
- Section 9.0, “Findings on Mitigation Monitoring,” provides a brief discussion of the project’s compliance with CEQA Guidelines regarding the adoption of a program for reporting and monitoring.

2.0 ENVIRONMENTAL SETTING AND THE PROJECT

2.1 Environmental Setting

The project area for the proposed 2006 Long Range Transportation Plan (LRTP) is all of Orange County (County), California. The County consists of approximately 798 square miles, encompassing 34 cities and unincorporated areas with a total population of 3,094,461. Orange County is located south of Los Angeles County, north of San Diego County, and west of Riverside and San Bernardino Counties and contains 42 miles of coastline, with a total of nine beaches and three harbors. It is the second most populous county within California and is the fifth most populous county within the United States. Orange County also represents the 39th largest economy in the world. Population growth within Orange County is expected to rise by approximately 15 percent between 2005 and 2030, from 3.09 million to 3.55 million people. This increase in population will result in new vehicular and transit trips and will place additional demands on existing roadway, transit, and rail facilities within Orange County.

2.2 Project Overview

OCTA is responsible for preparing the LRTP and a Transportation Investment Plan to facilitate the renewal of Measure M, the half-cent transportation sales tax. The LRTP, which is updated every four years, provides a visionary blueprint for transportation improvements in Orange County and includes recommendations from local jurisdictions, business and community leaders, County residents, and transportation planning professionals. The LRTP is a multimodal strategy that includes freeway, arterial, transit, and nonmotorized improvements to Orange County's transportation network to accommodate project transportation demands within Orange County for the next 25 years.

The LRTP provides the planning foundation for transportation improvements throughout the County over the next 25 years to maintain and improve service levels on the transportation network as the population continues to grow within the County. The LRTP forms the basis of the transportation network considered by federal, State, and local transportation planning and funding agencies and local land use planning agencies such as the County of Orange and local cities. The proposed 2006 LRTP includes improvements to the transportation networks such as widened freeways, tollways, and roadways; new and enhanced transit facilities; new regional bikeway improvements; and new environmental programs. The LRTP is a dynamic document that reflects OCTA and the local agencies' version of which transportation improvements are needed to address existing and forecast traffic demand.

The 2006 LRTP is made up of four components: freeways, roadways, transit, and environmental programs. The Proposed Plan (identified as the Balance Plan in the LRTP) includes significant transportation improvements that would partially address future congestion and mobility needs but would require supplemental local funding from a voter-approved renewal of Orange County's half-cent transportation sales tax beyond its current expiration in 2011 in addition to the traditional annual revenues from State and federal transportation funding. The Balanced Plan identified in the LRTP includes improvements to existing freeways, tollways, roadways, and transit (bus and rail) systems as well as an environmental program aimed at offsetting the water quality impacts of existing and proposed transportation facilities. The anticipated improvements are outlined in the "Plan" chapter of

the LRTP; however, these projects are revisited every four years when the LRTP is reviewed, the need for projects is reassessed, and the availability of funding sources is evaluated. The LRTP also includes those projects that are listed in the Transportation Investment Plan, which has been prepared to facilitate the renewal of Measure M.

2.3 Project Objectives and Benefits

The goals of the LRTP and the Investment Plan for renewal of Measure M include improving mobility, protecting transportation resources, and enhancing the quality of life in the County. Each goal and its corresponding objectives are described below:

- **Improve mobility** by
 - Offering safe and reliable transportation choices
 - Providing an accessible transportation network
 - Minimizing increases in congestion
 - Developing an integrated transportation network
- **Protect transportation resources** by
 - Using the existing transportation network efficiently
 - Maintaining infrastructure
 - Promoting cost-effective and multimodal solutions
 - Exploring creative solutions
- **Enhance the quality of life** by
 - Promoting coordinated planning
 - Minimizing community impacts
 - Supporting economic growth
 - Protecting the environment
 - Improving access to regionally significant transportation hubs

2.4 Discretionary Actions

The following public agencies were involved in the PEIR preparation process:

- **OCTA Board**
 - Certification of the Final PEIR
 - Approval or denial of the proposed 2006 LRTP project
 - Approval of a retail transactions and use tax ordinance and related investment plan (Transportation Investment Plan) for the renewal of the transportation sales tax initially authorized by the passage of Orange County Measure M in November 1990

- **Federal Highway Administration (FHWA)**
 - Modifications to the interstate system
- **Federal Transit Administration (FTA)**
 - Modifications to commuter rail and railroad crossings
- **California Department of Transportation (Caltrans)**
 - Modifications to interstate and State highways and railroad crossings
- **California Air Resources Board (ARB)**
 - Conformance with State Implementation Plan
- **South Coast Air Quality Management District (SCAQMD)**
 - Conformance with local Air Quality Management Plan (AQMP)
- **Transportation Corridor Agencies (TCA)**
 - Modifications to tollways system
- **Southern California Regional Rail Authority (SCRRA)**
 - Modifications to the commuter rail system
- **County of Orange**
 - Modification to State highways and local arterials
 - Approval of Measure M Renewed Transportation Investment Plan for placement on a ballot for consideration by County voters
- **Local Cities**
 - Modifications to State highways and local arterials

3.0 CEQA REVIEW AND PUBLIC PARTICIPATION

OCTA has prepared a PEIR to analyze the LRTP's potential impacts on the environment; to discuss alternatives; and to propose mitigation measures that will offset, lessen, or avoid significant environmental impacts.

This PEIR has been prepared in accordance with CEQA (1970), as amended (Public Resources Code Section 21000 et seq.), and the State CEQA Guidelines for Implementation of CEQA (California Code of Regulations, Title 14, Section 15000 et seq.). Under the requirements of CEQA and the CEQA Guidelines, OCTA is the Lead Agency for environmental review and must evaluate the environmental effects of the LRTP. The intent of this PEIR is to inform the OCTA Board of Directors, local agencies, and the general public of any significant adverse environmental impacts that may be associated with the planning, construction, or operation of the improvements and programs identified in the LRTP and to identify appropriate feasible mitigation measures that may be adopted to reduce or eliminate these impacts. This PEIR also includes evaluation of reasonable alternatives to the Proposed Plan, including the No Project Alternative, Constrained Alternative, Balanced II

Alternative, and Unconstrained Alternative. Each of these alternatives are described in detail in Chapters 2.0 and 5.0 of the PEIR.

Notice of Preparation/Scoping

The scoping process was initiated with the preparation and distribution of a Notice of Preparation (NOP). An NOP was circulated to public agencies and other interested parties in compliance with Section 15082 of the CEQA Guidelines on April 6, 2005. The NOP was prepared to inform public agencies and the general public about the project and the environmental review process. The NOP was circulated to organizations, businesses, and residents, notifying these interested parties of the scoping process being undertaken and the dates of the scoping meetings.

Comments and suggestions were invited from all interested parties to ensure that the full range of issues related to the proposed improvements were addressed and environmental issues of concern identified in the PEIR. The NOP and Notice of Scoping was sent to each city in the County, the County itself, responsible and trusted agencies, and interested parties.

An environmental scoping notice for the public scoping meetings was published in two newspapers: the Los Angeles Times (Sunday, April 10, 2005) and the Orange County Register (Monday, April 11, 2005). In addition, a media release that listed the locations and dates of the three scoping meetings was issued on April 19, 2005. Information about the Proposed Project is also available on an ongoing basis via the Internet at <http://www.octa.net/lrtpeir>. The OCTA Web site provided general information about the planning process, including the NOP. The Web site also provided an opportunity to send comments directly to OCTA via an online form. Dates and locations of the scoping meeting were posted on the OCTA Web site.

Three scoping meetings were held in different locations within the study area in April 2005. The first meeting was held at the Fullerton Library, located at 353 W. Commonwealth, Fullerton, on Thursday, April 21, 2005. The second meeting was held at Mission Viejo City Hall, located at 200 Civic Center, Mission Viejo, on Tuesday, April 26, 2005. A third meeting was held at OCTA headquarters, located at 550 S. Main Street in the City of Orange. All meetings were held from 5:00 p.m. to 7:00 p.m. Ten people attended the three meetings. The scoping meetings included exhibits and informational handouts about the project to help participants learn about the planning and environmental review process as well as the alternatives and issues under consideration. The scoping meetings were conducted in an "open house" format. As participants entered the meetings, they were given informational materials on the project and a questionnaire/comment card for the submittal of written comments and questions about the project and the proposed alignments. Several display boards provided information about the project as well as general information about OCTA. Representatives of OCTA and the project consultants were available to answer individual questions. After allowing sufficient time for participants to review the display boards, participants were invited to complete the questionnaire and provide written comments. The content of the display boards at the meetings was provided in a handout at the meetings along with a fact sheet. Participants were also invited to take extra questionnaires to distribute to their neighbors.

Comments related to the composition of the improvements included in the Proposed Project and alternatives will be considered by OCTA. Comments related to environmental issues or potential effects of the LRTP have been responded to and have been considered as part of the Final PEIR.

Draft PEIR

As required by CEQA Guidelines Section 15087, a public notice of availability of the Draft PEIR or DPEIR for the OCTA 2006 LRTP was published as a display ad in the Orange County Register and Los Angeles Times on January 11, 2006. The DPEIR was circulated for public review for a period of 79 days, from January 12, 2006, to March 31, 2006. Copies of the DPEIR were distributed to the State Clearinghouse, Governor's Office of Planning and Research (15 copies), and other federal, State, and local agencies. Copies of the DPEIR were available for public review at OCTA and County libraries.

Final PEIR

A total of 30 comment letters on the DPEIR were received during the public review period. Comments were received from federal, State, and local agencies, interested parties, and private citizens. Substantive comments that relate to environmental issues are thoroughly addressed. In some cases, corrections to the DPEIR are required or additional information is provided for clarification purposes.

A Final PEIR (or FPEIR) was prepared that includes responses to comments received on the DPEIR and revisions to the PEIR text in response to comments received. Volume I of the FPEIR includes the text of the PEIR and Volume II includes the responses to comments received on the DPEIR.

Responses to comments provided in Volume II of the Final PEIR clarify, amplify, or make minor modifications to the DPEIR. No significant changes have been made to the information contained in the DPEIR as a result of the responses to comments, and no significant new information has been added.

4.0 ENVIRONMENTAL EFFECTS THAT ARE LESS THAN SIGNIFICANT WITHOUT MITIGATION MEASURES

4.1 Determination of Insignificance

Based on the Final PEIR and in light of the whole record before it, the Board finds that the project would have no potentially significant environmental effects in the following areas, even without incorporation of any mitigation measures.

4.2 Air Quality (Section 4.1 of the PEIR)

Local Carbon Monoxide Hotspots. Local air quality is most affected by carbon monoxide (CO) emissions from motor vehicles. CO is a pollutant of a concern because it does not readily disperse into the air when emitted. Therefore, vehicle congestion can lead to creation of areas of a high CO concentration, so-called hotspots. These hotspots have a potential to exceed the State one-hour standard of 20 parts per million (ppm) and/or the eight-hour standard of 9.0 ppm and may cause unhealthful effects. Based on the data gathered by the SCAQMD throughout Orange County, CO

levels are consistently below both State and federal AAQS. Additionally, it is anticipated that the CO emissions in future years will decrease with technological advancement. Given the existing background levels and projected future improvement in these levels, it is anticipated that the Proposed Plan would have a less than significant impact on localized CO concentrations, and no mitigation measures would be required.

Long-Term (Operational) Regional Impacts. To assess the effectiveness of the improvements identified in the Proposed Plan, estimated air emissions for 2030 with the Proposed Plan were compared with the existing conditions and the No Project Alternative, also set in 2030. As illustrated in Table 4.1.5, the projected vehicle miles traveled (VMT) is expected to increase by 39 percent on highways and arterials throughout Orange County for the No Project Alternative compared to existing conditions, primarily due to population and employment growth projections developed by the Southern California Association of Governments (SCAG). At the same time, the daily vehicle hours traveled (VHT) would increase by 85 percent, indicating much slower travel due to increased congestion. Implementing the planned improvements in the Proposed Plan would result in an additional 2 percent increase in VMT over the No Project Alternative, but this would be offset largely due to reduced congestion as indicated by the 13 percent reduction in VHT.

Under the Proposed Plan (2030), the VMT is estimated to increase substantially, but the emissions of reactive organic gases (ROG), nitrogen oxide (NO_x), CO, sulfur oxide (SO_x), and particulate matter less than 10 microns in diameter (PM₁₀) would decrease (Table 4.1.6). Although the VMT is estimated to increase substantially between existing conditions and the No Project Alternative (39 percent) in 2030, the emissions of ROG, NO_x, CO, and SO_x would decrease. While this reduction is primarily associated with improved emission controls on vehicles and better fuels, there would be some benefit derived from construction of the funded projects included in the No Project Alternative. However, the County would experience elevated emissions of PM₁₀, both from exhaust and fugitive sources. Vehicle exhaust emissions of PM₁₀ are expected to increase by 6 percent, primarily because the focus of emission controls is on ozone precursors and greenhouse gases at the expense of PM₁₀. However, the bigger increase (31 percent) of PM₁₀ emissions is from re-entrained dust generated primarily from tire and brake wear on paved roads. This is a function of the VMT and is directly related to substantial growth in VMT.

When compared to the No Project Alternative, the Proposed Plan is expected to result in reduced emissions of air pollutants due to improved traffic flow, resulting in more efficient vehicle operation. However, Table 4.1.6 shows that the 2 percent increase in VMT balanced with improved efficiencies results in no difference in emissions between the No Project Alternative and the Proposed Plan for ROG, NO_x, and CO and decreases in exhaust PM₁₀ and SO_x. The increase in emissions of fugitive PM₁₀ (tire and brake wear) is due to the increase in VMT.

The AQMP has proposed Transportation Control Measure (TCM) project categories to achieve short-term emissions reductions and include the following measures:

- High-Occupancy Vehicle (HOV) Measures: new HOV lanes, HOV bypasses and connectors, interchanges, High Occupancy Toll (HOT) Lanes
- Transit and System Management Measures: transit, intermodal transfer facilities, nonmotorized transportation mode facilities

- Information-based Transportation Strategies: marketing for rideshare and other services, intelligent transportation systems, telecommuting programs and real-time rail, transit or freeway information systems

The Proposed Plan has been prepared to facilitate implementation of the transportation control measures outlined in the AQMP. The Proposed Plan incorporates both the capital and noncapital improvements recommended by the AQMP.

As the Proposed Plan would result in neutral or reduced emissions from the No Project Alternative, potential regional emissions impacts are considered less than significant.

Toxic Air Contaminant (TAC) Emissions. TACs include airborne substances other than the criteria pollutants that are known to cause cancer or otherwise harm human health. TAC emissions are also regulated by the SCAQMD. Much of the effort toward controlling TACs has concentrated on point source emissions from businesses handling hazardous materials. However, mobile sources are responsible for approximately half of the total lifetime cancer risk attributed to air toxics. The EPA has designated 21 chemicals as mobile-source air toxics emitted by motor vehicles, locomotives, aircraft, and various types of nonroad equipment. Since ROG emissions from mobile sources generally capture the majority of the volatile organic TAC contribution from the transportation network, ROG emissions are a good indicator of the volatile organic portion of mobile-source TACs. ROG emissions are expected to decrease under the Proposed Plan when compared to existing conditions (Table 4.1.6). Therefore, the impact of the Plan on the volatile organic portion of TACs would be considered beneficial.

In 1998, the California Environmental Protection Agency (Cal EPA) identified the diesel particulate matter (DPM), portion of diesel exhaust as a TAC. Recent studies conducted by the SCAQMD have attributed 70 percent of the potential health risks from TACs in the South Coast Air Basin (SCAB or Basin) to the DPM. The emissions projections do not include newly proposed measures under consideration by ARB, which would be expected to further reduce diesel particulate emissions. This comparison gives a good indication of trends in TAC emissions from the transportation network. As a result of the anticipated decline in TAC emissions, the Proposed Plan would have a beneficial impact with respect to regional TAC emissions.

Localized Health Impacts. The SCAQMD conducted Multiple Air Toxics Exposure Study in 1987 and 1998/1999 called MATES I and MATES 2, respectively, to assess air toxics levels in the Basin. These studies measured ambient concentrations, population distribution, and health risk data for individual chemical species to estimate regional inhalation exposure, risk, and the number of potential excess cancer cases. The studies identified three individual compounds that had the greatest potential impact on the Basin's population: diesel emissions, benzene emissions, and hexavalent chromium. MATES studies found that the concentration of the pollutants varies in relation to seasons and roadway proximity. Typically concentrations are higher in fall and winter months and tend to drop off dramatically (around 90 percent) after the first 0.25 mile from the roadway.

Currently, there is a wide range of variability of concentrations throughout Orange County. The highest pollutant concentrations are found along major transportation corridors. In 2030, with

implementation of the Proposed Plan, cancer risk levels would be substantially lower than cancer risk in 2000, primarily as a result of improvements in motor vehicle exhaust controls but also due to improved traffic flow. Due to the reduced background levels and improvement in congestion on major arterials and freeways, potential localized health impacts related to emissions of air toxics by vehicles using major transportation routes is considered less than significant

Climate Change. Neither CEQA nor the CEQA Guidelines mention or provide any methodology for analysis of “greenhouse gases,” including CO₂, nor do they provide any significance thresholds. However, the air quality model used to predict emissions rates of the criteria pollutants (EMFAC 2002) is capable of modeling the emissions of CO₂, and OCTA analyzed CO₂ in response to this comment. Even though the total VMT increase, the Proposed Plan results in a reduction in CO₂ emissions and would represent an improvement over the No Project Alternative as shown in Table 4.1.8 of the PEIR. The improvement in operations compared to the No Project Alternative, particularly higher speed and reduced hours traveled (VHT), has a beneficial impact on CO₂ emissions due to improved traffic flow, resulting in more efficient vehicle operation, which is consistent with the results for the analysis of the other criteria pollutants. The proposed project would result in a positive effect on reduction of CO₂ levels.

Cumulative Air Quality. A project generally would be considered to be consistent with the AQMP if growth projections included in the AQMP are not exceeded and incorporates emissions reduction measures included in the AQMP. Because motor vehicles are the largest source of air emissions in the area, consistency can be assessed by reviewing these emissions with respect to those from the project. The Proposed Plan would result in 85,662,000 VMT in 2030. Based on an existing (2000) VMT of 60,570,000, this represents an increase of approximately 41.8 percent, or approximately 1.7 percent per year. The baseline socioeconomic forecasts included in Table 2-4 of the AQMP show an increase of 53 percent over a period of 23 years, or about 2.31 percent per year. As such, vehicle growth projected under the Proposed Plan is less than that forecast under the AQMP, and the project is therefore consistent with the AQMP.

SCAQMD’s CEQA Handbook guidance calls for consistency with the forecast used in the federally approved AQMP. A key principle in the CEQA Air Quality Handbook is that a project is accommodated by and consistent with the AQMP to the extent that it fits within the regional socioeconomic and transportation forecasts assumed in the AQMP. The AQMP is based on projections from local general plans, which are incorporated into the SCAG regional growth forecasts that form the foundation for the adopted Regional Transportation Plan (RTP). Similarly, the Proposed Plan is consistent with local general plans and growth forecasts incorporated into the RTP by SCAG.

Due to projected growth, increases in regional vehicle travel will result in significant air quality impacts. However, the Proposed Plan is consistent with local general plans, the AQMP, and other regional planning strategies to reduce the number of trips and the length of trips in the region and to improve the balance between jobs and housing at the subregional level. This, in turn, will reduce the future VMT and associated air pollutants. Therefore, the Proposed Plan is considered consistent with the AQMP and RTP.

In conjunction with future urban development within Orange County, the Proposed Plan would have a neutral effect on air quality and its contribution to cumulative air quality impacts are considered less than significant.

4.3 Biological Resources (Section 4.2 of the PEIR)

Central/Coastal Subregion of the NCCP. The Central/Coastal Natural Communities Conservation Program/Habitat Conservation Plan (NCCP/HCP) and related Incidental Take Permit (ITP) anticipated transportation projects in the Master Plan of Arterial Highways (MPAH) and General Plans for participating cities and the County would be implemented to accommodate growth within the County of Orange. Participating land owners were authorized specific amounts of take of coastal sage scrub (CSS) and covered species under the ITP in return for commitments from the participating landowners to comply with the provisions in the NCCP/HCP, including implementation of an adaptive management program for impacts to CSS and related species.

The projects in the Proposed Plan consist primarily of improvements to existing facilities, such as road widening, lane additions, and improvements to intersections and interchanges. No new major facilities or corridors are proposed within the Central/Coastal NCCP Reserve Areas that were not anticipated at the time of the ITP or that represent a significant diversion from the intent of the NCCP/HCP. At the time of implementation of specific projects identified in the Proposed Plan, signatories to the NCCP/HCP would evaluate the specific project for consistency with the goals of the NCCP/HCP and would mitigate for potential impacts to CSS and related species using mitigation measures and an adaptive management program for the take that was authorized under the NCCP/HCP. However, the projects identified in the Proposed Plan are consistent with the NCCP/HCP and signatories will comply with the provisions of the NCCP/HCP for implementation of specific projects. Therefore, potential impacts to the Central/Coastal NCCP/HCP are considered less than significant.

Southern Subregion of the NCCP. The eastern portion of the County is within the proposed Southern Subregion of the NCCP Program (Southern Subregion NCCP). This subregion encompasses 91,000 acres, with 57,000 acres of natural habitat including CSS, chaparral, grassland, riparian, and oak woodlands. State-listed species covered by the Program include least Bell's vireo, southwestern willow flycatcher, and thread-leaved brodiaea. The Draft HCP for the Southern Subregion NCCP is currently being developed. Potential effects to covered species by authorized development and transportation projects within the southern subregion would be addressed and mitigated through the Southern Subregion NCCP/HCP if it is approved by the signatory agencies. Therefore, potential impacts to biological resources in the Southern Subregion NCCP/HCP would be considered less than significant if the NCCP/HCP is approved.

4.4 Geology and Soils (Section 4.4 of the PEIR)

Seismically Induced Tsunami and Seiche Waves. A seiche is oscillation of water in a lake, bay, or other enclosed body of water as a result of seismic disturbances. A tsunami is an ocean wave caused by an earthquake or volcano eruption under water. The Orange County coastline is shielded to the

west by the Channel Islands and to the north by Point Conception from most sources of tsunamis.¹ The Proposed Plan does not propose any new infrastructure or expansion of existing facilities adjacent to enclosed water bodies subject to seiche. This impact is considered less than significant.

4.5 Energy (Section 4.5 of the PEIR)

Energy Consumption During Construction Activities. Construction of the new elements of the regional transportation system and expansion of existing facilities, programs included in the Proposed Plan, would likely involve the use of diesel-powered heavy equipment, portable diesel generators, and other battery-operated support equipment, as well as electricity from the existing grid. There would be an irreversible impact from the consumption of diesel fuel (and other fuels) related to these construction activities. However, the level of construction activities associated with the Proposed Plan is similar to the level of regional transportation system construction with current ongoing construction activities. Thus, it is unlikely that the increased energy demands of construction of the new elements of the regional transportation system would create a noticeable impact to regional energy consumption. Therefore, energy impacts associated with construction activities for projects outlined in the Proposed Plan are considered less than significant.

Long-Term Fuel Consumption. Projected growth in Orange County between now and 2030 results in an increased demand on the transportation system and a corresponding increase in fuel consumption. As shown in Table 4.5.2, there is estimated to be an increase in fuel consumption of approximately 29 percent between the existing and No Project conditions. Table 4.5.2 of the PEIR summarizes the expected increases in fuel usage, as predicted by using data outputs from the EMFAC/BURDEN transportation and air quality model, between 2000 and 2030 for the existing condition, No Project Alternative, and Proposed Plan. This difference would result from the additional travel necessary without the improvements to the regional transportation system associated with the Proposed Plan.

Table 4.5.2 of the PEIR also illustrates that implementation of the Proposed Plan results in lower fuel consumption compared to the No Project Alternative. The Proposed Plan includes expansion of the transit (bus, rail) HOV lanes and bicycle lanes to promote the use of alternative modes of transportation, which will assist in reducing regional fuel consumption. The improvements in the efficiency of the transportation system associated with the projects outlined in the Proposed Plan result in an estimated 2 percent reduction in fuel consumption from the future No Project Alternative. The Proposed Plan would result in reduced fuel consumption compared to the No Project Alternative; therefore, potential fuel consumption impacts associated with vehicles using the transportation system are considered less than significant.

Cumulative Energy Impacts. The transportation model includes the population, households, and employment projected for 2030, and therefore the largest demand on the transportation system expected during the lifetime of the Proposed Plan. In accounting for the effects of regional population growth, the model output provides a regional, long-term, and cumulative level of analysis for the impacts of the Proposed Plan on transportation resources. Forecast urban development and growth

¹ County of Orange General Plan, Safety Element, 2003.

that would be accommodated by the transportation investments in the Proposed Plan will contribute to a substantial increase in demand for energy resources. As shown in Table 4.5.2 of the PEIR, the projects outlined in the Proposed Plan would result in a reduction in regional fuel consumption through improvements to congestion levels, which improves the efficiency of vehicles traveling on the transportation system. When considered in conjunction with future development, the Proposed Plan will result in a reduction in regional fuel consumption, primarily gasoline and diesel fuels, and its contribution to cumulative energy impacts is considered less than significant.

4.6 Hazards and Hazardous Materials (Section 4.6 of the PEIR)

Disposal of Hazardous Materials. The construction of transportation facilities included in the Proposed Plan would involve the use of hazardous materials such as solvents, paints, and other architectural coatings. Bus refueling stations and maintenance yards would also involve the use of hazardous materials, including petroleum products such as motor oil, grease, and natural gas. The use and storage of these materials is regulated by local fire departments, Certified Uniform Program Agencies (CUPAs), and the Occupational Safety and Health Administration (OSHA). Materials left over from construction projects can likely be reused on other projects. For materials that cannot be or are not reused, disposal would be regulated by the Department of Toxic Substance Control (DTSC) under State and federal hazardous waste regulations. The improvements to the regional transportation system by 2030 would result in an increase in the use of hazardous materials throughout the County during construction and operation of the projects in the Proposed Plan. However, since all hazardous materials would be used in accordance with all local, State, and federal regulations, impacts are considered to be less than significant.

4.7 Land Use (Section 4.8 of the PEIR)

Central/Coastal Subregion of the NCCP. The Central/Coastal NCCP/HCP and related ITP anticipated transportation projects in the MPAH and General Plans for participating cities and the County of Orange would be implemented to accommodate growth within the County. Because the projects identified in the Proposed Plan are consistent with the NCCP/HCP, and signatories will comply with the provisions of the NCCP/HCP for implementation of specific projects, potential impacts to the Central/Coastal NCCP/HCP are considered less than significant.

Southern Subregion of the NCCP. The eastern portion of the County is within the proposed Southern Subregion of the NCCP Program (Southern Subregion NCCP). The Draft HCP for the Southern Subregion NCCP is currently being developed. Potential effects to covered species by authorized development and transportation projects within the southern subregion will be addressed and mitigated through the proposed Southern Subregion NCCP/HCP, once approved. Therefore, potential impacts to the Southern Subregion NCCP/HCP are considered less than significant.

Adopted Local Land Use Plans and Policies. The Proposed Plan contains transportation projects and strategies to help distribute population, housing, and employment growth more efficiently. The transportation improvements within the Proposed Plan contain projects that are listed in the County's MPAH. Because the proposed projects listed in the Proposed Plan are also in the MPAH, individual

cities have accounted for these projects within their General Plan. Therefore, cities have anticipated these transportation project improvements and have planned in their General Plans for implementation of these improvements. As such, these transportation projects and strategies are generally consistent with the cities' and County's available General Plan data. Further, the Proposed Plan includes land use measures that would help reduce the consumption and disturbance of sensitive land uses such as agricultural lands, vacant lands, open space, and recreation lands. Therefore, potential impacts for inconsistencies with local General Plans are considered less than significant.

4.8 Transportation (Section 4.12 of the PEIR)

Vehicle and Transit Trips. Substantial regional growth and development are anticipated to occur within Orange County between 2000 and 2030; therefore, it is estimated that daily vehicle trips will increase. As illustrated in Table 4.12.1 of the PEIR, there is an increase in daily vehicle trips from the existing condition and the 2030 No Project condition. The daily vehicle trips would increase 21 percent under the 2030 No Project condition when compared to the existing condition. The increase in daily vehicle trips is directly related to the regional growth within Orange County.

There will be an overall improvement in the operation of the 2030 transportation system in Orange County with implementation of the Proposed Plan. Transportation improvements presented in the Proposed Plan address the circulation system congestion in a comprehensive context. The Proposed Plan's effect on daily vehicle trips is discussed below for the VHT, average speed, and daily transit trips.

Vehicle Hours Traveled. Based on the Orange County Traffic Analysis Model (OCTAM) 3.2 model results, daily VHT is expected to increase from approximately 1.5 million hours to approximately 2.8 million hours per day in 2030 due to expected growth within Orange County, as well as vehicles entering Orange County from adjacent counties. The change constitutes an 85 percent increase over this period. The increase in VHT is due to the regional growth and increase in daily vehicle trips in 2030.

Growth within Orange County and the region will occur with or without implementation of the Proposed Plan. Implementation of the projects identified in the Proposed Plan would reduce the vehicle hours traveled in 2030 from 2.8 million to 2.4 million hours, a 13 percent decrease in VHT. The decrease in VHT is due to the additional capacity on roadways and freeways, additional transit facilities, and improvements to arterials and intersections. Therefore, implementation of the Proposed Plan would result in a positive effect on VHT when compared to the 2030 No Project condition.

Average Daily Speed. Total average daily speed is expected to decrease from 40 miles per hour (mph) in 2000 to 30 mph in 2030 under the No Project conditions. This constitutes a 25 percent decrease from conditions in 2000. The decrease in average daily speed is directly related to the increase of daily vehicle trips along arterials and freeways. Due to the increasing number of trips, the speeds along the arterials and freeways decrease.

Implementation of the Proposed Plan would increase the average daily speed in 2030 from 30 mph to 35 mph, a 16.7 percent increase in average daily speed from the No Project condition. The increase in

average speed is due to the additional capacity on roadways and freeways, additional transit facilities, and improvements to arterials and intersections. Therefore, implementation of the improvements and programs outlined in the Proposed Plan would result in a positive effect on average daily speed when compared to the 2030 No Project condition.

Daily Transit Trips per Capita. Total daily transit trips per capita are expected to increase from 5 transit trips per 100 persons today to 6 transit trips per 100 persons in 2030. The increase in daily transit trips per capita is directly related to the growth in the County and the increasing congestion on arterials and freeways. This constitutes a 20 percent increase from conditions in 2000.

With the implementation of the improvements and programs of the Proposed Plan, the daily transit trips would increase to 8 transit trips per 100 persons, an approximate 33 percent increase compared to the No Project condition. The increase in daily transit trips per capita is a result of the addition of transit routes, stations, and frequency of service. By providing additional transit improvements, the Proposed Plan would result in a positive effect on the transit usage compared to the No Project condition.

When compared to the 2030 No Project condition, the Proposed Plan is forecast to result in a decrease of daily vehicle trips and VHT. However, there is an increase in average speeds and daily transit trips per capita when compared to the 2030 No Project condition. The decrease in daily vehicle trips and VHT is caused by the implementation of projects outlined in the Proposed Plan (i.e., additional capacity on arterials, freeways, and transit facilities). The additional capacity and transit facilities would cause an increase in average speeds on arterials and freeways and daily transit trips per capita.

Regional growth will occur with or without implementation of the Proposed Plan. The Proposed Plan includes projects to provide more efficient transportation systems and will improve the mobility along arterials and freeways compared to the No Project condition. Implementation of the Proposed Plan will have a positive effect on the transportation system in Orange County, and potential impacts to daily transit trips per capita are considered less than significant.

Arterial and Freeway Congestion Levels. The congestion levels on arterials, freeways, and HOV facilities are forecast to be severe in 2030 under the No Project Alternative. The majority of the arterials and freeways operating at severely congested levels under the No Project Alternative are forecast to operate at moderate levels of congestion under the Proposed Plan. However, some arterials are forecast or may continue to operate at severely congested levels with the implementation of the Proposed Plan.

Regional growth would occur with or without implementation of the Proposed Plan and would lead to congestion. The Proposed Plan includes projects to provide more efficient transportation systems and will improve the mobility along arterials and freeways compared to the No Project condition. Implementation of the Proposed Plan will have a positive effect on the transportation system in Orange County, and potential impacts on arterial and freeway congestion are considered less than significant.

Cumulative Traffic Impacts. A cumulative impact is created as a result of the combination of the Proposed Plan with other past, present, and reasonably foreseeable projects causing related impacts. The 2030 transportation model includes the population, household, and employment projected for 2030 within Orange County; therefore, the future year forecast demand on the transportation system, due to development within the County, has been accounted for in the modeling conducted for the Proposed Plan. The model output provides a regional, long-term, and cumulative analysis of the impacts of the Proposed Plan on the transportation system.

Implementation of the Proposed Plan would have a positive effect on the regional transportation system in Orange County by providing new facilities to accommodate projected future growth within the County. As shown in Table 4.12.1 of the PEIR, the Proposed Plan would result in an improvement in VHT, average daily speeds, and transit trips per capita compared to the No Project condition. The Proposed Plan has a positive benefit; therefore, its contribution to cumulative traffic impacts is considered less than significant.

4.9 Visual Resources (Section 4.13 of the PEIR)

Light and Glare. Implementation of the Proposed Plan would widen and improve existing transportation facilities throughout Orange County. These modifications would include the replacement of existing street lighting and traffic signals and the potential for limited new lighting along roadways where no lighting currently exists. However, the majority of the Proposed Plan involves the modification of existing roadways where lighting currently exists; therefore, there would be no significant increase in street lighting or traffic signals. Thus, the Proposed Plan would not result in a source of substantial increase in light or glare that would affect day or nighttime views in the area, and potential light and glare impacts are considered less than significant.

5.0 POTENTIALLY SIGNIFICANT ENVIRONMENTAL EFFECTS THAT CAN BE REDUCED TO INSIGNIFICANCE THROUGH FEASIBLE MITIGATION MEASURES

The Final PEIR determined that the Project has potentially significant environmental effects in the areas discussed below in this section. The Final PEIR identified feasible mitigation measures to avoid or substantially reduce some or all of the environmental effects in these areas. Based on the information and analysis set forth in the Final PEIR, the Project would not have any significant environmental effects in these areas as long as all identified feasible mitigation measures are incorporated into the proposed project.

5.1 Biological Resources

5.1.1 Migratory Birds. The Final PEIR discusses impacts to migratory birds and mitigation measures in Section 4.2 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's effects on migratory birds are potentially significant.

The analysis reveals that impacts to migratory birds would result if the removal of trees, shrubs, or other habitat would disrupt their active nesting behavior. If not mitigated, the potential impact would be significant. The Migratory Bird Treaty Act (MBTA) prohibits actions that will result in take of migratory birds, their eggs, feathers, or nests.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant migratory bird impacts to less than significant levels, thereby avoiding any significant effects:

4.2-D To the extent feasible and practical, vegetation removal shall be conducted outside the active nesting season for migratory birds anticipated to be present in the study area. If vegetation clearing must be scheduled during the active nesting season for migratory birds, a qualified biologist will conduct surveys for active bird nesting no more than 10 days prior to any clearing of vegetation. The location of any active migratory bird nests will be mapped by the biologist. All construction activities in close proximity to active nests shall be delayed or otherwise modified as necessary to prevent nest failure caused by construction activities.

5.1.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.2-D is hereby incorporated into the Project.

5.1.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.2-D will reduce the Project's potentially significant migratory bird impacts to a less than significant level, thereby avoiding any significant effects.

5.1.2 Local Plans and Policies. The Final PEIR discusses impacts to Local Plans and Policies and mitigation measures in Section 4.2 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's effects on local plans and policies are potentially significant.

The analysis reveals that many cities have tree protection ordinances for trees planted in public lands and parks. These ordinances require permits and a one-to-one replacement ratio for removal of trees. Compliance with such ordinances will mitigate any potential impacts related to conflicts with local tree ordinances. Other potential impacts to local plans and policies are addressed in Section 4.9, Land Use and Planning.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts to Local Plans and Policies to less than significant levels, thereby avoiding any significant effects:

4.2-E Compliance with Local Tree Protection Ordinances. Prior to environmental approval of projects identified in the Proposed Plan, the Lead Agency shall evaluate potential conflicts and ensure compliance with all local tree protection ordinances, general plans, and other local policies.

5.1.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.2-E is hereby incorporated into the Project.

5.1.2.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.2-E will reduce the Project's potentially significant impacts to Local Plans and Policies to a less than significant level, thereby avoiding any significant effects.

5.2 Geology and Soils

5.2.1 Expansive or Unstable Soils. The Final PEIR discusses impacts to Local Plans and Policies and mitigation measures in Section 4.4 and in the Responses to Comments. Based on the information and analysis set forth in the Final EIR and the record of proceedings, the Project's effects on soils are potentially significant.

The analysis reveals that subsidence has historically occurred within the County due to groundwater overdraft and petroleum extraction. Unconsolidated soils containing petroleum or groundwater extraction compress when the liquids are removed, causing the surface elevation to decrease. Improperly abandoned oil wells or underground hard rock mining can also cause localized subsidence. Subsidence can also occur in areas with unconsolidated soils that have not historically shown elevation changes. In addition, soils with high percentages of clay can expand when wet, causing structural damage to surface improvements. Many of the projects in the Proposed Plan would occur where expansive soils may be expected to have already been investigated and removed. However, damage to proposed facilities caused by subsidence in unstable soils is considered a potentially significant impact.

Based on the information and analysis set forth in the Final EIR and the record of proceedings, the following mitigation measures are feasible and will reduce potentially significant impacts to Local Plans and Policies to less than significant levels, thereby avoiding any significant effects:

- 4.4-D** Prior to individual project approvals, the Lead Agency for projects within the Proposed Plan, shall ensure that geotechnical investigations are conducted by a qualified geologist to identify the potential for subsidence and expansive soils and evaluated in the environmental documentation prepared for the project. Recommended corrective measures, such as structural reinforcement and replacing soil with engineered fill, shall be implemented in project design.
- 4.4-E** Prior to individual project approvals, the Lead Agencies shall ensure that new and abandoned wells are identified within construction areas to ensure the stability of nearby soils. Environmental documentation prepared for any project shall evaluate the potential for subsidence due to prior extraction activities, either petroleum or water, and incorporate mitigation measures.

5.2.1.1 Incorporation of Mitigation Measures. Mitigation Measures 4.4-D and 4.4-E are hereby incorporated into the Project.

5.2.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measures 4.4-D and 4.4-E will reduce the Project's potentially significant impacts to soils to a less than significant level, thereby avoiding any significant effects. A Comprehensive Geotechnical Site Investigation, Implementation of Corrective Measures, and investigation of soil conditions near abandoned wells and oil fields would reduce impacts related to subsidence in unstable soils.

5.3 Energy

5.3.1 Operational Energy Consumption. The Final PEIR discusses impacts to energy consumption and mitigation measures in Section 4.5 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's effects on soils are potentially significant. The analysis reveals that the Proposed Project would be expected to consume petroleum, natural gas, and electricity. Street lighting for new highways and arterials and nighttime lighting for rail projects would consume electricity. New transit vehicles and transit stations for Metrolink, light rail, and rapid bus would require electricity and natural gas during project operation.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts to energy consumption to less than significant levels, thereby avoiding any significant effects:

- 4.5-A** During the design and approval of structures, such as transit stations and bus stops, the incorporation of energy-efficient measures beyond Title 24 of the Uniform Building Code (UBC) shall be considered by the Lead Agencies. Implementation of LEEDS standards shall also be considered. Types of energy-efficiency measures could include:
- Use of solar panels for lighting of all bus stops
 - Incorporating LEEDS standards such as:
 - Verify that the buildings' energy-related systems are installed, calibrated, and perform according to the owner's project requirements, basis of design, and construction documents.
 - Design the building envelope; HVAC; lighting; and other systems to maximize energy performance.
 - When reusing existing HVAC systems, conduct an inventory to identify equipment that uses CFC refrigerants and provide a replacement schedule for these refrigerants. For new buildings, specify new HVAC equipment in the base building that uses no CFC refrigerants.
 - Achieve increasing levels of energy performance above the baseline in the prerequisite standard to reduce environmental and economic impacts associated with excessive energy use.

- Assess the project for non-polluting and renewable energy potential, including solar, wind, geothermal, low-impact hydro, biomass, and bio-gas strategies. When applying these strategies, take advantage of net metering with the local utility.

5.3.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.5-A is hereby incorporated into the Project.

5.3.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.5-A will reduce the Project's potentially significant impacts to energy consumption to a less than significant level, thereby avoiding any significant effects.

5.4 Hazards

5.4.1 Accidental Releases of Hazardous Materials into the Environment. The Final PEIR discusses impacts of accidental releases of hazardous materials into the environment and mitigation measures in Section 4.6 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts of hazardous releases into environment are potentially significant.

The analysis reveals that a series of transportation enhancements under the Proposed Project would facilitate an increase in the movement of all goods, including hazardous materials through truck traffic in the County, and therefore expose sensitive receptors to hazardous materials. Therefore, implementation of projects identified in the Proposed Plan would increase the potential for the risk of release or incident of hazardous waste over existing conditions. However, vehicle and truck trips will continue to increase within Orange County with or without implementation of the Proposed Plan, and there will be an increased risk of potential releases. Additionally, under existing project conditions, schools and sensitive receptors (such as hospitals and nursing home facilities) are present within 0.25 mile of freeways and therefore are already affected. However, improved level of service (LOS) and compliance with current safety design guidelines would reduce the likelihood of hazardous materials transport incidents. The intent of the Plan is to provide greater efficiency and LOS, which should benefit transportation by limiting opportunities for accidents. This improvement may be somewhat offset by increases in truck usage of freeways.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce potentially significant impacts of accidental releases of hazardous materials into the environment to less than significant levels, thereby avoiding any significant effects:

- 4.6-A** The Orange County Transportation Authority (OCTA), through ongoing intergovernmental coordination efforts, shall encourage the USDOT, the Office of Emergency Services, and Caltrans to continue to conduct driver safety training programs and encourage the private sector to continue conducting driver safety training.

4.6-B OCTA, through ongoing intergovernmental coordination efforts, shall encourage the USDOT and the California Highway Patrol (CHP) to continue to enforce speed limits and existing regulations governing goods movement and hazardous materials transportation.

5.4.1.1 Incorporation of Mitigation Measures. Mitigation Measures 4.6-A and 4.6-B are hereby incorporated into the Project.

5.4.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measures 4.6-A and 4.6-B will reduce the Project's potentially significant impacts of accidental releases of hazardous materials into the environment to a less than significant level, thereby avoiding any significant effects. Applied mitigation measures will help to increase drivers' safety through implementation of driver's safety programs, enforcement of speed limits, and coordination of goods movement.

5.4.2 Disturbance of Contaminated Property During Construction. The Final PEIR discusses the impacts of accidental releases of hazardous materials into the environment and mitigation measures in Section 4.6 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts to disturbance of contaminated property are potentially significant. The analysis reveals that construction of projects included in the Proposed Plan could involve sites that have become contaminated due to past chemical use or disposal. Although two decades have passed since federal and State laws were adopted, providing for remediation of these sites, it is unlikely that all contaminated sites have been identified due to continuously changing businesses and land uses that use hazardous materials. It is possible that construction of new facilities or the expansion of existing facilities would encounter previously unidentified contaminated properties, including, but not limited to, unknown soil and groundwater contamination, asbestos-containing materials, and lead-based paints.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts of accidental releases of hazardous materials into the environment to less than significant levels, thereby avoiding any significant effects:

4.6-C Prior to approval of any project in the Proposed Plan, the Lead Agency shall conduct an assessment of any potential recognized environmental conditions related to hazardous waste that includes a database of contaminated sites in close proximity to the project. As part of the planning and environmental clearance process, where contaminated sites are identified, the Lead Agency shall develop appropriate mitigation measures to assure that worker and public exposure are minimized to an acceptable level and to prevent any further environmental contamination as a result of construction.

5.4.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.6-C is hereby incorporated into the Project.

5.4.2.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.6-C will reduce the Project's potentially significant impacts to contaminated property to a less than significant level, thereby avoiding any significant effects. Implementation of Mitigation Measure 4.6-C would ensure that contaminated properties are identified and appropriate steps taken to minimize human exposure and prevent any further environmental contamination at the earliest phases of project development.

5.4.3 Cumulative Hazardous Waste Impacts. The Final PEIR discusses the Proposed Plan's contribution to cumulative hazardous waste impacts and mitigation measures in Section 4.6 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's contribution to cumulative hazardous waste impacts is potentially significant.

Compliance with federal, State, and local regulations concerning the storage and handling of hazardous materials and/or waste, as well as Mitigation Measures 4.6-A through 4.6-C, would reduce the Proposed Project's contribution to cumulative public health and safety impacts from hazardous materials to occur.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.6-A through 4.6-C are feasible and will reduce potentially significant cumulative hazardous waste less than significant levels thereby avoiding any significant effects.

5.4.3.1 Incorporation of Mitigation Measures. Mitigation Measures 4.6-A through 4.6-C are hereby incorporated into the Project.

5.4.3.2 Effect of Mitigation Measures. Implementation of Mitigation Measures 4.6-A through 4.6-C will ensure that the Project's incremental effect on hazardous materials is not cumulatively considerable. Therefore, the Project would not have any potentially significant cumulative impact relating to hazards and hazardous materials.

5.5 Hydrology and Water Quality

5.5.1 Short-Term Water Quality. The Final PEIR discusses impacts on water quality and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts on water quality are potentially significant. The analysis reveals that grading and excavation for the projects identified in the Proposed Plan would disturb soil during construction, creating the potential for erosion and discharge of sediment from construction sites. During construction, pollutants such as trash, oil, grease, chemicals, and pesticides can also be discharged from equipment and material storage areas as well as construction staging areas. Pollutants can be washed from construction sites in storm water runoff related to a storm event or by accidental discharge of on-site water used during construction (i.e., for cleaning surfaces). If substantial amounts of sediment or pollutants related to construction are discharged from the site, they could create a potentially significant impact to downstream water quality.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce the potentially significant impacts of water quality to less than significant levels, thereby avoiding any significant effects:

4.7-B Water Quality During Construction. Prior to the approval of individual projects within the Proposed Plan, the Lead Agency shall evaluate the potential short-term water quality impacts of the project and incorporate appropriate mitigation that includes applicable construction activity BMPs and erosion and sediment control BMPs in compliance with the State General Construction Activity Storm Water Permit. The mitigation shall be specified in a SWPPP prepared by a Registered Civil Engineer. A copy of the SWPPP shall be kept at the project site during all construction activities. Prior to the beginning of construction, the Lead Agency shall file a Notice of Intent (NOI) with the appropriate RWQCB for the project to be covered under the NPDES General Permit. The Lead Agency shall ensure that the construction site is inspected prior to an anticipated storm, during extended storm events, and after actual storm events to ensure that BMPs are functioning properly.

5.5.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.7-B is hereby incorporated into the Project.

5.5.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.7-B will reduce the Project's potentially significant impacts to water quality during construction to a less than significant level, thereby avoiding any significant effects.

5.5.2 Flooding Due To Increased Surface Runoff. The Final PEIR discusses impacts of floods and increased surface runoff and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's flood potential impacts are potentially significant.

The analysis reveals that construction of projects within the Proposed Plan could alter existing drainage patterns or the course of a stream or river and could substantially increase the rate or amount of surface runoff. These changes could result in new flooding or exacerbate existing flooding conditions. Flooding can occur on- or off-site due to insufficient capacity of existing or planned storm water drainage systems. Many developed areas are within the 100-year floodplain zone (flood hazard area) of the Santa Ana River. Widening of existing facilities and construction of new facilities (such as transit stations) within an existing floodplain could impede flood waters, altering the flood risks both upstream and downstream. In addition, modifications to bridges, culverts, and other drainage structures within a 100-year flood hazard area could impede or redirect flood flows and could alter the 100-year flood hazard area as mapped on a Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM). This would create risks of flooding to people and property in the 100-year floodplain. This impact is considered potentially significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce potentially significant impacts of water quality to less than significant levels, thereby avoiding any significant effects:

- 4.7-E 100-Year Flood Hazard Area.** During project planning and environmental evaluation of the project, the Lead Agency for projects identified in the Proposed Plan shall prepare a hydrology study in conformance with local, State, and federal guidelines and flood control requirements. The design shall be submitted to the local flood control agency for review and approval. The hydrology study shall include all on-site structures and drainage facilities necessary to accommodate increased runoff resulting from the proposed project, and it shall indicate project contribution to the regional storm water drainage system.
- 4.7-F 100-Year Flood Hazard Area.** Environmental documentation for projects requiring federal approval or funding must demonstrate that the project complies with Executive Order 11988 on Floodplain Management, which requires avoidance of incompatible floodplain development, restoration and preservation of the natural and beneficial floodplain values, and maintenance of consistency with the standards and criteria of the National Flood Insurance Program. All roadbeds for new highway and rail facilities should be elevated at least 1 foot above the 100-year base flood elevation, as delineated on the FIRM for the area. No project shall increase the base flood elevation within regulated floodways as delineated by the FIRM for the area.
- 4.7-G 100-Year Flood Hazard Area.** If a project in the Proposed Plan is determined to alter a mapped floodplain or established base flood elevation, the Lead Agency shall submit the appropriate hydrologic and hydraulic data to FEMA for a FIRM revision as soon as practicable, but not later than six months after such data become available. No map revision shall cause houses not previously in the 100-year floodplain to be placed within the revised 100-year floodplain.

5.5.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.7-E through 4.7-G are hereby incorporated into the Project.

5.5.2.2 Effect of Mitigation Measures. Implementation of Mitigation Measures 4.7-E through 4.7-G will reduce the Project's potentially significant impacts to flood hazards during construction to a less than significant level, thereby avoiding any significant effects. Compliance with floodplain management requirements and proper design of flood control facilities will reduce potential impacts related to increased surface runoff and flooding.

Water quality measures described in Mitigation Measure 4.7-E will help to reduce peak flows and to ensure that no flood risks to people or property are created by the project. Water quality measures described in Mitigation Measures 4.7-F and 4.7-G address the federal regulations relative to construction within mapped floodplains. Additionally, the water quality measures described in Mitigation Measure 4.7-D would help to reduce erosion, siltation, and potential flooding impacts due to increased runoff.

5.5.3 Flooding Caused by Failure of Levee or Dam. The Final PEIR discusses potential flood hazards and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to failure of levee or dam are potentially significant.

The analysis reveals that dam failure is a threat in Orange County. Sudden flooding could occur if a dam impoundment volume reaches capacity or breaches. Such a failure can expose people or structures to a significant risk of loss, injury, or death. Dams in Orange County subject to failure include Prado Dam, Santiago Reservoir, Santiago Creek Dam (Irvine Lake), Villa Park Dam, and several other smaller dams. Within the County, the Prado Dam and Santiago Reservoir inundation areas include most of the coastal plain from Huntington Beach to Seal Beach and inland areas adjacent to the Santa Ana River, including the Cities of Fullerton, Anaheim, Buena Park, Placentia, Yorba Linda, and Orange. Recent improvements to the Santa Ana River and Prado Dam should help reduce the risk of dam inundation and improve flood protection within the County. However, the risk of flooding caused by failure of a levee or dam is considered potentially significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant flood hazard impacts to a less than significant level, thereby avoiding any significant effects:

4.7-H Flooding Caused by Failure of Levee or Dam. Prior to individual project approval, the Lead Agency shall evaluate the potential for dam inundation as part of its environmental review and shall identify mitigation measures as appropriate.

5.5.3.1 Incorporation of Mitigation Measures. Mitigation Measure 4.7-H is hereby incorporated into the Project.

5.5.3.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.7-H will reduce the Project's potentially significant flood hazard impacts during construction to a less than significant level, thereby avoiding any significant effects.

5.5.4 Inundation by Mudflow. The Final PEIR discusses the impacts of inundation by seiche, tsunami, or mudflow and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's susceptibility to seiche, tsunami, or mudflow is considered a potentially significant impact.

The analysis reveals that the Proposed Plan does not expand within the area of coastline subject to tsunami and seiche (refer to Section 4.5, Geology and Soils). Flood damage can occur as a result of blocked flow in a stream caused by a landslide or mudflows and can expose people and structures to a significant risk of loss, injury, or death. After a fire, mudflows can be severe due to the lack of vegetation to secure the slopes. Proposed transportation projects on hillsides and downstream of

streams, rivers, and drainage channels could be impacted by severe mudflows if a fire were to occur in the tributary watershed. Impacts related to mudflows are considered potentially significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts of seiche, tsunami, or mudflow to less than significant levels, thereby avoiding any significant effects:

4.7-I Inundation by mudflow. Prior to individual project approval, the Lead Agency shall evaluate the potential for mudflows as part of its environmental review and shall identify mitigation measures as appropriate.

5.5.4.1 Incorporation of Mitigation Measures. Mitigation Measure 4.7-I is hereby incorporated into the Project.

5.5.4.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.7-I will reduce the Project's potentially significant impacts of seiche, tsunami, or mudflow to less than significant level, thereby avoiding any significant effects. Although natural disasters such as mudflows are difficult to protect against, proper planning can help avoid potential impacts.

5.6 Public Services

5.6.1 Police and Fire/Emergency Personnel or Other Public Facilities. The Final PEIR discusses impacts on public services and mitigation measures in Section 4.10 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to public services are considered potentially significant.

The analysis reveals that there would be potential effects to police and fire/emergency personnel or other public facilities in the County. Depending upon the timing, location, and duration of construction activities, several of the proposed projects identified in the Proposed Plan could delay emergency vehicle response times or otherwise disrupt delivery of emergency services. By closing off one or more lanes of a roadway in the County, emergency routes would be impaired, which may cause traffic delays. There are several types of activities and projects included within the Proposed Plan that, upon completion, would require different levels of police, fire, and medical services. Transit-related projects, increased use of public transportation, and improvements to existing transportation facilities may generate the need for additional services. However, for the most part, the transportation projects identified in the Proposed Plan would not generate a substantial, direct need for additional police, fire, and emergency medical services. Only new facilities, such as transit stations, could require potentially significant levels of police, fire, and medical services. Fire and medical services are anticipated to be sufficient in their local jurisdictions to handle the increase in demand generated by facilities like transit stations. Any new transit police staff or facility that would be deemed necessary (by the project-level CEQA documentation) will need to be funded by the appropriate transit authority, if necessary. However, the Proposed Plan's transportation projects would improve access for police, fire, and emergency services and would result in improved response times.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts to public services to less than significant levels, thereby avoiding any significant effects:

4.10-A Prior to any individual project approval, the Lead Agency shall evaluate the improvement's potential effects on police and fire protection and emergency medical services as part of its review. As part of this review, the local fire and police departments shall be contacted to ensure that the existing public services and utilities would be able to handle the increase in demand for their services. If the current levels of services at the project site are found to be inadequate, infrastructure improvements and/or personnel requirements for the appropriate public service shall be identified in each project's CEQA documentation.

5.6.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.10-A is hereby incorporated into the Project.

5.6.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.10-A will reduce the Project's potentially significant impacts to police, fire, and emergency medical services to a less than significant level, thereby avoiding any significant effects.

5.6.2 Relocation of Aboveground and Underground Utility Lines. The Final PEIR discusses impacts on public services and mitigation measures in Section 4.10 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to aboveground and underground utility lines are considered potentially significant. The analysis reveals that ground-disturbing activities associated with the project identified in the Proposed Plan have a potential to encounter aboveground and underground utility lines (domestic water, wastewater, electricity, natural gas, and cable television) and require relocation or protection in place.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts to aboveground and underground utility lines to less than significant levels, thereby avoiding any significant effects:

4.10-B Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on domestic water, wastewater, electricity, natural gas, cable television, and other utility lines as part of the environmental review process. As part of this review, service providers shall be contacted to ensure that existing utility lines can be relocated and that service interruptions (if any) will be minimal.

5.6.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.10-B is hereby incorporated into the Project.

5.6.2.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.10-B will reduce the Project's potentially significant impacts to aboveground and underground utility lines to a less than significant level, thereby avoiding any significant effects.

5.6.3 Solid Waste Demand. The Final PEIR discusses impacts on public services and mitigation measures in Section 4.10 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to demand for solid waste services are considered potentially significant.

The analysis reveals that large-scale projects identified in the Proposed Plan, such as freeway reconstruction, have the potential to generate a significant amount of solid waste during the construction phase. Construction debris would be recycled or transported to the nearest landfill site and disposed of appropriately. Currently, several landfills in the County function at or below their permitted capacity, and construction debris associated with projects outlined in the Proposed Plan can be accommodated. Therefore, the projects in the Proposed Plan are not anticipated to generate a significant amount of solid waste during construction. Nevertheless, the amount of debris generated during project construction would need to be evaluated prior to construction on a project-by-project basis.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts from Solid Waste Services to less than significant levels, thereby avoiding any significant effects:

4.10-C Prior to any individual project approval, the Lead Agency shall assess potential solid waste generation during construction and determine if available landfill capacity exists to accept this solid waste. As part of this evaluation, potential mitigation to reduce construction debris entering the landfills includes compliance with applicable local regulations related to solid waste disposal and recycling or reusing debris where feasible.

5.6.3.1 Incorporation of Mitigation Measures. Mitigation Measure 4.10-C is hereby incorporated into the Project.

5.6.3.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.10-C will reduce the Project's potentially significant impacts to aboveground and underground utility lines to a less than significant level, thereby avoiding any significant effects.

5.6.4 Cumulative Public Service/Utility Impacts. The Final PEIR discusses impacts on public services and mitigation measures in Section 4.10 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to a cumulative demand for public services and utilities are considered potentially significant.

Implementation of the individual projects of the Proposed Plan in combination with increases in population, households, employment, and other transportation projects in the County and the region would result in the increased need for various public services, including police and fire protection, emergency services, and solid waste disposal, as well as public utilities. Projected urban development and redevelopment within Orange County will also generate additional demand for public services and utilities. However, transportation projects under the Proposed Plan would improve access for police, fire, and emergency services and would result in improved response times. Project approvals for future development would require mitigation of their impacts.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.10-A through 4.10-C are feasible and will reduce potentially significant cumulative public services and utilities impacts to less than significant levels, thereby avoiding any significant effects.

5.6.4.1 Incorporation of Mitigation Measures. Mitigation Measures 4.10-A through 4.10-C are hereby incorporated into the Project.

5.6.4.2 Effect of Mitigation Measures. Implementation of Mitigation Measures 4.10-A through 4.10-C will reduce the potentially significant cumulative public service and utility impacts associated with the individual projects in the Proposed Plan to a less than significant level, thereby avoiding any significant effects.

5.7 Population and Housing

5.7.1 Population Growth. The Final PEIR discusses impacts on growth and mitigation measures in Section 4.11 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to growth are considered potentially significant.

The analysis reveals that implementation of the Proposed Plan would not facilitate substantial population growth to certain vacant areas of the region. The County is mostly developed within the northern and western areas with opportunities for new, large-scale development in the central and eastern areas of the County. These areas include the northern sphere of Irvine, East Orange, Rancho Mission Viejo, and Mountain Park, which have land use approvals from the local jurisdictions. In existing urban areas, infill of vacant parcels and redevelopment will occur. The Proposed Plan would provide more efficient transportation to accommodate increased travel demand associated with projected growth and would improve the existing conditions. Much of the large-scale growth would occur independent of the Proposed Plan; however, the Proposed Plan may contribute to some growth beyond current projections.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant impacts to growth to less than significant levels, thereby avoiding any significant effects:

4.11-A OCTA shall continue to work with other jurisdictions in the County as part of the Growth Management Plan (GMP) process to implement growth strategies in order to create an urban form designed to utilize the existing transportation networks and the transportation improvements contained in the Proposed Plan, thus enhancing mobility and reducing land consumption.

5.7.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.11-A is hereby incorporated into the Project.

5.7.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.11-A will reduce the Project's potentially significant impacts to growth to a less than significant level, thereby avoiding any significant effects. The mitigation measures will seek to direct growth in a way that is efficient for both mobility and land consumption. Ongoing coordination between OCTA and the other jurisdictions within the County will reduce growth-related impacts to less than significant levels.

5.7.2 Displacement of Existing Homes and Businesses. The Final PEIR discusses impacts on growth and mitigation measures in Section 4.11 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Project's impacts related to acquisition of rights-of-way are considered potentially significant.

The analysis reveals that development of transportation improvements identified in the Proposed Plan could result in the disturbance and/or loss of land currently used for residential or business purposes. These projects could potentially require the acquisition and relocation of homes and businesses. Improvements to freeways and arterial highways in the northern and central portions of the County would be more susceptible to property acquisition due to the reduced setbacks and rights-of-way between existing land uses and existing transportation facilities.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce potentially significant impacts to acquisition of rights-of-way to less than significant levels, thereby avoiding any significant effects:

4.11-B For projects with the potential to displace homes and/or businesses, project implementation agencies shall evaluate alternate route alignments and transportation facilities that minimize the displacement of homes and businesses. An iterative design and impact analysis would help in cases where impacts to homes or businesses are involved. Potential impacts shall be minimized to the extent feasible. Existing rights-of-way should be used to the furthest extent possible.

4.11-C Project implementation agencies shall identify businesses and residences to be displaced. As required by law, relocation assistance shall be provided to displaced residents and businesses in accordance with the federal Uniform Relocation and Real Property Acquisition Policies Act of 1970 and the State of California Relocation Assistance Act, as well as any applicable City, County, and port policies.

4.11-D Project implementation agencies shall develop a construction schedule that minimizes potential neighborhood deterioration from protracted waiting periods between right-of-way acquisition and construction.

5.7.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.11-B through 4.11-D are hereby incorporated into the Project.

5.7.2.2 Effect of Mitigation Measures. Implementation of Mitigation Measures 4.11-B through 4.11-D will reduce the Project's potentially significant impacts to acquisition of rights-of-way to a less than significant level, thereby avoiding any significant effects.

5.8 Traffic

5.8.1 Short-Term Construction Impacts. The Final PEIR discusses impacts on traffic and transportation and mitigation measures in Section 4.12 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the traffic impacts of individual projects within the Proposed Plan are considered potentially significant.

The analysis reveals that construction activities associated with the projects included in the Proposed Plan would require traffic detours, lane closures, and intersection closures on freeways and roadways that could result in significant traffic delays near the construction area. Individual projects would be required to implement mitigation measures to minimize the effects of site-specific construction-related traffic impacts.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce potentially significant short-term construction impacts to less than significant levels, thereby avoiding any significant effect:

4.12-A Prior to approval of individual projects, the Lead Agency shall evaluate short-term traffic impacts as part of the project's environmental review. This review shall identify the existing traffic conditions, evaluate potential short-term construction impacts, and identify appropriate measures to be implemented during construction, including a Traffic Management Plan (TMP), if needed. The TMP shall be prepared by a registered Traffic Engineer and shall address traffic control for any street closure, detour, or other disruption to traffic circulation and public transit routes. The TMP shall identify the routes that construction vehicles use to access the site, the hours of construction traffic, traffic controls and detours, off-site vehicle staging areas, and parking areas for the project.

5.8.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.12-A is hereby incorporated into the Project.

5.8.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.12-A will reduce the Project's potentially significant impacts to a less than significant level, thereby avoiding any significant effects. Implementation of the mitigation measure will help to reduce construction-related impacts.

6.0 SIGNIFICANT ENVIRONMENTAL EFFECTS THAT CANNOT BE MITIGATED TO A LESS THAN SIGNIFICANT LEVEL THROUGH FEASIBLE MITIGATION MEASURES

6.1 Air Quality

Even after implementation of all identified feasible mitigation measures, air quality effects will remain significant. The proposed alternatives identified in the PEIR are infeasible as discussed in the section below. Therefore, significant air quality effects are unavoidable.

6.1.1 Construction Air Quality Effects and Mitigation Measures. The Final PEIR discusses construction emissions effects and mitigation measures in Section 4.1 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the short-term effects of individual projects within the Proposed Plan on air quality during construction could remain significant after mitigation.

The analysis reveals that there would be temporary air emissions related to construction of individual projects identified in the Proposed Plan. A large number of the projects in the Proposed Plan would involve extensive construction of new facilities or reconstruction of existing facilities. The construction activities would create short-term temporary air emissions from the following activities: (1) demolition; (2) site preparation operations (grading/excavation); (3) fuel combustion from the operation of construction equipment; (4) delivery and hauling of construction materials and supplies to and from the site; (5) the use of asphalt or other oil-based substances during the final construction phases; and (6) travel by construction workers to and from the site. The amounts of emissions of NO_x, volatile organic compounds (VOC), and PM₁₀ generated would be based on the number and type of operating vehicles and the number of hours of operation. Fugitive emissions would be based on the amount of soil disturbed, type of soil, duration, type of activity (grading, excavation, etc.), haul trips, and other factors. It is very likely that some of these projects would be under concurrent construction throughout the region. Short-term impacts generated from implementation of the Proposed Plan are expected to be significant. Other construction impacts include potential construction-related traffic impacts due to congestion from lane closures. These impacts would be addressed in the project-level analysis.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce short-term construction air quality impacts:

- 4.1-A** Prior to approval of individual projects, the Lead Agency shall evaluate potential short-term air quality impacts as part of the project's environmental review. This review shall identify the existing air quality condition, evaluate potential project impacts, and identify appropriate measures to be implemented during construction. These measures include

compliance with SCAQMD Rule 403. The following additional air quality mitigation measures should be considered as part of the project-level environmental review:

- Revegetate exposed earth surfaces following construction.
- Apply water or dust suppressants to exposed earth surfaces to control emissions.
- Cessation of all excavating and grading activities during second-stage smog alerts and periods of high winds.
- Cover all trucks hauling dirt, sand, soil, or other loose materials off site or wetted or shall maintain at least two feet of freeboard (i.e., minimum vertical distance between the top of the load and the top of the trailer).
- Treat the surface of all construction roads that have high traffic volumes with base material or decomposed granite, or pavement or otherwise stabilizing technique.
- Clean public streets at frequent intervals or at least three times a week if visible soil material has been carried onto adjacent public roads.
- Visually inspect construction equipment prior to leaving the site, and loose dirt shall be washed off with wheel washers as necessary.
- Apply water or nontoxic soil stabilizers as needed to reduce off-site transport of fugitive dust from all unpaved staging areas and other unpaved surfaces.
- Maintain traffic speeds on all unpaved surfaces below 25 mph.
- Implement all feasible energy-saving measures, such as the use of low sulfur or other alternative fuels in construction equipment, utilizing electricity from power poles rather than temporary diesel power generators and/or gasoline power generators.
- Schedule all deliveries related to construction activities that affect traffic flow to occur during off-peak hours (e.g., 10:00 a.m. to 3:00 p.m.) and coordinate them to achieve consolidated truck trips. When the movement of construction materials and/or equipment impacts traffic flow, temporary traffic control shall be provided to improve traffic flow (e.g., flag person).

6.1.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.1-A is hereby incorporated into the Project.

6.1.1.2 Effect of Mitigation Measures. Implementation of Mitigation Measure 4.1-A will reduce the air quality effects of individual projects within the Proposed Plan, but not to a less than significant level. Therefore, the residual air quality effects of an individual project within the Proposed Plan could continue to exceed the SCAQMD threshold and remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the air quality effects are acceptable in light of the Project's benefits.

6.1.2 Short-Term Localized Toxics Impacts. The Final PEIR discusses short-term localized effects and mitigation measures in Section 4.1 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the short-term localized toxic effects of individual projects within the Proposed Plan may remain significant after mitigation.

Construction vehicles are sources of carcinogenic pollutants and are also responsible for diesel exhaust. Due to the concentrated use of heavy-duty diesel-powered equipment and possible health impacts to the general public living near sections of freeway that would be affected by the Proposed Plan, it is expected that the cancer risk resulting from construction activities for any individual freeway project could exceed the acceptable threshold of 1 in 1 million at locations close to freeways. This is the case for the maximum 1-year cancer risk, which reflects the temporary nature of construction. When this same risk is spread over a 70-year lifetime (in accordance with health risk assessment procedures), risk levels are much lower, approaching the threshold of 1 in 1 million. Overall, this impact would be considered potentially significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce air quality impacts:

- 4.1-B** Prior to project approval, for all major individual freeway projects, the Lead Agency shall evaluate short-term TAC/health risks as part of the project's environmental review. The evaluation shall assess the exposure of sensitive receptors near each project to TACs and determine the resulting health risks. Measures shall be considered, such as equipping construction equipment with diesel particulate traps and the use of low-sulfur or other alternative fuels in construction equipment to mitigate potential impacts.

6.1.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.1-B is hereby incorporated into the Project.

6.1.2.2 Effect of Mitigation Measures. Mitigation Measures 4.1-B will reduce the short-term health risk of individual projects within the Proposed Plan but not to a less than significant level. Therefore, the residual short-term localized effects associated with individual projects within the Proposed Plan could exceed the cancer risk threshold and may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the air quality effects are acceptable in light of the Project's benefits.

6.2 Biological Resources

6.2.1 Threatened, Endangered, and/or Special-Interest Species and Sensitive Natural Communities Outside of the Designated NCCP/HCP Areas. The Final PEIR discusses surface disturbance effects that affect the threatened, endangered, and/or special-interest species and sensitive natural communities and mitigation measures in Section 4.2 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effects of individual projects within the Proposed Plan on threatened, endangered, and/or special-interest species and sensitive natural communities may remain significant after mitigation.

Individual projects in the Proposed Plan include the widening and extensions of freeways and arterials and modifications to existing interchanges. Additionally, public transit projects may include new stations or upgrades to existing stations. In general, potentially significant impacts would occur for projects proposing new facilities in previously undisturbed areas (i.e., new facilities, goods movement roadway facilities, rail corridors, rail stations, flyovers, interchanges). Construction and operation of projects within the Proposed Plan could potentially significantly impact sensitive biological resources in the vicinity of improvements identified in the Proposed Plan.

Direct impacts to special-interest species and sensitive natural communities could occur due to loss of individuals and loss of habitat. Possible indirect effects to threatened, endangered, and/or special-interest species and sensitive natural communities include habitat fragmentation and decreased habitat values caused by disturbances due to noise, lighting, and introduction of invasive species, both during construction and operation of the project.

The severity of impacts would vary based on the specific locations of surface impacts, which have not been determined at this time. Due to the programmatic nature of the Proposed Plan and because no site-specific field studies have been performed to determine the presence of suitable habitat, none of the species identified in the database search (Appendix C of the PEIR) can be excluded from consideration at this time. Potential impacts to special-interest species and sensitive natural communities have been identified to the extent possible at this level of analysis.

The literature review identified 29 species designated as State or federally listed as threatened or endangered and 16 sensitive natural communities that could be impacted by implementation of transportation improvements or programs identified in the Proposed Plan.

During environmental review of individual projects in the Proposed Plan, comprehensive biological field studies will be required to assess the site-specific characteristics for each proposed facility and will further determine potential presence and impacts to special-interest species and sensitive natural communities. Project-specific field studies will also consider impacts to special-interest species and sensitive natural communities that may be present that do not appear on any database searches. Because this is a long-range plan implemented over 30 years, database searches for special-interest species and sensitive natural communities should be updated for each project facility, taking into account changes of status and possible migration of a species to new areas.

At a programmatic level, implementation of the projects within the Proposed Plan would potentially result in significant impacts to threatened, endangered, and/or special-interest species and sensitive natural communities due to direct impacts to species, loss of habitat, and decreased habitat value caused by increased noise, lighting, and introduction of invasive species. Projects with the most likelihood to affect special-interest species and sensitive natural communities are expansions of roadways through or adjacent to previously undeveloped areas.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce impacts to the threatened, endangered, and/or special-interest species and sensitive natural communities:

- 4.2-A Special-Interest Species and Sensitive Natural Communities.** During the planning process and environmental review for individual projects in the Proposed Plan, the Lead

Agency for the project shall conduct a comprehensive biological resources assessment to evaluate and mitigate direct and indirect impacts to sensitive natural communities and special-interest species. The assessment would include consideration of avoidance or redesign to minimize impacts through project design. Additionally, mitigation measures shall be identified to mitigate the remaining impacts to these resources. In addition, the Lead Agency for each project shall incorporate locally collected, plant community appropriate, native plant species in the landscape plant palette in areas of temporary disturbance and in landscaped areas where feasible, particularly where such areas are adjacent to open-space wildlands. The types of mitigation to be considered for each project are discussed below.

Compensation for Loss of Habitat. A mitigation plan identifying specific measures to compensate for permanent habitat loss due to project implementation shall be developed. The mitigation plan will consider in-kind habitat acquisition, habitat enhancement, and long-term monitoring, or participation in regional conservation programs such as the Central/Coastal NCCP/HCP and the Southern Subregion NCCP.

Construction Minimization Measures. Implement measures during construction, such as:

- When possible, vegetation removal and loud construction activities (greater than 60 dBA) will be scheduled outside of the breeding season for special-interest animal species known to occur in the area.
- Nighttime lighting shall be directed away from areas known to support special-interest animal species.
- Field surveys will be conducted immediately prior to vegetation removal. If special-interest species are found to be present, then construction should be delayed in that area until breeding activity is completed or the species can be relocated.
- During construction, sensitive habitat areas should be clearly marked and monitored by qualified biologists.
- Construction crews will be educated regarding the sensitive nature of the work area and the importance of avoiding disturbance of sensitive habitat areas.

Invasive Species. Prior to approval of individual Proposed Plan projects, the Lead Agency for that project shall ensure that project landscaping complies with applicable guidelines and requirements regarding plant materials. Measures shall be taken during construction to reduce the transport of invasive species into and out of construction sites.

6.2.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.2-A is hereby incorporated into the Project.

6.2.1.2 Effect of Mitigation Measures. Mitigation Measures 4.2-A will reduce impacts to the threatened, endangered, and/or special-interest species and sensitive natural communities for individual projects identified in the Proposed Project, but not to a less than significant level. Therefore, the residual effects to threatened, endangered, and/or special-interest species and sensitive natural communities outside of the designated NCCP/HCP areas from individual projects within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects to threatened, endangered, and/or special-interest species and sensitive natural communities are acceptable in light of the Project's benefits.

6.2.2 Riparian Habitat, Federally Protected Wetlands, and Jurisdictional Waters of the U.S.

The Final PEIR discusses displacement of riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. and mitigation measures in Section 4.2 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effect of individual projects within the Proposed Plan on displacement of riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. may remain significant after mitigation.

Individual projects in the Proposed Plan would involve the widening and extension of freeways and arterials and modifications to existing interchanges. Public transit projects may include new stations or upgrades to existing stations. These projects may require construction or modifications within water courses and drainage channels that support riparian habitat, wetlands, and jurisdictional waters. Potential direct impacts to riparian habitat, wetlands, and jurisdictional waters by individual projects in the Proposed Plan may occur due to temporary disturbance during construction, permanent disturbance, or loss due to discharge of fill material. Indirect impacts may occur due to contamination by nonpoint source pollutants, alteration of hydrologic regime, increased erosion, and siltation caused by vegetation removal. Figure 4.7.3 (in Section 4.7, Hydrology and Water Resources) illustrates the 100-year floodplain within Orange County and areas where wetlands are likely to occur. Impacts to vernal pools may also occur as a result of the proposed road widening and alterations. The potential impact to riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. is considered significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce impacts to riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S.

4.2-B Riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S.

During the planning process and environmental review for individual projects in the proposed plan, the Lead Agency for the project shall conduct a wetlands and jurisdictional waters determination and assessment of direct and indirect impacts to waters of the U.S. The assessment would include consideration of avoidance or redesign to minimize impacts through project design. Additionally, mitigation measures shall be identified to mitigate the remaining impacts to these resources. Types of mitigation to be considered for each project include the following.

Avoidance and Minimization during Design. Measures should be taken to limit temporary disturbance to minimum areas necessary for construction. The project design should carefully consider the placement of haul roads, storage yards, and staging areas with respect to jurisdictional waters and associated habitats. Culverts, drainage systems, and bridges should be designed to avoid increasing or decreasing peak flow, to maintain hydrologic continuity within drainage systems, and to avoid permanent diversion of natural flows.

Compensation for Loss of Riparian Habitat. Develop a Habitat Mitigation and Monitoring Plan (HMMP) that ensures no net loss of riparian habitat value or acreage. The HMMP will include compensation for permanent disturbance or loss by providing alternate or substitute resources, construction minimization measures, and identify a success criterion for percent cover of native wetland vegetation, an establishment period for the replacement habitat, and regular maintenance and monitoring activities to ensure the success of the mitigation plan.

Regulatory Permitting. Mitigation may require the following permits from the respective resource agencies: (1) Section 404 Permit, United States Corps; (2) Section 401 Water Quality Certification, RWQCB; (3) Section 1602 Streambed Alteration Agreement, CDFG, and (4) authorization for impacts to endangered species either through provisions in an NCCP/HCP, SAMP HCP, or through formal Section 7 consultation between the USFWS and the Corps. These permits will require, at a minimum, the preparation of a mitigation plan and the provisions for the protection of special-interest species as described above. The proposed project will comply with all terms and conditions set forth in the permits issued by the resource agencies.

6.2.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.2-B is hereby incorporated into the Project.

6.2.2.2 Effect of Mitigation Measures. Mitigation Measure 4.2-B will reduce displacement of riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. effects by individual projects identified in the Proposed Plan but not to a less than significant level. Therefore, the residual effects to riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. associated with individual projects within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects to riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S are acceptable in light of the Project's benefits.

6.2.3 Wildlife Movement and Habitat Linkage Values. The Final PEIR discusses the increased incidence of roadkill and mitigation measures in Section 4.2 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the

residual effect of individual projects within the Proposed Plan on wildlife movement and increased incidence of roadkill may remain significant.

Individual projects in the Proposed Plan consist primarily of improvements to existing facilities, such as road widening, lane additions, and improvements to intersections and interchanges. No new major facilities or corridors are proposed that would create habitat fragmentation by traversing large intact habitat blocks. However, road widenings, extensions, and interchange improvements could interfere with habitat linkage values by severing, constricting, or increasing fragmentation of linkages. Because the projects are primarily within existing roadways, their potential to fragment large habitat blocks or increase roadkill is smaller than a new roadway. This impact is considered potentially significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce wildlife movement and roadkill impacts:

4.2-C Wildlife Movement and Roadkill. During the planning process and environmental review for individual projects in the Proposed Plan, the Lead Agency for the project shall conduct site-specific analyses of opportunities to preserve or improve habitat linkages with areas on and off site. Types of mitigation to be considered for each project include:

- Provide wildlife crossings/access at locations useful and appropriate for species anticipated to use the area
- Wildlife fencing shall be utilized where appropriate to minimize the probability of wildlife injury due to direct interaction between wildlife and roads

6.2.3.1 Incorporation of Mitigation Measures. Mitigation Measure 4.2-C is hereby incorporated into the Project.

6.2.3.2 Effect of Mitigation Measures. Mitigation Measure 4.2-C will reduce wildlife movement and roadkill impacts associated with individual projects identified in the Proposed Plan, but not to a less than significant level. Therefore, the residual effects to wildlife movement and increased roadkill associated with individual projects identified in the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the wildlife movement effects are acceptable in light of the Project's benefits.

6.2.4 Cumulative Biological Resource Impacts. The Final PEIR discusses the contribution of individual projects within the Proposed Plan to cumulative impacts to biological resources and mitigation measures in Section 4.2 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the residual cumulative effects of individual projects within the Proposed Plan on biological resources, wildlife movement, and increased incidence of roadkill may remain significant after mitigation.

The individual projects within the Proposed Plan that affect natural areas have the potential to create significant impacts to special-interest species, sensitive natural communities, riparian habitat, federally protected wetlands, waters of the U.S., wildlife movement, and migratory birds. These

impacts would be created by disturbing native habitat, altering hydrologic resources, removal of trees, and segmentation of large habitat blocks. Projects along existing highway facilities would likely have less impact on biological resources than new projects on previously undisturbed land. Future development within the County has the potential to also result in similar significant impacts to these resources. Mitigation for such impacts due to development is likely to include comprehensive biological field studies, avoidance and minimization of impacts during design, compensation for habitat loss, precautionary measures to be implemented during construction, and measures to avoid the spread of invasive species. Implementation of Mitigation Measures 4.2-A through 4.2-E would reduce potential biological impacts to most projects to less than significant levels. However, not all individual project impacts can be completely avoided or mitigated, and residual cumulative impacts to biological resources are likely to remain.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.2-A through 4.2-E are feasible and will reduce the Proposed Plan's contribution to cumulative impacts to biological resources.

6.2.4.1 Incorporation of Mitigation Measures. Mitigation Measures 4.2-A through 4.2-E are hereby incorporated into the Project.

6.2.4.2 Effect of Mitigation Measures. Mitigation Measure 4.2-A through 4.2-E will reduce the Project's incremental effect on the biological resources, but not necessarily to a less than significant level. Collectively and on a regional level, the Project's incremental effects may be cumulatively significant and may remain significant and unavoidable even after mitigation, particularly when they may be a permanent, unmitigable loss of biological resources. As set forth in the Statement of Overriding Considerations, the Project's potentially significant cumulative impacts to biological resources are acceptable in light of the Project's benefits.

6.3 Cultural Resources

6.3.1 Historic Resources. The Final PEIR discusses cultural and historic resources effects and mitigation measures in Section 4.3 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effect of individual projects within the Proposed Plan on historic resources may remain significant after mitigation.

There are currently 107 properties listed on the National Register and 25 registered California Historic Landmarks (CHLs) in Orange County, as well as many resources that have been recorded but not evaluated for listing in the CHL, the National Register of Historic Places (National Register), or the California Register of Historical Resources (California Register). These historic structures have the potential to be significantly impacted by individual transportation improvements and programs in the Proposed Plan, particularly projects that include the development of new lanes and/or the acquisition of new right-of-way. Improvements in existing rights-of-way can also affect historic resources by impacting the physical and aesthetic integrity of historic buildings, communities, and the surrounding environment, as well as through increased levels of corrosive air contaminants that may damage the exterior of historic buildings.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce impacts to historic resources:

- 4.3-A** For all projects requiring ground disturbance, the Lead Agency shall evaluate historic resources impacts as part of the project's environmental review. A records search at the SCCIC of the California Historical Resources Information System (CHRIS) shall be conducted during environmental review pursuant to CEQA or NEPA to identify previously recorded resources that may be impacted by the project and to determine whether the project area has been adequately surveyed. In the event that no previous surveys have been conducted, a recommendation will be made by the SCCIC as to if a survey is warranted based on the sensitivity of the project area for historic resources. If there are historic resources that may be directly or indirectly impacted, a qualified architectural historian shall evaluate the impact of undertakings on resources included in or eligible for listing in the NRHP and CRHR registers in accordance with State and federal regulations. The evaluation of the direct and indirect impacts to historic resources should extend at least 1,000 feet from new construction, as appropriate to the surrounding setting. A structure whose historic value has not been previously assessed but is within the impact area of a project shall be evaluated for listing in the National and California Registers.
- 4.3-B** Construction activities should be conducted to avoid impacts to significant historic resources. If this is not possible, a qualified architectural historian shall be retained to document and evaluate these resources. This documentation may include but is not limited to interviews, photographs, architectural drawings, and additional research. Monitoring during construction may also be recommended depending on the sensitivity of the area.

6.3.1.1 Incorporation of Mitigation Measures. Mitigation Measures 4.3-A and 4.3-B are hereby incorporated into the Project.

6.3.1.2 Effect of Mitigation Measures. Mitigation Measures 4.3-A and 4.3-B will reduce impacts to historic resources from individual projects within the Proposed Plan, but may not reduce these impacts to a less than significant level particularly if an individual improvement project results in a significant adverse change to historical resources (such as demolition of the resource for road widening). Therefore, residual effects to historic resources associated with individual improvements within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the historic effects are acceptable in light of the Project's benefits.

6.3.2 Archaeological Resources. The Final PEIR discusses impacts to archaeological resources and mitigation measures in Section 4.3 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effects of individual projects within the Proposed Plan on archaeological resources may remain significant after mitigation.

There are currently 1,640 archaeological sites identified in Orange County. All earthmoving construction activities in undisturbed soil have the potential to impact archaeological resources. These include but are not limited to grading, excavation, trenching, and removal of existing modern features of the subject property. Ground-disturbing activities within urbanized areas also have the potential to encounter unknown archaeological resources if the existing uses were developed prior to federal, State, and local requirements to perform cultural resource assessments. Thus, there is the potential that any individual project within the Proposed Plan that requires ground-disturbing activities could result in potentially significant impacts to archaeological resources.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce impacts to archaeological resources:

- 4.3-C** Prior to construction activities, the project implementation agencies shall consult the Native American Heritage Commission (NAHC) to determine whether known Traditional Cultural Properties (TCPs) and/or sacred sites are in the project area. The NAHC will then identify specific Native American groups or individuals to be contacted that may have concerns or additional information. A records search shall be conducted by a qualified archaeologist at the SCCIC to identify archaeological sites and previous surveys performed within the project area. A qualified archaeologist shall be retained to conduct archaeological surveys if necessary, depending on the resource sensitivity of the area. If resources are determined to be present, the archaeologist will make recommendations regarding what work is required to determine their significance.

Construction activities shall be conducted to avoid archaeological resources. If this is not possible, impacts on the resources will have to be assessed and mitigated prior to construction. Mitigation measures could include intensive documentation, subsurface testing, and construction monitoring by a qualified archaeologist of all earthmoving activities.

- 4.3-D** Project implementation agencies shall stop construction activities and excavation if cultural resources are encountered until a qualified archaeologist can assess the find and determine its significance. If required, salvage operations shall be conducted.

6.3.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.3-C and 4.3-D are hereby incorporated into the Project.

6.3.2.2 Effect of Mitigation Measures. Mitigation Measures 4.3-C and 4.3-D will reduce the impacts of individual projects within the Proposed Plan to archaeological resources, but may not reduce these impacts to a less than significant level depending on the magnitude of the impact and the ability to effectively mitigate the impact. Therefore, residual effects to archaeological resources associated with individual projects within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the archaeological effects are acceptable in light of the Project's benefits.

6.3.3 Paleontological Resources. The Final PEIR discusses paleontological resources effects and mitigation measures in Section 4.3 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effect of individual projects within the Proposed Plan on paleontological resources may remain significant after mitigation.

Paleontological resources are known to occur throughout the County in various geologic formations that extend from the ground surface to hundreds of feet below the ground surface. Therefore, construction excavations and soil removal of any kind, regardless of depth, have the potential to impact paleontological resources. While some geologic formations are known for yielding paleontological resources, the generally high occurrence of fossils in the County makes it difficult to predict which areas are paleontologically sensitive. Thus, any individual project included in the Proposed Plan that requires excavation into sensitive geologic formations could potentially result in significant impacts to paleontological resources.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce impacts to paleontological resources:

- 4.3-E** As part of the environmental review for each individual project, a qualified paleontologist shall be retained by the Lead Agencies to conduct a locality search and to identify and evaluate areas with the potential to yield paleontological resources. A field survey shall also be conducted in these areas, if appropriate. The findings of the paleontological assessment shall be incorporated into the environmental document.
- 4.3-F** Construction activities shall avoid any known paleontological resources. If this is not possible, a management plan outlining how resources will be salvaged shall be prepared for areas of high sensitivity. These areas shall be monitored by a qualified paleontologist during construction activities. Any fossil remains encountered shall be curated at an appropriate institution where they can be studied and/or displayed.
- 4.3-G** If unknown paleontological resources are encountered, all construction activities shall be halted and the area avoided until a qualified paleontologist can assess the find and determine its significance. If required, salvage operations shall be conducted.

6.3.3.1 Incorporation of Mitigation Measures. Mitigation Measures 4.3-E through 4.3-G are hereby incorporated into the Project.

6.3.3.2 Effect of Mitigation Measures. Mitigation Measures 4.3-E through 4.3-G will reduce potential impacts to paleontological resources associated with individual projects identified in the Proposed Plan, but may not to a less than significant level. Therefore, residual effects of paleontological resources associated with individual projects identified in the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects to paleontological resources are acceptable in light of the Project's benefits.

6.3.4 Archaeological Human Remains. The Final PEIR discusses archaeological human remains effects and mitigation measures in Section 4.3 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effects of individual projects within the Proposed Plan on archaeological human remains may remain significant after mitigation.

Humans have occupied Southern California for over 10,000 years, and their archaeological human remains have been discovered in the County. These remains are sometimes isolated and not associated with archaeological sites, which makes it hard to predict where they will occur. Internments are often unmarked and can consist of cremation remains and informal and formal burials. Human remains are protected under NEPA, CEQA, and the Native American Graves Protection and Registration Act (NAGPRA) (1990). When earthmoving construction activities associated with individual projects within the Proposed Plan occur in previously undisturbed soil, they have the potential to encounter human remains and result in potentially significant impacts to this resource.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce impacts to archaeological human remains:

4.3-H If human remains are encountered, State Health and Safety Code Section 7050.5 states that no further disturbance shall occur until the County Coroner has made a determination of origin and disposition pursuant to State Public Resources Code Section 5097.98. The County Coroner must be notified of the find immediately. If the remains are determined to be prehistoric, the Coroner will notify the NAHC, which will determine and notify a Most Likely Descendant (MLD). With the permission of the landowner or his/her authorized representative, the descendant may inspect the site of the discovery. The descendant shall complete the inspection within 24 hours of notification by the NAHC. The MLD may recommend scientific removal and nondestructive analysis of human remains and items associated with Native American burials. If cultural materials are discovered during any excavation, a qualified archaeologist must be notified to assess the significance of such material.

6.3.4.1 Incorporation of Mitigation Measures. Mitigation Measure 4.3-H is hereby incorporated into the Project.

6.3.4.2 Effect of Mitigation Measures. Mitigation Measure 4.3-H will reduce impacts to archaeological human remains for individual projects included within the Proposed Plan, but not to a less than significant level. Residual impacts to unknown archaeological human remains could remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects to unknown archaeological human remains are acceptable in light of the Project's benefits.

6.3.5 Cumulative Cultural Resource Impacts. The Final PEIR discusses the contribution of individual projects within the Proposed Plan to cumulative impacts to cultural resources and

mitigation measures in Section 4.3 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the contribution of individual projects within the Proposed Plan to cumulative cultural resource impacts are significant after mitigation.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the mitigation measure is feasible and will reduce impacts to archaeological human remains.

6.3.5.1 Incorporation of Mitigation Measures. Mitigation Measures 4.3-A through 4.3-H are hereby incorporated into the Project and are designed to reduce the project's incremental and cumulative effect on historic resources.

6.3.5.2 Effect of Mitigation Measures. Mitigation Measures 4.3-A through 4.3-H will reduce the Project's incremental effect on cultural resources, but not necessarily to a less than significant level. Collectively, and on a regional level, the Project's incremental effects may be cumulatively significant and may remain significant and unavoidable after mitigation, particularly when they may be a permanent unmitigable loss of cultural resources. As set forth in the Statement of Overriding Considerations, the Project's potentially significant effects to unknown archaeological human remains are acceptable in light of the Project's benefits.

6.4 Geology and Soils

6.4.1 Primary and Secondary Seismic Effects. The Final PEIR discusses effects related to seismic shaking and unstable soils and mitigation measures in Section 4.4 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effects of individual projects within the Proposed Plan related to seismic shaking and unstable soils may remain significant after mitigation.

The entire Orange County region is susceptible to impacts from regional seismic activity. Numerous active faults are known to exist in the region that could potentially generate seismic events capable of significantly affecting existing and proposed transportation facilities. As such, new or expanded transportation facilities and programs would be exposed to both direct and indirect effects of earthquakes. Potential effects from surface rupture and severe groundshaking could cause catastrophic damage to transportation infrastructure, particularly overpasses and underground structures. The Proposed Plan includes highway, arterial, and public transit projects throughout the Orange County region. The highway and arterial projects mostly include widening existing highways and constructing new interchanges. All the existing highways and rail lines in the Orange County region are subject to seismic or geologic influences to some degree. Many proposed projects would be located within or across identified Alquist-Priolo Earthquake Fault Zones; State Route 91 (SR-91) and State Route 57 (SR-57) may be affected by the Elsinore Fault Zone; and the Newport-Inglewood Fault Zone may impact State Route 55 (SR-55) and possibly Pacific Coast Highway. These highways are located directly over faults that are susceptible to surface rupture. The entire County would be susceptible to severe groundshaking and earth movement from active faults. Projects could also be located on soils prone to liquefaction or in landslide-prone areas. The potential for individual projects within the Proposed Plan to be significantly affected by liquefaction would be higher in areas

exhibiting shallow groundwater levels and unconsolidated soils such as fill material, some alluvial soils, and coastal sands.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce impacts related to seismic shaking and unstable soils:

- 4.4-A** As part of environmental review and approval of individual projects and programs, the Lead Agency shall evaluate project geologic and seismic conditions and potential impacts. As part of this evaluation, projects shall be reviewed for compliance with Caltrans, County, and city code requirements for seismic ground shaking, as appropriate. The design of projects shall consider seismicity of the site, soil response at the site, and dynamic characteristics of the structure, in compliance with the appropriate California Building Code standards for construction in or near fault zones. Projects located within or across Alquist-Priolo Zones Earthquake Fault Zones must comply with design requirements provided in Special Publication 117, published by the CGS13, as well as relevant local, regional, State, and federal design criteria for construction in seismic areas. Appropriate mitigation measures shall be identified as part of this evaluation.

6.4.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.4-A is hereby incorporated into the Project.

6.4.1.2 Effect of Mitigation Measures. Mitigation Measure 4.4-A will reduce impacts related to seismic shaking and unstable soils for individual projects included in the Proposed Plan, but not to a less than significant level. Residual seismic shaking and unstable soils related impacts associated with individual projects within the Proposed Plan could remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects related to seismic shaking and unstable soils are acceptable in light of the Project's benefits.

6.4.2 Erosion/Slope Failure. The Final PEIR discusses effects related to erosion and slope failure and mitigation measures in Section 4.4 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the erosion and slope failure effects of individual projects within the Proposed Plan may remain significant after mitigation.

Projects in the Proposed Plan would involve road construction and widening, interchange modification, and alteration of existing bridges and culverts. Most projects would not result in substantial grading or other earth modifications. However, there will be projects that require substantial grading and excavation activities, both in urban and outlying areas, such as freeway and arterial construction that could generate air and waterborne erosion and slope failure. Also, projects that require crossings of drainages may result in the potential for air and waterborne contaminants. Earthwork or major cuts into hillsides can create unstable slope conditions and lead to long-term soil erosion, creating potential landslide and falling rock hazards. Potential impacts related to long-term erosion and slope failure due to individual projects proposed in the Proposed Plan, particularly large-scale improvements, have the potential to generate significant erosion and slope failure impacts.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce impacts related to erosion and slope failure:

- 4.4-B** As part of environmental review and approval of individual projects and programs, the Lead Agency shall evaluate project geologic conditions for unstable slopes and potential landslide hazards. As part of this evaluation, projects shall be reviewed for compliance with Caltrans, County, and city code requirements for construction on slopes, as appropriate. Project design shall avoid potential landslide areas and unstable slopes. Appropriate mitigation measures shall be identified as part of this evaluation.
- 4.4-C** As part of the environmental review and approval of individual projects and programs, the Lead Agency shall evaluate potential slope instability and erosion impacts of the project. Project design shall provide adequate slope drainage and appropriate landscaping to minimize the occurrence of slope instability and erosion. Appropriate mitigation measures shall be identified as part of this evaluation.

6.4.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.4-B and 4.4-C are hereby incorporated into the Project.

6.4.2.2 Effect of Mitigation Measures. Mitigation Measures 4.4-B and 4.4-C will reduce impacts related to erosion and slope failure for individual projects included within the Proposed Plan, but not to a less than significant level for all impacts. Residual erosion and slope failure related impacts associated with individual projects within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects related to erosion and slope failure are acceptable in light of the Project's benefits.

6.4.3 Cumulative Geology/Soils Impacts. The Final PEIR discusses effects related to cumulative geology/soils impacts and mitigation measures in Section 4.4 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the contribution to cumulative geology and soils impacts, particularly related to primary and secondary seismic hazards resulting from individual projects within the Proposed Plan, may remain significant after mitigation.

Future planned development and redevelopment within Orange County would have the potential to generate similar geologic seismic and soil impacts as the projects in the Proposed Plan. Each of these projects would be required to identify appropriate mitigation to minimize these impacts. The actions considered by the Proposed Plan have the potential to cause cumulatively considerable adverse effects on human beings when considered on a regional scale. Given the distribution of potentially hazardous geological and seismic factors in Southern California, and given the regional scale of transportation projects and programs considered as part of the Proposed Plan, when taken along with anticipated growth associated with local land use planning efforts, the contribution of the proposed project to the cumulative geologic and soil impacts would potentially be significant.

When considered in combination with the efforts of local agencies in their review and approval of future land use proposals, potential geologic and soil impacts will be identified and mitigated as appropriate for individual transportation and development projects throughout the County. While the entire Orange County region is susceptible to seismic hazards, it is also notable that many of the hazards are highly localized, such as those areas in the vicinity of known seismic rupture areas, such as the Newport-Inglewood, Elsinore, El Modeno-Peralta Hills, Los Alamitos, and Whittier Faults. Appropriate use of engineering technologies, when coupled with siting considerations, would substantially lessen the potential geology and soil impacts of cumulative development.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.4-A through 4.4-E are feasible and will reduce impacts related to cumulative geological and soils impacts.

6.4.3.1 Incorporation of Mitigation Measures. Mitigation Measures 4.4-A through 4.4-E are hereby incorporated into the Project.

6.4.3.2 Effect of Mitigation Measures. Mitigation Measures 4.4-A through 4.4-E will reduce the Project's incremental effects on geological/soil impacts, but not necessarily to a less than significant level for all impacts. Collectively, and on a regional level, the Project's incremental effects may be cumulatively significant and may remain significant and unavoidable after mitigation, particularly when they may be a permanent unmitigable geology/soils impact. As set forth in the Statement of Overriding Considerations, the Project's potentially significant effects to geology/soils impacts are acceptable in light of the Project's benefits.

6.5 Hydrology and Water Quality

6.5.1 Water Quality (Operation). The Final PEIR discusses effects related to hydrology and water quality and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effects related to hydrology and water quality for individual projects within the Proposed Plan are significant.

Many of the proposed public transit projects would involve service alterations on existing streets, highways, and rail lines only. Other proposed public transit projects would involve the possible construction of new rail lines. Some public transit projects may include new stations or upgrades to existing stations. Pollutants associated with roadways and other transportation projects include sediment, trash, nutrients, organic compounds, oxygen-demanding substances, metals, oil, and grease. If these pollutants were discharged in surface runoff into nearby municipal storm systems and natural drainages, they could substantially degrade water quality by violating water quality standards and waste discharge requirements (WDRs). Any discharge of pollutants would further impact currently degraded water quality in the County. Larger projects have the greatest direct impact; in the case of expanded or renovated facilities, there may actually be a benefit to water quality because most facilities were constructed prior to current water quality regulations and do not have treatment BMPs in place. Also, the conversion of buses from diesel to compressed natural gas (CNG) will also further improve pollutant sources in surface runoff. The Proposed Plan also includes provisions for local

agencies to request funds from OCTA to implement improvements related to water quality, which would be a benefit to regional water quality.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce impacts related to hydrology and water quality:

4.7-A Water Quality During Operation. Prior to the approval of individual projects within the Proposed Plan, the Lead Agency shall evaluate potential long-term water quality impacts of the project and identify specific postconstruction water quality BMPs as part of the environmental review for the project. These measures shall include preparation of a Water Quality Management Plan (WQMP) or Standard Urban Stormwater Management Plan (SUSMP) (if the project is within the San Diego Region of the SWRCB). The WQMP or SUSMP shall be prepared in accordance with the OCDAMP, and other water quality regulations in effect at the time of authorization.

The WQMP or SUSMP shall contain, at a minimum, the following elements:

- Determination of the pollutants of concern.
- Incorporation of Site Design, Source Control, and Treatment Control BMPs into the development plans for the project. Table 4.7.2 lists site design and source control BMPs to be considered for each project identified in the Proposed Plan.
- Operation and maintenance requirements for the project drainage system and structural BMPs.

6.5.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.7-A is hereby incorporated into the Project.

6.5.1.2 Effect of Mitigation Measures. Mitigation Measure 4.7-A will reduce impacts related to hydrology and water quality associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual hydrology and water quality related effects associated with individual projects within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects related to hydrology and water quality are acceptable in light of the Project's benefits.

6.5.2 Erosion and Siltation. The Final PEIR discusses effects related to erosion and siltation and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the erosion and siltation effects for individual projects within the Proposed Plan are significant.

Projects in the Proposed Plan that require modification of a bridge, culvert, or other drainage crossing or drainage area tributary to a natural creek could potentially result in significant erosion and siltation impacts to downstream waters. Increased impervious surfaces in watersheds reduce the amount of

sediment and fine particles that flow in surface runoff into a natural drainage course. This can create a deficit of fine particles in water and create water that is “hungry” for sand and other fine particles. This hungry water can lead to the erosion of soft-bottom channels and natural creeks and streams and deposition of sediment at downstream receiving waters. In Orange County, the Upper Newport Bay is impaired for sediment and receives tons of sediment from the San Diego Creek Channel every year. Sediment released from unvegetated slopes washed into creeks and drainages can also create significant water quality impacts and siltation. In addition, increased peak flow rates due to increased impervious surface area can increase erosion and further impact downstream waters and increase siltation.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure and Mitigation Measures 4.7-A and 4.7-B are feasible and will reduce impacts related to erosion and siltation:

4.7-D Erosion and Siltation. During design and environmental review of projects within the Proposed Plan, the Lead Agency shall evaluate potential erosion and siltation impacts and incorporate appropriate mitigation. Mitigation may include sediment control measures, including an erosion control and revegetation program in accordance with the County NPDES Permit and other water quality regulations in effect at the time of construction. These measures may be specified in a WQMP (or SUSMP) and SWPPP.

6.5.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.7-A, 4.7-B, and 4.7-D are hereby incorporated into the Project.

6.5.2.2 Effect of Mitigation Measures. Mitigation Measures 4.7-A, 4.7-B, and 4.7-D will reduce impacts related to erosion and siltation associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual hydrology and water quality related effects associated with individual projects within the Proposed Plan may remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the effects related to hydrology and water quality are acceptable in light of the Project’s benefits.

6.5.3 Cumulative Hydrology and Water Quality. The Final PEIR discusses the Proposed Project’s contribution to cumulative hydrology and water quality impacts and mitigation measures in Section 4.7 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Proposed Plan’s contribution to cumulative hydrology and water quality impacts associated with individual projects within the Proposed Plan are significant.

Cumulative hydrology and water quality impacts are caused by projects throughout the Orange County watersheds that increase impervious area, add additional sources of pollutants, alter existing hydrology, and affect floodplains. The cumulative impact area considered for this project is the watersheds within Orange County. These watersheds are subject to intense urban development, and many projects are being implemented and planned within the watersheds that could incrementally degrade water quality and affect hydrology and flood protection.

Each proposed project in the cumulative impact area must comply with applicable municipal NPDES permitting requirements and the respective municipal code and include BMPs to prevent degradation of water quality. A comprehensive WQMP or SUSMP will be prepared for each project that incorporates treatment BMPs to reduce impacts to downstream water quality. Each proposed project must also evaluate potential impacts to watercourses, hydrology, and floodplains; must comply with local, State, and federal guidelines to provide adequate flood protection; and must consider the project's contribution to reduced groundwater infiltration.

Projects in the Proposed Plan will mitigate their individual contribution to cumulative water quality and hydrology impacts by incorporating site design elements that manage surface runoff and allow for filtration or removal of pollutants prior to entering downstream waters. Mitigation measures will address the impacts of small- to medium-sized projects, but may not necessarily address all impacts of large projects. In addition, the Proposed Plan includes provisions for local agencies to request funds from OCTA to implement improvements related to water quality, which would be in addition to specific project-related mitigation.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.7-A through 4.7-I are feasible and will reduce cumulative impacts related to hydrology and water quality:

6.5.3.1 Incorporation of Mitigation Measures. Mitigation Measures 4.7-A through 4.7-I are hereby incorporated into the Project.

6.5.3.2 Effect of Mitigation Measures. Mitigation Measures 4.7-A through 4.7-I will reduce the Proposed Plan's contribution to cumulative hydrology and water quality impacts associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual contributions to cumulative hydrology and water quality related effects associated with individual projects within the Proposed Plan remain significant and unavoidable. As set forth in the Statement of Overriding Considerations, the Proposed Plan's contribution to cumulative hydrology and water quality impacts are acceptable in light of the Project's benefits.

6.6 Land Use

6.6.1 Community Impacts. The Final PEIR discusses direct and indirect community effects and mitigation measures in Section 4.8 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the community impacts associated with individual projects within the Proposed Plan may remain significant after mitigation.

The Proposed Plan includes improvements to the existing freeways, tollways, roadways, and transit (bus and rail) systems. Development of highway, arterial, and transit projects under the Proposed Plan would not result in a significant loss in the amount of residential land to transportation uses. However, while projections of residential land use show increases in residential land use, the precise land use impacts that would result from implementation of the Proposed Plan are not fully identified at this time. Many of the alignments for the improvements have not been developed to the point that

they can be readily overlaid onto existing land uses to determine precise impacts to communities. However, it can be assumed that residential land uses and established communities will be impacted to some extent.

While communities are likely to be impacted by implementation of the Proposed Plan, whole communities are unlikely to be divided. However, the proposed project could fragment edges of cohesive groups of people, thereby adversely affecting the functions of a community or neighborhood. Based upon existing land uses within the project area, the construction of any of the proposed improvements may require the acquisition of private property, including residences, nonresidential buildings, and associated infrastructure (e.g., parking lots). Potential impacts include both the full or partial acquisition of land parcels, which may displace or alter their existing land uses. The full acquisition of nonresidential properties would require the relocation of employees and businesses. The full acquisition of residential properties would require the relocation of residents to comparable replacement housing.¹ Partial acquisitions would generally not require relocation.

Other impacts to consider are impacts to land uses based on such factors as noise, air quality, safety (activity level), distance, circulation, accessibility, substantial incongruity, conflict (physical and visual) with adjacent land uses, and disruption during both the construction and operation of the Proposed Plan's projects, particularly for projects located directly adjacent to sensitive receptors, such as open space land uses. Potential operational impacts to open space facilities include property acquisitions affecting the facilities, restricted access to facilities and services, or impaired use of the facilities. Further, construction of the proposed facilities may result in a permanent increase in ambient noise levels within the project area, specifically in developed areas and sensitive land uses (e.g., schools, parks). The construction of a new roadway and the expansion of existing roadways may affect residential land uses more than direct property acquisition and displacements. Impacts related to Aesthetics (Section 4.13), Air Quality (Section 4.1), and Noise (Section 4.9) are discussed in detail in the applicable sections of this PEIR. Refer to each section for more detail.

Aesthetics. As described in Section 4.13, the expansion of existing facilities or widening of roadways into previously undisturbed sites potentially would block or impede views of scenic resources in a given area or generally be incompatible with surrounding land uses. Projects in the Proposed Plan could potentially block or impede views of surrounding scenic resources during and after construction.

Air Quality. The potential air quality effects of the Proposed Plan are summarized in Section 4.1 of this PEIR. The Proposed Plan would involve substantial construction to implement the proposed project. The construction activities would create short-term temporary air emissions that could cause possible health impacts to the general public living near sections of freeways that would be affected by the Proposed Plan.

¹ As defined in Section 10.06.03.00 of the Caltrans Right-of-Way Manual as decent, safe, and sanitary housing that meets the needs of displaced persons and is within their financial means.

Noise. The potential noise effects of the Proposed Plan are summarized in Section 4.9 of this PEIR. Short-term noise impacts may also result during the construction of projects under the Proposed Plan; however, construction activity is limited to the hours specified in each city's Noise Control Ordinance.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce community impacts:

- 4.8-A** Environmental review of each proposed project under the Proposed Plan will be required to assess community effects and identify appropriate mitigation. Mitigation may include the following:
- Project implementation agencies shall consider corridor realignment, buffer zones and setbacks, and berms and fencing where feasible to avoid sensitive land uses and to reduce conflicts between transportation land uses and other types of land uses.
 - Project implementation agencies shall implement design guidelines, local policies, and programs aimed at protecting views of scenic corridors and avoiding visual intrusions.
 - The environmental documents for all major individual freeway projects shall evaluate short-term TAC/health risks. The evaluation shall assess the exposure of sensitive receptors near each project to TACs and determine the resulting health risks. Measures shall be considered, such as equipping construction equipment with diesel particulate traps and the use of low-sulfur or other alternative fuels in construction equipment to mitigate potential impacts.
- 4.8-B** Potential long-term noise impacts and mitigation measures shall be evaluated and identified during the environmental review for each of the improvements identified in the Proposed Plan by the Lead Agency.
- 4.8-C** Individual projects must be consistent with federal, State, and local policies that preserve lands, as well as policies that provide compensation for property owners if preservation is not feasible.

6.6.1.1 Incorporation of Mitigation Measures. Mitigation Measures 4.8-A through 4.8-C are hereby incorporated into the Project.

6.6.1.2 Effect of Mitigation Measures. Mitigation Measures 4.8-A through 4.8-C will reduce community impacts associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual community impacts of individual projects identified in the Proposed Plan may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the effects related to community impacts are acceptable in light of the Project's benefits.

6.6.2 Cumulative Community Impacts. The Final PEIR discusses cumulative community effects and mitigation measures in Section 4.8 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Proposed Plan's contribution to cumulative community impacts associated with individual projects within the Proposed Plan is significant after mitigation.

Urbanization in the region will increase substantially by 2030, as is projected by the Center for Demographic Research. The Proposed Plan is intended to mitigate the transportation impacts of future growth identified in General Plans and current forecasts. Land use changes beyond current General Plan levels will be addressed through separate General Plan environmental reviews. The strategies and policies put forth in the Proposed Plan could affect future land use but would generally stay within the parameters of existing General Plans. In conjunction with planned development and infrastructure, some of the projects identified in the Proposed Plan would contribute to significant cumulative community impacts after mitigation. Long-term effects of projects within the Proposed Plan include significant and unavoidable impacts to land use, including any irreversible effects of noise, air, and aesthetic impacts.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.8-A through 4.8-C are feasible and will reduce cumulative community impacts.

6.6.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.8-A through 4.8-C are hereby incorporated into the Project.

6.6.2.2 Effect of Mitigation Measures. Mitigation Measures 4.8-A through 4.8-C will reduce the Proposed Plan's contribution to community impacts associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual contributions to cumulative community impacts of individual projects identified in the Proposed Plan are significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the cumulative community effects are acceptable in light of the Project's benefits.

6.7 Noise

6.7.1 Long-Term Noise Levels. The Final PEIR discusses long-term noise level effects and mitigation measures in Section 4.9 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the long-term noise level impacts associated with individual projects identified in the Proposed Plan may remain significant after mitigation.

Implementation of the improvements in the Proposed Plan such as the Interstate 405 (I-405), Interstate 5 (I-5), SR-57, and SR-91 widening projects and the interchange construction and reconfiguration projects could result in noise levels exceeding the Caltrans and FHWA noise abatement criteria (NAC) or result in a significant noise level increase over existing conditions at sensitive receptors located in proximity to the proposed improvements.

Completion of arterial improvements outlined in the MPAH as well as the Harbor Smart Street and Orangethorpe Smart Street could expose adjacent sensitive receptor locations to noise levels exceeding the local significance criteria or to significant noise increases.

Transit improvements such as the Metrolink expansion could expose adjacent sensitive receptor locations to noise levels or significant noise level increases exceeding the FTA criteria.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce long-term noise level effects:

4.9-A Potential long-term noise impacts and mitigation measures shall be evaluated and identified by the Lead Agency during the environmental review for each of the improvements identified in the Proposed Plan. The following would be included in these analyses:

- Identifying sensitive receptor locations within the vicinity of the proposed improvement
- Establishing the existing ambient noise levels at the sensitive receptor locations
- Determining future noise levels with the proposed transportation improvement
- Identifying sensitive receptors exposed to noise levels in excess of the noise standard or exposed to a significant increase in noise level increase
- Evaluating potential mitigation measures at the impacted receptor locations
- Identifying impacted receptor locations where feasible mitigation cannot be implemented

The following could be included as potential project-level mitigation measures:

- Sound barriers for outdoor active use areas, such as backyards, patios, or balconies; sound berms should be provided instead of walls whenever possible
- Building facade upgrades should be considered for noise-sensitive uses, such as bedrooms, classrooms, or churches which are located within the vicinity of the proposed transportation improvements where sound barriers are not feasible
- Mechanical ventilation, such as air-conditioning systems, should be considered as part of noise abatement measures for structures within the noise impact areas that require windows to be closed for noise attenuation purposes

6.7.1.1 Incorporation of Mitigation Measures. Mitigation Measure 4.9-A is hereby incorporated into the Project.

6.7.1.2 Effect of Mitigation Measures. Mitigation Measure 4.9-A will reduce long-term noise level increases associated with the individual transportation improvements identified in the Proposed Plan, but not necessarily to a less than significant level. Residual long-term noise level

increases associated with individual transportation improvements identified in the Proposed Plan may be significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the long-term noise level increases associated with the transportation improvements are acceptable in light of the Project's benefits.

6.7.2 Long Term Vibration Effects. The Final PEIR discusses long-term vibration effects and mitigation measures in Section 4.9 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the long-term vibration effects of individual projects within the Proposed Plan may remain significant after mitigation.

For transit facilities with more than 70 train trips per day, the project falls within the frequent events impact criteria. For frequent events, the groundborne vibration impact threshold for human annoyance is 72 vibration velocity decibels (VdB). It is known from Figure 10-1 of the Transit Noise and Vibration Impact Assessment (FTA, April 1995) that light rail vehicles traveling at 50 mph generate groundborne vibrations of 82 VdB at 10 feet from the track centerline, much lower than the 106 VdB level considered to be very safe for structures. This level is reduced by 10 VdB for elevated structures. Therefore, for elevated sections, the vibration levels drop below the threshold at a distance of 10 feet from the centerline of the tracks. For sections of the track that are at-grade, the vibration levels drop below the threshold at a distance of 60 feet from the centerline of the tracks. Therefore, sensitive receptor locations within 60 feet of the centerline of at-grade light-rail tracks would potentially be exposed to vibration levels exceeding the 72 VdB threshold due to rail operations. Although the Proposed Plan does not include constructing new rail facilities along new alignments, there is the possibility of additional rail operations along existing alignments. These additional operations could result in an increase in the frequency of the vibration annoyance.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce long-term vibration effects:

4.9-B Potential long-term vibration impacts and mitigation measures shall be evaluated and identified during the environmental review conducted by OCTA or the SCRRA for each of the rail transit improvements identified in the Proposed Plan. A vibration analysis would be conducted that identifies sensitive receptor locations within the potential impact area and evaluates potential mitigation measures to reduce the impacts. The following could be included in potential mitigation measures.

- Locating transit improvements outside of the potential vibration impact area for sensitive land uses.

6.7.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.9-B is hereby incorporated into the Project.

6.7.2.2 Effect of Mitigation Measures. Mitigation Measure 4.9-B will reduce long-term vibration effects of individual projects included within the Proposed Plan, but not necessarily to a less than significant level. Residual long-term vibration effects associated with individual projects

included within the Proposed Plan may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the long-term vibration effects are acceptable in light of the Project's benefits.

6.7.3 Short-Term Construction Noise. The Final PEIR discusses the potential noise levels during construction activities and mitigation measures in Section 4.9 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the potential short-term construction noise levels associated with individual projects within the Proposed Plan may remain significant after mitigation.

Two types of short-term noise impacts would occur during construction of the project. First, construction crew commutes and the transport of construction equipment and materials to the project site would incrementally raise noise levels on access roads leading to the site. The pieces of heavy equipment for grading and construction activities will be moved on site, will remain for the duration of each construction phase, and will not add to the daily traffic volume in the project vicinity. There will be a relatively high single-event noise exposure potential at a maximum level of 87 dBA L_{max} with trucks passing at 50 feet. However, the projected construction traffic will be minimal when compared to existing traffic volumes on the local streets, and its associated long-term noise level change will not be perceptible.

The second type of short-term noise impact is related to noise generated during excavation, grading, and roadway/transit construction. Construction is performed in discrete steps, each of which has its own mix of equipment and, consequently, its own noise characteristics. These various sequential phases would change the character of the noise generated and, therefore, the noise levels along the alignments as construction progresses. Despite the variety in the type and size of construction equipment, similarities in the dominant noise sources and patterns of operation allow construction-related noise ranges to be categorized by work phase. Therefore, typical noise levels at 50 feet from active construction areas range up to 91 dBA L_{max} during the noisiest construction phases. The site preparation phase, which includes grading and paving, tends to generate the highest noise levels because the noisiest construction equipment is earthmoving equipment. Sensitive land uses within 500 feet of the proposed transportation improvement projects such as the I-405, I-5, SR-57, and SR-91 widening projects, the interchange construction and reconfigurations, local roadway improvements, and the transit improvements would potentially be exposed to significant construction noise levels.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce long-term noise impacts:

- 4.9-C** Potential short-term noise impacts and potential mitigation measures shall be evaluated and identified during environmental review for each of the improvements identified in the Proposed Plan. The construction noise impact will be evaluated in terms of maximum levels (L_{max}) and/or hourly equivalent continuous noise levels (L_{eq}) and their frequency of occurrence. Analysis requirements will be based on the sensitivity of the area and local noise regulations. The following could be included in potential mitigation measures:

- All construction vehicles or equipment, fixed or mobile, will be equipped with properly operating and maintained mufflers
- As part of the proposed project, all operations would comply with the noise ordinance standards, and stockpiling and/or vehicle staging areas would be located as far as practicable from dwellings
- Construction activities shall be restricted to between 7:00 a.m. and 8:00 p.m., Monday through Saturday, with no construction activity permitted on Sundays or federal holidays, or other noise restrictions set forth by the Lead Agency.

6.7.3.1 Incorporation of Mitigation Measures. Mitigation Measure 4.9-C is hereby incorporated into the Project.

6.7.3.2 Effect of Mitigation Measures. Mitigation Measure 4.9-C will reduce construction noise effects of individual projects included within the Proposed Plan, but not necessarily to a less than significant level. Residual construction noise effects of individual projects may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the construction noise effects are acceptable in light of the Project's benefits.

6.7.4 Short-Term Vibration Impacts. The Final PEIR discusses potential annoyance associated with vibration generated during construction and mitigation measures in Section 4.9 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the short-term construction vibration effects associated with individual projects within the Proposed Plan may remain significant after mitigation.

Bulldozers and other heavy-tracked construction equipment generate approximately 92 VdB of groundborne vibration when measured at 50 feet based on the Transit Noise and Vibration Impact Assessment (FTA, April 1995). Pile driving is another activity that generates vibration up to 106 VdB at 50 feet distance.

Therefore, land uses at 50 feet, 100 feet, and 200 feet from the project corridor would experience groundborne vibration from construction activity up to 106, 99, and 92 VdB, respectively. Although this range of groundborne vibration would result in potential annoyance at sensitive receptors within the vicinity of the Proposed Plan improvements, it would not result in any structural damage to the buildings. Sensitive land uses within the vicinity of the proposed projects such as the I-405, I-5, SR-57, and SR-91 widening projects, the interchange construction and reconfigurations, local roadway improvements, and the transit improvements would be potentially exposed to vibration levels exceeding the annoyance threshold.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measure 4.9-C is feasible and will reduce construction vibration effects.

6.7.4.1 Incorporation of Mitigation Measures. Mitigation Measure 4.9-C is hereby incorporated into the Project.

6.7.4.2 Effect of Mitigation Measures. Mitigation Measure 4.9-C will reduce construction vibration effects of individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual short-term vibration effects may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the potential vibration impacts generated during construction effects are acceptable in light of the Project's benefits.

6.7.5 Cumulative Noise and Vibration Impacts. The Final PEIR discusses potential cumulative noise impacts and mitigation measures in Section 4.9 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the cumulative noise effects associated with individual projects within the Proposed Plan remain significant after mitigation.

Implementation of the Proposed Plan could significantly increase noise and vibration levels above the existing ambient levels. In conjunction with future development within Orange County, future cumulative noise levels are expected to increase and potentially exceed local noise standards, even with implementation of feasible mitigation measures.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.9-A through 4.9-C are feasible and will reduce cumulative noise and vibration effects.

6.7.5.1 Incorporation of Mitigation Measures. Mitigation Measures 4.9-A through 4.9-C are hereby incorporated into the Project.

6.7.5.2 Effect of Mitigation Measures. Mitigation Measures 4.9-A through 4.9-C will reduce cumulative noise and vibration effects associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual cumulative noise and vibration effects remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the cumulative noise and vibration effects are acceptable in light of the Project's benefits.

6.8 Population and Housing

6.8.1 Disrupt or Divide a Community. The Final PEIR discusses the Project's potential to disrupt or divide communities and mitigation measures in Section 4.11 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the individual projects within the Proposed Plan may result in community disruption and division effects that remain significant after mitigation.

Expansion of existing facilities could contribute to changes to community character in many areas of the region. A widened roadway could be perceived as too great a distance to cross by a pedestrian and thus divide a residential community from community facilities such as schools, parks, and retail areas. An elevated grade crossing may create a physical barrier in some locations.

The addition of new lanes to existing freeways and arterials has the potential of further dividing communities. As these facilities have overcrossings or undercrossings only at select intervals, the widening of the facilities would consequently widen these crossings. These widenings may create a real or perceived barrier to pedestrians, bicyclists, and motorists. The additional width may be seen as too great a distance to traverse and would thus limit community access. Railroad grade crossing improvements generally improve community mobility and accessibility through the elimination of traffic backups during rail crossings. They also provide better access for emergency vehicles to the entire community.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce community impacts:

4.11-E Project implementation agencies shall design, as feasible, new transportation facilities that maintain or enhance access to existing community facilities. Access to community amenities and facilities shall be identified and considered during the design phase of the project.

4.11-F Project implementation agencies shall design, as feasible, roadway improvements that minimize barriers to pedestrians and bicyclists. During the design phase, pedestrian and bicycle routes shall be considered that permit connections to nearby community facilities.

6.8.1.1 Incorporation of Mitigation Measures. Mitigation Measures 4.11-E and 4.11-F are hereby incorporated into the Project.

6.8.1.2 Effect of Mitigation Measures. Mitigation Measures 4.11-E and 4.11-F will reduce the potential to disrupt or divide communities associated with individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual community disruption and division impacts may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the potential community disruption or division effects are acceptable in light of the Project's benefits.

6.8.2 Cumulative Population and Housing Effects. The Final PEIR discusses the potential for cumulative effects of the Proposed Plan to the timing and distribution of projected growth within Orange County and mitigation measures in Section 4.11 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the Proposed Project and individual projects within the Proposed Plan may result in cumulative population and housing impacts that remain significant after mitigation.

The Proposed Plan's influence on growth contributes to regional cumulative growth impacts to currently undeveloped land. The Proposed Plan is intended to accommodate pending development projects in the County. The Proposed Plan could also facilitate earlier implementation of pending development projects. Implementation of the Proposed Plan in combination with increases in population, households, and employment would be expected to consume additional areas of vacant land within the County. The accessibility gained by improving mobility to vacant areas of the region and the acquisition and relocation of substantial numbers of homes and businesses through implementation of the Proposed Plan would contribute to these cumulatively considerable impacts.

The accessibility afforded by the Proposed Plan and the expected shifts in population, households, and employment associated with the mobility benefits would change the growth patterns in the region. Even with implementation of Mitigation Measures 4.11-A through 4.11-F, potential socioeconomic impacts related to the Proposed Plan would remain significant.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.11-A through 4.11-F are feasible and will reduce cumulative population/housing impacts.

6.8.2.1 Incorporation of Mitigation Measures. Mitigation Measures 4.11-A through 4.11-F are hereby incorporated into the Project.

6.8.2.2 Effect of Mitigation Measures. Mitigation Measures 4.11-A through 4.11-F will reduce the cumulative contribution of the Proposed Plan and its individual projects on the rate of growth and growth patterns, but not to necessarily to a less than significant level. Residual cumulative effects on projected population growth and patterns may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, the potential community disruption or division effects are acceptable in light of the Project's benefits.

6.9 Visual Quality

6.9.1 Scenic Resources. The Final PEIR discusses the potential to obstruct views of scenic resources and mitigation measures in Section 4.13 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the effects of individual projects within the Proposed Plan have the potential to obstruct views of scenic resources, which may remain significant after mitigation.

The Proposed Plan includes improvements to existing highways, HOV lanes, HOT lanes, arterials, interchanges, bridges, grade crossings, and transit rail and bus services. Potential impacts from modification projects would be less substantial than those potentially created by new system projects. The improvements proposed by these modification projects would occur on existing systems and generally at-grade. The modification projects are not expected to block views of scenic resources in their proposed areas.

Proposed projects in the Proposed Plan include the construction of roadway improvements such as grade-separated facilities for railroad crossings and HOV connectors. Grade-separated facilities

potentially would block or impede views of surrounding scenic resources during and after construction. Moreover, the elevation and scale of the proposed grade-separated facilities potentially would be visually intrusive to surrounding areas (depending on the degree of visibility of the transportation facility), thus resulting in a potentially significant impact to existing views and scenic resources within certain project vicinities.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measures are feasible and will reduce visual quality impacts:

- 4.13-A** Prior to any individual project approval, the Lead Agencies shall evaluate the potential effects of the improvements on scenic resources as part of the environmental review process. As part of this review, the Lead Agencies shall require environmental review that requires the assessment of visual impacts pursuant to appropriate federal, State, and local standards and identifies appropriate mitigation such as: design guidelines, local policies, and programs aimed at protecting views of scenic corridors and avoiding visual intrusions.
- 4.13-B** Prior to any individual project approval, the Lead Agency shall evaluate the potential to construct visually neutral noise barriers and retaining walls of materials with color and texture that complement the surrounding landscape and development. Noise barriers and retaining walls shall be graffiti-resistant and landscaped with plants that screen the barrier, preferably with either native vegetation or landscaping that complements the dominant landscaping of surrounding areas.

6.9.1.1 Incorporation of Mitigation Measures. Mitigation Measures 4.13-A and 4.13-B are hereby incorporated into the Project.

6.9.1.2 Effect of Mitigation Measures. Mitigation Measures 4.13-A and 4.13-B will reduce the impacts to existing scenic resources by individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual impacts to scenic resources may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, visual effects are acceptable in light of the Project's benefits.

6.9.2 State Scenic Highways and Vista Points. The Final PEIR discusses effects to scenic resources and mitigation measures in Section 4.13 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, individual projects within the Proposed Plan may result in significant effects to designated State Scenic Highways and Vista Points after mitigation.

Certain highways in the County are located in visually important areas, including SR-91 west of the Riverside County line, which is a State-designated Scenic Highway.

Many of the proposed projects within the Proposed Plan are located within or near eligible scenic highways, including PCH, I-5, SR-57, and SR-74, and proposed projects in these areas may

potentially create adverse impacts to the scenic resources in the area. Projects in the Proposed Plan include construction of roadway improvements such as grade-separated facilities for railroad crossings and HOV connectors, which have the potential to block or impede the view of surrounding scenic resources.

The widening of SR-91 to accommodate the proposed HOT and HOV lanes and general-purpose lanes between SR-55 and the County line would require right-of-way acquisitions along the Scenic Highway, including undeveloped, natural hillsides that are the dominant visual feature along this section of SR-91.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce visual impacts to scenic resources located near Scenic Highways:

4.13-C Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on scenic highways and vista points as part of the environmental review process. As part of this review, the Lead Agency and project implementation agencies shall require evaluation of impacts on scenic resources as part of the environmental review prior to project implementation. Lead agencies shall complete design studies for projects in designated or eligible Scenic Highway corridors and develop site-specific mitigation measures to minimize impacts on the quality of the views or visual experience that originally qualified the highway for Scenic designation. Design, construction, and operation of the transportation facility shall be consistent with applicable guidelines and regulations for the preservation of scenic resources along the designated Scenic Highway.

6.9.2.1 Incorporation of Mitigation Measures. Mitigation Measure 4.13-C is hereby incorporated into the Project.

6.9.2.2 Effect of Mitigation Measures. Mitigation Measures 4.13-C will reduce visual impacts to State-designated Scenic Highways by individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual visual impacts to scenic State-designated Scenic Highways associated with individual projects within the Proposed Plan may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, impacts to designated State Scenic Highways and Resources are acceptable in light of the Project's benefits.

6.9.3 Existing Visual Character or Quality. The Final PEIR discusses potential degradation of visual quality and character in Section 4.13 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the visual quality effects of individual projects within the Proposed Plan may remain significant after mitigation.

There is an extraordinary range of urban characteristics and urban-natural environment contrasts throughout the County. Given the size and diversity of the County, there is no single, uniform visual

quality that applies to all areas. Therefore, local planning guidelines regarding the visual quality of urban areas must be researched and adhered to.

A component of the urban environment is the transportation infrastructure. Many roads have been built through the County connecting urban concentrations with natural areas in the region. Transportation systems have a major effect on the visual environment. As most vehicular movement occurs along transportation corridors, their placement largely determines which portions of the County region will be seen. Arterials and freeways comprise a major component of the existing visual environment of the County. Arterials in the region offer a variety of visual experiences from the urban, high-volume arterial roadways in Irvine and Costa Mesa to the narrow, winding roads such as SR-74.

Development of previously undeveloped sites potentially would result in impacts to visual resources. The Proposed Plan includes construction of roadway improvements such as grade-separated facilities for busways, goods movement roadway facilities, and HOV connectors. Grade-separated facilities potentially would have substantial adverse visual impacts on surrounding land uses during and after construction. The elevation and scale of the proposed grade-separated facilities potentially would have significant contrasts with the overall visual character of the existing landscape setting. Modification projects that involve the widening or upgrading of existing roadways can be designed to complement the existing system and, therefore, would involve fewer changes to the visual character of the existing landscape setting.

Transit centers and park-and-ride lots would be constructed primarily within the heavily urbanized portions of the County and would, consequently, affect a large number of viewers. Transit centers potentially would be dominant visual elements due to their fixed structures, including terminals, service facilities, and lighted parking lots. While these facilities would become integrated with the urban setting over time, their initial effect would potentially result in a change in visual quality.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the following mitigation measure is feasible and will reduce impacts to visual quality and character:

- 4.13-D** Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on scenic highways and vista points as part of the environmental review process. As part of this review, the Lead Agency shall evaluate the project for visual effects and identify appropriate mitigation. Projects along Scenic Highways or eligible Scenic Highways will require special provisions to minimize any visual quality or character degradation. The Lead Agency shall design projects to minimize contrasts in scale and massing between the project and surrounding natural forms and development. Project implementation agencies shall design projects to minimize their intrusion into important viewsheds and use contour grading to better match surrounding terrain. The Lead Agency shall use natural landscaping to minimize contrasts between the project and surrounding areas. Project implementation agencies shall, wherever possible, develop interchanges and transit lines at the grade of the surrounding land to limit view blockage and contour the edges of major cut-and-fill slopes to provide a more natural-looking, finished profile.

6.9.3.1 Incorporation of Mitigation Measures. Mitigation Measure 4.13-D is hereby incorporated into the Project.

6.9.3.2 Effect of Mitigation Measures. Mitigation Measure 4.13-D will reduce visual quality impacts of individual projects within the Proposed Plan, but not necessarily to a less than significant level. Residual visual impacts associated with individual projects within the Proposed Plan may remain significant and unavoidable after mitigation. As set forth in the Statement of Overriding Considerations, visual quality impacts are acceptable in light of the Project's benefits.

6.9.4 Cumulative Visual Impacts. The Final PEIR discusses the contribution of the individual projects in the Proposed Plan to cumulative visual impacts within the County in Section 4.13 and in the Responses to Comments. Based on the information and analysis set forth in the Final PEIR and the record of proceedings, the individual projects within the Proposed Plan would contribute to significant cumulative visual impacts after mitigation.

The urban development and growth that would be supported by the transportation investments in the Proposed Plan combined with other development and redevelopment projects would have permanent impacts on the existing visual resources of the County. Some additional projects, in combination with expanded facilities in the Proposed Plan, are anticipated to create new sources of light and glare that will adversely affect day and nighttime views. The alteration of existing visual resources would be permanent.

Based on the information and analysis set forth in the Final PEIR and the record of proceedings, Mitigation Measures 4.13-A through 4.13-D are feasible and will reduce impacts to visual quality and character:

6.9.4.1 Incorporation of Mitigation Measures. Mitigation Measures 4.13-A through 4.13-D are hereby incorporated into the Project.

6.9.4.2 Effect of Mitigation Measures. Mitigation Measures 4.13-A through 4.13-D will reduce the cumulative contribution of the individual projects within the Proposed Plan on visual impacts within the County, but not necessarily to a less than significant level. Residual cumulative visual impacts associated with individual projects within the Proposed Plan would contribute to significant and unavoidable cumulative visual impacts after mitigation. As set forth in the Statement of Overriding Considerations, cumulative visual impacts are acceptable in light of the Project's benefits.

7.0 FINDINGS REGARDING PROJECT ALTERNATIVES

The Final PEIR presents a reasonable range of alternatives to the Proposed Plan that could attain the basic project objectives identified in Section 2.3, above. The alternatives under consideration include various levels of funding to address transportation issues associated with projected growth in Orange County. In addition to the No Project Alternative, the Build Alternatives represent different programs

of improvements that can be financed through existing and reasonably foreseeable funding sources, while limiting the acquisition of new right-of-way, as feasible. Given the magnitude of the LRTP program, it was appropriate to utilize funding availability as a basis to establish the set of improvements included in each alternative considered in this PEIR. Additionally, an alternative that was not constrained by existing or foreseeable funding sources was identified to establish the level of improvement on the transportation network that could be accomplished by implementation of major projects that require substantial capital investments and acquisition of right-of-way. Alternatives that do not attain all of the project objectives but are capable of eliminating or reducing the Proposed Plan's significant impacts have also been evaluated. In accordance with the CEQA Guidelines, the PEIR evaluated the following range of alternatives in addition to the Proposed Plan:

- No Project Alternative
- Constrained Alternative
- Balanced II Alternative
- Unconstrained Alternative

7.1 No Project Alternative

The Final PEIR discusses the No Project Alternative in Section 5.0 and in the Responses to Comments. The No Project Alternative includes projects and programs that have secured funding, have been assessed for their environmental impacts, and have been approved to be implemented. The projects include all in-place regionally significant highway and transit facilities, services, and activities; and completion of all regionally significant projects that are currently under construction or included in the 2002 SCAG Regional Transportation Improvement Program (RTIP).

7.1.1 No Project Alternative's Environmental Effects. Compared to the Proposed Plan, the No Project Alternative would result in fewer significant impacts related to socioeconomic impacts associated with project construction, including right-of-way acquisition, home and business relocation, and community impacts since there are substantially fewer projects and less infrastructure development included within this alternative. Similarly, this alternative would result in fewer impacts to biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water resources, land use, noise, public services and utilities, socioeconomic, and visual resources. However, air quality, energy, and transportation impacts are greater than those identified for the Proposed Plan, as this alternative does not provide the same level of relief to existing and projected congestion.

Air Quality. When compared to the Proposed Plan, the No Project Alternative provides for 2 percent fewer VMT and 14 percent more hours spent traveling. Hence, although the Proposed Plan has greater VMT, the lowered congestion results in reduced travel times, which results in the No Project Alternative having higher ROG, CO, PM₁₀, and SO_x emissions. No difference is shown for NO_x. The PM₁₀ emissions from re-entrained dust on paved roads (primarily from tire and brake wear) decreases between the Proposed Plan and No Project Alternative because this is directly related to VMT. Although they result in the same emissions, the Proposed Plan results in

a greater mobility benefit by providing 2 percent more VMT and 14 percent fewer VHT without affecting future emissions. The reduction in VHT would also result in a reduction in CO₂ over the No Project Alternative.

Energy Consumption. The No Project Alternative is estimated to result in greater fuel consumption than the Proposed Plan because traffic congestion resulting from this alternative would be substantially greater than with the Proposed Plan.

Traffic. As Table 5.4 of the PEIR illustrates, there is a decrease in daily vehicle trips, VHT, and daily transit trips per capita between the 2030 No Project and 2030 Proposed Plan Alternatives. The average speeds along arterials and freeways increase from 2030 No Project conditions. The No Project Alternative would result in greater traffic impacts than the Proposed Plan, as it does not substantially improve congestion.

7.1.2 Ability to Achieve the Project's Objectives and Benefits. The No Project Alternative would not achieve the Project's objectives or produce the Project's benefits. Although the No Project Alternative is environmentally superior to the Proposed Plan, it would not provide the beneficial impacts of the Proposed Plan, including the improvements in congestion levels along roadways and reduced VHT and would rely on currently funded projects. These projects would not be sufficient to meet the anticipated increase in travel demand associated with projected growth in Orange County by 2030, would provide a reduced availability of modal choices (particularly regarding bus and rail transit and network efficiency), and would improve mobility and transportation resources to a substantially reduced level compared to the Proposed Plan. The reduced level of coordinated planning and lack of an environmental protection program would not result in an enhancement in the quality of life when compared to the Proposed Plan. The No Project Alternative would meet the objectives of the Proposed Plan but to a substantially reduced level compared to the Proposed Plan.

7.1.3 Feasibility of the No Project Alternative. The No Project Alternative is considered infeasible as it does not achieve a similar level of congestion relief and mobility choices afforded by the Proposed Plan. Improvements to the transportation system are limited to existing projects and programs and do not expand the modal choices, particularly bus and rail transit, to the extent outlined in the Proposed Plan. Additionally, the limited improvements do not achieve the same traffic, air quality, and fuel consumption impacts that are achieved by the Proposed Plan. As the objectives of the LRTP are to provide greater mobility, promote cost-effective and multi-modal solutions, and enhance the quality of life within the County, the No Project Alternative does not achieve these objectives due to the limited nature of the projects included in this Alternative and limited improvement to existing and projected congestion levels.

7.2 Constrained Alternative

The Final PEIR discusses the Constrained Alternative and compares the Constrained Alternative with the Project in Section 5.0 and in the Responses to Comments. The Constrained Alternative is a set of projects and services that can be completed within the County's traditional revenue sources for

transportation improvements. It assumes that the current Measure M half-cent sales tax is not extended beyond 2011. The Constrained Alternative includes all of the projects within the No Project Alternative in addition to the projects outlined in Table 5.5. of the PEIR.

7.2.1 Constrained Alternative's Environmental Effects. Given its reduced volume of proposed improvements, the Constrained Alternative would result in potentially fewer community and other environmental impacts related to right-of-way acquisition such as biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water resources, land use, noise, public services and utilities, and visual resources. The proposed improvements in the Constrained Alternative would result in greater traffic, air quality, and energy impacts since this Alternative consists of a substantially reduced list of projects and programs than the Proposed Plan.

Air Quality. When compared to the Proposed Plan, the Constrained Alternative provides for 2 percent fewer VMT and 11 percent more hours spent traveling. There are increased emissions of ROG, CO, exhaust PM₁₀, and SO_x, and no significant changes of NO_x emissions. The PM₁₀ emissions from re-entrained dust on paved roads (primarily from tire and brake wear) decreases because this is directly related to VMT. Although the Proposed Plan and Constrained Alternative result in similar emissions, the Proposed Plan results in a greater mobility benefit by providing more VMT and fewer VHT without degrading future emissions. The reduction in VHT would also result in a reduction in CO₂ over the Constrained Alternative.

Energy Consumption. When compared to the Proposed Plan, the Constrained Alternative is expected to result in increased fuel usage due to more congested traffic flow, resulting in less efficient vehicle operation. This is balanced by vehicles traveling 1.4 million fewer miles per day under the Constrained Alternative compared to the Proposed Plan, resulting in reduced fuel usage. As shown in Table 5.7 of the PEIR, the result is a slight increase in total fuel usage under the Constrained Alternative when compared to the Proposed Plan.

Traffic. As shown in Table 5.8 of the PEIR, when compared to the Proposed Plan, the Constrained Alternative is forecast to result in a decrease of daily vehicle trips, average speeds, and daily transit trips per capita. There is an increase in VHT when compared to the Proposed Plan. Implementation of projects within the Constrained Alternative would result in greater traffic impacts on the transportation system compared to the 2030 No Project Alternative because it does not result in the same level of congestion relief.

7.2.2 Ability to Achieve the Project's Objectives and Benefits. The Constrained Alternative would meet the objectives of the Proposed Plan but to a substantially reduced level compared to the Proposed Plan. Although proposed improvements included in the Constrained Alternative would result in potentially fewer community and other environmental impacts related to right-of-way acquisition, it would not provide the same level of transportation improvements as the Proposed Plan because a reduced number of projects would be implemented when compared to the Proposed Plan. The Constrained Alternative would not provide the level of transportation improvement required to

meet the anticipated increase in travel demand associated with projected growth in Orange County by 2030, would provide a reduced availability of modal choices (particularly bus and rail transit and network efficiency), and would improve mobility and transportation resources to a substantially reduced level compared to the Proposed Plan. The reduced level of coordinated planning and lack of an environmental protection program would not result in the same level of enhancement in the quality of life when compared to the Proposed Plan.

7.2.3 Feasibility of the Constrained Alternative. The Constrained Alternative does not achieve a similar level of congestion relief and mobility choices afforded by the Proposed Plan. Improvements to the transportation system associated with the Constrained Alternative are substantially reduced from those identified in the Proposed Plan and do not expand the modal choices, particularly bus and rail transit, to the extent outlined in the Proposed Plan. Additionally, the level of improvements in the Constrained Alternative do not achieve the same traffic, air quality, and fuel consumption benefits that are achieved by the Proposed Plan. As the objectives of the LRTP are to provide greater mobility, promote cost-effective and multi-modal solutions, and enhance the quality of life within the County, the Constrained Alternative does not achieve these objectives due to the substantially reduced nature of the projects included in this Alternative and limited improvement to existing and projected congestion levels.

7.3 Balanced II Alternative

The Final PEIR discusses the Balanced II Alternative and compares the Constrained Alternative with the Project in Section 5.0 and in the Responses to Comments. The Balanced II Alternative includes all of the projects from the Proposed Plan with the exception of the HOT projects proposed along SR-91, including the direct connectors between SR-241 and the SR-91 toll lanes.

7.3.1 Balanced II Alternative's Environmental Effects. The environmental impacts associated with the Balanced II Alternative are the same as or similar community and environmental impacts associated with the Proposed Plan, except for air quality, energy, and transportation impacts, since only one difference is the elimination of the SR-91 HOT lanes. The Balanced II Alternative would not provide the same improvement in congestion levels as the Proposed Plan along SR-91 due to the lack of HOT, HOV, and general-purpose lane improvements.

Air Quality. When compared to the Proposed Plan, the Balanced II Alternative provides for 1 percent fewer VMT and VHT. As a result, the difference is so small that no difference in exhaust emissions is shown except for a slight decrease in CO. The PM₁₀ emissions from re-entrained dust on paved roads (primarily from tire and brake wear) decreases because this is directly related to VMT. Although the Proposed Plan and Balanced II Alternative result in almost the same emissions, the Proposed Plan results in a greater mobility benefit by providing more VMT without affecting future emissions. The similar VHT between the Proposed Plan and the Balanced II Alternative would result in similar CO₂ emissions.

Traffic. When compared to the Proposed Plan, the Balanced II Alternative is forecast to result in a slight decrease of daily vehicle trips and VHT. However, average speeds remain the same when compared to the Proposed Plan. Daily transit trips per capita would remain the same. The decrease in these criteria is caused by the elimination of the HOT lanes on the SR-91. The decrease in daily vehicle trips and VHT would cause the average speeds on the arterials to increase. In addition, the decrease in vehicle trips and VHT for the Balanced II Alternative is due to the redistribution of trips in the OCTAM traffic model. The addition of the HOT lanes on the SR-91 redirects vehicle trips onto the SR-91 from other major freeway facilities, such as the SR-60. The added capacity on SR-91 shifts trips throughout the region.

7.3.2 Ability to Achieve the Project's Objectives and Benefits. The Balanced II Alternative would achieve the Project's objectives and produce the Project's benefits. The Balanced II Alternative is identical to the Proposed Plan with the exclusion of the SR-91 HOT projects. Due to this exclusion, this alternative would not provide the same level of transportation improvements and congestion reduction as the Proposed Plan, particularly in northern Orange County. As described above, although the Balanced II Alternative results in a reduction in vehicle trips and VHT, average speeds remain the same, indicating that the average speeds on arterials would increase. Additionally, regional vehicle trips entering Orange County from adjacent counties would be redistributed to other facilities within the regional transportation network. However, it is likely that the Balanced II Alternative would be sufficient to meet the basic project objectives, including improving mobility, protecting transportation resources, and enhancing the quality of life.

7.3.3 Feasibility of the Balanced II Alternative. The Balanced II Alternative achieves a similar level of congestion relief and mobility choices afforded by the Proposed Plan, except for congestion in the north and eastern portions of the County, as the congestion relief associated with the HOT improvements would not be realized. Additionally, the level of improvements in the Balanced Alternative II do not achieve the same traffic and air quality benefits that are achieved by the Proposed Plan. As the objectives of the LRTP are to provide greater mobility, promote cost-effective and multimodal solutions, and enhance the quality of life within the County, the Balanced II Alternative does not achieve these objectives to the same degree as the Proposed Plan; however, it remains a feasible alternative.

7.4 Unconstrained Alternative

The Final PEIR discusses the Unconstrained Alternative and compares the Unconstrained Alternative with the Project in Section 5.0 and in the Responses to Comments. The Unconstrained Alternative is the highest level of investment in the transportation system and includes projects and services that could be implemented to meet Orange County's travel demand if funding were not an issue. Key projects included in the Unconstrained Alternative that are currently beyond projects identified in the Proposed Plan or existing foreseeable funding sources include: extension of the SR-57 to I-405, a new Orange County-Riverside corridor (six-lane toll corridor, no free HOVs), a corridor connecting SR-73 to SR-241, a highway/expressway tunnel on SR-55 from 19th Street to 17th Street, one general-purpose lane on SR-55 from 19th Street to I-405, and a second general-purpose lane on I-405 between SR-73 and I-605.

7.4.1 Unconstrained Alternative's Environmental Effects. The Unconstrained Alternative would result in greater environmental and community impacts than the Proposed Alternative for the following resources: biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water resources, land use, public services and utilities, noise, socioeconomics, and visual resources. The Unconstrained Alternative would result in potentially more environmental impacts related to right-of-way acquisition due to large-scale projects, including the extension of SR-57, the Riverside to Orange County Corridor, and the connection of SR-73 to SR-241. The Unconstrained Alternative would provide similar or greater air quality, energy, and transportation benefits than under Proposed Plan.

Air Quality. When compared to the Proposed Plan, the Unconstrained Alternative provides a 2 percent increase in VMT along with a 2 percent decrease in VHT. Due to the increased VMT, there are nominal increases in NO_x, CO, and SO_x emissions. No changes in emissions are predicted for ROG and PM₁₀. Although the Proposed Plan and Unconstrained Alternative result in similar emissions, including CO₂ emissions, the Unconstrained Alternative results in a greater mobility benefit by providing more VMT and fewer VHT without affecting future emissions.

Energy. When compared to the Proposed Plan, the Unconstrained Alternative is expected to result in decreased fuel usage due to less congested traffic flow, resulting in more efficient vehicle operation. This is balanced by vehicles traveling 1.8 million more miles per day under the Unconstrained Alternative compared to the Proposed Plan, resulting in increased fuel usage.

Traffic. When compared to the Proposed Plan, the Unconstrained Alternative is forecast to result in a decrease of VHT and an increase in daily vehicle trips and average speeds. The daily transit trips per capita will remain at 8 transit trips per 100 persons. Implementation of projects within the Unconstrained Alternative would result in a greater improvement to the operation of the transportation system than the Proposed Plan.

7.4.2 Ability to Achieve the Project's Objectives and Benefits. The Unconstrained Alternative would result in potentially more environmental impacts related to right-of-way acquisition due to large-scale projects, including the extension of SR-57, the Riverside to Orange County Corridor, and the connection of SR-73 to SR-241. The Unconstrained Alternative includes projects that would meet the anticipated increase in travel demand associated with projected growth in Orange County by 2030 and would meet the objectives of improved mobility and protection of transportation resources. However, the greater level of construction and infrastructure development associated with the Unconstrained Alternative may not meet community and quality of life objectives such as protecting environmental resources and minimizing community impacts, nor would it provide for cost-effective solutions. This alternative would achieve the project objectives related to mobility and protection of resources but would not achieve the protection of quality of life objectives compared to the Proposed Plan due to the greater environmental and community impacts.

7.4.3 Feasibility of the Unconstrained Alternative. The Unconstrained Alternative achieves greater congestion relief and improvements in regional air quality and energy consumption than afforded by the Proposed Plan. As construction of the proposed improvements that are beyond those identified in the Proposed Plan exceeds the foreseeable funding sources, the Unconstrained Alternative is not considered a feasible alternative. If future funding becomes available for any of the improvements in the Unconstrained Alternative, such as the extension of the SR-57 or SR-73/SR-241 connection, inclusion of those projects into the LRTP could be considered at a future date.

8.0 FINDINGS ON MITIGATION MONITORING

The mitigation monitoring program has been prepared and incorporated into the PEIR as required by Public Code Section 21081.6 (enacted by the Passage Assembly Bill 3180) and in compliance with Public Resources Code Section 21086.6.

9.0 STATEMENT OF OVERRIDING CONSIDERATIONS

All of the Project's significant adverse impacts can be mitigated to a level of insignificance through implementation of feasible mitigation measures identified in the Final PEIR, except for significant adverse impacts on:

- Short-term construction-related emissions that exceed the SCAQMD thresholds
- Short-term construction-related health risks associated with diesel exhaust
- Loss of special-interest species and sensitive natural communities
- Displacement of riparian habitat, federally protected wetlands, and waters of the U.S.
- Wildlife movement, habitat fragmentation, and increased roadkill
- Cumulative impacts to special interest species, sensitive natural communities, riparian habitat, federally protected wetlands, waters of the U.S., wildlife movement, and migratory birds
- Direct or indirect effects to historic, archaeological, and paleontological resources
- Disturbance of archaeological human remains
- Cumulative effects to historic, archaeological, and paleontological resources and archaeological human remains
- Damage to transportation infrastructure through surface rupture, ground shaking, liquefaction, and landslides due to seismic events
- Long-term erosion and slope failure
- Cumulative geologic and soil impacts in localized areas such as near Alquist-Priolo Earthquake Fault Zones and locations within Seismic Hazards Mapping Zones
- Water quality impacts during operation of projects
- Water quality impacts caused by erosion and siltation
- Cumulative hydrology and water quality impacts

- Community impacts (indirect air quality, noise, and aesthetics impacts) to land uses and sensitive receptors adjacent to some projects within the Proposed Plan
- Cumulative community impacts (indirect air quality, noise, and aesthetics impacts) to land uses and sensitive receptors adjacent to some projects within the Proposed Plan
- Long-term noise levels adjacent to the Proposed Plan transportation improvements in excess of local noise standards or substantially increased over ambient levels
- Long-term vibration impacts adjacent to expanded rail lines
- Short-term construction noise levels in excess of local standards during construction
- Short-term vibration levels in excess of the annoyance threshold during construction
- Cumulative noise and vibration noise levels that could exceed noise standards or vibration thresholds
- Disruption or division of existing communities by separating community facilities, restricting community access, and eliminating community amenities
- Cumulative impacts to growth patterns through acceleration of approved development by:
 - (1) providing additional capacity on existing and planned transportation facilities, and
 - (2) acquiring existing residences and businesses along existing facilities
- Visual impacts to important scenic resources and State-designated Scenic Highways
- Effects to community visual quality as seen from public vantage points
- Cumulative visual impacts to scenic resources, State-designated Scenic Highways, and visual character

These significant adverse impacts would remain even after implementation of all feasible mitigation measures identified in the Final PEIR. Thus, these significant adverse impacts are unavoidable.

The LRTP (Balanced Plan) and Transportation Investment Plan for renewal of Measure M will create substantial benefits by:

- Substantial improvement in existing congestion and future congestion related to population, housing, and job growth projected by SCAG. The Proposed Plan includes projects to provide more efficient transportation systems and will improve mobility along arterials and freeways compared to the No Project condition. Implementation of the Proposed Plan will have a positive effect on the transportation system in Orange County, including VHT and average speeds.
- Increased multimodal choices (including enhanced bus rapid transit and connections to regional commuter rail systems and local rail systems) that result in beneficial effects on regional air quality emissions and energy consumption while accommodating the projected growth in population, housing, and employment.
- Implement environmental programs that would improve water quality, regional air quality, and facilitate resource preservation and habitat protection. These programs include use of sales tax turnback funds for storm water runoff enhancement projects, conversion of the bus fleet to compressed natural gas (CNG), and negotiation of a Master Agreement with federal and State resource agencies addressing regional impacts to sensitive species and habitats.

- Extension of the Measure M half-cent sales tax would allow OCTA and local agencies to implant the level of improvements defined in the Proposed Plan. The additional revenues generated by the extension of Measure M, along with other funding sources, would increase total transportation revenues to almost \$40 billion in terms of 2005 dollars.

The OCTA Board of Directors has balanced the Project's benefits against the Project's significant unavoidable impacts on: air quality, biological resources, cultural resources, geology and soils, hydrology and water resources, land use, noise, socioeconomics, and visual resources.

The OCTA Board of Directors finds that the Proposed Plan's benefits outweigh the Proposed Plan's significant unavoidable impacts and that the impacts are therefore considered acceptable in light of the Project's benefits. The Board of Directors finds that each of the following benefits is an overriding consideration, independent of other benefits, that warrants approval of the Projects notwithstanding the Proposed Plan's significant unavoidable impacts:

- The Proposed Plan (Balanced Plan in the LRTP) provides a multimodal package of projects and programs that includes a significant expansion of transit services (bus, rail and senior programs), freeways improvements (concentrating on correction operational problems and expanding capacity within existing right-of-way), and an extension of the current Measure M programs for local street improvements and maintenance. Major components of the Proposed Plan include:
 - Expanding the Orange County freeway system to remove bottlenecks and add new capacity, primarily within the existing freeway right-of-way
 - Enhancing street maintenance programs to reduce wear and tear on cars, buses, and trucks
 - Coordinating traffic signals across cities to improve traffic flow
 - Expanding street capacity at major bottleneck locations
 - Separating road and rail traffic with grade separations at key locations
 - Expanding the Metrolink commuter rail system with high-frequency service to Los Angeles
 - Providing new local transit connections to and from Metrolink stations
 - Connecting Metrolink service to new regional transportation systems and centers
 - Maintaining low bus fares for seniors and the disabled
 - Expanding community-based shuttles to link people to shopping, medical facilities, and job centers
 - Improving water and air quality by dedicating funds to enhance cleanup of water runoff from freeways and roadways and conversion to a cleaner bus fleet
 - Commitment to negotiate with federal and State resource agencies to address comprehensive mitigation for regional impacts to sensitive species and habitats

The County continues to grow and change. Over the next 30 years, SCAG projects that the County's population will grow by 24 percent, and employment will grow by 27 percent. Additionally, the population in the County is aging, with the number of residents who are 65 years or older doubling between 2000 and 2030. SCAG has developed these projections on forecasts developed through a

growth visioning process that emphasizes a better jobs-housing balance, including higher employment growth rates in developing areas, and greater housing density in older urban areas.

Even though the projections assume increased use of “Smart Growth” policies that place new jobs and housing close together, the vehicle miles traveled in Orange County will grow by nearly 40 percent between now and 2030, faster than both the population and employment growth rate. Furthermore, by 2030 three million more person-trips per year will be added to transportation system, with most of these trips starting and ending in the County. Without improvements to the system, this growth will translate into more traffic congestion so that by 2030, during the morning commute, approximately half of the roadway in the County would be operating at speeds of less than 25 miles per hour, and most of the freeways will be consistently or severely congested.

The County’s freeways and roadway networks are nearing build out. There are many constraints to physical expansion of these facilities, such as lack of right-of-way, lack of funding, and community concerns with major widening projects. With travel demand continuing to grow, OCTA must employ multiple strategies to improve the transportation networks and relieve congestion at specific locations. This will improve air quality, make streets more efficient, and keep them maintained so that County residents, workers, and visitors experience a safe, smooth and minimally congested commute to their destinations.

- The Proposed Plan is projected to reduce delay due to congestion by 37 percent compared to the No Project Alternative and improve morning peak freeway speed by 32 percent. Morning peak arterial street speeds are projected to improve by 27 percent over the No Project condition. Transit ridership is expected to increase by 26 percent, compared to the No Project Alternative, with a substantial expansion of transit systems in the County. Reducing traffic congestion has a direct correlation to improvements in regional air quality and energy consumption while accommodating the growth in population and employment projected by SCAG.
- Renewal of the Measure M half-cent sales tax beyond 2011 would add \$11.8 billion for new transportation projects and services outlined in the Transportation Investment Plan. Funds from a renewal of Measure M, along with other sources, would increase total transportation revenues to almost \$41 billion in terms of 2005 dollars. This level of funding would allow OCTA and local agencies to implement the level of improvements defined in the Proposed Plan. The County can expect to receive \$28 billion in terms of 2005 dollars over the next 36 years to maintain, enhance, and operate the transportation system without an extension of Measure M, which sunsets in 2011. While \$28 billion is a significant future investment, 96 percent of these funds is committed to mandated projects and services, including maintaining freeways, roadways, and running bus service. Only about 4 percent of these funds could be used to address future mobility issues in the County that 4 percent equates to improving just a few major projects in Orange County and is not sufficient to meet countywide transportation needs by 2030.

EXHIBIT B

MITIGATION MONITORING AND REPORTING PROGRAM

EXHIBIT B

MITIGATION MONITORING AND REPORTING PROGRAM

1.0 MITIGATION MONITORING REQUIREMENTS

Public Resources Code Section 21081.6 (enacted by the passage of Assembly Bill 3180) mandates that the following requirements shall apply to all reporting or mitigation monitoring programs:

- *The public agency shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment. The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes which have been required or incorporated into the project at the request of a responsible agency or a public agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead agency or a responsible agency, prepare and submit a proposed reporting or monitoring program.*
- *If there is a project for which mitigation is adopted, a public agency shall comply with subdivision (a) by, among other things, adopting mitigation measures as conditions of project approval. Those conditions of project approval may be set forth in referenced documents which address required mitigation measures.*
- *Prior to the close of the public review period for a draft environmental impact report or mitigated negative declaration, a responsible agency, or a public agency having jurisdiction over natural resources affected by the project, shall either submit to the lead agency complete and detailed performance objectives for mitigation measures which would address the significant effects on the environment identified by the responsible agency or agency having jurisdiction over natural resources affected by the project, or refer the lead agency to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to a lead agency by a responsible agency or an agency having jurisdiction over natural resources affected by the project shall be limited to measures which mitigate impacts to resources which are subject to the statutory authority of, and definitions applicable to, that agency. Compliance or noncompliance by a responsible agency or agency having jurisdiction over natural resources affected by a project with that requirement shall not limit that authority of the responsible agency or agency having jurisdiction over natural resources affected by a project, or the authority of the lead agency, to approve, condition, or deny projects as provided by this division or any other provision of law.*
- *The lead agency shall specify the location and custodian of the documents or other material which constitute the record of proceedings upon which its decision is based.*

1.1 MITIGATION MONITORING PROCEDURES

The mitigation monitoring and reporting program has been prepared in compliance with Public Resources Code Section 21086.6. It describes the requirements and procedures to be followed by OCTA to ensure that all mitigation measures adopted as part of the Proposed Plan will be carried out as described in the PEIR.

Table 1 lists each of the mitigation measures specified in the PEIR and identifies the party(ies) responsible for implementation and monitoring of each measure.

Table 1: Mitigation Measure Implementation Schedule and Monitoring

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>4.1 Air Quality</p> <p>4.1-A. Prior to approval of individual projects, the Lead Agency shall evaluate potential short-term air quality impacts as part of the project's environmental review. This review shall identify the existing air quality condition, evaluate potential project impacts, and identify appropriate measures to be implemented during construction. These measures include compliance with SCAQMD Rule 403. The following additional air quality mitigation measures should be considered as part of the project-level environmental review:</p> <ul style="list-style-type: none"> • Revegetate exposed earth surfaces following construction. • Apply water or dust suppressants to exposed earth surfaces to control emissions. • Cessation of all excavating and grading activities during second stage smog alerts and periods of high winds. • Cover all trucks hauling dirt, sand, soil, or other loose materials off-site or wetted or shall maintain at least two feet of freeboard (i.e., minimum vertical distance between the top of the load and the top of the trailer). 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<ol style="list-style-type: none"> 1. Project Specific Approval 2. Lead Agency 3. OCTA 		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<ul style="list-style-type: none"> • Treat the surface of all construction roads that have high traffic volumes with base material or decomposed granite, or pavement or otherwise stabilizing technique. • Clean public streets at frequent intervals or at least three times a week if visible soil material has been carried onto adjacent public roads. • Visually inspect of construction equipment prior to leaving the site and loose dirt shall be washed off with wheel washers as necessary. • Apply water or non-toxic soil stabilizers as needed to reduce off-site transport of fugitive dust from all unpaved staging areas and other unpaved surfaces. • Maintain traffic speeds on all unpaved surfaces below 25 mph. • Implement all feasible energy-saving measures, such as the use of low sulfur or other alternative fuels in construction equipment, utilizing electricity from power poles rather than temporary diesel power generators and/or gasoline power generators. • Schedule all deliveries related to construction activities that affect traffic flow to occur during off-peak hours (e.g., 10:00 a.m. and 3:00 p.m.) and coordinate them to achieve consolidated truck 					

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>trips. When the movement of construction materials and/or equipment impacts traffic flow, temporary traffic control shall be provided to improve traffic flow (e.g., flag person).</p> <p>4.1-B. Prior to project approval, for all major individual freeway projects, the Lead Agency shall evaluate short-term TAC/health risks as part of the project's environmental review. The evaluation shall assess the exposure of sensitive receptors near each project to TACs and determine the resulting health risks. Measures shall be considered, such as equipping construction equipment with diesel particulate traps and the use of low-sulfur or other alternative fuels in construction equipment to mitigate potential impacts.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.2 Biological Resources</p> <p>4.2-A. Special-Interest Species and Sensitive Natural Communities. During the planning process and environmental review for individual projects in the Proposed Plan, the Lead Agency for the project shall conduct comprehensive biological resources assessment to evaluate and mitigate direct and indirect impacts to sensitive natural communities and special-interest species. The assessment would include consideration of avoidance or redesign to minimize impacts through project design. Additionally, mitigation measures shall be identified to mitigate remaining impacts to these resources. In addition, the Lead Agency for</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>each project shall incorporate locally collected, plant community appropriate, native plant species in the landscape plant palette in areas of temporary disturbance and in landscaped areas where feasible, particularly where such areas are adjacent to open-space wildlands. The types of mitigation to be considered for each project are discussed below.</p> <p>Compensation for Loss of Habitat. A mitigation plan identifying specific measures to compensate for permanent habitat loss due to project implementation shall be developed. The mitigation plan will consider in-kind habitat acquisition, habitat enhancement and long-term monitoring, or participation in regional conservation programs such as the Central/Coastal NCCP/HCP and the Southern Subregion NCCP.</p> <p>Construction Minimization Measures. Implement measures during construction, such as:</p> <ul style="list-style-type: none"> • When possible, vegetation removal and loud construction activities (greater than 60 dBA) will be scheduled outside of the breeding season for special-interest animal species known to occur in the area • Night time lighting shall be directed away from areas known to support special-interest animal species • Field surveys will be conducted immediately 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>Construction Minimization Measures. Implement measures during construction, such as:</p> <ul style="list-style-type: none"> • When possible, vegetation removal and loud construction activities (greater than 60 dBA) will be scheduled outside of the breeding season for special-interest animal species known to occur in the area • Night time lighting shall be directed away from areas known to support special-interest animal species • Field surveys will be conducted immediately 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>prior to vegetation removal. If special-interest species are found to be present, then construction should be delayed in that area until breeding activity is completed or the species can be relocated.</p> <ul style="list-style-type: none"> • During construction, sensitive habitat areas should be clearly marked and monitored by qualified biologists • Construction crews will be educated regarding the sensitive nature of the work area and the importance of avoiding disturbance of sensitive habitat areas. 					
<p>Invasive Species. Prior to approval of individual Proposed Plan projects, the lead agency for that project shall ensure that project landscaping complies with applicable guidelines and requirements regarding plant materials. Measures shall be taken during construction to reduce the transport of invasive species into and out of construction sites.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.2-B. Riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. During the planning process and environmental review for individual projects in Riparian habitat, federally protected wetlands, and jurisdictional waters of the U.S. During the planning process and environmental review for individual projects in the proposed plan, the Lead Agency for the project</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>shall conduct a wetlands and jurisdictional waters determination and assessment of direct and indirect impacts to waters of the U.S. The assessment would include consideration of avoidance or redesign to minimize impacts through project design. Additionally, mitigation measures shall be identified to mitigate the remaining impacts to these resources. Types of mitigation to be considered for each project include the following.</p>					
<p>Avoidance and Minimization during Design. Measures should be taken to limit temporary disturbance to minimum areas necessary for construction. The project design should carefully consider the placement of haul roads, storage yards, and staging areas with respect to jurisdictional waters and associated habitats. Culverts, drainage systems, and bridges should be designed to avoid increasing or decreasing peak flow, to maintain hydrologic continuity within drainage systems, and to avoid permanent diversion of natural flows.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>Compensation for Loss of Riparian Habitat. Develop a Habitat Mitigation and Monitoring Plan (HMMP) that ensures no net loss of riparian habitat value or acreage. The HMMP will include compensation for permanent disturbance or loss by providing alternate or substitute resources, construction minimization measures, and identify a success criterion for percent cover of native wetland vegetation, an establishment period for the</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>replacement habitat, as well as regular maintenance and monitoring activities to ensure the success of the mitigation plan.</p> <p>Regulatory Permitting. Mitigation may require the following permits from the respective resource agencies: (1) Section 404 Permit, Corps; (2) Section 401 Water Quality Certification, RWQCB; (3) Section 1602 Streambed Alteration Agreement, CDFG, and (4) authorization for impacts to endangered species either through provisions in an NCCP/HCP, SAMP HCP, or through formal Section 7 consultation between USFWS and the Corps. These permits will require, at a minimum, the preparation of a mitigation plan and the provisions for the protection of special-interest species as described above. The proposed project will comply with all terms and conditions set forth in the permits issued by the resource agencies.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.2-C. During the planning process and environmental review for individual projects in the Proposed Plan, the lead agency for the project shall conduct site-specific analyses of opportunities to preserve or improve habitat linkages with areas on and off site. Measures include providing wildlife crossings/access at appropriate locations and providing fencing to minimize the probability of road-related injury to wildlife.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.2-D. To the extent feasible and practical, vegetation removal shall be conducted outside the</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>active nesting season for migratory birds anticipated to be present in the study area. If vegetation clearing must be scheduled during the active nesting season for migratory birds, a qualified biologist will conduct surveys for active bird nesting no more than 10 days prior to any clearing of vegetation. The location of any active migratory bird nests will be mapped by the biologist. All construction activities in close proximity to active nests shall be delayed or otherwise modified as necessary to prevent nest failure caused by construction activities.</p>			3. OCTA		
<p>4.2-E. Prior to environmental approval of projects identified in the Proposed Plan, the lead agency shall evaluate potential conflicts and ensure compliance with all local tree protection ordinances, general plans, and other local policies.</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		
<p>Mitigation Measures 4.2-A-4.2-E would be applied to mitigate the cumulative impact.</p> <p>4.3 Cultural Resources</p> <p>4.3-A. For all projects requiring ground disturbance, the lead agency shall evaluate historic resources impacts as part of the project's environmental review. A records search at the SCCIC of the California Historical Resources Information System (CHRIS) shall be conducted during environmental review pursuant to CEQA or NEPA to identify previously recorded resources that may be impacted by the project and to</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>determine if the project area has been adequately surveyed. In the event that no previous surveys have been conducted, a recommendation will be made by the SCCIC as to whether a survey is warranted based on the sensitivity of the project area for historic resources. If there are historic resources that may be directly or indirectly impacted, a qualified architectural historian shall evaluate the impact of undertakings on resources included in or eligible for listing in the NRHP and CRHR registers in accordance with State and federal regulations. The evaluation of the direct and indirect impacts to historic resources should extend at least 1,000 feet from new construction, as appropriate to the surrounding setting. A structure whose historic value has not been previously assessed but is within the impact area of a project shall be evaluated for listing in the National and California Registers.</p>					
<p>4.3-B. Construction activities should be conducted to avoid impacts to significant historic resources. If this is not possible, a qualified architectural historian shall be retained to document and evaluate these resources. This documentation may include but is not limited to interviews, photographs, architectural drawings, and additional research. Monitoring during construction may also be recommended depending on the sensitivity of the area.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.3-C. Prior to construction activities, the project</p>	<p>Project specific</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>implementation agencies shall consult the Native American Heritage Commission (NAHC) to determine whether known Traditional Cultural Properties (TCPs) and/or sacred sites are in the project area. The NAHC will then identify specific Native American groups or individuals to be contacted that may have concerns or additional information. A records search shall be conducted by a qualified archaeologist at the SCCIC to identify archaeological sites and previous surveys performed within the project area. A qualified archaeologist shall be retained to conduct archaeological surveys if necessary, depending on the resource sensitivity of the area. If resources are determined to be present, the archaeologist will make recommendations regarding what work is required to determine their significance.</p>	<p>CEQA review</p>		<p>2. Lead Agency 3. OCTA</p>		
<p>Construction activities shall be conducted to avoid archaeological resources. If this is not possible, impacts on the resources will have to be assessed and mitigated prior to construction. Mitigation measures could include intensive documentation, subsurface testing, and construction monitoring by a qualified archaeologist of all earthmoving activities.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.3-D. Project implementation agencies shall stop construction activities and excavation if cultural resources are encountered until a qualified archaeologist can assess the find and determine its significance. If required, salvage operations shall</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>be conducted.</p> <p>4.3-E. As part of the environmental review for each individual project, a qualified paleontologist shall be retained by the lead agencies to conduct a locality search and to identify and evaluate areas with the potential to yield paleontological resources. A field survey shall also be conducted in these areas if appropriate. The findings of the paleontological assessment shall be incorporated into the environmental document.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.3-F. Construction activities shall avoid any known paleontological resources. If this is not possible, a management plan outlining how resources will be salvaged shall be prepared for areas of high sensitivity. These areas shall be monitored by a qualified paleontologist during construction activities. Any fossil remains encountered shall be curated at an appropriate institution where they can be studied and/or displayed.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.3-G. If unknown paleontological resources are encountered, all construction activities shall be halted and the area avoided until a qualified paleontologist can assess the find and determine its significance. If required, salvage operations shall be conducted.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.3-H. If human remains are encountered, State Health and Safety Code Section 7050.5 states that</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>no further disturbance shall occur until the County Coroner has made a determination of origin and disposition pursuant to State Public Resources Code Section 5097.98. The County Coroner must be notified of the find immediately. If the remains are determined to be prehistoric, the Coroner will notify the NAHC, which will determine and notify a Most Likely Descendant (MLD). With the permission of the landowner or his/her authorized representative, the descendant may inspect the site of the discovery. The descendant shall complete the inspection within 24 hours of notification by the NAHC. The MLD may recommend scientific removal and nondestructive analysis of human remains and items associated with Native American burials. If cultural materials are discovered during any excavation, a qualified archaeologist must be notified to assess the significance of such material.</p> <p>Mitigation Measures 4.3-A-4.3-H would be applied to mitigate the cumulative impact.</p>			3. OCTA		
<p>4.4 Geology and Soils</p> <p>4.4-A. As part of environmental review and approval of individual projects and programs, the Lead Agency shall evaluate project geologic and seismic conditions and potential impacts. As part of this evaluation, projects shall be reviewed for compliance with Caltrans, County, and City code requirements for seismic ground shaking, as appropriate. The design of projects shall consider</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>seismicity of the site, soil response at the site, and dynamic characteristics of the structure, in compliance with the appropriate California Building Code standards for construction in or near fault zones. Projects located within or across Alquist-Priolo Zones Earthquake Fault Zones must comply with design requirements provided in Special Publication 117, published by the CGS13, as well as relevant local, regional, State, and federal design criteria for construction in seismic areas. Appropriate mitigation measures shall be identified as part of this evaluation.</p>					
<p>4.4-B. As part of environmental review and approval of individual projects and programs, the Lead Agency shall evaluate project geologic conditions for unstable slopes and potential landslide hazards. As part of this evaluation, projects shall be reviewed for compliance with Caltrans, County, and City code requirements for construction on slopes, as appropriate. Project design shall avoid potential landslide areas and unstable slopes. Appropriate mitigation measures shall be identified as part of this evaluation.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.4-C. As part of environmental review and approval of individual projects and programs, the Lead Agency shall evaluate potential slope instability and erosion impacts of the project. Project design shall provide adequate slope drainage and appropriate landscaping to minimize the occurrence of slope instability and erosion.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>Appropriate mitigation measures shall be identified as part of this evaluation.</p> <p>4.4-D. Prior to individual project approvals, the Lead Agency for projects within the Proposed Plan shall ensure that geotechnical investigations are conducted by a qualified geologist to identify the potential for subsidence and expansive soils and evaluated in the environmental documentation prepared for the project. Recommended corrective measures, such as structural reinforcement and replacing soil with engineered fill, shall be implemented in project designs.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.4-E. Prior to individual project approvals, the Lead Agencies shall ensure that, new and abandoned wells are identified within construction areas to ensure the stability of nearby soils. Environmental documentation prepared for any project shall evaluate the potential for subsidence due to prior extraction activities, either petroleum or water, and incorporate mitigation measures.</p> <p>Mitigation Measures 4.4-A-4.4-E are generally expected to minimize or avoid potential hazards due to geologic and seismic factors. Additionally, appropriate use of engineering technologies, when coupled with siting considerations, would substantially lessen the potential geology and soil impacts of cumulative development.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>4.5 Energy</p> <p>4.5-A. During the design and approval of structures, such as transit stations and bus stops, the incorporation of energy-efficient measures beyond Title 24 of the Uniform Building Code (UBC) shall be considered by the Lead Agencies. Implementation of LEEDS standards shall also be considered. Types of energy efficiency measures could include:</p> <ul style="list-style-type: none"> • Use of solar panels for lighting of all bus stops • Incorporating LEEDS standards such as: <ul style="list-style-type: none"> o Verify that the building's energy related systems are installed, calibrated and perform according to the owner's project requirements, basis of design, and construction documents. o Design the building envelope, HVAC, lighting, and other systems to maximize energy performance. o When reusing existing HVAC systems, conduct an inventory to identify equipment that uses CFC refrigerants and provide a replacement schedule for these refrigerants. For new buildings, specify new HVAC equipment in the base building that uses no CFC refrigerants. 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>o Achieve increasing levels of energy performance above the baseline in the prerequisite standard to reduce environmental and economic impacts associated with excessive energy use.</p> <p>o Assess the project for non-polluting and renewable energy potential including solar, wind, geothermal, low-impact hydro, biomass and bio-gas strategies. When applying these strategies, take advantage of net metering with the local utility.</p>					
<p>4.6 Hazards and Hazardous Materials</p>					
<p>4.6-A. The Orange County Transportation Authority (OCTA), through ongoing intergovernmental coordination efforts, shall encourage USDOT, the Office of Emergency Services, and Caltrans to continue to conduct driver safety training programs and encourage the private sector to continue conducting driver safety training.</p>	<p>Continue Drivers Safety Programs</p>	<p>OCTA, USDOT, Office of Emergency Services</p>	<p>1. Operations 2. OCTA 3. OCTA</p>		
<p>4.6-B. OCTA, through ongoing intergovernmental coordination efforts, shall encourage the USDOT and the California Highway Patrol (CHP) to continue to enforce speed limits and existing regulations governing goods movement and hazardous materials transportation.</p>	<p>Continue enforcement of speed limits and existing goods movement and hazardous materials transportation</p>	<p>OCTA, USDOT, CHP</p>	<p>1. Operations 2. OCTA 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>4.6-C. Prior to approval of any project in the Proposed Plan, the Lead Agency shall conduct an assessment of any potential recognized environmental conditions related to hazardous waste that includes a database of contaminated sites in close proximity to the project. As part of the planning and environmental clearance process, where contaminated sites are identified, the Lead Agency shall develop appropriate mitigation measures to assure that worker and public exposure is minimized to an acceptable level and to prevent any further environmental contamination as a result of construction.</p>	<p>regulation Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>Compliance with federal, State, and local regulations concerning the storage and handling of hazardous materials and/or waste, as well as Mitigation Measures 4.6-A-4.6-C, would reduce the potential for significant public health and safety impacts from hazardous materials to occur.</p>					
<p>4.7 Hydrology and Water Resources</p> <p>4.7-A. Water Quality During Operation. Prior to the approval of individual projects within the Proposed Plan, the Lead Agency shall evaluate potential long-term water quality impacts of the project and identify specific postconstruction water quality BMPs as part of the environmental review for the project. These measures shall include preparation of a Water Quality Management Plan</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>(WQMP) or Standard Urban Stormwater Management Plan (SUSMP) (if the project is within the San Diego Region of the SWRCB). The WQMP or SUSMP shall be prepared in accordance with the OCDAMP, and other water quality regulations in effect at the time of authorization.</p> <p>The WQMP or SUSMP shall contain, at a minimum, the following elements:</p> <ul style="list-style-type: none"> • Determination of the pollutants of concern • Incorporation of Site Design, Source Control, and Treatment Control BMPs into the development plans for the project. • Operation and maintenance requirements for the project drainage system and structural BMPs <p>4.7-B. Water Quality During Construction. Prior to the approval of individual projects within the Proposed Plan, the Lead Agency shall evaluate potential short-term water quality impacts of the project and incorporate appropriate mitigation that includes applicable construction activity BMPs and erosion and sediment control BMPs in compliance with the State General Construction Activity Storm Water Permit. The mitigation shall be specified in a SWPPP prepared by a Registered Civil Engineer. A copy of the SWPPP shall be kept at the project site during all construction activities. Prior to the beginning of construction, the lead agency shall</p>	<p>Project specific CEQA review</p>	<p>Lead agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>file a Notice of Intent (NOI) with the appropriate RWQCB for the project to be covered under the NPDES General Permit. The lead agency shall ensure that the construction site is inspected prior to an anticipated storm, during extended storm events, and after actual storm events to ensure that BMPs are functioning properly.</p>					
<p>4.7-C. Groundwater Supply and Recharge. During design and environmental review of projects within the Proposed Plan, the Lead Agency shall evaluate potential impacts to groundwater supply and recharge and incorporate appropriate mitigation. Mitigation may include infiltration basins, vegetated swales, and other methods to control surface runoff and facilitate groundwater recharge.</p>	<p>Project specific CEQA review</p>	<p>Lead agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.7-D. Erosion and Siltation. During design and environmental review of projects within the Proposed Plan, the Lead Agency shall evaluate potential erosion and siltation impacts and incorporate appropriate mitigation. Mitigation may include sediment control measures, including an erosion control and revegetation program in accordance with the County NPDES Permit and other water quality regulations in effect at the time of construction. These measures may be specified in a WQMP (or SUSMP) and SWPPP.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.7-E. 100-Year Flood Hazard Area. During project planning and environmental evaluation of</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>the project, the Lead Agency for projects identified in the Proposed Plan shall prepare a hydrology study in conformance with local, State, and federal guidelines and flood control requirements. The design shall be submitted to the local flood control agency for review and approval. The hydrology study shall include all on-site structures and drainage facilities necessary to accommodate increased runoff resulting from the proposed project, and it shall indicate project contribution to the regional storm water drainage system.</p>			3. OCTA		
<p>4.7-F. 100-year Flood Hazard Area. Environmental documentation for projects requiring federal approval or funding must demonstrate that the project complies with Executive Order 11988 on Floodplain Management, which requires avoidance of incompatible floodplain development, restoration and preservation of the natural and beneficial floodplain values, and maintenance of consistency with the standards and criteria of the National Flood Insurance Program. All roadbeds for new highway and rail facilities should be elevated at least one foot above the 100-year base flood elevation, as delineated on the FIRM for the area. No project shall increase the base flood elevation within regulated floodways as delineated by the FIRM for the area.</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		
<p>4.7-G. 100-Year Flood Hazard Area. If a project in the Proposed Plan is determined to alter a</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>mapped floodplain or established base flood elevation, the Lead Agency shall submit the appropriate hydrologic and hydraulic data to FEMA for a FIRM revision as soon as practicable, but not later than six months after such data become available. No map revision shall cause houses not previously in the 100-year floodplain to be placed within the revised 100-year floodplain.</p>			3. OCTA		
<p>4.7-H. Flooding Caused by Failure of Levee or Dam. Prior to individual project approval, the Lead Agency shall evaluate the potential for dam inundation as part of its environmental review and shall identify mitigation measures as appropriate.</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		
<p>4.7-I. Inundation by seiche, tsunami, or mudflow. Prior to individual project approval, the Lead Agency shall evaluate the potential for mudflows as part of its environmental review and shall identify mitigation measures as appropriate.</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		
<p>Each proposed project in the cumulative impact area must comply with applicable municipal NPDES permitting requirements and the respective municipal code and include BMPs to prevent degradation of water quality. A comprehensive WQMP or SUSMP will be prepared for each project that incorporates treatment BMPs to reduce impacts to downstream water quality. Each proposed project must also evaluate potential impacts to watercourses, hydrology, and floodplains; must comply with local, State, and</p>					

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>federal guidelines to provide adequate flood protection; and must consider the project's contribution to reduced groundwater infiltration.</p> <p>Projects in the Proposed Plan will mitigate their individual contribution to cumulative water quality and hydrology impacts by incorporating site design elements that manage surface runoff and allow for filtration or removal of pollutants prior to entering downstream waters.</p>					
<p>4.8 Land Use</p> <p>4.8-A. Environmental review of each proposed project under the Proposed Plan will be required to assess community effects and identify appropriate mitigation. Mitigation may include the following:</p> <ul style="list-style-type: none"> • Project implementation agencies shall consider corridor realignment, buffer zones and setbacks, and berms and fencing where feasible to avoid sensitive land uses and to reduce conflicts between transportation land uses and other types of land uses. • Project implementation agencies shall implement design guidelines, local policies, and programs aimed at protecting views of scenic corridors and avoiding visual intrusions. • The environmental documents for all major individual freeway projects shall evaluate short-term TAC/health risks. The evaluation shall assess 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>the exposure of sensitive receptors near each project to TACs and determine the resulting health risks. Measures shall be considered, such as equipping construction equipment with diesel particulate traps and the use of low-sulfur or other alternative fuels in construction equipment to mitigate potential impacts.</p>					
<p>4.8-B. Potential long-term noise impacts and mitigation measures shall be evaluated and identified during the environmental review for each of the improvements identified in the Proposed Plan by the lead agency.</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		
<p>4.8-C. Individual projects must be consistent with federal, State, and local policies that preserve lands, as well as policies that provide compensation for property owners if preservation is not feasible.</p> <p>The Proposed Plan is intended to mitigate the transportation impacts of future growth identified in General Plans and current forecasts. Land use changes beyond current General Plan levels will be addressed through separate General Plan environmental reviews.</p>	Project specific CEQA review	Lead Agency			
<p>4.9 Noise</p>					
<p>4.9-A. Potential long-term noise impacts and mitigation measures shall be evaluated and identified by the lead agency during the</p>	Project specific CEQA review	Lead Agency	1. Project Specific Approval 2. Lead Agency 3. OCTA		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>environmental review for each of the improvements identified in the Proposed Plan. The following would be included in these analyses:</p> <ul style="list-style-type: none"> • Identifying sensitive receptor locations within the vicinity of the proposed improvement • Establishing the existing ambient noise levels at the sensitive receptor locations • Determining future noise levels with the proposed transportation improvement • Identifying sensitive receptors exposed to noise levels in excess of the noise standard or exposed to a significant increase in noise level increase • Evaluating potential mitigation measures at the impacted receptor locations • Identifying impacted receptor locations where feasible mitigation cannot be implemented. <p>The following could be included as potential project-level mitigation measures:</p> <ul style="list-style-type: none"> • Sound barriers for outdoor active use areas, such as backyards, patios, or balconies. Sound berms should be provided instead of walls whenever possible. • Building façade upgrades should be considered 					

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>for noise-sensitive uses, such as bedrooms, classrooms, or churches, that are located within the vicinity of the proposed transportation improvements where sound barriers are not feasible.</p> <ul style="list-style-type: none"> Mechanical ventilation, such as air-conditioning systems, should be considered as part of noise abatement measures for structures within the noise impact areas that require windows to be closed for noise attenuation purposes. <p>4.9-B. Potential long-term vibration impacts and mitigation measures shall be evaluated and identified during the environmental review conducted by OCTA or SCRRA for each of the rail transit improvements identified in the Proposed Plan. A vibration analysis would be conducted that identifies sensitive receptor locations within the potential impact area and evaluates potential mitigation measures to reduce the impacts. The following could be included in potential mitigation measures.</p> <ul style="list-style-type: none"> Locating transit improvements outside of the potential vibration impact area for sensitive land uses All construction vehicles or equipment, fixed or mobile, will be equipped with properly operating and maintained mufflers 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<ul style="list-style-type: none"> • As part of the proposed project, all operations would comply with the noise ordinance standards, and stockpiling and/or vehicle staging areas would be located as far as practicable from dwellings • Construction activities shall be restricted to between 7:00 a.m. and 8:00 p.m., Monday through Saturday, with no construction activity permitted on Sundays or federal holidays, or other noise restrictions set forth by the Lead Agency <p>4.9-C. Potential short-term noise impacts and potential mitigation measures shall be evaluated and identified during environmental review for each of the improvements identified in the Proposed Plan. The construction noise impact will be evaluated in terms of maximum levels (L_{max}) and/or hourly equivalent continuous noise levels (Leq) and their frequency of occurrence. Analysis requirements will be based on the sensitivity of the area and local noise regulations. The following could be included in potential mitigation measures:</p> <ul style="list-style-type: none"> • All construction vehicles or equipment, fixed or mobile, will be equipped with properly operating and maintained mufflers • As part of the proposed project, all operations would comply with the noise ordinance standards, and stockpiling and/or vehicle staging areas would be located as far as practicable from dwellings 	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>• Construction activities shall be restricted to between 7:00 a.m. and 8:00 p.m., Monday through Saturday, with no construction activity permitted on Sundays or federal holidays, or other noise restrictions set forth by the Lead Agency</p> <p>Potential short-term vibration impacts shall be evaluated during the review for each of the improvements in the Proposed Plan. However, due to the short-term nature of the construction impacts and the difficulties associated with reducing groundborne vibration, no mitigation measures are recommended. Implementation of Mitigation Measure 4.9-C would reduce the potential annoyance associated with groundborne vibration to the extent feasible.</p> <p>Implementation of Mitigation Measures 4.9-A-4.9-C would reduce the noise impacts of each transportation project and program in the Proposed Plan.</p>					
<p>4.10 Public Services and Utilities</p> <p>4.10-A. Prior to any individual project approval; the Lead Agency shall evaluate the improvement and potential effects on police and fire protection and emergency medical services as part of its review. As part of this review, the local fire and police departments shall be contacted to ensure that the existing public services and utilities would be able to handle the increase in demand for their services. If the current levels of services at the project site</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>are found to be inadequate, infrastructure improvements and/or personnel requirements for the appropriate public service shall be identified in each project's CEQA documentation.</p> <p>4.10-B. Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on domestic water, wastewater, electricity, natural gas, cable television, and other utility lines as part of the environmental review process. As part of this review, service providers shall be contacted to ensure that existing utility lines can be relocated and that any service interruptions (if any) will be minimal.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.10-C. Prior to any individual project approval, the Lead Agency shall assess potential solid waste generation during construction and determine if available landfill capacity exists to accept this solid waste. As part of this evaluation, potential mitigation to reduce construction debris entering the landfills include compliance with applicable local regulations related to solid waste disposal and recycling or reusing debris where feasible.</p> <p>Implementation of Mitigation Measures 4.10-A-4.10-C would address potential cumulative impacts of the Proposed Plan.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.11 Population and Housing</p> <p>4.11-A. OCTA shall continue to work with other</p>	<p>Work</p>	<p>OCTA</p>	<p>1. Annually</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	Monitoring Phase 1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>Jurisdictions in the County as part of the Growth Management Plan (GMP) process to implement growth strategies in order to create an urban form designed to utilize the existing transportation networks and the transportation improvements contained in the Proposed Plan, thus enhancing mobility and reducing land consumption.</p>	<p>cooperatively with other jurisdictions to implement Growth Management Plan</p>		<p>2. OCTA 3. OCTA</p>		
<p>4.11-B. For projects with the potential to displace homes and/or businesses, project implementation agencies shall evaluate alternate route alignments and transportation facilities that minimize the displacement of homes and businesses. An iterative design and impact analysis would help in cases where impacts to homes or businesses are involved. Potential impacts shall be minimized to the extent feasible. Existing rights-of-way should be used to the furthest extent possible.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.11-C. Project implementation agencies shall identify businesses and residences to be displaced. As required by law, relocation assistance shall be provided to displaced residents and businesses in accordance with the federal Uniform Relocation and Real Property Acquisition Policies Act of 1970 and the State of California Relocation Assistance Act, as well as any applicable City, County, and port policies.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.11-D. Project implementation agencies shall develop a construction schedule that minimizes potential neighborhood deterioration from</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>protracted waiting periods between right-of-way acquisition and construction.</p> <p>4.11-E. Project implementation agencies shall design, as feasible, new transportation facilities that maintain or enhance access to existing community facilities. Access to community amenities and facilities shall be identified and considered during the design phase of the project.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.11-F. Project implementation agencies shall design, as feasible, roadway improvements that minimize barriers to pedestrians and bicyclists. During the design phase, pedestrian and bicycle routes shall be considered that permit connections to nearby community facilities.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>Implementation of Mitigation Measures 4.11-A-4.11-F would address potential cumulative impacts of the Proposed Plan.</p> <p>4.12 Transportation and Circulation</p>					
<p>4.12-A. Prior to approval of individual projects, the Lead Agency shall evaluate short-term traffic impacts as part of the project's environmental review. This review shall identify the existing traffic conditions, evaluate potential short-term construction impacts, and identify appropriate measures to be implemented during construction, including a Traffic Management Plan (TMP), if needed. The TMP shall be prepared by a registered Traffic Engineer and shall address traffic control</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>for any street closure, detour, or other disruption to traffic circulation and public transit routes. The TMP shall identify the routes that construction vehicles use to access the site, the hours of construction traffic, traffic controls and detours, off-site vehicle staging areas, and parking areas for the project.</p>					
<p>4.13 Visual Resources</p> <p>4.13-A. Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on scenic resources as part of the environmental review process. As part of this review, lead agencies shall require environmental review that requires assessment of visual impacts pursuant to appropriate federal, State, and local standards and identifies appropriate mitigation such as: design guidelines, local policies, and programs aimed at protecting views of scenic corridors and avoiding visual intrusions.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.13-B. Prior to any individual project approval, the Lead Agency shall evaluate the potential to construct visually neutral noise barriers and retaining walls of materials with color and texture that complement the surrounding landscape and development. Noise barriers and retaining walls shall be graffiti-resistant and landscaped with plants that screen the barrier, preferably with either native vegetation or landscaping that complements</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>the dominant landscaping of surrounding areas.</p> <p>4.13-C. Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on scenic highways and vista points as part of the environmental review process. As part of this review, the lead agency Project implementation agencies shall require evaluation of impacts on scenic resources as part of the environmental review prior to project implementation. Lead agencies shall complete design studies for projects in designated or eligible Scenic Highway corridors and develop site-specific mitigation measures to minimize impacts on the quality of the views or visual experience that originally qualified the highway for Scenic designation. Design, construction, and operation of the transportation facility shall be consistent with applicable guidelines and regulations for the preservation of scenic resources along the designated Scenic Highway.</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		
<p>4.13-D. Prior to any individual project approval, the Lead Agency shall evaluate the potential effects of the improvements on scenic highways and vista points as part of the environmental review process. As part of this review, the Lead Agency shall evaluate the project for visual effects and identify appropriate mitigation. Projects along Scenic Highways or eligible Scenic Highways will require special provisions to minimize any visual quality or character degradation. The Lead Agency</p>	<p>Project specific CEQA review</p>	<p>Lead Agency</p>	<p>1. Project Specific Approval 2. Lead Agency 3. OCTA</p>		

Mitigation Measure	Monitoring Action	Responsible Implementation Agency	1. Monitoring Phase 2. Enforcement Agency 3. Monitoring Agency	Monitor (Signature Required)	Date of Compliance
<p>shall design projects to minimize contrasts in scale and massing between the project and surrounding natural forms and development. Project implementation agencies shall design projects to minimize their intrusion into important viewsheds and use contour grading to better match surrounding terrain. The Lead Agency shall use natural landscaping to minimize contrasts between the project and surrounding areas. Project implementation agencies shall, wherever possible, develop interchanges and transit lines at the grade of the surrounding land to limit view blockage and contour the edges of major cut and fill slopes to provide a more natural-looking, finished profile.</p>					
<p>Implementation of Mitigation Measures 4.13-A-4.13-D would address potential cumulative impacts of the Proposed Plan.</p>					



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Final 2006 Long-Range Transportation Plan

Regional Planning and Highways Committee

July 17, 2006

Present: Directors Cavecche, Correa, Green, Monahan, Norby, and Pringle
Absent: Directors Dixon, Ritschel, and Rosen

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Recommend the Board of Directors adopt the Balanced Plan and approve the final 2006 Long-Range Transportation Plan.
- B. Direct staff to forward the final 2006 Long-Range Transportation Plan to the Southern California Association of Governments for inclusion in the 2007 Regional Transportation Plan.
- C. Direct staff to return in 60 days with an action plan to implement the recommendations of the 2006 Long-Range Transportation Plan.



July 17, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Final 2006 Long-Range Transportation Plan

Overview

The final 2006 Long-Range Transportation Plan is presented for Board of Directors' approval.

Recommendations

- A. Recommend the Board of Directors adopt the Balanced Plan and approve the final 2006 Long-Range Transportation Plan.
- B. Direct staff to forward the final 2006 Long-Range Transportation Plan to the Southern California Association of Governments for inclusion in the 2007 Regional Transportation Plan.
- C. Direct staff to return in 60 days with an action plan to implement the recommendations of the 2006 Long-Range Transportation Plan.

Background

On January 9, 2006, the Board of Directors (Board) approved release of the draft 2006 Long-Range Transportation Plan (LRTP) and the related Draft Program Environmental Impact Report (PEIR) for public review.

Every four years, the Orange County Transportation Authority (OCTA) prepares a LRTP as input into the Southern California Association of Governments' (SCAG) Regional Transportation Plan (RTP) process. The LRTP was last prepared in 2002. The 2006 plan, titled, "New Directions," (Attachment A) provides a blueprint for future transportation improvements and investments based on an extension of the existing Measure M half-cent sales tax. This process has included policy direction from the Board, as well as both technical work and public participation. Public participation efforts are documented in the Final PEIR provided in a separate agenda item.

Discussion

Trends in Orange County's population and workforce, where people live and work, how they commute, and the dollars available to carry out transportation solutions serve as key inputs into New Directions and the related PEIR on the final 2006 LRTP. Projections prepared by the Center for Demographic Research at California State University, Fullerton forecast continued, sustained growth in Orange County's population and employment by 2030. Today's population and workforce are expected to grow by 24 percent and 27 percent, respectively, by 2030. The portion of the population 65 years and older will almost double by 2030. Orange County will continue to be a net importer of workers, and intercounty commuting is expected to continue because of this shortage of resident workers. This continued growth will put a significant strain on the Orange County transportation system. Without significant investments in freeway, roadway, and transit systems, the quality of life in Orange County will decline substantially.

To address these and other mobility issues, OCTA developed goals and strategies as a first step for the 2006 LRTP. The goals included: (1) improving mobility; (2) protecting Orange County's transportation resources; and (3) enhancing the quality of life. Specific multimodal strategies were then folded into three alternatives for the 2030 transportation system. The first alternative (Constrained Alternative) considers a future where only limited transportation improvements are possible given that funding will decline considerably in the future if the current Measure M half-cent sales tax program sunsets in 2011. The second alternative (Balanced Plan) assumes new major multi-modal transportation capacity is added to the system and funded by a 30-year extension of the current Measure M transportation sales tax. A third alternative (Unconstrained Alternative) imagines a future wherein even more transportation capacity is added, and funding is not a limiting factor. All three alternatives are compared to a funded Baseline Alternative derived from approved, short-term, regional financial plans.

The Balanced Plan is the recommended plan and provides a multi-modal package of projects and programs that includes a significant expansion of transit services (bus, rail, and other mobility programs), freeway improvements concentrating on correcting operational problems and expanding capacity within existing right-of-way, and an extension of the current Measure M programs for local street improvements and maintenance. Implementation of the Balanced Plan is subject to voter approval of the Renewed Measure M Transportation Investment Plan. The Balanced Plan strives to provide a high-level of improvements for Orange County residents and workers with potentially lower community and environmental impacts than the Unconstrained Alternative.

Next Steps

Pending Board approval, staff will submit the final 2006 LRTP and Balanced Plan to SCAG in August 2006, for inclusion in the 2007 RTP. In addition, staff will return in 60 days with an action plan to advance major recommendations included in the 2006 LRTP.

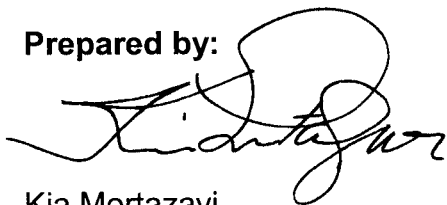
Summary

The final 2006 LRTP provides a comprehensive transportation vision for Orange County, and will be used as Orange County's local input to the 2007 RTP currently being developed by SCAG. With Regional Planning and Highways Committee direction, staff will forward the final 2006 LRTP to the Board on July 24, 2006, for approval.

Attachment

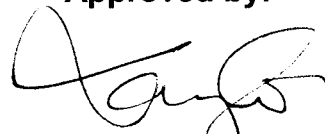
- A. Final 2006 LRTP, New Directions, Charting the course for Orange County's future transportation system – Executive Summary

Prepared by:



Kia Mortazavi
Director, Strategic Planning
(714) 560-5741

Approved by:

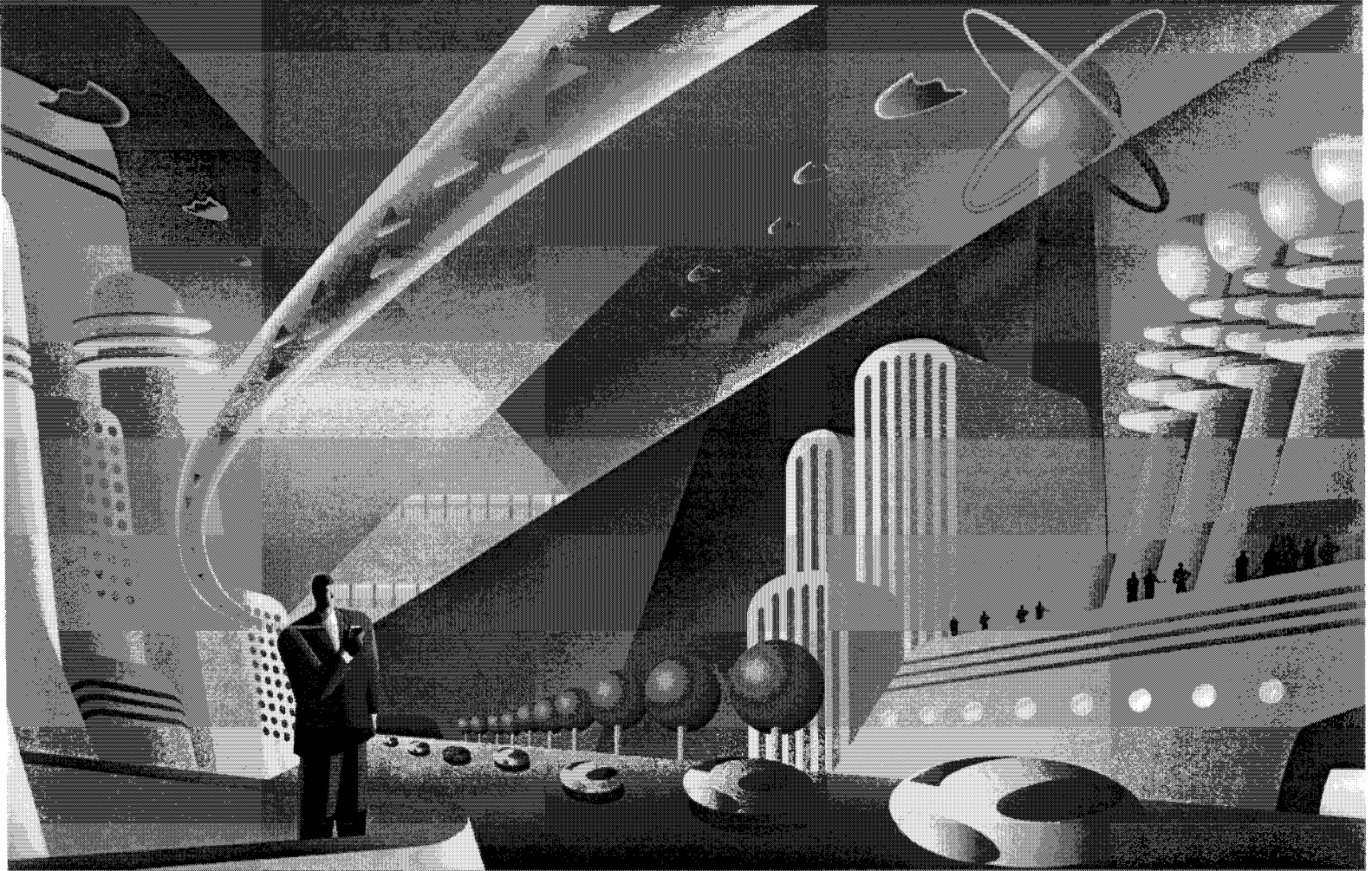


Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431

July 17, 2006

ATTACHMENT A

Charting the course for Orange County's
NEW future transportation system
DIRECTIONS



EXECUTIVE SUMMARY

Orange County Transportation Authority
2006 Long-Range Transportation Plan



Executive Summary



Orange County has a mature transportation network that provides residents, workers, and visitors with a high level of mobility and quality of service. In fact, in 2005, Orange County's transportation system was rated number one among major transit agencies across the nation. New Directions, the Orange County Transportation Authority's (OCTA's) 2006 Long-Range Transportation Plan (LRTP), is the blueprint for maintaining this quality system in environmentally sensitive ways that ensure mobility for the next generation. Through the LRTP, we take stock of the existing network, project the future needs of our population, and develop a plan to ensure that in 2030 the transportation system continues to contribute to a thriving Orange County.

To accomplish this charge, the LRTP lays out three overarching goals: improve mobility; protect our transportation resources; and enhance the quality of life. It also outlines performance measures by which we can gauge our progress and refine our strategies along the way.

Public outreach

OCTA solicited public input to the LRTP through the environmental review process and public opinion research. A Program Environmental Impact Report (PEIR) was prepared, and a series of public meetings were held for the public to learn about and provide input to the plan alternatives. Additionally, OCTA conducted an online survey and met with representatives of each Orange County city, the County of Orange, and interested parties. In order to understand residents' priorities for the future of transportation in Orange County, OCTA also conducted a series of telephone surveys and held several focus groups. These efforts produced a comprehensive picture of the top regional and local transportation issues of most concern to residents and local government. The results included a renewed emphasis on freeway improvements, roadway maintenance, expanded bus and Metrolink service, improved local transit connections, signal synchronization, and enhanced mitigation of storm water runoff.

"Public outreach results produced a comprehensive picture of the top regional and local transportation issues of most concern to residents and local government."

Trends affecting transportation

Orange County continues to grow and change. Over the past 50 years, Orange County has evolved from a rural suburb to a flourishing metropolitan community. Over the next 30 years our population is projected to grow by 24 percent and employment will grow by 27 percent. Our population is also aging: the number of residents 65 years and older nearly doubles between 2000 and 2030. These projections are based on forecasts developed by the Southern California Association of Governments (SCAG) through a growth visioning process that emphasizes a better jobs-housing balance, including higher employment growth rates in developing areas, and greater housing density in older urban areas.

Even through the projections assume increased use of “Smart Growth” policies that place new jobs and housing close together, the miles traveled by vehicles in Orange County will grow by nearly 40 percent between now and 2030, faster than both population and employment. Furthermore, by 2030 we will add almost three million more person trips per year to the transportation system, with most of them starting and ending within Orange County. Without improvements to the system, this will translate into more traffic congestion so that by 2030, during the morning rush, about half of the roadways in Orange County would be operating at speeds of less than 25 miles per hour and most of the freeways will be consistently or severely congested.

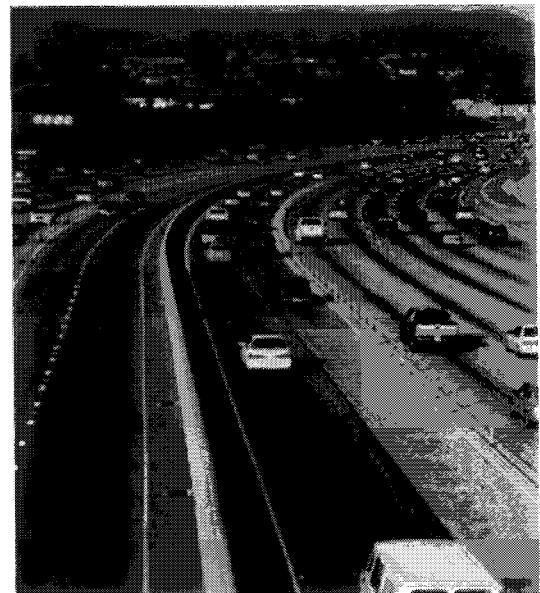
Orange County's freeways and roadways

Orange County's freeway and roadway networks are nearing build-out, in terms of available right-of-way. There are many constraints to physical expansion of these facilities, such as environmental impacts, lack of right-of-way, lack of funding, and community concerns with major widening projects. With travel demand continuing to grow, we must employ multiple strategies to improve our networks and relieve congestion at specific locations. This will improve air quality, make streets more efficient and keep them maintained so that Orange County residents, workers, and

visitors experience a safe, smooth, and minimally congested commute to their destination.

Orange County's managed lanes — including the carpool lane network, toll roads, and the 91 Express lanes — seek to provide consistent traffic flow during congested periods. However, the carpool lane network is nearing capacity during peak hours and operational changes must be considered to maintain efficiency and reap air quality benefits. Given the physical constraints of the freeway system and the maturing of the managed-lane network, the plan for future freeway projects must focus on balancing improvements throughout the County, getting the most out of the existing system, and minimizing right-of-way impacts.

Local jurisdictions have built about 95 percent (or roughly 1,450 of 1,527 centerline miles) of Orange County's planned roadway network, known as the Master Plan of Arterial Highways (MPAH). In those areas where there are significant challenges to building the remaining lanes, local jurisdictions and OCTA have identified other strategies to improve efficiency and expand capacity on the roadway network, such as intersection improvements, traffic management strategies, grade separations, or transit improvements.



“Without improvements, the average daily commute will take 20 minutes longer.”

Executive Summary



"Expansion of Metrolink service in Orange County is a critical component of the L RTP."

Signal coordination is another tool that can be used to increase roadway capacity without major new construction. There are currently over 3,000 signals in Orange County, managed by various agencies. Signal coordination technology synchronizes green lights along a corridor to improve flow. A countywide signal coordination program could synchronize traffic signals for over 750 miles of roadway and 2,000 signals.

In addition to building the roadway network, all Orange County local agencies have invested significantly in maintaining these facilities. Despite this investment, there are additional street repairs and maintenance efforts that must be completed to bring our roadway network up to acceptable conditions. If pavement is kept in good condition, it will function better, last longer, and be less expensive to maintain.

Orange County's Bus and Rail Systems

Our transit system serves both short and long distance travelers, with an extensive network of local bus routes, community shuttles, several express bus routes, and a well-developed commuter rail service. Orange County is top-ranked among peers for having an effective and well-used bus

system, based on the number of passengers per hour and boardings per dollar of operating expense. Demand for local bus service has increased steadily over the past 30 years and a new component of the fixed route bus service, known as bus rapid transit (BRT), is being developed. BRT combines the flexibility of a bus system with some of the features that are typical of rail transit, such as signal priority and fewer stops.

Curb-to-curb paratransit service (ACCESS) is provided for people unable to use the fixed-route bus service due to a disability. OCTA anticipates that demand for ACCESS-type services will increase substantially over the next 25 years, partially due to the needs of our growing senior population.

Metrolink commuter rail ridership has also grown every year since service began in 1993. In fact, the Metrolink Orange County line is one of the most productive in the regional Metrolink system. Expansion of Metrolink service in Orange County, including rail feeder service, is a critical component of the L RTP.

OCTA is also exploring its role in various high-speed rail and Maglev proposals that would connect Orange County with surrounding counties and regions.

"The Balanced Plan provides a multi-modal package of projects and programs."

Alternatives for the Long-Range Transportation Plan

To formulate a LRTP that is responsive to Orange County's needs and is also cost-effective, OCTA developed a cumulative set of improvement alternatives, with varying levels of investment. The performance of these alternatives were then compared against the Baseline, a scenario that assumes few new funds are available.

The alternatives are:

- Constrained Alternative
- Balanced Plan
- Unconstrained Alternative

The Constrained Alternative suggests that transportation funding will decline considerably in the future if the current Measure M one-half-cent sales tax program sunsets in 2011. The Balanced Plan assumes major new multi-modal transportation capacity is added to the system, and Orange County voters approve a 30-year extension of the current Measure M transportation sales tax. The Unconstrained Alternative imagines a future where even more transportation capacity is added, but funding is not a limiting factor.

The improvements in the Constrained Alternative result in slightly improved freeway and roadway speeds, compared to the Baseline, and delay due to traffic congestion is moderately reduced (see comparison table below).

However, the Balanced Plan provides a multi-modal package of projects and programs that includes a significant expansion of transit services (bus, rail, and senior programs), freeway improvements (concentrating on correcting operational problems and expanding capacity, generally within the existing right-of-way), and an extension of the current Measure M programs for local street improvements and maintenance. Major components of the Balanced Plan include:

- Improving performance of the freeway system to remove bottlenecks and add new capacity primarily within the existing freeway rights-of-way
- Pursuing an innovative freeway environmental mitigation effort that provides higher value environmental benefits in exchange for streamlined permitting
- Increasing bus service levels
- Coordinating traffic signals across cities to improve traffic flow
- Fixing major bottlenecks by expanding street capacity to move traffic and reduce emissions
- Building over- or underpasses at key railroad crossings on high-volume arterials
- Encouraging cities to pursue transit-friendly planning and zoning
- Expanding the Metrolink commuter rail system with high-frequency service to Los Angeles

"The Balanced Plan is projected to reduce delay due to congestion by 37 percent."

Figure 1: effectiveness of alternative (compared to baseline)

Measure of Effectiveness	Constrained Alternative	Balanced Plan	Unconstrained Alternative
Delay due to congestion	Delay reduced by 9%	Delay reduced by 37%	Delay reduced by 43%
Average peak period freeway speed (AM)	Speed increased by 5%	Speed increased by 22%	Speed increased by 30%
Average peak period roadway speed (AM)	Speed increased by 7%	Speed increased by 27%	Speed increased by 39%
Daily transit trips	Increased by 16%	Increased by 26%	Increased by 26%

Executive Summary

- Improving local connections to and from Metrolink stations, and expanding community shuttles
- Connecting Metrolink service to new regional transportation systems and centers
- Improving transit options for seniors and the disabled
- Improving water quality by dedicating funds to further enhance mitigations of water runoff from freeways and roadways

The Balanced Plan is projected to reduce delay due to congestion by 37 percent, compared to the Baseline, and improve morning peak freeway speeds by 22 percent. Morning peak arterial street speeds are projected to improve by 27 percent over the Baseline. Transit trips are expected to increase by 26 percent, compared to the Baseline, with a moderate expansion of transit systems in the County.

While the Unconstrained Alternative performs well, the projects require further study and funding. In addition, the community and environmental impacts of the Unconstrained alternative are greater than that of the Balanced Plan. As a result, the Balanced Plan provides the highest level of improvement, within a reasonable resource assumption, and is the preferred strategy for the 2006 LRTP.

Financing the Balanced Plan

The level of improvement provided in the Balanced Plan is only possible if additional local revenues become available. Why is this the case? The way that transportation projects and services are funded has changed in recent years. For many years, state and federal taxes on gasoline were the main source of funds for regional transportation projects. These sources, however, have not kept up with the costs of building new freeway lanes, roadways, and transit projects, thus eroding their buying power.

Recognizing the uncertainty of state and federal funds, many counties across California, including Orange County, asked voters to approve local sales taxes with the specific purpose of funding transportation projects and services. Orange County's one half-cent sales tax, Measure M, was approved by voters in 1990 to provide improvements in three major areas—freeways, roadways, and transit. However, Measure M expires in 2011.

Orange County can expect to receive \$28 billion (2005 dollars) over the next 36 years to maintain, enhance, and operate the transportation system, without an extension of Measure M. While \$28 billion is a significant future investment, 96 percent of these funds are committed to mandated projects and services. Only about 4 percent of these funds could be used to address future mobility problems in Orange County, which is not sufficient to meet future countywide transportation needs.

An extension of the highly-effective Measure M would add \$11.8 billion for new transportation projects and services. These new Measure M funds, along with other sources, would increase total transportation revenues to almost \$40 billion (2005 dollars). This would allow OCTA and local agencies to implement the level of improvements defined in the Balanced Plan.

Conclusion

The continued mobility of residents, workers, and visitors is paramount to sustaining Orange County's robust quality of life. With the support of the community, OCTA and local agencies are poised to apply environmentally appropriate tools to implement transportation projects and services that will improve mobility, protect our existing transportation resources, and further enhance our quality of life. The Balanced Plan meets these goals and is proposed as the preferred approach for Orange County's future.

"Orange County's one-half cent sales tax, Measure M, was approved by voters in 1990 and sunsets in 2011."

Charting the course for Orange County's
future transportation system

NEW
DIRECTIONS

Orange County Transportation Authority
2006 Long-Range Transportation Plan





BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Adoption of the Renewed Measure M Transportation Plan and Ordinance No. 3

Transportation 2020 Committee

July 17, 2006

Present: Directors Brown, Buffa, Campbell, Cavecche, Correa, Green, Pringle, and Winterbottom
Absent: Director Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Correa was not present for this vote.

Committee Recommendations

- A. Adopt Orange County Local Transportation Authority Ordinance Number 3, including the Renewed Measure M Transportation Investment Plan.
- B. Adopt Orange County Local Transportation Authority Resolution Number 2006-41 requesting that the Orange County Board of Supervisors place the renewal of Measure M on the November 7, 2006, ballot.

Note: *Revisions to verbiage in a few areas of the Ordinance (indicated on following page) were offered by Members at the Committee meeting, and those suggestions were incorporated. The final version of the Ordinance is attached for your review. The previous mark-up version of the Ordinance has been removed to avoid confusion between the two documents.*



BOARD COMMITTEE TRANSMITTAL

Revisions in the Ordinance were directed as follows:

- 1. Add "subject to the requirements of Section 12" to the end of the last sentence in Section 11 of the Ordinance;*
- 2. Revise Section V(A)(1)(b)(ii) of Attachment B of the Ordinance to read, "has road pavement conditions during the previous reporting period which are within the highest twenty percent of the scale for road pavement conditions as determined pursuant to the Authority's method of measuring improvement of road pavement conditions";*
- 3. Revise the last sentence of Section III (a)(9) of Attachment B of the Ordinance to read, "The expenditure report shall be submitted by the end of six (6) months following the end of the jurisdictions' fiscal year and include the following...."*



July 17, 2006

To: Transportation 2020 Committee
From: Arthur T. Leahy, Chief Executive Officer ^{AL}
Subject: Adoption of Renewed Measure M Transportation Investment Plan and Ordinance Number 3

Overview

On April 24, 2006, the Board of Directors directed staff to seek approval from Orange County cities and the Board of Supervisors of the Renewed Measure M Transportation Investment Plan for purposes of placing it before the voters. All 34 cities and the Board of Supervisors have taken this action. Orange County Local Transportation Authority Ordinance Number 3, fully incorporating the Renewed Measure M Transportation Investment Plan and proposing a continuation of the existing local one-half cent transportation sales tax for 30 years from 2011 to 2041, is presented for approval by a two-thirds vote of the Board. Also presented for approval is a resolution requesting that this matter be placed before Orange County voters at the election of November 7, 2006.

Recommendations

- A. Adopt Orange County Local Transportation Authority Ordinance Number 3, including the Renewed Measure M Transportation Investment Plan.
- B. Adopt Orange County Local Transportation Authority Resolution Number 2006-41 requesting that the Orange County Board of Supervisors place the renewal of Measure M on the November 7, 2006, ballot.

Background

State law authorizes the extension of a local transportation sales tax subject to meeting a series of requirements. These include:

-
- The development of an expenditure plan and sales tax ordinance by a local transportation authority;
 - Approval of the expenditure plan by a majority of cities representing a majority of the incorporated population and the Board of Supervisors;
 - Adoption of the expenditure plan and ordinance by a two-thirds vote of the local transportation authority;
 - A request by the local transportation authority and action by the Board of Supervisors to place the tax extension measure on the ballot; and
 - Approval of the sales tax extension by two-thirds of the voters.

Working through a process begun nearly two years ago, the Orange County Transportation Authority (Authority) has developed an expenditure plan, known as the Renewed Measure M Transportation Investment Plan (Plan). The Plan has been approved for the purpose of its being placed on the ballot by all 34 Orange County cities and the Board of Supervisors.

In addition, an implementing ordinance, known as Orange County Local Transportation Authority Ordinance Number 3 (Ordinance) has been developed, as required, to detail the nature of the tax extension, the tax rate and duration, and the purposes for which the revenue will be used. The Renewed Measure M Transportation Investment Plan is an attachment to, and made part of, Orange County Local Transportation Authority Ordinance Number 3. The Plan details what will be done by an extension of Measure M, and the Ordinance details how it will be carried out.

The Plan and the Ordinance now meet the requirements for adoption by the Board of Directors, an action that must be approved by two-thirds (at least 12) of the 17 voting members.

In addition, an Environmental Impact Report (EIR) has been prepared for the Orange County Long Range Transportation Plan (LRTP) that encompasses the Plan, as well as other transportation improvements. In a separate action, the Board of Directors must certify this EIR prior to acting to adopt the Plan and Ordinance.

Discussion

The process and participation in development of the Renewed Measure M Transportation Investment Plan was detailed in a report presented to the Board of Directors on April 24, 2006. Since that time the focus of activity has been on seeking approval of the Plan by cities and the Board of Supervisors, and on developing an implementing Ordinance for adoption by the Board.

Staff and the Authority's legal counsel have developed Orange County Local Transportation Authority Ordinance Number 3 (Attachment A), with input from a legal advisory group, technical staff from cities and the County, and various advisory committees and interest groups. This Ordinance describes in detail, how the Plan will be implemented as well as the nature, rate, and duration of the extension of the half-cent sales tax that will support it.

The ordinance incorporates, by attachment, the complete Plan and also includes a request that the Board of Supervisors place the continuation of the Measure M half-cent sales tax on the November 7, 2006, ballot; the proposed ballot label language; and a request that the proposition be identified as "Measure M." By law, the entire Plan must be included in the information pamphlet provided to all voters. The Authority cannot adopt the Plan and Ordinance until the Plan has been approved by a majority of city councils representing a majority of residents of cities and the Board of Supervisors. The Ordinance must be adopted by a two-thirds vote of the Board of Directors (at least 12 of 17 members) to be effective.

As of June 28, 2006, with the action of the City of Rancho Santa Margarita, all 34 Orange County cities and the Board of Supervisors have acted to approve the Plan for purposes of placing it before the voters. In this process, 162 local elected officials voted to approve the Plan and only four voted against it.

Orange County Local Transportation Authority Resolution Number 2006-41 (Attachment B) formally requests that the Board of Supervisors place the renewal of Measure M on the November 7, 2006, ballot. Included as attachments to Resolution Number are the full ordinance and the individual resolutions indicating approval of the Plan from all of the Orange County cities and the Board of Supervisors. The resolution further requests that the Board of Supervisors direct the Registrar of Voters to designate the proposition as Measure M on the ballot and that the ballot language be as proposed in the Ordinance.

Summary

A transportation expenditure plan and implementing ordinance have been developed, as required by law, to place a renewal of the Measure M one-half cent transportation sales tax on the November 7, 2006, ballot. The Board of Directors is requested to approve Orange County Local Transportation Authority Ordinance Number 3, including the Renewed Measure M Transportation Investment Plan, and to approve Orange County Local

Transportation Resolution Number 2006-41 formally requesting that the Board of Supervisors place the matter on the ballot.

Attachments

- A. Orange County Local Transportation Authority Ordinance Number 3
- B. Orange County Local Transportation Authority Resolution Number 2006-41

Prepared by:



Monte R. Ward
Director of Special Projects
714-560-5582

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

ORDINANCE NO. 3

JULY 24, 2006

Orange County Local Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Tel: (714) 560-6282

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1 **Ordinance No. 3**
2 **Renewed Measure M Transportation Ordinance and Investment Plan**
3

4 **PREAMBLE**

5 A. Pursuant to California Public Utilities Code Section 180050, the Orange
6 County Transportation Authority ("Authority") has been designated as the Orange County
7 Local Transportation Authority by the Orange County Board of Supervisors.

8 B. There has been adopted a countywide transportation expenditure plan,
9 referred to as the Orange County Transportation Investment Plan, dated July 24, 2006,
10 pursuant to California Public Utilities Code Section 180206 ("Plan"), which will be
11 administered by the Authority.

12 C. The Plan provides for needed countywide transportation facility and service
13 improvements which will be funded, in part, by a transactions and use tax of one-half of one
14 percent (1/2%).

15 D. Local Transportation Ordinance Number 2 ("Ordinance No. 2") funds
16 transportation facility and service improvements through a transactions and use tax of one-
17 half of one percent (1/2%) that will be imposed through March 31, 2011.

18 E. Ordinance No. 3 ("Ordinance") provides for the continuation of the existing
19 Ordinance No. 2 transactions and use tax of one-half of one percent (1/2%) for an
20 additional period of thirty (30) years to fund transportation facility and service
21 improvements.

22 **SECTION 1. TITLE**

23 The Ordinance shall be known and may be cited as the Renewed Measure M
24 Transportation Ordinance and Investment Plan. The word "Ordinance," as used in the
25 Ordinance, shall mean and include Attachment A entitled "Renewed Measure M
26 Transportation Investment Plan," Attachment B entitled "Allocation of Net Revenues," and
27 Attachment C entitled "Taxpayer Oversight Committee," which Attachments A, B and C are
28 attached hereto and incorporated by reference as if fully set forth herein.

1 SECTION 2. SUMMARY

2 The Ordinance provides for the implementation of the Orange County Transportation
3 Investment Plan, which will result in countywide transportation improvements for freeways,
4 highways, local streets and roads, bus and rail transit, transportation-related water quality
5 ("Environmental Cleanup"), and transit services for seniors and disabled persons. These
6 needed improvements will be funded by the continuation of the one-half of one percent
7 (1/2%) transaction and use tax for a period of thirty years. The revenues shall be deposited
8 in a special fund and used solely for the identified improvements authorized by the
9 Ordinance.

10 SECTION 3. IMPOSITION OF RETAIL TRANSACTIONS AND USE TAX

11 Subject to approval by the electors, the Authority hereby imposes, in the
12 incorporated and unincorporated territories of Orange County ("County"), in accordance
13 with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the
14 California Revenue and Taxation Code and Division 19 (commencing with Section 180000)
15 of the California Public Utilities Code, continuance of the existing retail transactions and
16 use tax at the rate of one-half of one percent (1/2%) commencing April 1, 2011, for a period
17 of thirty years. This tax shall be in addition to any other taxes authorized by law, including
18 any existing or future state or local sales tax or transactions and use tax. The imposition,
19 administration and collection of the tax shall be in accordance with all applicable statutes,
20 laws, rules and regulations prescribed and adopted by the State Board of Equalization.

21 SECTION 4. PURPOSES

22 All of the gross revenues generated from the transactions and use tax plus any
23 interest or other earnings thereon (collectively, "Revenues"), after the deduction for: (i)
24 amounts payable to the State Board of Equalization for the performance of functions
25 incidental to the administration and operation of the Ordinance, (ii) costs for the
26 administration of the Ordinance as provided herein, (iii) two percent (2%) of the Revenues
27 annually allocated for Environmental Cleanup and (iv) satisfaction of debt service
28 requirements of all bonds issued pursuant to the Ordinance that are not satisfied out of

1 separate allocations, shall be defined as "Net Revenues" and shall be allocated solely for
2 the transportation purposes described in the Ordinance.

3 SECTION 5. BONDING AUTHORITY

4 "Pay as you go" financing is the preferred method of financing transportation
5 improvements and operations under the Ordinance. However, the Authority may use bond
6 financing as an alternative method if the scope of planned expenditures makes "pay as you
7 go" financing unfeasible. Following approval by the electors of the ballot proposition
8 authorizing imposition of the transactions and use tax and authorizing issuance of bonds
9 payable from the proceeds of the tax, bonds may be issued by the Authority pursuant to
10 Division 19 of the Public Utilities Code, at any time before, on, or after the imposition of
11 taxes, and from time to time, payable from the proceeds of the tax and secured by a pledge
12 of revenues from the proceeds of the tax, in order to finance and refinance improvements
13 authorized by the Ordinance.

14 SECTION 6. MAINTENANCE OF EFFORT REQUIREMENTS

15 It is the intent of the Legislature and the Authority that the Net Revenues allocated to
16 a jurisdiction pursuant to the Ordinance for street and road projects shall be used to
17 supplement existing local discretionary funds being used for transportation improvements.
18 Each jurisdiction is hereby required to annually maintain as a minimum no less than the
19 maintenance of effort amount of local discretionary funds required to be expended by the
20 jurisdiction for local street and road purposes pursuant to the current Ordinance No. 2 for
21 Fiscal Year 2010-2011. The maintenance of effort level for each jurisdiction as determined
22 through this process shall be adjusted effective July 1, 2014 and every three fiscal years
23 thereafter in an amount equal to the percentage change for the Construction Cost Index
24 compiled by Caltrans for the immediately preceding three calendar years, providing that
25 any percentage increase in the maintenance of effort level based on this adjustment shall
26 not exceed the percentage increase in the growth rate in the jurisdiction's general fund
27 revenues over the same time period. The Authority shall not allocate any Net Revenues to
28 any jurisdiction for any fiscal year until that jurisdiction has certified to the Authority that it

1 has included in its budget for that fiscal year an amount of local discretionary funds for
2 streets and roads purposes at least equal to the level of its maintenance of effort
3 requirement. An annual independent audit may be conducted by the Authority to verify that
4 the maintenance of effort requirements are being met by the jurisdiction. Any Net
5 Revenues not allocated pursuant to the maintenance of effort requirement shall be
6 allocated to the remaining eligible jurisdictions according to the formula described in the
7 Ordinance.

8 **SECTION 7. ADMINISTRATION**

9 The Authority shall allocate Revenues to fund facilities, services and projects as
10 specified in the Ordinance, and shall administer the Ordinance consistent with the authority
11 cited. Revenues may be expended by the Authority for salaries, wages, benefits, and
12 overhead and for those services, including contractual services, necessary to carry out its
13 responsibilities pursuant to Division 19; however, in no case shall the Revenues expended
14 for salaries and benefits of Authority administrative staff exceed more than one percent
15 (1%) of the Revenues in any year. The Authority shall use, to the extent possible, existing
16 state, regional and local transportation planning and programming data and expertise, and
17 may, as the law permits, contract with any public agency or private firm for services
18 necessary to carry out the purposes of the Ordinance. Expenses incurred by the Authority
19 for administrative staff and for project implementation, including contracting with public
20 agencies and private firms, shall be identified in the annual report prepared pursuant to
21 Section 10, subpart 8, of the Ordinance.

22 **SECTION 8. ANNUAL APPROPRIATIONS LIMIT**

23 The annual appropriations limit established pursuant to Article XIII. B. of the
24 California Constitution and Section 180202 of the Public Utilities Code shall be established
25 as \$1,123 million for the 2006-07 fiscal year. The appropriations limit shall be subject to
26 adjustment as provided by law. All expenditures of the Revenues are subject to the
27 appropriations limit of the Authority.

28 ///

1 SECTION 9. EFFECTIVE AND OPERATIVE DATES

2 The Ordinance shall be effective on November 8, 2006, if two thirds of the electors
3 vote on November 7, 2006, to approve the ballot measure authorizing the extension of the
4 imposition of the existing tax. The continuance of the imposition of the existing tax
5 authorized by Section 3 of the Ordinance shall be operative on April 1, 2011.

6 SECTION 10. SAFEGUARDS OF USE OF REVENUES

7 The following safeguards are hereby established to ensure strict adherence to the
8 limitations on the use of the Revenues:

9 1. A transportation special revenue fund (the "Local Transportation
10 Authority Special Revenue Fund") shall be established to maintain all Revenues.

11 2. The County of Orange Auditor-Controller ("Auditor-Controller"), in the
12 capacity as Chair of the Taxpayer Oversight Committee, shall annually certify whether the
13 Revenues have been spent in compliance with the Ordinance.

14 3. Receipt, maintenance and expenditure of Net Revenues shall be
15 distinguishable in each jurisdiction's accounting records from other funding sources, and
16 expenditures of Net Revenues shall be distinguishable by program or project. Interest
17 earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for
18 those purposes for which the Net Revenues were allocated.

19 4. No Net Revenues shall be used by a jurisdiction for other than
20 transportation purposes authorized by the Ordinance. Any jurisdiction which violates this
21 provision must fully reimburse the Authority for the Net Revenues misspent and shall be
22 deemed ineligible to receive Net Revenues for a period of five (5) years.

23 5. A Taxpayer Oversight Committee ("Committee") shall be established to
24 provide an enhanced level of accountability for expenditure of Revenues under the
25 Ordinance. The Committee will help to ensure that all voter mandates are carried out as
26 required. The roles and responsibilities of the Committee, the selection process for
27 Committee members and related administrative procedures shall be carried out as
28 described in Attachment C.

1 6. A performance assessment shall be conducted at least once every
2 three years to evaluate the efficiency, effectiveness, economy and program results of the
3 Authority in satisfying the provisions and requirements of the Investment Summary of the
4 Plan, the Plan and the Ordinance. A copy of the performance assessment shall be
5 provided to the Committee.

6 7. Quarterly status reports regarding the major projects detailed in the
7 Plan shall be brought before the Authority in public meetings.

8 8. Annually the Authority shall publish a report on how all Revenues have
9 been spent and on progress in implementing projects in the Plan, and shall publicly report
10 on the findings.

11 SECTION 11. TEN-YEAR COMPREHENSIVE PROGRAM REVIEW

12 At least every ten years the Authority shall conduct a comprehensive review of all
13 projects and programs implemented under the Plan to evaluate the performance of the
14 overall program and may revise the Plan to improve its performance. The review shall
15 include consideration of changes to local, state and federal transportation plans and
16 policies; changes in land use, travel and growth projections; changes in project cost
17 estimates and revenue projections; right-of-way constraints and other project constraints;
18 level of public support for the Plan; and the progress of the Authority and jurisdictions in
19 implementing the Plan. The Authority may amend the Plan based on its comprehensive
20 review, subject to the requirements of Section 12.

21 SECTION 12. AMENDMENTS

22 The Authority may amend the Ordinance, including the Plan, to provide for the use
23 of additional federal, state and local funds, to account for unexpected revenues, or to take
24 into consideration unforeseen circumstances. The Authority shall notify the board of
25 supervisors and the city council of each city in the county and provide them with a copy of
26 the proposed amendments, and shall hold a public hearing on proposed amendments prior
27 to adoption, which shall require approval by a vote of not less than two thirds of the
28 Authority Board of Directors. Amendments shall become effective forty five days after

1 adoption. No amendment to the Plan which eliminates a program or project specified on
2 Page 31 of the Plan shall be adopted unless the Authority Board of Directors adopts a
3 finding that the transportation purpose of the program or project to be eliminated will be
4 satisfied by a different program or project. No amendment to the Plan which changes the
5 funding categories, programs or projects identified on page 31 of the Plan shall be adopted
6 unless the amendment to the Plan is first approved by a vote of not less than two thirds of
7 the Committee. In addition, any proposed change in allocations among the four major
8 funding categories of freeway projects, street and road projects, transit projects and
9 Environmental Cleanup projects identified on page 31 of the Plan, or any proposed change
10 of the Net Revenues allocated pursuant to Section IV C 3 of Attachment B for the Local
11 Fair Share Program portion of the Streets and Roads Projects funding category, shall be
12 approved by a simple majority vote of the electors before going into effect.

13 SECTION 13. REQUEST FOR ELECTION

14 Pursuant to California Public Utilities Code Section 180201, the Authority hereby
15 requests that the County of Orange Board of Supervisors call a special election to be
16 conducted by the County of Orange on November 7, 2006, to place the Ordinance before
17 the electors. To avoid any misunderstanding or confusion by Orange County electors, the
18 Authority requests that the Ordinance be identified as "Measure M" on the ballot. The ballot
19 language for the measure shall contain a summary of the projects and programs in the Plan
20 and shall read substantially as follows:

21 "Measure "M," Orange County Transportation Improvement Plan

22 Shall the ordinance continuing Measure M, Orange County's half-cent sales tax for
23 transportation improvements, for an additional 30 years with limited bonding authority to
fund the following projects:

- 24 * relieve congestion on the I-5, I-405, 22, 55, 57 and 91 freeways;
- 25 * fix potholes and resurface streets;
- 26 * expand Metrolink rail and connect it to local communities;
- 27 * provide transit services, at reduced rates, for seniors and disabled persons;
- 28

- 1 * synchronize traffic lights in every community;
- 2 * reduce air and water pollution, and protect local beaches by cleaning up oil runoff
- 3 from roadways;
- 4 and establish the following taxpayer protections to ensure the funds are spent as directed
- 5 by the voters:
- 6 * require an independent Taxpayer Oversight Committee to review yearly audits to
- 7 ensure that voter mandates are met;
- 8 * publish an annual report to the taxpayers on how all funds are spent; and
- 9 * update the transportation improvement plan every 10 years, with voter approval
- 10 required for major changes;
- 11 be adopted for the purpose of relieving traffic congestion in Orange County?"

12 SECTION 14. EFFECT ON ORDINANCE NO. 2

13 The Ordinance is not intended to modify, repeal or alter the provisions of Ordinance
14 No. 2, and shall not be read to supersede Ordinance No. 2. The provisions of the
15 Ordinance shall apply solely to the transactions and use tax adopted herein. If the
16 Ordinance is not approved by the electors of the County, the provisions of Ordinance No. 2
17 and all powers, duties, and actions taken thereunder shall remain in full force and effect.

18 SECTION 15. SEVERABILITY

19 If any section, subsection, part, clause or phrase of the Ordinance is for any reason
20 held invalid, unenforceable or unconstitutional by a court of competent jurisdiction, that
21 holding shall not affect the validity or enforceability of the remaining funds or provisions of
22 the Ordinance, and the Authority declares that it would have passed each part of the

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Ordinance irrespective of the validity of any other part.

APPROVED AND ADOPTED by the Orange County Local Transportation Authority

on the ____ day of _____, 2006.

By: _____
Arthur C. Brown, Chairman
Orange County Local Transportation
Authority

ATTEST:

By: _____
Wendy Knowles, Clerk of the Board
Orange County Local Transportation Authority

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ATTACHMENT B
ALLOCATION OF NET REVENUES

I. DEFINITIONS.

For purposes of the Ordinance the following words shall mean as stated.

A. "Capital Improvement Program": a multi-year-year funding plan to implement capital transportation projects and/or programs, including but not limited to capacity, safety, operations, maintenance, and rehabilitation projects.

B. "Circulation Element": an element of an Eligible Jurisdiction's General Plan depicting planned roadways and related policies, including consistency with the MPAH.

C. "Congestion Management Program": a program established in 1990 (California Government Code 65089), for effective use of transportation funds to alleviate traffic congestion and related impacts through a balanced transportation and land use planning process.

D. "Eligible Jurisdiction": a city in Orange County or the County of Orange, which satisfies the requirements of Section III A.

E. "Encumbrance": the execution of a contract or other action to be funded by Net Revenues.

F. "Environmental Cleanup": street, highway, freeway and transit related water quality improvement programs and projects as described in the Plan.

G. "Environmental Cleanup Revenues": Two percent (2%) of the Revenues allocated annually plus interest and other earnings on the allocated revenues, which shall be maintained in a separate account.

H. "Expenditure Report": a detailed financial report to account for receipt, interest earned and use of Measure M and other funds consistent with requirements of the Ordinance.

I. "Freeway Project": the planning, design, construction, improvement,

1 operation or maintenance necessary for, incidental to, or convenient for a state or interstate
2 freeway.

3 J. “Local Fair Share Program”: a formula-based allocation to Eligible
4 Jurisdictions for Street and Road Projects as described in the Plan.

5 K. “Local Traffic Signal Synchronization Plan”: identification of traffic
6 signal synchronization street routes and traffic signals within a jurisdiction.

7 L. “Master Plan of Arterial Highways (MPAH)”: a countywide
8 transportation plan administered by the Authority defining the ultimate number of through
9 lanes for arterial streets, and designating the traffic signal synchronization street routes in
10 Orange County.

11 M. “Net Revenues”: The remaining Revenues after the deduction for: (i)
12 amounts payable to the State Board of Equalization for the performance of functions
13 incidental to the administration and operation of the Ordinance, (ii) costs for the
14 administration of the Ordinance, (iii) two percent (2%) of the Revenues annually allocated
15 for Environmental Cleanup, and (iv) satisfaction of debt service requirements of all bonds
16 issued pursuant to the Ordinance that are not satisfied out of separate allocations.

17 N. “Pavement Management Plan”: a plan to manage the preservation,
18 rehabilitation, and maintenance of paved roads by analyzing pavement life cycles,
19 assessing overall system performance and costs, and determining alternative strategies
20 and costs necessary to improve paved roads.

21 O. “Permit Streamlining”: commitments by state and federal agencies to
22 reduce project delays associated with permitting of freeway projects through development
23 of a comprehensive conservation strategy early in the planning process and the permitting
24 of multiple projects with a single comprehensive conservation strategy.

25 P. “Programmatic Mitigation”: permanent protection of areas of high
26 ecological value, and associated restoration, management and monitoring, to
27 comprehensively compensate for numerous, smaller impacts associated with individual
28 transportation projects. Continued function of existing mitigation features, such as wildlife

1 passages, is not included.

2 Q. "Project Final Report": certification of completion of a project funded
3 with Net Revenues, description of work performed, and accounting of Net Revenues
4 expended and interest earned on Net Revenues allocated for the project.

5 R. "Regional Capacity Program": capital improvement projects to
6 increase roadway capacity and improve roadway operation as described in the Plan.

7 S. "Regional Traffic Signal Synchronization Program": competitive capital
8 and operations funding for the coordination of traffic signals across jurisdictional boundaries
9 as included in the Traffic Signal Synchronization Master Plan and as described in the Plan.

10 T. "Revenues": All gross revenues generated from the transactions and
11 use tax of one-half of one percent (1/2%) plus any interest or other earnings thereon.

12 U. "State Board of Equalization": agency of the State of California
13 responsible for the administration of sales and use taxes.

14 V. "Street and Road Project": the planning, design, construction,
15 improvement, operation or maintenance necessary for, incidental to, or convenient for a
16 street or road, or for any transportation purpose, including, but not limited to, purposes
17 authorized by Article XIX of the California Constitution.

18 W. "Traffic Forums": a group of Eligible Jurisdictions working together to
19 facilitate the planning of traffic signal synchronization among the respective jurisdictions.

20 X. "Traffic Signal Synchronization Master Plan": an element of the
21 MPAH to promote smooth traffic flow through synchronization of traffic signals along
22 designated street routes in the County.

23 Y. "Transit": the transportation of passengers by bus, rail, fixed guideway
24 or other vehicle.

25 Z. "Transit Project": the planning, design, construction, improvement,
26 equipment, operation or maintenance necessary for, or incidental to, or convenient for
27 transit facilities or transit services.

28 AA. "Watershed Management Areas": areas to be established by the

1 County of Orange, in cooperation with local jurisdictions, or by another public entity with
2 appropriate legal authority, for the management of water run-off related to existing or new
3 transportation projects.

4 II. REQUIREMENTS.

5 The Authority may allocate Net Revenues to the State of California, an Eligible
6 Jurisdiction, or the Authority for any project, program or purpose as authorized by the
7 Ordinance, and the allocation of Net Revenues by the Authority shall be subject to the
8 following requirements:

9 A. Freeway Projects

10 1. The Authority shall make every effort to maximize state and
11 federal funding for Freeway Projects. No Net Revenues shall be allocated in any year to
12 any Freeway Project if the Authority has made findings at a public meeting that the state or
13 the federal government has reduced any allocations of state funds or federal funds to the
14 Authority as the result of the addition of any Net Revenues.

15 2. All Freeway Projects funded with Net Revenues, including
16 project development and overall project management, shall be a joint responsibility of
17 Caltrans, the Authority, and the affected jurisdiction(s). All major approval actions,
18 including the project concept, the project location, and any subsequent change in project
19 scope shall be jointly agreed upon by Caltrans, the Authority, and the project sponsors, and
20 where appropriate, by the Federal Highway Administration and/or the California
21 Transportation Commission.

22 3. Prior to the allocation of Net Revenues for a Freeway Project,
23 the Authority shall obtain written assurances from the appropriate state agency that after
24 the Freeway Project is constructed to at least minimum acceptable state standards, the
25 state shall be responsible for the maintenance and operation of such Freeway Project.

26 4. Freeway Projects will be built largely within existing rights of
27 way using the latest highway design and safety requirements. However, to the greatest
28 extent possible within the available budget, Freeway Projects shall be implemented using

1 Context Sensitive Design, as described in the nationally recognized Federal Highway
2 Administration (FHWA) Principles of Context Sensitive Design Standards. Freeway
3 Projects will be planned, designed and constructed using a flexible community-responsive
4 and collaborative approach to balance aesthetic, historic and environmental values with
5 transportation safety, mobility, maintenance and performance goals. Context Sensitive
6 Design features include: parkway-style designs; environmentally friendly, locally native
7 landscaping; sound reduction; improved wildlife passage and aesthetic treatments, designs
8 and themes that are in harmony with the surrounding communities.

9 5. At least five percent (5%) of the Net Revenues allocated for
10 Freeway Projects shall fund Programmatic Mitigation for Freeway Projects. These funds
11 shall be derived by pooling funds from the mitigation budgets of individual Freeway
12 Projects, and shall only be allocated subject to the following:

13 a. Development of a Master Environmental Mitigation and
14 Resource Protection Plan and Agreement (Master Agreement) between the Authority and
15 state and federal resource agencies that includes:

16 (i) commitments by the Authority to provide for
17 programmatic environmental mitigation of the Freeway Projects,

18 (ii) commitments by state and federal resource
19 agencies to reduce project delays associated with permitting and streamline the permit
20 process for Freeway Projects,

21 (iii) an accounting process for mitigation obligations
22 and credits that will document net environmental benefit from regional, programmatic
23 mitigation in exchange for net benefit in the delivery of transportation improvements
24 through streamlined and timely approvals and permitting, and

25 (iv) a description of the specific mitigation actions and
26 expenditures to be undertaken and a phasing, implementation and maintenance plan.

27 (v) appointment by the Authority of a Mitigation and
28 Resource Protection Program Oversight Committee ("Environmental Oversight

1 Committee”) to make recommendations to the Authority on the allocation of the Net
2 Revenues for programmatic mitigation, and to monitor implementation of the Master
3 Agreement. The Environmental Oversight Committee shall consist of no more than twelve
4 members and be comprised of representatives of the Authority, Caltrans, state and federal
5 resource agencies, non-governmental environmental organizations, the public and the
6 Taxpayers Oversight Committee.

7 b. A Master Agreement shall be developed as soon as
8 practicable following the approval of the ballot proposition by the electors. It is the intent of
9 the Authority and state and federal resource agencies to develop a Master Agreement prior
10 to the implementation of Freeway Projects.

11 c. Expenditures of Net Revenues made subject to a Master
12 Agreement shall be considered a Freeway Project and may be funded from the proceeds of
13 bonds issued subject to Section 5 of the Ordinance.

14 B. Transit Projects

15 1. The Authority shall make every effort to maximize state and
16 federal funding for Transit Projects. No Net Revenues shall be allocated in any year for
17 any Transit Project if the Authority has made findings at a public meeting that the state or
18 the federal government has reduced any allocations of state funds or federal funds to the
19 Authority as the result of the addition of any Revenues.

20 2. Prior to the allocation of Net Revenues for a Transit Project, the
21 Authority shall obtain a written agreement from the appropriate jurisdiction that the Transit
22 Project will be constructed, operated and maintained to minimum standards acceptable to
23 the Authority.

24 C. Street and Road Projects

25 Prior to the allocation of Net Revenues for any Street and Road
26 Project, the Authority, in cooperation with affected agencies, shall determine the entity(ies)
27 to be responsible for the maintenance and operation thereof.

28 ///

1 III. REQUIREMENTS FOR ELIGIBLE JURISDICTIONS.

2 A. In order to be eligible to receive Net Revenues, a jurisdiction shall
3 satisfy and continue to satisfy the following requirements.

4 1. Congestion Management Program. Comply with the conditions
5 and requirements of the Orange County Congestion Management Program (CMP)
6 pursuant to the provisions of Government Code Section 65089.

7 2. Mitigation Fee Program. Assess traffic impacts of new
8 development and require new development to pay a fair share of necessary transportation
9 improvements attributable to the new development.

10 3. Circulation Element. Adopt and maintain a Circulation Element
11 of the jurisdiction's General Plan consistent with the MPAH.

12 4. Capital Improvement Program. Adopt and update biennially a
13 six-year Capital Improvement Program (CIP). The CIP shall include all capital
14 transportation projects, including projects funded by Net Revenues, and shall include
15 transportation projects required to demonstrate compliance with signal synchronization and
16 pavement management requirements.

17 5. Traffic Forums.

18 Participate in Traffic Forums to facilitate the planning of traffic
19 signal synchronization programs and projects. Eligible Jurisdictions and Caltrans, in
20 participation with the County of Orange and the Orange County Division of League of
21 Cities, will establish the boundaries for Traffic Forums. The following will be considered
22 when establishing boundaries:

- 23 a. Regional traffic routes and traffic patterns;
24 b. Inter-jurisdictional coordination efforts; and
25 c. Total number of Traffic Forums.

26 6. Local Traffic Signal Synchronization Plan. Adopt and maintain a
27 Local Traffic Signal Synchronization Plan which shall identify traffic signal synchronization
28 street routes and traffic signals; include a three-year plan showing costs, available funding

1 and phasing of capital, operations and maintenance of the street routes and traffic signals;
2 and include information on how the street routes and traffic signals may be synchronized
3 with traffic signals on the street routes in adjoining jurisdictions. The Local Traffic Signal
4 Synchronization Plan shall be consistent with the Traffic Signal Synchronization Master
5 Plan.

6 7. Pavement Management Plan. Adopt and update biennially a
7 Pavement Management Plan, and issue, using a common format approved by the
8 Authority, a report every two years regarding the status of road pavement conditions and
9 implementation of the Pavement Management Plan.

10 a. Authority, in consultation with the Eligible Jurisdictions,
11 shall define a countywide management method to inventory, analyze and evaluate road
12 pavement conditions, and a common method to measure improvement of road pavement
13 conditions.

14 b. The Pavement Management Plan shall be based on:
15 either the Authority's countywide pavement management method or a comparable
16 management method approved by the Authority, and the Authority's method to measure
17 improvement of road pavement conditions.

18 c. The Pavement Management Plan shall include:
19 (i) Current status of pavement on roads;
20 (ii) A six-year plan for road maintenance and
21 rehabilitation, including projects and funding;
22 (iii) The projected road pavement conditions resulting
23 from the maintenance and rehabilitation plan; and
24 (iv) Alternative strategies and costs necessary to
25 improve road pavement conditions.

26 8. Expenditure Report. Adopt an annual Expenditure Report to
27 account for Net Revenues, developer/traffic impact fees, and funds expended by the
28 Eligible Jurisdiction which satisfy the Maintenance of Effort requirements. The Expenditure

1 Report shall be submitted by the end of six (6) months following the end of the jurisdiction's
2 fiscal year and include the following:

3 a. All Net Revenue fund balances and interest earned.

4 b. Expenditures identified by type (i.e., capital, operations,
5 administration, etc.), and program or project .

6 9. Project Final Report. Provide Authority with a Project Final
7 Report within six months following completion of a project funded with Net Revenues.

8 10. Time Limits for Use of Net Revenues.

9 a. Agree that Net Revenues for Regional Capacity Program
10 projects and Regional Traffic Signal Synchronization Program projects shall be expended
11 or encumbered no later than the end of the fiscal year for which the Net Revenues are
12 programmed. A request for extension of the encumbrance deadline for no more than
13 twenty-four months may be submitted to the Authority no less than ninety days prior to the
14 deadline. The Authority may approve one or more requests for extension of the
15 encumbrance deadline.

16 b. Agree that Net Revenues allocated for any program or
17 project, other than a Regional Capacity Program project or a Regional Traffic Signal
18 Synchronization Program project, shall be expended or encumbered within three years of
19 receipt. The Authority may grant an extension to the three-year limit, but extensions shall
20 not be granted beyond a total of five years from the date of the initial funding allocation.

21 c. In the event the time limits for use of Net Revenues are
22 not satisfied then any retained Net Revenues that were allocated to an Eligible Jurisdiction
23 and interest earned thereon shall be returned to the Authority and these Net Revenues and
24 interest earned thereon shall be available for allocation to any project within the same
25 source program.

26 11. Maintenance of Effort. Annual certification that the Maintenance
27 of Effort requirements of Section 6 of the Ordinance have been satisfied.

28 12. No Supplanting of Funds. Agree that Net Revenues shall not be

1 used to supplant developer funding which has been or will be committed for any
2 transportation project.

3 13. Consider, as part of the Eligible Jurisdiction's General Plan, land
4 use planning strategies that accommodate transit and non-motorized transportation.

5 B. Determination of Non-Eligibility

6 A determination of non-eligibility of a jurisdiction shall be made only
7 after a hearing has been conducted and a determination has been made by the Authority's
8 Board of Directors that the jurisdiction is not an Eligible Jurisdiction as provided
9 hereinabove.

10 IV. ALLOCATION OF NET REVENUES; GENERAL PROVISIONS.

11 A. Subject to the provisions of the Ordinance, including Section II above,
12 use of the Revenues shall be as follows:

13 1. First, the Authority shall pay the State Board of Equalization for
14 the services and functions;

15 2. Second, the Authority shall pay the administration expenses of
16 the Authority;

17 3. Third, the Authority shall satisfy the annual allocation
18 requirement of two percent (2%) of Revenues for Environmental Cleanup; and

19 4. Fourth, the Authority shall satisfy the debt service requirements
20 of all bonds issued pursuant to the Ordinance that are not satisfied out of separate
21 allocations.

22 B. After providing for the use of Revenues described in Section A above,
23 and subject to the averaging provisions of Section D below, the Authority shall allocate the
24 Net Revenues as follows:

25 1. Forty-three percent (43%) for Freeway Projects;

26 2. Thirty-two percent (32%) for Street and Road Projects; and

27 3. Twenty-five percent (25%) for Transit Projects.

28 C. The allocation of thirty-two percent (32%) of the Net Revenues for

1 Street and Road Projects pursuant to Section B 2 above shall be made as follows:

2 1. Ten percent (10%) of the Net Revenues shall be allocated for
3 Regional Capacity Program projects;

4 2. Four percent (4%) of the Net Revenues shall be allocated for
5 Regional Traffic Signal Synchronization Program projects; and

6 3. Eighteen percent (18%) of the Net Revenues shall be allocated
7 for Local Fair Share Program projects.

8 D. In any given year, except for the allocations for Local Fair Share
9 Program projects, the Authority may allocate Net Revenues on a different percentage basis
10 than required by Sections B and C above in order to meet short-term needs and to
11 maximize efforts to capture state, federal, or private transportation dollars, provided the
12 percentage allocations set forth in Sections B and C above shall be achieved during the
13 duration of the Ordinance.

14 E. The Authority shall allocate Net Revenues for programs and projects
15 as necessary to meet contractual, program or project obligations, and the Authority may
16 withhold allocations until needed to meet contractual, program or project obligations, except
17 that Net Revenues allocated for the Local Fair Share Program pursuant to Section C above
18 shall be paid to Eligible Jurisdictions within sixty days of receipt by the Authority.

19 F. The Authority may exchange Net Revenues from a Plan funding
20 category for federal, state or other local funds allocated to any public agency within or
21 outside the area of jurisdiction to maximize the effectiveness of the Plan. The Authority and
22 the exchanging public agency must use the exchanged funds for the same program or
23 project authorized for the use of the funds prior to the exchange. Such federal, state or
24 local funds received by the Authority shall be allocated by the Authority to the same Plan
25 funding category that was the source of the exchanged Net Revenues, provided, however,
26 in no event shall an exchange reduce the Net Revenues allocated for Programmatic
27 Mitigation of Freeway Projects.

28 G. If additional funds become available for a specific project or program

1 described in the Plan, the Authority may allocate the Net Revenues replaced by the receipt
2 of those additional funds, in the following order of priority: first, to Plan projects and
3 programs which provide congestion relief in the geographic region which received the
4 additional funds; second, to other projects and programs within the affected geographic
5 region which may be placed in the Plan through an amendment to the Ordinance; and third,
6 to all other Plan projects and programs.

7 H. Upon review and acceptance of the Project Final Report, the Authority
8 shall allocate the balance of Net Revenues for the project, less the interest earned on the
9 Net Revenues allocated for the project.

10 V. ALLOCATION OF NET REVENUES; STREETS AND ROADS PROGRAMS/
11 PROJECTS

12 A. Regional Capacity Program.

13 1. Matching Funds. An Eligible Jurisdiction shall contribute local
14 matching funds equal to fifty percent (50%) of the project or program cost. This local match
15 requirement may be reduced as follows:

16 a. A local match reduction of ten percent (10%) of the
17 eligible cost if the Eligible Jurisdiction implements, maintains and operates in conformance
18 with the Traffic Signal Synchronization Master Plan.

19 b. A local match reduction of ten percent (10%) of the
20 eligible cost if the Eligible Jurisdiction either:

21 (i) has measurable improvement of paved road
22 conditions during the previous reporting period as determined pursuant to the Authority's
23 method of measuring improvement of road pavement conditions, or

24 (ii) has road pavement conditions during the previous
25 reporting period which are within the highest twenty percent of the scale for road pavement
26 conditions as determined pursuant to the Authority's method of measuring improvement of
27 road pavement conditions.

28 c. A local match reduction of five percent (5%) of the

1 eligible cost if the Eligible Jurisdiction does not use any Net Revenues as part of the funds
2 for the local match.

3 2. Allocations shall be determined pursuant to a countywide
4 competitive procedure adopted by the Authority. Eligible Jurisdictions shall be consulted by
5 the Authority in establishing criteria for determining priority for allocations.

6 B. Regional Traffic Signal Synchronization Program.

7 1. Traffic Signal Synchronization Master Plan.

8 The Authority shall adopt and maintain a Traffic Signal
9 Synchronization Master Plan, which shall be a part of the Master Plan of Arterial Highways.
10 The Traffic Signal Synchronization Master Plan shall include traffic signal synchronization
11 street routes and traffic signals within and across jurisdictional boundaries, and the means
12 of implementing, operating and maintaining the programs and projects, including necessary
13 governance and legal arrangements.

14 2. Allocations.

15 a. Allocations shall be determined pursuant to a countywide
16 competitive procedure adopted by the Authority. Eligible Jurisdictions shall be consulted by
17 the Authority in establishing criteria for determining priority for allocations.

18 b. The Authority shall give priority to programs and projects
19 which include two or more jurisdictions.

20 c. The Authority shall encourage the State to participate in
21 the Regional Traffic Signal Synchronization Program and Authority shall give priority to use
22 of transportation funds as match for the State's discretionary funds used for implementing
23 the Regional Traffic Signal Synchronization Program.

24 3. An Eligible Jurisdiction shall contribute matching local funds
25 equal to twenty percent (20%) of the project or program cost. The requirement for
26 matching local funds may be satisfied all or in part with in-kind services provided by the
27 Eligible Jurisdiction for the program or project, including salaries and benefits for
28 employees of the Eligible Jurisdiction who perform work on the project or programs.

1 4. An Eligible Jurisdiction shall issue a report once every three
2 years regarding the status and performance of its traffic signal synchronization activities.

3 5. Not less than once every three years an Eligible Jurisdiction
4 shall review and revise, as may be necessary, the timing of traffic signals included as part
5 of the Traffic Signal Synchronization Master Plan.

6 6. An Eligible Jurisdiction withdrawing from a signal
7 synchronization project shall be required to return Net Revenues allocated for the project.

8 C. Local Fair Share Program.

9 The allocation of eighteen percent (18%) of the Net Revenues for
10 Local Fair Share Program projects shall be made to Eligible Jurisdictions in amounts
11 determined as follows:

12 1. Fifty percent (50%) divided between Eligible Jurisdictions based
13 on the ratio of each Eligible Jurisdiction's population for the immediately preceding calendar
14 year to the total County population (including incorporated and unincorporated areas) for
15 the immediately preceding calendar year, both as determined by the State Department of
16 Finance;

17 2. Twenty-five percent (25%) divided between Eligible Jurisdictions
18 based on the ratio of each Eligible Jurisdiction's existing Master Plan of Arterial Highways
19 ("MPAH") centerline miles to the total existing MPAH centerline miles within the County as
20 determined annually by the Authority; and

21 3. Twenty-five percent (25%) divided between Eligible Jurisdictions
22 based on the ratio of each Eligible Jurisdiction's total taxable sales to the total taxable sales
23 of the County for the immediately preceding calendar year as determined by the State
24 Board of Equalization.

25 VI. ALLOCATION OF NET REVENUES; TRANSIT PROGRAMS/PROJECTS.

26 A. Transit Extensions to Metrolink.

27 1. The Authority may provide technical assistance, transportation
28 planning and engineering resources for an Eligible Jurisdiction to assist in designing Transit

1 Extensions to Metrolink projects to provide effective and user-friendly connections to
2 Metrolink services and bus transit systems.

3 2. To be eligible to receive Net Revenues for Transit Extension to
4 Metrolink projects, an Eligible Jurisdiction must execute a written agreement with the
5 Authority regarding the respective roles and responsibilities pertaining to construction,
6 ownership, operation and maintenance of the Transit Extension to Metrolink project.

7 3. Allocations of Net Revenues shall be determined pursuant to a
8 countywide competitive procedure adopted by the Authority. This procedure shall include
9 an evaluation process and methodology applied equally to all candidate Transit Extension
10 to Metrolink projects. Eligible Jurisdictions shall be consulted by the Authority in the
11 development of the evaluation process and methodology.

12 B. Metrolink Gateways.

13 1. The Authority may provide technical assistance, transportation
14 planning and engineering resources for an Eligible Jurisdiction to assist in designing
15 Regional Transit Gateway facilities to provide for effective and user-friendly connections to
16 the Metrolink system and other transit services.

17 2. To be eligible to receive Net Revenues for Regional Gateway
18 projects, an Eligible Jurisdiction must execute a written agreement with the Authority
19 regarding the respective roles and responsibilities pertaining to construction, ownership,
20 operation and maintenance of the Regional Gateway facility.

21 3. Allocations of Net Revenues shall be determined pursuant to a
22 countywide competitive procedure adopted by the Authority. This procedure shall include
23 an evaluation process and methodology applied equally to all candidate Regional Gateway
24 projects. Eligible Jurisdictions shall be consulted by the Authority in the development of the
25 evaluation process and methodology.

26 C. Mobility Choices for Seniors and Persons with Disabilities.

27 1. An Eligible Jurisdiction may contract with another entity to
28 perform all or part of a Mobility Choices for Seniors and Persons with Disabilities project.

1 2. A senior is a person age sixty years or older.

2 3. Allocations.

3 a. One percent (1%) of the Net Revenues shall be allocated
4 to the County to augment existing senior non-emergency medical transportation services
5 funded with Tobacco Settlement funds as of the effective date of the Ordinance. The
6 County shall continue to fund these services in an annual amount equal to the same
7 percentage of the total annual Tobacco Settlement funds received by the County. The Net
8 Revenues shall be annually allocated to the County in an amount no less than the Tobacco
9 Settlement funds annually expended by the County for these services and no greater than
10 one percent of net revenues plus any accrued interest.

11 b. One percent (1%) of the Net Revenues shall be allocated
12 to continue and expand the existing Senior Mobility Program provided by the Authority.
13 The allocations shall be determined pursuant to criteria and requirements for the Senior
14 Mobility Program adopted by the Authority.

15 c. One percent (1%) of the Net Revenues shall be allocated
16 to partially fund bus and ACCESS fares for seniors and persons with disabilities in an
17 amount equal to the percentage of partial funding of fares for seniors and persons with
18 disabilities as of the effective date of the Ordinance, and to partially fund train and other
19 transit service fares for seniors and persons with disabilities in amounts as determined by
20 the Authority.

21 d. In the event any Net Revenues to be allocated for seniors
22 and persons with disabilities pursuant to the requirements of subsections a, b and c above
23 remain after the requirements are satisfied then the remaining Net Revenues shall be
24 allocated for other transit programs or projects for seniors and persons with disabilities as
25 determined by the Authority.

26 D. Community Based Transit/Circulators.

27 1. The Authority may provide technical assistance, transportation
28 planning, procurement and operations resources for an Eligible Jurisdiction to assist in

1 designing Community Based Transit/Circulators projects to provide effective and user-
2 friendly transit connections to countywide bus transit and Metrolink services.

3 2. To be eligible to receive Net Revenues for Community Based
4 Transit/Circulators projects, an Eligible Jurisdiction must execute a written agreement with
5 the Authority regarding the respective roles and responsibilities pertaining to construction,
6 ownership, operation and maintenance of the Community Based Transit/Circulators project.

7 3. Allocations of Net Revenues shall be determined pursuant to a
8 countywide competitive procedure adopted by the Authority. This procedure shall include
9 an evaluation process and methodology applied equally to all candidate Community Based
10 Transit/Circulator projects. Eligible Jurisdictions shall be consulted by the Authority in the
11 development of the evaluation process and methodology.

12 4. An Eligible Jurisdiction may contract with another entity to
13 perform all or part of a Community Based Transit/Circulators project.

14 VII. ALLOCATION OF NET REVENUES; ENVIRONMENTAL CLEANUP
15 PROGRAMS/PROJECTS.

16 A. An Eligible Jurisdiction may contract with any other public entity to
17 perform all or any part of an Environmental Cleanup project.

18 B. Allocation Committee.

19 1. The Allocation Committee shall not include any elected public
20 officer and shall include the following twelve (12) voting members:

21 (i) one (1) representative of the County of Orange;

22 (ii) five (5) representatives of cities, subject to the
23 requirement for one (1) representative for the cities in each supervisorial district;

24 (iii) one (1) representative of the California Department of
25 Transportation;

26 (iv) two (2) representatives of water or wastewater public
27 entities;

28 (v) one (1) representative of the development industry;

1 (vi) one (1) representative of the scientific or academic
2 community;

3 (vii) one (1) representative of private or non-profit
4 organizations involved in environmental and water quality protection/enforcement matters;

5 In addition, one (1) representative of the Santa Ana Regional Water
6 Quality Control Board and one (1) representative of the San Diego Regional Water Quality
7 Control Board shall be non-voting members of the Allocation Committee.

8 2. The Allocation Committee shall recommend to the Authority for
9 adoption by the Authority the following:

10 a. A competitive grant process for the allocation of
11 Environmental Cleanup Revenues, including the highest priority to capital improvement
12 projects included in a Watershed Management Area. The process shall give priority to
13 cost-effective projects and programs that offer opportunities to leverage other funds for
14 maximum benefit.

15 b. A process requiring that Environmental Cleanup
16 Revenues allocated for projects and programs shall supplement and not supplant funding
17 from other sources for transportation related water quality projects and programs.

18 c. Allocation of Environmental Cleanup Revenues for
19 proposed projects and programs.

20 d. An annual reporting procedure and a method to assess
21 the water quality benefits provided by completed projects and programs.

1 **ATTACHMENT C**

2 **TAXPAYER OVERSIGHT COMMITTEE**

3
4 I. PURPOSE AND ORGANIZATION. A Taxpayer Oversight Committee
5 (“Committee”) is hereby established for the purpose of overseeing compliance with the
6 Ordinance as specified in Section IV hereof. The Committee shall be organized and
7 convened before any Revenues are collected or spent pursuant to the Ordinance.

8 II. COMMITTEE MEMBERSHIP. The Committee shall be governed by eleven
9 members (“Member”). The composition of the Committee membership shall be subject to
10 the following provisions.

11 A. Geographic Balance. The membership of the Committee shall be
12 geographically balanced at all times as follows:

13 1. There shall be two Members appointed from each of the
14 County’s supervisorial districts (individually, “District”); and

15 2. The Auditor-Controller shall be a Member and chairman
16 (“Chair”) of the Committee.

17 B. Member Term. Each Member, except the Auditor-Controller and
18 as provided in Section III B 2 below, shall be appointed for a term of three years; provided,
19 however, that any Member appointed to replace a Member who has resigned or been
20 removed shall serve only the balance of such Member’s unexpired term, and no person
21 shall serve as a Member for a period in excess of six consecutive years.

22 C. Resignation. Any Member may, at any time, resign from the
23 Committee upon written notice delivered to the Auditor-Controller. Acceptance of any
24 public office, the filing of an intent to seek public office, including a filing under California
25 Government Code Section 85200, or change of residence to outside the District shall
26 constitute a Member’s automatic resignation.

27 D. Removal. Any Member who has three consecutive unexcused
28 absences from meetings of the Committee shall be removed as a Member. An absence

1 from a Committee meeting shall be considered unexcused unless, prior to or after such
2 absence (i) the Member submits to each of the other Members a written request to excuse
3 such absence, which request shall state the reason for such absence and any special
4 circumstances existing with respect to such absence; and (ii) a majority of the other
5 Members agree to excuse such absence.

6 E. Reappointment. Any former Member may be reappointed.

7 III. APPOINTMENT OF MEMBERS.

8 A. Membership Recommendation Panel.

9 1. The Authority shall contract with the Orange County Grand
10 Jurors' Association for the formation of a committee membership recommendation panel
11 ("Panel") to perform the duties set forth in this subsection III A. If the Orange County Grand
12 Jurors' Association refuses or fails to act in such capacity, the Authority shall contract with
13 another independent organization selected by the Authority for the formation of the Panel.

14 2. The Panel shall have five members who shall screen and
15 recommend potential candidates for Committee membership.

16 3. The Panel shall solicit, collect and review applications from
17 potential candidates for membership on the Committee. No currently elected or appointed
18 officer of any public entity will be eligible to serve as a Member, except the Auditor-
19 Controller. A Member shall reside within the District the Member is appointed to represent.
20 Subject to the foregoing restrictions, the Panel shall evaluate each potential candidate on
21 the basis of the following criteria:

22 a. Commitment and ability to participate in Committee
23 meetings;

24 b. Demonstrated interest and history of participation in
25 community activities, with special emphasis on transportation-related activities; and

26 c. Lack of conflicts of interest with respect to the allocation
27 of Revenues.

28 4. For initial membership on the Committee, the Panel shall

1 recommend to the Authority at least five candidates from each of the two Districts that are
2 represented by one member on the Ordinance No. 2, Citizens Oversight Committee
3 (“COC”) as of the date the Authority appoints the initial Members. Thereafter, the Panel
4 shall recommend to the Authority at least five candidates for filing each vacancy on the
5 Committee.

6 B. Initial Members.

7 1. The COC members, as of the date the Authority appoints the
8 initial Members of the Committee, shall be appointed as initial Members of the Committee.
9 These Members shall each serve until each of their respective terms as a member of the
10 COC expires.

11 2. Two additional initial Members shall be appointed. The
12 Authority shall place the names of the candidates recommended by the Panel on equally-
13 sized cards which shall be deposited randomly in a container. In public session, the
14 Chairman of the Authority will draw a sufficient number of names from said container to
15 allocate Committee membership in accordance with the membership requirements and
16 restrictions set forth in Section II hereof. The first person whose name is drawn shall be
17 appointed to serve a term of three years. Thereafter, the person whose name is drawn
18 who is not from the same District as the first person whose name is drawn shall be
19 appointed to serve a term of two years.

20 C. Member Vacancy. A member vacancy, however caused, shall be
21 filled by the Authority. A Member shall be appointed on or about July 1 to replace a
22 Member whose term has expired. A Member may be appointed at any time as necessary
23 to replace a Member who has resigned or been removed. The Authority shall place the
24 names of the candidates recommended by the Panel for the appointment on equally-sized
25 cards which shall be deposited randomly in a container. In a public session, the Chairman
26 of the Authority will draw one name from said container for each vacancy on the
27 Committee. The person whose name is so drawn shall be appointed by the Authority to fill
28 the vacancy.

1 IV. DUTIES AND RESPONSIBILITIES. The Committee is hereby charged
2 with the following duties and responsibilities:

3 A. The initial Members shall convene to adopt such procedural rules and
4 regulations as are necessary to govern the conduct of Committee meetings, including, but
5 not limited to, those governing the calling, noticing and location of Committee meetings, as
6 well as Committee quorum requirements and voting procedures. The Committee may
7 select its own officers, including, but not limited to, a Committee co-chair who will be the
8 primary spokesperson for the Committee.

9 B. The Committee shall approve, by a vote of not less than two thirds of
10 all Committee members, any amendment to the Plan proposed by the Authority which
11 changes the funding categories, programs or projects identified on page 31 of the Plan.

12 C. The Committee shall receive and review the following documents
13 submitted by each Eligible Jurisdiction:

- 14 1. Congestion Management Program;
- 15 2. Mitigation Fee Program;
- 16 3. Expenditure Report;
- 17 4. Local Traffic Signal Synchronization Plan; and
- 18 5. Pavement Management Plan.

19 D. The Committee shall review yearly audits and hold an annual public
20 hearing to determine whether the Authority is proceeding in accordance with the Plan. The
21 Chair shall annually certify whether the Revenues have been spent in compliance with the
22 Plan. In addition, the Committee may issue reports, from time to time, on the progress of
23 the transportation projects described in the Plan.

24 E. The Committee shall receive and review the performance assessment
25 conducted by the Authority at least once every three years to review the performance of the
26 Authority in carrying out the purposes of the Ordinance.

27 F. Except as otherwise provided by the Ordinance, the Committee may
28 contract, through the Authority, for independent analysis or examination of issues within the

1 Committee's purview or for other assistance as it determines to be necessary.

2 G. The Committee may submit a written request to the Authority to explain
3 any perceived deviations from the Plan. The Authority's Chair must respond to such
4 request, in writing, within sixty days after receipt of the same.

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ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

**ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
RESOLUTION NUMBER 2006-41 REQUESTING THAT
THE BOARD OF SUPERVISORS PLACE THE RENEWAL OF
MEASURE M ON THE NOVEMBER 7, 2006 BALLOT**

WHEREAS, the Orange County Transportation Authority has been designated the Orange County Local Transportation Authority for the purposes of imposing and administering the Measure M local one-half cent local transportation sales tax for Orange County; and

WHEREAS, for more than fifteen years, Measure M funding has provided for major freeway, road and transit improvements to benefit the traveling public and taxpayers of Orange County; and

WHEREAS, Measure M sunsets in the year 2011 and all of the major transportation improvements promised to the voters by Measure M have either been delivered or are underway; and

WHEREAS, continued investment in transportation infrastructure and services is vital to reduce congestion, improve safety, strengthen the economy and maintain the quality of life for Orange County's residents; and

WHEREAS, the locally-managed funding from Measure M has proven to be the most reliable and effective means to maintain and improve Orange County's transportation system; and

WHEREAS, the Orange County Transportation Authority, with the help of a broad coalition of local government, business interests and citizens has developed the Renewed Measure M Transportation Investment Plan detailing transportation investments to be funded by continuing Measure M for another thirty years, from 2011 to 2041; and

WHEREAS, all thirty-four Orange County cities and the Board of Supervisors have approved the Renewed Measure M Transportation Investment Plan for the purposes of placing a ballot measure to continue Measure M before the voters of Orange County; and

WHEREAS, the Orange County Transportation Authority has adopted the Orange County Local Transportation Authority Ordinance Number 3, stating the nature, purpose, rate and duration of a thirty year renewal of Measure M; and

WHEREAS, pursuant to the California Environmental Quality Act, the Orange County Transportation Authority has certified the Final Program Environmental Impact Report (FPEIR) for the 2006 Long Range Transportation Plan, which encompasses the major freeway, road and transit improvements that are identified in the Renewed Measure M Transportation Investment Plan; and

WHEREAS, all of the necessary legal and administrative steps have been taken to qualify the renewal of Measure M for the November 7, 2006 ballot;

NOW, THEREFORE, **BE IT RESOLVED**, that the Orange County Transportation Authority formally requests that the Orange County Board of Supervisors act at its regular meeting of July 25, 2006 to place the renewal of Measure M on the November 7, 2006 ballot; and

BE IT FURTHER RESOLVED, that the Orange County Transportation Authority also requests the Board of Supervisors to direct the Registrar of Voters that the ballot measure be designated as Measure M and that the ballot proposition be as presented in Orange County Local Transportation Authority Ordinance Number 3.

Dated: July 24, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority



**Orange County Local Transportation Authority
Ordinance Number 3**

**(A full copy of Ordinance Number 3, including
the Renewed Transportation Investment Plan will
accompany Resolution Number 2006-41)**

**Resolutions Approving the Renewed Measure M
Transportation Investment Plan**

RESOLUTION OF THE BOARD OF SUPERVISORS OF
ORANGE COUNTY, CALIFORNIA

June 13, 2006

WHEREAS, the citizens of Orange County approved passage of Measure M in November, 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific Revised Traffic Improvement and Growth Management Plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a Renewed Measure M Transportation Investment Plan (the Measure M Plan) detailing how every dollar of the Measure M Plan would be spent, and unanimously recommended that the Measure M Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Measure M Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintain and improve streets; expand Metrolink rail with connections to local communities; provide transit for seniors and disabled persons; synchronize traffic signals countywide; and, clean up road runoff to protect beaches, and

WHEREAS, if approved by two-thirds of the voters, a renewal of Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.32 billion for local transportation projects; and

WHEREAS, a renewal of Measure M would give the County the flexibility to allocate more than an estimated \$110.05 million in renewed Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, a renewal of Measure M would supply the funds needed to provide the local match to state and federal transportation dollars; thereby ensuring that the County will be able to maximize the state and federal transportation dollars going to Orange County transportation projects; and

Resolution No. 06-099, Item No. 1
Measure M Renewal - Resolution of Approval

WHEREAS, a renewal of Measure M would provide a stable, long-term funding source to alleviate traffic congestion, improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the renewed Measure M contains strong taxpayer safeguards such as annual independent audits, public review of the Measure M Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing within the incorporated areas of the County.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Orange, State of California, hereby approves the Renewed Measure M Transportation Investment Plan pursuant to Public Utilities Code Section 180206(b).

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Resolution No. 06-099, Item No. 1
Measure M Renewal - Resolution of Approval

The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, on June 13, 2006, to wit:

AYES:	Supervisors:	THOMAS W. WILSON, LOU CORREA, JIM SILVA CHRIS NORBY, BILL CAMPBELL
NOES:	Supervisor(s):	
EXCUSED:	Supervisor(s):	
ABSTAINED:	Supervisor(s):	

Bill Campbell

CHAIRMAN

STATE OF CALIFORNIA)
)
 COUNTY OF ORANGE)

I, DARLENE J. BLOOM, Clerk of the Board of Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange County Board of Supervisors .

IN WITNESS WHEREOF, I have hereto set my hand and seal.

Darlene Bloom



DARLENE J. BLOOM
Clerk of the Board
County of Orange, State of California

Resolution No: 06-099
 Agenda Date: 06/13/2006
 Item No: 1



I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors , Orange County, State of California

DARLENE J. BLOOM, Clerk of the Board of Supervisors

By: _____
Deputy

RESOLUTION NO. 2006 - 021

A RESOLUTION OF THE CITY OF ALISO VIEJO, STATE OF CALIFORNIA, APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Mayor Carmen Vali-Cave who represented the City of Aliso Viejo on the Super Committee provided input into the plan to assure the City's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Aliso Viejo's Super Committee representative combined with the efforts of her council colleagues will give the City the flexibility to allocate more than an estimated \$23.9 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and


WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for mispending funds; and


WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Aliso Viejo, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED, APPROVED AND ADOPTED this 7th day of June, 2006.


Carmen Val-Cave
Mayor

ATTEST:


Susan Robinson, CMC
City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)


I, SUSAN ROBINSON, City Clerk of the City of Aliso Viejo, California, do hereby certify Resolution No. 2006 – 021 as duly and regularly adopted by the City Council of the City of Aliso Viejo, California, at a regular meeting thereof held on the 7th day of June, 2006, by the following vote:

AYES: Adams, Ficke, Phillips, Warkomski, Mayor Vali-Cave.

NOES: None.


ABSTAIN: None.

ABSENT: None.



Susan Robinson, City Clerk

The foregoing instrument is a full, true and correct copy of the original on file in this office.
Susan A. Robinson, City Clerk
City of Aliso Viejo

By  Date 6/12/06

RESOLUTION NO. 2006-073

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ANAHEIM STATE OF CALIFORNIA
APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November, 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Council Member Lorri Galloway who represented the City of Anaheim on the Super Committee provided input into the plan to assure the City's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Anaheim's Super Committee representative combined with the efforts of her council colleagues will give the City the flexibility to allocate more than an estimated \$222 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$1.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code Section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Anaheim, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

THE FOREGOING RESOLUTION is approved and adopted by the City Council of the City of Anaheim this 9th day of May, 2006, by the following roll call vote:

AYES: Mayor Pringle, Council Members Sidhu, Hernandez, Galloway, Chavez

NOES: None

ABSENT: None

ABSTAIN: None

CITY OF ANAHEIM

By 
MAYOR OF THE CITY OF ANAHEIM

ATTEST:


CITY CLERK OF THE CITY OF ANAHEIM

61471.1

RESOLUTION NO. 06-52

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA, CALIFORNIA, APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the leadership of Brea's Super Committee representative combined with the efforts of the council will give the city the flexibility to allocate more than an estimated \$34.8 million in Measure M "fair share" funds over the next thirty years to improve city streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

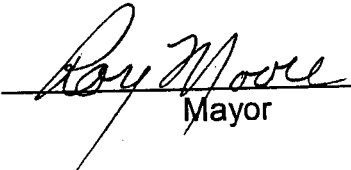
WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Brea, hereby approves the Measure M Transportation Investment Plan for consideration by the voters of Orange County in November 2006.

APPROVED AND ADOPTED this 16th day of May 2006.



Mayor


I, Lucinda Williams, Deputy City Clerk of the City of Brea do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea held on the 16th day of May 2006 by the following vote:

AYES: COUNCIL MEMBERS: Beauman, Lentini, Schweitzer, Simonoff, Moore

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ATTEST: 
Deputy City Clerk of the City of Brea

RESOLUTION NO. 11759

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF BUENA PARK, CALIFORNIA, APPROVING THE
RENEWED MEASURE M TRANSPORTATION
INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division, created a Super Committee of elected official and staff representatives from each city that worked to develop a Transportation Investment Plan detailing how every dollar of a Renewed Measure M Plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Mayor Pro Tem Patsy Marshall who represented the City of Buena Park on the Super Committee provided input into the plan to assure the city's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Buena Park's Super Committee representative combined with the efforts of her council colleagues will give the city the flexibility to allocate more than an estimated \$53.5 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every ten years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Renewed Measure M Transportation Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, the City Council of the City of Buena Park does hereby approve the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

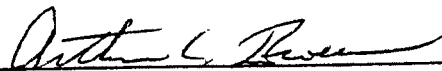
PASSED AND ADOPTED this 23rd day of May 2006, by the following called vote:

AYES: COUNCILMEMBERS: Berry, Dow, Marshall, McCay, Brown

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None



Mayor

ATTEST:



City Clerk

I, Shalice Reynoso, City Clerk of the City of Buena Park, California, hereby certify that the foregoing resolution was duly and regularly passed and adopted at a regular meeting of the City Council of the City of Buena Park, held this 23rd day of May 2006.



City Clerk

THE FOREGOING INSTRUMENT IS A FULL, TRUE AND
CORRECT COPY OF THE ORIGINAL ON FILE IN THIS OFFICE

ATTEST: 
CITY CLERK OF THE CITY OF BUENA PARK, CALIFORNIA

DATE: June 13, 2006

RESOLUTION NO. 06-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING THE RENEWED MEASURE M INVESTMENT PLAN FOR THE PURPOSE OF PLACING MEASURE M BEFORE THE VOTERS OF ORANGE COUNTY

THE CITY COUNCIL OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a Transportation Investment Plan detailing how every dollar of a renewed

Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the leadership of Costa Mesa's Super Committee representative combined with the efforts of her City Council colleagues will give the City the flexibility to allocate more than an estimated \$93.6 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways,

expand transit services and provide transportation-related water quality improvements;
and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County;

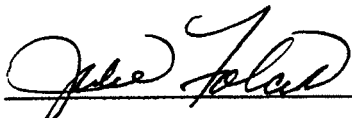
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Costa Mesa, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED AND ADOPTED this 6th day of June 2006.



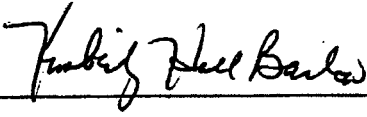
Mayor, City of Costa Mesa

ATTEST:



City Clerk of the City of Costa Mesa

APPROVED AS TO FORM:



City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, JULIE FOLCIK, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that foregoing is the original of Resolution No. 06-47 and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 6th day of June, 2006, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS: MANSOOR, BEVER, DIXON, FOLEY, MONAHAN

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 7th day of June, 2006.



JULIE FOLCIK, CITY CLERK

(SEAL)

RESOLUTION NO. 5963

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CYPRESS, STATE OF CALIFORNIA, APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN

On the 26th day of June, 2006, on motion by Council Member Seymore, seconded by Mayor Pro Tem Luebben, and carried, the Council of the City of Cypress, finds as follows:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system senior bus fare stabilization, signal synchronization and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Council Member Todd Seymore who represented the City of Cypress on the Super Committee provided input into the plan to assure the city's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Cypress's Super Committee representative combined with the efforts of his council colleagues will give the city the flexibility to allocate more than an estimated \$35.7 million in Measure M "fair share" funds over thirty years to improve local streets and roads, and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Council of the City of Cypress, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED AND ADOPTED by the City Council of the City of Cypress at a regular meeting held on the 26th day of June, 2006.

/s/ Lydia Sondhi
MAYOR OF THE CITY OF CYPRESS

ATTEST:

/s/ Denise Basham
CITY CLERK OF THE CITY OF CYPRESS

STATE OF CALIFORNIA)
) SS
COUNTY OF ORANGE)

I, DENISE BASHAM, Acting City Clerk of the City of Cypress, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the said City Council held on the 26th day of June, 2006, by the following roll call vote:

AYES: 4 COUNCIL MEMBERS: McGill, Seymore, Luebben and Sondhi
NOES: 0 COUNCIL MEMBERS: None
ABSENT: 1 COUNCIL MEMBERS: McCoy

/s/ Denise Basham
CITY CLERK OF THE CITY OF CYPRESS

RESOLUTION NO. 06-05-24-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, APPROVING THE RENEWED MEASURE "M" TRANSPORTATION INVESTMENT PLAN SO IT MAY BE PLACED BEFORE THE VOTERS OF ORANGE COUNTY ON THE NOVEMBER 7, 2006 BALLOT OR AS SOON AS IS PRACTICAL THEREAFTER

THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the citizens of Orange County approved passage of Measure "M" in November 1990 authorizing the Orange County Transportation Authority to administer a one-half off one percent transactions and use tax for transportation improvements, applicable in the incorporated and unincorporated territory of the County of Orange, and

WHEREAS, Measure "M" has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, fare stabilization, traffic signals, and more; and

WHEREAS, the imposition of the one-half of one percent transactions and use tax is set to expire in 2011, and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to coordinate city input to the Investment Plan and unanimously recommended that the Investment Plan be placed before the voters of Orange County on the November 7, 2006, ballot or as soon as is practical thereafter, and

WHEREAS, if approved by the voters, Measure "M" would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11 billion for local transportation projects, and

WHEREAS, revenues raised from the continuation of Measure "M" would remain in Orange County and could not be borrowed by the state or federal government, and

WHEREAS, Measure "M" would provide a long-term funding source to help fight traffic congestion; improve local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements, and

WHEREAS, the Transportation Investment Plan requires voter safeguards such as annual independent audits, public review of the Plan every 10 years, annual report to taxpayers and penalties for misspending funds, and


WHEREAS, Public Utilities Code Section 180206 (b) requires that the Measure "M" Investment Plan be approved by the County Board of Supervisors and a majority of the cities representing a majority of the population residing in the incorporated areas of the County;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dana Point does hereby resolves as follows:

Section 1. Approves the Renewed Measure "M" Transportation Investment Plan included herein as Attachment A.

Section 2. That the City Clerk is directed to certify the Resolution and transmit the signed originals to Orange County Transportation Authority.

PASSED, APPROVED, AND ADOPTED this 24th day of May, 2006.



LARA ANDERSON, MAYOR

ATTEST:


KATHY M. WARD, ACTING CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF DANA POINT)

I, Kathy M. Ward, Acting City Clerk of the City of Dana Point, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 06-05-24-02, adopted by the City Council of the City of Dana Point, California,
at a regular meeting thereof held on the 24th day of May, 2006, by the following
vote, to wit:

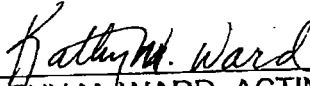
AYES: Council Members Harkey, Rayfield, Mayor Pro Tem Chilton,
And Mayor Anderson

NOES: Council Member Lacy

ABSENT: None

ABSTAIN: None

(SEAL)



KATHY M. WARD, ACTING CITY CLERK

RESOLUTION NO. 9084

A RESOLUTION OF THE CITY OF FOUNTAIN VALLEY, STATE OF CALIFORNIA, APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN FOR THE PURPOSE OF PLACING THE RENEWAL OF MEASURE M BEFORE THE VOTERS IN NOVEMBER, 2006.

THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY HEREBY RESOLVES, DETERMINES AND ORDERS AS FOLLOWS THAT:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over its current twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of City Elected Officials and staff who represented the City of Fountain Valley on the Super Committee provided input into the plan to assure the City's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Fountain Valley's Super Committee representative combined with the efforts of his council colleagues will give the city the flexibility to allocate more than an estimated \$41 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

9084

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the continuation of the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and


WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED THAT:

The City Council of the City of Fountain Valley approves the Renewed Measure M Transportation Investment Plan for the purpose of placing the renewal Measure M before the voters of Orange County in November, 2006.

ADOPTED this 2nd day of May, 2006.

ATTEST:


MAYOR



CITY CLERK

9084

VOTE

STATE OF CALIFORNIA)
COUNTY OF ORANGE)ss.
CITY OF FOUNTAIN VALLEY)

I, Randi Johl, City Clerk of the City of Fountain Valley, do hereby certify that the foregoing Resolution was adopted by said Council at its regular meeting held on the 2nd day of May, 2006 by the following vote, to wit:

AYES: AYER, BROTHERS, CARROZZO, COLLINS, CRANDALL
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE



Randi Johl, City Clerk

04

RESOLUTION NO. 9818

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA,
APPROVING THE EXPENDITURE PLAN FOR THE REVENUES EXPECTED TO BE
DERIVED FROM THE PROPOSED EXTENSION OF MEASURE M

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent transactions-and-use tax for transportation improvements, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, fare stabilization, traffic signals, and more; and

WHEREAS, the imposition of the one-half of one percent transactions-and-use tax is set to expire in 2011; and

WHEREAS, the League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to coordinate city input to the Transportation Investment Plan and unanimously recommended that the Plan be placed before the voters of Orange County on the November 7, 2006 ballot or as soon as is practical thereafter; and

WHEREAS, if approved by the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11 billion for local transportation projects; and

WHEREAS, revenues raised from the continuation of Measure M would remain in Orange County and could not be borrowed by the state or federal government; and

WHEREAS, Measure M would provide a long-term funding source to help fight traffic congestion; improve local streets, major roads and highways; expand transit services; and provide transportation-related water quality improvements; and


WHEREAS, the Transportation Investment Plan would have significant local benefits to the City of Fullerton as it would allow for the expansion of traffic flow on major arterials and intersection; the coordination of signals along major arterials; and the development of a community bus service for seniors and city community groups; and

WHEREAS, the Transportation Investment Plan requires voter safeguards such as annual independent audits; public review of the Plan every 10 years; an annual report to taxpayers; and penalties for misspending funds; and

WHEREAS, Public Utilities Code Section 180206(b) requires that the Measure M Transportation Investment Plan be approved by the County Board of Supervisors and a majority of the cities representing a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fullerton, State of California, hereby approves the Measure M Transportation Investment Plan for consideration by the voters of Orange County in November 2006.

ADOPTED BY THE FULLERTON CITY COUNCIL on May 16, 2006.


Leland Wilson, Mayor

ATTEST:


Beverley White, City Clerk

City of Fullerton
RESOLUTION CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF FULLERTON)

RESOLUTION NO. 9818

I, Beverley White, City Clerk and ex-officio Clerk of the City Council of the City of Fullerton, California, hereby certifies that the whole number of the members of the City Council of the City of Fullerton is five; and that the above and foregoing Resolution No. 9818 was adopted at a regular meeting of the City Council held on the 16th day of May, 2006, by the following vote:

COUNCIL MEMBER AYES:	Wilson, Bankhead, Jones, Nelson, Quirk
COUNCIL MEMBER NOES:	None
COUNCIL MEMBER ABSTAINED:	None
COUNCIL MEMBER ABSENT:	None



Beverley White, City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, an estimated \$98.9 million in Measure M "fair share" funds over thirty years to improve local streets and roads as part of a renewed Measure M Transportation Investment Plan; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF GARDEN GROVE hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

RESOLUTION NO. 2006-20

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON BEACH APPROVING THE RENEWED
MEASURE M TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

The League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

The resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

The efforts of both Mayor Pro Tem Gil Coerper, representing the City of Huntington Beach on the Measure M Super Committee, and Councilmember Cathy Green, representing the City of Huntington Beach on the Transportation 2020 Committee, in providing input into the plan to assure the City's transportation needs were reflected; and

The leadership of Huntington Beach's Committee representatives combined with the efforts of the City Council will give the City the flexibility to allocate more than an estimated \$125.5 million in Measure M "fair share" funds over the next thirty years to improve City streets and roads; and

If approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

The Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County,

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Huntington Beach hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 1st day of MAY, 2006.

Don Sullivan
Mayor

REVIEWED AND APPROVED:

Lenelpe Cullen
City Administrator

APPROVED AS TO FORM:

Jennifer M. Goh
City Attorney 4/23/06

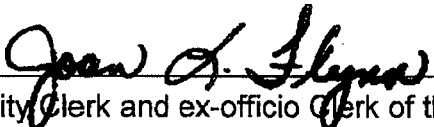
INITIATED AND APPROVED:

David Will
Director of Public Works
for R.E.B.

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, JOAN L. FLYNN the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at an **regular** meeting thereof held on the **1st day of May, 2006** by the following vote:

AYES: Bohr, Green, Coerper, Sullivan, Hardy, Hansen
NOES: None
ABSENT: Cook
ABSTAIN: None



City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California

CITY COUNCIL RESOLUTION NO. 06-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
IRVINE APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a 20-year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The Orange County Division of the League of California Cities created a "Super Committee" of elected officials and staff representatives from each city that worked to develop a Transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Mayor Pro Tempore Sukhee Kang, who represented the City of Irvine on the Super Committee, provided input into the plan to assure the City's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Irvine's Super Committee representative combined with the efforts of his City Council colleagues will give the City the flexibility to allocate more than an estimated \$150 million in renewed Measure M "fair share" funds over thirty years to improve local streets and roads in the City of Irvine; and

WHEREAS, if approved by two-thirds of the voters, the renewal of Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, revenues raised from the renewal of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, the renewal of Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, the City Council of the City of Irvine DOES HEREBY RESOLVE to approve the Renewed Measure M Transportation Investment Plan for the purpose of placing the renewal of Measure M before the voters of Orange County.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the 13th day of June 2006.


MAYOR OF THE CITY OF IRVINE

ATTEST:


CITY CLERK OF THE CITY OF IRVINE

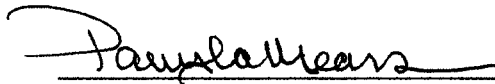
STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, PAMYLA MEANS, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Irvine, held on the 13th day of June 2006.

AYES: 5 COUNCILMEMBERS: Agran, Choi, Kang, Shea, and Krom

NOES: 0 COUNCILMEMBERS: None

ABSENT: 0 COUNCILMEMBERS: None


CITY CLERK OF THE CITY OF IRVINE

RESOLUTION NO. 06.038

**A RESOLUTION OF THE CITY COUNCIL OF LAGUNA BEACH,
CALIFORNIA, APPROVING THE RENEWED MEASURE-M
TRANSPORTATION INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

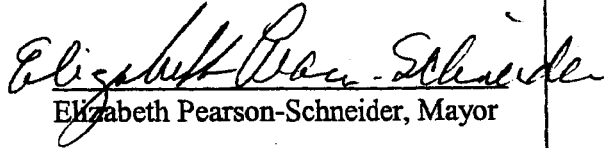
WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

1 WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as
2 annual independent audits, public review of Plan every 10 years, annual report to taxpayers and
penalties for misspending funds; and

3 WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment
4 Plan be approved by the County Board of Supervisors and by the city councils representing both a
5 majority of the cities in the county and a majority of the population residing in the incorporated
areas of the County;

6 NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Laguna Beach,
7 California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes
of placing Measure M before the voters of Orange County.

8 ADOPTED this 16th day of May 2006.


9
10
11 
Elizabeth Pearson-Schneider, Mayor

12 ATTEST:

13
14 
15 Martha Anderson
16 City Clerk

17 I, MARTHA ANDERSON, City Clerk of the City of Laguna Beach, California do hereby certify
18 that the foregoing Resolution No. 06.038 was duly adopted at a Regular Meeting of the City
Council of said City held on May 16, 2006, by the following vote:

19 AYES: COUNCILMEMBERS: Kinsman, Egly, Iseman, Dictertow, Pearson-Schneider
20 NOES: COUNCILMEMBERS:
21 ABSENT: COUNCILMEMBERS:

22
23 
24 Martha Anderson
City Clerk of the City of Laguna Beach, CA

RESOLUTION NO. 2006-05-09-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN AND ENDORSING MEASURE M ON THE NOVEMBER 7, 2006, BALLOT

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division, created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every ten years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. To approve the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

SECTION 2. To endorse Measure M on the November 7, 2006, ballot.

PASSED, APPROVED, AND ADOPTED this 9th day of May 2006.



R. CRAIG SCOTT, MAYOR

ATTEST:



MARY A. CARLSON, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Mary A. Carlson, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2006-05-09-1 adopted by the City Council of the City of Laguna Hills, California, at
a Regular Meeting thereof held on the 9th day of May 2006, by the following vote:

AYES: Council Members Bressette, Lautens chleger, Songstad,
Mayor Pro Tempore Carruth, and Mayor Scott

NOES: None

ABSENT: None

ABSTAIN: None

(SEAL)



MARY A. CARLSON, CITY CLERK

050906 MEASURE M RESOLUTION

RESOLUTION NO. 2006-841

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF LAGUNA NIGUEL, CALIFORNIA,
APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, if approved by two-thirds of the voters, a renewed Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, A renewed Measure M will give the city the flexibility to allocate more than an estimated \$45.7 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, A renewed Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

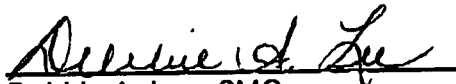
WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Laguna Niguel, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED APPROVED AND ADOPTED this 16th day of May, 2006.


Cathryn DeYoung, Mayor

ATTEST:


Debbie A. Lee, CMC
City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF ORANGE)SS
CITY OF LAGUNA NIGUEL)

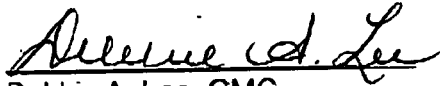
I, Debbie A. Lee, City Clerk of the City of Laguna Niguel, California, do hereby certify that the foregoing is Resolution 2006-841 which was adopted at a regular meeting of the City Council of the City of Laguna Niguel, California, held May 16, 2006 by the following vote:

AYES: Councilmembers Brown, Giaab, Whipple, Mayor Pro Tem
 Capata and Mayor DeYoung

NOES: None

ABSTENTIONS: None

ABSENT: None



Debbie A, Lee, CMC
City Clerk

RESOLUTION NO. 06-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING THE MEASURE M TRANSPORTATION INVESTMENT PLAN AND SUPPORTING REAUTHORIZATION

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and cleaning up road runoff to protect beaches, and

WHEREAS, Councilmember Brenda Ross, as the City of Laguna Woods representative on the Super Committee, provided input into the plan to assure the city's transportation needs were reflected in the plan; and

WHEREAS, the proposed plan includes an estimated \$9 million in Measure M "fair share" funds for the City of Laguna Woods over thirty years that could be used to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets; major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of Laguna Woods hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

SECTION 2. The City Council of the City of Laguna Woods hereby expresses its support for the reauthorization of the Measure M half cent sales tax and urges residents to become informed about the benefits of this program on county and city roadways.

PASSED, APPROVED AND ADOPTED on this 17th day of May 2006.



ROBERT BOUER, Mayor

ATTEST:



SUSAN M. CONDON, City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, SUSAN M. CONDON, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 06-09** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the 17th day of May 2006, by the following vote:

AYES:	COUNCIL MEMBERS:	Hack, Ring, Ross, Robbins, Bouer
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None


SUSAN M. CONDON, City Clerk

RESOLUTION NO. 5166

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF LA HABRA, ORANGE COUNTY, CALIFORNIA
APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M, over its 20-year period, is expected to generate more than \$4.2 billion in transportation improvements for Orange County; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, the League of California Cities, Orange County Division created a Super Committee of elected officials and city staff representatives from each city that worked to develop a Transportation Investment Plan detailing the expenditures of a renewed Measure M plan and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the City of La Habra's participation on the Super Committee provided for the development of a plan that will give the City the flexibility to allocate more than an estimated \$34.8 million in Measure M "fair share" funds over 30 years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, a renewed Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects in Orange County and remaining in Orange County for countywide transportation improvements which could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways; expand transit services; and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of the Plan every 10 years, an annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the City Councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of La Habra does hereby approve the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED, APPROVED AND ADOPTED this 5th day of June 2006.


G. Steve Simonian, Mayor

ATTEST:



Tamara D. Mason, City Clerk

STATE OF CALIFORNIA)
CITY OF LA HABRA) ss
COUNTY OF ORANGE)

I, Tamara D. Mason, City Clerk for the City of La Habra, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 5166 introduced and adopted at a Regular Meeting of the City Council of the City of La Habra held on the 5th day of June, 2006, by the following roll call vote:

AYES: COUNCILMEMBERS: GOMEZ, ESPINOZA, ANDERSON, BEAMISH, SIMONIAN
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: NONE
ABSTAIN: COUNCILMEMBERS: NONE

Witness my hand and the official seal of the City of La Habra this 6th day of June , 2006.


Tamara D. Mason, City Clerk

RESOLUTION NO. 2006-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKE FOREST, CALIFORNIA, APPROVING THE RENEWED
MEASURE M TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990, authorizing the Orange County Transportation Authority (OCTA) to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a Transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent, and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; cleaning up road runoff to protect beaches; and

WHEREAS, the efforts of Council Member Peter Herzog, who represented the City of Lake Forest on the Super Committee and served as Chairman of the Committee, as well as Mayor Richard T. Dixon, who served on an OCTA Executive Steering Committee, were instrumental in providing input to assure the City's transportation needs were reflected in the plan; and

Resolution No. 2006-07**May 2, 2006****Page 2**

WHEREAS, the leadership of Lake Forest's Super Committee representatives, combined with the efforts of their Council colleagues will give the City the flexibility to allocate more than an estimated \$51.4 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of the plan every 10 years, and an annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE FOREST, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

SECTION 2. The City Council hereby endorses the extension of the Measure M half-cent transportation sales tax, and supports passage of the Renewed Measure M on the November 2006 ballot, or as soon as practical thereafter.

Resolution No. 2006-07

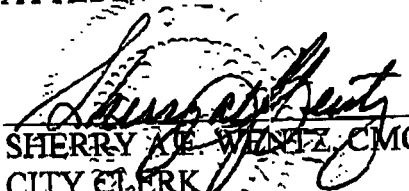
May 2, 2006

Page 3


PASSED, APPROVED, AND ADOPTED by the City Council of the City of Lake Forest at its regular meeting held on the 2nd of May, 2006.


RICHARD T. DIXON, MAYOR

ATTEST:


SHERRY A.F. WENTZ, CMC
CITY CLERK

APPROVED AS TO FORM:



SCOTT C. SMITH
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF LAKE FOREST)

I, Sherry A.F. Wentz, City Clerk of the City of Lake Forest, California, do hereby certify that the foregoing Resolution No. 2006 07 was adopted by the City Council at a regularly scheduled meeting duly held on the 2nd day of May, 2006, by the following vote:

AYES: COUNCIL MEMBERS: HERZOG, MCCULLOUGH,
RUDOLPH, TETTEMER, DIXON
NOES: COUNCIL MEMBERS: NONE
ABSENT: COUNCIL MEMBERS: NONE
ABSTAIN: COUNCIL MEMBERS: NONE

DATED: May 2, 2006


SHERRY A.F. WENTZ, CMC
CITY CLERK

RECEIVED
EXECUTIVE OFFICE

MAY 11 2006

Monte
Ellen
Dave
Kelly

RESOLUTION NO. 2006-19

certified
a true copy on
FILED THIS DATE IN THE
OFFICE OF THE CITY CLERK
OF THE CITY OF LA PALMA

May 8, 2006
Date

James O'Malley
City Clerk

Deputy City Clerk

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PALMA APPROVING THE EXPENDITURE PLAN FOR THE REVENUES EXPECTED TO BE DERIVED FROM THE PROPOSED EXTENSION OF MEASURE M

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transactions and use tax for transportation improvements, applicable in the incorporated and unincorporated territory of the County of Orange, and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, fare stabilization, traffic signals, and more; and

WHEREAS, the imposition of the one-half of one percent transactions and use tax is set to expire in 2011, and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to coordinate city input to the Investment Plan and unanimously recommended that the Investment Plan be placed before the voters of Orange County on the November 7, 2006, ballot or as soon as is practical thereafter, and

WHEREAS, if approved by the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11 billion for local transportation projects, and

WHEREAS, revenues raised from the continuation of Measure M would remain in Orange County and could not be borrowed by the state or federal government, and

WHEREAS, Measure M would provide a long-term funding source to help fight traffic congestion; improve local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements, and

WHEREAS, the Transportation Plan would have significant local benefits to the City of La Palma as it would allow for the continued maintenance and improvement of residential streets, rehabilitation of arterial streets such as Orangethorpe Avenue, La Palma Avenue and Moody Street, the coordination of signals along all City streets and with surrounding communities;

WHEREAS, the Transportation Investment Plan requires voter safeguards such as annual independent audits, a public review of the Plan every 10 years, an annual report to taxpayers and penalties for misspending funds, and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and a majority of the cities representing a majority of the population residing in the incorporated areas of the County;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of La Palma, hereby approves the Measure M Transportation Investment Plan for consideration by the voters of Orange County in November 2006.

APPROVED AND ADOPTED by the City Council of the City of La Palma at a regular meeting held on the 2nd day of May 2006.


Mayor

ATTEST:

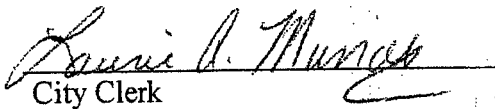

City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF LA PALMA)

I, LAURIE A. MURRAY, City Clerk of the City of La Palma, California, DO HEREBY CERTIFY that the forgoing resolution was adopted by the City Council of said City at a regular meeting of said City Council held on the 2nd day of May 2006, and that it was so adopted by called vote as follows:

AYES: Barnes, Blake, Herman, Rodriguez, Waldman

NOES: None


City Clerk

RESOLUTION NO. 2041

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LOS ALAMITOS, STATE OF CALIFORNIA,
APPROVING THE EXPENDITURE PLAN FOR THE
REVENUES EXPECTED TO BE DERIVED FROM
THE PROPOSED EXTENSION OF MEASURE M**

WHEREAS, the citizens of Orange County approved passage of Measure M in November, 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent Transactions and Use Tax for transportation improvements, applicable in the incorporated and unincorporated territory of the County of Orange, and,

WHEREAS, Measure M has provided funding for numerous transportation projects including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, fare stabilization, traffic signals, and more; and,

WHEREAS, the imposition of the one-half of one percent Transactions and Use Tax is set to expire in 2011, and,

WHEREAS, the League of California Cities, Orange County Division, created a Super Committee of elected officials and staff representatives from each city that worked to coordinate city input to the Investment Plan and unanimously recommended that the Investment Plan be placed before the voters of Orange County on the November 7, 2006, ballot or as soon as is practical thereafter, and,

WHEREAS, if approved by the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11 billion for local transportation projects, and,

WHEREAS, revenues raised from the continuation of Measure M would remain in Orange County and could not be borrowed by the State or Federal government; and,

WHEREAS, the Transportation Investment Plan requires voter safeguards such as annual independent audits, public review of the Plan every 10 years, annual report to taxpayers and penalties for misspending funds

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS
DOES RESOLVE AS FOLLOWS:**

SECTION 1. The City Council of the City of Los Alamitos, California, finds that the above recitals are true and correct.

SECTION 2. Measure M will provide a long-term funding source to help fight traffic congestion, improve local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements.

SECTION 3. The Public Utilities Code, Section 180206(b), requires that the Measure M Investment Plan be approved by the County Board of Supervisors and a majority of the cities representing a majority of the population residing in the incorporated areas of the County.

SECTION 4. The City Council hereby approves the Measure M Transportation Investment Plan for consideration by the voters of Orange County in November 2006.

SECTION 5. The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of June, 2006.

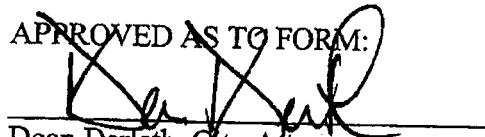


FREDRICK M. FREEMAN, Mayor

ATTEST:


Susan C. Vanderpool, City Clerk

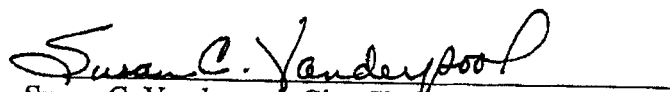
APPROVED AS TO FORM:


Dean Derleth, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LOS ALAMITOS)

I, Susan C. Vanderpool, City Clerk of the City of Los Alamitos, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 5th day of June, 2006, by the following vote, to wit:

AYES: COUNCILMEMBERS: Poe, Parker, Jempsa, Driscoll & Freeman
NOES: COUNCILMEMBERS: None
ABSENT: COUNCILMEMBERS: None
ABSTAIN: COUNCILMEMBERS: None


Susan C. Vanderpool, City Clerk

RESOLUTION 06-33

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MISSION VIEJO APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN FOR THE PURPOSE OF PLACING IT ON THE NOVEMBER 2006 COUNTYWIDE BALLOT

WHEREAS, in November 1990, Orange County voters approved a one-half of one percent sales tax increase, known as Measure M, for a 20-year period, authorizing the Orange County Transportation Authority (OCTA) to administer said funds for Orange County transportation projects and programs; and

WHEREAS, the City of Mission Viejo has received more than \$27 million, to date, in Measure M grant and turnback funds since the program's inception, which the City of Mission Viejo has used to pave streets, install traffic signals, widen intersections, and use as matching funds to build and widen roads; and

WHEREAS, the City of Mission Viejo is estimated to receive a cumulative total of \$35 million in grant and turnback funds from the current Measure M program when the funding from Measure M sunsets in 2011; and

WHEREAS, countywide, Measure M is estimated to generate \$4.2 billion in transportation improvements for Orange County; and

WHEREAS, the sales tax increase authorized under Measure M is set to expire in April 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, the Renewed Measure M Transportation Investment Plan was developed in cooperation with the League of California Cities, Orange County Division, which included a Super Committee of elected officials and staff representatives from each Orange County city, as well as an OCTA Transportation 2020 Committee; and

WHEREAS, if approved by two-thirds vote of Orange County voters, the extension of the Measure M sales tax increase would authorize the continued collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041 and is estimated to generate \$11.8 billion for Orange County transportation projects and programs; and

WHEREAS, the revenues received from a Renewed Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the State or Federal governments; and

WHEREAS, Renewed Measure M would provide a long-term funding source for local jurisdictions to address funding needs for local, areawide, and regional traffic congestion, pavement resurfacing and repair, traffic signalization and synchronization, community-based transit circulators, transportation services for the elderly and the disabled populations, and water quality mitigation improvements for urban runoff; and

WHEREAS, in order to place the proposal of extending the one-half of one percent sales tax for an additional 30 years on the Orange County ballot, the Renewed Measure M Transportation Investment Plan must obtain approval of the Orange County Board of Supervisors and city councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of Orange County pursuant to provisions of the Public Utilities Code, Section 180206(b);

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MISSION VIEJO DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of Mission Viejo approves the Renewed Measure M Transportation Investment Plan for the purposes of placing Renewed Measure M before the voters of Orange County.

SECTION 2. The City Clerk shall certify the adoption of this resolution.

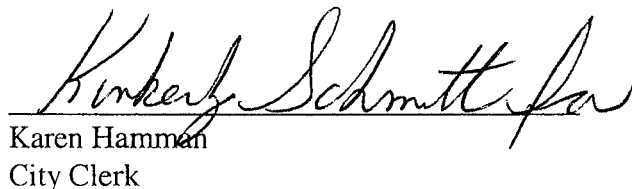
PASSED, APPROVED AND ADOPTED this 15th day of May, 2006.



Lance MacLean
Mayor

I, KAREN HAMMAN, City Clerk of the City of Mission Viejo, hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Mission Viejo at a regular meeting thereof, held on the 15th day of May, 2006, by the following vote of the Council:

AYES: Kelley, MacLean, Reavis, and Ury
NOES: Ledesma
ABSENT: None

ATTEST:


Karen Hamman
City Clerk

I hereby certify, under penalty of perjury, that the above and foregoing is a true and correct copy of:
Resolution 06-33
as adopted by the City Council of the City of Mission Viejo, California, on the 15th day of May, 2006.
CITY CLERK
By: 

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, STATE OF CALIFORNIA, APPROVING THE EXPENDITURE PLAN FOR THE REVENUES EXPECTED TO BE DERIVED FROM THE PROPOSED EXTENSION OF MEASURE M

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transactions and use tax for transportation improvements, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, fare stabilization, traffic signals, and more; and

WHEREAS, the imposition of the one-half of one percent transactions and use tax is set to expire in 2011, and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to coordinate city input to the Investment Plan and unanimously recommended that the Investment Plan be placed before the voters of Orange County on November 7, 2006, ballot or as soon as is practical thereafter, and

WHEREAS, if approved by the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11 billion for local transportation projects, and

WHEREAS, revenues raised from the continuation of Measure M would remain in Orange County and could not be borrowed by the state or federal government, and

CERTIFIED AS A TRUE AND CORRECT COPY


CITY CLERK OF THE CITY OF NEWPORT BEACH

DATE: 5/10/06

WHEREAS, Measure M would provide a long-term funding source to help fight traffic congestion; improve local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements, and

WHEREAS, the Transportation Investment Plan would have significant local benefits to the City of Newport Beach as it would allow for the widening of streets, the expansion of intersections, the coordination of signals, and the development of a community bus service for seniors and city community groups, and

WHEREAS, the Transportation Investment Plan requires voter safeguards such as annual independent audits, public review of the Plan every 10 years, annual report to taxpayers and penalties for misspending funds, and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and a majority of the cities representing a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, be it resolved by the City Council of the City of Newport Beach, State of California, hereby approves the Measure M transportation Investment Plan for consideration by the voters of Orange County in November 2006.

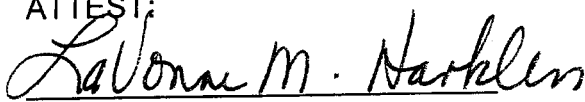
BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to transmit to the Orange County Transportation Authority a certified copy of this Resolution.

Adopted this 9 day of May, 2006.



Mayor

ATTEST:



City Clerk

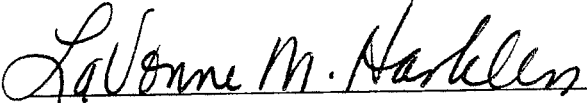


STATE OF CALIFORNIA }
COUNTY OF ORANGE }
CITY OF NEWPORT BEACH } ss.

I, LaVonne M. Harkless, City Clerk of the City of Newport Beach, California, do hereby certify that the whole number of members of the City Council is seven; that the foregoing resolution, being Resolution No. 2006-34 was duly and regularly introduced before and adopted by the City Council of said City at a regular meeting of said Council, duly and regularly held on the 9th day of May 2006, and that the same was so passed and adopted by the following vote, to wit:

Ayes: Curry, Selich, Rosansky, Ridgeway, Daigle, Mayor Webb
Noes: Nichols
Absent: None
Abstain: None

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 10th day of May 2006.


City Clerk
Newport Beach, California

(Seal)



RESOLUTION NO. 10083

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF ORANGE APPROVING THE RENEWED
MEASURE M TRANSPORTATION INVESTMENT
PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan. Council Member Jon Dumitru represented the City of Orange on the Super Committee and provided input into the plan to assure that the transportation needs of our City are reflected in the plan; and

WHEREAS, The resulting Transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and


WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; the Transportation Investment Plan also contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the City Councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County; and

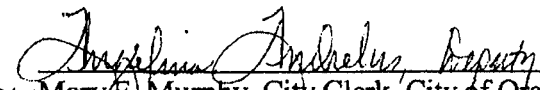
NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Orange, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

ADOPTED this 23rd day of May 2006.



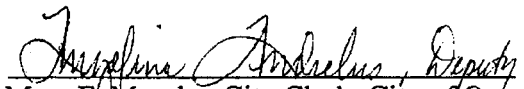
Mark A. Murphy, Mayor, City of Orange

ATTEST:


for Mary E. Murphy, City Clerk, City of Orange

I, MARY E. MURPHY, City Clerk of the City of Orange, California, do hereby certify that the foregoing resolution was duly and regularly adopted by the City Council of the City of Orange at a regular meeting thereof held on the 23rd day of May, 2006, by the following vote:

AYES:	COUNCILMEMBERS: Smith, Ambriz, Murphy, Cavecche, Dumitru
NOES:	COUNCILMEMBERS: None
ABSENT:	COUNCILMEMBERS: None
ABSTAIN:	COUNCILMEMBERS: None


for Mary E. Murphy, City Clerk, City of Orange

RESOLUTION NO. R-2006-35

RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF PLACENTIA APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the City's involvement to date will give the City the flexibility to allocate more than an estimated \$31.4 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

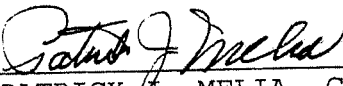
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Placentia, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

APPROVED and ADOPTED this 16th day of May, 2006.



SCOTT P. BRADY, MAYOR
CITY OF PLACENTIA

ATTEST:



PATRICK J. MELIA, CITY CLERK

RESOLUTION NO. R-2006-35

PAGE 2 OF 3

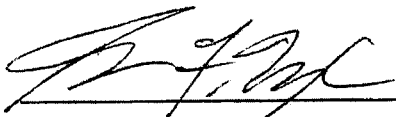
STATE OF CALIFORNIA
COUNTY OF ORANGE

I, PATRICK J. MELIA, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 16th day of May, 2006, by the following vote:

AYES: COUNCILMEMBERS: LOWE, RICE, UNDERHILL, BRADY
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: ECKENRODE
ABSTAIN: COUNCILMEMBERS: NONE


Patrick J. Melia, City Clerk

APPROVED AS TO FORM:


THOMAS F NIXON, CITY ATTORNEY

RESOLUTION NO. 06-06-28-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
RANCHO SANTA MARGARITA, CALIFORNIA,
APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN FOR
PURPOSES OF PLACING MEASURE M BEFORE THE
VOTERS OF ORANGE COUNTY

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990, authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a Transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches; and

WHEREAS, representatives of the City of Rancho Santa Margarita participated on the Super Committee and provided input into the plan to assure the City's transportation needs were reflected in the plan; and

WHEREAS, this City Council will be given the flexibility to allocate more than an estimated \$28.7 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of the Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

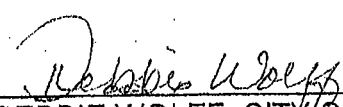
NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Rancho Santa Margarita, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED, APPROVED AND ADOPTED this 28th day of June 2006.



JAMES M. THOR, MAYOR

ATTEST:



DEBBIE WOLFF, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF RANCHO SANTA MARGARITA)

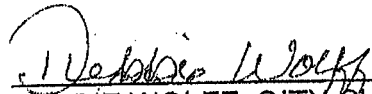
I, Debbie Wolff, City Clerk of the City of Rancho Santa Margarita, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 06-06-28-05 adopted by the City Council of the City of Rancho Santa Margarita, California, at a regular meeting thereof, held on the 28th day of June 2006, by the following vote:

AYES: Council Members Blais, Holloway and Thompson, and Mayor Pro Tempore Beall and Mayor Thor

NOES: None

ABSENT: None

ABSTAIN: None


DEBBIE WOLFF, CITY CLERK

RESOLUTION NO. 06-24

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE,
STATE OF CALIFORNIA, APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Council Member Joe Anderson who represented the City of San Clemente on the Super Committee and Council Member Susan Ritschel who serves on the OCTA Board of Directors, provided input into the plan to assure the City's transportation needs were reflected in the plan; and

WHEREAS, the leadership of San Clemente's Super Committee representative, combined with the efforts of his/her City Council colleagues, will give the City of San Clemente the flexibility to allocate more than an estimated \$35 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

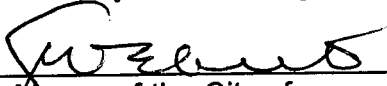
WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion, improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of the Plan every 10 years, an annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.


NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Clemente, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED AND ADOPTED this 2nd day of May, 2006, by the following vote:



Mayor of the City of
San Clemente, California

ATTEST:



CITY CLERK of the City of
San Clemente, California

STATE OF CALIFORNIA)
 COUNTY OF ORANGE) §
 CITY OF SAN CLEMENTE)

I, MYRNA ERWAY, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. 06-24 was adopted at a regular meeting of the City Council of the City of San Clemente held on the 2nd day of May, 2006, by the following vote:

AYES: ANDERSON, DAHL, KNOBLOCK, RITSCHER, MAYOR EGGLESTON

NOES: NONE

ABSENT: NONE

Myrna Erway
 CITY CLERK of the City of
 San Clemente, California

Approved as to form:

/s/ Jeff Oderman
 City Attorney

I, MYRNA ERWAY, CITY CLERK OF THE CITY OF SAN CLEMENTE, STATE OF CALIFORNIA, HEREBY CERTIFY UNDER PENALTY OF PERJURY THE FOREGOING INSTRUMENT TO BE A FULL, TRUE AND CORRECT COPY OF THE ORIGINAL NOW ON FILE IN MY OFFICE.

DATE: *5/10/06*
Myrna Erway
 MYRNA ERWAY
 CITY CLERK
 RV. _____

RESOLUTION NO. 06-05-16-07

A RESOLUTION OF THE CITY OF SAN JUAN CAPISTRANO, STATE OF CALIFORNIA, APPROVING THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN

On Tuesday, May 16th, 2006, by unanimous vote, the Council of the City of San Juan Capistrano finds as follows:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Mayor Pro Tem Sam Allevato who represented the city of San Juan Capistrano on the Super Committee provided input into the plan to assure the city's transportation needs were reflected in the plan; and

WHEREAS, the leadership of San Juan Capistrano Super Committee representative combined with the efforts of his council colleagues will give the city the flexibility to

allocate more than an estimated \$26.9 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water-quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED

SECTION 1 The Council of the City of San Juan Capistrano, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

SECTION 2 The Council of the City of San Juan Capistrano, State of California, hereby endorses the extension of the measure M half-cent transportation sales tax and supports passage of the Renewed Measure M on the November 2006 ballot, or as soon as practical thereafter

PASSED, APPROVED AND ADOPTED this 16th day of May, 2006, by the following vote, to wit:



DAVID M. SWERDLIN, MAYOR

ATTEST:

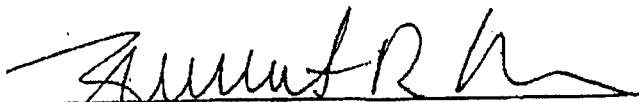


MARGARET R. MONAHAN, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF SAN JUAN CAPISTRANO)

I, MARGARET R. MONAHAN, appointed City Clerk of the City of San Juan Capistrano, do hereby certify that the foregoing **Resolution No. 06-05-16-07** was duly adopted by the City Council of the City of San Juan Capistrano at a Regular meeting thereof, held the 16th day of May 2006, by the following vote:

AYES: COUNCIL MEMBERS: Hart, Bathgate, Soto, Allevato, and Mayor Swerdlin
NOES: COUNCIL MEMBER: None
ABSENT: COUNCIL MEMBER: None


MARGARET R. MONAHAN, City Clerk

RESOLUTION NO. 2006-026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SANTA ANA APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA ANA AS
FOLLOWS:

Section 1. The City Council of the City of Santa Ana hereby finds, determines
and declares as follows:

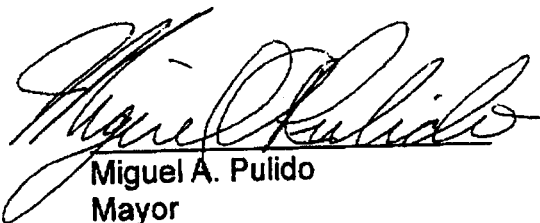
- A. The citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent ($\frac{1}{2}$ %) transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange.
- B. Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more.
- C. Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period.
- D. Measure M is set to expire in 2011 unless renewed by a vote of two-thirds ($\frac{2}{3}$) of Orange County voters.
- E. The League of California Cities, Orange County Division, created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County.
- F. The resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches.

- G. The efforts of Mayor Pro Tem Lisa Bist, who represented the City of Santa Ana on the Super Committee and as chair of the Investment Plan Subcommittee, provided input into the plan to assure the City's transportation needs were reflected.
- H. The leadership of Santa Ana's Super Committee representative combined with the efforts of her council colleagues will give the city the flexibility to allocate more than and estimated \$193.6 million in Measure M "fair share" funds over the next thirty years to improve city streets and roads.
- I. If approved by two-thirds ($\frac{2}{3}$) of the voters, Measure M would authorize the collection of a one-half of one percent ($\frac{1}{2}$ %) sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects.
- J. Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government.
- K. Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements.
- L. The Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds.
- M. California Public Utilities Code section 180206(b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.


Section 2. The City Council of the City of Santa Ana hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

Section 3. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution.

ADOPTED this 15th day of May, 2006.


Miguel A. Pulido
Mayor

APPROVED AS TO FORM:
Joseph W. Fletcher, City Attorney

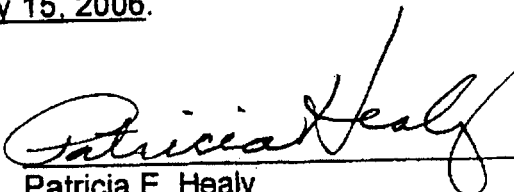
By: 
Benjamin Kaufman
Chief Assistant City Attorney

AYES	Councilmembers	<u>Alvarez, Bist, Bustamante, Garcia, Pulido,</u> <u>Solorio (6)</u>
NOES:	Councilmembers	<u>None (0)</u>
ABSTAIN:	Councilmembers	<u>None (0)</u>
NOT PRESENT:	Councilmembers	<u>Christy (1)</u>

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, PATRICIA E. HEALY, Clerk of the Council, do hereby attest to and certify the attached Resolution No. 2006-026 to be the original resolution adopted by the City Council of the City of Santa Ana on May 15, 2006.

Date: 5/22/06


Patricia E. Healy
Clerk of the Council

RESOLUTION NUMBER 5467

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SEAL BEACH APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN**

On May, 22, 2006, the Council of the City of Seal Beach finds as follows:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the efforts of Council Member Mike Levitt who represented the city of Seal Beach on the Super Committee provided input into the plan to assure the city's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Seal Beach's Super Committee representative combined with the efforts of his council colleagues will give the city the flexibility to allocate more than an estimated \$15.8 million in Measure M "fair share" funds over 30 years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEAL BEACH DOES HEREBY APPROVE THE RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN FOR PURPOSES OF PLACING MEASURE M BEFORE THE VOTERS OF ORANGE COUNTY.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Seal Beach at a meeting thereof held on the 22nd day of May 2006, by the following vote:

AYES: Council Members Antos, Larson, Sprick, Shanko, Yfsten

NOES: Council Members None

ABSENT: Council Members None

ABSTAIN: Council Members None

Jane Larson
Mayor

ATTEST:

Linda Devine
City Clerk



STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF SEAL BEACH)

I, Linda Devine, City Clerk of the City of Seal Beach, California, do hereby certify that the foregoing resolution is the original copy of Resolution Number 5467 on file in the office of the city Clerk passed, approved and adopted by the City Council of the City of Seal Beach at a regular meeting thereof held on the 22nd day of May 2006.

Linda Devine
City Clerk

RESOLUTION NO. 2006-11

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON APPROVING THE EXPENDITURE PLAN FOR THE REVENUES EXPECTED TO BE DERIVED FROM THE PROPOSED EXTENSION OF MEASURE M

THE CITY COUNCIL OF THE CITY OF STANTON HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS THAT:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches, and

WHEREAS, the leadership of Stanton's Super Committee representative will give the city the flexibility to allocate more than an estimated \$19.8 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Stanton, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

ADOPTED, SIGNED AND APPROVED this 23rd day of May, 2006.



BRIAN DONAHUE, MAYOR

APPROVED AS TO FORM:



RALPH D. HANSON, CITY ATTORNEY

ATTEST:

I, Brenda Green, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2006-11 has been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of the Stanton City Council, held on May 23, 2006, and that the same was adopted, signed and approved by the following vote to wit:

AYES: Donahue, Ethans, Royce, Shawver

NOES: None

ABSENT: Cadena

ABSTAIN: None

Brenda Green
BRENDA GREEN, CITY CLERK

RESOLUTION NO. 06-69

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TUSTIN, CALIFORNIA, APPROVING THE RENEWED
MEASURE M TRANSPORTATION INVESTMENT PLAN

The Tustin City Council finds as follows:

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (1-5), San Diego (1-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches; and

WHEREAS, the Renewal of Measure M will give the city the flexibility to allocated more than an estimated \$54.1 million in "fair share" funds over thirty years to improve local street and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remaining Orange County for countywide transportation improvements and could not be diverted by the state of federal government; and

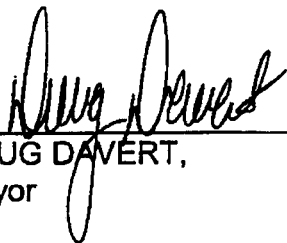
WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 108206 (b) requires that Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Tustin, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tustin held on the 5th day of June 2006.



DOUG DAVERT,
Mayor

ATTEST:



PAMELA STOKER
City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF TUSTIN)

I, Pamela Stoker, City Clerk and ex-officio Clerk of the City Council of the City of Tustin, California, do hereby certify that the whole number of the members of the City Council of the City of Tustin is five; that the above and foregoing Resolution No. 06-69 was duly passed and adopted at a regular meeting of the Tustin City Council, held on the 5th day of June, 2006 by the following vote:

COUNCILMEMBER AYES:	<u>DAVERT, HAGEN, AMANTE, BONE</u>	<u>(4)</u>
COUNCILMEMBER NOES:	<u>NONE</u>	<u>(0)</u>
COUNCILMEMBER ABSTAINED:	<u>KAWASHIMA</u>	<u>(1)</u>
COUNCILMEMBER ABSENT:	<u>NONE</u>	<u>(0)</u>


PAMELA STOKER,
City Clerk

RESOLUTION NO. 2006-2875

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VILLA PARK,
CALIFORNIA APPROVING THE RENEWED MEASURE M
TRANSPORTATION INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, The League of California Cities, Orange County Division, created a Super Committee of elected official and staff representatives from each city that worked to develop a transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting transportation Investment Plan will relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and, cleaning up road runoff to protect beaches; and

WHEREAS, the efforts of Mayor Patricia Bortle, who represented the City of Villa Park on the Super Committee, provided input into the plan to assure the city's transportation needs were reflected in the plan; and

WHEREAS, the leadership of Mayor, combined with the efforts of her council colleagues, will give the city the flexibility to allocate more than an estimated \$3.5 million in Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the continued collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Measure M revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

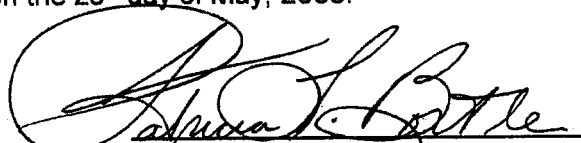
WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion; improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and


WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, an annual report to taxpayers and penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206 (b) requires that the Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Villa Park, State of California, hereby approves the Renewed Measure M Transportation Investment Plan for purposes of placing Measure M before the voters of Orange County.

PASSED AND ADOPTED by the City Council of the City of Villa Park at a regular meeting of the City Council held on the 23rd day of May, 2006.



Patricia L. Bortle, Mayor
City of Villa Park

ATTEST:

Kenneth A. Domer, City Clerk
City of Villa Park

STATE OF CALIFORNIA)
) SS
COUNTY OF ORANGE)

I, **KENNETH A. DOMER**, City Clerk of the City of Villa Park **DO HEREBY CERTIFY** that the foregoing Resolution was duly adopted by the City Council of the City of Villa Park on the 23rd day of May, 2006, and was carried by the following roll call vote:

AYES: **COUNCILMEMBERS:** Bell, Fauteux, Freschi, Ulmer, Bortle
NOES: **COUNCILMEMBERS:** None
ABSENT: **COUNCILMEMBERS:** None
ABSTAIN: **COUNCILMEMBERS:** None


Kenneth A. Domer, City Clerk
City of Villa Park

RESOLUTION NO. 4009

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WESTMINSTER, STATE OF CALIFORNIA, APPROVING THE PLACEMENT ON THE NOVEMBER 2006 BALLOT OF THE "RENEWED MEASURE M TRANSPORTATION INVESTMENT PLAN" FOR THE PURPOSE OF ALLOWING THE VOTERS OF ORANGE COUNTY TO DECIDE WHETHER TO APPROVE OR REJECT THE PROPOSAL

WHEREAS, in November 1990 the citizens of Orange County approved passage of Measure M, authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, the current Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization, and more; and

WHEREAS, the current Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, the current Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, the League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city, which worked to develop a Transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the voters of Orange County be given the opportunity to approve or reject the Investment Plan; and

WHEREAS, the resulting Transportation Investment Plan is designed to relieve traffic congestion, improve safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and the Riverside (SR-91) freeways; to maintain and improve streets; to expand Metrolink rail with connections to local communities; to provide transit for seniors and disabled persons; to synchronize traffic signals countywide; and, to clean up road runoff to protect beaches; and

WHEREAS, Council Member Kermit Marsh represented the City of Westminster on the Super Committee, providing input into the plan to assure the City's transportation needs were reflected in the plan, including the widening of freeway overpasses over the I-405; and also including a restriction that the widening of the I-405 be within the existing right of way, in order to prevent unnecessary takings of private property; and

WHEREAS, the leadership of Westminster's Super Committee representative combined with the efforts of his Council colleagues will give the city the flexibility to allocate more than an estimated \$59 million in Renewed Measure M "fair share" funds over thirty years to improve local streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Renewed Measure M would authorize the County to continue to collect the current one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, Renewed Measure M revenues raised from the continuation of the current Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Renewed Measure M would provide a stable, long-term funding source to alleviate traffic congestion, improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of Plan every 10 years, annual reports to taxpayers and severe penalties for misspending funds; and

WHEREAS, Public Utilities Code section 180206(b) requires that the Renewed Measure M Investment Plan be approved by the County Board of Supervisors and by the city councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Westminster, State of California, hereby approves the placement, on the November 2006 ballot, of the "Renewed Measure M Transportation Investment Plan" for the purpose of allowing the voters of Orange County to approve or reject the proposal. The City hereby provides approval to the full extent provided in Public Utilities Code section 180206(b) that is required to place the plan before the voters.

PASSED, APPROVED AND ADOPTED this 31st day of May 2006 by the following vote:

AYES: COUNCILMEMBERS: RICE, FRY, MARSH, QUACH
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: NONE


MARGIE L. RICE, MAYOR

ATTEST:

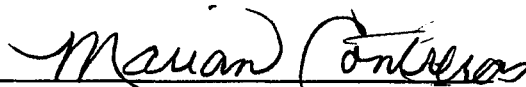

MARIAN CONTRERAS, CITY CLERK

APPROVED AS TO FORM:


RICHARD JONES, CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF WESTMINSTER)

I, MARIAN CONTRERAS, hereby certify that I am the duly appointed City Clerk of the City of Westminster and that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Westminster held on the 31st day of May 2006.


Marian Contreras, City Clerk

RESOLUTION NO. 2006-3806

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YORBA LINDA
APPROVING THE RENEWED MEASURE M TRANSPORTATION
INVESTMENT PLAN**

WHEREAS, the citizens of Orange County approved passage of Measure M in November 1990 authorizing the Orange County Transportation Authority to administer a one-half of one percent transportation sales tax to support a specific transportation improvement plan, applicable in the incorporated and unincorporated territory of the County of Orange; and

WHEREAS, Measure M has provided funding for numerous transportation projects, including freeways, local roads, major streets, interchanges, the Metrolink commuter train system, senior bus fare stabilization, signal synchronization and more; and

WHEREAS, Measure M is expected to generate more than \$4.2 billion in transportation improvements for Orange County over a twenty year period; and

WHEREAS, Measure M is set to expire in 2011 unless renewed by a vote of two-thirds of Orange County voters; and

WHEREAS, the League of California Cities, Orange County Division created a Super Committee of elected officials and staff representatives from each city that worked to develop a Transportation Investment Plan detailing how every dollar of a renewed Measure M plan would be spent and unanimously recommended that the Transportation Investment Plan be placed before the voters of Orange County; and

WHEREAS, the resulting Transportation Investment Plan will relieve traffic congestion, enhance safety and the quality of life by improving traffic flow on the Santa Ana (I-5), San Diego (I-405), Garden Grove (SR-22), Costa Mesa (SR-55), Orange (SR-57), and Riverside (SR-91) freeways; maintaining and improving streets; expanding Metrolink rail with connections to local communities; providing transit for seniors and disabled persons; synchronizing traffic signals countywide; and cleaning up road runoff to protect beaches; and

WHEREAS, the efforts of the Yorba Linda City Council will give the city flexibility to allocate an estimated \$38.5 million in Measure M "fair share" funds over the next thirty years to improve city streets and roads; and

WHEREAS, if approved by two-thirds of the voters, Measure M would authorize the collection of a one-half of one percent sales tax for a 30-year period from 2011 to 2041, generating an anticipated total of \$11.8 billion for local transportation projects; and

WHEREAS, revenues raised from the continuation of Measure M would remain in Orange County for countywide transportation improvements and could not be diverted by the state or federal government; and

WHEREAS, Measure M would provide a stable, long-term funding source to alleviate traffic congestion, improve travel on local streets, major roads and highways, expand transit services and provide transportation-related water quality improvements; and

WHEREAS, the Transportation Investment Plan contains strong taxpayer safeguards such as annual independent audits, public review of the Plan every 10 years, annual report to taxpayers and penalties for mispending funds; and

WHEREAS, Public Utilities Code section 180206(b) requires that the Transportation Investment Plan be approved by the County Board of Supervisors and by the City Councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the County.

RESOLUTION NO. 2006-3806
PAGE NO. 2

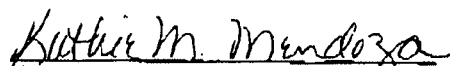
NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Yorba Linda approves the Renewed Measure M Transportation Investment Plan for the purpose of placing Measure M before the voters of Orange County.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Yorba Linda on this 6th day of June, 2006.



MICHAEL D. DUVALL, MAYOR
CITY OF YORBA LINDA

ATTEST:



KATHIE M. MENDOZA, CITY CLERK
CITY OF YORBA LINDA

APPROVED AS TO FORM:

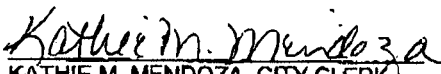


CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.

I, KATHIE M. MENDOZA, City Clerk of the City of Yorba Linda, California, DO HEREBY CERTIFY that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Yorba Linda held on the 6th day of June, 2006 and was carried by the following roll call vote, to wit:

AYES: COUNCILMEMBERS: Castellano, Wilson, Winder
NOES: COUNCILMEMBERS: None
ABSENT: COUNCILMEMBERS: Duvall, Ryan



KATHIE M. MENDOZA, CITY CLERK
CITY OF YORBA LINDA



OUT-OF-STATE TRAVEL

Board Member Only - Travel Authorization/Request For Payment

Attach copy of the Travel Worksheet, Registration Forms, and other pertinent documentation for this claim.
 Travel will not be processed until all information is received.

CONFERENCE/SEMINAR INFORMATION

Name: Art Brown Job Title: Chairman

Department: Executive Division Destination: Portland, OR

Program Name: 2006 Western Council of Governments (COG) conference

Description/Justification: To participate in the conference specifically regarding building a freight movement framework for the West Coast Corridor Coalition.

COMMENTS

Other- Airport parking and ground transportation

Conference/Seminar Date: 8/14/06	Departure Date: 8/13/06	<input type="checkbox"/> Mail <input type="checkbox"/> Hand Carry
Payment Due Date:	Return Date: 8/16/06	Course Hours:

ESTIMATED EXPENDITURES

Transportation	\$396.10
Meals	\$200.00
Lodging	\$462.00
Registration	\$300.00
Other	\$50.00
Total	\$1,408.10

APPROVALS

Please Initial:

AV
Finance*

7/13/06
Date

* Funds are available for this travel request.

Please Sign:

Clerk of the Board

Date

ACCOUNTING CODES

Org. Key: 1120	Object: 7655	Job Key: A0001	JL: CQD
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Ref #: July 2006	Board Date: July 10, 2006	T/A #: FY 06/07- 9
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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
June 26, 2006

Call to Order

The June 26, 2006, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Brown at 9:02 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

Roll Call

Directors Present: Arthur C. Brown, Chairman
Carolyn Cavecche, Vice Chair
Peter Buffa
Bill Campbell
Lou Correa
Richard Dixon
Michael Duvall
Cathy Green
Chris Norby
Curt Pringle
James W. Silva
Thomas W. Wilson
Gregory T. Winterbottom
Cindy Quon, Governor's Ex-Officio Member

Also Present: Arthur T. Leahy, Chief Executive Officer
Richard J. Bacigalupo, 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: Gary Monahan
Miguel Pulido
Susan Ritschel
Mark Rosen

Invocation

Director Duvall gave the invocation.

Pledge of Allegiance

Chairman Brown 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 Brown 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

Chairman Brown informed the Board that the Orange County Transportation Authority (OCTA) captured an unprecedented 11 awards over the week-end for superior work in communications, topping other public agencies and private businesses for the second straight year.

The Orange County Public Relations Society of America (OC/PRSA) delivered six coveted first-place Protos Awards and five Awards of Excellence to OCTA's External Affairs team for unsurpassed work in community relations, media relations and marketing.

1. Recognition for Congressman Gary Miller – Express Bus Unveiling

Chairman Brown presented a plaque to David Varnum, District Representative from Congressman Gary Miller's office, and extended OCTA's appreciation for the Congressman's success in obtaining \$1 million in federal funding for the Express Bus service.

2. Presentation of Resolutions of Appreciation for Employees of the Month for June 2006

Chairman Brown presented Orange County Transportation Authority Resolutions of Appreciation Nos. 2006-33, 2006-34, 2006-35 to Marcel Labine, Coach Operator; Conrad Baca, Maintenance; and Kelly Hart, Administration, as Employees of the Month for June 2006.

3. Presentation of Resolution of Appreciation to Orange County Sheriff's Department Employee of the Quarter

Chairman Brown presented Orange County Transportation Authority Resolution of Appreciation No. 2006-40 to Orange County Sheriff's Deputy Eric King.

4. Measure M Citizens Oversight Committee Annual Public Hearing and New Member Recruitment

Chairman Brown drew the names of individuals to serve as new members of the Measure M Citizens Oversight (COC) Committee. Those names, by District, are as follows:

District Two:	Gilbert Ishizu	(Finalist)
	Suzanne Hoehl	(Contingency Status)
	David L. Mootchnik	(Contingency Status)
District Four:	Frederick von Coelin	(Finalist)
	Michael Carre	(Contingency Status)
	Joseph P. Stopper	(Contingency Status)
District Five:	James L. Kelly	(Finalist)
	Gerard C. Pardeon	(Contingency Status)
	Ellen P. Phelen	(Contingency Status)

A resolution of appreciation was presented to outgoing COC Member, Jeff Haspell, who was present at this meeting. Resolutions of appreciation for the outgoing Members not present will be given to them at a later date.

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to;

- A. Pursuant to the Measure M Ordinance, conduct the lottery for final selection of new Measure M Citizens Oversight Committee members by drawing one name each to represent the Second, Fourth and Fifth Supervisorial Districts from the list of Grand Jurors Association of Orange County recommended finalists.
- B. Adopt Orange County Local Transportation Authority Resolutions of Appreciation Nos. 2006-36, 2006-37 and 2006-38 for Jeff Haspell, Joann Lombardo and Ernie Nishii, members of the Citizens Oversight Committee whose terms have expired.

Consent Calendar (Items 5 through 29)

Chairman Brown indicated 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 Pringle pulled Item 9; Director Correa pulled Item 18 from the Consent Calendar.

Orange County Transportation Authority Consent Calendar Matters

5. Approval of Minutes

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of June 12, 2006.

6. Approval of Resolutions of Appreciation for Employees of the Month for June 2006

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to adopt Orange County Transportation Authority Resolutions of Appreciation Nos. 2006-33, 2006-34, and 2006-35 to Marcel Labine, Coach Operator, Conrad Baca, Maintenance, and Kelly Hart, Administration, as Employees of the Month for June 2006.

7. Approval of Resolution of Appreciation to Orange County Sheriff's Department Employee of the Quarter

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to adopt Orange County Transportation Authority Resolution of Appreciation No. 2006-40 for Orange County Sheriff's Deputy Eric King.

8. State Legislative Status Report

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to adopt the following policy position on proposed legislation:

Oppose potential legislation that would ban the "push" mode in commuter rail operations

9. Federal Legislative Status Report

Director Pringle pulled this item for discussion and asked, regarding the list of projects for which the Board sought support through the Congressional delegation, why only a portion of the projects carried letters of support rather than the original longer list.

Kristine Murray, Manager, Federal Relations, responded that the six projects listed in the delegation letter to Congressman Knollenberg were those which the members chose to support in this constrained year. The full list OCTA requested was not submitted by the Congressional membership.

Director Pringle suggested that next year, it may be contemplated by the Board if it should submit a large number of projects and ask the federal delegation to prioritize what they think are the strongest projects to seek funding for, or should the Board narrow the list and in a similar fashion, seek funding for a more limited list.

Motion was made by Director Pringle, seconded by Director Campbell, and declared passed by those present, to receive and file this item for information.

10. Triennial Performance Audit

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to:

- A. Direct staff to implement the recommendations in the Triennial Performance Audit of the Orange County Transportation Authority and Orange County Transit District, for fiscal years 2000-01 through 2002 03, specifically to:
 1. Improve and update policies and procedures related to the Transportation Development Act to ensure compliance with claims for funding, record retention, identifying, and monitoring productivity improvements for transit operators, and oversight of senior mobility programs;
 2. Ensure that the Transportation Development Act annual fiscal and compliance audits and triennial performance audits are completed in a timely manner and are submitted by the required due dates; and
 3. Implement procedures to monitor and follow up on prior triennial performance audit recommendations.
- B. Direct staff to implement procedures to monitor and follow-up on the recommendations included in the Laguna Beach Municipal Transit Lines, Triennial Performance Audit, for the Fiscal Years 2000-01 through 2002-03.

11. Review of Accounts Payable - Employee Expense Reports

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to receive and file the Review of Accounts Payable - Employee Expense Reports Internal Audit Report No. 05-035.

12. Consultant Selection for Project Study Report Services for Corridor Improvements on the San Diego Freeway (Interstate 405)

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to:

- A. Select Parsons Transportation Group for the preparation of a Project Study Report/Project Development Support for the corridor improvement project on the San Diego Freeway (Interstate 405) between the San Gabriel Freeway (Interstate 605) and the San Joaquin Transportation Corridor (State Route 73).
- B. Authorize the Chief Executive Officer to negotiate and bring back the final agreement within the authorized budget of \$900,000.
- C. Form an ad hoc committee which would include Directors Correa and Norby and OCTA staff to review this procurement process and lessons for the future; as a courtesy advise the Regional Planning and Highways Committee of the meeting.

Directors Pringle and Silva abstained from voting on this item, citing a conflict due to campaign contributions.

Director Wilson was not present for this vote.

13. Comprehensive Funding Strategy and Policy Direction Update

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to:

- A. Approve the revised comprehensive local, state, and federal funding plan for \$1.6 billion from fiscal year 2005-06 through fiscal year 2010-11.
- B. Authorize staff to request State Transportation Improvement Program funding for the Jeffrey Railroad Grade Separation and the Placentia (Metrolink) transit station projects.
- C. Authorize staff to release a Request For Proposals for engineering services for the Garden Grove Freeway (State Route 22) Phase II project.

13. (Continued)

- D. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program, and execute any necessary agreements to facilitate the programming above.

Director Pringle abstained from voting on this item.

14. Riverside County - Orange County Major Investment Study Draft Action Plan

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to approve the draft action plan.

15. Agreement for Commercial Banking Services

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0172 between the Orange County Transportation Authority and Bank of the West, in an amount not to exceed \$330,000, for commercial banking services. The initial term of the contract will be three years with two one-year option periods.

16. Agreements for Medical Clinic Services

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Agreement C-6-0135 between the Orange County Transportation Authority and Golden West Medical Center, in an amount not to exceed \$181,500, to perform physical examinations, alcohol testing, drug screens, medical review officer services, and vaccinations. The initial term of the agreement will be three years with two one-year option periods.
- B. Authorize the Chief Executive Officer to execute Agreement C-6-0339 between the Orange County Transportation Authority and Pacific Medical Clinic, in an amount not to exceed \$218,500, to perform Department of Motor Vehicle DL-51 recertification's. The initial term of the agreement will be three years with two one-year option periods.

17. Sole Source Agreement for Technology and Services to Upgrade Fixed Route Radio System Computer Sub-System

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute sole source Agreement C-6-0383 between the Orange County Transportation Authority and M/A-COM, Inc., in an amount not to exceed \$112,729, for technology and services to upgrade the Mobile Intermediary System, a sub-system of the Orange County Transportation Authority's fixed route radio communication system.

Orange County Local Transportation Authority Consent Calendar Matters

18. Garden Grove Freeway (State Route 22) Design-Build Project Construction Contract Change Order Nos. 30, 31, and 32 to Agreement C-3-0663

Director Correa pulled this item for discussion and asked staff to address Change Order 31, associated with utility work.

Rick Grebner, Program Manager, State Route 22 Project, stated that utility impacts are a problem on all construction projects, and not unique to this project, nor to OCTA. He stated that a risk assessment was conducted early in the design-build process, and utilities were identified as one of the high-risk elements and budgeted accordingly, setting aside a 4 percent contingency in the budget for risk elements, one being the utilities. The impacts of utility relocations have been minimized very well; however, a delay by the Edison Company in relocating a line near Trask and Harbor did take place.

Mr. Grebner stated that utilities do not have a legal obligation to relocate. In the future, there may be some steps that can be taken to get the utilities moving along earlier rather than incur an impact, such as what took place on this project. There may also be the possibility of an answer being sought legislatively that may be explored.

Director Correa stressed the importance of a timely response to work which needs to be performed so that additional expense is not incurred.

Motion was made by Director Correa, seconded by Director Campbell, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 30 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$252,670, for clean up and dewatering in the Santa Ana River resulting from the winter rains of 2004-05.

18. (Continued)

- B. Authorize the Chief Executive Officer to execute Contract Change Order No. 31 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$300,000, for clean up and replacement of stormwater prevention items during the winter rains of 2004-05.
- C. Authorize the Chief Executive Officer to execute Contract Change Order No. 32 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$4,491,515, for costs associated with utility work impacts.

19. Revisions to Cooperative Agreement with the California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute a revision to the Cooperative Agreement with California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project reflecting a proportional cost-sharing arrangement of 55.9 percent to the Orange County Transportation Authority and 44.1 percent to the California Department of Transportation for funding cost overruns due to change orders or claims related to construction and construction management.

Orange County Transit District Consent Calendar Matters

20. Agreement for Tile and Carpet Replacement at Garden Grove and Anaheim Bases

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0125 between the Orange County Transportation Authority and SCS Flooring Systems, in an amount not to exceed \$201,316, for tile and carpet replacement at Garden Grove and Anaheim bases.

21. Agreement for E.J. Ward Fuel/Oil Management System Modifications

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0434 between the Orange County Transportation Authority and E.J. Ward, Inc., in an amount not to exceed \$125,850, for the purchase and installation of the CANceiver Data System.

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

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to amend 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 \$4,428,226, for Transit Police Services provided from July 1, 2006, through June 30, 2007.

23. Agreement for Radio Site with the County of Orange

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0396 between the Orange County Transportation Authority and the County of Orange for the first year of a 10-year agreement, in an amount not to exceed \$100,000, for radio site space lease and shared use of microwave infrastructure.

24. Authorization to Proceed with Negotiation for Santa Catalina Island as a Radio Site

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize staff to proceed with negotiations with Santa Catalina Island Conservancy for site lease space and M/A-COM, Inc. for acquisition of the radio frequency equipment, installation, and maintenance. The estimated cost of this project is not to exceed \$300,000.

25. Agreement for Radio Frequency Engineering Consulting Services

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0223 between the Orange County Transportation Authority and Yoh Services LLC, in an amount not to exceed \$75,000, for radio frequency engineering consulting services.

26. Agreement for Transmission Dynamometer Replacement

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to issue Agreement C-6-0048 between the Orange County Transportation Authority and SuperFlow Technologies Group, in an amount not to exceed \$321,658, for the purchase and installation of a new transmission dynamometer.

27. Request for Public Hearing for the Proposed Bus Service Improvements

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to:

- A. Receive and file the preliminary recommendations for the proposed bus service improvements.
- B. Set a public hearing for August 14, 2006, for the proposed bus service improvements, and direct the Clerk of the Board to publish the public hearing notice in newspapers of general circulation and notify elected officials in the County.
- C. Direct staff to initiate a comprehensive review of the existing express bus network and develop recommendations to improve customer satisfaction and service efficiency.

28. Amendment to Agreement for Trapeze Pass Scheduling Software

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$295,689, for Mobile Data Terminal mapping software, Mobile Data Terminal supervisor units, supervisor terminal licenses, implementation services and support.

29. Amendment to Agreement for Trapeze Software Support

Motion was made by Director Green, seconded by Director Silva, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-3-1218 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$20,000, for software support services.

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

30. Draft 2006 State Route 91 Implementation Plan

Kurt Brotcke, Manager, Development, gave a PowerPoint presentation and recapped the discussion held at the Regional Planning and Highways Committee meeting when this item was presented to that group.

30. (Continued)

Director Pringle suggested that westbound traffic be modeled as part of the plan and inquired if buying down of tolls has been modeled.

Mr. Brotcke stated that it has done at a modest level, and indicated staff has been working with staff from the Transportation Corridor Agencies on developing a strategy.

Director Pringle requested that a line or shading be added to the chart provided, indicating how long the vehicles are in Orange County versus Riverside County, or from the State Route 55 to the Riverside County line.

Motion was made by Director Wilson, seconded by Director Silva, and declared passed by those present, to approve the draft 2006 State Route 91 Implementation Plan, and direct staff to forward copies to members of the state legislature.

31. Proposed Overall Annual Race-Neutral Disadvantaged Business Enterprise Goal for Federal Fiscal Year 2006-07

Marlene Heyser, Executive Director, Employee & Labor Relations and Civil Rights, provided a verbal presentation for the Board.

Director Norby stated that he does not support a disadvantaged business enterprise (DBE) set-aside, and stated that they are not allowed under California after Proposition 209 passed approximately ten years ago, although the federal government still requires it. He feels, however, that this is a "step in the right direction" by taking race out of the equation and not presume that a business is advantaged or disadvantaged based on the last name or heritage of the owner.

Motion was made by Director Norby, seconded by Director Campbell, and declared passed by those present, to adopt the proposed federal fiscal year 2006-07 overall annual race-neutral Disadvantaged Business Enterprise participation goal of 13 percent for contracts assisted by Federal Transit Administration funds, in accordance with 49 CFR Part 26.

Orange County Local Transportation Authority Regular Calendar Matters

32. City-Initiated Extensions to Metrolink Service

Paul Taylor, Executive Director of Development, provided a verbal report on this matter, and reviewed the items which the cities have sought clarification on and requested consideration for the recommendations offered. Mr. Taylor reviewed a chart of the four-step process for these projects, and went over the agreement involved.

32. (Continued)

Director Campbell inquired as to exactly what “transit-oriented development” entails, and Mr. Taylor responded that it would involve development which increases the opportunity for activities that make use of the transit system.

Director Campbell expressed his concern for the taking of private property and stated that he is reluctant to tell cities to create land-use systems around train stations. He further stated that he believes the Transit Planning and Operations (TPO) Committee should review this issue, citing concern that this may create a “CenterLine type” system.

Mr. Taylor stated that the criteria absolutely does not include a city saying they will take property around a train station to obtain funding. He explained that the criteria are quite clear in the agreement and does not address anything along those lines, nor does OCTA mandate that type of activity.

Director Duvall stated that there needs to be a better criteria for what each city would get from through this agreement.

Chief Executive Officer (CEO), Arthur T. Leahy, stated emphatically that the taking of private property has never been discussed by staff and that staff is well aware of the Board’s view of that kind of practice. He directed the Board’s attention to Attachment E, which lists 12 elements of the evaluation criteria, and could find no words that could be construed to justify that type of approach. He further stated that in discussions with the cities, they view this opportunity very favorably. He commented that this is seen as a benign process to allow them to see what is going on in related cities.

Mr. Taylor stated that workshops were held with the cities, and transit-oriented development was emphasized by those cities and they were interested in interpreting enhancing access to Metrolink to include seeing what their land use zoning was in proximity to the Metrolink stations.

Director Pringle stated that while he feels positive about transit-oriented development, he does not like this program. He would like to use his city’s funds from this program to create an internal circulator between the event centers within Anaheim that takes people to the train station, as opposed to re-create a system which goes to Huntington Beach, as an example.

He stated that he feels the project concept report that cities are asked to submit and the money should focus on bringing transit connections to Metrolink.

Director Buffa stated that through the scoping meetings with the cities, it was evident that they saw these funds as “seed money” for their projects, and that much of what is recommended was created through these meetings with the cities.

32. (Continued)

A motion was made by Director Winterbottom, seconded by Director Campbell, and declared passed by those present, to send this matter back through the Transit Planning and Operations Committee for further consideration.

Director Wilson was not present for this vote.

33. Selection of Project Management Consultant for Metrolink Service Expansion

Darrell Johnson, Manager, Programming and Commuter Rail, provided a verbal report on this service expansion.

Motion was made by Vice Chair Cavecche, seconded by Director Winterbottom, and declared passed by those present, to:

- A. Select Parsons Brinckerhoff Quade & Douglas, Inc. as the top-ranked firm to provide project management consultant services for the Metrolink Service Expansion.
- B. Authorize the Chief Executive Officer to request a cost proposal from Parsons Brinckerhoff Quade & Douglas, Inc. and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement in the amount not to exceed \$5 million for a period of five years.

Director Pringle was not present for this vote.

Other Matters

34. Directors' Reports

Director Winterbottom offered "kudos" to Ted Nguyen and his staff for the Protos Awards won at this past week-end's event and the work they did to win the awards.

Chairman Brown provided a brief re-cap of his trip to New York for the rating agencies' meetings.

35. Chief Executive Officer's Report

CEO, Arthur T. Leahy, informed the Board:

- √ There will be a week-end Metrolink event with free rides to those who participate;
- √ The transition from Laidlaw to Veolia for ACCESS service begins Friday, June 30 and will continue through the week-end;

35. (Continued)

Director Campbell inquired when the complaint information will be available for ACCESS, and Mr. Leahy responded that will be provided immediately.

36. Public Comments

At this time, Chairman Brown 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.

No comments were offered.

37. Closed Session

A Closed Session was conducted pursuant to Government Code Section 54956.8 to discuss negotiations regarding the real property located at 550 South Main Street, Orange, California 92868. The real property is owned by The Colton Company and its negotiator is David Colton; the negotiator for the Orange County Transportation Authority is James S. Kenan.

The Board approved a ten-year lease of the property with an option to purchase.

Directors Pringle and Wilson were not present to vote on this item.

38. Adjournment

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSAAV Board will be held at **9:00 a.m. on July 10, 2006**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.

ATTEST

Wendy Knowles
Clerk of the Board

Arthur C. Brown
OCTA Chairman



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WK}
Subject: Internal Audit Department Reporting Structure and Management Recruitment Process

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations (Reflects a Change from Staff Recommendations)

- A. Approve the formation of an Audit Oversight Committee, determine its membership, and direct staff to:
 - 1. Research possible candidates for a public member of the Audit Oversight Committee and return with recommendations; and
 - 2. Establish a schedule for the Audit Oversight Committee to meet with the Internal Audit Department on a quarterly basis.
- B. Direct staff to continue to provide all internal audit reports to the Finance and Administration Committee for review and approval.
- C. Approve a change in reporting structure whereby the Internal Audit Department would report to the Chief Executive Officer and to the Board of Directors.
- D. Retain the title of Internal Audit Manager.



BOARD COMMITTEE TRANSMITTAL

Committee Discussion

Members stated that the Audit Oversight Committee should be comprised of the following:

To maximize the transparency of the organization as a whole, staff recommends that an Audit Oversight Committee be established that would be comprised of the following members:

- Chair, OCTA Board of Directors
- Chair, Finance and Administration Committee
- OCTA Chief Executive Officer
- OCTA Executive Director of Finance, Administration and Human Resources



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{KV} Chief Executive Officer
Subject: Internal Audit Department Reporting Structure and Management Recruitment Process

Overview

At the direction of the Orange County Transportation Authority's Finance and Administration Committee, staff is making recommendations for a revised reporting structure and management recruitment process for the Internal Audit Department.

Recommendations

- A. Approve the formation of an Audit Oversight Committee, determine its membership, and direct staff to:
 - 1. Research possible candidates for a public member of the Audit Oversight Committee and return with recommendations; and
 - 2. Establish a schedule for the Audit Oversight Committee to meet with the Internal Audit Department on a quarterly basis.
- B. Direct staff to continue to provide all internal audit reports to the Finance and Administration Committee for review and approval.
- C. Approve a change in reporting structure whereby the Internal Audit Department would report to the Chief Executive Officer and to the Board of Directors.
- D. Approve a change in title from Internal Audit Manager to Internal Audit Director and direct staff to select up to three top candidates for the position for interview and final selection by members of the Finance and Administration Committee.

Background

The Internal Audit Department is an independent appraisal function whose purpose is to examine and evaluate the Orange County Transportation Authority's (OCTA) operations and activities as a tool for management and to assist management in the discharge of their duties and responsibilities.

Currently, the Internal Audit Department reports directly to the Deputy Chief Executive Officer, and officially to the Chief Executive Officer and the Board of Directors. The Finance and Administration Committee serves as OCTA's Audit Committee by reviewing and approving the annual audit plan, quarterly audit plan updates, and all internal audit reports. The Internal Audit Manager position is currently vacant.

Discussion

The Finance and Administration Committee requested staff to make recommendations regarding the reporting structure of the Internal Audit Department. Several possible reporting structures were considered, including the formation of an Audit Oversight Committee, requiring the Internal Audit Department to report directly to the Board of Directors and/or the Chief Executive Officer, and continuing the current reporting structure.

To maximize the transparency of the organization as a whole, staff recommends that an Audit Oversight Committee be established that would be comprised of the following members:

- Chair, OCTA Board of Directors
- Chair, Finance and Administration Committee
- OCTA Chief Executive Officer
- OCTA Executive Director of Finance, Administration and Human Resources
- Public Member, appointed by the Finance and Administration Committee

The Audit Oversight Committee would be responsible for meeting with the Internal Audit Manager on a quarterly basis to review the annual audit plan progress, discuss audit report findings and progress on implementation of audit recommendations, and discuss any significant issues. The Audit Oversight Committee will also participate in the annual audit planning process. Staff is recommending that all internal audit reports continue to be provided to the Finance and Administration Committee for review and approval.

Additionally, to further provide for the independence of the Internal Audit Department, staff is recommending that the Internal Audit Department report administratively to the Chief Executive Officer and functionally to the Board of Directors and Audit Oversight Committee.

The Finance and Administration Committee also requested staff to review the recruitment process for the Internal Audit Manager vacancy. In order to maximize support for the Internal Audit Department from all levels of the organization, staff recommends that the title be changed from Internal Audit Manager to Internal Audit Director. Additionally, staff recommends that members of the Finance and Administration Committee interview up to three top candidates for the position after the internal recruitment process has taken place. The Finance and Administration Committee would then make the final selection of the Internal Audit Director.

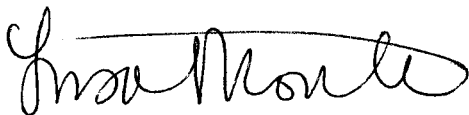
Summary

Staff has made recommendations for a revised reporting structure and management recruitment process for the Internal Audit Department.

Attachment

- A. Orange County Transportation Authority Internal Audit Department Recommended Departmental Organization Chart

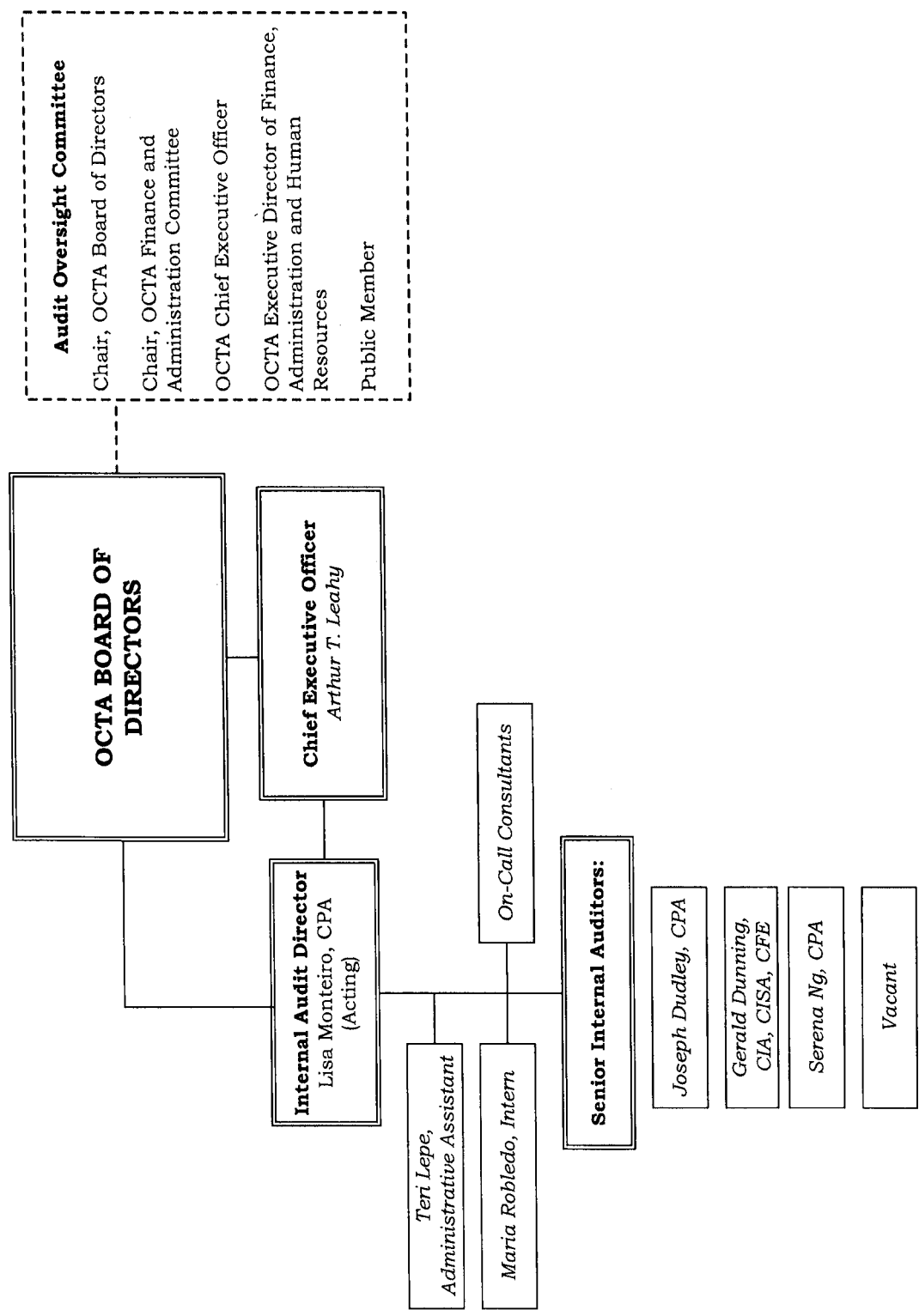
Prepared by:



Lisa M. Monteiro
Acting Manager, Internal Audit
(714) 560-5591

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

Recommended Departmental Organization Chart





July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Fiscal Year 2006-07 Internal Audit Plan

Overview

At the direction of the Orange County Transportation Authority's Board of Directors, the Internal Audit Department develops and implements an annual internal audit plan as an essential tool to assist management in the discharge of their responsibilities and to protect the integrity of the Orange County Transportation Authority's operations and assets.

Recommendations

- A. Approve the Fiscal Year 2006-07 Internal Audit Plan.
- B. Direct the Internal Audit Manager to provide quarterly updates on the audit plan progress.

Background

The Internal Audit Department is an independent appraisal function whose purpose is to examine and evaluate the Orange County Transportation Authority's (OCTA's) operations and activities as a tool for management and to assist management in the discharge of their duties and responsibilities.

Discussion

The Internal Audit Department is presenting the Fiscal Year 2006-07 Internal Audit Plan (Audit Plan) for the Board of Director's approval. The Audit Plan was developed in partnership with OCTA's management team in order to ensure that OCTA's assets are used in an efficient and effective manner. The Audit Plan will be implemented using the Internal Audit Department staff and through the use of on-call consultants, the independent auditors for the annual financial audit of OCTA, and other firms to be contracted as needed.

During the fiscal year, priorities and circumstances are likely to change, requiring these changes to be incorporated into the Audit Plan. This will require changing the timing of some audits, including delaying some to future periods. Therefore, the Audit Plan is an active document which will be updated on a regular basis.

Fiscal Impact

The Audit Plan has been developed within the resources available in the adopted budget for fiscal year 2006-07.

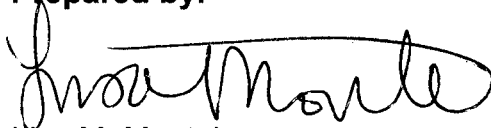
Summary

The Audit Plan has been developed to support the Board of Directors and OCTA management in the discharge of their duties and responsibilities to safeguard the assets of OCTA and to use those assets in an efficient and effective manner.

Attachments

- A. Orange County Transportation Authority Internal Audit Department
Fiscal Year 2006-07 Internal Audit Plan
- B. Orange County Transportation Authority Internal Audit Department
Changes made from the Draft Fiscal Year 2006-07 Internal Audit Plan

Prepared by:



Lisa M. Monteiro
Acting Manager, Internal Audit
(714) 560-5591

ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



FISCAL YEAR 2006-07 INTERNAL AUDIT PLAN



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**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

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ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT

Executive Summary

Mission Statement

Our mission is to assist members of management and the Board of Directors in the effective discharge of their responsibilities. To this end, Internal Audit will serve as an independent appraisal function to examine and evaluate the Authority's operations and activities.

Summary of the Internal Audit Department

The Internal Audit Department is responsible for examining and evaluating financial, administrative and operational activities of the Authority, supplying management personnel at all levels with information to assist in their control of the assets and operations for which they are responsible.

The Internal Audit Department provides a wide range of auditing services that includes annual financial audit oversight, operational reviews, contract compliance reviews, internal control assessments, investigations, pre-award Buy America reviews, and pre-award price reviews. The department also monitors and provides guidance in computer software system implementation to help ensure that proper controls are built into systems prior to implementation. All audits initiated by entities outside of the Authority are coordinated through the department.

FY 2005-06 Accomplishments

- Coordinated and assisted the external auditors with the annual financial audit.
- Continued working with the audit sub-committee of the Orange County Local Transportation Authority Citizens Oversight Committee and ensured the needs of the sub-committee were met during the annual financial audit process.
- Expanded the coverage of audits of Measure M funds to cover competitive funding programs.
- Improved the annual audit planning process by implementing a comprehensive risk assessment process.
- Informed management of opportunities for improvements in operations, internal controls, and compliance assurance.
- Ensured recommendations from previous audits were implemented.
- Improved the audit report process by implementing a more comprehensible audit report.
- Evaluated the potential impact of the Sarbanes-Oxley Act on the Authority.



ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT

FY 2006-07 Goals

- Coordinate and assist the external auditors with the annual financial audit.
- Complete the State Triennial Performance Audit for fiscal years 2003-04 through 2005-06.
- Establish recurring strategic discussions with Security Threat Assessment and Information Systems Security on issues affecting the security of Authority assets.
- Ensure recommendations from previous audits are implemented.
- Work towards implementing audit automation software to improve efficiency in the department.
- Put into effect continuous audit procedures using data analysis software to expand coverage of all areas of Authority.
- Continue to provide audit and advisory services to substantiate expenditures of Measure M funds.
- Complete audits of major contracts, operational audits of departments, recurring reviews, and requests from the Board and management.
- Assist management in evaluating the merits of developing a formal Audit Committee for the Authority.



ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT

Internal Audit Master Strategic Plan

Item	Completion Date	Cost	Stage
New Internal Audit Report format	6/30/06		In Process
Increase awareness of Internal Audit	Continuous		In Process
PowerPoint presentation to F&A Committee on Internal Audit Manual	7/31/06		Planning
Continuous audits	6/30/07		Planning
Audit software implementation	6/30/07	\$10,000	Planning
APTA Internal Audit peer review participation			Research
Risk assessment – external			Research
Develop Quality Assurance and Improvement Program for Internal Audit			Research
Anonymous tip line			Concept
IA website – intranet and internet			Concept
Control Self-Assessments			Concept
Information Technology Auditor			Concept



ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT

Process for Developing the Audit Plan

The Audit Plan was prepared with the assumption that the Internal Audit Department will be fully-staffed. Additionally, contractor hours are estimated based on an average of on-call consultant hourly rates and the approved budget for outsourced audits.

The Internal Audit Department conducted an entity-wide risk assessment for the purposes of preparing the Fiscal Year 2006-07 Internal Audit Plan. Our risk assessment considered all areas of operations, contracts, programs, construction projects, information system projects. Based on the nature of the area reviewed, the areas were evaluated and weighted using various factors that included:

- Yearly expenditures / dollars controlled / contract amount
- External environment
- Work environment / oversight environment
- Historical process environment / nature of contract / nature of project
- Previous audit coverage / results of previous audits
- Management's areas of concern

Each area was rated on a scale of 1 – 5 (5 being highest risk and 1 being lowest risk) for each of the weighted factors. An overall risk rating was determined for each area and prioritized for inclusion in the Audit Plan.

Description of Audit Types

The following are descriptions of the various reasons given for performing each audit and are general in nature. Every audit engagement will include one or more of these identifiers.

Compliance

These audits are performed to ensure that the terms and conditions of agreements are being followed and that there is compliance with Board adopted policies and procedures as well as managements' policies and procedures.

Cost Avoidance

A review conducted in order to determine if the price/cost is fair, reasonable and necessary. These are generally cost and price analyses.



ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT

Cost Recovery

The purpose of these audits is to evaluate actual billings for services to ensure that the Authority has not been overcharged for goods and services received.

Fiscal

These audits focus on verification of financial transactions and balances. Internal auditors focus on a financial system's controls to ensure that financial checks and balances are effective.

Internal Control

These audits are performed to ensure that there are adequate internal controls in place to protect the assets of the Authority. These include safeguarding of cash receipts and properly segregated functions to deter fraudulent activities.

Mandatory

These audits are required to be performed based on state and federal statutes or other third party requirement.

Monitoring

These are activities engaged in to develop an understanding of the issues and to continuously be informed about significant activities of the Authority.

Operational

An operational audit is performed to evaluate the current operating procedures and to identify if there are better ways to accomplish the goals of the organization, which might include not performing the function.

Performance

These audits provide an assessment of the performance of an entity, program, activity, or function to improve public accountability and to facilitate decision making by parties responsible for overseeing or initiating corrective action.



ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT

APPENDIX A – FISCAL YEAR 2006-07 INTERNAL AUDIT PLAN



**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
FISCAL YEAR 2006-07 INTERNAL AUDIT PLAN**

Audits	Description	Minimum Frequency	Audit Type	Quarter Work Starts	Internal Staff Hours	Outsourced Hours	Total Hours
Mandatory External Independent Audits							
Annual Financial Audit	Annual financial audit for fiscal year 2005-06; contracted to a CPA firm with oversight and assistance provided by Internal Audit. Includes financial statements for LTF, STAF, and SR-91; NTD compliance; Single Audit.	Annually	Fiscal	1st	455		455
Annual Transportation Development Act Audits	Coordination of legally required annual audits of the recipients of Local Transportation Funds for fiscal year 2005-06, in accordance with the Transportation Development Act.	Annually	Fiscal / Compliance	1st	200		200
State Triennial Performance Audit	Coordination of legally required triennial performance audit of OCTA as the Regional Transportation Planning entity and of all transit operators in the County of Orange for fiscal years 2003-04 through 2005-06, in accordance with the Transportation Development Act.	Triennially	Performance	1st	150		150
Federal Triennial Audit	Legally required triennial performance audit to be conducted by the Federal Transit Administration on the OCTA in 2007.	Triennially	Performance	4th	50		50
Internal Audits							
Authority-Wide							
Price Reviews	Cost and price analyses as required per OCTA procurement policies and procedures.	As needed	Cost avoidance	All	500	500	1,000
System-Wide Purchasing and Payment Cycle	To ensure procedures are in place and operating effectively and efficiently.	As needed	Internal Controls / Operational / Fiscal	3rd	88	350	438
System-Wide Policies and Procedures	To assess OCTA's system of policies and procedures to ensure procedures are in place and operating effectively and efficiently.	As needed	Internal Controls / Operational	1st	125		125
System-Wide Record Retention Policies	To ensure procedures are in place and operating effectively and efficiently.	As needed	Internal Controls / Operational	2nd	125		125
Risk Assessment/Annual Audit Plan	Annual review to prepare the audit plan for next fiscal year; periodic assessment of risk throughout the year.	Annually	Risk Assessment	4th	130		130
Special Requests	Time allowed for requests from management.	As needed	Varies	All	204		204
Unscheduled Reviews	Time allowed for reviews identified during the year.	As needed	Varies	All	184		184
Deputy CEO							
Environmental Safety	Review to improve efficiencies and ensure compliance with external regulations and established practices.	As needed	Compliance / Operational / Internal Controls	1st	228		228
Transit							
Buy America Reviews	Pre-award and post-delivery reviews to ensure vendor is in compliance with federal Buy America requirements.	As needed	Mandatory	All	142		142
Farebox Operations/GFT Application System	Operational review to improve efficiencies and to analyze the accuracy of GFT fareboxes.	As needed	Internal Controls / Operational	3rd	195		195
Applied LNG Technology Contract	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	As needed	Compliance / Fiscal	2nd	125		125

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
FISCAL YEAR 2006-07 INTERNAL AUDIT PLAN**

Audits	Description	Minimum Frequency	Audit Type	Quarter Work Starts	Internal Staff Hours	Outsourced Hours	Total Hours
Operations Training	Review to improve efficiencies and ensure compliance with regulations and established practices.	As needed	Compliance / Operational	3rd	175		175
Laidlaw Close-out Audit	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	At close-out	Compliance / Cost Recovery	1st	80	1,600	1,680
Veolia Contract Audit	Review halfway through first contract year to ensure contract stipulations are being complied with and to verify the propriety of payments.	Annually	Compliance / Cost Recovery	2nd	96	400	496
ACCESS Eligibility Administration	Review to improve efficiencies and ensure compliance with ADA regulations and established practices.	As needed	Compliance / Operational	4th	190		190
Planning, Development and Commuter Services							
CTFP Project Audits/CTFP System	Review of selected projects funded by the CTFP and review of the related CTFP database.	Annually	Compliance / Internal Controls	All	188	600	788
OCTAP	Compliance and operational review to improve efficiencies and ensure compliance with external regulations and established practices.	As needed	Compliance / Operational / Internal Controls	2nd	175		175
Freeway Service Patrol	Compliance and operational review to improve efficiencies and ensure compliance with external regulations and established practices.	As needed	Compliance / Operational / Internal Controls	3rd	153		153
Construction & Engineering							
SR-22 Contract Close-out Audit	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	At close-out	Compliance / Fiscal	2nd	100	300	400
I-5 Gateway Contract Audits	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	During construction	Compliance / Fiscal	4th	116	300	416
External Affairs							
Bus Advertising Revenue Contract	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	Annually	Compliance / Fiscal / Operational	4th	200		200
Finance, Administration & Human Resources							
Fixed Asset Inventory Observation	Observation of the annual physical inventory of fixed assets to verify the existence and working condition of assets and ensure they are properly recorded.	Annually	Compliance / Internal Controls / Operational	4th	140		140
Payroll Reviews	Unannounced payroll reviews to ensure the accuracy of the payroll files.	Semi-annually	Internal Controls	2nd & 4th	80		80
Treasury	Financial and compliance reviews of the treasury function, including investment and bond compliance.	Quarterly	Compliance / Internal Controls / Operational	All	178		178
Cycle Counts	Unannounced inventory cycle counts to ensure the accuracy of inventory balances.	Semi-annually	Internal Controls / Performance	1st & 3rd	184		184
Grant Close-out Audits	Fiscal and compliance audits of grants at close-out to ensure propriety of expenditures.	As needed	Compliance / Internal Controls	2nd, 3rd, & 4th	127		127
Legal Counsel and Legal Services Contracts	Review to ensure contract stipulations are being complied with and to verify the propriety of payments.	As needed	Compliance / Fiscal / Internal Controls	3rd	94	250	344

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
FISCAL YEAR 2006-07 INTERNAL AUDIT PLAN**

Appendix A

Audits	Description	Minimum Frequency	Audit Type	Quarter Work Starts	Internal Staff Hours	Outsourced Hours	Total Hours
Access Card Key Program	Operational review to improve efficiencies and ensure compliance with established practices.	As needed	Internal Controls / Operational	1st	140		140
Database Management	Operational review to improve efficiencies and ensure compliance with established practices.	As needed	Operational / Performance / Internal Controls	1st	268		268
HIPPA Compliance	Review to ensure compliance with HIPPA regulations.	As needed	Compliance / Internal Controls	4th	200		200
OCERS	Compliance and operational review to improve efficiencies and ensure compliance with external regulations and established practices.	As needed	Compliance / Operational / Internal Controls	4th	288		288
In-house Liability Claims Administration	Compliance and operational review to improve efficiencies and ensure compliance with external regulations and established practices.	As needed	Compliance / Operational / Internal Controls / Cost Recovery	1st	298		298
Employee & Labor Relations and Civil Rights							
DBE Program	Compliance and operational review to improve efficiencies and ensure compliance with external regulations and established practices.	As needed	Compliance / Operational / Internal Controls / Performance	3rd	148		148
Carryover Projects from FY2005-06							
Cofroutre Contracts Audit	Compliance and operational review of contracted operations.	As needed	Compliance / Operational	1st	60		60
Treasury Review	Financial and compliance reviews of the Treasury function, including investment and bond compliance.	Quarterly	Compliance / Internal Controls / Operational	1st	25		25
Fixed Assets Inventory Observation	Observation of the annual physical inventory of fixed assets to verify existence and working condition of assets and ensure they are properly recorded.	Annually	Compliance / Internal Controls / Operational	1st	25		25
Monitoring Projects							
Transportation Development Act	On-going compliance review and follow up of recommendations made in previous Transportation Development Act audits.	Continuous		All	60		60
Measure M COC	Coordination of audit activities with the Audit Committee of the Measure M Citizens Oversight Committee.	Continuous		All	115		115
Bus Camera Surveillance System	On-going monitoring to keep apprised of activities and significant issues.	During planning and implementation		All	96		96
91 Express Lanes	On-going monitoring of 91 Express Lanes activities and participation in roundtables.	Continuous		All	58		58
SR-22 Project	On-going monitoring to keep apprised of activities and significant issues.	During construction		All	48		48
I-5 Gateway Project	On-going monitoring to keep apprised of activities and significant issues.	During construction		All	48		48
CNG Station Project	On-going monitoring to keep apprised of activities and significant issues.	During construction		All	80		80

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
FISCAL YEAR 2006-07 INTERNAL AUDIT PLAN**

Appendix A

Audits	Description	Minimum Frequency	Audit Type	Quarter Work Starts	Internal Staff Hours	Outsourced Hours	Total Hours
Mincom Implementation	On-going monitoring of the implementation of the new inventory, maintenance and procurement system to help ensure proper internal controls are established.	During implementation		All	67		67
BRT	On-going monitoring to keep apprised of activities and significant issues.	During planning and implementation		All	80		80
ITCS Radio System	On-going monitoring to keep apprised of activities and significant issues.	Continuous		All	60		60
Follow-up Reviews							
Measure M Compliance Review	Recommendations were made to ensure compliance with the Measure M Ordinance and to improve procedures.			All	100	300	400
Lawson System Project Controls	Follow-up on the fairly new system.			1st	23		23
Maintenance Tire Lease	Recommendations were made to strengthen internal controls and make operations more efficient.			1st	20		20
Employee Expense Reports	Recommendations were made to strengthen internal controls.			2nd	20		20
Santa Ana Base Construction	Recommendations were made to strengthen internal controls, make operations more efficient, and ensure compliance with applicable policies.			2nd	20		20
DMV Pull Notice	Recommendations were made to improve management oversight of the applicable contract.			2nd	20		20
Pass Sales	Recommendations were made to strengthen internal controls and make operations more efficient.			3rd	20		20
Transit Police Services	Recommendations were made to strengthen internal controls and make operations more efficient.			3rd	20		20
Payroll Reviews	Recommendations were made to strengthen internal contract compliance.			3rd	20		20
Bus Advertising	Recommendations were made to strengthen internal controls.			3rd	20		20
Cofiroute Contract Audits	Recommendations were made to collect monies owed to OCTA and to strengthen internal controls.			3rd	20		20
Total Audit Hours					7,664	4,600	12,264

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

Changes made from the Draft Fiscal Year 2006-07 Internal Audit Plan

Dropped:

Security Threat Assessment
Disaster Preparedness
Central Communications
Information Systems Change Management
Deferred Compensation

Reason

External review will be performed
External review will be performed
Reassessed risk
Will perform after new system implemented
Reassessed risk

Added:

Federal Triennial Audit
System-Wide Policies and Procedures
System-Wide Record Retention Policies
Operations Training
Bus Advertising Revenue Contract
HIPPA Compliance
BRT Monitoring
ITCS Radio System Monitoring
Lawson System Follow-up
Freeway Service Patrol

Reason

Required
Management concerns
Management concerns
Management concerns
Management concerns
New developments after draft distributed
New developments after draft distributed
Management concerns
Management concerns
Management concerns



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Evaluation Criteria Weighting for Selection of Triennial Performance Auditors for the Fiscal Years 2003-04 through 2005-06

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

Approve the proposed evaluation criteria weighting specifying the following:

- Qualifications of the firm - 20 percent
- Staffing and project organization - 30 percent
- Work plan - 30 percent
- Cost and price - 20 percent



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Evaluation Criteria Weighting for Selection of Triennial Performance Auditors for the Fiscal Years 2003-04 through 2005-06

Overview

Staff has developed the proposed evaluation criteria weighting to initiate the competitive procurement process to conduct the triennial performance audits for fiscal years 2003-04 through 2005-06.

Recommendation

Approve the proposed evaluation criteria weighting specifying the following:

- Qualifications of the firm - 20 percent
- Staffing and project organization - 30 percent
- Work plan - 30 percent
- Cost and price - 20 percent

Background

California Public Utilities Code §99246 requires that all transit operators and Regional Transportation Planning Entities (RTPE) have a triennial performance audit conducted of their activities. These audits are required for the Orange County Transportation Authority (Authority) as the RTPE for the County of Orange, the Orange County Transit District as a transit operator, and the Laguna Beach Municipal Transit Lines as a transit operator for the fiscal years 2003-04 through 2005-06.

Staff is requesting approval of the evaluation criteria which will be used to evaluate proposals received in response to the Request for Proposals (RFP). The RFP will be released upon Board approval of the evaluation criteria.

Discussion

The following evaluation criteria weighting will be used to evaluate proposals received in response to an RFP to conduct the triennial performance audits for fiscal years 2003-04 through 2005-06.

Qualifications of the Firm - 20 percent

Technical experience in performing work of a closely similar nature; experience working with public agencies; strength and stability of the firm; strength, stability, experience and technical competence of subcontractors; assessment by client references.

Staffing and Project Organization - 30 percent

Qualifications of project staff, particularly key personnel and especially the Project Manager; key personnel's level of involvement in performing related work cited in "Qualifications of the Firm" section; logic of project organization; adequacy of labor commitment; concurrence in the restrictions on changes in key personnel.

Work Plan - 30 percent

Depth of Offeror's understanding of Authority's requirements and overall quality of work plan; logic, clarity and specificity of work plan; appropriateness of labor distribution among the tasks; ability to meet the project deadline; reasonableness of proposed schedule; utility of suggested technical or procedural innovations.

Cost and Price - 20 percent

Reasonableness of the total price and competitiveness of this amount with other offers received; adequacy of data in support of figures quoted; reasonableness of individual task budgets; basis on which prices are quoted.

Summary

It is requested that the Board of Directors approve the proposed evaluation criteria.

Attachment

None.

Prepared by:

A handwritten signature in black ink that reads "Lisa Monteiro". The signature is written in a cursive style with a large, sweeping initial "L".

Lisa Monteiro
Acting Internal Audit Manager
(714) 560-5591



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Review of Department of Motor Vehicles' Pull Notice Program

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file the Review of Department of Motor Vehicles' Pull Notice Program, Internal Audit Report No. 06-010.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Review of Department of Motor Vehicles' Pull Notice Program

Overview

The Internal Audit Department has completed a review of controls and operations of Orange County Transportation Authority's Department of Motor Vehicles' Pull Notice Program. Five recommendations were made to strengthen internal controls, make operations more efficient, and ensure compliance with applicable laws and regulations. Management staff has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

Recommendation

Receive and file the Review of Department of Motor Vehicles' Pull Notice Program, Internal Audit Report No. 06-010.

Background

The California Department of Motor Vehicles (DMV) administers the Employer Pull Notice Program, which was established to provide employers and regulatory agencies with a means of promoting driver safety through the ongoing review of driver records. Under Section 1808.1 of the California Vehicle Code, the employer of a driver who drives any vehicle for the operation of which the driver is required to have class A or class B driver's license are required to participate in a pull-notice system. The pull-notice system provides the employer with a report showing the driver's current public record as recorded by the department, and any subsequent convictions, failures to appear, accidents, driver's license suspensions, driver's license revocations, or any other actions taken against the driving privilege or certificate, that have been added to the driver's record. As part of its inspection of bus maintenance facilities and terminals required at least once every 13 months, the Department of the California Highway Patrol (CHP) determines whether each transit operator is in compliance with Section 1808.1 and Section 12804.6 of the

California Vehicle Code and certifies each operator found to be in compliance. No funds will be allocated under Chapter 4 of Part 11 of Division 10 of the Public Utilities Code to a transit operator, which the CHP has not certified under Section 1808.1.

The Orange County Transportation Authority (OCTA) established its DMV Pull Notice Program to comply with these requirements. Health, Safety & Environmental Compliance, a department within the Executive Office, is the designated coordinator of the program.

Discussion

The objective of the audit was to review controls and operations over the OCTA's DMV Pull Notice Program. Internal Audit made recommendations to consider automating or centralizing the files for certified pull notices, to lock pull notices at all times, to monitor pull notices consistently for all employees required to participate in the program, and to request system reports of new hires and terminations on a set schedule for use in enrolling and deleting employees from the program.

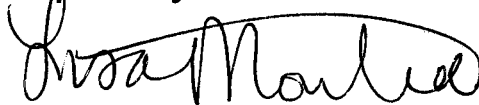
Summary

Based on the review, Internal Audit offered some recommendations for improvements, which management staff indicated would be implemented or otherwise satisfactorily addressed.

Attachments

- A. Review of Department of Motor Vehicles Pull Notice Program, Internal Audit Report No. 06-010
- B. Response to Review of Department of Motor Vehicles Pull Notice Program, Internal Audit Report No. 06-010
- C. Review of Department of Motor Vehicles Pull Notice Program, Close-out Memo

Prepared by:



Lisa M. Monteiro
Acting Manager, Internal Audit
(714) 560-5669



INTEROFFICE MEMO

March 7, 2006

To: Scott Boston, Manager
Health, Safety & Environmental Compliance

From: ^{SN} Serena Ng, Senior Internal Auditor
Internal Audit

Subject: **Review of Department of Motor Vehicles Pull Notice Program, Internal Audit Report No. 06-010**

Conclusion

The Internal Audit Department has completed a review of controls and operations of Orange County Transportation Authority's Department of Motor Vehicles Pull Notice Program. **In Internal Audit's opinion**, the controls over the Department of Motor Vehicles Pull Notice Program are, in general, adequate to ensure the safeguarding of Orange County Transportation Authority's assets. Internal Audit is recommending improvements that will strengthen internal controls, make operations more efficient, and ensure compliance with applicable laws and regulations.

Background

The California Department of Motor Vehicles (DMV) administers the Employer Pull Notice Program, which was established to provide employers and regulatory agencies with a means of promoting driver safety through the ongoing review of driver records. Under Section 1808.1 of the California Vehicle Code (Code), the employer of a driver who drives any vehicle for the operation of which the driver is required to have class A or class B driver's license, or other licenses specified in the Code, are required to participate in a pull-notice system. The pull-notice system provides the employer with a report showing the driver's current public record as recorded by the department, and any subsequent convictions, failures to appear, accidents, driver's license suspensions, driver's license revocations, or any other actions taken against the driving privilege or certificate, that have been added to the driver's record. The employer is required to obtain a periodic report from the department at least every 12 months. The employer must verify that each employee's driver's license has not been suspended or revoked, the employee's traffic violation point count, and whether the employee has been convicted of a



violation of Section 23152 or 23153. The report must be signed and dated by the employer and maintained at the employer's principal place of business.

As part of its inspection of bus maintenance facilities and terminals required at least once every 13 months, the Department of the California Highway Patrol (CHP) determines whether each transit operator is in compliance with Section 1808.1 and Section 12804.6 of the Code and certifies each operator found to be in compliance. No funds will be allocated under Chapter 4 of Part 11 of Division 10 of the Public Utilities Code to a transit operator which the Department of the CHP has not certified under Section 1808.1.

The Orange County Transportation Authority (OCTA) established its DMV Pull Notice Program to comply with these requirements. Health, Safety & Environmental Compliance (HSEC), a department within the Executive Office, is the designated coordinator of the program. In other transit agencies contacted, the DMV Pull Notice Program is administered by either Human Resources/Employee Relations or Corporate Safety.

Purpose and Scope

The objective of the audit was to review controls and operations over the OCTA's DMV Pull Notice Program. The audit scope included, but was not limited to, review of the following:

- Compliance with the California Vehicle Code;
- Controls over the administration of the program; and
- Controls over the security and maintenance of the individual pull notices.

The audit scope included reviewing the California Vehicle Code, reviewing the HSEC DMV Pull Notice Program Compliance Plan, interviewing personnel from HSEC and the bus bases involved in the program, and making inquiries of other transit agencies regarding their programs. Internal Audit also randomly selected 25 employees and reviewed their pull notices.

Observations and Recommendations

OCTA's current process for pull notices is summarized below:

- Upon receipt of the pull notices from the DMV, HSEC performs an initial review of the pull notices, inputs the information into a Microsoft Access database, and scans the pull notices into PDF files. HSEC then routes the PDF files as follows: coach operator pull notices to the Operations Office Specialists at the reporting base; maintenance employee pull notices to the



Maintenance Resource Management Office Specialist; and pull notices for employees at the Garden Grove annex to the Senior Instructor. HSEC files the original, unsigned pull notices in binders.

- The Operations Office Specialists print out the PDF files of pull notices, update a listing with pull notice information, forward the printed pull notices to the Operations Supervisors and/or Manager for review and signature, and file the signed pull notices at the bases.
- The Maintenance Resource Management Office Specialist prints out the PDF files of pull notices, updates a database with pull notice information, copies the pull notices, sends the pull notices to the Maintenance Office Specialists at the reporting bases and other maintenance areas, and files copies of the unsigned pull notices in the maintenance employees' files. Upon receipt of pull notices, the Maintenance Office Specialists at the bases forward the pull notices to the Maintenance Section Managers for review and signature and file copies of signed pull notices at the bases. Two of the bases update their listings with pull notice information.
- The Senior Instructor has recently taken over pull notices for employees in the Garden Grove annex. The Senior Instructor prints, reviews, signs, and files the pull notices in an office cabinet.

Centralization and/or Automation of Review Process and Files

The current DMV Pull Notice Program involves a number of employees and results in multiple copies of pull notices being stored at different locations and multiple databases or listings of pull notices being maintained by different employees.

Recommendation No. 1

Internal Audit recommends that consideration be given to automating the DMV Pull Notice process. The DMV can be contacted to receive driver records using DMV's Virtual Private Network (VPN). Since the Los Angeles County Metropolitan Transportation Authority (MTA) is receiving the driver record information through VPN and using an in-house system, inquiries can be made of MTA to determine the feasibility of OCTA using a similar process.

Recommendation No. 2

Alternatively, if manual pull notices continue to be used, **Internal Audit recommends** that consideration be given to centralizing the review and filing of the manual pull notices to one primary program administrator. As part of the consideration, HSEC should meet with



CHP representatives to determine if the centralization of files poses any issues for the annual inspection.

Consistent Monitoring of Pull Notices for Required Employees

One of the selected employees, a Field Supervisor, was not enrolled in the DMV Employer Pull Notice Program as of the testing date. HSEC had submitted an Enrollment or Deletion of Drivers form to the DMV requesting the addition of the Field Supervisor as of the testing date. The Field Supervisor has subsequently been added.

Recommendation No. 3

Internal Audit recommends that DMV pull notices be monitored consistently for all employees who are required to participate in the program under the California Vehicle Code.

Notification of Hires and Terminations

HSEC receives notification of new hires of coach operators and maintenance employees through trainee listings emailed from Operations Training and notification of terminations from Employee Status forms sent via inter-office mail from the bus bases. Notification of administrative new hires is received through New Hire Forms emailed from Human Resources.

Recommendation No. 4

Internal Audit recommends that HSEC request Lawson system reports of new hires and terminations on a set schedule for use in enrolling and deleting employees from the DMV Employer Pull Notice Program.

Security of DMV Pull Notices

Most of the employees involved in processing the pull notices file them in locked cabinets. However, the pull notices for the Santa Ana Base maintenance employees are kept in a cabinet that is locked only at night. Additionally, the pull notices for the Garden Grove annex employees are filed in a cabinet that is not locked.



Recommendation No. 5

Internal Audit recommends that all pull notices and any other sensitive data be locked at all times.

Summary

Based on Internal Audit's review, the controls and operations over OCTA's DMV Pull Notice Program are, in general, adequate to ensure the safeguarding of OCTA assets. Internal Audit did make some recommendations, as detailed above.

Management Response

Internal Audit requests that a written response indicating the corrective action taken or planned to address the recommendations be forwarded to Serena Ng, Senior Internal Auditor, by March 21, 2006.

Audit performed by: Serena Ng, In-Charge Auditor
 Maria Robledo


c: Richard Bacigalupo
 Bill Foster
 Beth McCormick
 Al Pierce
 Robert Duffy



INTEROFFICE MEMO

June 7, 2006

To: Serena Ng, Senior Internal Auditor

From: Scott Boston, Manager HSEC 

Subject: **Response to Review of Department of Motor Vehicles Pull Notice Program, Internal Audit Report No. 06-010**

In response to your Audit Report of March 7, 2006 regarding the Department of Motor Vehicles (DMV) Pull Notice Program, the following comments to the various recommendations in the report are provided for your consideration.

Recommendation No. 1 Internal Audit recommends that consideration be given to automating the DMV Pull Notice process. The DMV can be contacted to receive driver records using DMV's Virtual Private Network (VPN). Since the Los Angeles County Metropolitan Transportation Authority (MTA) is receiving the driver record information through VPN and using an in-house system, inquiries can be made of MTA to determine the feasibility of OCTA using a similar process.

Response to Recommendation No. 1 Management agrees with the advisability of considering this and HSEC is assessing MTA's experience with VPN. In addition, HSEC is working with Operations and IS to streamline and automate the data collection and storage process.

Recommendation No. 2 Alternatively, if manual pull notices continue to be used, Internal Audit recommends that consideration be given to centralizing the review and filing of the manual pull notices to one primary program administrator. As part of the consideration, HSEC should meet with California Highway Patrol (CHP) representatives to determine if centralization of file poses any issues for the annual inspection.

Response to Recommendation No. 2 As discussed in the Response to Recommendation No. 1, HSEC is working to streamline the DMV pull notice process. HSEC contacted the CHP regarding the conversion of the process to VPN and was advised that compliance guidelines will be forthcoming. With regard to the centralization of pull notices, HSEC offers the following clarification. All non-certified pull notices are stored in a central file at HSEC. Certified pull notices are stored at each base and are transferred with the employee when base changes occur.

Serena Ng
Response to Pull Notice Program Audit
June 7, 2006
Page 2

The use of VPN will provide a central database for both certified and non-certified pull notices and will eliminate the filing of paper pull notices at all Authority locations.

Recommendation No. 3 Internal Audit recommends that DMV pull notices be monitored consistently for all employees who are required to participate in the program under the California Vehicle Code.

Response to Recommendation No. 3 Management concurs with this recommendation. All Sections maintaining certified pull notices are now audited quarterly.

Recommendation No. 4 Internal Audit recommends that HSEC request Lawson system reports for new hires and terminations on a set schedule for use in enrolling and deleting employees from the DMV Employer Pull Notice Program.

Response to Recommendation No. 4 Management concurs with this recommendation and will include this as part of its automation process.

Recommendation No. 5 Internal Audit recommends that all pull notices and any other sensitive data be locked at all times.

Response to Recommendation No. 5 Management concurs with this recommendation. Since this was a problem noted to be at the Bases, this recommendation has been made to the Bases and an audit follow-up will be conducted.



INTEROFFICE MEMO

June 7, 2006

To: Scott Boston, Manager
Health, Safety & Environmental Compliance

From: Serena Ng,^{SN} Senior Internal Auditor
Internal Audit

Subject: **Review of Department of Motor Vehicles Pull Notice Program, Close-out Memo**

Internal Audit has received and concurs with management's responses to the recommendations issued in the Review of Department of Motor Vehicles Pull Notice Program, Internal Audit Report No. 06-010. Management plans to implement the recommendations and/or other processes to address the audit observations. Internal Audit appreciates the responses and the cooperation received during the audit. A follow-up review on the status of management's planned corrective actions will be conducted in six months.

Attachment: Management Response Memo

c: Rick Bacigalupo
John Byrd
Beth McCormick
Al Pierce
Lisa Monteiro



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

No action was taken on this receive and file item.

Committee Recommendation

Receive and file the Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update

Overview

The Orange County Transportation Authority Board of Directors adopted the Annual Internal Audit Plan for Fiscal Year 2005-06. This is the quarterly update for the fourth quarter of the fiscal year.

Recommendation

Receive and file the Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update.

Background

The Internal Audit Department is an independent appraisal function whose purpose is to examine and evaluate the Orange County Transportation Authority's (OCTA) operations and activities as a tool for management and to assist management in the discharge of its duties and responsibilities.

Discussion

The Internal Audit Department performs a wide range of auditing services that includes overseeing the annual financial audit, operational reviews, contract compliance reviews, internal control assessments, investigations, pre-award Buy America Award reviews, and pre-award price reviews. Internal Audit also monitors and provides guidance in computer software system implementation to help ensure that proper controls are built into systems prior to implementation. All audits initiated by entities outside of OCTA are coordinated through the Internal Audit Department.

The Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update (Attachment A) reflects the status of each of the projects. Actual internal staff

hours were less than planned for the year due to the shortage of an Internal Auditor for six months and an Internal Audit Manager for two months.

Due to limitations on staff resources, the following projects were re-budgeted for the Internal Audit Plan for Fiscal Year 2006-07:

- Information Systems (re-budgeted as "Database Management")
- Farebox Testing / GFI Analysis (re-budgeted as "Farebox Operations / GFI Application System")
- Laidlaw Contract Closeout Audit (re-budgeted as "Laidlaw Closeout Audit")
- Combined Transportation Funding Program (CTFP) (re-budgeted as "CTFP Project Audits / CTFP System")
- Labor Relations & Civil Rights ((Re-budgeted as "DBE Program")

Based on a re-assessment of risk and priority, the following projects were canceled:

- General Accounting
- Systems Development Reviews

The following projects will be completed in the first quarter of fiscal year 2006-07:

- Cofiroute Contracts Audit
- Treasury Review
- Fixed Asset Inventory Observation

During the fourth quarter, seven audit reports (Attachment B) were completed. Of the seven audit reports, three have been presented to the Committee, and four are planned to be presented in July.


Summary

The Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update has been completed. Various projects have been re-budgeted, canceled, or carried over to fiscal year 2006-07.

Attachments

- A. Fiscal Year 2005-06 Internal Audit Plan, Fourth Quarter Update
- B. Listing of Audit Reports Issued in Fourth Quarter

Prepared by:



Lisa Monteiro
Acting Internal Audit Manager
(714) 560-5591

Fiscal Year 2005-06 Internal Audit Plan
Fourth Quarter Update

Audits	Description	Minimum Frequency	Reason	Quarter Work Starts	Status	Internal Staff Planned Hours	Internal Staff Hours To Date	Under (Over)
OCTA								
Annual Financial Audit	Annual Financial Audit contracted to CPA firm with oversight and assistance provided by Internal Audit	Annually	Mandatory	1st	Completed	400	419	(19)
COC	Time allowed to coordinate audit activities with the Audit Committee of the Measure M Citizen's Oversight Committee	Continually	Monitoring	All	On-going	80	133	(53)
Contract Audits - Unscheduled	Compliance reviews of various contracts selected based on staff input during the year.	Annually	Compliance, Cost Recovery	2nd, 3rd & 4th	On-going	312	-	312
DMV Pull Notice Process Review	Operational review to ensure procedures are in place and operating effectively and efficiently.	As Needed	Operational Review (O/P)	1st	Completed	240	247	(7)
Follow-up Reviews	Reviews to ensure recommendations as agreed to, are implemented.	As Needed	Compliance	All	On-going	216	114	102
LTF City Audits (Article 3.5, 4.0, 4.5)	Legally required annual audits of the recipients of LTF Funds, primarily Senior Mobility participating cities.	Annually	Mandatory	1st	Completed	136	86	50
Payroll Distributions	Unannounced payroll distributions to ensure the accuracy of the payroll files	Random During the Year	Internal Control (I/C)	All	Completed	160	216	(56)
Price Reviews	Cost and Price analysis as required per Board Policy	As Needed	Cost avoidance	All	On-going	540	1,043	(503)
Projects - Carryover	Projects started in FY04 to be completed in FY05	N/A		1st	Completed	440	1,124	(684)
Projects - Unallocated	Time allowed for requests from management	Annually		All	On-going	120	450	(330)
Finance, Administration & Human Resources								
Cycle Counts	Unannounced inventory cycle counts to ensure the accuracy of the inventory balances	Once per Quarter	I/C	All	4th Quarter Cycle Count report in process	456	316	140
Fixed Asset Inventory Observation	Observation of the annual physical inventory of fixed assets to ensure assets are physically present, properly recorded and are in working condition.	Annually	I/C	4th	Report in process	200	130	70
General Accounting	Review of internal controls and an evaluation of operational efficiencies.	Every Three Years	I/C and O/P	3rd	Canceled; reassessed risk and priority	160	36	124
HRIS	Review of internal controls during the first year of implementation to ensure the proper procedures and practices are established and implemented.	During Implementation	I/C	2nd	Completed	240	168	72
Information Systems	Review of internal controls and an evaluation of operational efficiencies.	Every Three Years	I/C	4th	Re-budgeted for FY 06-07 under "Database Management"	160	-	160
MINCOM	Participation during the implementation of the new inventory, maintenance and procurement system to help ensure proper internal controls are established prior to implementation.	During Implementation	Monitoring	All	On-going	160	50	110

**Fiscal Year 2005-06 Internal Audit Plan
Fourth Quarter Update**

Audits	Description	Minimum Frequency	Reason	Quarter Work Starts	Status	Internal Staff Planned Hours	Internal Staff Hours To Date	Under (Over)
Procurement	Compliance and operational review of the procurement process to ensure that Board adopted policies and procedures are being followed, and to identify opportunities to improve operational efficiencies.	Every Three Years	Compliance, O/P	3rd	Completed	240	54	186
Systems Development Reviews	Review of internal controls and an evaluation of operational efficiencies in regards to system development.	As Needed	I/C	2nd	Canceled; reassessed risk and priority	80	-	80
Treasury Reviews - Quarterly	Financial and compliance reviews of the OCTA treasury function.	Minimum Quarterly	I/C	All	In-process	120	121	(1)
Transit								
Bus Observations	Coach Operator observations to ensure compliance with the operating practices of OCTA.	As Needed	I/C	All	Completed	200	36	164
Buy America Pre-award Review	Pre-award review to ensure the vendor meets the 60% US cost content requirements.	As Needed	Mandatory	2nd	On-going	120	149	(29)
Farebox Testing/GFI Analysis	Random testing of the accuracy of the GFI fareboxes and analysis of data contained in the database.	Continually	I/C	All	Re-budgeted for FY 06-07 under "Farebox Operations / GFI Application System"	280	25	255
Laidlaw Contract Closeout Audit	Contract compliance review of the ACCESS provider	End of Contract	Compliance, Cost Recovery	3rd	Re-budgeted for FY 06-07 under "Laidlaw Closeout Audit"	136	32	104
Maintenance	Operational review of the maintenance process to improve operational efficiencies.	Annually	O/P	2nd	Completed	240	224	16
Operations	Operational review of bus operations to improve efficiencies and to ensure compliance with established practices.	Annually	O/P	3rd	Combined with Transit Police Services Audit	280	4	276
Transit Police Services Contract Audit	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities to make the process more efficient. This includes contract compliance and management of the process.	Every Three Years	Compliance, O/P	2nd	Completed	320	372	(52)
Planning, Development and Commuter Services								
Cofiroute Contract Closeout	Compliance review of contracted operations, determine cost recovery opportunities and evaluate operational efficiencies.	Every Three Years	Compliance, Cost Recovery, O/P	3rd	Report in process	400	466	(66)
Combined Transportation Funding Program (CTFP)	Review of project costs at time of closeout by the cities.	Annually	Compliance, Cost Recovery	3rd	Re-budgeted for FY 06-07 under "CTFP Project Audits / CTFP System"	172	87	85
SCRRA	Time to monitor and to assist SCRRA operations	Continually	Monitoring	All	On-going	60	2	58

**Fiscal Year 2005-06 Internal Audit Plan
Fourth Quarter Update**

Audits	Description	Minimum Frequency	Reason	Quarter Work Starts	Status	Internal Staff Planned Hours	Internal Staff Hours To Date	Under (Over)
SR91 Express Lanes	Coordinating with staff to ensure Internal Audit is informed about this project.	Continually	Monitoring	All	On-going	60	17	43
SR91 Express Lanes - New Contract	Compliance review of contracted operations, determine cost recovery opportunities and evaluate operational efficiencies.	Every Three Years	Compliance, Cost Recovery, O/P	4th	Combined with Cofroute Contract Closeout	160	-	160
Construction and Engineering								
Project Controls	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities make the process more efficient.	Every Three Years	Compliance, O/P	1st	Completed	80	58	22
Santa Ana Base Construction Contract	Compliance review of the contractors during construction.	During Construction	Compliance, Cost Recovery	1st	Completed	240	298	(58)
SR22	Coordinating with staff to ensure Internal Audit is informed about this project.	During Construction	Monitoring	All	On-going	232	4	228
SR22 Contract Audits	Compliance review of the consultants	During Construction	Compliance, Cost Recovery	4th	Completed	120	154	(34)
Labor Relations & Civil Rights								
Labor Relations & Civil Rights	Operational review of the labor relations and civil rights functions to determine that adequate policies and procedures are in place, effective and efficient, to ensure compliance with applicable laws and regulations.	As Needed	Compliance, I/C, O/P	4th	Re-budgeted for FY 06-07 under "DBE Program"	240	-	240
External Affairs								
Bus Advertising Contract	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities make the process more efficient. This includes contract compliance, including the proper reporting of revenue, and management of the contract.	As Needed	Compliance, O/P	3rd	Completed	280	171	109
Total Audit Hours						8,080	6,805	1,275

**LISTING OF AUDIT REPORTS ISSUED
IN FOURTH QUARTER**

<i>Issue Date</i>	<i>Report No.</i>	<i>Name of Report</i>	<i>Date to Finance and Administration Committee</i>
3/29/06	06-014	Review of Transit Maintenance Tire Lease and Service	5/24/06
3/29/06	05-030	Laidlaw Transit Services Agreements Review	5/10/06
5/12/06	06-015	Transit Police Services Audit	7/12/06
5/16/06	05-003	Triennial Performance Audit	5/24/06
5/23/06	05-011	Pass Sales Review	7/12/06
6/5/06	06-029	Third Quarter Payroll Review	7/12/06
6/12/06	06-017	Bus Revenue-Generating Advertising Program Audit	7/26/06



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Third Quarter Payroll Review

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file the Third Quarter Payroll Review, Internal Audit Report No. 06-029.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Third Quarter Payroll Review

Overview

The Internal Audit Department has completed a payroll review of 60 randomly selected Orange County Transportation Authority employees. With one exception, payments to the employees sampled were valid, accurate and within the authorized pay range. One employee's pay rate exceeded the maximum hourly rate by 16 cents.

Recommendation

Receive and file the Third Quarter Payroll Review, Internal Audit Report No. 06-029.

Background

The Internal Audit Department routinely conducts unannounced payroll reviews. The payroll reviews are performed to ensure payroll disbursements are made to valid employees at the rate authorized for the hours worked. These reviews do not involve testing other internal controls or procedural aspects of payroll activities.

Discussion

The Internal Audit Department (Internal Audit) conducted an unannounced payroll review of 60 randomly selected employees for the pay period ended February 18, 2006. For the selected employees, Internal Audit verified their identities, agreed their pay rates to the personnel files, and reconciled the time records to the hours paid. Of the employees reviewed, one employee's compensation rate per hour exceeded the maximum hourly rate for the respective salary classification by 16 cents.

Based on this observation, Internal Audit expanded its testing of salary compliance to include all employees on the payroll register for the pay period ended February 18, 2006. No other exceptions for salary compliance were noted.

Internal Audit made a recommendation that the Compensation & Benefits Section review the controls in place to ensure that all salary increases are within the allowable salary structure. Management has indicated that this recommendation has been implemented.

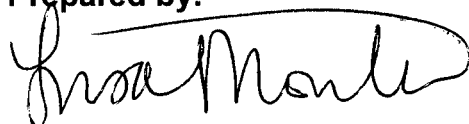
Summary

Based on the review, with one exception, payroll disbursement to 60 employees randomly selected from the payroll register for the pay period ended February 18, 2006, was valid, accurate and within the authorized pay range. Internal Audit made one recommendation, which management staff indicated has been implemented.

Attachment

- A. Third Quarter Payroll Review, Internal Audit Report No. 06-029
- B. Third Quarter Payroll Review, Internal Audit, Report No. 06-029, Close-out Memo

Prepared by:



Lisa Monteiro
Acting Manager, Internal Audit
(714) 560-5591



INTEROFFICE MEMO

June 5, 2006

To: Jim Kenan, Executive Director
Finance, Administration & Human Resources

From: Joseph Dudley, Senior Internal Auditor
Internal Audit

A handwritten signature in black ink, appearing to be "JD", is written over the name "Joseph Dudley" in the "From:" field.

Subject: **Third Quarter Payroll Review, Internal Audit Report No. 06-029**

Conclusion

Internal Audit selected a random sample of 60 Orange County Transportation Authority (OCTA) employees from the payroll register for the pay period ended February 18, 2006, for review. With one exception, it was determined that disbursement to the employees sampled was valid, accurate and within the maximum range of the current salary structure. One employee's pay rate exceeded the maximum salary range for the job classification by 16 cents per hour.

Purpose and Scope

Payroll distribution reviews are performed periodically to verify that employees on the payroll are valid and that disbursements are accurately calculated and properly authorized. The scope of the review included:

- Verifying the employee's identity;
- Comparing the hours charged on approved time records to the hours paid;
- Agreeing the rates paid to the rates authorized in the employee's Human Resources file; and
- Confirming that the rates paid were within the current salary range for the position.

The payroll distribution review did not involve testing of other internal controls or procedural aspects of payroll activities.

Discussion

The OCTA payroll register for pay period ended February 18, 2006, included a total of 1,934 employees. Internal Audit randomly selected 60 employees from that register and reviewed their payroll information for validity, accuracy and

authorization. The identity of each employee was verified and the status of their employment confirmed. Hours worked as shown on each employee's time record was compared to the number of hours paid as reflected on the payroll register. Additionally, the rate of pay for each employee in the sample selection was compared to the maximum rate for the corresponding salary classification.

Observations and Recommendations

Of the sample reviewed, one employee's compensation rate per hour exceeded the maximum hourly rate for the salary classification by 16 cents. The effective date of the employee's current salary was January 8, 2006. Based on the effective date of the increase, the total excess payment to this employee through June 24, 2006, will be \$166.40. A new Personnel & Salary Resolution will take effect on June 25, 2006.

The Compensation & Benefits Section stated that the error resulted from an oversight by a temporary employee in the calculation of the annual merit increase. Although the Lawson HRIS System does notify staff when compensation in excess of the maximum salary is input, this information is entered **after** the increase has already been approved and the employee notified of the new rate. Based on this finding, Internal Audit expanded the scope of review for salary compliance to include all 1,934 OCTA employees. The results of the expanded review indicated that no other OCTA employee's salary exceeded the maximum authorized rate.

Recommendation No. 1

The Compensation & Benefits Section should review the controls in place to ensure that all employee salary increases are within the allowable salary structure. Upon review of the controls in place, any deficiencies identified should be corrected.

Summary

Based on the results of a payroll review, Internal Audit recommended an evaluation of internal controls over salary adjustments to determine whether the controls in place are adequate to ensure compliance with salary limits.

Management Response

Internal Audit requests that a written response indicating the corrective action planned or taken to address the recommendation be forwarded to Joseph Dudley, Senior Internal Auditor, by June 16, 2006.

c: Rick Bacigalupo
Tom Wulf
Lisa Arosteguy
Vincent Nguyen
Brenda Roth
Lisa Monteiro



INTEROFFICE MEMO

June 28, 2006

To: James S. Kenan, Executive Director
Finance, Administration & Human Resources

From: ^{JD} Joseph Dudley, Senior Internal Auditor
Internal Audit

Subject: **Third Quarter Payroll Review, Internal Audit
Report No. 06-029, Close-out Memo**

Internal Audit has received and concurs with management's response to the recommendation issued in the Third Quarter Payroll Review, Internal Audit Report No. 06-029. Management plans to implement the recommendation to address the audit observation. Internal Audit will follow up on management's corrective action during subsequent payroll reviews. We appreciate the cooperation received during the performance of this review.

Attachment: Internal Audit Report No. 06-029 Response


c: Rick Bacigalupo
Tom Wulf
Lisa Arosteguy
Vincent Nguyen
Brenda Roth
Lisa Monteiro



INTEROFFICE MEMO

June 13, 2006

To: Joseph Dudley, Senior Internal Auditor

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

Subject: **Internal Audit Report No. 06-029 Response**

In response to the recommendation by Joseph Dudley, Internal Audit Department, Compensation has reviewed the controls currently in place regarding employee salary increases and the maximum rate allowable by the salary structure.

Current Process (Attachment A)

The current process offers two opportunities for Compensation staff to compare the proposed salary to the existing salary grade maximum. The first opportunity is when the initial calculation is made and the second opportunity is when the analyst initials the cover letter. At the current time, the maximum hourly rate prints on the bottom left corner of the Salary Increase Letter, just above where the analyst initials the document. Only after the increase is input into the Lawson system does Compensation receive a warning that the increase places the proposed salary outside the salary grade range.

Proposed Process (Attachment B)

The proposed process continues to offer the same two opportunities for Compensation staff to compare the proposed salary to the existing salary grade maximum. In the proposed process, however, the maximum hourly rate will print just-above where the new hourly rate is handwritten on the form. The closer proximity of the maximum rate to the new hourly rate will increase the likelihood that both Compensation staff members will be able to audit the new rate more closely.

The proposed process has already been implemented and it is anticipated that this change will resolve the issue identified by Internal Audit.

Attachments



INTEROFFICE MEMO

June 5, 2006

To: «Manager_First_Name» «Manager_Last_Name»

From: Compensation

Subject: **Performance Review**

This is to advise you that «EE_First_Name» «EE_Last_Name» is scheduled for a performance review. Please prepare the Performance Review, Performance Plan and any salary recommendation and return them to Compensation on or before **1/8/06**.

SALARY INFORMATION

<u>Current Annual Salary</u>	<u>Current Hourly Salary</u>	<u>Recommended Increase</u>	<u>Performance Rating</u>
\$92,830.40	\$44.63		

<u>Director/Executive Director</u>	<u>Date</u>
------------------------------------	-------------

<u>Supervisor/Manager</u>	<u>Date</u>
---------------------------	-------------

<u>CEO (if required)</u>	<u>Date</u>
--------------------------	-------------

<u>Manager/Director</u>	<u>Date</u>
-------------------------	-------------

<u>Employee</u>	<u>Date</u>
-----------------	-------------

<u>New Rate Effective Date</u>	<u>New Annual Salary</u>	<u>New Hourly Rate</u>	<u>Pool Amount</u>
1/8/06			

<u>Next Review Date</u>	<u>Compensation Review</u>
1/7/06	



INTEROFFICE MEMO

June 5, 2006

To: «Manager_First_Name» «Manager_Last_Name»
 From: Compensation
 Subject: Performance Review

This is to advise you that «EE_First_Name» «EE_Last_Name» is scheduled for a performance review. Please prepare the Performance Review, Performance Plan and any salary recommendation and return them to Compensation on or before **1/8/06**

SALARY INFORMATION

<u>Current Annual Salary</u>	<u>Current Hourly Salary</u>	<u>Recommended Increase</u>	<u>Performance Rating</u>
\$92,830.40	\$44.63		

 Director/Executive Director Date

 Supervisor/Manager Date

 CEO (if required) Date

 Manager/Director Date

 Employee Date

.....

<u>New Rate Effective Date</u>	<u>New Annual Salary</u>	<u>New Hourly Rate (Max \$46.48)</u>	<u>Pool Amount</u>
1/8/06			

<u>Next Review Date</u>	<u>Compensation Review</u>
1/7/07	



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Transit Police Services Audit

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Direct staff to implement the recommendations made in the Transit Police Services audit.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{AL} Chief Executive Officer
Subject: Transit Police Services Audit

Overview

The Internal Audit Department has completed a contract compliance and operational audit of Transit Police Services. Twelve recommendations were made to improve management oversight of the contract and control over contract compliance. Management indicated that the recommendations will be implemented.

Recommendation

Direct staff to implement the recommendations made in the Transit Police Services audit.

Background

Security and law enforcement for the Orange County Transportation Authority (OCTA) are provided under contract by the Orange County Sheriff's Department (OCSD). Security is staffed by uniformed deputies and Sheriff's special officers reporting within the OCSD's operational structure to a lieutenant, who acts as the Chief of Transit Police Services (TPS). The Chief of TPS serves as an immediate reporting member of the General Manager of Transit or his designee, the Manager of Bus Operations. Security services include facility and vehicle security, a right-of-way trespassing enforcement program, an anti-graffiti program, and the provisions of background checks for the Orange County Taxi Administration Program.

These services are provided for under Agreement C-3-0656, which commenced July 1, 2003, and is in effect until June 30, 2008. The contract has been amended each fiscal year to modify the maximum obligation. The amended contract stipulates one lieutenant, two sergeants, 20 deputy sheriffs II, and four sheriff special officers II, each for 80 hours per two-week pay period. The total contract cost for fiscal year 2005-06 is \$4,226,498, and the contract includes a provision to provide up to \$25,000 of special services as needed. Any

increases in costs resulting from the unresolved issues as detailed in the contract will be in addition to the total contract cost.

An amendment to the contract with the OCSD effective July 1, 2006, through June 20, 2007, was approved by the Transit Planning and Operations Committee on June 8, 2006. The findings in this audit report were shared with that committee in conjunction with the contract amendment approval.

Discussion

The contract compliance audit focused on the key contract requirements, including propriety of billings. The operational audit reviewed opportunities to improve operations, including OCTA's management of the contract. The period covered under the audit generally included activities and transactions taking place between July 2003 and March 2006, and procedures currently in place.

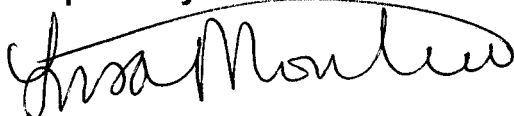
Internal Audit made recommendations for management to analyze vacancy hours for acceptability, document various procedures related to administration of the TPS contract, review support for all credits and charges made outside of the monthly recurring contract cost, and analyze total cost of providing TPS. Other recommendations were made for management to automate the process for dispatchers to identify TPS-related calls, establish a method for regular reporting of TPS activity, and document the right for OCTA to conduct routine fiscal and compliance monitoring of the contract.

Summary

Based on the review, Internal Audit made some recommendations, which management indicated would be implemented.

Attachments

- A. Transit Police Services Contract Compliance and Operational Audit, Internal Audit Report No. 06-015
- B. Audit Close-out Memo, Transit Police Services Contract Compliance and Operational Audit, Internal Audit Report No. 06-015

Prepared by:


Lisa M. Monteiro
Acting Manager, Internal Audit
(714) 560-5591



INTEROFFICE MEMO

May 12, 2006

To: John Byrd, General Manager
Transit Operations

From: Lisa Monteiro, Acting Manager 
Internal Audit

Subject: **Transit Police Services Contract Compliance and Operational
Audit, Internal Audit Report No. 06-015**

A contract compliance and operational audit of the Transit Police Services contract between the Orange County Transportation Authority and the County of Orange has been completed. Recommendations are included in the report to address areas needing improvements. The results of the audit are detailed in the attached Internal Audit Report.

This report requires a formal management response to the recommendations by May 26, 2006. Please provide the response using the Management Response Forms, which have been sent to you electronically. Once you provide your response, Internal Audit will provide a close-out memo indicating agreement or disagreement.

If you have any questions, please feel free to contact me at extension 5591.

Attachment: Transit Police Services Contract Compliance and Operational
Audit, Internal Audit Report No. 06-015

c: Rick Bacigalupo
Beth McCormick
Allan Jagger
Brian Champion
Lt. Jim Rudy
Patricia Bello, Administrative Manager, Orange County Sheriff-Coroner
Margaret Cady, Revenue/Audit Manager, Orange County Sheriff-Coroner

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT
2005-06 AUDIT PLAN**



**Transit Police Services
Contract Compliance and Operational Audit**

INTERNAL AUDIT REPORT NO. 06-015

Report Date: May 12, 2006



Audit Performed by:
Internal Audit Project Manager:

OCTA Internal Audit Department
Lisa Monteiro, CPA
Acting Manager, Internal Audit

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Transit Police Services
Contract Compliance and Operational Audit
May 12, 2006**

CONCLUSION

A contract compliance and operational audit of the Transit Police Services (TPS) contract between the Orange County Transportation Authority (OCTA) and the County of Orange (County) has been completed. The results of the audit concluded that the rates billed by the County were in accordance with the contract and are fair and reasonable. The audit also identified areas in which OCTA management could improve their oversight and control over contract compliance. Recommendations are included in this audit to mitigate these weaknesses and increase operational efficiency.

BACKGROUND

Security and law enforcement for OCTA are provided under contract by the Orange County Sheriff's Department. Security is staffed by uniformed deputies and Sheriff's special officers reporting within the Sheriff Department's operational structure to a Lieutenant who acts as the Chief of Transit Police Services, who serves as an immediate reporting member of the General Manager of Transit Operations or his designee, the Manager of Bus Operations. Security services include facility and vehicle security, a right-of-way trespassing enforcement program, an anti-graffiti program, and the provisions of background checks for the Orange County Taxi Administration Program.

These services are provided for under Agreement C-3-0656, which commenced July 1, 2003, and is in effect until June 30, 2008. The contract has been amended each fiscal year to modify the maximum obligation. The amended contract stipulates one Lieutenant, two Sergeants, 20 Deputy Sheriff II's, and four Sheriff's Special Officer II's, each for 80 hours per two-week pay period. The total contract cost for fiscal year 2005-06 is \$4,226,498, and the contract includes a provision to provide up to \$25,000 of special services as needed. Any increases in costs resulting from the unresolved issues as detailed in the contract will be in addition to the total contract cost.

PURPOSE AND SCOPE

The Internal Audit Plan for Fiscal Year 2005-06 included a contract compliance and operational audit of the Transit Police Services Contract between OCTA and the County. The contract compliance audit focused on the key contract requirements, including propriety of billings. The operational audit reviewed opportunities to improve operations, including OCTA's management of the contract. The period covered under the audit generally included activities and transactions taking place between July 2003 and March 2006, and procedures currently in place.

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT

Transit Police Services
Contract Compliance and Operational Audit
May 12, 2006

AUDIT COMMENTS AND RECOMMENDATIONS

Loss of Service Hours

Between July 2003 and June 2005, a total of 5,185 out of 112,752, or 4.6 percent, of vacancy hours were accumulated on the contract due to resignations, injuries, transfers, etc. TPS has so far accumulated 3,498 of vacancy hours in fiscal year 05-06 for the period July 1, 2005 through December 31, 2005, which is 12.4 percent of 28,188 contracted service hours for that time frame. Vacancy hours are credited against the contract costs.

Recommendation 1: We recommend that management analyze vacancy hours to determine whether the actual level of staffing is sufficient to meet contract requirements of the contract. Per management, options to maximize staffing levels are currently being analyzed.

Approval for Contract Changes

Currently, as OCTA has not established a formal contract administration process, communications from the County have been inconsistently distributed between internal OCTA staff.

Recommendation 2: We recommend that individual and departmental responsibilities related to contract administration be clearly defined within OCTA and communicated to the County.

Non-Recurring Credits and Charges to the Contract

Support for non-recurring contract credits or costs, such as vacancy credits, are not submitted with the invoices or otherwise reviewed by OCTA management. Additionally, the contract does not include provisions for credits that can be applied, specifically for staffing vacancies, training, etc.

Recommendation 3: We recommend that support for all credits and charges made outside of the monthly recurring contract cost be reviewed by management before approving invoices for payment.

Recommendation 4: We recommend that procedures or a letter to file be documented between OCTA and the County for provisions for credits to be applied.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Transit Police Services
Contract Compliance and Operational Audit
May 12, 2006**

Total Cost of Transit Security

OCTA does not charge all costs related to Transit Police Services to the Transit Security budget, including facility maintenance costs for TPS-occupied areas, all OCTA staff time used for TPS, and TPS vehicle fuel and maintenance costs.

Recommendation 5: We recommend that management analyze the total cost of providing transit police services and determine whether it is beneficial to separately account for these costs.

Cost of 800 MHz Radio System

An 800 MHz Radio System was purchased from the County in July 2005 for a total of \$283,521, of which the system entry cost of \$109,120 was charged to the TPS contract. However, the contract does not provide for this charge and a separate procurement was not done. Additionally, none of the radios were disbursed to TPS; 13 were disbursed to Field Supervisors, 10 to Central Communications, and 9 Maintenance. The equipment cost for the radios of \$165,761, as well as the annual maintenance costs for the radios of \$16,260, are charged to Central Communications and is handled through a separate contract.

Recommendation 6: We recommend that the system entry costs charged to the TPS contract be removed and billed under the proper charge codes for those departments receiving the benefits of the system.

Vehicle Maintenance Policies

There are no written policies regarding maintenance of TPS vehicles.

Recommendation 7: We recommend that OCTA's policies and procedures on TPS vehicle maintenance be documented. Per management, procedures have been written and are currently under review.

Radio-Dispatched Calls Reporting

TPS-related calls are not specifically identified in the OCTA dispatch logs. A report log of all radio-dispatched calls is provided by OCTA to TPS staff, who review the report log and manually identifies calls requiring response by TPS officers. This information is compiled by TPS and provided to OCTA management for review.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Transit Police Services
Contract Compliance and Operational Audit
May 12, 2006**

Recommendation 8: We recommend that the process for OCTA Central Communications dispatchers to identify TPS calls in the dispatch logs be automated. Per management, a method is currently under review for implementation.

Safeguarding OCTA-owned Vehicles

OCTA-owned vehicles are used by TPS to carry out contract requirements; however, OCTA vehicle usage policies and the County's vehicle usage procedures have not been communicated between the parties.

Recommendation 9: We recommend that OCTA vehicle usage policies be provided to the County and procedures between OCTA and the County for usage and safeguarding of OCTA-owned vehicles used by TPS be documented.

TPS Activity Reporting

TPS periodically reports various security-related statistics and activities to OCTA management; however, the reporting process is not formal and reports are not provided on a routine basis.

Recommendation 10: We recommend that OCTA management work with the County to establish a method for regular reporting of TPS activity. Additionally, the methods TPS uses to gather the reported information should be communicated to OCTA.

Funding Sources for Contract

TPS provides both bus system and rail right-of-way patrolling, with six officers dedicated to the railroad right-of-way patrol. In late 2005, Operations noted that services provided in support of the rail program should be subsidized with Commuter and Urban Rail Endowments (CURE) funding and began splitting the TPS contract costs between OCTD and CURE funds. However, some officer time is also spent on performing Orange County Taxi Administration Program (OCTAP) duties as stipulated in the contract, and OCTAP funds are not used to pay for any part of the contract cost. Additionally, the cost allocation to the CURE was determined based on right-of-way deputies dedicating 100% of their time to right-of-way patrol, which may not always be the case.

Recommendation 11: We recommend that an evaluation be performed on time spent by officers on OCTAP-related duties to determine whether the contract costs should be partially funded by OCTAP in addition to OCTD and CURE. Additionally, the funding

ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT

Transit Police Services
Contract Compliance and Operational Audit
May 12, 2006

split should be periodically evaluated to ensure the allocation accurately reflects the time officers spend on rail activities and OCTAP.

Fiscal and Compliance Monitoring

The contract does not include a clause allowing for OCTA inspection of records related to the contract.

Recommendation 12: We recommend that an agreement be documented between OCTA and the County for rights to conduct routine fiscal and compliance monitoring of the contract by OCTA.



INTEROFFICE MEMO

June 2, 2006

To: John Byrd, General Manger
Transit Division

From: Lisa Monteiro, Acting Manager
Internal Audit

A handwritten signature in black ink, appearing to be 'LM' or similar initials, written over the name Lisa Monteiro.

Subject: **Audit Close-out Memo, Transit Police Services Contract
Compliance and Operational Audit, Internal Audit
Report No. 06-015**

Internal Audit has received and concurs with management's responses to the recommendations issued in Internal Audit Report No. 06-015, Transit Police Services Contract Compliance and Operational Audit. Management has agreed to implement some recommendations, and is in the process of implementing the other recommendations. We will conduct a follow-up review on the status of management's planned corrective actions in six months.

Attachment: Management Response to Transit Police Services Contract
Compliance and Operational Audit, Audit Report No. 06-015

c: Rick Bacigalupo
Beth McCormick
Allan Jagger
Brian Champion
Al Pierce
Carolina Coppolo
Linda Hunter
Andrew Oftelie
Lt. Jim Rudy
Patricia Bello, Administrative Manager, Orange County Sheriff-Coroner
Margaret Cady, Revenue/Audit Manager, Orange County Sheriff-Coroner



INTEROFFICE MEMO

May 25, 2006

To: Lisa Monteiro, Acting Manager
Internal Audit

From: John Byrd, General Manager
Transit Division

Subject: **Management Response to Transit Police Services Contract
Compliance and Operational Audit, Audit Report No. 06-015**

Please find attached the management response from the Transit Division to the twelve recommendations included in the above referenced audit.

If you have any questions regarding the response, please contact Beth McCormick at x5964.

Attachment: Management Response Form, Internal Audit Report No. 06-015

c: B. McCormick

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

MANAGEMENT RESPONSE FORM
Transit Police Services
Contract Compliance and Operational Audit

Internal Audit Report No. 06-015
Report Date: May 12, 2006
Management Response Due Date: May 26, 2006

Number	Description	Management Response	Responsible Person	Due Date
1	We recommend that management analyze vacancy hours to determine whether the actual level of staffing is sufficient to meet contract requirements of the contract. Per management, options to maximize staffing levels are currently being analyzed.	Agree with recommendation. Working with Chief of Transit Police, Operations Analysis department will be requested to conduct analysis. Currently, OCSD has proposed an alternative to use extra help deputies to fill vacant positions until they are hired. This will decrease the use of overtime and increase the flexibility in deploying TPS resources 24/7.	Beth McCormick Brian Champion Lt. Jim Rudy	December 1, 2006
2	We recommend that individual and departmental responsibilities related to contract administration be clearly defined within OCTA and communicated to the County.	Agree with recommendation. With the assistance of CAMM, Bus Operations management will prepare a letter to the County requesting a specific process be used for contract administration and/or clarifications and updating the contacts for this agreement.	Beth McCormick Carolina Cippola	August 1, 2006
3	We recommend that support for all credits and charges made outside of the monthly recurring contract cost be reviewed by management before approving invoices for payment.	Agree with recommendation. This will be addressed in the letter referenced under item 2 (above). In the past, the County has issued letters explaining credits/charges. In fact, two such letters have been	Beth McCormick Carolina Cippola	August 1, 2006

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

MANAGEMENT RESPONSE FORM

Transit Police Services

Contract Compliance and Operational Audit

Internal Audit Report No. 06-015

Report Date: May 12, 2006

Management Response Due Date: May 26, 2006

Item	Description	Response	Responsible Person	Due Date
4	We recommend that procedures or a letter to file be documented between OCTA and the County for provisions for credits to be applied.	In fact, two such letters have been received recently to identify a credit for charges in FY06 and an adjustment necessary based on administrative salary increases.	Beth McCormick	August 1, 2006
5	We recommend that management analyze the total cost of providing transit police services and determine whether it is beneficial to separately account for these costs [costs for vehicle maintenance, facility use, etc].	Agree with recommendation. See response to items 2 and 3.	Carolina Cippola Tricia Bello (OCSD)	
6	We recommend that the system entry costs charged to the TPS contract be removed and billed under the proper charge codes for those departments	Agree with recommendation. Operations Analysis department will be requested to assist with this analysis.	Beth McCormick Brian Champion Andy Otfelie	December 1, 2006
		Agree with recommendation. Manager of Bus Operations will work with staff from Operations Analysis, CAMM, and Accounting to	Beth McCormick Brian	September 1, 2006

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

MANAGEMENT RESPONSE FORM
Transit Police Services
Contract Compliance and Operational Audit

Internal Audit Report No. 06-015
Report Date: May 12, 2006
Management Response Due Date: May 26, 2006

Number	Findings	Management Response	Champion
	receiving the benefits of the system.	necessary modifications.	Champion Linda Hunter Bruce Gilliland
7	We recommend that OCTA's policies and procedures on TPS vehicle maintenance be documented. Per management, procedures have been written and are currently under review.	Agree with recommendation. The Manager of Bus Operations will work with Maintenance department staff to confirm procedures exist for the maintenance of TPS vehicles.	Beth McCormick Al Pierce June 1, 2006
8	We recommend that the process for OCTA Central Communications dispatchers to identify TPS calls in the dispatch logs be automated. Per management, a method is currently under review for implementation.	Agree with recommendation. Improvement of current process and/or automation to improve TPS recordkeeping is under evaluation.	Beth McCormick September 1, 2006
9	We recommend that OCTA vehicle usage policies be provided to the County and procedures between OCTA and the County for usage and safeguarding of OCTA-owned vehicles used by TPS be documented.	Agree with recommendation. This will be addressed in the letter referenced under item 2, 3 and 4 (above).	Beth McCormick Carolina Cippola August 1, 2006

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

MANAGEMENT RESPONSE FORM

Transit Police Services

Contract Compliance and Operational Audit

Internal Audit Report No. 06-015

Report Date: May 12, 2006

Management Response Due Date: May 26, 2006

10	We recommend that OCTA management work with the County to establish a method for regular reporting of TPS activity. Additionally, the methods TPS uses to gather the reported information should be communicated to OCTA.	Agree with recommendation. Statistics for calendar year 2005 are summarized; a process to ensure this is on-going is currently under development by TPS. Goal is to establish quarterly reporting mechanism for presentation to committees as appropriate.	Beth McCormick Lt. Jim Rudy	September 1, 2006
11	We recommend that an evaluation be performed on time spent by officers on OCTAP-related duties to determine whether the contract costs should be partially funded by OCTAP in addition to OCTD and CURE. Additionally, the funding split should be periodically evaluated to ensure the allocation accurately reflects the time officers spend on rail activities and OCTAP.	Agree with recommendation. Operations Analysis department will be requested to assist with this analysis.	Beth McCormick Brian Champion Andy Offelie	December 1, 2006
12	We recommend that an agreement be documented between OCTA and the County for rights to conduct routine fiscal and compliance monitoring of the contract by OCTA.	Agree with recommendation. This will be addressed in the letter referenced under item 2, 3, 4 and 9 (above).	Beth McCormick Carolina Cippola	August 1, 2006



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WF} Wendy Knowles, Clerk of the Board
Subject: Preparation of the 2007 State and Federal Legislative Platforms

Legislative and Government Affairs/Public Communications
Committee

July 6, 2006

Present: Directors Buffa, Campbell, Cavecche, Correa, Ritschel, Rosen, Silva,
and Wilson
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Approve the preparation plan and timeline for the State and Federal Legislative Platforms.

Committee Discussion

The Committee suggested staff evaluate if holding a strategic planning session with the federal lobbying team would be helpful for putting together the federal platform.



July 6, 2006

To: Legislative and Government Affairs/ Public Communications
Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Preparation of the 2007 State and Federal Legislative Platforms

Overview

The Orange County Transportation Authority is preparing the legislative platform in advance of the 2007 sessions of the California Legislature and United States Congress. As a listing of objectives and issue positions, the legislative platforms provide general direction to staff and legislative representatives in Sacramento and Washington, D.C.

Recommendation

Approve the preparation plan and timeline for the State and Federal Legislative Platforms.

Background

Annually, Orange County Transportation Authority (OCTA) staff collects legislative ideas from interested parties within Orange County, subsequently evaluating and consolidating suggestions and strategies into framework documents to guide OCTA's state and federal legislative activities for the upcoming year. These documents are initially submitted as drafts and then in final form to the Board of Directors for adoption. In addition to adoption of the 2007 State and Federal Legislative Platforms, OCTA staff will pursue input from the Board on particular items to guide in advocacy positions and responses.

Discussion

The OCTA State and Federal Legislative Platforms provide guidance on statutory, regulatory, and administrative policies for staff and its legislative advocates to pursue in the subsequent year. Timely adoption of the platform

allows time to draft bill language, find bill authors, introduce legislation, recommend advocacy positions on bills, as well as to develop support for OCTA projects and funding requests.

In gathering ideas and information for potential legislative needs in 2007, State and Federal Relations Department staff will seek suggestions from Board Members; OCTA division directors and department managers; regional and state transportation agencies, associations, and interest groups; cities; the County of Orange; various parties in the public and private sectors; OCTA advisory groups; and users of OCTA services. Advice will also be sought from members of the Orange County legislative delegations and their staffs.

Once legislative ideas are collected, staff will formulate draft 2007 State and Federal Legislative Platforms. Subsequently, these documents will be reviewed by legislative advocates, legal counsel, and members of the Legislative and Government Affairs/Public Communications Committee. After extensive circulation and revision, final adoption will be sought at the Board's November 13, 2006, meeting. A detailed timeline is presented as Attachment A.

On January 9, 2006, the OCTA Board of Directors adopted 2006 State and Federal Legislative Platforms. Copies of these are included as Attachments B and C for your information.

Summary

The proposed timeline and process for the preparation of the 2007 State and Federal Legislative Platforms are presented for approval.

Attachments

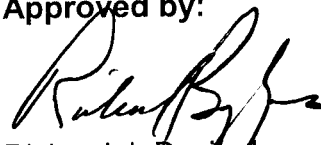
- A. Proposed Adoption Schedule of Orange County Transportation Authority 2007 State and Federal Legislative Platforms
- B. Orange County Transportation Authority 2006 State Legislative Platform
- C. Orange County Transportation Authority 2006 Federal Legislative Platform

Prepared by:



Wendy Villa
Principal Government Relations
Representative
(714) 560-5595

Approved by:



Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901

**Proposed Adoption Schedule of
Orange County Transportation Authority
2007 State and Federal Legislative Platforms**

Proposed Action	Target Date
Provide schedule and preparation process to the members of the Legislative and Government Affairs/Public Communications (LGA/PC) Committee, followed by the Board of Directors.	July 6, 2006 July 10, 2006
Receive requests for legislative suggestions from the Board of Directors, OCTA staff, OCTA standing committees, Orange County Legislative delegations, transportation agencies and associations, Orange County organizations, and interested members of the public.	August 31, 2006
Present preliminary draft of 2007 Legislative Platforms to LGA/PC Committee. Circulate and receive comments from staff, legislative advocates, legal counsel, and Board Members. Revise platforms based on input.	September 21, 2006
Comments due back.	October 16, 2006
Present draft 2007 Legislative Platforms to LGA/PC Committee for recommendation to the Board of Directors.	November 2, 2006
Present draft 2007 Legislative Platforms to Board of Directors for adoption.	November 13, 2006
Distribute adopted 2007 Legislative Platforms.	December 15, 2006

2006 STATE LEGISLATIVE PLATFORM

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Key Transportation Policy Issues In 2006

In addition to the fundamental principles, priorities, and goals that the Orange County Transportation Authority (OCTA) includes in its annual state legislative platform, there are a number of pressing transportation policy issues anticipated in the upcoming year. Among the expected transportation topics of importance are Proposition 42, public-private partnerships, design-build, and goods movement.

Proposition 42

Approved by nearly 70 percent of voters in March 2002, Proposition 42, requiring the transfer of the state sales tax on gasoline from the state General Fund to the Transportation Investment Fund (TIF), has gone largely unfunded. Provisions contained in Proposition 42 allow the transfer of revenues from the General Fund to the TIF to be suspended in any given fiscal year if the Governor declares that the transfer would negatively impact general government programs. Two-thirds of both houses of the Legislature must also concur.

Since enactment of Proposition 42, state budgetary shortfalls have led to its partial suspension once, as well as a complete suspension. In total, \$2.1 billion or approximately 57 percent of the voter-approved Proposition 42 transportation funds have been retained in the General Fund and used for non-transportation purposes.

In 2006, OCTA's advocacy efforts in this regard will emphasize the following:

- a) Support legislative efforts to amend Proposition 42 to make sales tax on gasoline a guaranteed revenue source for transportation.
- b) Support the expedited repayment of all Proposition 42 loans.
- c) Oppose efforts to change the allocation of gasoline sales tax as approved by the voters with the passage of Proposition 42.

Public-Private Partnerships

As state transportation funding shortfalls continue to escalate, and the costs of building, maintaining, and expanding our infrastructure increases, strategies that emphasize innovative funding methods have grown in popularity. One strategy is the use of public-private partnerships.

Under this strategy, for example, the state of California is authorized to enter into agreements with private entities for the development, construction, and operation of transportation projects for a specified period of time. Such agreements have led to the development of toll lanes, such as the 91 Express Lanes in Orange County.

Past public-private partnership experiences have provided valuable lessons in the use of this concept and in 2006, OCTA's advocacy efforts in this regard will emphasize the following:

- a) Support the use of public-private partnerships that increase highway capacity without limiting the ability to improve public facilities.

Design-Build

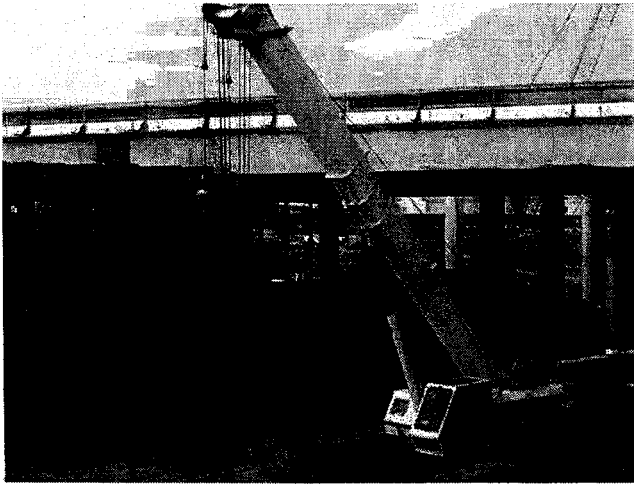
Historically, California has built public transportation projects using a process known as design-bid-build. This process utilizes separate entities for design and construction of a highway facility. Often times disagreements between entities involved in the project created massive delivery delays.

Public pressure to deliver high quality projects in an efficient and effective manner spurred many states to pass legislation authorizing the use of the design-build process. Unlike the traditional method, where all design aspects must be finished before construction bids can be solicited, design-build places design and construction responsibilities in the hands of one firm. By synchronizing the design and construction phases, a project can be completed much faster than under the conventional method.

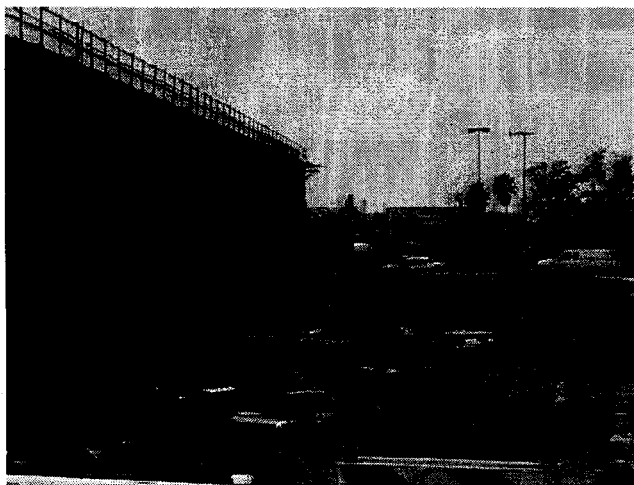
Currently, OCTA is utilizing its design-build authority in constructing a transit way, or high occupancy vehicle lanes, on the Garden Grove Freeway (State Route 22). By using design-build the projected completion time of widening State Route 22 will be reduced between three to five years.

In 2006, OCTA's advocacy efforts focusing on design-build will emphasize the following:

- a) Support legislation authorizing the use of design-build for transportation infrastructure without limiting the type of funding that can be used on the projects.



SR-22 Construction



Goods Movement

The movement of goods to and from the Ports of Los Angeles and Long Beach (POLA/LB) has been a major contributor to traffic congestion on Orange County streets and roads as well as highways. Over one-third of the nation's waterborne freight travels through POLA/LB, making them the country's largest container ports. Approximately 57 percent of the freight coming through the ports is destined for other parts of the country.

This trade volume is expected to triple in the next 20 years. This industry supports one out of every seven jobs in the state, contributing more than \$200 billion per year to the state's economy, including more than \$16 billion in tax revenues to state and local government. An estimated 225,000 manufacturing jobs are directly related to freight movement in Southern California.

The current financial benefits of this industry are not sufficient to fund the projects needed to offset the costs of moving these goods. The state and local infrastructure is unable to handle the movement without affecting the flow of other traffic. During the past legislative sessions, proposals to impose taxes and fees to fund needed infrastructure improvements have been considered. These proposals failed to gain consensus due to a variety of reasons including concerns about potential conflicts with federal law and international treaties.

In 2006, OCTA's advocacy efforts in this regard will emphasize the following:

- a) Pursue new sources of funding for goods movement infrastructure.
- b) Continue to work with local, regional, state, and federal entities, as well as with the private sector, to develop and implement needed infrastructure projects.
- c) Ensure that public control of goods movement infrastructure projects is retained at the local level.

I. State Budget

As California enters its fifth year of consecutive budget deficits with an outstanding budget deficit of \$4.9 billion, the Orange County Transportation Authority (OCTA) remains concerned about the transportation funding instability in the state. It is estimated that since fiscal year (FY) 2001, approximately \$4.8 billion has been diverted away from transportation projects statewide.

Transportation account loans, transfers, and suspensions over the last five years have exacerbated the existing demand for transportation infrastructure investment in California. In fact, the California Transportation Commission (CTC), identified \$120 billion in unfunded rehabilitation needs for California's highways, local streets and roads, and public transit over the next decade.

Consequently, state transportation advocates will be alert to further erosion of state funding, as well as state attempts to shift their costs to local entities or to secure a larger state share of federal transportation funding.

Key protective actions by OCTA will include:

- a) Oppose further loans from state highway and transit accounts to the state General Fund, deferral of existing loan repayment provisions, taking of "spill over" revenue from the Public Transportation Account, or relaxation of payback with interest provisions.
- b) Oppose unfunded mandates for transportation agencies and local governments in providing transportation improvements and services.
- c) Oppose cost shifts or changes in responsibility for projects funded by the state to the local transportation entities.
- d) Oppose allocation of OCTA's statutory portions of the state highway and transit funding programs for alternative purposes.
- e) Oppose efforts to utilize any future statewide transportation funds to cover Bay Bridge cost overruns.
- f) Support the allocation of OCTA's STIP reserve.

Key revenue enhancement and maintenance efforts by OCTA will include:

- g) Support legislation to treat the property tax of single-county transit districts the same as multi-county districts and correct other Educational Revenue Augmentation Fund (ERAF) inequities between like agencies.
- h) Seek additional funding for paratransit operations, including service for persons with disabilities and senior citizens.
- i) Support a Constitutional amendment to require the state to pay back with interest any funds loaned to it from the transportation accounts.
- j) Support the Constitutional protection of all transportation funding resources.

II. State/Local Fiscal Reforms and Issues

As California's budget challenges continue, attempts to address the state's structural deficiencies have led to various reform proposals. Over the last two years, Governor Arnold Schwarzenegger has proposed efforts that reexamine the state's efficiency, effectiveness, and its pressing debt issue. In 2004, the California Performance Review (CPR) was created to overhaul government inefficiency and duplication. To date, very few of the CPR findings and recommendations have been implemented.

Most recently, the Governor sought change in the budget process, teacher tenure, political contributions by public employee labor unions, and redistricting with his sponsorship of four initiatives on the November 2005 special election ballot. The voters defeated all of these initiatives.

Uncertainties of structural changes remain, and there is concern that local agencies will be impacted as the Legislature and Administration attempt to erase the budget deficit and repay loans. Therefore, OCTA will:

- a) Oppose efforts to reduce local prerogative over regional program funds.
- b) Oppose instituting regional gasoline sales taxes or user fees that would not be directly controlled by county transportation commissions.

2006 STATE LEGISLATIVE PLATFORM

- c) Oppose efforts to increase the one and one-half percent cap on administrative fees charged by the Board of Equalization on the collection of local sales taxes measures.
- d) Oppose legislative efforts to redirect Prop. 116 funds outside of the county/region approved by the voters upon passage of the initiative.
- e) Oppose efforts to transfer traditional federal funding sources from local agencies to the state and support equitable distribution of new federal funding programs in the state implementation legislation for the federal surface transportation act.
- f) Support legislation protecting or expanding local decision-making in programming expenditures of transportation funds.
- g) Support efforts to ease or simplify local matching requirements for state and federal grants and programs.
- h) Support the retention of existing local revenue sources.
- i) Support legislation to protect the flexibility of federal aid highway funds by requiring state compliance with federal highway safety requirements.
- j) Support flexibility for obligating regional federal transportation funds through interim exchange instead of loss of the funds by the local agency.
- k) Investigate updating the formula used to sub-allocate gas tax between counties and cities.

III. Stip Reform

The STIP, substantially amended by SB 45, Kopp (Chapter 622, Statutes of 1997), is a programming document that establishes the funding priorities and project commitments for transportation capital improvements in California. The STIP is primarily funded from the State Highway Account.

SB 45 places decision-making closest to the problem by providing project selection for 75 percent of the funding in the Regional Transportation Improvement Program (RTIP). This funding is distributed to counties based on an allocation formula. The remaining 25 percent of the funds is programmed by the Caltrans in the Interregional Transportation Improvement Program (ITIP).

Key provisions to be sought by the OCTA include:

- a) Sponsor legislation to guarantee reimbursement of project costs advanced with local funds for projects approved by the CTC in the STIP.
- b) Seek legislation to provide a stable base of funding used to calculate the amount of STIP funding that regional transportation planning agencies and county transportation commission can use for planning, programming, and monitoring purposes.
- c) Support legislation that maintains equitable "return to source" allocations of transportation tax revenues, such as updating north/south formula distribution of county shares and ITIP allocations.
- d) Support legislation to clarify that programming of county shares has priority over advancement of future county shares.
- e) Support maintaining the current STIP formula, which provides 75 percent of the STIP funding to the locally nominated RTIP and 25 percent to the ITIP.
- f) Support a formula based guaranteed disbursement of the ITIP.
- g) Support establishing a consistent four-year time period for all phases of the STIP funding cycle including programming, implementing, and auditing of local share funding.
- h) Support removing the barriers for funding transportation projects including allowing local agencies to advance projects with local funds when state funds are unavailable due to budgetary reasons, and allowing regions to pool federal, state, and local funds in order to limit lengthy amendment processes and streamline project delivery time.
- i) Support exemptions for SHOPP safety projects so that these projects can continue in the event the budget is not passed by the constitutional deadline.
- j) Support requiring TCRP projects that are advanced with non-TCRP funds be reimbursed from the TCRF before advancing other TCRP projects.
- k) Support legislation to involve county transportation commissions in development and prioritization of SHOPP projects.

IV. Transit Programs

In the next two decades, Southern California's population, specifically Los Angeles, Ventura, Orange, San Bernardino, and Riverside counties, is projected to increase by 44 percent. Such population projections have spurred these counties to invest in transportation alternatives.

Los Angeles and San Diego counties, for example, have actively focused on transit improvements, such as Metrolink and light rail systems expansion, while Orange, Riverside, and San Bernardino counties have concentrated on expanding their bus and Metrolink train commuter services.

OCTA's efforts in providing reliable, safe, and efficient bus service recently earned the agency national acknowledgment. In 2005, OCTA was recognized by the American Public Transportation Association as the "Outstanding Public Transportation System of the Year."

As OCTA continues to promote multi-modal forms of transportation such as bus and rail services, it will also look to advocate for the following:

- a) Oppose unfunded transit mandates that may occur as part of California's Olmstead Plan.
- b) Support legislation to encourage the interoperability of smart card technology within California.
- c) Support legislation to limit the liability of transit districts for the location of bus stops (*Bonanno v. Central Contra Costa Transit Authority*).
- d) Support study of the policies, funding options, and need for rail/highway grade separations including any impact on existing state highway and transit funding sources.
- e) Support the siting of transit oriented development projects (i.e. authorize extra credit towards housing element requirements for these developments).
- f) Support additional funding for paratransit operations, including service for persons with disabilities and senior citizens.
- g) Support legislation to update the California Vehicle Code with respect to technological advances in bus destination signs that provide effective communication to OCTA's customers, but prevent distraction to other motorists.

V. Roads and Highways

OCTA's commitment of providing mobility in Orange County is reflected through a dynamic involvement in innovative highway endeavors. In 2003, OCTA became, upon purchase of the 91 Express Lanes, a toll road operator. OCTA's ownership of the 91 Express Lanes has allowed for much needed safety improvements and increased mobility on this critical corridor between Riverside County and Orange County.

Similarly, OCTA's commitment to improving mobility has also led to non-traditional project delivery methods. In 2004, OCTA began construction to widen the State Route 22 (SR-22) utilizing an innovative design-build process. This \$495 million project is the first time this technique has been used on an operational highway in California and has made the SR-22 project the premiere design-build project in the state.

By using this approach, in which the design and construction are done concurrently in one contract, OCTA estimates that three years can be saved from the original completion date.

In 2006, OCTA's advocacy efforts related to highways, streets, and roads will emphasize the following:

- a) Oppose changes to eminent domain laws that would otherwise inhibit construction of public transportation projects.
- b) Oppose efforts to create a conservancy that would affect the delivery of transportation projects under study or being implemented in the region.
- c) Support administrative policy change to lower the oversight fee charged by Caltrans to ensure that project support costs are equivalent whether the project is administered by Caltrans or a local agency.
- d) Support improvements in major trade gateways in California to facilitate the movement of intrastate, interstate, and international trade beneficial to the state's economy.
- e) Support streamlining of the Caltrans review process for projects, simplification of processes, and reduction of red tape, without compromising environmental safeguards.

- f) Explore viability of statutory authorization to manage construction projects on state highways similar to the authority vested in the Santa Clara Valley Transportation Authority.
- g) Support customer privacy rights while maintaining OCTA's ability to effectively communicate with customers and operate the 91 Express Lanes.
- h) Work with Caltrans to ensure design specifications for bridges are free from defect.
- i) Explore options with the state, the county, cities, and other local jurisdictions to ensure greater cooperation in the control of street signal coordination, prioritization, preemption, and use of transportation management systems.
- j) Explore opportunities with Caltrans to increase utilization of HOV lanes.

VI. Rail Programs

Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. In 2005, Metrolink celebrated its 11th anniversary of operation in Orange County. Orange County is served by three routes: the Orange County (OC) Line, the Inland Empire-Orange County (IEOC) Line, and the 91 Line (Riverside-Fullerton-Los Angeles).

Currently, OCTA administers 68 miles of track that carry more than 3 million passengers per year. OCTA's Metrolink capital budget is funded through a combination of local, state, and federal funding sources.

In addition to Orange County Metrolink services, there is the possibility that two other rail systems could also travel through the county. While the status of the California High Speed Rail and the California-Nevada magnetic-levitation train is pending, it is uncertain whether funding for these rail systems could impact other transportation funding sources. Key advocacy efforts will emphasize the following:

- a) Co-sponsor, with the City of Anaheim, legislation that would extend the initial operating segment of the California High-Speed Rail System from the Los Angeles area to Anaheim.

- b) Support legislation that encourages mixed-use development around rail corridors.
- c) Support equitable distribution of bond revenue for feeder rail service.
- d) Support legislation that will aid in the development, approval, and construction of projects to expand goods movement capacity and reduce congestion.

VII. Administration/General

General administrative issues arise every session that could impact OCTA's ability to operate efficiently. Key positions include:

- a) Oppose legislation and regulations adversely affecting OCTA's ability to efficiently and effectively contract for goods and services, conduct business of the Authority, and limit or transfer the risk of liability.
- b) Support legislation that is aimed at controlling, diminishing, or eliminating unsolicited electronic messages that congest OCTA's computer systems and reduce productivity.

VIII. Environmental Policies

Changes in environmental laws can affect OCTA's ability to plan, develop, and build transit, rail, and highway projects. While OCTA has been a leading advocate for new cleaner transit technologies and the efficient use of transportation alternatives, it also remains alert to new, conflicting, or excessive environmental statute changes. Key positions include:

- a) Oppose efforts to grant special interest groups control or influence over CEQA process.
- b) Oppose expanded use of HOV lanes for purposes not related to congestion relief or air quality improvement.
- c) Oppose legislation that restricts road construction by superseding existing broad-based environmental review and mitigation processes.
- d) Support creative use of paths, roads, and abandoned rail lines using existing established rights of way to promote bike trails and pedestrian paths.

- e) Support incentives for development, testing, and purchase of clean fuel commercial vehicles.
- f) Support an income tax credit to employers for subsidizing employee transit passes.
- g) Support efforts to seek funding for retrofitting or re-powering heavy duty trucks and buses for cleaner engines to attain air quality standards.
- h) Support legislation to require AQMD to grant transit demonstration projects a temporary relief from having to initiate new services with alternative fuel vehicles. This allows greater flexibility to transit agencies to test new markets and/or services with the goal of expanding the transit market share.
- i) Support legislation to integrate state and federal environmental impact studies.

IX. Employment Issues

As a public service employer and one of the largest employers in Orange County, OCTA balances its responsibility to the community and the taxpayers to provide safe, reliable, cost-effective service with its responsibility of being a reasonable, responsive employer. Key advocacy positions include:

- a) Oppose efforts to impose state labor laws on currently exempt public agencies.
- b) Oppose legislation that circumvents the collective bargaining process.
- c) Oppose legislation and regulations adversely affecting OCTA's ability to efficiently and effectively deal with labor relations, employee rights, benefits, and working conditions, including health, safety, and ergonomic standards for the workplace.
- d) Support legislation that reforms the worker's compensation and unemployment insurance systems, and labor law requirements that maintain protection for employees and allow businesses to operate efficiently.
- e) Work closely with the County of Orange on legislation that is introduced that may affect membership in the Orange County Employees Retirement System.

X. Transportation Security

With the recent increase and severity of terrorists attacks around the world on transit systems, greater emphasis is being placed on transportation security, as a tool in preventing similar attacks. As the County's bus provider and Metrolink partner, OCTA comprehends the importance of securing our transit network and protecting our customers. Presently, OCTA maintains a partnership with the Orange County Sheriffs Department to provide OCTA Transit Police Services to the bus and train system in Orange County.

Heightened security efforts, an active public safety awareness campaign, and greater surveillance efforts, all require additional financial resources. Consequently, in 2006, OCTA's advocacy position will highlight:

- a) Support state homeland security and emergency preparedness funding and grant programs to local transportation agencies to alleviate financial burden placed on local entities.

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Introduction

With a population of over three million, Orange County is the second largest county in California and the fifth largest county in the nation. In fact, Orange County has more residents than 21 states. Orange County is also one of the most densely populated areas in the country and is second only to San Francisco for the most densely populated county in the state of California. National and global attractions include Disneyland, Knott's Berry Farm, and over 42 miles of beaches, making Orange County a worldwide vacation destination.

Among metro areas in the United States, Orange County has the 11th largest gross domestic product and is home to the 12th busiest airport in the nation. In addition, Orange County provides highway and rail corridors that facilitate an increasing level of international trade entering the Southern California ports. With regard to federal revenues, Orange County is consistently a donor county within a donor state.

The OCTA Federal Legislative Platform outlines the statutory, regulatory, and administrative goals and objectives of the transportation authority. The following platform was adopted by the OCTA Board of Directors to provide direction to staff and federal legislative advocates for the second session of the 109th Congress.

I. Fiscal Year 2007 Transportation Appropriations

The annual appropriations process will play a significant roll in the OCTA 2006 federal legislative platform. OCTA will focus on highway and transit infrastructure, homeland security, environmental streamlining and stewardship, and goods movement. As part of the fiscal year 2007 transportation appropriations bill, OCTA will work to:

- a) Support appropriations and additional funding of transit security grant programs for the Department of Homeland Security to protect county surface transportation systems, including highways, transit facilities, rail lines, and related software systems.
- b) Support New Start funding for the Orange County Bus Rapid Transit project adopted by the Board of Directors, as well as seek funding available through the newly authorized Small Starts program.
- c) Support full funding of Section 5309 (m)(1)(a) rail modernization grant funds.
- d) Support bus and bus-related OCTA projects under Section 5309 (m)(1)(c).
- e) In concert with regional transportation agencies, seek funding for the Southern California Regional Training Consortium to develop bus maintenance training information to the transit agencies throughout Southern California.

In addition, OCTA will work to secure the following project earmarks in the fiscal year 2007 transportation appropriations bill:

- f) State Route-91 widening and Orange County/Riverside chokepoint projects
- g) Grade separation improvements along Orangethorpe corridor in north orange county.
- h) Interstate-405 widening and improvements.
- i) Interstate-5 and Ortega highway chokepoint and interchange improvements.
- j) Improvements to relieve chokepoint congestion at the I-5 and SR-55.
- k) Phase one of the Interstate-5 South high occupancy lane (HOV) project.
- l) The Orange County Rapid Transit project.
- m) Improvements along the Bristol Street multi-modal corridor.
- n) Inter-county express bus service to assist commuters between Orange County and Los Angeles and Riverside.

II. Highways, Transit, and Rail

The federal surface transportation bill passed in July 2005 (SAFETEA-LU), included a significant level of funding for OCTA and authorized funding for critical highway and transit projects. However, there are a number of vital infrastructure projects – both highway and rail – that continue to require authorization to address specific highway, rail, and transit needs through-

out the county and Southern California region. OCTA will seek authorization and funding for the following projects:

- a) Support legislative efforts to authorize the State Route-91 congestion relief projects.
- b) Seek support from the Federal Transit Administration and Orange County Congressional delegation for the Orange County Rapid Transit Project.
- c) Support authorization and funding for the Anaheim Regional Transportation Intermodal Center (ARTIC).
- d) Pursue funding for applicable transit programs newly authorized by SAFETEA-LU, including Small Starts, Jobs Access Reverse Commute (JARC), and New Freedom program for new transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act (ADA).
- e) Support efforts to authorize and fund Maglev transportation from Anaheim to Ontario and Ontario to Las Vegas. Support funding to augment state and local efforts for High Speed rail service to and from Anaheim.
- f) Support additional funding for grade-separations, pedestrian trails, and at-grade rail crossings to improve vehicle-driver and pedestrian safety.
- g) Support environmental streamlining and stewardship efforts by the relevant federal agencies.
- h) Support expedited federal review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities.
- i) Seek funding for soundwall mitigation measures and retrofit projects.
- j) Support bond measures for Amtrak improvements in high-speed rail corridors.
- k) Work with the Southern California Regional Transit Training Consortium on its fiscal year 2007 legislative efforts to obtain federal funds to streamline bus maintenance training for alternative fuel buses.

III. Homeland Security

OCTA continues to work cooperatively with neighboring transit agencies, Urban Area Security Initiative (UASI) partners, state Homeland Security grant partners and local jurisdictions to develop regional and countywide strategic plans for terrorism preparedness. Last year, the Department of Homeland Security (DHS) released the first level of federal funding to enhance the security of regional bus and rail systems as part of the FY05 Transit Security Grant Program (TSGP). In addition to seeking additional grant funding in fiscal year 2007 to secure the county's highways, rail and transit systems, OCTA will pursue the following regulatory and statutory changes to address homeland security needs:

- a) Support increased federal funding to transit agencies for operational security improvements for highways, transit, and rail security in the United States.
- b) Support a fair distribution of grant funds based on the risk of terrorism as estimated by the Department of Homeland Security, in lieu of formulas based solely on size of population.
- c) Support programs that reach out to state homeland security officials to improve information exchange protocols, refine the Homeland Security Advisory System, and support state and regional data coordination.

IV. Goods Movement

OCTA will continue to support Southern California regional goods movement efforts to ease congestion and facilitate the significant international trade entering the Southern California ports. OCTA will seek funding for the following goods movement projects:

- a) Support additional funding for Alameda Corridor East (ACE) grade separation projects in Orange County, including the OnTrac initiative and Orangethorpe Corridor.
- b) Support funding for highway improvements along Orange County trade corridors, including the State Route-91, State Route-57, Interstate-5, and Interstate-405.

V. Environmental Policy and Regulatory Requirements

Federal environmental laws and regulations affecting OCTA include the National Environmental Protection Act (NEPA), the Federal Clean Air Act, Federal Water Pollution Control Act, and the Endangered Species Act. OCTA's historical positions with regard to these acts and related regulations include:

- a) Seek opportunities to streamline the environmental process for federally funded projects.
- b) Support implementation of a NEPA pilot project, authorized by SAFETEA-LU, to apply to OCTA federally-funded projects.
- c) Support legislation and federal grant programs that encourage ridesharing and related congestion relief programs for Orange County commuters.

In addition, OCTA takes the following positions with regard to U.S. Departments providing federal oversight, specifically:

- a) Support efforts to work with the Administration to equitably resolve the Federal Highway Administration's (FHWA) interpretation of the Americans with Disabilities Act (ADA) compliance guidelines that retroactively requires the implementation of costly curb-ramp upgrades within the boundaries of federally-funded projects. According to state officials implementing these regulations on behalf of FHWA, the requirements apply even if curb ramps are already in place but considered to be out of date according to the most recent ADA guidelines or when the project would not require ground disturbance (i.e. signal synchronization projects funded with Congestion Mitigation and Air Quality funds).
- b) Oppose any regulations or administrative guidance seeking to extend through administrative actions the statutory requirements of ADA.
- c) Support expanded design-build authorization for federally-funded highway and surface transportation projects.
- d) Support expedited federal review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities.

- e) Support streamlined federal reporting and monitoring requirements to ensure efficiency and usefulness of data and to eliminate redundant state and federal requirements.

VI. Employment Issues

Federal employment laws affecting OCTA include the Fair Labor Standards Act, Family and Medical Leave Act, Occupational Safety and Health Act and the Omnibus Transportation Employee Testing Act of 1991. While there is not anticipated to be significant changes to these federal laws next year, OCTA historical positions have included.

- a) Support income tax reductions for employees receiving employer-provided transit passes, vanpool benefits, or parking spaces currently counted as income.
- b) Oppose legislation and regulations adversely affecting the agency's ability to effectively and efficiently address labor relations, employee rights, benefits, and working conditions including health, safety, and ergonomics standards in the workplace.

BOARD COMMITTEE TRANSMITTAL



July 18, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Federal Legislative Status Report

This item will be considered by the Legislative and Government Affairs/Public Communications Committee on July 20, 2006. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



July 20, 2006

To: Legislative and Government Affairs/Public Communications Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Federal Legislative Status Report

Overview

The Federal Legislative Status Report includes a summary of the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission authorized by the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users, as well as the Administration's national congestion relief program.

Recommendation

Receive and file as an information item.

Background

The Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorized two commissions to conduct a comprehensive study of the condition and future needs of the nation's surface transportation system, as well as the short and long-term alternatives to replace or supplement the fuel tax as the principal revenue source to support the Highway Trust Fund over the next 30 years. The two commissions authorized by SAFETEA-LU are: The National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission.

The National Surface Transportation Policy and Revenue Study Commission (Revenue Study Commission) is comprised of 12 members who will focus on the current surface transportation system, identify future needs and develop financing recommendations by July 1, 2007 (Attachment A). This Revenue Study Commission was fully appointed and has held two meetings. The

transportation authorities representing Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties, sent a letter earlier this year to President Bush requesting an appointment from Southern California (Attachment B). Unfortunately, only one Californian was appointed to the Revenue Study Commission, Steve Hemminger, Executive Director of the San Francisco Bay Area's Metropolitan Transportation Commission (MTC). The Orange County Transportation Authority (OCTA) is working with the region's transportation authorities to organize a meeting with Mr. Hemminger to communicate the congestion relief needs and goods movement concerns of Southern California.

The other commissioners include:

Norman Y. Mineta, Chairman - Secretary of Transportation
Frank Busalacchi, Wisconsin Secretary of Transportation
Rick Geddes, Director of Undergraduate Studies, Cornell University
Frank McArdle, General Contractors Association of New York
Steve Odland, Chairman and Chief Executive Officer, Office Depot
Mary Peters, National Director of Transportation Policy, HDR
Patrick Quinn, Chairman, American Trucking Association
Matt Rose, CEO, Burlington Northern Santa Fe Railroad
Jack Schenendorf, Counsel, Covington & Burling
Tom Skancke, CEO, The Skancke Company
Paul Weyrich, Chairman and CEO, Free Congress Foundation

The National Surface Transportation Infrastructure Financing Commission (Financing Commission) was authorized as a 15-member commission to focus on highway and transit financing and develop recommendations within two years of its first meeting. This Financing Commission was specifically tasked to consider and review the following: Highway Trust Fund (HTF) revenues under current law, the future forecasting of the HTF revenues, alternative revenue approaches, highway and transit revenues needs, and an option for States to be exempted from all or a portion of the Federal Motor Fuel Tax.

The Financing Commission has not begun meeting and no nominations have been made to date due to lack of identified funding. It has been speculated that the two commissions may be combined at some point to meet both the financing and policy objectives of the authorizing language.

In addition to the efforts of the SAFETEA-LU Commissions, former United States (U.S.) Secretary of Transportation Norman Y. Mineta recently announced a new national initiative regarding highway, freight and aviation congestion (Attachment C). Secretary Mineta called congestion one of the

single greatest threats to the U.S. economy. The program is titled the National Strategy to Reduce Congestion on America's Transportation Network.

As part of the initiative, the U.S. Department of Transportation will focus its resources, funding, staff and technology to reduce traffic delays, relieve freight movement bottlenecks and reduce flight delays.

The initiative will seek Urban Partnership Agreements with a handful of communities willing to demonstrate new congestion relief strategies and encourages states to pass legislation giving the private sector a broader opportunity to invest in transportation. It calls for more widespread deployment of new operational technologies and practices that will relieve traffic chokepoints, designates new interstate "corridors of the future," targets port and border congestion, and expands aviation capacity.

A component of the program will focus on congestion in Southern California as a result of the significant level of international trade entering the region via the Ports of Los Angeles, Long Beach, and Hueneme. The first meeting of the Southern California stakeholders was convened by high-level U.S. Department of Transportation staff in Los Angeles on June 29th. As further activity and strategic planning occurs, staff will report back to the Board.

Lastly, with regard to goods movement and congestion relief, U.S. Senator Dianne Feinstein (D-CA) has been holding regional stakeholder meetings and both Senator Feinstein and Senator Barbara Boxer (D-CA) have expressed interest in forming a Goods Movement Caucus in the U.S. Senate. Senator Boxer is also seeking additional funding for the four-county Alameda Corridor East project in the fiscal year 2007 transportation appropriations bill.

At a regional level, OCTA staff is working with transportation stakeholder groups to address and resolve the impacts of goods movement in Southern California. One of the major ongoing efforts is the Multi-County Goods Movement Action Plan, which is a partnership of the California Department of Transportation, the transportation authorities from the counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura, and the Southern California Association of Governments to develop strategies for goods movement improvements, environmental and community impact mitigation strategies, and an action plan to be completed by February 2007.

Summary

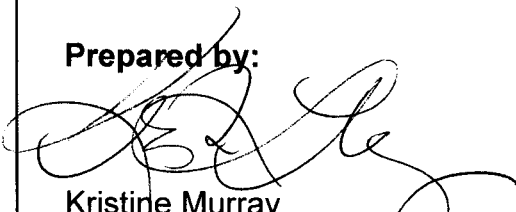
The U.S. Congress and the U.S. Department of Transportation have initiated strategic plans to address congestion resulting from increasing levels of

international trade and the resulting movement of goods through the most impacted regions of the country. Included is a summary of two commissions authorized by SAFETEA-LU, the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission, as well as the Administration's National Strategy to Reduce Congestion on America's Transportation Network.

Attachments

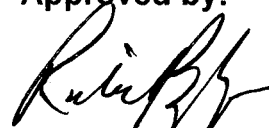
- A. Overview of the National Surface Transportation Policy and Revenue Study Commission.
- B. Consensus letter from the five Southern California transportation authorities to President Bush requesting a Southern California appointee to one of the SAFETEA-LU Commissions.
- C. National Strategy to Reduce Congestion on America's Transportation Network.

Prepared by:



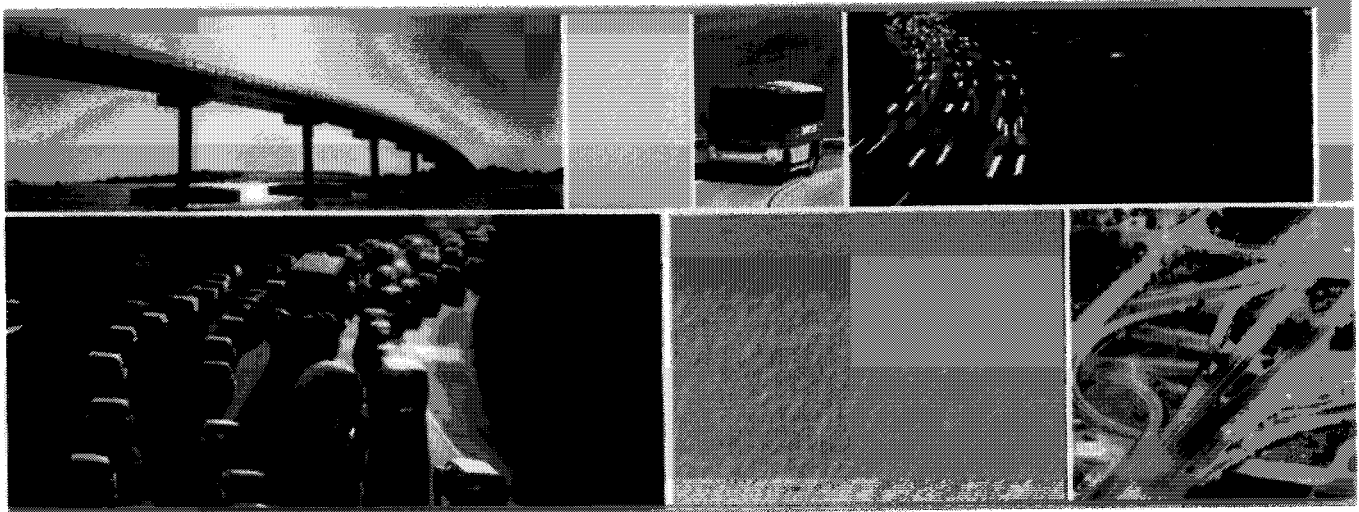
Kristine Murray
Manager, Federal Relations
(714) 560-5906

Approved by:



Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901

NATIONAL SURFACE TRANSPORTATION POLICY AND REVENUE STUDY COMMISSION



- HOME
- COMMISSION AUTHORIZING LEGISLATION
- COMMISSIONERS
- COMMISSION MEETINGS
- COMMISSION LINKS
- WHAT'S NEW

National Surface Transportation Policy and Revenue Study Commission

The National Surface Transportation Policy and Revenue Commission was created by the Efficient Transportation Equity Act—A Legacy for Users (SAFETEA-LU). This Commission declared, "that it is in the national interest to preserve and enhance the surface transportation system for the 21st century."

The Commission is comprised of 12 members, representing Federal, state and local transportation-related industries, and public interest organizations, working to examine surface transportation system, but also short and long-term alternatives to replace to support the Highway Trust Fund over the next 30 years.

Commissioners

Norman Y. Mineta, Secretary of Transportation—Chairman

Frank Busalacchi, Wisconsin Secretary of Transportation

Rick Geddes, Director of Undergraduate Studies, Cornell University Dept. of Policy

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Frank McArdle, General Contractors Association of New York

Steve Odland, Chairman and CEO, Office Depot

Mary Peters, National Director of Transportation Policy, HDR

Patrick Quinn, Chairman, American Trucking Association

Matt Rose, CEO, Burlington Northern Santa Fe Railroad

Jack Schenendorf , Of Counsel, Covington & Burling

Tom Skancke, CEO, The Skancke Company

Paul Weyrich, Chairman and CEO, Free Congress Foundation

Contact the commission at info@surfacecommission.gov



January 18, 2006

President George W. Bush
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Bush:

We are writing on behalf of five transportation agencies in Southern California to urge you to appoint a transportation leader from our region to serve on two commissions established by the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU). These commissions are charged with examining a subject of great concern to us – the current condition and future needs of America's surface transportation system.

Specifically, we are interested in having a qualified individual from our region serve on both the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission. Should these commissions be merged into one body, we would appreciate having a knowledgeable transportation leader, who is familiar with the profound and unique mobility challenges facing our region, selected to serve on that distinguished body.

Because Southern California's transportation system is an economic engine that drives America's economy, we feel a representative from our region must be part of any national dialogue designed to shape the future of America's surface transportation system.

The transportation network we maintain, supported in large part by local sales tax funding, sustains a level of economic activity that on its own amounts to the 9th largest economy in the world. The Southern California region's transportation network handles nearly 35% of all waterborne trade entering the United States annually. A dramatic example of this figure is the fact that 60% of the imported goods in the Greater Chicago area are shipped through the Ports of Los Angeles and Long Beach - proof that our region's transportation network is vital not only to California, but the nation.

Thank you in advance for your consideration of our request that a qualified representative from Southern California serve on both the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission. We would be pleased to provide the names of individuals in our region who would be productive members of these congressionally sanctioned transportation commissions.



Please do not hesitate to contact the Chair of the Southern California Regional CEO roundtable, Eric Haley at (951) 787-7141 or any of the five County CEO's individually with respect to questions regarding this correspondence.

Sincerely,

Roger Snoble
 Chief Executive Officer
 Los Angeles County Metropolitan Transportation Authority

Arthur T. Leahy
 Chief Executive Officer
 Orange County Transportation Commission

Eric Haley
 Executive Director
 Riverside County Transportation Commission

Tony Grasso
 Executive Director
 San Bernardino Associated Governments

Ginger Gherardi
 Executive Director
 Ventura County Transportation Commission

cc: Southern California Congressional Delegation
 Board of Directors, Transportation Commissions

**NATIONAL STRATEGY TO
REDUCE CONGESTION ON
AMERICA'S TRANSPORTATION NETWORK**



May 2006



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

Congestion is one of the single largest threats to our economic prosperity and way of life. Whether it takes the form of trucks stalled in traffic, cargo stuck at overwhelmed seaports, or airplanes circling over crowded airports, congestion is costing America an estimated \$200 billion a year.

Each year, Americans lose 3.7 billion hours and 2.3 billion gallons of fuel sitting in traffic jams and waste \$9.4 billion as a result of airline delays. Worse, congestion is affecting the quality of Americans lives by robbing them of time that could be spent with families and friends.

Congestion is not a fact of life. It is not a scientific mystery, nor is it an uncontrollable force. Congestion results from poor policy choices and a failure to separate solutions that are effective from those that are not. President Bush and I recognize the challenge that congestion poses and the opportunity that we have to do something about it. That is why we have launched a new, national initiative to reduce congestion in America.

This plan, the *National Strategy to Reduce Congestion on America's Transportation Network*, provides a blueprint for federal, state and local officials to follow as we work together to tackle this growing problem. Over the coming months, we will focus the Department's resources, funding, staff and technology to cut traffic jams, relieve freight bottlenecks, and reduce flight delays. We must not be afraid to embrace new solutions if we are going to make any meaningful progress in reducing congestion.

The plan itself calls upon the leadership of the Department to establish Urban Partnership Agreements with selected communities and encourages states to pass legislation giving the private sector a broader role in investing in transportation. It calls for more widespread deployment of new technologies and practices that end traffic tie ups, designates and funds new "corridors of the future," takes on port and border congestion, and expands aviation capacity.

The bottom line is that every person and every business in American has a vested interest in reducing congestion. Congestion kills time, wastes fuel, and costs money. But we don't have to let traffic delays put our lives on hold any longer. We have the tools, the technology, and the plan to make today's congestion a thing of the past.

Sincerely,

A handwritten signature in black ink, appearing to read "Norman Y. Mineta". The signature is fluid and cursive, with a large loop at the end.

Norman Y. Mineta
U.S. Secretary of Transportation
May, 2006

“Transportation is key to the productivity, and therefore the success, of virtually every business in America. Congestion and delay not only waste our time as individuals, they also burden our businesses and our entire economy with inefficiency and higher costs.”

- Secretary of Transportation Norman Y. Mineta
January 2001

“Congestion is not a fact of life. We need a new approach and we need it now.”

- Secretary of Transportation Norman Y. Mineta
May 2006

CONGESTION DRAINS THE ECONOMY

Growing congestion in U.S. transportation systems poses a substantial threat to the U.S. economy and to the quality of life of millions of Americans.

- According to the Texas Transportation Institute (TTI), in 2003, congestion in the top 85 U.S. urban areas caused 3.7 billion hours of travel delay and 2.3 billions gallons of wasted fuel, for a total cost of \$63 billion.
- In the 10 most congested areas, each rush hour traveler “pays” an annual virtual “congestion tax” of between \$850 and \$1,600 in lost time and fuel and spends the equivalent of almost 8 work days each year stuck in traffic.
- The cost of annual commercial airline passenger delays in the United States costs another \$9.4 billion.

CONGESTION HURTS FAMILIES

Congestion and the growing unreliability of the highway system impose severe costs on the quality of life of millions of Americans. Parents are increasingly missing events with their children, friends and families are finding it harder to spend time together, and civic participation broadly is being negatively impacted. Evidence suggests that each additional 10 minutes in daily commuting time cuts involvement in community affairs by 10 percent (*Robert Putnam, Bowling Alone, 2000*).

CONGESTION THREATENS BUSINESSES

Beyond lost time and fuel, transportation congestion imposes significant additional costs on U.S. businesses. As transportation congestion mounts, the economic benefits generated by trucking, rail and aviation deregulation are increasingly threatened. The TTI totals and aviation figures take into account only time and fuel, and would be much higher if unreliability, inventory, environmental, and other costs were included. To date, these costs have been insufficiently quantified, so most evidence is anecdotal. However, even these anecdotes are telling:

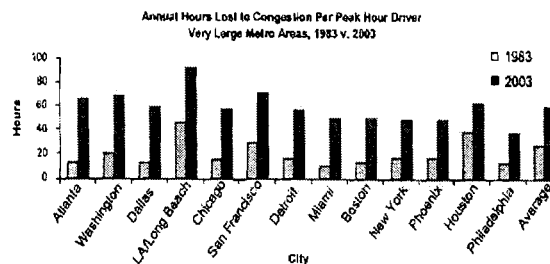
Cost of Congestion in Wasted Time and Fuel in the Largest Urban Areas

Metro Area	Total Cost (\$ in Millions)	Cost Per Peak Traveler
Los Angeles-Long Beach-Santa Ana CA	\$10,686	\$1,598
San Francisco-Oakland CA	\$2,604	\$1,224
Washington DC-VA-MD	\$2,465	\$1,169
Atlanta GA	\$1,754	\$1,127
Houston TX	\$2,283	\$1,081
Dallas-Fort Worth-Arlington TX	\$2,545	\$1,012
Chicago IL-IN	\$4,274	\$876
Detroit MI	\$2,019	\$955
Miami FL	\$2,485	\$869
Boston MA-NH-RI	\$1,592	\$653
Phoenix AZ	\$1,295	\$831
New York-Newark NY-NJ-CT	\$6,780	\$824
Philadelphia PA-NJ-DE-MD	\$1,585	\$641

Source: Texas Transportation Institute, 2003 Urban Mobility Report

Growth in Wasted Hours

- Congestion has increased dramatically over the past 2 decades
- In the 13 largest cities, drivers spend the equivalent of almost eight work days each year stuck in traffic



Source: Texas Transportation Institute, 2003 Urban Mobility Report

- A national retailer that keeps \$2.5 billion worth of merchandise on-hand recently added 10 days of “buffer stock” to its inventory due to increased delays. This buffer stock cost the retailer \$2.7 million annually.
- A computer chip manufacturer advanced its last shipment departure time two hours ahead for outbound shipments through Portland International Airport due to increased afternoon peak congestion on area roads.
- An Atlanta area distributor of pet food with an 11-truck fleet finds it difficult for one truck to make more than 12 daily deliveries; in 1984, one truck made as many as 20 deliveries each day.
- In 2005, congestion at the Otay Mesa and Tecate crossings along the California-Mexico border was estimated by the San Diego Association of Governments to cost the U.S. economy \$3.7 billion in output and almost 40,000 jobs.
- In 2000, Global Insight, an economic forecasting firm, estimated congestion at the Ambassador Bridge between Detroit, Michigan and Windsor, Canada cost motor carriers between \$150 million and \$200 million.

ALARMING TRENDS

Highway Congestion on the Rise

Highway congestion has increased dramatically over the past two decades. Between 1982 and 2003, U.S. highway congestion has increased in extent, duration, and intensity. In 2003, in the largest U.S. cities, highway congestion:

- Impacted 67% of travel (up from 33% in 1982);
- Lasted 7 hours per day in duration (up from 4.5 hours in 1982); and
- Added an additional 37% to the length of the average rush hour driver’s trip (up from 13% in 1982).

Congestion Spreading to Suburban and Rural America

Based on current trends, highway congestion is on its way toward becoming a problem in medium-sized cities within the next 10 years, while smaller cities, towns, and the suburban and rural fringe can expect to face similar challenges over the next 10 to 15 years.

For example, a medium-sized city such as Birmingham, AL, should expect its congestion in 2013 to be as bad as, or worse than, that currently experienced by a large city such as St. Louis, MO. The rate of congestion growth has also been even greater in rural than in urban areas, portending increased congestion in communities of all sizes.

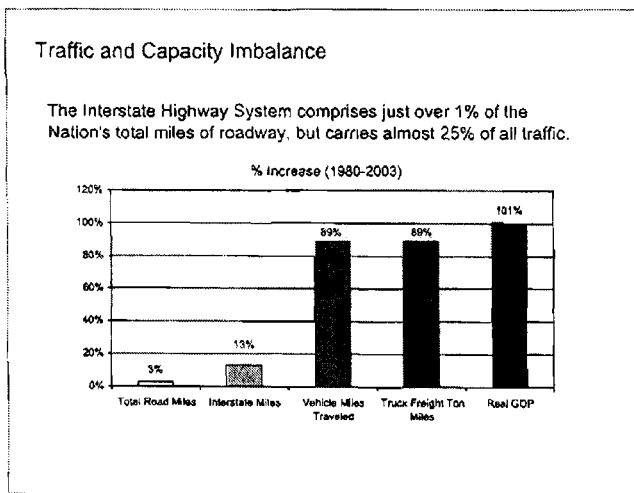
Public Frustration Growing

The American public has become increasingly frustrated with the performance of its highway network. In a 2005 National League of Cities survey, traffic congestion led all other categories – including education and healthcare – when subjects were asked to identify the most deteriorated conditions in their cities over the last 5 years.

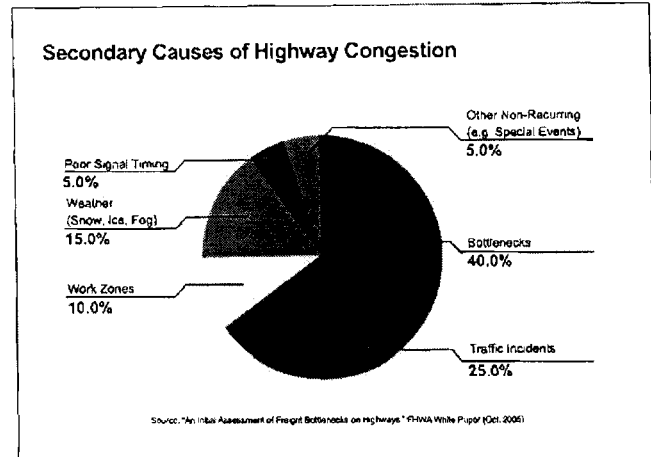
In a 2001 survey by the U.S. Conference of Mayors, 79% of Americans in the 10 metro areas surveyed believed that congestion had gotten worse over the last 5 years; 50% believed that congestion had become “much worse.”

CAUSES OF CONGESTION

At its most fundamental level, highway congestion is caused by the lack of a mechanism to efficiently manage use of existing capacity. While congestion in our aviation and rail systems also deserves national attention, the ability to formally assign rights to various users through air traffic control and dispatch systems helps prevent the type of gridlock we see on our highway system. Economists have long advocated that pricing the costs of congestion directly is the most viable means to address this problem and reduce overall congestion costs. The price of highway travel (gas taxes, registration fees, etc.) currently bears little or no relationship to the cost of congestion, however. Put differently, the average rush hour driver pays out of pocket costs that do not reflect the true costs of the travel. As a result, the network gets swamped, vehicle throughput collapses, and the cost of congestion to all users grows rapidly.



In more immediate terms, congestion is caused by a number of additional factors, including traffic incidents, special events, weather, work zones, and poor signal timing. According to the Federal Highway Administration, approximately half of all congestion can be traced to “recurring” causes (physical bottlenecks, poor signal timing, etc.), and the other half to “non-recurring” (accidents, work zones, weather, etc.). We have significant ability to mitigate the impacts of congestion and provide critical additional capacity during peak traffic periods by more effectively addressing these factors.



CONGESTION IS NOT A FACT OF LIFE

We know that congestion is a problem facing families, communities and businesses, and we know that more can be done to improve the performance of the existing transportation network. As a country, we justifiably do not accept equivalently low service levels from our other network and public utility services, and there is no reason to accept it in our transportation system.

Transportation congestion is not a fact of life. It is not a scientific mystery, an uncontrollable force, or the insurmountable fate of the American people. Rather, congestion results from poor policy choices and a failure to separate and embrace solutions that are effective from those that are not. A confluence of trends provides a ripe opportunity to deliver better results:

- **Public dissatisfaction.** The American people have registered strong public discontent with congestion and with spending decisions that do not produce high returns in terms of congestion relief.
- **The development of new transportation technologies.** Newly available technologies can greatly improve system management, provide more timely information for system users and responders, and lower the costs of toll collection.
- **The demonstrated success of road pricing.** Other major cities around the world, including London, England and Stockholm, Sweden most recently, have reduced congestion and improved throughput almost immediately through the implementation of congestion pricing strategies.

- **Increased private sector interest in U.S. transportation infrastructure investment.**

Transactions such as the \$1.8 billion 99-year lease of the Chicago Skyway and the pending \$3.8 billion 75-year lease of the Indiana Toll Road, as well as the recent creation of large transportation infrastructure funds, demonstrate the growing interest of private sector capital investors in U.S. transportation systems.

- **Consensus on the limitations of current financing mechanisms.** There is a growing consensus among transportation policymakers and economists that existing financing mechanisms for highway and aviation infrastructure are unsustainable in the long-term and will be unable to keep pace with projected demands on the transportation network.

- **Challenges to the supply chain revolution.**

The deregulation of the trucking, rail and aviation industries has produced enormous supply chain efficiencies and has led to a reduction in total logistics costs for businesses. However, growing congestion and unreliability threatens supply chain productivity and ultimately the ability of sellers to deliver products to market.

THE SIX-POINT PLAN

The Department of Transportation proposes the following six areas of emphasis. Each of these areas shows potential to both reduce congestion in the short term and to build the foundation for successful longer-term congestion-reduction efforts.

Relieve urban congestion. The Department will seek to enter *Urban Partnership Agreements* with model cities, pursuant to which the cities and Department will commit to the following actions:

- Implementing a broad congestion pricing or variable toll demonstration;
- Creating or expanding express bus services, which will benefit from free flow traffic conditions;
- Securing agreements from major area employers to establish or expand telecommuting and flex scheduling programs; and

- Expediting completion of the most significant highway capacity projects currently underway that hold the greatest potential for reducing congestion and bottlenecks.

To the maximum extent possible, the Department will commit discretionary resources and expertise to support the above actions, including potentially Small Starts funds, Open Roads Pilot Program funds (if appropriated in FY '07), and Value Pricing Pilot Program funds. The Department will work to expedite completion of capacity projects through: i) inclusion of such projects on the Executive Order on Environmental Stewardship and Transportation Infrastructure Project Reviews; and ii) providing tolling flexibility, private activity bond borrowing authority, and TIFIA program credit assistance, if necessary.

Unleash private sector investment resources. The Department will work to reduce or remove barriers to private sector investment in the construction, ownership, and operation of transportation infrastructure by:

- Developing an organized effort to encourage states to enact legislation enabling them to enter into infrastructure agreements with the private sector;
- Overcoming institutional resistance to reform through education, demonstrations and relationship building with state agencies and private investors/developers; and
- Utilizing existing Federal program authorities, including the major surface transportation legislation signed by President Bush last August, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), to encourage formation of public-private partnerships.

Promote operational and technological improvements. The Department will work to advance low-cost operational and technological improvements that increase information dissemination and incident response capabilities by:

- Encouraging states to utilize their Federal-aid formula funds to improve operational performance, including providing better real-time traffic information to all system users;
- Emphasizing congestion reducing technologies in the implementation of the Intelligent Transportation Systems program; and
- Promoting best practices and identifying private sector partnering and financing opportunities to improve incident and intersection management (e.g., formation of roving response teams, enactment of quick clearance and “move it” laws, and deployment of adaptive intersections).

Establish a “Corridors of the Future” competition. The Department will accelerate the development of multi-state, multi-use transportation corridors by:

- Running a competition to select 3-5 major growth corridors in need of long-term investment;
- Convening a multi-state process to advance project development and seek alternative financial opportunities; and
- Fast-tracking major congestion reducing corridor projects that received funding in SAFETEA-LU.

Target major freight bottlenecks and expand freight policy outreach. The Department will address congestion in the nation’s freight system by:

- Transforming DOT’s existing Gateway Team in Southern California into a larger Intermodal Hot Spot Team to convene the region’s diverse freight stakeholder community to forge consensus on immediate and longer term transportation solutions;
- Engaging shippers from the retail, manufacturing, agricultural and technology sectors, as well as freight carriers and logistics firms, through a series of “CEO Summits,” structured around the Department’s National Freight Policy Framework; and
- Establishing a senior-level DHS-DOT border congestion team to prioritize operational and infrastructure improvements at the nation’s most congested border crossings.

Accelerate major aviation capacity projects and provide a future funding framework. The Department will address congestion in the aviation system by:

- Designing and deploying the Next Generation Air Transportation System – a modernized aviation system with greater capacity and less congestion;
- Improving efficiency and reducing delays at New York City’s LaGuardia Airport. In the short-term this will involve replacing the current High Density Rule. In the longer-term, it will include a redesign of the region’s airspace and the use of market-based tools to manage congestion at our most crowded airports;
- Giving priority treatment and agency resources to projects that enhance aviation system capacity; and
- Streamlining environmental reviews for aviation capacity projects.

CONCLUSION

Economic prosperity and a population fast approaching 300 million have combined to produce record demand for personal and freight mobility. Transportation is woven into the economic fabric of our nation as never before. But continued economic growth is seriously threatened by congestion, the costs of which shippers, manufacturers, operators, and ultimately, consumers, bear. The Administration's objective must be to reduce congestion, not simply to slow its increase. Congestion is not an insurmountable problem. But solutions will require a smarter approach to capacity expansion and improved productivity of existing transportation assets.

Reducing congestion is about making the right investments in our transportation capital stock. The public sector has limited funds and the needs are great, despite record funding for surface transportation in recent decades. The Federal Government's most important role is to establish mechanisms to ensure that the right investments get made. In order to sustain economic growth and job creation, we must be open to new approaches to building, financing, and managing our transportation infrastructure.

We must end the era of complacency about congestion. The **National Strategy to Reduce Congestion on America's Transportation Network** provides the framework for government officials, the private sector, and most importantly, the citizen-user, to take the necessary steps to make today's congestion a thing of the past. This new initiative allows leaders at all levels of government to embrace new solutions that reduce congestion, sustain economic growth, and give Americans more time to pursue their dreams.

BOARD COMMITTEE TRANSMITTAL



July 18, 2006

To: Members of the Board of Directors
From: Wendy Knowles^{WK}, Clerk of the Board
Subject: Resolution for National Criminal History Access

This item will be considered by the Security Working Group on July 20, 2006. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



July 20, 2006

To: Security Working Group
From: Arthur T. Leahy, Chief Executive Officer
Subject: Resolution for National Criminal History Access

Overview

The State of California, Department of Justice has recently been granted access to the Federal Bureau of Investigation criminal history database for pre-employment background checks.

Recommendation

Staff recommends that the Orange County Transportation Authority authorize the submission of a resolution to the California State Department of Justice to request permission to access the Federal Bureau of Investigation national database for pre-employment, licensing and certification criminal background checks.

Background

In October of 2005, the Orange County Transportation Authority (OCTA) Board of Directors passed a resolution that allowed OCTA access to the California State Department of Justice (DOJ) criminal history database for pre-employment background checks. At the time of that resolution, the State did not have access to the national Federal Bureau of Investigation (FBI) database for these checks. The State now was granted access to this information and is making it available to agencies who are currently enrolled in the Livescan program. The Federal Department of Justice is requiring agencies wishing to add access to this database, to request permission through a resolution from the governing body.

Discussion

OCTA staff feels that the addition of a background check utilizing this national database will enhance our ability to thoroughly pre- screen our new employees.

Our current pre-employment background check will be greatly improved and help ensure safety to our customers and employees.

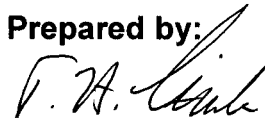
Summary

The State of California, DOJ has recently been granted access to the FBI criminal history database for pre-employment background checks. Staff is requesting that a resolution authorizing this access be submitted to the California State DOJ.

Attachment

- A. Resolution to California State Department of Justice for authorization of national criminal history checks.

Prepared by:


Thomas H. Little
Manager of Security
(714) 560-5918

Approved by:


Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901

BOARD OF DIRECTORS' RESOLUTION NO. 2006-106

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY
AUTHORIZING ACCESS TO STATE, LOCAL AND FEDERAL
SUMMARY CRIMINAL HISTORY INFORMATION**

On motion of Director _____, duly seconded and carried, the following resolution was adopted:

WHEREAS, Penal Code Sections 11105 (b)(10) and 13300 (b)(10) authorize cities, counties and districts to access state and local summary criminal history information for employment, licensing or certification purposes; and

WHEREAS, Penal Code Section 11105 (b)(10) authorizes cities, counties and districts to access federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation; and

WHEREAS, Public Utilities Code Section 130241 imparts to the Orange County Transportation Authority ("Authority") all powers and functions provided for in the Orange County Transit District Act of 1965; and

WHEREAS, Penal Code Sections 11105 (b)(10) and 13300 (b)(10) require that there be a requirement or exclusion from employment, licensing, or certification based on specific criminal conduct on the part of the subject record; and

WHEREAS, Penal Code Sections 11105 (b)(10) and 13300 (b)(10) require the governing body of the Authority to specifically authorize access to summary criminal history information for employment, licensing, or certification purposes.

NOW THEREFORE, BE IT RESOLVED, that the Authority is hereby authorized to access summary criminal history information for employment, licensing or certification purposes; and

BE IT FURTHER RESOLVED, that the Authority shall not consider a person who has been convicted of a felony or a misdemeanor involving moral turpitude, eligible for employment, licensing or certification; except that such conviction may be disregarded if it is determined by the Authority that mitigating circumstance exist, or that there is no reasonable nexus between the conviction and the employment, license or certification in questions; and

BE IT FURTHER RESOLVED, that the Authority designates the Orange County Transportation Authority Executive Director of Human Resources as the custodian of said summary criminal history information accessed by the Authority and shall be responsible for the confidentiality of the records and shall establish procedures to prevent further dissemination of the records, unless such dissemination is specifically provided for by law or regulation.

ADOPTED BY THE ORANGE COUNTY TRANSPORTATION AUTHORITY BOARD OF DIRECTORS ON JULY 24, 2006.

AYES:

NOES:

ABSTAIN:

ABSENT:

Arthur Brown
Chairman of the Board of Directors
Orange County Transportation Authority



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WK}
Subject: Award of Construction Contract for Americans with Disabilities Act Bus Stop Modifications (Phase 3, Construction Package 7)

Transit Planning and Operations Committee

July 13, 2006

Present: Directors Brown, Duvall, Green, Norby, and Winterbottom
Absent: Directors Pulido and Silva

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0412, between the Orange County Transportation Authority and LH Engineering Company, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$775,905, for Americans with Disabilities Act bus stop modifications in the cities of Huntington Beach, Costa Mesa, and Seal Beach.



July 13, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Award of Construction Contract for Americans with Disabilities Act Bus Stop Modifications (Phase 3, Construction Package 7)

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board of Directors approved construction of Americans with Disabilities Act improvements at the Orange County Transportation Authority's bus stops countywide. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0412, between the Orange County Transportation Authority and LH Engineering Company, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$775,905, for Americans with Disabilities Act bus stop modifications in the cities of Huntington Beach, Costa Mesa, and Seal Beach.

Background

The Orange County Transportation Authority (Authority) established a goal of making all bus stops accessible to persons with disabilities as required by the Americans with Disabilities Act (ADA). The Bus Stop Accessibility Program (BSAP) was established to address ADA deficiencies present at bus stops throughout the County. A 1996 study found that a majority of Orange County's more than 6,000 bus stops required improvements to comply with federal access standards. The Board of Directors dedicated the use of the Transportation Development Act (TDA) Article 3 funds to bring the Authority's bus stops into compliance. The modifications include constructing wheelchair ramps at the intersections, adding sidewalks, and removing or relocating obstructions, such as shelters, benches, signs, and landscaping.

During the first phase of the BSAP, bus stop improvements were performed by local agencies. In total, over \$2.4 million was allocated to cities to improve accessibility to approximately 1,750 bus stops. Of the 1,750 stops, 1,335 required construction improvements.

The second phase of the program was managed by the Authority. Phase 2 included 1,250 bus stops located throughout 25 cities and unincorporated portions of the County. These stops were high-use stops prioritized by the likelihood of use by persons with disabilities. Of the 1,250 stops, 965 required construction improvements. The construction packages in Phase 2 included work in the cities of Brea, Buena Park, Cypress, Fullerton, Garden Grove, La Palma, Placentia, Stanton, and Westminster. The total cost for Phase 2 was \$2 million. Phase 2 brought the total system-wide ADA compliant stops to approximately 3,000.

The third phase of the BSAP is underway and engineering design is nearly complete for the remaining stops. Invitation for bids (IFB) are planned to be issued incrementally for the remaining construction packages. A total of 12 packages are anticipated to be issued in Phase 3. This approach will allow the construction of ADA bus stop improvements to occur sooner and will provide more contracting opportunities with the Authority. This phase will address the remaining 3,000 stops in the County with an estimated cost of \$7.5 million. Phase 3, Construction Package 7 will improve 94 intersections in the cities of Huntington Beach, Costa Mesa, and Seal Beach. Completion of Phase 3 will bring all bus stops into ADA compliance.

Discussion

This procurement was handled in accordance with the Authority's procedures for public works and construction projects, which conform to federal and state requirements. Public works projects are handled as sealed bids and award is made to the lowest responsive, responsible bidder.

On May 25, 2006, IFB 6-0412 was released and posted on CAMMNET and an electronic notification was sent to 478 firms. The project was advertised on May 16 and May 30, 2006, in a newspaper of general circulation. Addendum No. 1 was issued on June 6, 2006, to address administrative issues. Addendum No. 2 was sent on June 14, 2006, to respond to questions and provide clarifications to plans and specifications. On June 22, 2006, three bids were received. All offers were reviewed by staff from Development and

Award of Construction Contract for Americans with Disabilities Act Bus Stop Modifications (Phase 3, Construction Package 7)

Contracts Administration and Materials Management to ensure compliance with the terms and conditions, specifications, and drawings.

Listed below are the three lowest bids received. State law requires award to the lowest responsive, responsible bidder.

<u>Firm and Location</u>	<u>Bid Price</u>
L.H. Engineering Company, Inc. Anaheim, California	\$775,905
C.J. Construction, Inc. Whittier, California	\$805,320
Amtek Construction, Inc. La Habra Heights, California	\$954,069

Fiscal Impact

This project was approved in the Authority's Fiscal Year 2006-07 Budget, Development, Account 0051-9084-G1011-L99, and is funded by BSAP Program Funds through Federal Transit Equity Act, TDA Article 3, and Grant CA-90-Y428, the Fiscal Year 2006 Formula Grant.


Summary

Staff has reviewed all bids received and has determined that LH Engineering Company, Inc., is the lowest responsive, responsible bidder for construction of ADA bus stop modifications for Phase 3, Construction Package 7 in the cities of Huntington Beach, Costa Mesa, and Seal Beach, in the not-to-exceed amount of \$775,905.

Attachment

None.

Prepared by:



Dipak Roy, P.E.
Project Manager
(714) 560-5863

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Selection of a Consultant for Construction Management, Inspection, and Survey Support Services for the State Route 90 (Imperial Highway) Smart Street Project

Regional Planning and Highways Committee

July 17, 2006

Present: Directors Cavecche, Correa, Green, Monahan, Norby, and Pringle
Absent: Directors Dixon, Ritschel, and Rosen

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Select Lim & Nascimento Engineering Corporation as the top-ranked firm to provide construction management, inspection, and survey support services for the State Route 90 (Imperial Highway) Smart Street project.
- B. Authorize staff to request a cost proposal from Lim & Nascimento Engineering Corporation and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement.



July 17, 2006

To: Regional Planning and Highways Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Selection of a Consultant for Construction Management, Inspection, and Survey Support Services for the State Route 90 (Imperial Highway) Smart Street Project

Overview

As part of the Orange County Transportation Authority Fiscal Year 2006-2007 Budget, the Board approved construction management, inspection, and survey services for the State Route 90 (Imperial Highway) Smart Street project. Proposals and statements of qualifications were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering services. These procedures are in accordance with both federal and state legal requirements.

Recommendations

- A. Select Lim & Nascimento Engineering Corporation as the top-ranked firm to provide construction management, inspection, and survey support services for the State Route 90 (Imperial Highway) Smart Street project.
- B. Authorize staff to request a cost proposal from Lim & Nascimento Engineering Corporation and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement.

Background

The State Route 90 (Imperial Highway) corridor runs from the Los Angeles County line to Santa Ana Canyon Road passing through the cities of La Habra, Fullerton, Brea, Placentia, Yorba Linda, and Anaheim. In 1993, the Orange County Transportation Authority (Authority) Board of Directors (Board) authorized funds for the development and implementation of Imperial Highway. Cities along Imperial Highway were provided with Measure M funding through the Smart Street Program (SSP) for planned improvements.

Some segments of the Smart Street corridor are completed. The City of Yorba Linda completed improvements between Rose Drive and Orangethorpe Avenue. The City of Anaheim completed improvements between Orangethorpe Avenue and Santa Ana Canyon Road. The Imperial Highway/Burlington Northern Santa Fe railroad grade separation project by the California Department of Transportation (Caltrans) is in this segment.

The remaining segments of the Imperial Highway Smart Street project are comprised of the following:

- Segment A in the cities of La Habra and Fullerton -- from the Los Angeles County line to Harbor Boulevard;
- Segment B in the cities of Fullerton and Brea -- from Harbor Boulevard to the Orange Freeway (State Route 57); and
- Segment C in the cities of Brea and Placentia -- from State Route 57 to Rose Drive.

The lead agency for construction of Segment A is the City of La Habra. The lead agency for construction of segments B and C is the City of Brea.

These three remaining segments experienced delays due to multi-jurisdictional boundaries, public concern regarding noise mitigation, and the need to develop public support for the projects. Moreover, this delay necessitated a new noise study, a site investigation report, a revised initial site assessment, and an environmental re-evaluation.

The project primarily includes the restriping of Imperial Highway to six lanes, reconstruction of medians, widening of intersections, construction of Americans with Disabilities Act compliant bus stops, bus turnouts, bus pads, utility relocations, soundwalls, retaining walls, and drainage improvements at various locations.

The Authority is proposing to retain a consultant to provide construction management, inspection, and survey support services for the Imperial Highway Smart Street project.

Discussion

This procurement was handled in accordance with the Authority's procedures for architectural and engineering requirements, which conform to both federal and state law. Technical proposals are evaluated and are ranked in accordance with

the qualifications of the firm. The highest-ranked firm is requested to submit a cost proposal and the final agreement is negotiated. Should negotiations fail with the highest-ranked firm, a cost proposal will be solicited from the second ranked firm in accordance with the procurement policies previously adopted by the Board.

The project was advertised on April 14 and 19, 2006, in a newspaper of general circulation and on CAMMNET with 1,206 electronic notifications sent to registered vendors. A pre-proposal meeting was held on April 20, 2006, and was attended by 27 firms. On April 20, 2006, Addendum No. 1 was issued to advise offerors of the list of attendees at the pre-proposal conference. On April 25, 2006, Addendum No. 2 was issued to address administrative changes. On May 4, 2006, Addendum No. 3 was issued to respond to questions.

On May 11, 2006, ten proposals were received. An evaluation committee consisting of staff from the City of Fullerton, the City of Brea, Caltrans, Construction & Engineering, and Contracts Administration and Materials Management department met to review the proposed work plans and firm qualifications. The evaluation committee reviewed all proposals and selected four firms who are qualified to do the work. On June 7, 2006, the committee interviewed each of the qualified firms. The four qualified firms as ranked are listed below:

Firm and Location

Lim & Nascimento Engineering Corporation
Irvine, California

Harris & Associates
Irvine, California

Jacobs Civil, Inc.
Cypress, California

Onward Engineering
Anaheim, California

Lim & Nascimento Engineering Corporation is being recommended as the most qualified firm.

Fiscal Impact

This project was approved in the Authority's Fiscal Year 2006-07 Budget, Development, Account 0010-9085-R1093-DWB, and is funded through Measure M as part of the SSP.

Summary

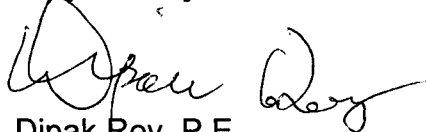
The evaluation committee met and reviewed this item. Based on the proposal provided, the committee recommends the selection of Lim & Nascimento Engineering Corporation as the most qualified firm to provide construction management, inspection, and survey support services for the Imperial Highway Smart Street project.

Staff is requesting authorization to request two separate cost proposals from Lim & Nascimento Engineering Corporation; one for Segments B and C, and another for Segment A and negotiate an agreement within the approved budget of \$1,200,000.

Attachment

None.

Prepared by:



Dipak Roy, P.E.
Project Manager
(714) 560-5863

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Recommended South Orange County Signal Synchronization Pilot Project

Regional Planning and Highways Committee

July 17, 2006

Present: Directors Cavecche, Correa, Green, Monahan, Norby, and Pringle
Absent: Directors Dixon, Ritschel, and Rosen

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations (reflects change from staff's recommendation)

- A. Designate Oso Parkway/Pacific Park Drive as the south Orange County signal synchronization pilot project.
- B. Direct staff to return to the Board of Directors with a schedule and budget for the Oso Parkway/Pacific Park Drive project.
- C. Direct staff to return in 90 days for a discussion of public policy objectives that would be the focus of the Euclid Street and Oso Parkway/Pacific Park Drive pilot projects.



July 17, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Recommended South Orange County Signal Synchronization Pilot Project

Overview

The Orange County Transportation Authority has been working with local agencies to recommend a corridor for the south Orange County signal synchronization pilot project. Oso Parkway/Pacific Park Drive is recommended for the south Orange County pilot project.

Recommendations

- A. Designate Oso Parkway/Pacific Park Drive as the south Orange County signal synchronization pilot project.
- B. Direct staff to return to the Board of Directors with a schedule and budget for the Oso Parkway/Pacific Park Drive project.

Background

Expanding signal synchronization is a cost-effective way to increase roadway throughput without major new construction. Signal synchronization technology provides more effective use of green lights along a series of traffic signals by reducing stop-and-go and improving traffic flow. When implemented, drivers in a synchronized corridor can often pass through a series of green lights before stopping.

In 2005, staff was directed by the Orange County Transportation Authority (OCTA) Board of Directors (Board) to work with local agencies to recommend potential pilot projects for early demonstration of inter-jurisdictional signal synchronization in northern and southern Orange County. Cities in north Orange County preferred Euclid Street as an initial pilot project for expanded, inter-jurisdictional signal synchronization, and work on that project has moved forward. OCTA has been working with the local agencies in

southern Orange County to select a local demonstration corridor. A status report for the two efforts is provided below.

Discussion

Euclid Street Pilot Project

OCTA conducted a kick-off project development team (PDT) meeting on Thursday, March 16, 2006, for the Euclid Street pilot project. The meeting was attended by representatives from the six cities along the Euclid Street corridor and by staff from the California Department of Transportation. The items covered included the following:

- Identifying the project goals, specifically cooperation between agencies and institutional issues related to the project
- Developing a Memorandum of Understanding (MOU) with the involved agencies for the expanded synchronization efforts
- Reviewing the schedule and scope of the project
- Identifying data that needed to be collected

Based on comments from the PDT meeting, OCTA is currently developing an MOU, updating the scope of work, and refining the schedule for the project. These items were completed in draft form and released to the agencies in June 2006. In addition, funding for this effort is included in the fiscal year 2006-07 budget. A consultant will be selected by fall 2006 to perform the work, with before-studies and traffic counts anticipated beginning October 2006. It is expected that the project should be completed by summer 2007.

South Orange County Pilot Project

OCTA received suggestions about potential corridors for the south Orange County signal synchronization pilot project. Corridors included: Jamboree Road, Irvine Center Drive, Irvine Boulevard, Alicia Parkway, Santa Margarita Parkway, and Oso Parkway. On April 5, 2006, the City of Mission Viejo sent OCTA a letter (Attachment A) in support of Oso Parkway/Pacific Park Drive. In May 2006, OCTA met with Orange County traffic engineers that included representatives from several south Orange County local agencies. The discussion resulted in consensus for Oso Parkway/Pacific Park Drive to be the preferred southern Orange County corridor. The OCTA Technical Advisory Committee recommended approval of the Oso Parkway/Pacific Park Drive at their June 2006 meeting. OCTA staff recommends that Oso Parkway/Pacific Park Drive be selected as the south Orange County pilot project based on

discussions with the cities. Staff will return with a recommended budget and schedule for this project by fall 2006.

Summary

A status report on the Euclid Street signal synchronization pilot project and south Orange County signal pilot project is provided for review. A final corridor recommendation of Oso Parkway/Pacific Park Drive as the south Orange County signal synchronization pilot project is presented with direction to return to the Board with a schedule and budget for the project by fall 2006.

Attachment

- A. City of Mission Viejo, letter dated April 5, 2006

Prepared by:



Anup Kulkarni
Section Manager II
Regional Modeling
(714) 560-5867

Approved by:



Paul C. Taylor, P.E.
Executive Director
Development
(714) 560-5431



City of Mission Viejo

Office of the Mayor and City Council

Lance R. MacLean
Mayor

Frank Uy
Mayor Pro Tem

Trish Kelley
Council Member

John Paul III Ledesma
Council Member

Gail Reavis
Council Member

April 5, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority
P.O. Box 14184
Orange CA, 92863-1584


Dear Mr. Brown:

We understand that OCTA is still looking for a South County location to implement a second trial traffic signal coordination demonstration project. At the City of Mission Viejo's February 20, 2006, City Council meeting, the Council agreed by consensus to recommend Oso Parkway as a candidate street because the road is of regional significance. We also welcome an interagency traffic signal coordination plan to help manage the additional traffic expected to divert to Oso Parkway due to our current construction on Crown Valley Parkway.

Similar to the Euclid corridor selected for North County, Oso Parkway has traffic signals controlled by several agencies including the County of Orange, Caltrans, and the Cities of Mission Viejo, Laguna Hills, Laguna Niguel, and Aliso Viejo. City staff has initiated preliminary discussions with the staff at these agencies, and they have expressed their willingness to participate in the project.

We encourage your selection of Oso Parkway and look forward to working with OCTA staff to make this a successful project for South County.

Respectfully submitted,


Lance MacLean
Mayor

Enclosures

RECEIVED
EXECUTIVE OFFICE

APR 11 2006
Art Leahy
Paul Taylor
Dave Simpson
Ellen Burton
Linda Fenner
File Barry



July 17, 2006

To: Regional Planning & Highways Committee
From: Arthur T. Leahy, ^{ML} Chief Executive Officer
Subject: 91 Express Lanes Pavement Maintenance Project

Overview

Pavement maintenance and repairs to the 91 Express Lanes are necessary as recommended by a Pavement Management Report. Since the California Department of Transportation is doing similar work on the main lanes of the Riverside Freeway (State Route 91), it is advantageous to all to combine the two efforts.

Recommendations

- A. Authorize staff to negotiate a price for the California Department of Transportation to perform pavement work on the 91 Express Lanes.
- B. Authorize the Chief Executive Officer to execute a contribution agreement with the California Department of Transportation in an amount not to exceed \$1,370,600.

Background

Pavement on the 91 Express Lanes is now over 10 years old and in need of some short-term repairs and maintenance. An April 2004 Pavement Management Report (PMR) indicates the pavement is in better condition than might be expected but recommends work in several locations, repairing the joints with the main lanes (general purpose), and replacing the channelizers between the 91 Express Lanes and the main lanes of the Riverside Freeway (State Route 91).

The California Department of Transportation (Caltrans) has underway a 264-day pavement rehabilitation project in the main lanes of the State Route 91 (SR-91). All work begins late at night and ends before the morning commute period. To speed the pace of work, Caltrans allows the closure of more than one lane at one time. To facilitate the accelerated

schedule, the Orange County Transportation Authority (Authority) has allowed Caltrans to use the 91 Express Lanes as a detour for non-truck traffic during overnight construction; there are few 91 Express Lanes customers at those hours.

Discussion

The PMR recommended short-term repairs and preventative maintenance along the 91 Express Lanes. These include:

- Northbound Costa Mesa Freeway (State Route 55) approach ramp
- Bridge deck, heaved asphalt concrete pavement at concrete and asphalt pavement joint
- 91 Express Lane joints with the general-purpose lanes in both directions
- Replacement of all channelizers in both directions

Also, to maintain a good overall service life, the PMR recommends various long-term procedures, such as surface grinding to level heaved asphalt (in the buffer area) and sealing the joint between asphalt concrete and concrete surfaces.

To minimize the period of inconvenience to motorists in the overnight hours, Authority staff and Caltrans have discussed having the contractor on the SR-91 main lanes rehabilitation work also perform the repairs and preventive maintenance needed by the 91 Express Lanes. Under that approach, the 91 Express Lanes work would occur during the same 264 days as the work in the main lanes and would cost no more than our engineers had estimated for a separate contract, saving the Authority the time and cost of a separate procurement process.

Fiscal Impact

This project was approved in the Authority's Fiscal Year 2006-07 Budget, Development, Account 0036-9023-B3200-BJQ, and is funded by the State Route 91 Toll Road Fund.

Summary

A plan to accomplish pavement repairs and maintenance on the 91 Express Lanes in conjunction with the Caltrans rehabilitation of the general purpose lanes on SR-91 is presented for Board of Directors consideration.

Attachments

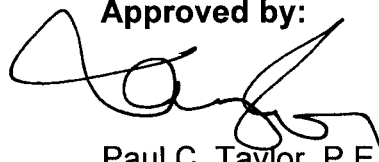
- A. All American Proposal
- B. Caltrans Cost Estimate for Improvements

Prepared by:

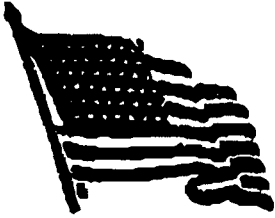


Dipak Roy, P.E.
Project Manager
(714) 560-5863

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



ALL AMERICAN ASPHALT

Engineering - Contractors - Asphalt Paving

CAL. STATE
LIC. #267073A

400 East Sixth St.
P.O. Box 2229

Corona, California 92878-2229

Telephone: (951) 736-7600 FAX: (951) 736-7646

Serving: Los Angeles, Orange, Riverside, and San Bernardino Counties

To: OCTA

Date: 2/16/2008
From: Jim McGee
Quote No. 309

Phon

Fax

We propose to furnish you labor and material in strict accordance with the plans and specifications as follows:

12-OE05U4

Item No.	Description	Quantity	U/M	Unit Price	Total Price
1 100	30MM Grind 44" Buffer Area	41,153.0	M2	6.850	281,898.05
1 101	30MM A/C Pave Type A Buffer Area	2,848.0	MT	143.000	407,264.00
1 102	COLDPLANE 30-60MM AT BRIDGE	112.0	M2	160.000	17,920.00
1 103	PAVE 30-60MM AT BRIDGE	112.0	M2	135.000	15,120.00
1 104	Traffic Control For OCTA Work	1.0	LS	130,000.000	130,000.00
1 105	Install Customer Supplied Channelizers	9,000.0	EA	4.300	38,700.00
1 106	Rem. & Replace Det. 25A	3,463.0	M	2.500	8,657.50
1 107	Rem. & Replace Det. 25	30,947.0	M	2.500	77,367.50
1 108	Rem. & Replace Detail 13	28,621.0	M	1.200	34,345.20
1 109	Replace Detail 13A	28,621.0	M	0.750	21,465.75
1 110	Rem. & Replace Det. 37	2,602.0	M	2.150	5,594.30
1 111	Rem. & Replace Det. 38B	616.0	M	2.150	1,324.40
1 112	Rem. & Replace 100 White Stripe	34,236.0	M	0.920	31,497.12
1 113	Rem. & Replace 100Mm Buffer Stripe	132,128.0	M	1.100	145,340.80
1 114	Yellow Markers	9,037.0	EA	3.250	29,370.25
					1,245,864.87
Total Proposal Price:					\$1,245,864.87

Special Conditions:

1. Caltrans to provide layout.
2. Price excludes QCQA for Asphalt Concrete.

(Continued on next page)

Pay Conditions

General Conditions

Date: _____

Accepted by: _____

All American Proposal (cont'd)

3. Temporary Striping to be placed behind pavers. Thermo striping and marking to follow 7 days behind buffer paving to allow for curing of a/c.
4. Stripe removal and marker removal will take 10 day of toll road closures.
5. thermo stripe installation will take 6 days in each direction.
6. buffer work will take 20 days
7. All American Asphalt is requesting and addition 49 days of octa closures.

Date: _____

Accepted by: _____

Caltrans Cost Estimate for IMPROVEMENTS

Description	AUTHORITY's Share
Construction Cost (materials and labor)	\$1,246,000
Time Related Overhead (TRO)	\$0
Construction Engineering (support)	\$124,600
Resident Engineer's Office	\$0
Total:	\$1,370,600



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Rail Program Status Update

Transit Planning and Operations Committee

July 13, 2006

Present: Directors Brown, Duvall, Green, Norby, and Winterbottom
Absent: Directors Pulido and Silva

Committee Vote

No action taken on this receive and file item.

Committee Recommendation

Receive and file as information item.



July 13, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^{MV} Chief Executive Officer
Subject: Rail Program Status Update

Overview

Staff is providing an update on the Orange County Transportation Authority rail program, including the Metrolink Commuter Rail Program and grade crossing improvements underway in Orange County.

Recommendation

Receive and file as information item.

Background

The Orange County Transportation Authority (OCTA) rail program is comprised mainly of the Metrolink Commuter Rail Program and associated capital improvements to support service expansion and railroad grade crossing improvements.

Metrolink Commuter Rail Program

The Southern California Regional Rail Authority (SCRRA) operates Southern California's five-county commuter rail system known as Metrolink. Metrolink is a joint powers authority with five member agencies representing the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

Three lines serve Orange County and provide a total of 44 trains daily serving ten city-owned Orange County stations. The eleventh station located in the City of Buena Park is currently under construction. Total ridership for the three lines serving Orange County is approximately 14,000 riders per day. The Orange County Transportation Authority (OCTA) owns 47.2 miles of the rail right-of-way in Orange County (known as the Orange/Olive subdivision) and operates over 68 route miles in Orange County.

On November 14, 2005, the Board of Directors (Board) authorized staff to begin implementation of the Metrolink Service Expansion (Expansion) by the year 2009, consisting of 36 more Metrolink trains serving Orange County, including service every 30 minutes between Laguna Niguel/Mission Viejo and Fullerton. As part of the Expansion, four new (two round trips) off-peak Inland Empire – Orange County (IEOC) trains began service between Oceanside and Riverside on January 3, 2006. On June 3, 2006, weekend service consisting of six new (three round trip) trains began on the Orange County (OC) line.

Grade Crossing Improvements

On June 13, 2005, the Board approved a Grade Crossing Safety Enhancement Program (Attachment A). The Grade Crossing Safety Enhancement Program was developed to provide funding for specific recommended safety enhancements at 55 at-grade, highway-rail crossings in Orange County. The program will only cover the three crossings on the Burlington Northern Santa Fe (BNSF) San Bernardino subdivision that are not part of the Placentia quiet zone project, as well as the 52 crossings on the OCTA Orange subdivision and Olive subdivision.

Additionally, other grade crossing improvements, including grade separation projects, are underway in the cities of Fullerton (State College Boulevard), Irvine (Jeffrey Road), Anaheim/Yorba Linda (Imperial Highway), and Placentia (Bradford pedestrian bridge and quiet zone implementation).

Discussion

Metrolink Commuter Rail Program

Ridership

Ridership continues to show positive quarterly and annual growth. The average increase in ridership for the third quarter of fiscal year 2005-06 compared to third quarter fiscal year 2004-05 on the OC line is up by 5 percent, at 6,223 riders per weekday. This increase does not include Rail 2 Rail program ridership which allows certain Metrolink pass holders to ride specific Amtrak trains. The average ridership increase on the IEOC line compared to the previous years' quarter is up 15 percent, at 4,413 riders per weekday. Lastly, the ridership on the 91 line is up 19 percent compared to last year, with 2,218 average weekday riders. Rail 2 Rail ridership was up 3 percent the third quarter of fiscal year 2005-06 compared to the previous year's third quarter.

Fiscal year-to-date (July 1, 2005 through May 31, 2006) ridership on all three lines has increased on average by 10 percent from the previous year, to a total of 2.9 million riders (Attachment B).

Weekend Service

Saturday service began on the OC line on June 3, 2006, with a total estimated ridership of 680 for the day. This exceeds the forecasted ridership of 100 passengers per train or 600 per day. Sunday service on the OC line began on July 2, 2006. The weekend service plan includes six new trains (three round trips) on the OC line on Saturday and Sunday.

Weekend service will begin on the IEOC line on July 15, 2006. This service previously operated as a summer-only service known as the "Beach Train" and last year as the "Summerlink" service. This service will begin operating year round as the IEOC weekend service. The IEOC weekend service will consist of six trains (three round trips) on Saturday and four trains (two round trips) on Sunday. OCTA, Riverside County Transportation Commission, and San Bernardino Associated Governments are partners in funding the IEOC weekend service.

As part of OCTA's marketing campaign to encourage ridership, once a month selected stations will feature a free ride day from the designated station only. The first free ride day was held on June 24, 2006, from Laguna Niguel/Mission Viejo station. Passengers traveling from Laguna Niguel/Mission Viejo were given a free round trip ticket valid on June 24, 2006. OCTA volunteers were on site and an informational booth was set up for the day.

Capital Projects

Anaheim Pedestrian Access

In order to improve connectivity to the Anaheim station, the Stadium Towers Plaza, and the OCTA bus stop on Katella Avenue, a pedestrian walkway has been under study and development. Currently, the station is only accessible from the Angel Stadium parking lot. Metrolink passengers are forced to journey several blocks to access the bus stop on Katella Avenue and the businesses at Stadium Towers Plaza. In order to gain faster access, passengers are cutting a hole in the fence, thereby trespassing and creating a safety hazard along the rail right-of-way. Equity Offices, the adjacent property owner, has agreed to construct a pedestrian walkway, compliant with the American with Disabilities Act, between the Anaheim station, Stadium Towers Plaza, and the OCTA bus stop on Katella Avenue. A cooperative agreement is underway, and construction is expected to begin in July 2006. The project cost

is estimated at \$97,297, of which Equity Offices agreed to pay \$77,297, and the balance of \$20,000 is to be paid by OCTA.

Buena Park Station

Construction for the eleventh Orange County Metrolink station began on January 23, 2006, with construction proceeding to a February 2007 completion. Sitework, utilities, and foundations are completed. Currently, the access road is being redesigned to accommodate inter-modal bus access and layover operations. The City of Buena Park is the lead agency on the project, and OCTA is providing project management oversight and funding through a cooperative agreement with the city.

Irvine Transportation Parking Structure

OCTA and the City of Irvine entered into a cooperative agreement to contract for design services and construction funding for a parking structure including 1,500 spaces at the Irvine Transportation Center. OCTA is also providing project management oversight. The city consultant is proceeding into final design. Request for funding allocation from the California Transportation Commission (CTC) is scheduled for September 2006 with advertisement for construction in October. Construction is anticipated to begin December 2006 with completion one year later.

Orange Pedestrian Crossing

Included in the Expansion is a grade-separated pedestrian crossing at the Orange station. The project is funded with \$8 million of State Transportation Improvement Program (STIP) funds. On May 9, 2006, the Orange City Council approved their preference for an undercrossing with a northern platform extension. OCTA, the City of Orange, and Metrolink are working together to deliver this project by the end of 2007. Design is currently underway and expected to be complete by December 2006. Upon completion of preliminary design, expected in August, the City of Orange will solicit input from various city stakeholders.

Santa Ana Second Main Track

A limited notice to proceed was issued in May and full notice to proceed was issued in June. The contractor has mobilized the field office and is working with the cities of Orange and Santa Ana, coordinating street closures, tree removal, and utility work. Track construction will begin early next year. The project is administered by Metrolink.

Santa Ana Pedestrian Bridge Improvement Project

In order to provide safer access to northbound boarding passengers from the station platform, construction of a pedestrian bridge is underway and nearing completion at the Santa Ana station. Currently, passengers traveling northbound cross a set of tracks and wait on the center platform. Upon completion of the project a new northbound platform and accessible bridge will be constructed for safer access and boarding. This project is expected to be complete in August 2006.

Placentia Metrolink Station

The City of Placentia is leading the effort to develop a Metrolink station located on the south side of the BNSF railroad, between Melrose and Main Streets. The development of the station is one component of a larger downtown development plan. OCTA staff and Metrolink staff participated in a planning open house hosted by City staff and attended by members of the public. The City of Placentia has estimated the total project cost at \$31.7 million. The city is currently proceeding with the Project Report and Environmental Document (PR/ED) phase using \$650,000 in developer fees. On June 26, 2006, the Board approved \$2.5 million in STIP funds for the Plans, Specifications & Estimates (PS&E) phase of the project.

Rolling Stock

Cab Cars/Trailer Cars

On April 13, 2006, Metrolink issued a notice to proceed to Rotem Company for the purchase of 87 trailer and cab cars, of which 52 trailer cars and 7 cab cars will support the Expansion in Orange County. The kick-off meeting between Metrolink and Rotem Company was held the first week in May. The first trailer car is expected to be delivered December 2008. Metrolink and Rotem Company will be meeting in July 2006 to finalize and discuss the crash energy management/carbody structural design and schedule.

Locomotives

On March 24, 2006, Metrolink's Board approved acceptance of assignment of Utah Transit Authority's contract for the purchase of 11 remanufactured locomotives from the single proposer, MotivePower, Inc. On March 29, 2006, Metrolink and MotivePower, Inc. signed a purchase agreement for the locomotives, of which seven will support the Expansion in Orange County. Locomotives are expected to be delivered in 2008.

Grade Crossing Improvements

There are three main railroad lines providing passenger and freight railroad service in Orange County. There are a total of 64 at-grade, highway-rail crossings on these three rail lines.

OCTA is the owner of the Orange and Olive subdivisions. The Orange subdivision stretches from the San Diego County line to the junction with the BNSF in the City of Fullerton. Rail traffic on the Orange subdivision consists of Metrolink OC line and IEOC service, Amtrak Pacific Surfliner trains, and a minimal number of freight trains. There are 41 at-grade, highway-rail crossings on the Orange subdivision. The Olive subdivision stretches from just north of the City of Orange Metrolink station to the junction with the BNSF in the City of Placentia. Rail traffic on the Olive subdivision consists of Metrolink IEOC line trains and a minimal number of freight trains. There are 11 at-grade, highway rail crossings on the Olive subdivision.

The BNSF is the owner of the San Bernardino subdivision in Orange County. The San Bernardino subdivision stretches from the Orange County / Riverside County line near the City of Yorba Linda to the Orange County / Los Angeles County line in the City of Buena Park. The BNSF San Bernardino Subdivision runs through the cities of Yorba Linda, Anaheim, Placentia, Fullerton, and Buena Park and is frequently referred to as the Orangethorpe Corridor or the Alameda Corridor East. Rail traffic on the BNSF San Bernardino subdivision consists largely of BNSF freight trains and a minimal number of Metrolink 91 line trains and IEOC line trains (over a portion of the line), and minimal Amtrak trains. There are nine at-grade, highway-rail crossings on the San Bernardino subdivision in Orange County.

As a result of planned increases in passenger and freight rail traffic on the three rail lines described above, a renewed focus should be placed on grade crossing improvements. Improvements to at-grade highway-rail crossings can cover a wide spectrum, beginning with basic safety improvements (improving crossing surfaces, re-applying of pavement markings, and enhancing signing) to the installation of supplemental safety measures that allow for the discontinuance of locomotive horn blowing (quiet zones), to grade crossing closures and at-grade, highway-railroad separations that completely separate rail traffic from vehicular and pedestrian traffic.

OCTA, the City of Placentia, and the members of Alameda Corridor East (OCTA, City of Placentia, San Bernardino Associated Governments, Riverside County Transportation Commission, Alameda Corridor East Construction Authority) have each conducted a number of studies over recent years addressing safety enhancements, quiet zones, and grade separations covering

all three rail lines described above. These studies have provided significant amounts of data that has allowed each individual crossing to be examined for safety enhancements as well as the potential for separation. This existing data provides the ability to examine and prioritize grade crossing improvements on a county wide level.

Safety Enhancement Program

The OCTA grade crossing safety enhancement program is underway with Metrolink, OCTA and affected cities. Both kick-off and diagnostic meetings have occurred with the cities of Orange, Santa Ana, Tustin, and Dana Point. During the diagnostic review the team meets in the field at the individual railroad grade crossing and finalizes the safety enhancement scope of work. A final cost estimate is prepared and scheduled for individual City Council approval. The diagnostic reviews also include defining additional scope of work that may be initiated by the city and is beyond the required safety enhancement. Lastly, a separate scope of work for quiet zone improvements is identified and tracked for cities to use in their consideration of quiet zones. The initial kick-off meetings with the cities of Irvine, Fullerton, and Anaheim are scheduled and will take place in the month of June (Attachment C).

Quiet Zones

After years of development and eighteen months of final review, the Federal Railroad Administration (FRA) released its Final Train Horn Rule on June 24, 2005. The final rule establishes a basic requirement for trains to sound horns at all public at-grade, highway-rail crossings except in quiet zones established under the procedures set forth in the final rule. During the development of the final rule, several jurisdictions within the Metrolink service area in Orange County began consideration of the establishment of quiet zones under the federal rule. During this time Metrolink staff began the development of a set of policies and procedures which are intended to guide staff in discussions with public authorities to establish the roles and responsibilities of Metrolink and the public authorities in these matters.

On April 21, 2006, the Metrolink Board adopted the SCRRRA Quiet Zone Implementation Guidelines and Procedures. These policies and procedures focus on diagnostic reviews, cost recovery, and liability as the critical areas to be considered. The policies and procedures call for every crossing within the proposed quiet zone to be subject to diagnostic review. Secondly, the policy calls for the public authority designating the quiet zone (typically a city) to reimburse Metrolink for the full cost of designing and constructing improvements the public authority determines are required for the crossings within the quiet zone and share in the on-going maintenance costs. Finally,

due to the unavailability of commercial Railroad Protective Liability Insurance (to the public authority), the policies and procedures call for adherence to a higher standard of safety in the design of grade crossings.

OCTA currently does not have a policy on the implementation, funding, or on-going operating costs related to quiet zones. Staff plans to bring the Metrolink Board-adopted SCRRA Quiet Zone Implementation Guidelines and Procedures forward at a subsequent meeting for consideration by the OCTA Transit Planning and Operations Committee and the Board.

Grade Separations

Imperial Highway

The Imperial Highway Grade Separation design is complete and is ready for construction advertisement. The CTC approved the construction allocation of \$39.1 million on June 8, 2006. The project is expected to be advertised for construction in late summer and construction should start in the fall. The project is expected to be completed in 2010.

Jeffrey Road

The Jeffrey Road grade separation project in the City of Irvine was advertised for construction late last year. Only one bid was received by the city and was ultimately rejected for not being responsive to all federal requirements. In addition, the one bid received exceeded the programmed amount by \$24 million. City of Irvine staff has reviewed the engineers' estimate, compared it to the bid received, and believes that additional funding will be needed to complete the project. On June 26, 2006, the Board approved \$24 million in STIP funds for the project. If approved by the CTC, the project could be advertised for construction in the fall of 2006.

State College Boulevard

The City of Fullerton is pursuing the grade separation of State College Boulevard and the BSNF railroad. The PS&E phase is expected to be completed in November 2006. The total estimated project cost is currently \$57.8 million. The city received a federal earmark of \$12.8 million and has programmed \$5 million in developer fees. This leaves a funding shortfall of \$40 million. OCTA staff is conferring with city staff on next steps.

Alameda Corridor East

The Alameda Corridor East received a \$125 million earmark in the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFE-TEA LU). Agreement has previously been reached by the Alameda Corridor East Construction Authority, San Bernardino Associated Governments, Riverside County Transportation Commission, the City of Placentia, and OCTA to evenly allocate the \$125 million earmark. This provides \$31.25 million for Orange County.

OCTA staff is currently participating with the other four parties and the California Department of Transportation to develop the required application to access the federal earmark. Upon approval of the application, a 20 percent local match will be required. OCTA and the City of Placentia will need to work together to identify the 20 percent local match. Current plans by the City of Placentia call for the earmark to be used on the Kraemer Boulevard undercrossing project in the City of Placentia.

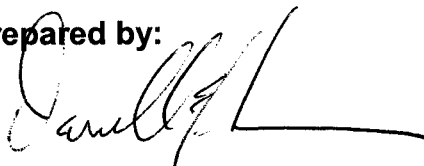
Summary

This report provides an update to the Orange County Transportation Authority rail program, including the Metrolink commuter rail program and grade crossing improvements.

Attachments

- A. Grade Crossing Safety Enhancement Program staff report to the Board of Directors, dated June 13, 2005
- B. Metrolink Commuter Rail Program - Third Quarter and Fiscal Year-to-Date Ridership
- C. Program Status Summary Sheet – OCTA Grade Crossing Safety Enhancement Program

Prepared by:



Darrell E. Johnson
Department Manager, Programming,
Development & Commuter Rail
(714) 560-5343

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



BOARD COMMITTEE TRANSMITTAL

June 13, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Grade Crossing Safety Enhancement Program

Transit Planning and Operations Committee

May 26, 2005

Present: Directors Winterbottom, Brown, Silva, Pulido, Dixon, Duvall, and Green
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Director Pulido was not present for this vote.

Committee Recommendations

- A. Approve the implementation strategy and the allocation of \$10 million of Commuter Urban Rail Endowment funds for the Grade Crossing Safety Enhancement Program.
- B. Authorize the Chief Executive Officer to enter into a Memorandum of Understanding with the affected jurisdictions and the Southern California Regional Rail Authority for funding and implementing of the Grade Crossing Safety Enhancement Program.



May 26, 2005

To: Transit Planning and Operations Committee

From: *ATL by JCB*
Arthur T. Leahy, Chief Executive Officer

Subject: Grade Crossing Safety Enhancement Program

Overview

Staff is seeking Board approval of an implementation strategy for the Grade Crossing Safety Enhancement Program.

Recommendations

- A. Approve the implementation strategy and the allocation of \$10 million of Commuter Urban Rail Endowment funds for the Grade Crossing Safety Enhancement Program.
- B. Authorize the Chief Executive Officer to enter into a Memorandum of Understanding with the affected jurisdictions and the Southern California Regional Rail Authority for funding and implementing of the Grade Crossing Safety Enhancement Program.

Background

The 2003 Orange County Grade Crossing Study provided an assessment of conditions of all 64 highway-rail grade crossings located in Orange County. All of these crossings are traversed by Orange County Transportation Authority (OCTA) Metrolink trains as well as freight trains. In addition to detailing the current automatic warning devices and other safety equipment, the study also provides recommendations for enhancements for both motorist and pedestrian safety consistent with current California Public Utilities Commission (CPUC) grade crossing safety standards. The study also ranked the crossing enhancements based on their impact to safety and a cost-benefit analysis.

Of the 64 crossings, 12 are on the Burlington Northern and Santa Fe (BNSF) San Bernardino Subdivision; nine of these 12 crossings will have the enhancements occur as part of the Placentia Corridor Quiet Zone Project, which OCTA has fully funded. Fifty-two crossings are on the OCTA Orange

Subdivision and Olive Subdivision. The political subdivision with jurisdiction over the roadway has the responsibility of maintaining the roadway beyond 2 feet from the outer rail (as outlined in the CPUC General Order 72-B). The jurisdiction of the roadways at each grade crossing falls under the responsibility of the cities and/or county in which the crossings are located.

Discussion

The Grade Crossing Safety Enhancement Program was developed to provide funding for the specific recommended safety enhancements at 55 highway rail-grade crossings in Orange County. The program will only cover the three crossings on the BNSF San Bernardino Subdivision that are not part of the Placentia Quiet Zone Project as well as the 52 crossings on the OCTA Orange Subdivision and Olive Subdivision.

The foundation for the improvements will derive from the existing 2003 Orange County Grade Crossing Study. The 55 at-grade crossings, their rankings, and the estimated cost of the identified enhancements are shown in Attachment A. It should be noted that these costs are construction costs only and do not include design, construction management, staff time and oversight, and project management.

For the last year, staff has been working closely with the affected jurisdictions on an implementation strategy. Based on several meetings held and detailed discussions, a consensus has been reached on the following implementation strategy presented below for Board approval:

Application Process

With Board approval, staff will seek a Letter of Intent from affected jurisdictions to determine the jurisdiction's desire to participate in the program. Staff will then prepare a Memorandum of Understanding with the interested jurisdictions to clearly identify the responsibilities of OCTA, Southern California Regional Rail Authority (SCRRA, the operator of OCTA Metrolink trains), and the cities roles regarding funding and program implementation, as shown below in the implementation strategy.

Eligible Expenditures

Only improvements to the 55 grade crossings identified in the grade crossing study located in the Cities of Anaheim, Fullerton, Irvine, Orange, San Clemente, San Juan Capistrano, Santa Ana, and Tustin that are not part of the Placentia Quiet Zone Project will be considered as potentially eligible to receive funds under this program. Funding under the Grade Crossing Safety Enhancement

Program covers project improvements up to the maximum range identified for each crossing in the study. The parameters of the enhancements are required to follow the OCTA 2003 Orange County Grade Crossing Study recommendations as closely as possible. Some variances to the recommendations may be needed to address changed conditions as well as acceptable changes brought up during the diagnostic field reviews. All projects will require a minimum of 12 percent local agency match.

Eligible expenditures include design and implementation of the following enhancements: quad gates, pre-signal location (possible on cantilever), railroad stop bar, curb ramps, extending median, traffic signal backup battery, crossing re-profile, light emitting diode (LED) flasher upgrade, sidewalks, cantilever and cantilever lights, roadway/crossing enhancement (raised panels or concrete), concrete panels, pedestrian gate, crossing closure, signal preemption, track removal, and construction engineering (up to 15 percent of construction costs).

Ineligible Expenditures

Any expenditure not directly associated with the goals and/or requirements of the grade crossing safety enhancement concept will not be funded (e.g., improvements beyond what is required). OCTA will review all expenditures on a case-by-case basis to determine the necessity of the proposed improvements for the implementation of the grade crossing program.

Implementation Strategy

SCRRA will develop and run a program of systematic crossing enhancements based on available funding provided by OCTA and required local match provided by the local jurisdiction. SCRRA will perform day-to-day management functions utilizing a contracted project manager. SCRRA will oversee the design, construction management, and construction of all enhancements.

OCTA will retain program oversight by controlling the grant funding and overseeing the project development. A railroad engineering firm under contract as the OCTA program manager will maintain an active city interface during the program development stage.

Responsibilities

OCTA will oversee the funding program, participate in all project scoping meetings with regulatory agencies including CPUC, and assist in building consensus among parties in regards to the required enhancements.

SCRRA will:

- Retain a project manager to oversee and coordinate the project development.
- Set up and participate in all CPUC project scoping meetings (diagnostic team meetings).
- Build consensus among parties in regards to the required enhancements.
- Apply for and obtain CPUC approval/permits.
- Apply for and obtain all other needed permits.
- Design the enhancements, procure needed materials, construct, and manage the construction of all enhancements (railroad [signal] and non-railroad).
- Negotiate with Union Pacific and BNSF where appropriate.

Local Jurisdictions will:

- Participate in CPUC required team meetings.
- Assist in review of non-railroad enhancements design documents.
- Assist SCRRA in obtaining all city-required permits.
- Provide the 12 percent match requirement.
- Provide funding for any additional enhancements desired by local jurisdictions outside the scope of this program.

Funding

Estimated Program Cost for 55 Crossings (three years):

Implementation Cost:	
Agency Cost for (OCTA & SCRRA)*	\$1.7 million
Project Manager	<u>\$0.8 million</u>
Total	\$2.5 million
Construction Cost:	
Signal Enhancements	\$7.0 million
Other Enhancements	\$7.5 million
Construction Management (7%)**	<u>\$0.5 million</u>
Total	\$15 million
Design (13%):	\$1.9 million
Total	\$19.5 million

* Includes signal enhancement construction management, diagnostic meetings and, CPUC applications development and process, city coordination, and design management.

** For other enhancements only.

Currently, \$17.4 million in federal funds have been allocated to this program. With the required 12 percent match of \$2.09 million, \$19.5 million will be available to fund this program.

Fiscal Impact

The overall budget to implement the Grade Crossing Safety Enhancement Program is \$19.5 million. This budget includes \$14.4 million for capital safety projects. This report seeks an initial allocation of \$10 million to initiate projects in fiscal year 2005-06. Staff will provide periodic reports to the Board of progress and seek direction as necessary.

To simplify the implementation process, for the first year of the program, \$10 million of Regional Surface Transportation Program (RSTP) funds will be exchanged with Commuter and Urban Rail Endowment (CURE) funds. The RSTP funds will be used for other commuter rail capital projects needed for expansion of the Metrolink system. The \$10 million of CURE funds are included in the fiscal year 2005-06 proposed budget.

Summary

Staff is seeking Board approval of an implementation strategy for the Grade Crossing Safety Enhancement Program and seeks the allocation of \$10 million of CURE funds in the fiscal year 2005-06 budget for the program.

Attachment

- A. Grade Crossing Program Cost Summary Table

Prepared by:



Shohreh Dupuis
Acting Manager,
Local Programs and
Commuter Rail Services
(714) 560-5673

Approved by:



Paul C. Taylor, P.E.
Executive Director,
Planning, Development and
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(714) 560-5431

Grade Crossing Program Cost Summary Table				
RANKING	TOTAL Estimated Enhancement Costs	CITY	STREET NAME	SUBDIVISION
1	\$856,500	Santa Ana	McFadden St.	Orange
2	\$534,500	Fullerton	Raymond Ave	San Bernardino
3	\$571,400	Santa Ana	Lyon St.	Orange
4	\$462,000	Santa Ana	17th Street	Orange
5	\$411,000	Tustin	Red Hill Ave.	Orange
6	\$160,000	Santa Ana	Santa Ana Blvd.	Orange
7	\$556,000	Fullerton	State College Blvd	San Bernardino
8	\$355,500	Santa Ana	Ritchey St.	Orange
9	\$148,500	Anaheim	State College Blvd.	Orange
10	\$38,000	Irvine	Sand Canyon Ave.	Orange
11	\$112,000	Santa Ana	Grand Ave.	Orange
12	\$51,000	Orange	Chapman Ave.	Orange
13	\$18,500	Anaheim	Ball Rd.	Orange
14	\$208,000	Irvine	Jeffrey Rd.	Orange
15	\$129,000	Orange	Glassell St.	Olive
16	\$32,000	Irvine	Harvard Ave.	Orange
17	\$371,400	Orange	Batavia St.	Orange
18	\$40,000	San Clemente	Palisades/Beach Rd	Orange
19	\$432,500	Santa Ana	Fourth St.	Orange
20	\$27,500	Anaheim	La Palma Ave.	Orange
21	\$81,000	Orange	Riverdale Ave.	Olive
22	\$156,000	Orange	Meats Ave.	Olive
23	\$151,000	San Juan Capistrano	Oso Rd.	Orange
24	\$170,000	Orange	Lincoln Ave.	Olive
25	\$1,125,500	Santa Ana	Chestnut St.	Orange
26	\$491,500	Santa Ana	Santa Clara Ave.	Orange
27	\$69,000	San Clemente	Avenida Estacion	Orange
28	\$623,500	Orange	Main St.	Orange
29	\$506,000	San Juan Capistrano	Del Obispo St.	Orange
30	\$75,000	Anaheim	E. Sycamore St.	Orange
31	\$969,300	Anaheim	Cerritos Ave.	Orange
32	\$191,000	Orange	Taft St.	Olive
33	\$131,500	Orange	Collins Ave.	Olive
34	\$915,500	Orange	Walnut St.	Orange
35	\$18,000	Anaheim	Orangethorpe Ave.	Orange
36	\$46,500	Anaheim	E. South St.	Orange
37	\$63,500	Orange	Palmyra Ave.	Orange
38	\$174,600	Santa Ana	Fairhaven Ave.	Orange
39	\$55,500	Anaheim	La Palma Ave.	Olive
40	\$368,000	Anaheim	Broadway	Orange
41	\$658,000	Orange	Katella Ave.	Olive
42	\$214,000	Anaheim	Jefferson St.	Olive
43	\$176,500	San Juan Capistrano	La Zanja St.	Orange
44	\$26,000	Orange	La Veta Ave.	Orange
45	\$7,000	Anaheim	Miraloma Ave.	Olive
46	\$30,000	Anaheim	E. Vermont Ave.	Orange
47	\$530,500	Fullerton	Acacia Ave	San Bernardino
48	\$140,500	Anaheim	Tustin Ave.	Olive
49	\$253,800	Orange	Palm Ave.	Orange
50	\$23,500	Orange	Almond Ave.	Orange
51	\$388,600	San Juan Capistrano	Avenida Aeropuerto	Orange
52	\$6,000	San Juan Capistrano	Rancho Capistrano Pvt. Cr.	Orange
53	\$6,000	Orange	Eckhoff St.	Orange
54	\$56,000	Anaheim	E. Santa Ana St.	Orange
55	\$20,000	San Clemente	Pier Service Road	Orange
Total	\$14,433,600			

**Metrolink Commuter Rail Program
Third Quarter and Fiscal Year-to-Date Ridership**

Third Quarter	Orange County Line	Inland Empire - Orange County Line	91 Line	Total Weekday Average	Rail 2 Rail
2005	5,905	3,828	1,860	11,593	1,181
2006	6,223	4,413	2,218	12,854	1,221
Change	5.4%	15.3%	19.2%	10.9%	3.4%

Fiscal Year-to-Date	Orange County Line	Inland Empire - Orange County Line	91 Line	Total Fiscal Year-to-Date	Rail 2 Rail
2005	1,354,086	838,736	430,476	2,623,298	276,475
2006	1,449,417	970,126	479,537	2,899,080	290,089
Change	7.0%	15.7%	11.4%	10.5%	4.9%

PROGRAM STATUS SUMMARY SHEET

OCTA Grade Crossing Safety Enhancement Program

Contract Package	City	No. of Crossings	Kick-Off Meeting	Site Diagnostic Meeting(s)	MOU	Current Level of Completion
1	Santa Ana	10	4/3/2006	Completed 5/22/06-5/23/06	Not initiated	Scoping 50% Complete
	Tustin	1	4/13/2006	Completed 5/25/06	Not initiated	Scoping 50% Complete
	Irvine	3	TBD	TBD	Not initiated	Scoping 0% Complete
2	Orange	16	3/13/2006	Completed 4/24/06-4/26/06	In progress	Scoping 75% Complete
3	Anaheim	14	6/12/2006	TBD	Not initiated	Scoping 0% Complete
	Fullerton	3	6/19/2006	TBD	Not initiated	Scoping 0% Complete
4	Dana Point	1	5/3/2006	Completed 5/24/06	Not initiated	Scoping 30% Complete
	San Juan Capistrano	4	TBD	TBD	Not initiated	Scoping 0% Complete
	San Juan Capistrano (Private Crossing)	1	TBD	TBD	Not initiated	Scoping 0% Complete
	San Clemente	2	TBD	TBD	Not initiated	Scoping 0% Complete
TOTALS		55				



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: 2006 Regional Transportation Improvement Program and Financial Plan

Regional Planning and Highways Committee

July 17, 2006

Present: Directors Cavecche, Correa, Green, Monahan, Norby, and Pringle
Absent: Directors Dixon, Ritschel, and Rosen

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Approve the Orange County Regional Transportation Improvement Program project list and financial plan for fiscal year 2006-07 through fiscal year 2011-12, and adopt Orange County Transportation Authority Resolution No. 2006-48.



July 17, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: 2006 Regional Transportation Improvement Program and Financial Plan

Overview

The Orange County Transportation Authority is responsible for the biennial preparation of the Regional Transportation Improvement Program for Orange County. This document is required under both federal and state law, and outlines the financial plan to deliver regionally significant transportation improvement projects in Orange County. A summary of the Transportation Improvement Program and a resolution are submitted for approval.

Recommendation

Approve the Orange County Regional Transportation Improvement Program project list and financial plan for fiscal year 2006-07 through fiscal year 2011-12, and adopt Orange County Transportation Authority Resolution No. 2006-48.

Background

The Regional Transportation Improvement Program (RTIP) is the short-range program that implements the long-range Regional Transportation Plan. Federal and state regulations require the RTIP to be updated at least every two years and be financially constrained (money is available). The RTIP is the biennial accumulation of the next six years of programming details for regionally significant transportation improvement projects in the county. These projects are funded from federal, state, and local sources including Measure M, State Transportation Improvement Program (STIP), Regional Federal Surface Transportation Program (RSTP), and Congestion Mitigation and Air Quality (CMAQ), federal formula funds (5307, 5309, and 5310), and various other sources.

Federal regulations require that projects of regional significance, as defined by the RTIP guidelines, be included in the RTIP. Additionally, any projects that are currently funded with state or federal funds, or projects that can reasonably anticipate state or federal funds in the future must be programmed in the RTIP. Federal regulations also require that the RTIP demonstrate how the proposed projects will be funded and implemented. The associated financial plan requires a list of all public and private resources reasonably anticipated during the life of the program.

The RTIP is used to track and verify federal transportation and air quality regulations adherence as outlined in the Safe, Accountable, Flexible Transportation Equity Act, A Legacy for Users. If a regionally significant project is not programmed in the RTIP, it cannot be analyzed for regional air quality impacts or benefits and cannot begin even the earliest phase of development - environmental review. Additionally, projects are not eligible for state or federal funds if not included in the RTIP.

Discussion

The Orange County Transportation Authority (OCTA) is responsible for the biennial development of the Orange County RTIP. This effort includes the compiling of projects and associated funding details and the development of a financial plan for implementing those projects. Projects included in the RTIP are a combination of plans and projects previously approved by the OCTA Board of Directors (Board) and local agencies; also included are projects in OCTA's comprehensive funding strategy (adopted by the Board in November 2005, and revised in June 2006), which includes the adopted 2006 STIP, CMAQ, and RSTP revenues. Thus the RTIP includes projects approved as part of the Long-Range Transportation Plan, the Combined Transportation Funding Program, the Metrolink Expansion Plan, city-adopted Capital Improvement Programs, and others significant plans. The RTIP also includes projects sponsored by the California Department of Transportation (Caltrans) and the Transportation Corridor Agencies.

A detailed list of all RTIP projects and associated funding sources is on file with the Clerk of the Board and is summarized in Attachment A. The total \$6.2 billion (including prior year allocation on current year projects) programmed for all projects is within reasonably anticipated funding levels from all federal, state, and local sources. The funding included in the RTIP is comprised of approximately 19 federal, 8 state, and 17 local funding sources.

OCTA is required to certify that the projects in the first three years of the RTIP are of highest priority for the region and will be implemented in accordance with their respective schedules. Additionally, OCTA must certify that these projects are fully funded and the overall program is financially constrained. With Board approval, a constrained funding plan will be sent to the Southern California Association of Governments (SCAG) for analysis, conformity review, and public comment, all required under federal regulations.

A resolution certifying the financial plan is also required (Attachment B). The 2006 RTIP, which covers fiscal years 2006-07 through 2011-12, is expected to be adopted by SCAG in August 2006. The approved RTIP will then be forwarded to Caltrans and the Federal Highway Administration for inclusion in the STIP and the Federal Transportation Improvement Program.

Summary

OCTA is responsible for the biennial development of the RTIP for Orange County. The RTIP is a consolidated programming document that includes previously adopted Board programs and policies. As part of that effort, OCTA is required to demonstrate that funding is available to implement the projects programmed in the first three years of the program and certify that the program is financially constrained. With Board approval, the final funding plan and certifying resolution will be forwarded to SCAG.

Attachments

- A. Regional Transportation Improvement Program and Financial Plan - Fiscal Year 2006-07 to Fiscal Year 2011-12
- B. Resolution of the Board of Directors of the Orange County Transportation Authority, Fiscal Year 2006-07 – Fiscal Year 2011-12, Transportation Improvement Program

Prepared by:



Jennifer Bergeher
Section Manager, Capital Programs
(714) 560-5462

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431

**Regional Transportation Improvement Program and Financial Plan
Fiscal Year 2006-07 to Fiscal Year 2011-12**

MAJOR REVENUE SOURCES

dollars in \$1,000s

Significant funding sources listed

MAJOR REVENUE SOURCES	
dollars in \$1,000s	
Significant funding sources listed	
Federal	\$1,063,169
Congestion Mitigation & Air Quality Program	\$352,747
Demonstration Projects (Demo-ISTEA, PRE ISTEA, TEA21 AND SAFETEA_LU)	\$95,108
Section 5307 Urbanized Areas Formula Program	\$321,099
5309 a,b and c.	\$41,543
Surface Transportation Program	\$213,787
Other Regional Surface Transportation Programs(STPE-L, TEA, STPEL-R, etc.)	\$28,232
Other- Federal (such as Bridge-Local, Highway Rehabilitation, ER-Local, 5207,5310,etc.)	\$10,653
State	\$996,434
STIP	\$479,581
SHOPP	\$298,086
TCRP	\$217,700
Other- State (such as State Transit Assistance, AB 2766, State Legis, Match, Cash, etc.)	\$1,067
Local	\$4,145,455
Measure M	\$921,204
City/Local Funds/Agency	\$317,355
Transit Dev. Act (Transit and TDA4)	\$1,607,883
Other- Local (such as transit fares, fare revenue, air board, private, developer fees, general funds, etc.)	\$1,299,013
Total Revenue	\$6,205,058

MAJOR EXPENDITURES

dollars in \$1,000s
Notable projects shown

State Highways	\$2,765,542
I-5 Far North Mixed Flow and HOV Lanes	\$314,334
SR-22 HOV, Auxiliary Lanes and Operating Improvements	\$546,587
Imperial Highway Grade Separation at Orangethorpe	\$90,652
SR-22 Phase II	\$290,000
TCA Toll Roads - Additional Lanes & FTC South	\$957,114
Jeffrey Rd. I-405 Interchange Improvements	\$11,464
I-5 @ Avenida Pico Ramp & Auxiliary Lane Improvements	\$7,276
I-5 @ Camino Capistrano Intersection Improvements	\$16,946
I-5 @ Oso Parkway Interchange Improvements	\$20,189
I-5 @ Culver Ramp Improvements	\$2,227
I-5 @ Jamboree Auxiliary Lane Improvements	\$8,072
I-405 (Magnolia to Beach) Add Auxiliary Lanes	\$17,942
Alton Avenue Overcrossing	\$3,500
Gene Autry Way West	\$31,883
Imperial Highway Smart Street	\$13,204
Caltrans Lump Sum - SHOPP Projects	\$272,801
Newport Ave at SR-55 Interchange Improvement	\$31,315
All Other Projects	\$130,036
Streets and Roads	\$930,398
Arterial Highway Rehabilitation Program	\$119,590
MacArthur & Redhill Intersection Improvement	\$28,336
Baranca & Redhill Intersection Improvement	\$15,475
Jeffrey Road Grade Sep	\$44,859
Crown Valley Parkway Widening	\$10,109
El Toro Road Improvements	\$27,959
Grade Separations in Placentia (Placentia to Imperial Hwy)	\$83,228
La Novia Bridge Widening	\$9,969
Moulton Smart Street	\$14,416
Grand Avenue Widening	\$12,437
Bristol Street Widening	\$167,102
All Other Projects	\$396,918
Transit	\$2,509,118
Bus Rapid Transit	\$128,573
Fullerton Station Parking Expansion	\$25,200
Irvine Station Parking Expansion	\$26,125
Tustin Station Parking Expansion	\$7,000
Laguna Niguel Parking Expansion	\$63,000
Paratransit Operating Assistance	\$147,062
Orange Pedestrian Overcrossing	\$8,000
Preventative Maintenance OCTA Bus	\$150,587
Paratransit Vehicles (Expansion & Replacement)	\$33,779
Fixed Route Operation Cost	\$1,425,395
Fixed Route Transit Vehicles	\$161,228
Metrolink Capital and Operating Assistance	\$276,004
Rideshare Activities	\$2,700
All Other Projects	\$54,465
Total Expenditures	\$6,205,058

Details on file with Clerk of the Board

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY
FISCAL YEAR 2006-07 – FISCAL YEAR 2011-12
TRANSPORTATION IMPROVEMENT PROGRAM**

THIS RESOLUTION CERTIFIES THAT THE ORANGE COUNTY TRANSPORTATION AUTHORITY AND OTHER RESPONSIBLE AGENCIES HAVE THE RESOURCES TO FUND THE PROJECTS IN FISCAL YEARS 2006-07 THROUGH 2011-12 TRANSPORTATION IMPROVEMENT PROGRAM AND AFFIRM THE COMMITMENT TO IMPLEMENT ALL OF THE PROJECTS IN THE PROGRAM.

WHEREAS, Orange County is located within the metropolitan planning boundaries of the Southern California Association of Governments (hereinafter referred to as "SCAG"); and

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires SCAG to adopt a Regional Transportation Improvement Program for the metropolitan planning area; and

WHEREAS, the SAFETEA-LU also requires that the Regional Transportation Improvement Program include a financial plan that demonstrates how the transportation improvement program can be implemented; and

WHEREAS, the Orange County Transportation Authority (hereinafter referred to as the "Authority") is the agency responsible for short-range capital and service planning and programming for the Orange County area within SCAG; and

WHEREAS, as the responsible agency for short-range transportation planning, the Authority is responsible for the development of the Orange County Transportation Improvement program, including all projects utilizing federal and state highway and transit funds; and

WHEREAS, the Authority must determine on a annual basis, the total amount of funds that could be available for transportation projects within its boundaries; and

WHEREAS, the Authority has adopted the Fiscal Year 2006-07 through 2011-12 Orange County Transportation Improvement Program with funding for fiscal years 2006-07 and 2007-08 available and committed, and reasonably committed for fiscal years 2008-09 through 2011-12;

NOW, THEREFORE, BE IT RESOLVED by the Authority that it affirms its continuing commitment to the projects in the Fiscal Year 2006-07 through 2011-12 Orange County Transportation Improvement Program.

BE IT FURTHER RESOLVED that the Fiscal Year 2006-07 through 2011-12 Orange County Transportation Improvement Program Financial Plan identifies the resources that are reasonably expected to be made available to carry out the program and certifies that:

1. All the Regional Improvement Program projects in the Fiscal Year 2006-07 through 2011-12 Authority TIP are in the proposed 2006 State Transportation Improvement Program that was approved by the California Transportation Commission in April 2006; and
2. Orange County has the funding capacity in its County Surface Transportation Program and Congestion Mitigation and Air Quality Program allocation to fund all identified projects in the Fiscal Year 2006-07 through 2011-12 Authority TIP; and
3. The local match for projects funded with the federal Surface Transportation Program and Congestion Mitigation and Air Quality Program have been identified in the RTIP.
4. All of the Federal Transit Administration funded projects are programmed within SAFETEA-LU guaranteed funding levels.

ADOPTED, SIGNED, AND APPROVED this 24th day of July 2006.

AYES:

NOES:

ABSENT:

ATTEST:

Wendy Knowles
Clerk of the Board

Arthur C. Brown, Chairman
Orange County Transportation Authority

OCTA Resolution No. 2006-48



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles^{WK}, Clerk of the Board
Subject Evaluation Criteria Review for Design Services for the Garden Grove Freeway (State Route 22) Phase II Project

Regional Planning and Highways Committee

July 17, 2006

Present: Directors Cavecche, Correa, Green, Monahan, Norby, and Pringle
Absent: Directors Dixon, Ritschel, and Rosen

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Approve the proposed evaluation criteria specifying a weighting of 100 percent for technical qualifications associated with architectural and engineering services, which conform to both state and federal law.



July 17, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Evaluation Criteria Review for Design Services for the Garden Grove Freeway (State Route 22) Phase II Project.

Overview

Staff has developed proposed evaluation criteria weighting to initiate the competitive procurement process to retain a firm to provide design services for the Garden Grove Freeway (State Route 22) Phase II Project.

Recommendation

Approve the proposed evaluation criteria specifying a weighting of 100 percent for technical qualifications associated with architectural and engineering services, which conform to both state and federal law.

Background

On June 26, 2006, the Orange County Transportation Authority (Authority) Board of Directors (Board) approved release of the Request For Proposals (RFP) for design services for the Garden Grove Freeway (State Route 22) Phase II Project. In order to implement the Phase II improvements, design services are required to begin preliminary design. Design expertise is not available on staff or through the use of other consultants under contract.

Discussion

The design consultant will assist Authority's project manager by providing specialized expertise as required to prepare the plans, specifications, and estimate for construction. The design consultant shall also provide design expertise during construction.

Staff requests approval of the evaluation criteria, which will be used to evaluate proposals received in response to the RFP. It is anticipated the RFP will be

released in early August contingent upon Board approval of the evaluation criteria.

The proposals will be evaluated based on the following criteria:

- Qualification of the Firm 35 percent
- Staffing and Project Organization 40 percent
- Work Plan 25 percent

In developing the evaluation criteria several factors were considered. Staff assigned a greater weight to the staffing as the qualifications of the project manager and other key personnel because they are critical to the successful performance of the scope of work. Due to the nature of the project, it is anticipated that the agreement, if awarded, will be task order based to allow staff to manage the phases of the project.

The evaluation criteria are consistent with other criteria, including weighting, developed for similar architectural engineering services procured on behalf of the Authority.

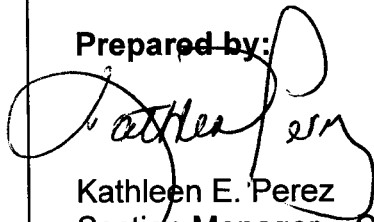
Summary

It is requested that the Board of Directors approve the proposed evaluation criteria.

Attachment

None.

Prepared by:



Kathleen E. Perez
Section Manager – Capital Projects
Contracts Administration and Materials
Management
(714) 560-5734

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Amendment to Agreement for Telecommunications Systems Maintenance and On-Site Technician(s)

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0666 between the Orange County Transportation Authority and Verizon Select Services Inc., in an amount not to exceed \$225,000, to exercise the first option year offered in the original agreement.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{ATL}Chief Executive Officer
Subject: Amendment to Agreement for Telecommunications Systems Maintenance and On-Site Technician(s)

Overview

On August 25, 2003, the Board of Directors approved an agreement with Verizon Select Services Inc., in the amount of \$492,755 to provide Telecommunications maintenance and on-site technician services. Verizon Select Services, Inc., was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0666 between the Orange County Transportation Authority and Verizon Select Services Inc., in an amount not to exceed \$225,000, to exercise the first option year offered in the original agreement.

Background

The Orange County Transportation Authority's (OCTA) telecommunications systems are centralized in the administrative offices in Orange and networked to each of the Bus Operation locations in Anaheim, Garden Grove, Irvine, and Santa Ana as well as Orange County Taxi Administration Program (OCTAP), also in Garden Grove. Telephones located at Orange County Association of Retarded Children (OCARC) for OCTA's Lost & Found Services and the Santa Ana Transit Terminal (SATT) are also supported via this network. OCTA utilizes Nortel Networks systems to provide communications to each of these locations.

The Telecommunications staff supporting these systems and all related Help Desk requests and project needs are comprised of one OCTA Telecommunications Administrator, and one full-time certified contracted

on-site technician. This staff is responsible for telecommunications functions and the support requirements of all OCTA locations as well as the on-site call centers providing customer service and telephone access to OCTA for the public. Additional contracted technician hours are used on an as-needed basis to support project related needs and exceptional support requests such as large scale moves.

In order to maintain the integrity and up-time (24 hours a day, 7 days a week (24/7)) of the OCTA's telecommunications network, it is essential to continue with these support levels. In addition to the on-site contracted technician, systems uptime and integrity is provided by maintenance consisting of 24/7 monitoring of the systems with a two hour response time for critical system issues for both hardware and software. The maintenance agreement also provides for software patches and upgrades, annual call volume traffic studies, and security audits.

By using one agreement for both the systems maintenance and the on-site technician services, OCTA can take advantage of smoothly coordinated services between the on-site technician and the maintenance vendor's remote monitoring site which has direct access to the manufacturer, Nortel Network. In the event of systems errors and emergencies, coordination is critical. Communications are facilitated and time is saved when only one vendor is involved.

Verizon has provided excellent service to OCTA during the term of this original agreement. OCTA's telecommunications systems are maintained at a high level of uptime and stability. Response time thresholds, both during business hours and beyond have been met and often exceeded by Verizon staff. OCTA staff and customers have reported their high degree of satisfaction with the on-site technician.

A Request for Proposal (RFP) for these combined services was issued on June 23, 2003. Based upon the evaluation of the proposals, the Board approved an agreement with Verizon Select Services Inc. and the agreement expires August 31, 2006. Option terms and initial pricing were negotiated as part of the original agreement.

Discussion

This procurement was originally handled in accordance with the OCTA's procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services, therefore, the requirement was handled on a competitive negotiated

procurement. Award is recommended to the firm offering the most effective overall proposal considering such factors as staffing, prior experience with similar projects, approach to the requirement, and technical expertise in the field. Verizon was awarded this agreement as the superior firm based upon their technical proposal. Their proposal was also the most cost-effective. The original agreement included two option years.

The original agreement awarded on August 25, 2003, was in the amount of \$492,755. This agreement has been amended previously (Attachment A) to add technician hours for various large-scale OCTA projects including the Santa Ana Base, OCTAP's move to Garden Grove, and the Paratransit Call Center. The total amount after approval of Amendment No. 2 will be \$762,755.

Fiscal Impact

The additional work described in Amendment No. 2 to Agreement C-3-0666 was approved in the OCTA's Fiscal Year 2006-07 Budget, Finance, Administration and Human Resources/Information Systems Department, Account 1284-7612, and is funded through local funds.

Summary

Based on the material provided, staff recommends approval of Amendment No. 2, in the amount of \$225,000, to Agreement C-3-0666 with Verizon Select Services Inc.

Attachment

- A. Verizon Select Services, Inc., Agreement C-3-0666 Fact Sheet.

Prepared by:



Barry Reynolds
Manager, Technical Services
Information Systems
(714) 560-5527

Approved by:



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

ATTACHMENT A

Verizon Select Services Inc. Agreement C-3-0666 Fact Sheet

1. August 25, 2003, Agreement C-3-0666, \$492,755 approved by Board of Directors.
 - Telecommunications systems maintenance and on-site technician services for a three year term.
2. June 28, 2006, Amendment No. 1 to Agreement C-3-0666, \$45,000, approved by purchasing agent.
 - The original agreement included sufficient funds for one full-time technician. Due to expanded demands to the OCTA systems, such as construction, opening and move of staff to the new Santa Ana Base, the move to the new OCTAP office, and the Paratransit Call Center, including the use of Irvine Base, it was necessary to add funds for a part-time telecom technician.
3. July 24, 2006, Amendment No. 2 to Agreement C-3-0666, \$225,000, pending approval by Board of Directors.
 - Execute the first option year offered on the original agreement for telecommunications maintenance, and on-site technician services.

Total committed to Verizon Select Services, Inc., Agreement C-3-0666: \$762,755.



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Second Quarter 2006 Debt and Investment Report

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file the Quarterly Debt and Investment Report prepared by the Treasurer as an information item.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Second Quarter 2006 Debt and Investment Report

Overview

The California Government Code requires that the Orange County Transportation Authority Treasurer submit a quarterly investment report detailing the Orange County Transportation Authority's investment activity for the period. This investment report covers the second quarter of 2006, April through June, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendations

Receive and file the Quarterly Debt and Investment Report prepared by the Treasurer as an information item.

Background

The Treasurer is currently managing the Orange County Transportation Authority's (Authority) investment portfolio totaling \$1.03 billion as of June 30, 2006. The portfolio is divided into two managed portfolios: the Liquid Portfolio for immediate cash needs, and the Short-term Portfolio for future budgeted expenditures. In addition to these portfolios, the Authority has funds invested in debt service reserve funds for the various outstanding debt obligations.

The Authority's debt portfolio had an outstanding principal balance of \$599.8 million as of June 30, 2006. Approximately 63 percent of the outstanding balance is comprised of Measure M fixed rate debt, 5 percent is comprised of Measure M variable rate debt, 31 percent is associated with the 91 Express Lanes, and 1 percent was issued as fixed rate debt for the Orange County Transit District.

Discussion

Economic Summary: The Federal Reserve (Fed), under the leadership of Ben Bernanke, continued its series of interest rate increases for the 17th straight time on June 29, 2006, raising the benchmark Fed Funds rate to 5.25 percent. Further rate hikes are likely, but in a departure from recent trends, the Fed stated that future increases will be "data dependent." The steady increase in rates during the last two years is the longest since the 1970's . The Fed Funds rate was 1 percent when the current economic tightening policy began in June 2004.

Recent data indicates that the United States economy continues to expand. The core consumer price index (less food and energy), released in June, rose at an annual rate of 5.2 percent during the first five months of 2006, up from 3.6 percent during the same period of 2005. Revised Gross Domestic Product numbers for the first quarter indicate that the economy grew at a 5.6 percent annualized rate, the fastest pace in two years.

The average price for unleaded gasoline is up approximately 30 percent from one year ago and the average 30-year fixed mortgage rate rose to 6.86 percent, the highest in more than four years. Many economists believe a continued restrictive Fed policy and higher prices for most goods and services should begin to weigh on the current economic expansion by the end of summer.

Debt Portfolio Activity: In May 2006, Fitch Ratings upgraded the Authority's 91 Express Lanes debt from "A-" (single A minus) to "A" (single A). Fitch cited the following factors for the upgrade: traffic and revenue performance being well above the traffic and revenue forecast, the continued economic strength and growth potential of the region, growing liquidity, strong debt service coverage, and management's demonstrated commitment to its toll policy. The 91 Express Lanes are also rated "A2" by Moodys Investor Service and "A-" by Standard and Poor's.

During the week of June 19, 2006, Authority representatives visited rating agencies, insurers, and investors in New York to provide an update on the Authority's activities over the past year. This year's meetings focused on the Measure M program and the renewal efforts for extending the sales tax. Other topics included Metrolink Commuter Rail expansion, 91 Express Lanes, the performance of sales tax collections, bus transit update, and the Orange County economy. The meetings were well received by the financial community.

On June 30, 2006, the 91 Express Lanes retired \$10 million in subordinated debt owed to the Authority's Commuter Urban Rail Endowment (CURE) fund. The Authority has subordinated debt outstanding related to the acquisition of the 91 Express Lanes. The remaining outstanding principal balance (which will be repaid with 91 Express Lanes net revenues) totals approximately \$46.4 million. The outstanding balances for each of the Authority's debt securities are presented in Attachment A.

During the refinancing of the 91 Express Lanes Bonds, the Authority entered into an interest rate swap agreement with two counterparties to synthetically fix the variable portion of the outstanding bonds. The swap agreement outlines the monthly payments the Authority will receive from the counterparties to offset the variable portion of the Authority's debt. Through June 30, 2006, the Authority has received approximately \$53,094 more from the counterparties than the Authority has paid as part of the variable rate bonds. This is referred to as "positive basis." The Authority will accumulate these funds, whenever there is positive basis, in a trust account to offset those periods when there is negative basis.

Investment Portfolio Compliance: As of June 30, 2006, the Authority's portfolio is in compliance with its 2006 Investment Policy. The Authority continues its policy of reviewing the contents of the investment portfolio on a daily basis to ensure compliance. Attachment B provides a comparison of the portfolio holdings as of June 30, 2006, to the diversification guidelines of the Investment Policy.

Investment Portfolio Activity: The Authority periodically transfers funds from the Short-term Investment Portfolio to the Liquid Portfolio to meet increased cash flow demands related to the improvements along Garden Grove Freeway (State Route 22). Transfers for the quarter totaled \$20 million. The Treasury/Public Finance Department works closely with the Authority's Development division staff members to ensure adequate liquidity to meet the cash flow demands of the State Route 22 improvement project.

Investment Portfolio Performance Versus Selected Benchmarks: The Authority's investment managers provide the Authority and its financial advisor, Sperry Capital, with monthly performance reports. The investment managers' performance reports calculate monthly total rates of return based upon the market value of the portfolios they manage at the beginning of the month versus the market value at the end of the month. The market value of the portfolio at the end of the month includes the actual value of the portfolio based upon prevailing market conditions as well as the interest income accrued during the month.

The Authority has calculated the returns for each of the investment managers for short-term operating moneys and compared the returns to specific benchmarks as shown in Attachment C.

The returns for the Authority's short-term operating monies are compared to the Merrill Lynch 1-3 year Treasury Index benchmark. The Merrill Lynch 1-3 year Treasury Index is one of the most commonly used short-term fixed income benchmarks. Each of the four managers invests in a combination of securities that all conform to the Authority's 2006 Annual Investment Policy. For the quarter ending June 30, 2006, the weighted average total return for the Authority's Short-term Portfolio was 0.70 percent, five basis points higher than the benchmark return of 0.65 percent. For the 12-month period ending June 2006, the portfolio's return totaled 2.08 percent, 25 basis points above the benchmark return of 1.83 percent for the same period.

The yield curve has retained a relatively flat position from where it started the second quarter of 2006, with yields on treasury securities increasing across the board. The two-year treasury note yield is up 33 basis points for the quarter as a result of Fed activity and market concerns that future rate hikes remain likely. The focus remains on purchasing higher yielding securities that provide comparatively higher income relative to treasuries. This strategy is achieved by adding high-quality Corporate Medium-term notes and Asset-backed securities, ultimately providing greater diversification and increased returns.

Investment Portfolios: A summary of each investment manager's investment diversification, performance, and maturity schedule is provided in Attachment D. These summaries provide a tool for analyzing the different returns for each manager.

A complete listing of all securities is provided in Attachment E. Each portfolio contains a description of the security, maturity date, book value, market value and current yield provided by the custodial bank.

Cash Availability for the Next Six Months: The Authority has reviewed the cash requirements for the next six months. It has been determined that the Liquid and the Short-term Portfolios can fund all projected expenditures during the next six months.

Summary

As required under the California Government Code, the Orange County Transportation Authority is submitting its quarterly investment report to the Board of Directors. The investment report summarizes the Orange County

Transportation Authority's Treasury activities for the period April 2006 through June 2006.

Attachments

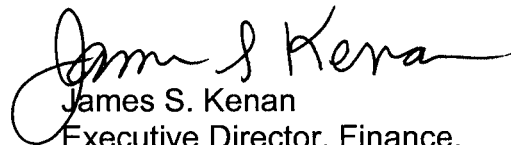
- A. Orange County Transportation Authority Outstanding Debt June 30, 2006.
- B. Orange County Transportation Authority Investment Policy Compliance June 30, 2006.
- C. Orange County Transportation Authority Short-term Portfolio Performance Review Quarter Ending June 30, 2006.
- D. Investment Manager Diversification and Maturity Schedules June 30, 2006.
- E. Orange County Transportation Authority Portfolio Listing as of June 30, 2006.

Prepared by:



Kirk Avila
Treasurer
Treasury/Public Finance
(714) 560-5674

Approved by:



James S. Kenan
Executive Director, Finance,
Administration and Human Resources
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**Orange County Transportation Authority
Outstanding Debt
June 30, 2006**

Orange County Local Transportation Authority (OCLTA)

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2001 Second Senior Sales Tax Revenue Bonds	\$ 48,430,000	\$ 48,430,000	2011
1998 Second Senior Sales Tax Revenue Bonds	213,985,000	105,050,000	2011
1997 Second Senior Sales Tax Revenue Refunding Bonds	57,730,000	57,400,000	2011
1995 Tax-Exempt Commercial Paper	74,200,000	34,500,000	2011
1994 Second Senior Sales Tax Revenue Bonds	200,000,000	28,490,000	2011
1992 Second Senior Sales Tax Revenue Bonds	190,000,000	12,185,000	2011
1992 First Senior Sales Tax Revenue Bonds	350,000,000	123,615,000	2011
Sub-total	\$ 1,134,345,000	\$ 409,670,000	

Orange County Transportation District (OCTD)

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
1993 Certificates of Participation	21,100,000	2,470,000	2007
Sub-total	\$ 21,100,000	\$ 2,470,000	

91 Express Lanes *

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2003 Toll Road Revenue Refunding Bonds	\$ 195,265,000	\$ 187,625,000	2030

* Not reflected is the intra-agency borrowing (subordinated debt) for the purchase of the 91 Express Lanes in the amount of \$46,396,537.

TOTAL ISSUED TO DATE	\$ 1,350,710,000
TOTAL OUTSTANDING BALANCE	\$ 599,765,000

ORANGE COUNTY TRANSPORTATION AUTHORITY
Investment Policy Compliance
June 30, 2006

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	\$379,711,077	36.8%	100%
Federal Agencies & U.S. Government Sponsored	184,502,396	17.9%	100%
State of California & Local Agencies *	0	0.0%	25%
Money Market Funds & Mutual Funds	122,965,015	11.9%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	6,012,263	0.6%	30%
Commercial Paper	0	0.0%	25%
Medium Term Maturity Corporate Securities	97,642,807	9.5%	30%
Mortgage and Asset-backed Securities	116,529,407	11.3%	20%
Repurchase Agreements	23,293,218	2.3%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund	25,054,725	2.4%	\$ 40 Million
Orange County Investment Pool	11,835,587	1.1%	Legal Mandate
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	0	0.0%	30%
Debt Service Reserve Funds - Investment Agreements	65,171,153	6.3%	Not Applicable
Derivatives (hedging transactions only)	0	0.0%	5%
TOTAL	<u>\$1,032,717,648</u>	100.0%	

* Balance does not include intra-agency borrowing for the purchase of the 91 Express Lanes in the amount of \$46,396,537.

**Orange County Transportation Authority
Short-term Portfolio Performance Review*
Quarter Ending June 30, 2006**

Month Ending	Merrill Lynch Treasury 1-3 Year Index Benchmark		Bear Stearns		Payden & Rygel		Western Asset Mgmt		State Street Global Advisors	
	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration	Monthly Return	Duration
4/30/2006	0.31%	1.68 years	0.33%	1.87 years	0.35%	1.65 years	0.34%	1.53 years	0.32%	1.70 years
5/31/2006	0.15%	1.76 years	0.12%	2.02 years	0.16%	1.64 years	0.20%	1.65 years	0.14%	1.70 years
6/30/2006	0.18%	1.74 years	0.19%	1.83 years	0.21%	1.58 years	0.25%	1.60 years	0.20%	1.69 years
Apr 06 - Jun 06 Total Return	0.65%		0.64%		0.72%		0.79%		0.66%	

HISTORICAL QUARTERLY RETURNS

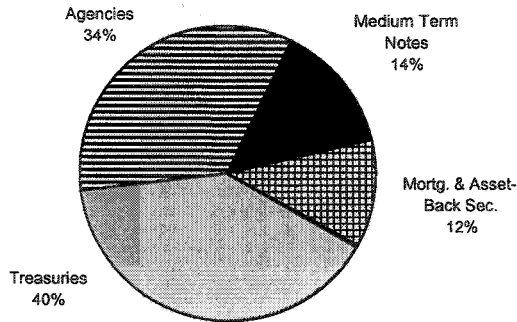
Jul 05 - Sep 05 Total Return	0.09%	0.29%	0.13%	0.26%	0.10%
Oct 05 - Dec 05 Total Return	0.69%	0.66%	0.66%	0.70%	0.66%
Jan 06 - Mar 06 Total Return	0.39%	0.51%	0.45%	0.48%	0.56%
Apr 06 - Jun 06 Total Return	0.65%	0.64%	0.72%	0.79%	0.66%
12-Month Total Return	1.83%	2.12%	1.97%	2.25%	1.99%

* - Month End Rates of Return are Gross of Fees

Bear Stearns

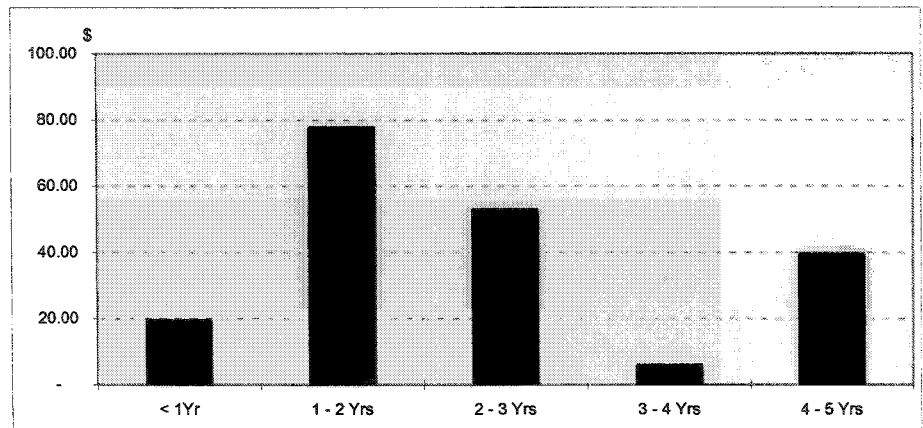
June 30, 2006

SHORT-TERM PORTFOLIO (\$196.0 M)



	Book Value	Market Value
Treasuries	\$77,703,018	\$76,269,591
Agencies	66,897,992	65,881,782
Medium Term Notes	27,695,315	26,655,376
Mortg. & Asset-Back Sec.	23,196,611	22,771,223
Money Market Funds	<u>457,077</u>	<u>457,077</u>
	<u>\$195,950,013</u>	<u>\$192,035,050</u>

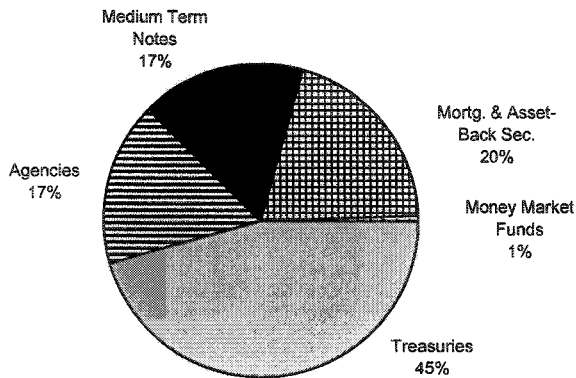
Wtd Avg Maturity	2.32 Yrs
Duration	1.82 Yrs
Quarter-end Yield	5.44%
Benchmark Comparison	5.19%
Quarter Return	0.64%
Benchmark Comparison	0.65%
12 Month Return	2.12%
Benchmark Comparison	1.83%



Western Asset Management*

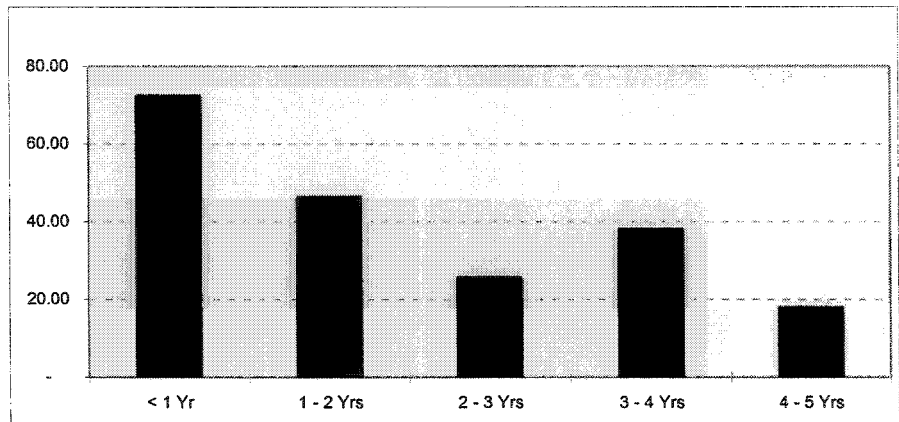
June 30, 2006

SHORT-TERM PORTFOLIO (\$200.4 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$91,364,573	\$90,608,275
Agencies	33,634,032	32,541,838
Medium Term Notes	33,951,032	32,578,285
Mortg. & Asset-Back Sec.	40,202,544	39,337,039
Money Market Funds	<u>1,268,745</u>	<u>1,268,745</u>
	<u>\$200,420,926</u>	<u>\$196,334,181</u>

Wtd Avg Maturity	2.02 Yrs
Duration	1.60 Yrs
Quarter-end Yield	5.48%
Benchmark Comparison	5.19%
Quarter Return	0.79%
Benchmark Comparison	0.65%
12 Month Return	2.25%
Benchmark Comparison	1.83%

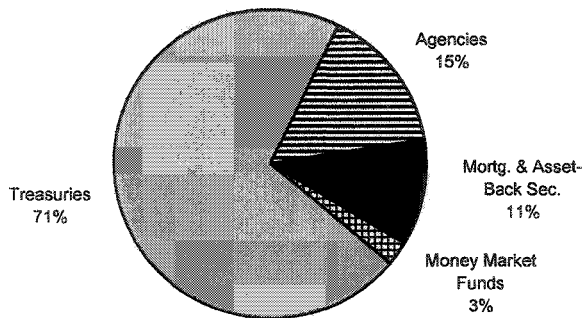


* - Citigroup sold its portfolio management division to Western Asset Management, a division of Legg Mason

State Street

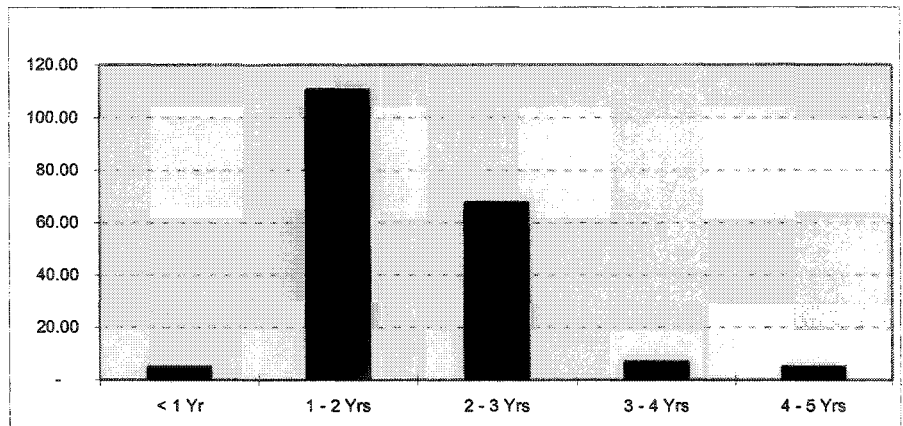
June 30, 2006

SHORT-TERM PORTFOLIO (\$194.8 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$138,545,146	\$137,592,835
Agencies	29,983,250	29,603,588
Mortg. & Asset-Back Sec.	21,354,556	21,152,213
Money Market Funds	<u>4,946,709</u>	<u>4,946,709</u>
	<u>\$194,829,661</u>	<u>\$193,295,345</u>

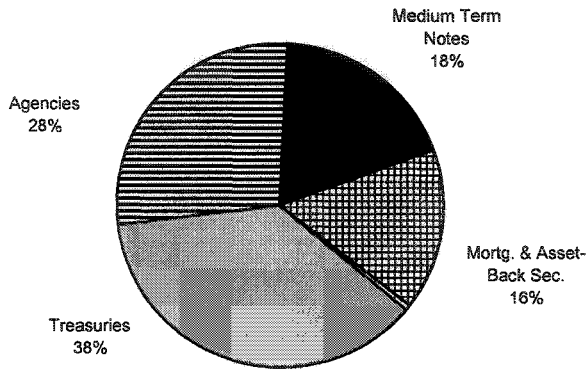
Wtd Avg Maturity	2.05 Yrs
Duration	1.69 Yrs
Quarter-end Yield	5.28%
Benchmark Comparison	5.19%
Quarter Return	0.66%
Benchmark Comparison	0.65%
12 Month Return	1.99%
Benchmark Comparison	1.83%



Payden & Rygel

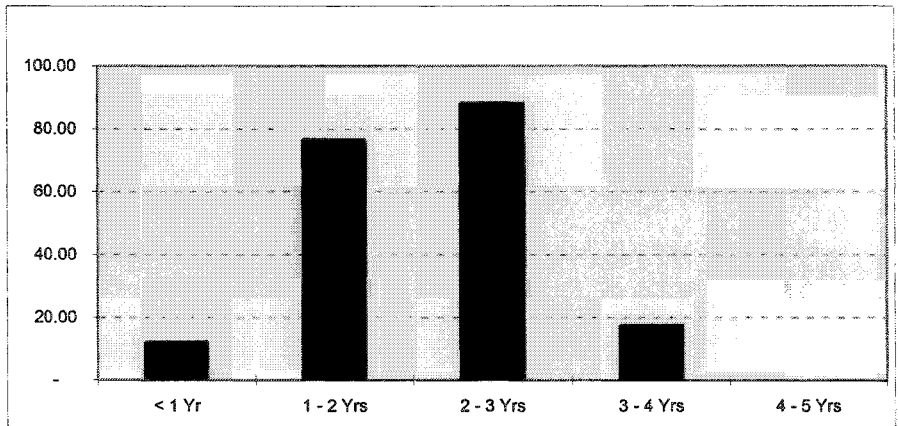
June 30, 2006

SHORT-TERM PORTFOLIO (\$194.7 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$72,098,339	\$71,096,440
Agencies	53,987,122	53,435,865
Medium Term Notes	35,996,460	35,546,412
Mortg. & Asset-Back Sec.	31,775,696	31,446,214
Money Market Funds	<u>826,786</u>	<u>826,786</u>
	<u>\$194,684,404</u>	<u>\$192,351,718</u>

Wtd Avg Maturity	2.12 Yrs
Duration	1.58 Yrs
Quarter-end Yield	5.43%
Benchmark Comparison	5.19%
Quarter Return	0.72%
Benchmark Comparison	0.65%
12 Month Return	1.97%
Benchmark Comparison	1.83%



**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2006**

LIQUID PORTFOLIO

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<i>Cash Equivalents</i>				
Repurchase Agreement	7/3/2006	23,293,217.83	23,293,217.83	4.75%
Fidelity Funds Treasury II	N/A	37,854,186.37	37,854,186.37	4.73%
First American Treasury Obligations	N/A	67,121.49	67,121.49	4.54%
Milestone Funds Treasury Obligations	N/A	57,848,601.85	57,848,601.85	4.71%
<i>Sub-total</i>		119,063,127.54	119,063,127.54	
<i>Local Agency Investment Fund (LAIF)</i>	N/A	25,054,724.94	25,054,724.94	3.63%
<i>Orange County Investment Pool (OCIP)</i>	N/A	11,835,587.06	11,835,587.06	3.96%
Liquid Portfolio - Total		\$ 155,953,439.54	\$ 155,953,439.54	

SHORT-TERM PORTFOLIO

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<i>Cash Equivalents</i>				
FHLB Discount Note	7/10/2006	1,996,883.33	1,997,220.83	4.68%
FHLMC Discount Note	4/17/2007	9,514,233.30	9,493,056.80	5.18%
FNMA Discount Note	7/3/2006	999,587.50	999,862.50	4.95%
FNMA Discount Note	7/5/2006	999,305.56	999,561.11	5.00%
Milestone Funds Treasury Obligations	N/A	7,499,317.25	7,499,317.25	4.71%
<i>Sub-total</i>		21,009,326.94	20,989,018.49	
<i>U.S. Government & Agency Obligations</i>				
FHLB	2/15/2007	10,336,026.00	9,959,375.00	4.89%
FHLB	9/14/2007	2,491,290.00	2,440,625.00	3.45%
FHLB	4/7/2008	9,988,500.00	9,825,000.00	4.50%
FHLB	5/15/2008	3,673,552.50	3,650,390.63	4.10%
FHLB	6/13/2008	4,250,000.00	4,143,750.00	4.20%
FHLB	10/3/2008	5,974,200.00	5,863,125.00	4.47%
FHLB	3/13/2009	7,902,480.00	7,862,500.00	4.83%
FHLB	11/1/2010	7,454,850.00	7,354,687.50	5.22%
FHLMC	12/27/2007	9,996,000.00	9,923,900.00	5.03%
FHLMC	3/14/2008	6,235,187.50	6,205,375.00	5.13%
FHLMC	5/22/2008	5,991,900.00	5,976,660.00	5.39%
FHLMC	5/23/2008	5,508,580.00	5,380,265.00	4.34%
FHLMC	6/15/2008	5,827,591.33	5,728,531.25	3.99%
FHLMC	8/4/2008	4,492,395.00	4,415,265.00	4.58%
FHLMC	11/3/2008	5,984,100.00	5,906,250.00	4.97%
FHLMC	12/8/2008	4,987,200.00	4,950,781.25	5.10%
FHLMC	11/1/2010	4,910,750.00	4,869,750.00	5.13%
FNMA	1/18/2008	5,000,000.00	4,957,812.50	5.16%
FNMA	5/15/2008	12,706,474.90	12,007,843.75	5.94%
FNMA	7/28/2008	4,998,750.00	4,896,875.00	4.49%
FNMA	8/25/2008	5,997,180.00	5,913,750.00	4.81%
FNMA	2/27/2009	5,992,800.00	5,960,625.00	5.31%
FNMA	4/13/2009	5,494,885.00	5,469,062.50	5.43%
FNMA	8/15/2010	4,909,510.00	4,776,562.50	4.44%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2006**

FNMA	11/8/2010	7,208,182.50	7,127,656.25	5.28%
FNMA	11/15/2010	6,503,814.00	6,264,375.00	6.34%
FNMA	2/22/2011	6,176,187.50	6,142,578.13	5.39%
US Treasury Note	9/30/2006	2,295,597.66	2,285,165.00	2.51%
US Treasury Note	12/31/2006	29,567,578.13	29,663,700.00	3.03%
US Treasury Note	5/31/2007	28,350,986.12	27,949,576.00	3.55%
US Treasury Note	7/31/2007	14,053,878.93	13,994,810.00	3.93%
US Treasury Note	8/15/2007	11,858,704.23	11,674,680.00	2.82%
US Treasury Note	10/31/2007	10,978,363.00	10,862,940.00	4.30%
US Treasury Note	11/15/2007	15,714,593.76	15,558,672.50	3.08%
US Treasury Note	12/31/2007	33,715,799.10	33,397,442.00	4.42%
US Treasury Note	2/15/2008	21,646,015.63	21,546,483.00	3.10%
US Treasury Note	2/15/2008	16,174,511.71	16,037,175.00	3.47%
US Treasury Note	4/30/2008	22,065,468.75	21,979,997.00	4.90%
US Treasury Note	5/15/2008	40,339,716.58	39,863,532.81	3.84%
US Treasury Note	8/15/2008	21,306,080.13	20,932,180.50	4.20%
US Treasury Note	9/15/2008	3,913,906.25	3,832,800.00	3.26%
US Treasury Note	11/15/2008	25,132,536.43	24,867,117.00	4.45%
US Treasury Note	12/15/2008	25,736,523.43	24,711,953.13	3.51%
US Treasury Note	2/15/2009	10,189,367.20	10,137,054.00	4.57%
US Treasury Note	5/15/2009	23,906,250.00	23,836,800.00	4.90%
US Treasury Note	10/15/2009	6,292,812.50	6,161,796.88	3.56%
US Treasury Note	4/15/2010	8,253,702.31	7,986,156.25	4.15%
US Treasury STRIP	2/15/2008	8,218,685.00	8,287,110.00	5.40%
	<i>Sub-total</i>	<u>550,703,463.08</u>	<u>543,540,512.33</u>	

Medium Term Notes

Abbott Labs	5/15/2009	728,175.00	727,604.69	5.39%
Allstate Life Global	7/30/2007	2,240,460.00	2,199,262.50	3.58%
Atlantic Richfield Company	4/15/2009	1,977,562.75	1,842,483.50	5.84%
Bank America Corp	2/1/2007	2,968,917.50	2,743,317.50	5.26%
Bank America Corp	2/17/2009	3,837,446.40	3,823,323.90	3.56%
Bank Boston NA	4/15/2008	2,202,315.00	2,073,780.00	6.30%
Bank One Corp	3/26/2007	2,220,015.00	2,097,228.00	5.50%
Banque Paribas	3/1/2009	2,134,576.50	2,030,695.00	6.68%
Berkshire Hathaway Financial Corp	10/15/2008	2,225,452.50	2,142,045.00	3.54%
Berkshire Hathaway Financial Corp	1/15/2010	1,999,400.00	1,902,760.00	4.33%
Citigroup Inc	2/1/2008	3,715,996.00	3,679,882.00	3.61%
Citigroup Inc	2/9/2009	2,020,958.00	2,009,521.80	3.80%
Eli Lilly & Company	7/15/2006	2,078,100.00	1,999,900.00	5.50%
First Boston Credit Suisse USA	1/15/2008	3,082,702.00	3,056,406.25	4.69%
First Union National Bank Newark	10/15/2006	2,255,987.50	2,007,080.00	7.09%
General Electric Capital Corp	3/15/2007	2,054,858.50	2,047,499.00	5.38%
General Electric Capital Corp	1/15/2008	3,136,425.10	3,069,810.10	4.33%
General Electric Capital Corp	9/1/2009	1,953,260.00	1,915,700.00	4.30%
Gillette Company	9/15/2009	1,937,000.00	1,904,000.00	3.99%
Goldman Sachs Group	10/27/2006	1,499,190.00	1,487,250.00	2.87%
Goldman Sachs Group	1/15/2008	3,547,857.00	3,522,937.51	4.21%
Household Financial Corp	5/15/2009	1,961,780.00	1,952,840.00	4.86%
International Lease Finance Corp	9/15/2008	2,926,020.00	2,913,360.00	4.47%
JP Morgan Chase & Co	5/1/2008	1,739,502.90	1,706,191.50	3.76%
LASMO USA Inc	12/15/2007	2,096,482.50	2,057,197.50	6.64%
Merck & Co Inc	7/1/2006	2,305,752.50	2,125,000.00	5.25%
Merrill Lynch & Co Inc	10/27/2008	3,092,002.00	3,043,270.00	4.92%
Morgan Stanley Co	4/1/2008	2,908,020.00	2,903,340.00	3.74%
National City Receivables Trust	8/24/2009	1,912,617.01	1,920,033.83	2.81%
Protective Life	11/24/2008	3,790,585.00	3,682,063.00	3.86%

Orange County Transportation Authority
Portfolio Listing
As of June 30, 2006

Sunamerica Inc.	10/1/2007	2,209,234.50	2,046,586.50	6.67%
Suntrust Bank Atlanta	5/25/2009	2,123,250.00	2,056,957.50	4.70%
US Bancorp	8/23/2007	4,499,309.50	4,233,137.00	4.03%
US Bancorp	3/15/2008	1,153,692.00	1,152,600.00	3.25%
US Bank National Association	2/1/2007	2,121,538.75	2,090,320.00	2.91%
Wal Mart Stores	8/10/2009	2,137,505.78	1,998,630.80	6.63%
Wells Fargo	4/4/2008	1,729,675.20	1,697,344.00	3.62%
Wells Fargo	8/15/2008	1,953,000.00	1,933,820.00	4.13%
Wells Fargo	8/9/2010	2,064,493.50	1,977,573.50	4.79%
World Savings Bank	3/10/2008	3,131,091.60	3,100,881.60	4.23%
World Savings Bank	12/15/2009	1,970,600.00	1,906,440.00	4.32%
<i>Sub-total</i>		97,642,807.49	94,780,073.48	

Mortgage And Asset-Back Securities

American Honda Auto Lease Trust	3/16/2009	9,593,672.74	9,578,915.62	2.84%
American Honda Auto Lease Trust	7/15/2009	2,999,540.10	2,964,970.80	4.66%
Americredit Auto Receivable Trust	10/6/2010	1,999,868.40	1,981,212.00	5.15%
ARG FDG Corporate Trust	4/20/2009	4,999,569.00	4,871,572.00	4.12%
ARMAX Auto Trust	11/15/2010	1,388,039.06	1,389,818.46	3.49%
Bank One Issuance Trust	5/17/2010	10,853,398.44	10,742,793.60	3.67%
Caterpillar Financial Trust	5/25/2010	3,299,694.06	3,299,693.76	5.57%
Chase Issuance Trust	6/15/2010	5,956,847.27	5,874,197.21	3.31%
CIT Equipment Collateral Trust	4/20/2007	112,791.81	88,673.95	1.63%
CIT Equipment Collateral Trust	3/20/2008	671,524.56	639,660.72	2.22%
Citibank Credit Crd Issuance Trust	1/20/2009	10,504,654.50	10,386,666.75	2.59%
Citibank Credit Crd Issuance Trust	8/24/2009	1,998,860.00	1,945,785.00	3.28%
CNH Equipment Trust	8/16/2010	4,499,783.55	4,470,681.15	5.23%
DaimlerChrysler Auto Trust	12/8/2007	633,824.57	630,854.31	2.00%
FHLB Mortgage Pool	7/25/2008	1,329,749.67	1,318,945.00	3.23%
FHLB Mortgage Pool	11/25/2009	3,996,059.18	3,948,610.31	4.03%
FHLB Mortgage Pool	10/25/2010	2,120,614.42	2,071,064.07	4.89%
FHLMC Mortgage Pool	9/1/2007	476,502.97	459,240.56	5.04%
FHLMC Mortgage Pool	11/15/2008	2,090,685.73	2,067,876.45	5.99%
FHLMC Mortgage Pool	2/1/2009	964,506.41	911,710.04	4.63%
FHLMC Mortgage Pool	3/1/2009	1,021,251.75	980,563.28	4.63%
FHLMC Mortgage Pool	4/1/2009	3,554,732.69	3,378,379.92	4.17%
FHLMC Mortgage Pool	12/1/2010	1,867,591.27	1,822,279.22	4.65%
FHLMC Mortgage Pool	12/1/2010	2,024,603.11	1,974,902.57	5.10%
FHLMC Mortgage Pool	4/1/2011	2,582,650.60	2,556,369.75	5.54%
FNMA Mortgage Pool	11/25/2008	568,050.91	527,424.37	6.01%
FNMA Mortgage Pool	1/1/2009	214,534.26	203,973.81	5.54%
FNMA Mortgage Pool	1/1/2009	87,772.00	83,451.40	5.54%
FNMA Mortgage Pool	6/25/2009	2,556,276.65	2,474,853.72	6.00%
FNMA Mortgage Pool	1/25/2010	3,603,756.27	3,446,738.52	4.29%
FNMA Mortgage Pool	2/25/2010	3,581,988.28	3,525,269.67	4.20%
Franklin Auto Trust	3/16/2009	1,761,549.77	1,763,980.23	3.59%
GS Auto Loan Trust	5/17/2010	5,670,164.06	5,613,561.78	4.51%
Hertz Vehicle Financing LLC	5/25/2008	4,998,712.00	4,896,350.00	2.43%
MBNA Credit Card Master Trust	9/15/2010	4,941,796.88	4,888,983.50	4.29%
National City Auto Receivables Trust	7/15/2008	757,502.24	746,058.49	2.12%
USAA Auto Owner Trust	4/15/2008	635,457.67	630,611.34	2.07%
USAA Auto Owner Trust	2/17/2009	3,610,857.67	3,567,524.02	3.19%
World Omni Auto Trust	10/15/2010	1,999,972.00	1,982,472.40	5.05%
<i>Sub-total</i>		116,529,406.52	114,706,689.75	

Short-Term Portfolio - Total

\$ 785,885,004.03

\$ 774,016,294.05

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2006**

DEBT SERVICE RESERVE FUNDS

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Required Amount</u>	<u>Yield</u>
<u>1993 Bus COPs -</u>	2007		\$ 2,082,096.00	
Milestone Funds Treasury Obligations	N/A	\$ 2,162,748.93		4.71%
<u>91 Express Lanes 2003 Refunding Bonds</u>	2030		18,634,792.30	
AIG GIC - Supplemental Reserve Fund	8/15/2015	6,000,000.00		4.51%
First American Treasury Obligations	N/A	1,236,249.12		4.54%
MBIA GIC - Debt Service Reserve Fund	12/15/2030	12,634,792.30		5.13%
<u>91 Express Lanes 2003 Refunding Bonds - Operating & Maintenance Reserves</u>			6,012,263.00	
Operating Reserve - Bank of the West CD		2,891,355.00		4.45%
Maintenance Reserve - Bank of the West CD		3,120,908.00		4.45%
<u>Measure M Second Senior Sales Tax Bonds</u>			56,910,357.63	
<u>1992 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	5,466,511.66		5.75%
FSA GIC	2/15/2011	8,998,875.61		3.88%
Fidelity Funds Treasury II	N/A	900,200.77		4.73%
<u>1994 Sales Tax Bonds -</u>	2011			
CSFP Agmt - Various Treasury Securities		7,495,152.96		5.98%
Fidelity Funds Treasury II	N/A	5,290,160.57		4.73%
<u>1997 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	759,054.88		5.75%
FSA GIC	2/15/2011	1,249,542.82		3.88%
Fidelity Funds Treasury II	N/A	686,603.64		4.73%
<u>1998 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	22,567,222.63		5.79%
Fidelity Funds Treasury II		2,725,953.35		4.73%
<u>2001 Sales Tax Bonds -</u>	2011			
Fidelity Funds Treasury II	2/15/2011	6,693,871.75		4.73%
Debt Service Reserve Funds - Total		\$ 90,879,203.99		

	<u>Book Value</u>	<u>Market Value</u>
TOTAL PORTFOLIO	\$ 1,032,717,647.56	\$ 1,020,848,937.58

FFCB - Federal Farm Credit Banks
 FHLB - Federal Home Loan Banks
 FHLMC - Federal Home Loan Mortgage Corporation
 FNMA - Federal National Mortgage Association
 SLMA - Student Loan Marketing Association



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: New York Meetings with Rating Agencies, Insurers, and Investors

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file as an information item.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{ATL/ls} Chief Executive Officer
Subject: New York Meetings with Rating Agencies, Insurers, and Investors

Overview

Since the early nineties, the Orange County Transportation Authority has maintained an active investor relations program. As part of this program, each year the Orange County Transportation Authority conducts a series of meetings with rating agencies, insurance companies, and investors in New York, New York. This year the trip took place during the week of June 19, 2006.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (Authority) and its affiliated agencies have issued over a billion dollars of long-term debt to advance various capital programs since 1987. One sub-component of debt issuance is the servicing of debt, which includes updating rating agencies, insurers, and investors on the progress of the Authority's programs and services on an annual basis.

Every year, the Authority provides a comprehensive presentation to various organizations. This year, the Authority met with Moody's Investor Services, Standard & Poor's, Fitch, FGIC, MBIA, Ambac, J.P. Morgan, and Dexia Public Finance Bank. In addition to these firms, the Authority also met with a number of institutional investors.

It is important for the Authority to provide constant communication to the municipal market. The annual meetings provide the Authority the opportunity to discuss both positive and negative issues facing the Authority and the Orange County economy. Keeping the municipal market informed will help

maintain the Authority's strong credit ratings, which will result in lower debt service costs.

The Authority's track record of providing projects on time and under budget has clearly established the Authority's credibility with the rating agencies. The Authority has been recognized for being able to successfully implement the Measure M program, efficiently operate its transit programs, and integrate the daily operations of the 91 Express Lanes into the Authority's organizational structure.

Discussion

The following representatives from the Authority were in New York during the week of June 19, 2006: Chairman Art Brown, Vice Chair Carolyn Cavecche, Finance and Administration Committee Chairman Tom Wilson, Finance and Administration Committee Vice Chairman Mike Duvall, Art Leahy, Jim Kenan, and Kirk Avila. Also, Jim Martling from Sperry Capital and representatives from Lehman Brothers attended the presentation meetings.

This year's meetings focused on the Measure M program and the renewal efforts for extending the sales tax. Other topics included Metrolink Commuter Rail expansion, 91 Express Lanes, the performance of sales tax collections, bus transit update, and the Orange County economy.

A detailed summary report on all the New York meetings has been prepared by Sperry Capital, the Authority's Financial Advisor, and has been included as Attachment A. The report identifies the members of each firm and discusses the topics of concern for each of the organizations. A copy of the presentation report titled "Orange County Transportation Authority June 2006 Update" is provided as Attachment B.

Summary

The Orange County Transportation Authority has been proactive in delivering information to the municipal market in order to ensure that the Orange County Transportation Authority's credit ratings remain strong. As a result, the Orange County Transportation Authority's ratings are one of the highest in the nation for a transit agency. The most recent meetings in New York have been well received by the financial community.

Attachments

- A. Sperry Capital Inc., Letter to James S. Kenan on Orange County Transportation Authority's 2006 New York Update Meetings.
- B. Orange County Transportation Authority June 2006 Update Presentation Report.

Prepared by:



Kirk Avila
Treasury/Public Finance Manager
(714) 560-5674

Approved by:



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

Sperry Capital Inc.

July 5, 2006

Mr. James S. Kenan
Executive Director, Finance, Administration and Human Resources
Orange County Transportation Authority
550 South Main Street
Orange, California 92863-1584

Dear Jim:

The June 2006 update trip to New York was very successful. Since 1991, OCTA has clearly established its credibility with the rating agencies and the municipal bond insurance companies for being able to successfully build the Measure M program freeway projects on time and under budget as well as to successfully operate OCTD's bus system. This year, OCTA was able to provide the analysts with two full fiscal years of operating history of the 91 Express Lanes. All of the analysts were impressed with the Board's ability to adopt and maintain a truly transparent congestion management toll policy.

Fitch Ratings, Moody's and Standard & Poor's along with Ambac, FGIC, MBIA, Dexia Public Finance Bank, and JP Morgan, as well as the institutional investors, were all extremely complimentary about the quality of the June 2006 Update book and the presentations by OCTA's Board of Directors and staff.

OCTA met with the following firms as part of its ongoing annual credit update program June 19th through 23rd in New York:

- | | |
|--|--|
| MBIA | • MBIA insures OCTA's outstanding 1998 Second Senior Bonds |
| Institutional Investors | • Dreyfus Funds, Deutsche Asset Management and UBS Asset Management |
| Dexia Credit Bank & JP Morgan | • Dexia provides OCTA with a tax-exempt commercial paper (TECP) letter of credit; Dexia and JP Morgan provide the 91 Express Lanes with a \$100 million liquidity facility |
| Fitch Ratings | • Fitch rates OCTA's First Senior Bonds AA, Second Senior Bonds AA-, and TECP F1+. Fitch recently upgraded the 91 Express Bonds to A from A- |
| Moody's | • Moody's rates OCTA's First Senior Bonds Aa2, Second Senior Bonds Aa3, TECP A1, 91 Express Lanes Bonds A2, and COPs A |
| FGIC | • FGIC insures \$12.185 million outstanding Series 1992 Second Senior Bonds and \$28.490 million outstanding Series 1994 Second Senior Bonds |
| Ambac | • Ambac insures all of the outstanding 91 Express Lanes Bonds, the outstanding \$57.4 million Series 1997 Second Senior Refunding Bonds, and the outstanding \$48.43 million Series 2001 Second Senior Refunding Bonds |
| Standard & Poor's | • S&P rates OCTA's First Senior Bonds AA, Second Senior Bonds AA-, TECP P1+ and the 91 Express Lanes Bonds A- |

Sperry Capital Inc.

Mr. James S. Kenan
July 5, 2006
Page Two

Chairman Art Brown, Vice Chair Carolyn Cavecche, Director Tom Wilson, Director Mike Duvall, Art Leahy, Jim Kenan and Kirk Avila represented OCTA at the New York meetings. John McCray-Goldsmith and Lori Koh from Lehman Brothers and I attended the presentations as well.

The Treasury/Public Finance Department, with support from many departments throughout the Authority, worked diligently during April, May and June to update and prepare the comprehensive 81-page spiral bound presentation book, entitled the "June 2006 Update", which was used in conjunction with each of OCTA's meetings. The June 2006 Update presentation book was organized as follows:

- I. Introduction
 - II. Metrolink Commuter Rail Expansion
 - III. Measure M Sales Tax: Today, Tomorrow, and Beyond...
 - IV. 91 Express Lanes Toll Road
 - V. Orange County Economy
 - VI. Chief Executive's Officer's Report
 - VII. Sales Tax Collections
 - VIII. Financial Issues
 - IX. Asset, Liabilities, and Cash Flows
- Appendix

The Appendix to the June 2006 Update presentation book contained profiles for each Board member attendees and bios for OCTA's executive management staff.

Tuesday, June 20th

MBIA: We met with MBIA at Lehman Brothers offices located at 745 Seventh Avenue and 50th Street. MBIA, located one hour north of Manhattan in Armonk, was represented by Ted Galgano and Amir Kirkwood. MBIA insures OCTA's \$105,050,000 outstanding 1998 Second Senior Bonds.

Chairman Brown led the introductions of the OCTA representatives. After he described OCTA's programs and services, he said, "As you can see, OCTA is a multi-faceted organization." Chairman Brown then continued and described his 2006 priorities for OCTA, "My goals are to No. 1, work to renew Measure M and No. 2, to maintain the financial integrity and strong financial position of OCTA."

Chairman Brown described the package of Metrolink and transit projects that replace the CenterLine project. MBIA's Ted Galgano asked what the current Metrolink service level was. Chairman Brown said that Metrolink had more than 1 million passengers in May and used pages 2-3 through 2-5 and an enclosed Metrolink map to describe the expansion of future Metrolink service levels. He added that Metrolink had just initiated Saturday service and expected to introduce Sunday service in several weeks.

Sperry Capital Inc.

Mr. James S. Kenan

July 5, 2006

Page Three

Vice Chair Cavecche spoke about Measure M. She introduced Section III, "Measure M Sales Tax: Today, Tomorrow and Beyond..." which was the theme of this year's Update. She explained that Measure M was a, "contract between the voters of Orange County and OCTA." She pointed to OCTA's record of project completion success on page 3-1 of the June 2006 Update presentation book. Director Wilson added, "Our motto is promises made, promises kept."

Ms. Cavecche described the Measure M renewal final draft plan in detail.

Institutional Investors: OCTA hosted credit analysts from Dreyfus Funds, Deutsche Asset Management and UBS Asset Management at a working lunch at Lehman Brothers.

During Vice Chair Cavecche's presentation on the proposed Measure M extension vote, Tom Gamello from Dreyfus Funds asked if the Measure M vote had any organized opposition. Art Leahy said, "There isn't any formal opposition. However, there are three or four individuals against it. Orange County is a very prosperous place. People get the linkage between transportation and prosperity." The institutional investors asked if OCTA planned to issue bonds after a successful November 7 vote. Jim Kenan said, "Although the new tax starts in 2011, we have projects ready to go. If the Board of Directors approves a financing plan that advances the projects, we'll sell debt as soon we can." Director Wilson agreed with Jim Kenan, "Being an elected official, you want to show voters immediate results."

Jim Kenan stated that all OCTA employees are covered by OCERS. He noted that OCTA's employer rate will be 14.1% in FY 2007 and is projected to be 16.3% in FY 2008. He also said that OCTA's current Other Post Employment Benefits (or "OPEB") costs are a relatively low \$39,000 per month.

Dexia and JP Morgan: The third meeting on Tuesday was with Dexia Public Finance Bank and JP Morgan at Dexia's offices located at 445 Park Avenue. Dexia is the current letter-of-credit provider for OCTA's tax-exempt commercial paper program and Dexia and JP Morgan jointly provide the liquidity support for the variable rate bonds issued to finance the 91 Express Lanes.

Art Brown began OCTA's presentation to Dexia and JP Morgan by stating that OCTA was a "multifaceted transportation agency." He noted that OCTA is unique in its combined responsibility for bus operations, Metrolink commuter rail, Measure M improvements, motorist services as well as the 91 Express Lanes. Chairman Brown then used page 1-3 to introduce the four Dexia analysts and two JP Morgan analysts to OCTA's Board of Directors.

Dexia and JP Morgan were very interested in the 91 Express Lanes. Director Duvall used page 4-1 to summarize the highlights of the 91 Express Lanes operations during the past fiscal year. Director Duvall effectively used page 4-5 to illustrate the FY 2005 growth in daily Express Lanes traffic and revenue compared to the 2003 forecast. The Dexia and JP Morgan analysts were impressed with the demand for the 91 Express Lanes. "The 91 Express Lanes saves our customers time. And time is money." said Director Duvall.

Sperry Capital Inc.

Mr. James S. Kenan

July 5, 2006

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David Weinstein of JP Morgan asked if OCTA had received any pressure to allow hybrid cars to use the 91 Express Lanes for free. Art Leahy said that State law allowed hybrids to use HOV lanes for free in California. "However, we have reviewed the legislation and concluded that the 91 Express Lanes are not HOV lanes."

At the conclusion of the meeting, Jim Kenan told Dexia and JP Morgan that OCTA may request an expansion of the tax-exempt commercial paper program if the Measure M renewal passes in November. The Dexia and JP Morgan representatives said they would be pleased to support OCTA.

Wednesday, June 21st

Fitch Ratings: Fitch Ratings was represented by Amy Doppelt from Fitch's San Francisco office and Scott Trommer and Mike McDermott from New York.

After introductions and an overview of the Board of Directors, Chairman Brown talked about his "favorite subject, Metrolink." He explained OCTA's plans for Metrolink's service expansion. He noted that OCTA plans to spend \$382.5 million for purchasing seven new locomotives, 59 additional passenger cars, improving stations and parking.

Scott Trommer asked if OCTA had to pass the Measure M renewal to fund the Metrolink expansion. Art Leahy said that OCTA's endowment funds were sufficient to fund Metrolink through 2015. Vice Chair Cavecche briefed the Fitch analysts on Measure M's success to date as well as OCTA's Measure M renewal efforts. She pointed to page 3-1 of the June 2006 Update presentation book to emphasize that, "OCTA has done an excellent job of keeping the promises we made to the voters." Vice Chair Cavecche then summarized the final draft plan for the Measure M renewal that includes \$4.8 billion for freeways. She noted that part of the freeway funds would be used to fix the Orange Crush interchange, "We've made the Guinness Book of World records. The Orange Crush is the worst interchange in the world."

Mike McDermott asked if the new Measure M renewal freeway program complimented the proposed TCA Foothill South extension. Art Leahy said, "Yes. We support the Foothill South extension."

Director Duvall updated Fitch on the 91 Express Lanes. The Fitch analysts were impressed with the traffic and revenue increases. He noted that the COLA adjustment in the toll policy would take effect July 1, "We know that the COLA adjustment is extremely important. We are very conscious of the need to repay our debt."

Director Wilson described the Orange County economy. He stressed that the diversity of Orange County's economy was responsible for the County's low unemployment rates.

Director Wilson also described the Orange County housing market. He noted the median home price of houses sold in Orange County in April 2006 was \$628,000. He then said, "I am pleased

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Page Five

to report to that Orange County housing prices have tripled over the past eight years.”

Moody’s: Maria Matesanz, Bart Oosterveld, Kevork Khrimian and Omar Ouzidane represented Moody’s. Before OCTA began its presentation, Maria told OCTA, “We appreciate the regularity and professionalism of your updates.”

Vice Chair Cavecche described OCTA’s county-wide outreach program to develop the Renewed Measure M Transportation Investment Plan, “I really think the Plan satisfies the need for a diverse transportation improvement system.” She stressed that the Plan offers significant protections to the voters, “Coming from a conservative county, I’m very excited about the safeguards for voters in the Plan.”

Ms. Matesanz asked if the State bond package in November was a challenge for the Measure M renewal. Vice Chair Cavecche told the Moody’s analysts that they could monitor the Measure M renewal vote by going to www.ocvote.com on Election Day. “Orange County voters understand that we are a donor county. We send money to Sacramento...and it doesn’t come back.”

Director Wilson emphasized the diversity and resiliency of the Orange County economy. He successfully illustrated the strength and diversity of the Orange County economy with the help of the information on pages 5-4 and 5-5 of the June 2006 Update presentation book. He then noted that, “Something we don’t talk about much...but we probably should and that’s Orange County’s exports.” He used page 5-7 to show that Orange County’s exports totaled \$14.9 billion in 2004. He noted that the areas of strongest export growth were the Asia-Pacific and NAFTA regions.

Kirk Avila presented Section IX of the June 2006 Update presentation book entitled Assets, Liabilities, and Cash Flow. He provided the Moody’s credit analysts with a summary description of OCTA’s \$1 billion investment portfolio, Measure M debt service requirements and debt service coverage projections. He also described the projected 91 Express Lanes cash flows and summary of reserves as well as the OCTD projected cash flows.

FGIC: OCTA met with Mary Francouer and Julia Clark from FGIC in a Moody’s conference room. Ms. Francouer and Ms. Clark both followed OCTA as an analyst at Moody’s before joining FGIC. FGIC currently insures all of OCTA’s outstanding 1992 and 1994 Second Senior Bonds.

Ms. Francouer and Ms. Clark were very interested in the Measure M renewal effort. Vice Chair Cavecche explained that OCTA worked with representatives of every City council in the Orange County and 8,000 citizens who attended public workshops and outreach meetings. Art Leahy added that, as part of the freeway program, the SR 91 was an important route to improve, “The 91 is key to the Measure M renewal. Whether or not people use it, they want it fixed.”

Director Duvall described the recent increases in traffic and revenue on the 91 Express Lanes. He pointed to page 4-3 of the June 2006 Update presentation book to illustrate the growth of

Sperry Capital Inc.

Mr. James S. Kenan
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Page Six

monthly toll revenue since FY 2003. He added, "I want to also say that we achieved higher revenues after the policy decision to allow HOV-3+ vehicles go free except during peak hours."

Thursday, June 22nd

Ambac: OCTA met with Kate McDonough and Debra Saunders at Ambac. Ambac has a close relationship with OCTA. Ambac insures OCTA's 2001 and 1997 Measure M Second Senior Refunding Bonds and the 91 Express Lanes Bonds.

Kate McDonough opened the meeting by telling OCTA, "We are looking forward to your exciting presentation. I wish all of our transportation clients were as successful as you have been in keeping us updated."

Chairman Brown introduced the OCTA team. He also described the expansion of Metrolink service in Orange County. "We had over 1 million riders in May. We think the expanded service will make Metrolink more practical for our customers throughout the day." he added.

Art Leahy gave the Ambac analysts the CEO's report. He proudly noted that the American Public Transportation Association recently named OCTA as the best large property transportation system in the United States. He also pointed to page 6-6 of the June 2006 Update presentation book with pride to show that OCTA's increase in fixed route revenue vehicle hours the past several years has been achieved with very little increase in OCTA's administrative staff.

Director Wilson emphasized the importance of tourism to Orange County's economy noting that the number of visitors to Orange County has increased each year since 1997. "A significant reason for the increase in visitors is the new convention center. And, when visitors come, they spend." said Director Wilson.

S&P: OCTA met with Standard & Poor's Thursday afternoon. S&P was represented by David Hitchcock and Laura MacDonald.

Chairman Brown led the introductions of the OCTA representatives. Chairman Brown then continued and described his 2006 priorities for OCTA. Chairman Brown's statement of goals was well received at each presentation.

CEO Art Leahy briefed the S&P analysts on the SR 22 design build project. He noted that, "The SR 22 is the second largest construction project in California today." Laura MacDonald asked if OCTA planned on more design-build contracts in the future. Mr. Leahy said, due to the SR 22 project's success, OCTA would seek additional statutory authority for more design build projects, "It's remarkable to see the private sector at work. The choreography required to get 700 hardhats working together requires significant logistics."

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Director Duvall updated S&P on the 91 Express Lanes. He summarized the findings of the Riverside-Orange County Major Investment Study. He emphasized the OCTA's first priority was to add more general purpose lanes in the 91 Corridor. In addition, he explained how \$15.8 million for preliminary seismic analyses for an 11 mile "Irvine-Corona Expressway" tunnel has been earmarked. Director Duvall said, "44% of our 91 Express Lanes customers work in South County. And the numbers are growing. The number of homes being built in and around Lake Elsinore is amazing."

Kirk Avila told S&P that Vollmer Associates is working on an updated traffic and revenue report and he would forward when it was completed.

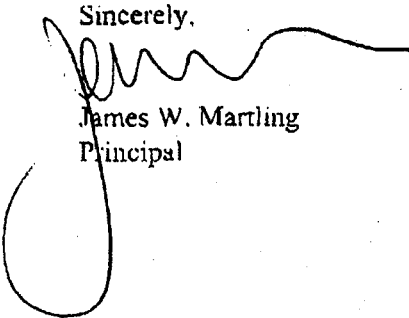
Jim Kenan described the historical and projected taxable sales in Orange County. He used page 7-5 of the June 2006 Update presentation book to show that taxable sales are expected to grow an average of 4.9% from the proposed Measure M renewal date 2011 through 2041 based on an average of forecasts provided by Chapman University, UCLA and Cal. State Fullerton. Mr. Kenan concluded, "We want the same track record on the Measure M extension as we have on the current Measure M. We want to deliver all of the projects we have promised to the voters."

Friday, June 23rd

We had a working breakfast meeting at 8 AM with Ethan Harris, Lehman Brother's chief U.S. economist, at Lehman Brothers' offices. Mr. Harris briefed OCTA on his view of the new Federal Reserve Chairman, Ben Bernanke, "Imagine a plane changing pilots as it lands. That is what the Fed is doing as it approaches the end of its tightening cycle with a new pilot climbing into the cockpit." He described Chairman Bernanke as the "second most powerful man in the country." He also described Lehman's views on the national and California economies. He projected an economic "soft landing" induced, in part, by changes in consumer spending based on the consumer's realization that the recent booming California housing market has cooled.

I have attached a complete list of the participants at OCTA's 2006 New York meetings.

Sincerely,

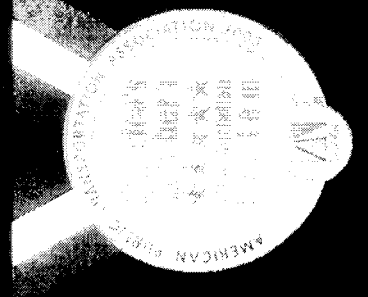


James W. Martling
Principal

Date	Time	2006 Meetings	Name	Title	Telephone	Location
Tuesday June 20	9:30AM	MBIA	Ted Galgano Amir Kirkwood	Director Senior Analyst	914.765.3517 914.765.3394	Lehman Brothers 745 Seventh Avenue
Tuesday June 20	12:00 PM Working Luncheon	Deutsche Asset Mgt Deutsche Asset Mgt UBS Asset Mgt Dreyfus Funds	Josephine Martinez Betty Wu Brandon Korrnhaber Tom Gamello	Credit Research AVP Associate Director	212.454.1958 212.454.7127 212.882.5056	Lehman Brothers 745 Seventh Avenue
Tuesday June 20	2:00 PM	Dexia JP Morgan	Daniel Ivanier Richard Skiera Tiwanda Brown Russell Nussbaum Dave Weinstein, JP Mor Justin Wahn, JP Morgan	General Manager Vice President AVP Junior Analyst Vice President Associate	212.515.7001 212.515.7025 212.515.7085 212.515.7145 212.270.4946 212.270.3813	Dexia Local Credit 445 Park Avenue (at East 57 th , 8 th Floor)
Wednesday June 21	10:00 AM	Fitch Ratings	Amy Doppel Scott Trommer Mike McDermott	Managing Director Senior Director Senior Director	415.732.5612 212.908.0678 212.908.0605	Fitch Ratings One State Street Plaza
Wednesday June 21	12:30 PM	Moody's	Maria Matesanz Bart Oosterveld Kevork Khriman Omar Ouzidane	Senior Vice President Vice President Vice President Associate	212.553.7241 212.553.7939 212.553.4837 212.553.7208	Moody's 99 Church Street
Wednesday June 21	3:00 PM	FGIC	Mary Francouer Julia Clark	Director Associate	212.312.3269 212.312.3326	Moody's 99 Church Street
Thursday June 22	9:15 AM	Ambac	Debra Saunders Kate McDonough	Managing Director Managing Director	212.208.3269	Ambac One State Street Plaza
Thursday June 22	1:30 PM	Standard & Poor's	Dave Hitchcock Laura MacDonald	Director Director	212.438.2022 212.438.2519	Standard & Poor's 55 Water Street
Friday June 23	8:00 AM Breakfast, Meeting	Lehman Brothers	Ethan Harris	Chief U.S. Economist	212.526.5477	Lehman Brothers 745 Seventh Avenue



JUNE 2006 UPDATE



Presentation Overview

- I. Introduction
- II. Metrolink Commuter Rail Expansion
- III. Measure M Sales Tax: Today, Tomorrow, and Beyond...
- IV. 91 Express Lanes Toll Road
- V. Orange County Economy
- VI. Chief Executive Officer's Report
- VII. Sales Tax Collections
- VIII. Financial Issues
- IX. Assets, Liabilities, and Cash Flows
- Appendix

I. Introduction

Presentation Participants

Orange County Transportation Authority

Art Brown	Board of Directors Chairman
Carolyn Cavecche	Board of Directors Vice-Chair
Tom Wilson	Finance and Administration Committee Chairman
Michael Duvall	Finance and Administration Committee Vice-Chair
Art Leahy	Chief Executive Officer
Jim Kenan	Executive Director of Finance, Administration and Human Resources
Kirk Avila	Treasurer and Public Finance Manager

Sperry Capital Inc. Financial Advisor

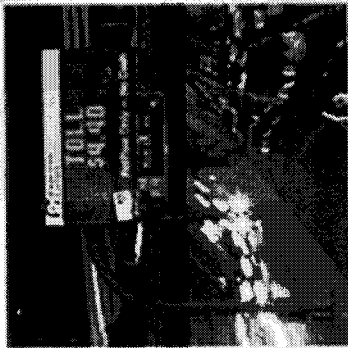
James Martling
Principal

Lehman Brothers Underwriter

John McCray-
Goldsmith
Senior Vice President

Lori Koh
Vice President

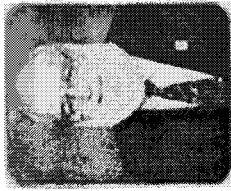
OCTA's Programs and Services



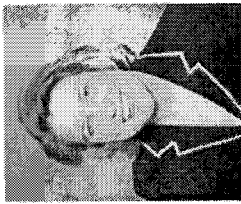
Measure M
Bus Operations
91 Express Lanes
Motorist Services
Metrolink Commuter Rail
Orange County Taxi Administration Program



2006 Board of Directors



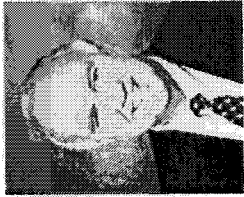
Art Brown
City of Buena Park
Chairman



Carolyn Cavecche
City of Orange
Vice-Chair



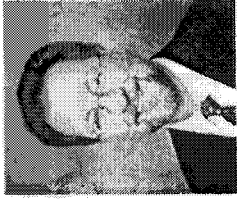
Peter Buffa
Public Member



Bill Campbell
3rd District
Supervisor



Lou Correa
1st District
Supervisor



Richard T. Dixon
City of
Lake Forest



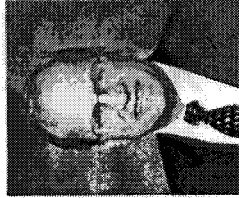
Michael Duvall
City of
Yorba Linda



Cathy Green
City of
Huntington Beach



Gary Monahan
City of
Costa Mesa



Chris Norby
4th District
Supervisor



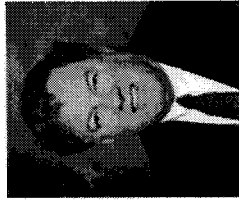
Curt Pringle
City of
Anaheim



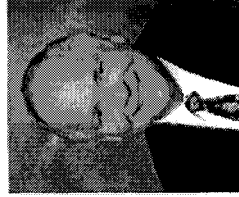
Miguel A. Pulido
City of
Santa Ana



Susan Ritschel
City of
San Clemente



Mark Rosen
City of
Garden Grove



James W. Silva
2nd District
Supervisor



Thomas W. Wilson
5th District
Supervisor



**Gregory T.
Winterbottom**
Public Member



Cindy Quon
Governor's Ex-
Officio Member

Board Chairman's 2006 Priorities for OCTA

- ▶ Renew Measure M Sales Tax
- ▶ Maintain OCTA's strong financial position and reputation for financial integrity
- ▶ Break ground on the Santa Ana Freeway (I-5) Gateway Project through Buena Park
- ▶ Complete the Garden Grove Freeway (SR-22) improvement project within the 800 day schedule
- ▶ Continue congestion relief studies
- ▶ Continue working relationship with the Riverside County Transportation Commission on projects benefiting the SR-91 corridor
- ▶ Complete signal synchronization demonstration project along Euclid Street and begin pilot project for South Orange County
- ▶ Begin planning efforts for an additional Metrolink station in Placentia
- ▶ Study the feasibility of a "Park and Fly" system linking Park and Ride lots to John Wayne Airport

Carpool Lane Demonstration Project

- ▶ Orange County has over 200 miles of high-occupancy vehicle (HOV) lanes and offers direct carpool lane connectors at six freeway interchanges
- ▶ In December 2005, OCTA's Board of Directors requested the California Department of Transportation (Caltrans) evaluate peak-period-only operations and entry-exit changes for Orange County HOV lanes
- ▶ Caltrans responded in January 2006, stating that peak-period-only operation is a regional policy that needs to be addressed by the six counties in Southern California and Caltrans
- ▶ However, Caltrans offered a proposal to allow entry and exit from the SR-22 HOV lanes continuously as a starting point in evaluating how Southern California commuters will respond to this change
- ▶ The proposal includes Caltrans studying continuous access and how that operates for a period of two years
- ▶ The proposal must still be approved by the Federal Highway Administration

II. Metrolink Commuter Rail Expansion

Package of Transit Projects Replaces CenterLine

- ▶ In October 2005, OCTA's Board of Directors voted unanimously to cease all work on the CenterLine light-rail project and redirect resources toward implementing a diverse package of rapid-transit improvements:
 - Expanding Metrolink service between Fullerton and Laguna Niguel/Mission Viejo by running trains every 30-60 minutes between 5 AM and midnight, seven days a week
 - Linking Metrolink service to future high-speed rail lines that could connect Orange County to Los Angeles, San Diego, Ontario and the Bay Area
 - Beginning a 69-mile bus rapid transit (BRT) system on various Orange County streets
 - Launching a new shuttle service around the Irvine Business Center near John Wayne Airport
 - Building direct carpool-lane freeway exits at selected locations that could be used by BRT service
 - Providing \$30 million for cities to study options for linking Metrolink stations to major activity centers using buses, monorail, light rail or other transit technologies

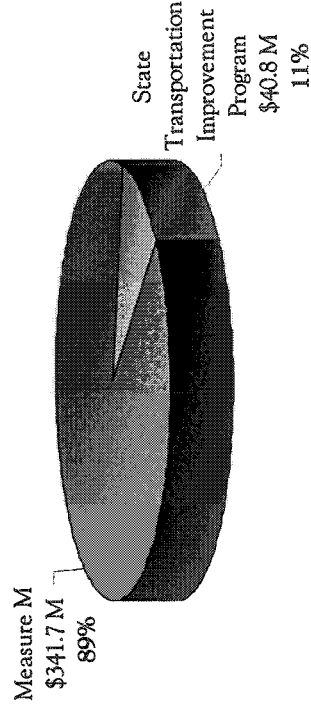
- ▶ The majority of the projects are scheduled for completion by 2010 in order to meet federal air quality commitments, which require OCTA to reduce emissions by implementing CenterLine light-rail or comparable rapid transit projects by 2010

Metrolink Service Expansion

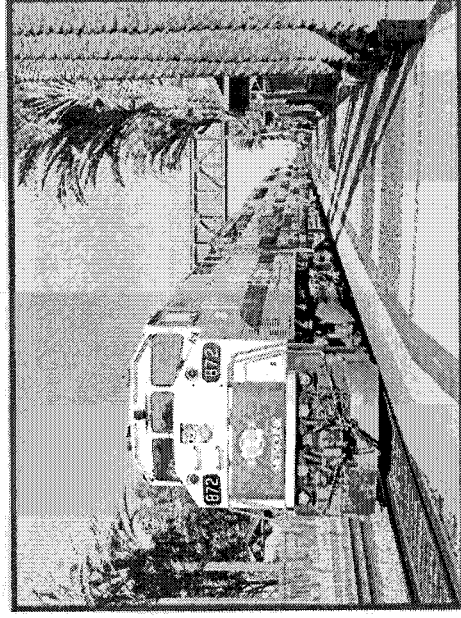
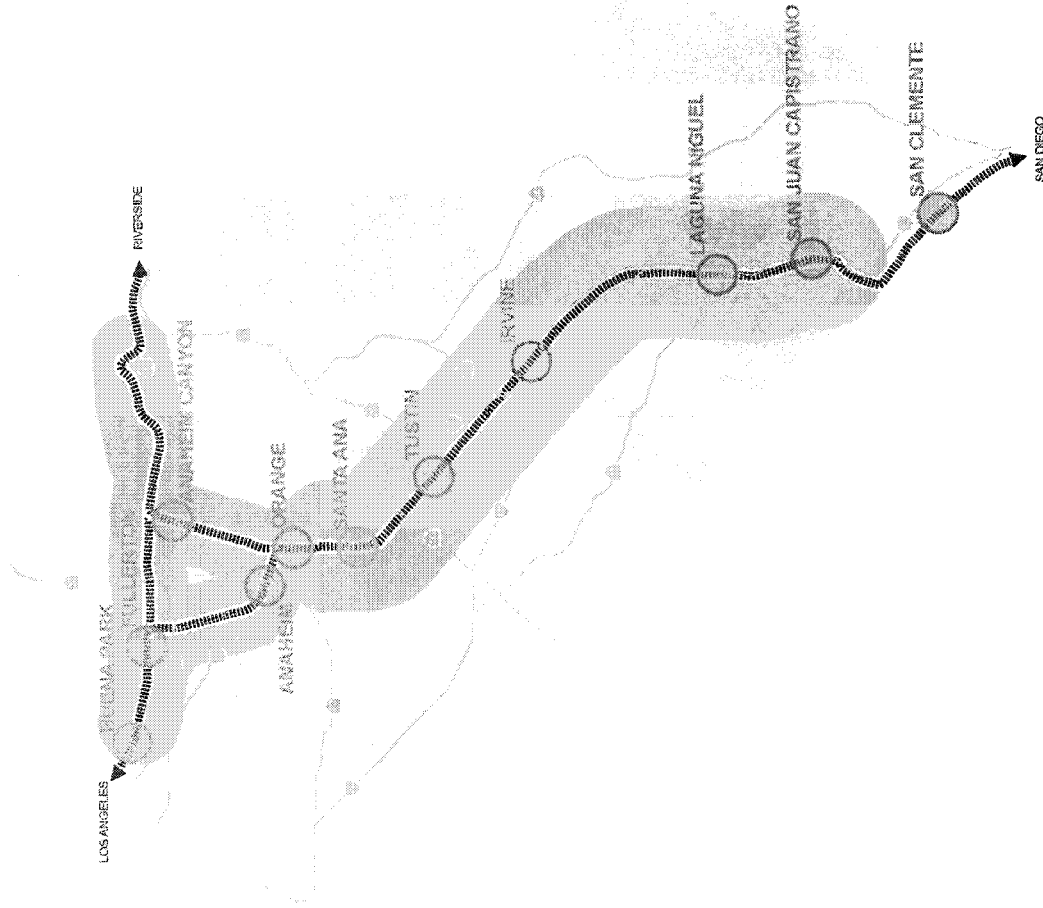


- ▶ In November 2005, OCTA's Board of Directors approved a plan that will expand Metrolink service and increase the number of trains serving Orange County from 40 per day to 76 per day over the next four years
- ▶ By 2009, Metrolink service will run every 30-60 minutes from 5 AM to midnight
- ▶ During summer of 2006, service will commence on weekends between Los Angeles' Union Station and Oceanside
- ▶ Total capital cost for the expansion is approximately \$382.5 million, which includes purchasing seven new locomotives and 59 additional passenger cars, improving stations and parking, and adding new storage and passing tracks
- ▶ The new service is expected to increase Orange County Metrolink ridership from 3.4 million riders per year to 4.2 million riders per year by 2009

Capital Cost Funding
\$382.5 Million



Why Expand Metrolink Service?



Core Transit Zone

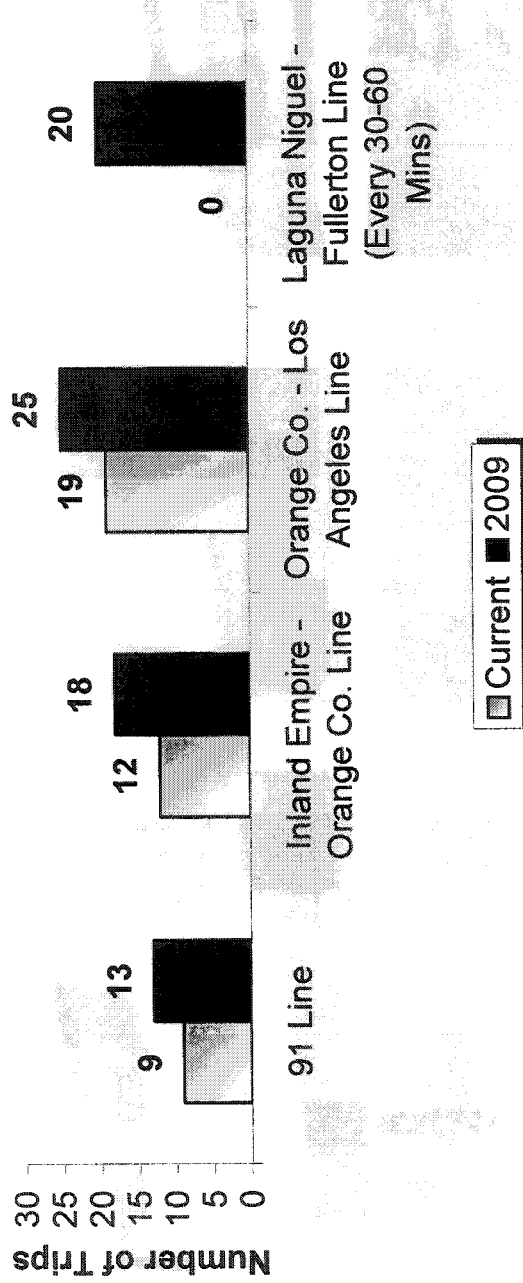
- Nearly 2/3 of residents
- More than 2/3 of jobs

Existing Right of Way & Stations

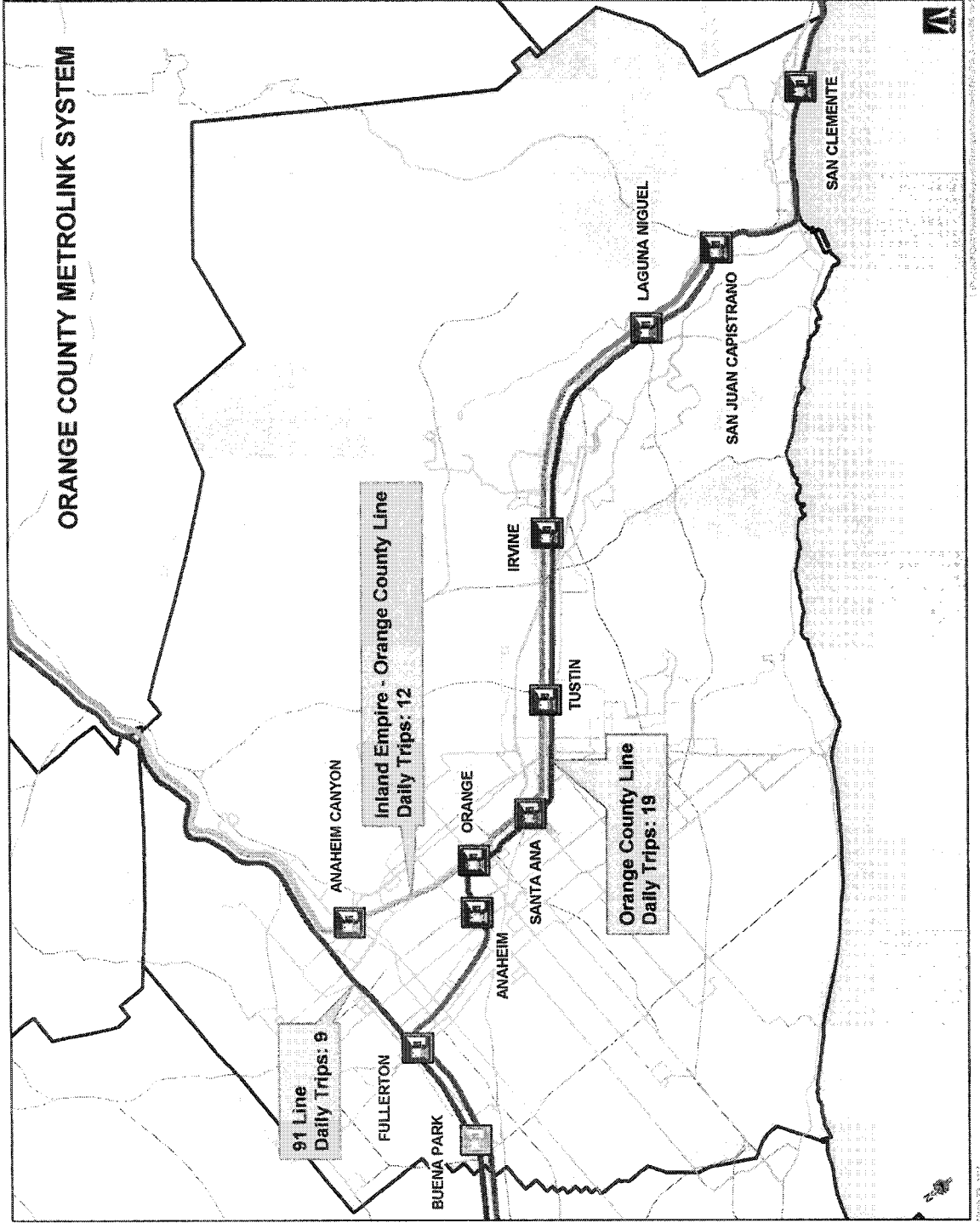
- 68 miles long
- 100 feet wide
- 11 stations

2009 Service Expansion

Number of Train Trips



Orange County's Current System



**III. Measure M Sales Tax: Today, Tomorrow,
and Beyond...**

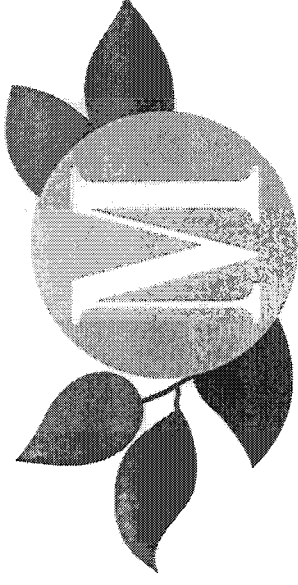
Measure M: A Contract Fulfilled

Projects	Complete	On-Going	In-Progress
Santa Ana Freeway (I-5)	X		
El Toro "Y" (I-5/I-405) Widening	X		
Costa Mesa Freeway (SR-55)	X		
Orange Freeway (SR-57)	X		
Riverside Freeway (SR-91)	X		
Pacific Electric ROW Purchase	X		
Metrolink: Orange County to LA	X		
Metrolink: Riverside to Orange County	X		
Transitways	X		
Regional Road Projects		X	
Local "Turnback"		X	
Transit Fare Stabilization		X	
Garden Grove Freeway (SR-22) *			X
I-5 Gateway Project			X
Metrolink Expansion			X

* New project added to the expenditure plan

Without Measure M ...

- ▶ I-5 would be six lanes wide north of Tustin instead of 12 lanes
- ▶ No El Toro “Y” improvements
- ▶ No widening of the SR-55, SR-91, SR-57 or SR-22
- ▶ \$1 billion less invested in streets and roads
- ▶ No Metrolink rail service
- ▶ No rail rights-of-way
- ▶ Higher fares for seniors and disabled



Revenue and Expenditure Summary

- ▶ Total projected Measure M revenue: \$4.28 billion

- ▶ Actual expenditures to-date total \$2.55 billion through March 31, 2006*:
 - Freeways \$1,322 million

 - Regional Streets & Roads \$ 240 million

 - Local Streets & Roads \$ 505 million

 - Transit \$ 485 million

* Excluded from this expenditure total is approximately \$551 million in sales tax funds collected and earmarked for future Measure M expenditures

Renewed Measure M Final Draft Plan

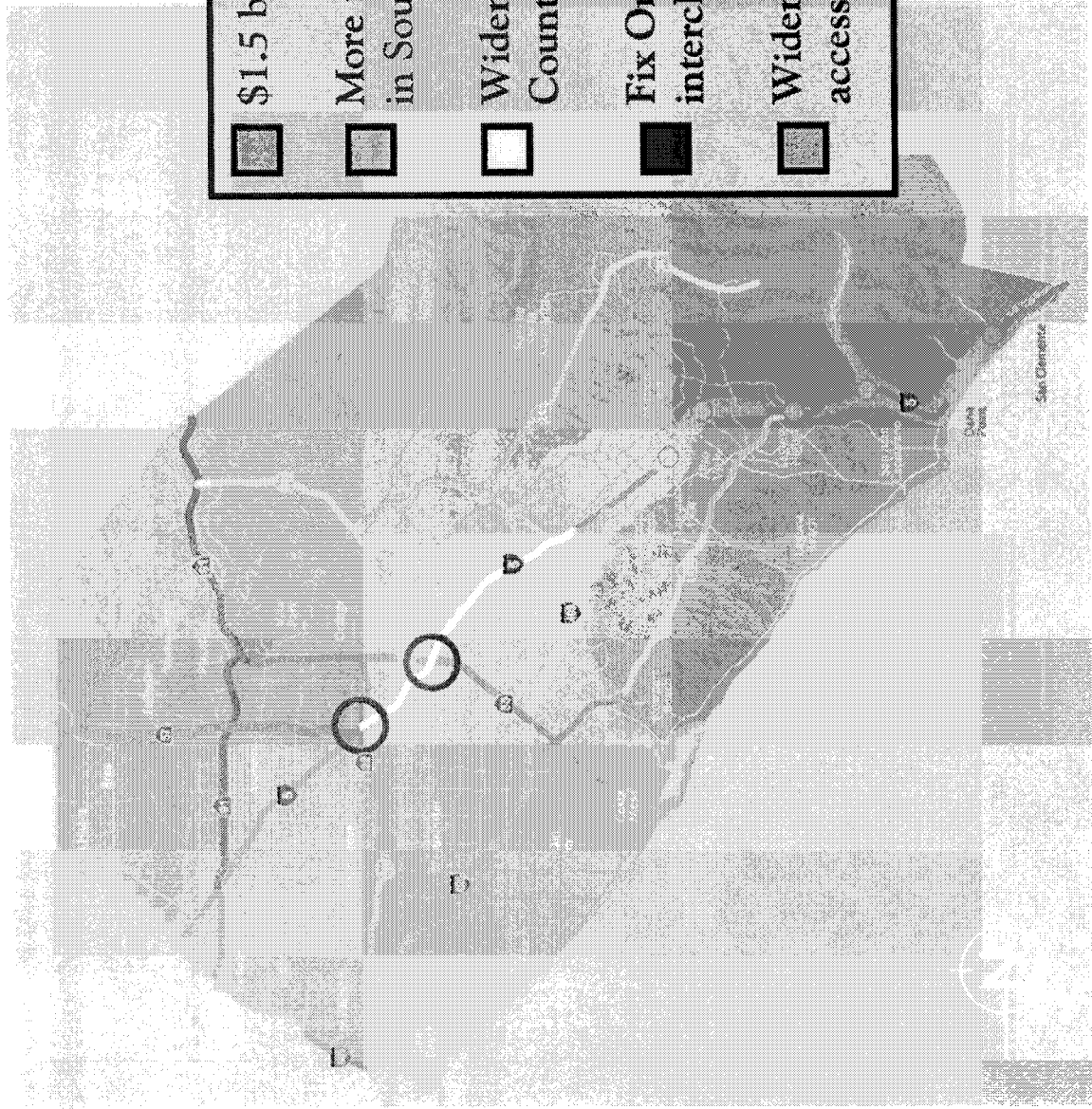
- ▶ 30-year duration
- ▶ \$11.86 billion expected revenue in 2005 dollars
- ▶ \$4.8 billion for Freeways (43%)
- ▶ \$3.6 billion for Streets and Roads (32%)
- ▶ \$2.8 billion for Transit (25%)








	With Inflation	2005 Dollars
Original Measure M 1991-2011	\$ 4.28 B	\$ 3.10 B*
30-Year Extension 2011-2041	\$ 24.30 B	\$ 11.86 B

* 1988 dollars

Freeway Highlights



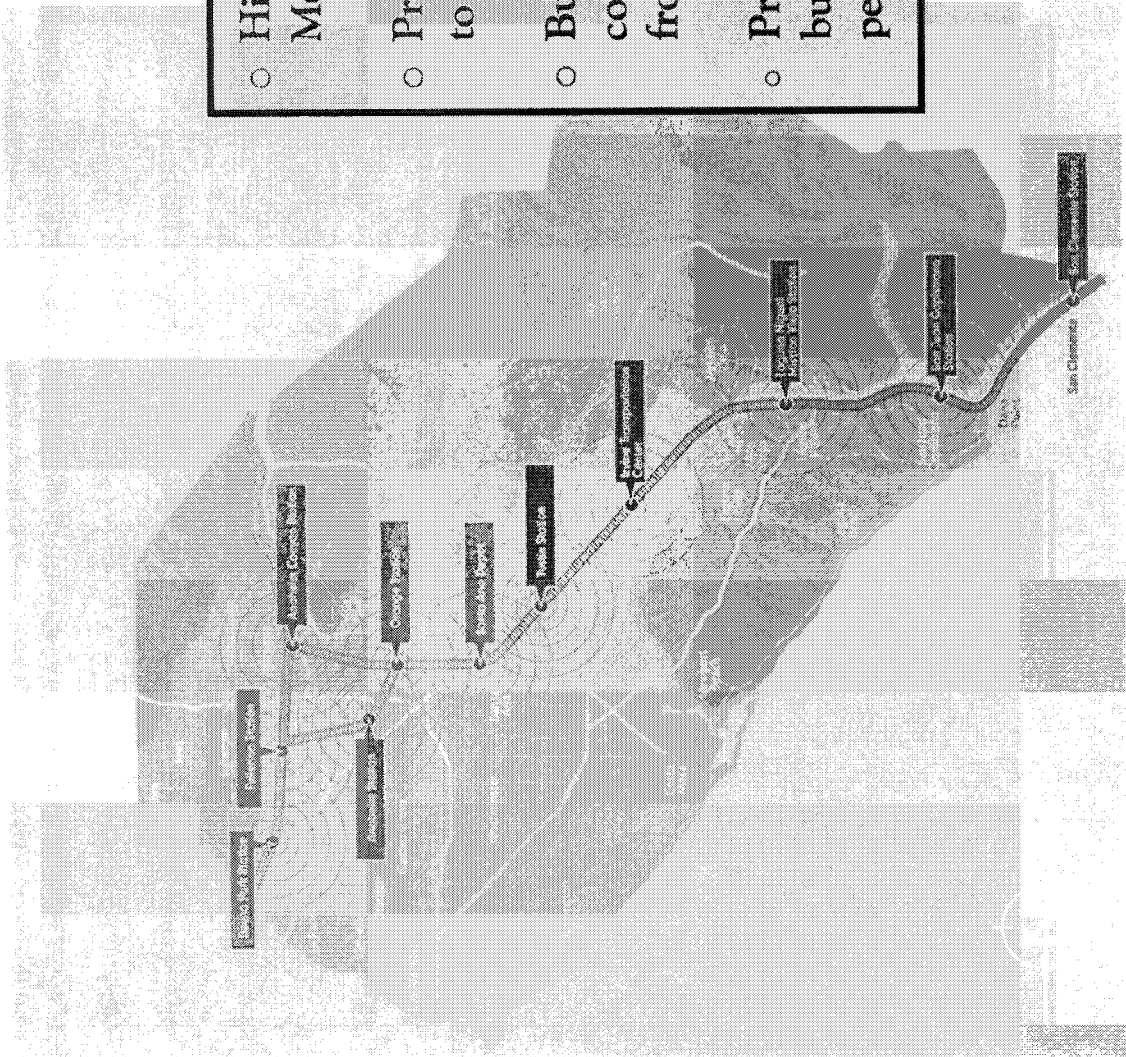
-  \$1.5 billion to improve the SR-91
-  More than \$1 billion to improve I-5 in South Orange County
-  Widen I-405 from Irvine to LA County
-  Fix Orange Crush and I-5/SR-55 interchanges
-  Widen SR-55, SR-57 and improve access to SR-22 and I-605

Streets and Roads Highlights



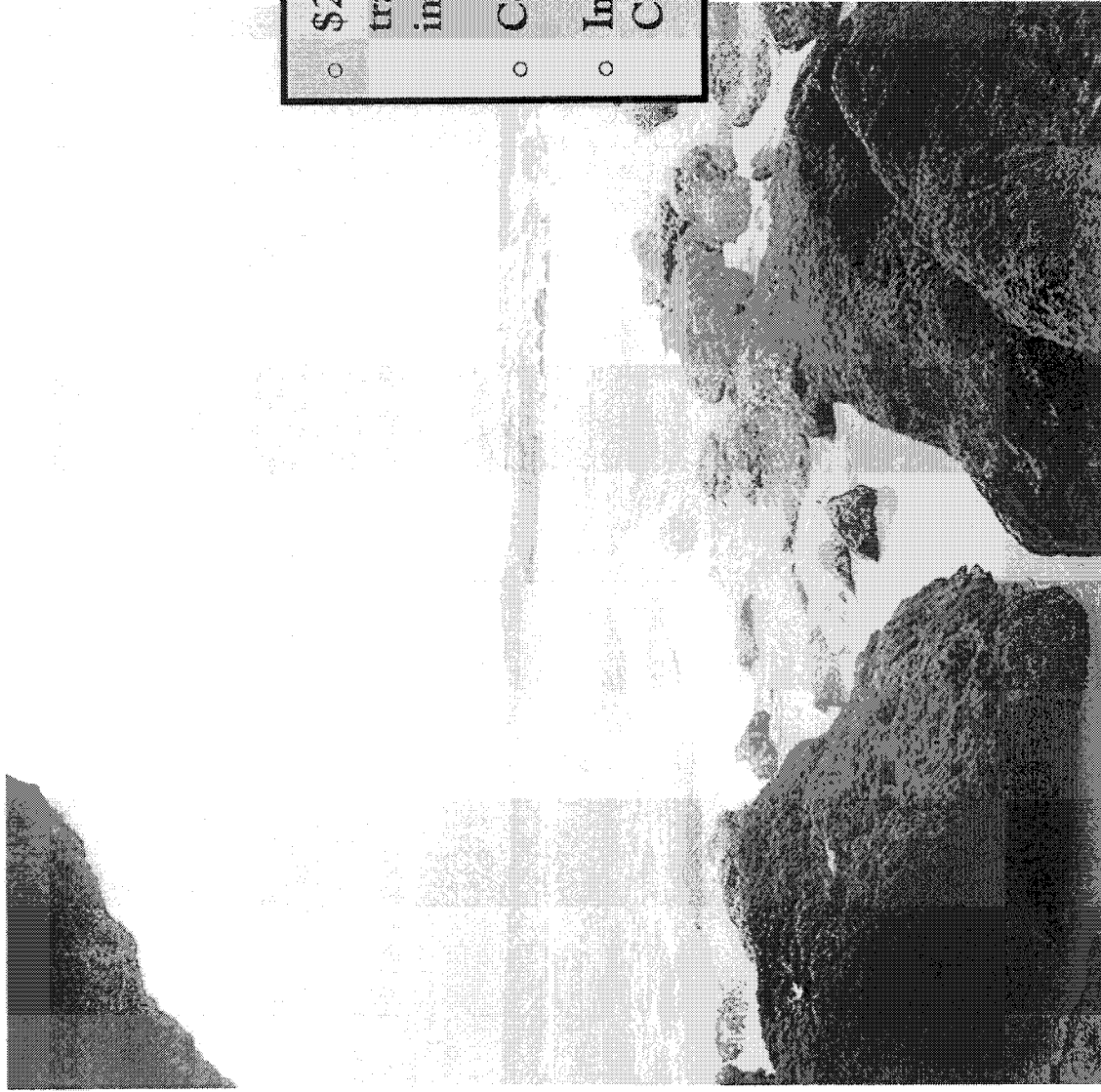
- Repair up to 6,200 lane miles
- Synchronize 2,000 traffic signals
- Widen major streets according to local plans
- Provide funds that allow cities to improve local streets according to local priorities and needs

Transit Highlights



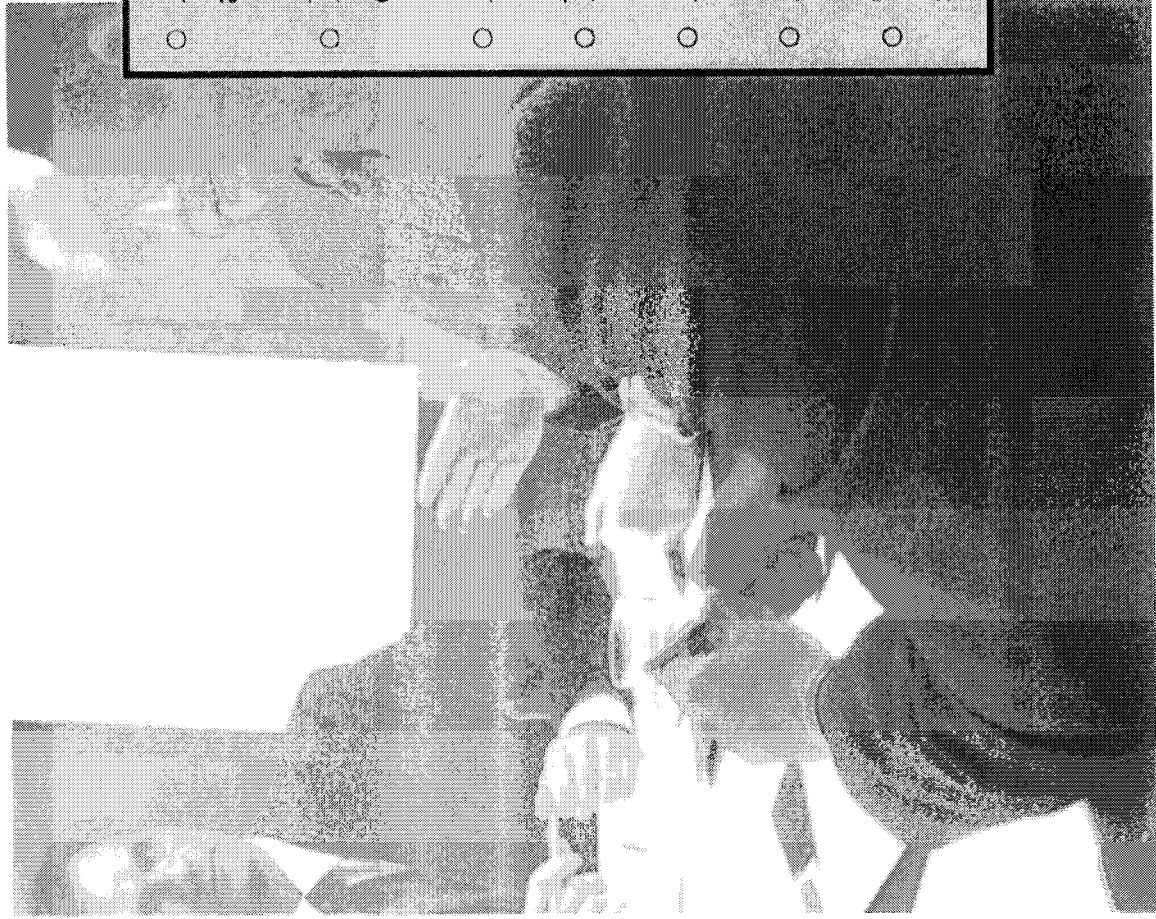
- High frequency all day and weekend Metrolink commuter rail service
- Provide funding to local communities to develop Metrolink extensions
- Build new bridges and underpasses constructed to separate railroad tracks from streets
- Provide specialized transit and reduced bus and rail fares for senior and persons with disabilities

Environmental Cleanup Highlights



- \$237 million exclusively for transportation-related water quality improvements
- Competitive grant process
- Improvements made by cities, County, water and sewer agencies

Safeguards and Audits Highlights



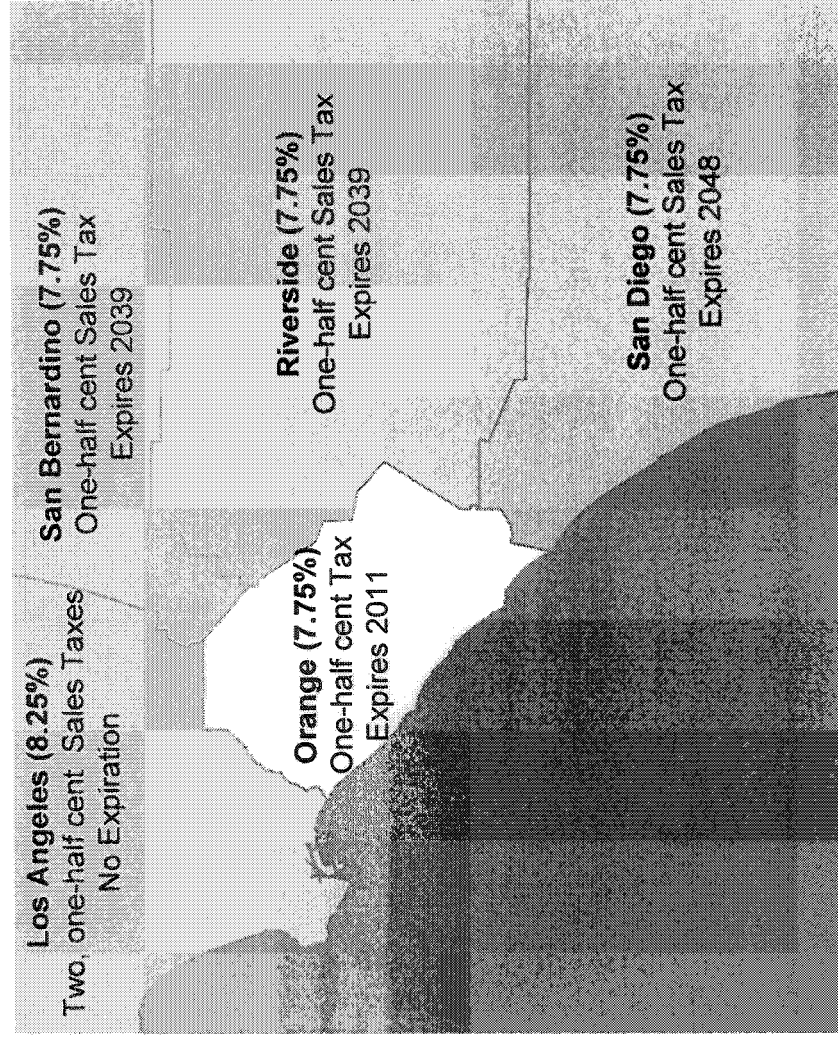
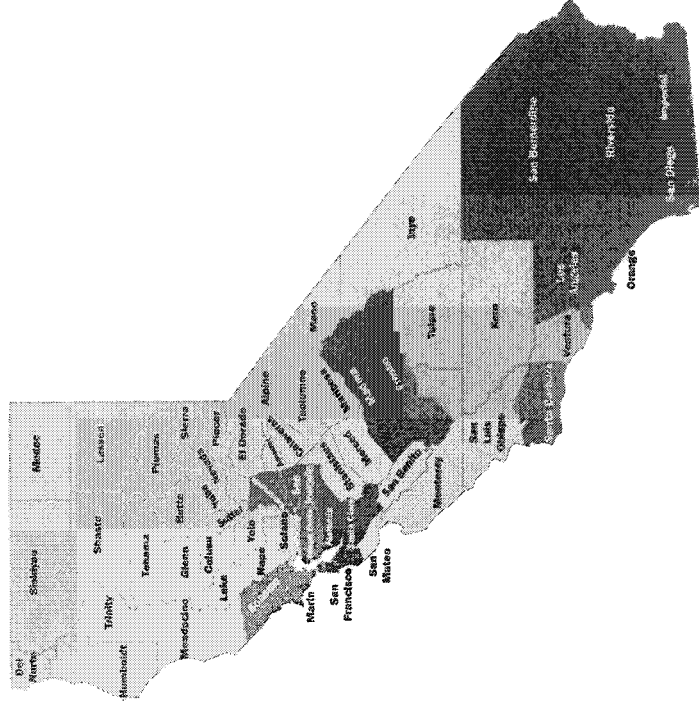
- All spending subject to annual independent audit
- Public review of plan every 10 years and changes need voter approval
- Annual report to taxpayers
- Penalties for misspending funds
- All funds kept in separate trust fund
- Administration limited to one percent
- Taxpayers' Oversight Committee reviews all spending

Proposed Final Draft Investment Plan

Freeway Projects (in millions)		\$ 4,871.1
I-5	Santa Ana Freeway Interchange Improvements	470.0
I-5	Santa Ana/San Diego Freeway Improvements	1,185.2
SR-22	Garden Grove Freeway Access Improvements	120.0
SR-55	Costa Mesa Freeway Improvements	366.0
SR-57	Orange Freeway Improvements	258.7
SR-91	Riverside Freeway Improvements	1,481.5
I-405	San Diego Freeway Improvements	819.7
I-605	Freeway Access Improvements	20.0
All	Freeway Service Patrol	150.0
Streets & Roads Projects (in millions)		\$ 3,625.0
	Regional Capacity Program	1,132.8
	Regional Traffic Signal Synchronization Program	453.1
	Local Fair Share Program	2,039.1
Transit Projects (in millions)		\$ 2,832.0
	High Frequency Metrolink Service	1,014.1
	Transit Extensions to Metrolink	1,000.0
	Metrolink Gateways to High Speed Rail Systems	226.6
	Mobility Choices for Seniors and Persons with Disabilities	339.8
	Community Based Transit/Circulators	226.5
	Safe Transit Stops	25.0
Environmental Cleanup (in millions)		\$ 237.2
	Clean Up Highway and Street Runoff that Pollutes Beaches	237.2
Taxpayers Safeguards and Audits (in millions)		\$ 296.6
	Collect Sales Taxes (State charges required by law)	178.0
	Oversight and Annual Audits	118.6
Total (2005 dollars in millions)		\$ 11,861.9

“Self-Help” Counties Throughout the State

- ▶ 18 counties in California have a local transportation sales tax
- ▶ In Southern California, all have renewed except Orange County



* Counties colored in red designate “Self-Help” counties in California with a local transportation sales tax

Support for Renewal Remains Solid

Vote	Nov 2004	Jul 2005	Oct 2005
Support	71%	69%	72%
Oppose	23%	25%	21%
No Opinion	6%	6%	7%

Based upon polls conducted by J. Moore Methods – a Sacramento research group

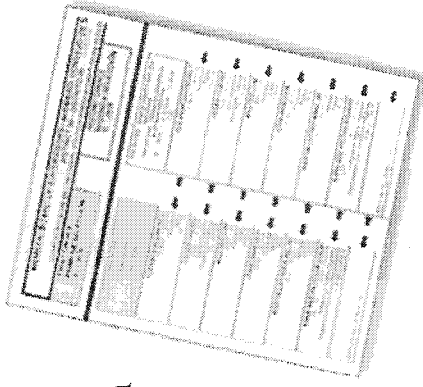


Next Steps for Renewing Measure M

- ▶ Renewing Measure M requires approval by:
 - Majority of city councils representing majority of incorporated population
 - Board of Supervisors
 - Two-thirds of OCTA Board of Directors

Plus:

Two-thirds majority voter approval



Cities and County review and approve draft final Plan	May 2006 - June 2006
OCTA adopts Plan to go on ballot	July 24, 2006
Board of Supervisors places Measure on ballot	July 25, 2006
Election Day	November 7, 2006

Legislature Also Places \$37.3 Billion Bond Issue on Nov. Ballot

- ▶ In May 2006, the California Senate and Assembly passed a \$37.3 billion infrastructure bond package and related reform measures
- ▶ The bond proposal measures passed by the Legislature will appear on the November 7, 2006 ballot
- ▶ The largest of the bond proposals calls for \$19.9 billion in transportation improvements, of which Orange County is expected to receive \$463 million and compete for at least \$500 million more

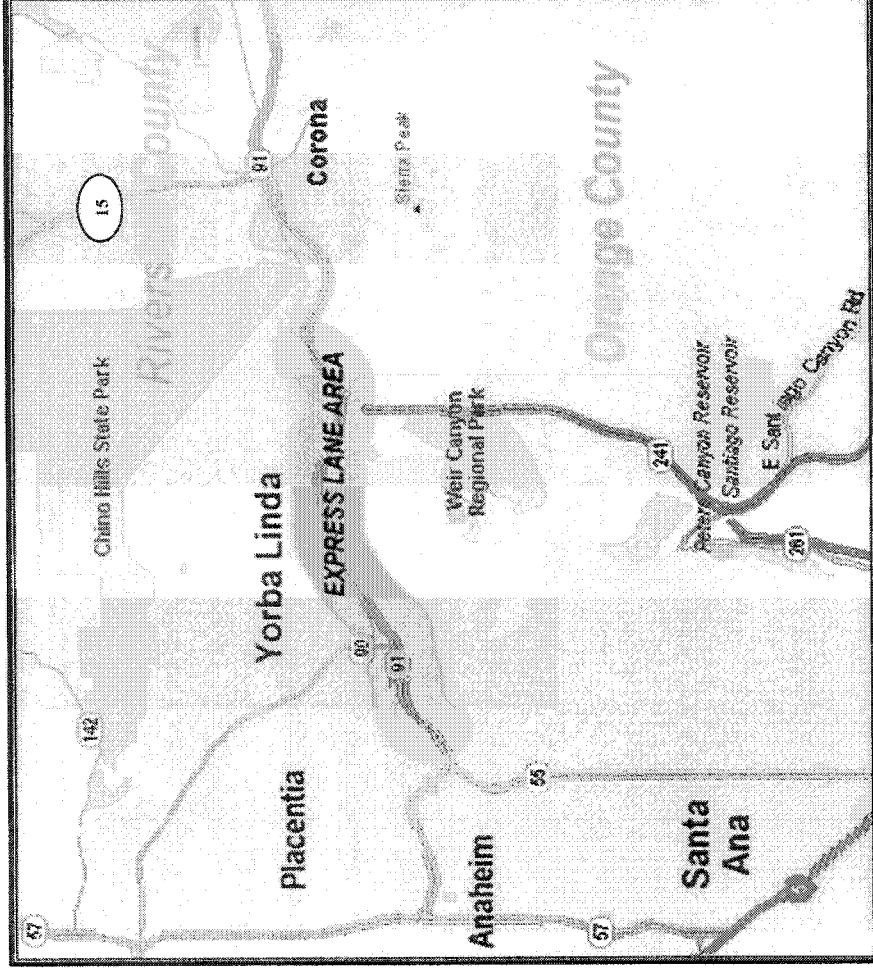
Transportation/Air Quality	\$19.9 billion
Education	10.4 billion
Levee Repair/Flood Control	4.1 billion
Housing	2.9 billion
Total	\$37.3 billion

Transportation/Air Quality Programs	Bond Allocation
Congestion Reduction/Corridor Mobility	\$4.5 billion
Public Transit	4.0 billion
Good Movement/Port Infrastructure	3.1 billion
STIP	2.0 billion
Highway 99	1.0 billion
Local Streets and Roads	2.0 billion
Transit Safety, Security and Disaster Response	1.0 billion
State-Local Partnership	1.0 billion
Highway Safety and Rehab	750 million
School Bus Retrofit	200 million
Local Bridge Seismic Retrofit	125 million
Grade Separations/Rail Improvements	250 million
Total	\$19.9 billion

IV. 91 Express Lanes Toll Road

Highlights of the Past Fiscal Year

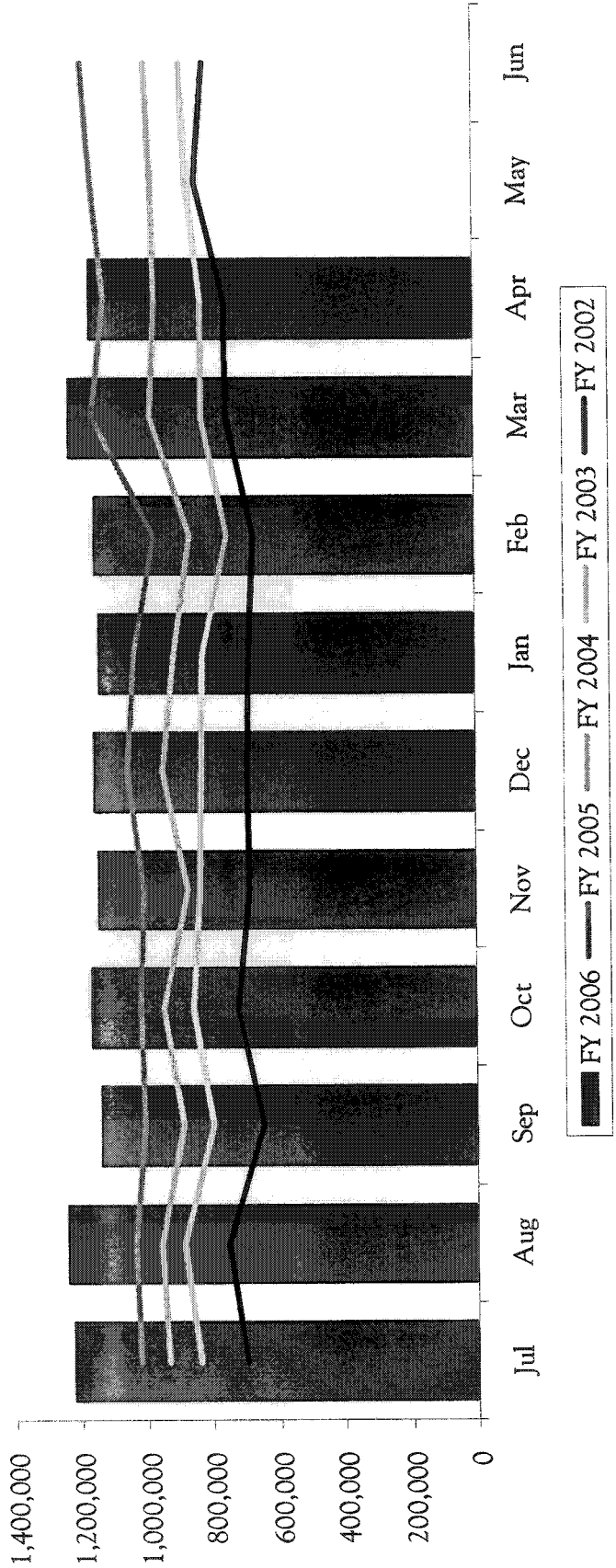
- ▶ Reached record levels for weekly traffic volumes and toll revenues
- ▶ Implemented the annual inflation adjustments to “non-peak” hours and adjusted tolls during 10 Eastbound peak hours
- ▶ Celebrated 10 year anniversary of the opening of the lanes
- ▶ Completed award and execution of the contract for operations and management to Cofiroute USA, LLC
- ▶ Completed the Riverside-Orange County Major Investment Study
- ▶ Received Federal Highway Administration grant to fund a portion of the proposed Performance Monitoring and Pricing Pilot project



Traffic Volumes Have Increased Each Fiscal Year

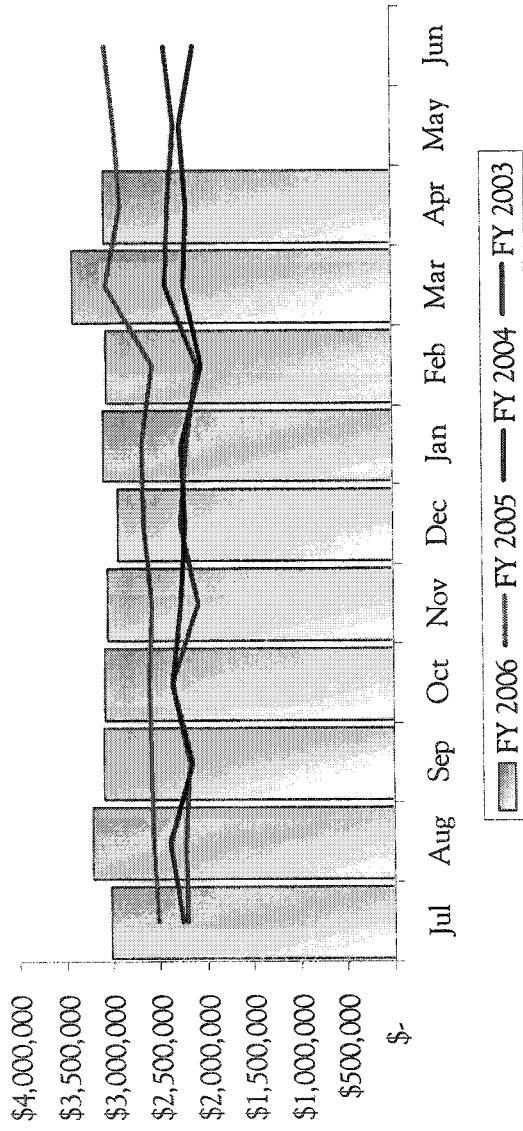
Traffic volumes have increased 12.8 percent during FY 2006

Monthly Traffic Volumes



Increased Traffic Volumes Generate Higher Revenues*

Monthly Toll Revenue*



* Gross potential toll revenue

** Percent growth in toll revenue over previous year

Fiscal Year-To-Date Performance

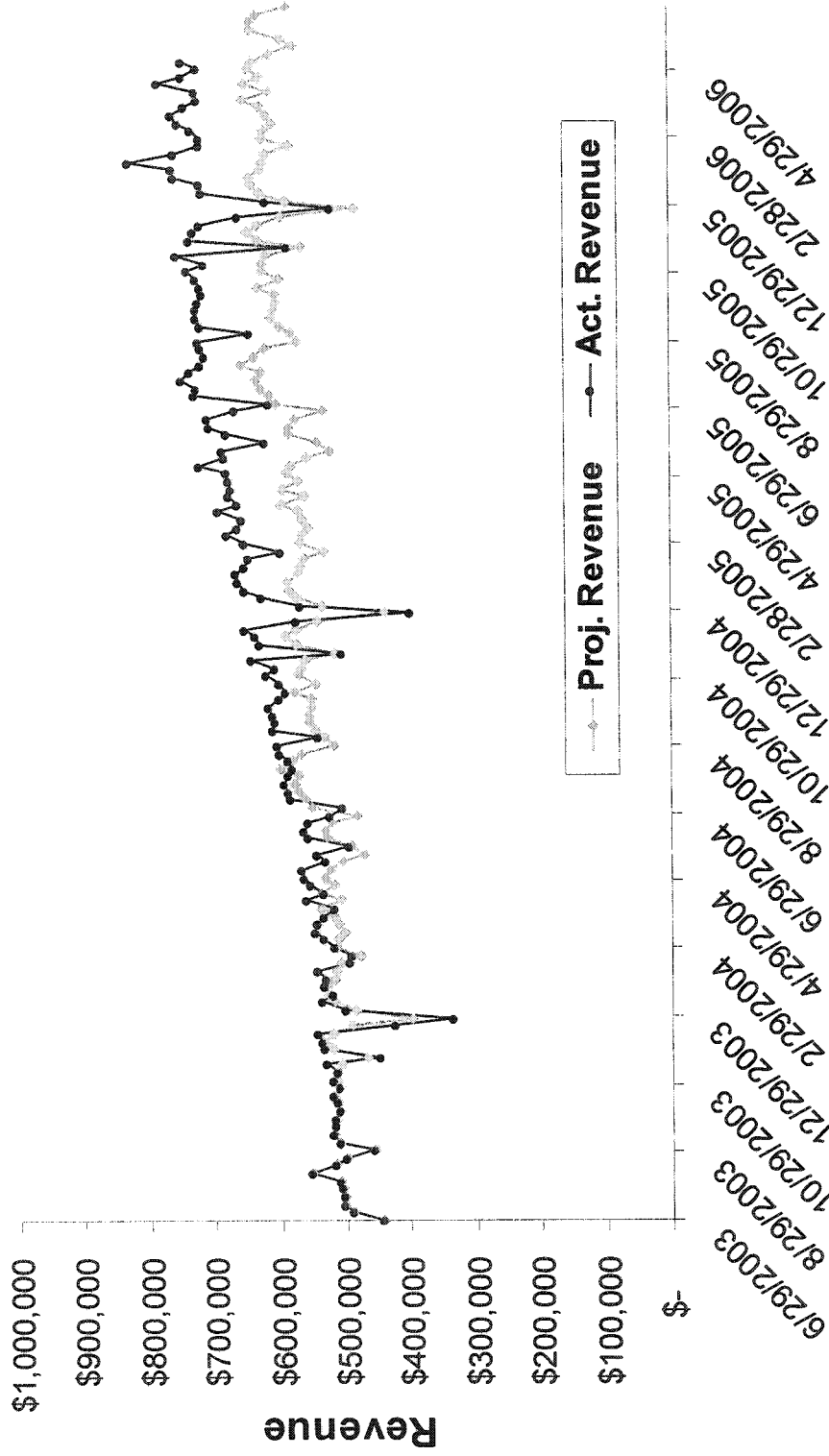
- ▶ Revenues are up 16.5% over FY 2005

Vollmer's October 2003 Revenue Forecast

FY 2006	9%**
FY 2007	9%**
FY 2008	8%**

Actual Revenues* Have Exceeded Projected Amounts

Weekly Revenue: Projected vs. Actual



* Gross potential toll revenue



Breakdown of Vollmer Forecast and Actual Data for FY 2005

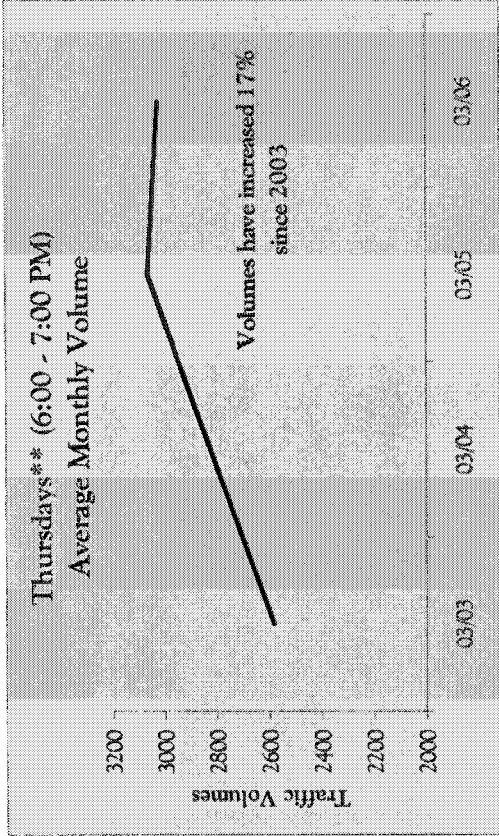
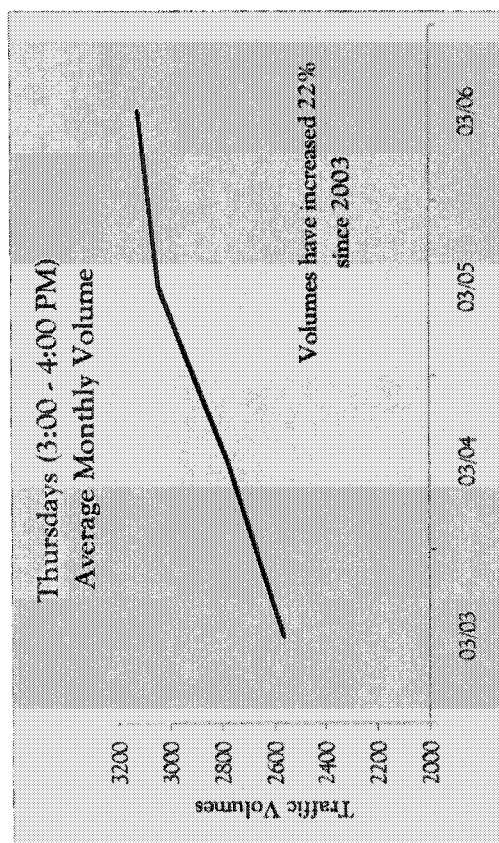
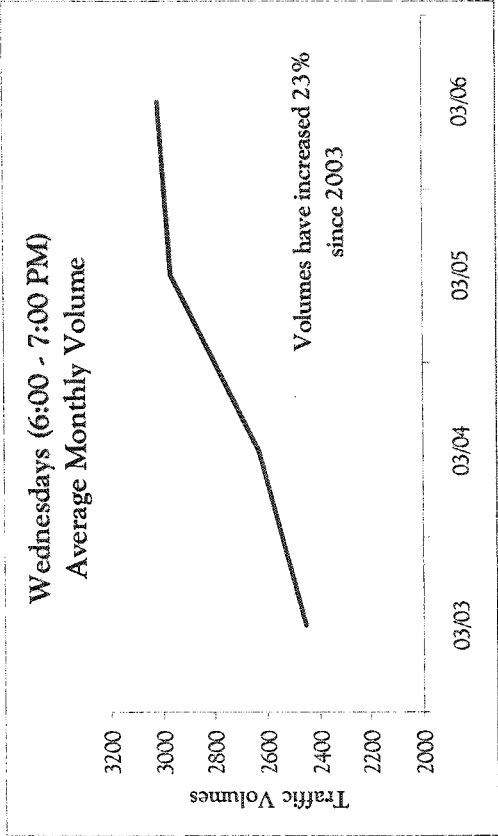
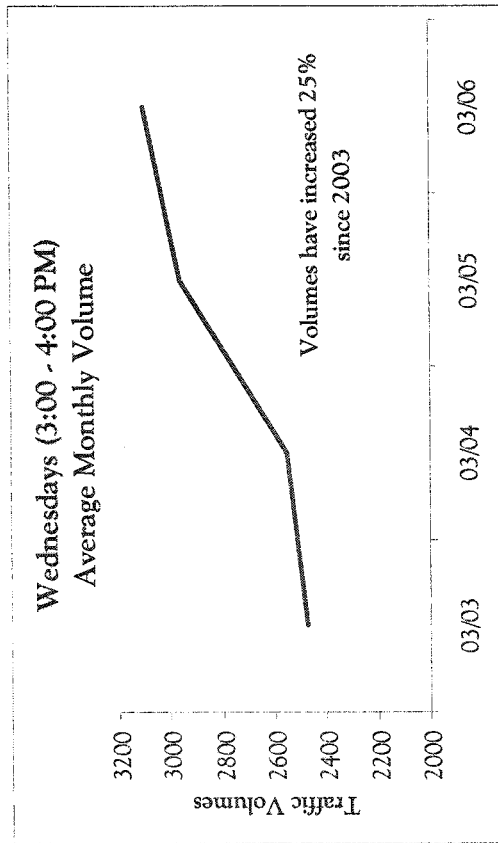
	October 2003 Model Projections		Actual Traffic and Revenue		Percent Difference		
	FY 2005 Extrapolated Forecast	Potential Revenue	FY 2005 Actual Data	Potential Revenue	Daily Express Lanes Traffic	Potential Revenue	
Weekday	Eastbound	17,780	\$ 65,649	22,356	\$ 72,332	26%	10%
	Westbound	15,366	\$ 29,668	16,176	\$ 33,481	5%	13%
Friday	Eastbound	20,515	\$ 83,954	25,708	\$ 96,692	25%	15%
	Westbound	15,768	\$ 28,406	16,179	\$ 32,102	3%	13%
Saturday	Eastbound	17,860	\$ 25,881	15,758	\$ 24,641	-12%	-5%
	Westbound	13,274	\$ 19,568	12,448	\$ 17,668	-6%	-10%
Sunday	Eastbound	10,539	\$ 13,256	9,900	\$ 13,341	-6%	1%
	Westbound	11,907	\$ 15,781	9,879	\$ 14,296	-17%	-9%
Annual	Eastbound	6,259,000	\$ 20,111,000	7,348,232	\$ 22,162,837	17%	10%
	Westbound	5,340,000	\$ 9,512,000	5,393,087	\$ 10,355,654	1%	9%
Eastbound & Westbound	11,599,000	\$ 29,623,000	12,741,319	\$ 32,518,491	10%	10%	

Tolls Adjusted During the Past Fiscal Year

Week of:	Aug 29, 2005	Feb 27, 2006
Monday 4:00-5:00 PM	\$ 5.15 → \$ 5.90	\$ 5.90 → \$ 6.65
Tuesday 4:00-5:00 PM	\$ 5.75 → \$ 6.50	
Tuesday 5:00-6:00 PM	\$ 6.25 → \$ 7.00	\$ 7.00 → \$ 7.75
Tuesday 6:00-7:00 PM		\$ 3.95 → \$ 4.70
Wednesday 4:00-5:00 PM	\$ 6.25 → \$ 7.00	\$ 7.00 → \$ 7.75
Wednesday 5:00-6:00 PM		\$ 7.00 → \$ 7.75
Thursday 4:00-5:00 PM		\$ 7.75 → \$ 8.50
Thursday 5:00-6:00 PM		\$ 7.75 → \$ 8.50
Thursday 6:00-7:00 PM		\$ 4.25 → \$ 5.00
Friday 3:00-4:00 PM	\$ 7.00 → \$ 7.75	\$ 7.75 → \$ 8.50

Green boxes represent hours where tolls have been adjusted only once during the year and blue boxes represent those hours where there have been two adjustments. All adjustments were on the Eastbound lanes and in increments of \$0.75.

What Has Happened to the Shoulder Hours?



OCTA's Toll Policy was adopted by the Board of Directors in July 2003

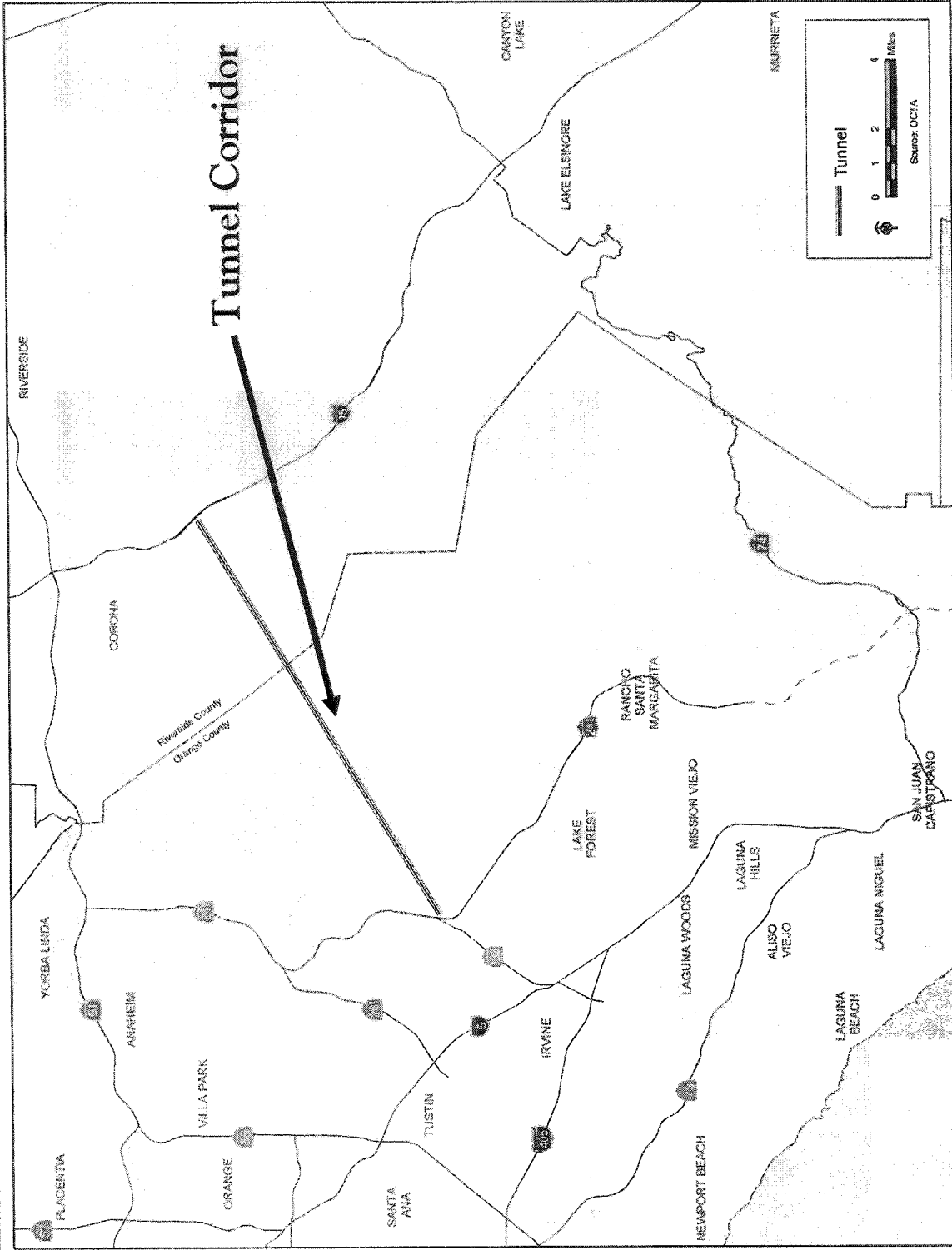
** In February 2006, a \$0.75 increase was applied to the Thursday 6:00-7:00 PM hour based upon high traffic volumes



SR-91 Major Investment Study Concludes

- ▶ Make improvements to the SR-91 the first priority by adding up to two new lanes in each direction, starting with improvements between the I-15 and the SR-241, followed by improvements between SR-241 and the SR-55
- ▶ Balance highway improvements with new transit service, including increased Metrolink service, express bus service and continued study of Maglev high speed rail service between Anaheim and Ontario
- ▶ Eliminate a proposal to connect a new elevated highway to SR-91 and SR-55 due to high residential right-of-way impacts that would be necessary to widen SR-55
- ▶ Improve the connection between the SR-241 and SR-91 and continue evaluating a new four or six-lane elevated highway parallel to SR-91 between I-15 and SR-241
- ▶ Continue studying the technical feasibility of building a new four or six-lane highway, which could include a tunnel, between I-15 at Cajalco Road in Riverside County and the intersection of SR-241 and SR-133 in Orange County

Tunnel Alignment (Irvine-Corona Expressway)

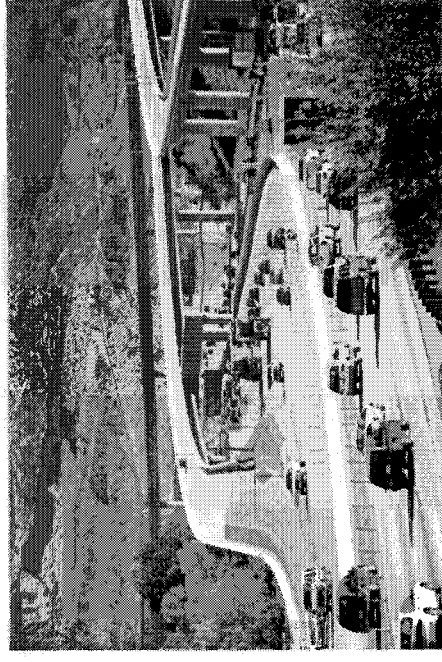
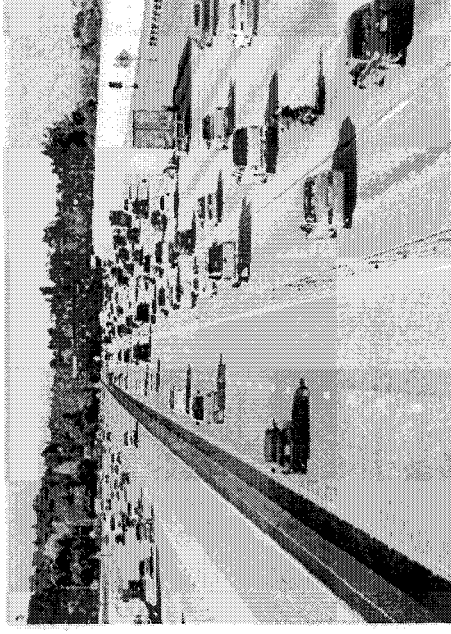


SR-91 Corridor Improvement Projects Update

Description of Project	Cost	Previous Completion Date	Updated Completion Date
<p><u>Safety Improvements at Truck Scales</u> Improve existing shoulders, re-stripe existing lane lines, increase illumination, and modify signing into and out of the truck weigh stations on the eastbound and westbound lanes</p>	\$2.1 M	2008	2006
<p><u>Eastbound SR-91 from SR-241 to SR-71</u> Extend eastbound auxiliary lane from SR-241 to SR-71</p>	\$68.0 M	2008	2011
<p><u>Westbound and Eastbound SR-91 from SR-241 to I-15</u> Add one general purpose lane in each direction, replace existing and adding new auxiliary lanes, and new collector/distributor roads for freeway-to-freeway connectors at SR-71 and I-15</p>	\$364.5 M	2013	2015
<p><u>Westbound Auxiliary Lane at Tustin Avenue</u> Add westbound auxiliary lane from the northbound SR-55 to westbound SR-91 connector through the Tustin Avenue interchange</p>	\$62.0 M	2011	2015
<p><u>SR-91 Between SR-55 and SR-241</u> Add westbound general purpose lane between SR-241 and Imperial Highway. Add eastbound general purpose lane between SR-55 and SR-241</p>	\$135.0 M	2013	2020

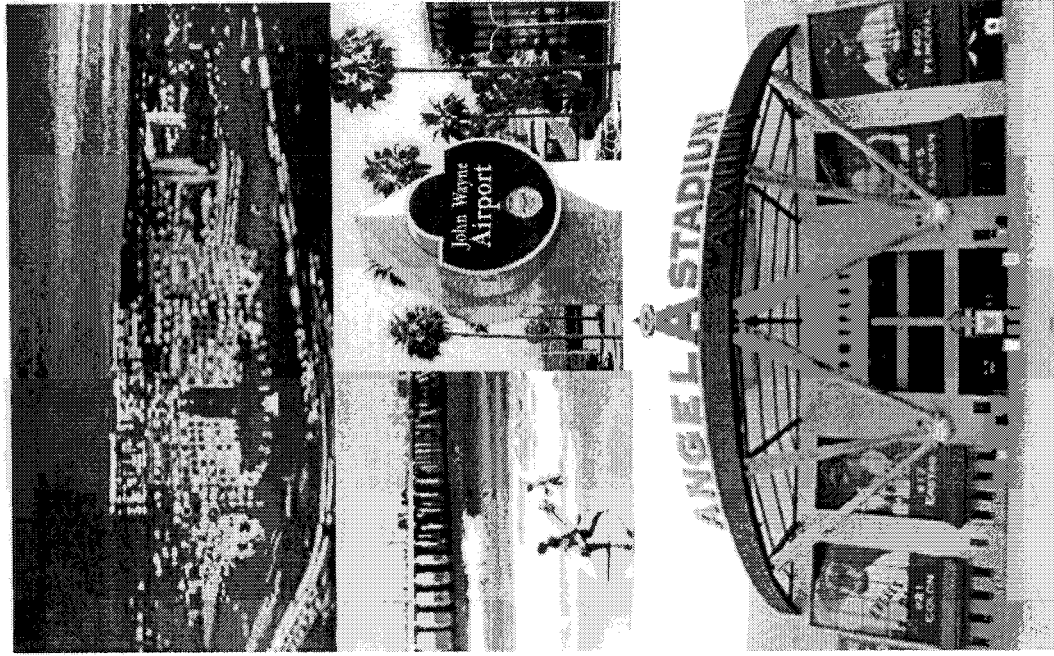
Upcoming Events

- ▶ Implement the annual inflation adjustments for July 1, 2006 and adjust two peak period hours:
 - Tuesday 4:00 to 5:00 PM Eastbound
 - Friday 4:00 to 5:00 PM Eastbound
- ▶ Submit annual Project Improvement Plan for the SR-91 pursuant to AB 1010
- ▶ Update traffic and revenue study
- ▶ Commence pavement maintenance improvement project
- ▶ Conduct customer round table discussions and complete annual customer satisfaction survey



V. Orange County Economy

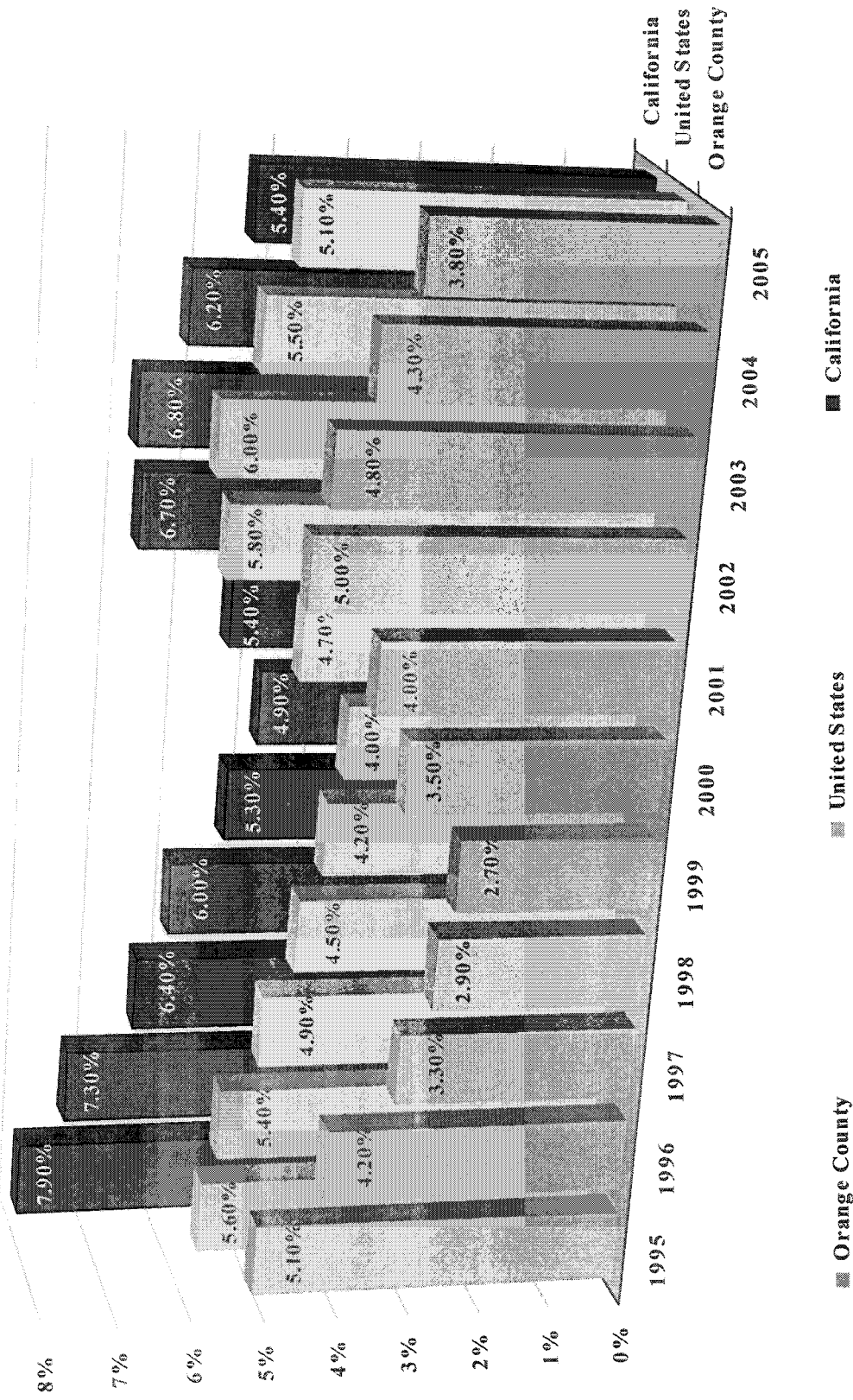
Over the Past Year –



Orange County...

- ▶ Unemployment rate was the lowest in the state
- ▶ Created 34,133 non-farm jobs
- ▶ Remained the eighth-largest manufacturing center in the United States
- ▶ Remained a top destination location for recreation and business travelers
- ▶ Continued to set record highs for median home prices

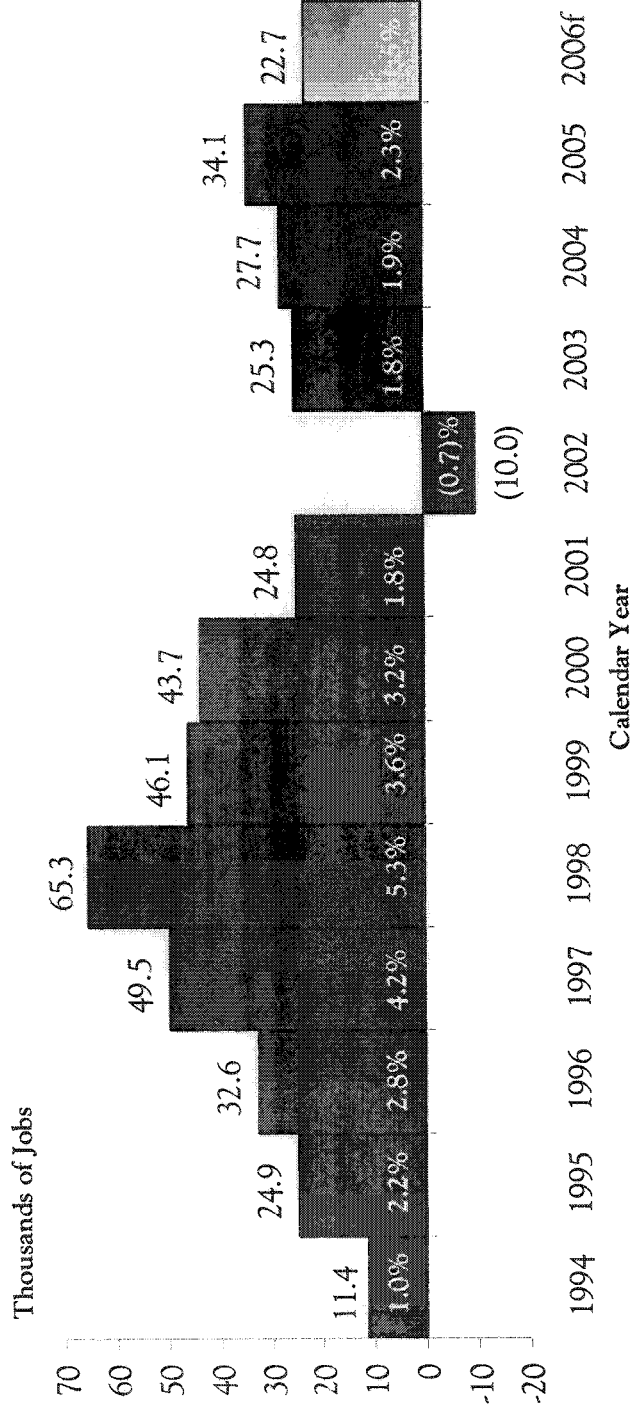
County Unemployment Rates Outperform the State & Nation



Source: Employment Development Department, May 2006



Job Growth Remains Strong in Orange County



Annual Percent Change in Employment

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006f
Orange County	1.0%	2.2%	2.8%	4.2%	5.3%	3.5%	3.2%	1.8%	1.8%	-0.7%	1.8%	1.9%	2.3%
California	0.9%	2.2%	2.6%	3.0%	3.6%	2.9%	3.5%	0.8%	0.8%	-1.0%	-0.5%	1.0%	1.8%
United States	3.1%	2.6%	2.1%	2.6%	2.6%	2.4%	2.2%	0.0%	0.0%	-1.1%	-0.3%	1.1%	1.5%

Source: Employment Development Department, May 2006



A Closer Look at the Job Growth

Orange County non-farm employment
totalled 1.13 million in 1994

By 2005, employment grew to
1.49 million jobs

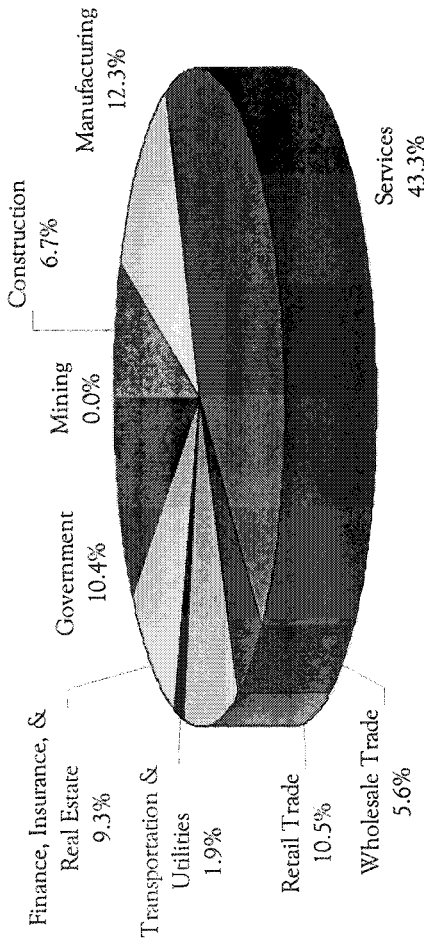
Category	Payroll Job Growth 1994 to 2005		Average Annual Salaries	
	Number of Jobs Gained (+) or Lost (-)	Percent Change	2004	Percent Change From 1994
Construction	+50,400	+103.1	\$ 47,213	+42.2
Manufacturing	-6,400	-3.4	\$ 52,885	+49.8
Trade, Transportation & Utilities	+49,600	+22.6	\$ 42,242	+45.4
Financial Activities	+52,600	+44.4	\$ 71,423	+87.7
Services	+191,800	+45.5	\$ 36,584	+44.6
Government	+26,100	+14.1	N/A	N/A
Total	+364,100	+32.3		

Source: Employment Development Department, May 2006

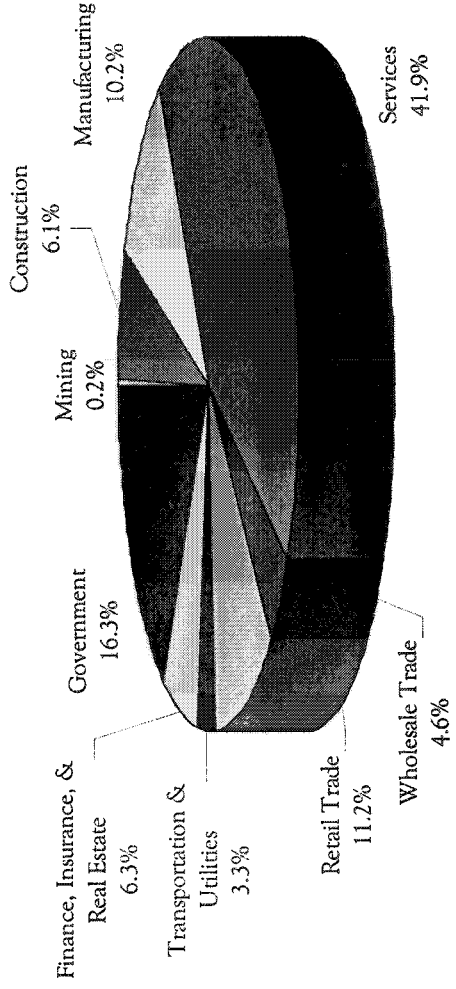


Orange County's Diverse Employment Base Mirrors the State

Orange County Employment Sectors



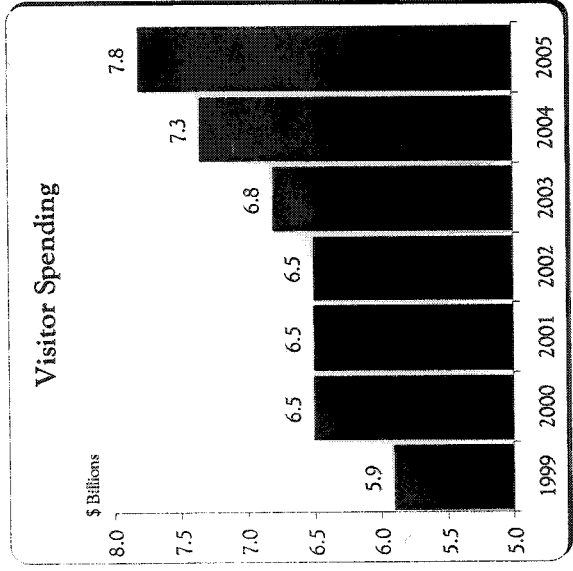
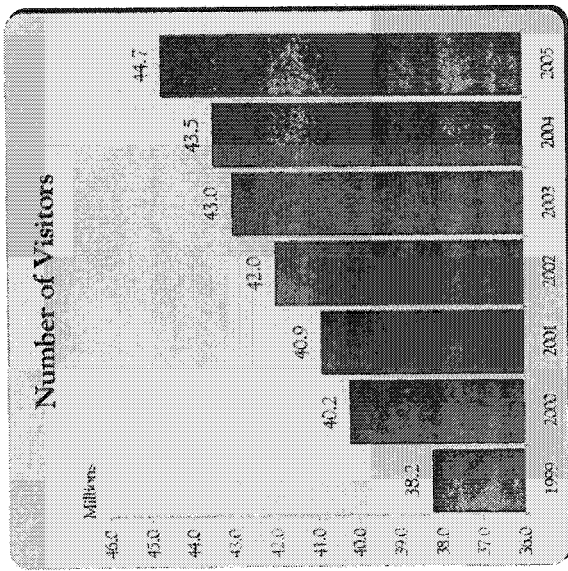
California Employment Sectors



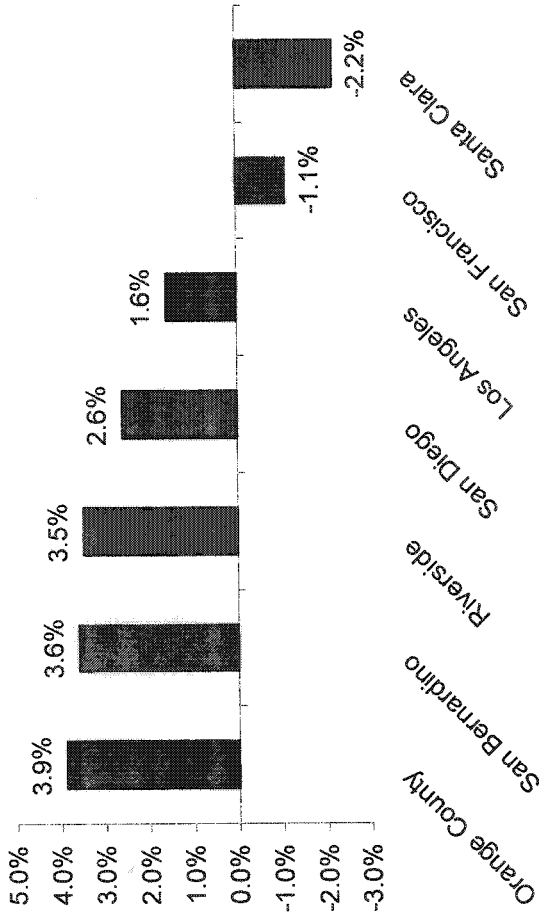
Source: Employment Development Department, May 2006



Visitor Spending Grows Faster Than Peers



Visitor Spending by County
Average Annual Growth Rate, 1999-2003

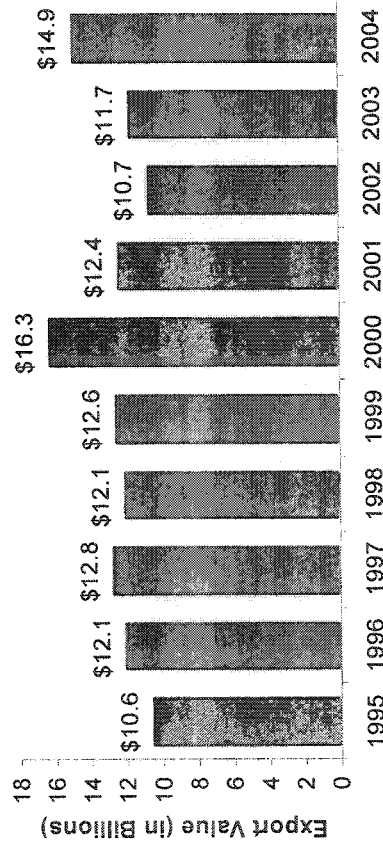


Source: California Division of Tourism and the Anaheim/Orange County Visitor & Convention Bureau

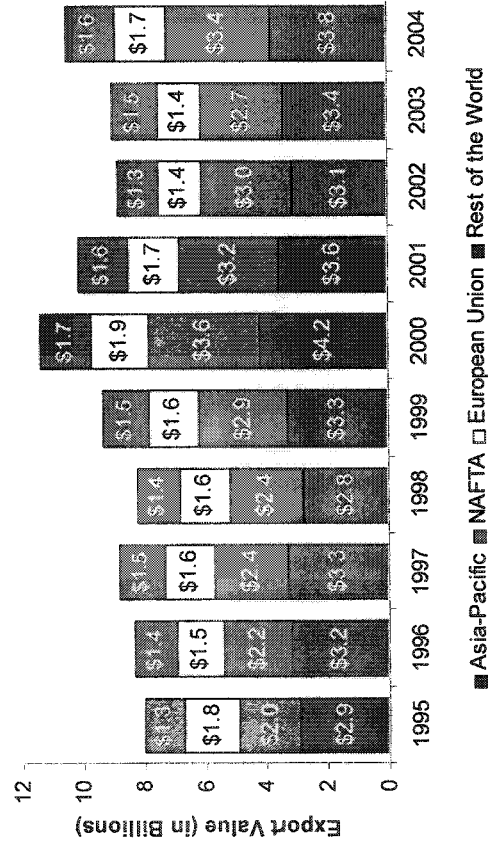


Exports Approach \$15 Billion

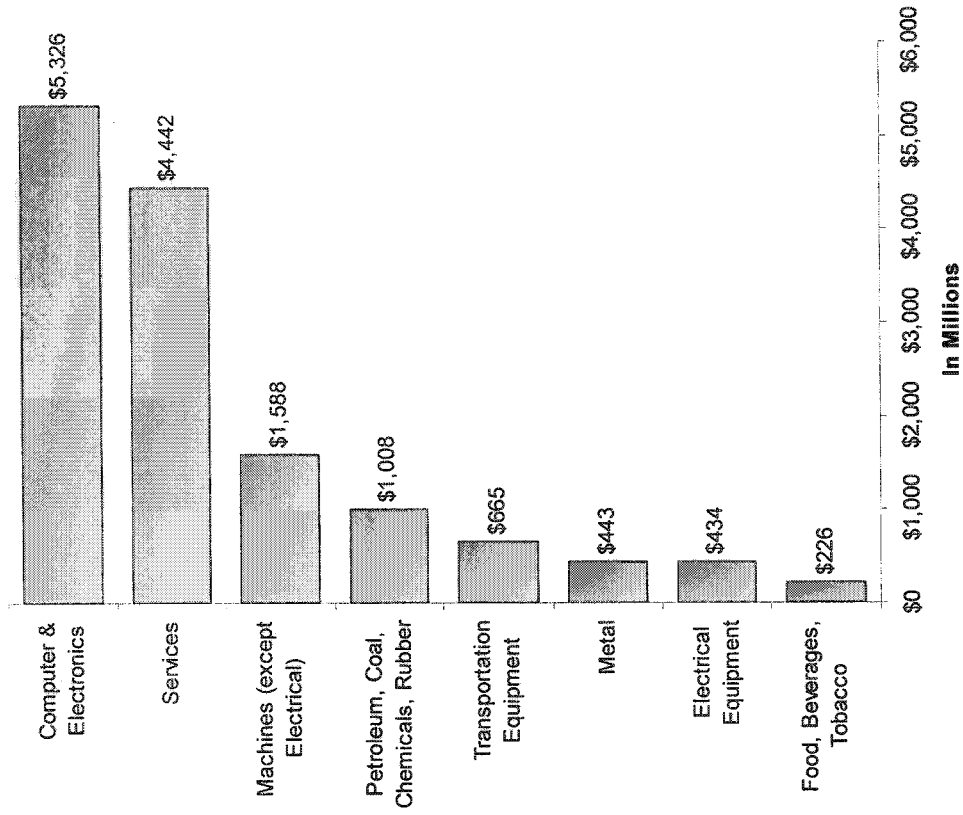
Total Orange County Exports Worldwide



Manufacturing Export Value by Destination



Exports From Orange County by Sector



Housing Prices Set New Highs - Sales Volume Declines

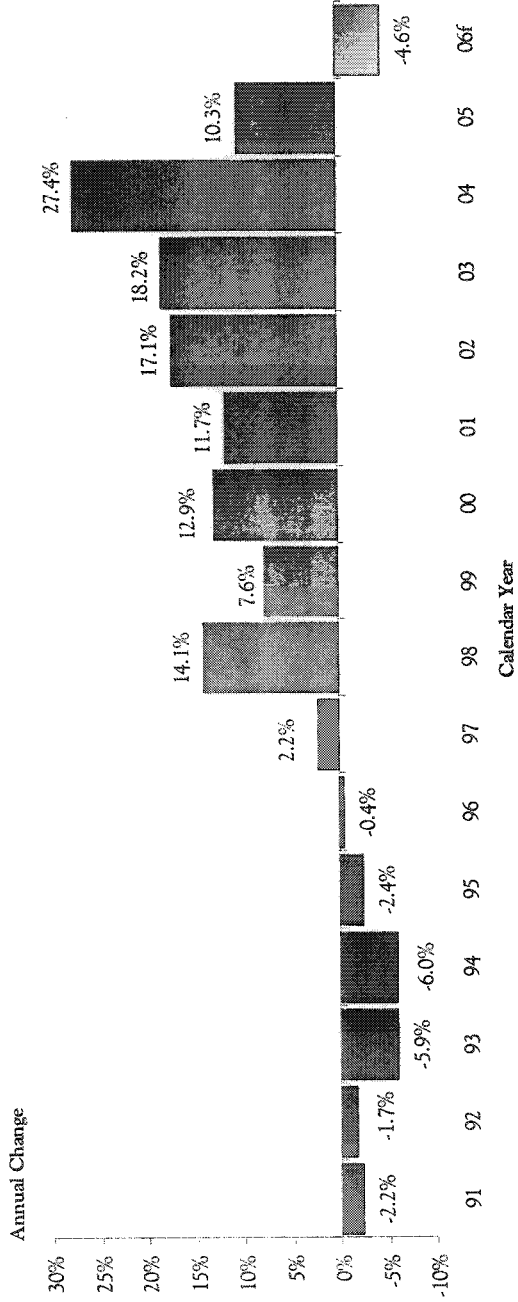
Southern California Housing Activity

All Homes	No. Sold Apr 05	No. Sold Apr 06	Percent Change	Median Apr 05	Median Apr 06	Percent Change
Los Angeles	10,299	8,364	-18.80%	\$447,000	\$508,000	13.60%
Orange County	4,547	3,276	-28.00%	\$576,000	\$628,000	9.00%
San Diego	5,345	3,705	-30.70%	\$484,000	\$505,000	4.30%
Riverside	5,718	5,006	-12.50%	\$374,000	\$409,000	9.40%
San Bernardino	4,007	3,506	-12.50%	\$304,000	\$360,000	18.40%
Ventura	1,515	891	-41.20%	\$529,000	\$584,000	10.40%
So. California	31,431	24,748	-21.30%	\$445,000	\$485,000	9.00%

Median home prices in Orange County reached \$628,000 in April 2006

Sales volume declined 28% from April 2005 to April 2006

Housing Appreciation



Source: DataQuick Information Systems and Chapman University



What \$75 Million Will Buy in Orange County –

30,000-square foot Corona del Mar mansion



Counties With the Most Millionaires			Total
County (Major City)	State	Millionaire Households	
1. Los Angeles	Calif.	262,800	
2. Cook (Chicago)	Ill.	167,873	
3. Orange County	Calif.	113,299	
4. Maricopa (Phoenix)	Ariz.	106,210	
5. San Diego	Calif.	100,030	
6. Harris (Houston)	Texas	95,593	
7. Nassau	NY	78,816	
8. Santa Clara (San Jose)	Calif.	75,371	
9. Palm Beach	Fla.	69,871	
10. Middlesex (Boston)	Mass.	67,552	
11. Suffolk	NY	66,683	
12. King (Seattle)	Wash.	65,536	
13. New York (New York)	NY	62,773	

Source: Orange County Register and TNS Financial Services

VI. Chief Executive Officer's Report

OCTA Named Number One Transportation System for 2005

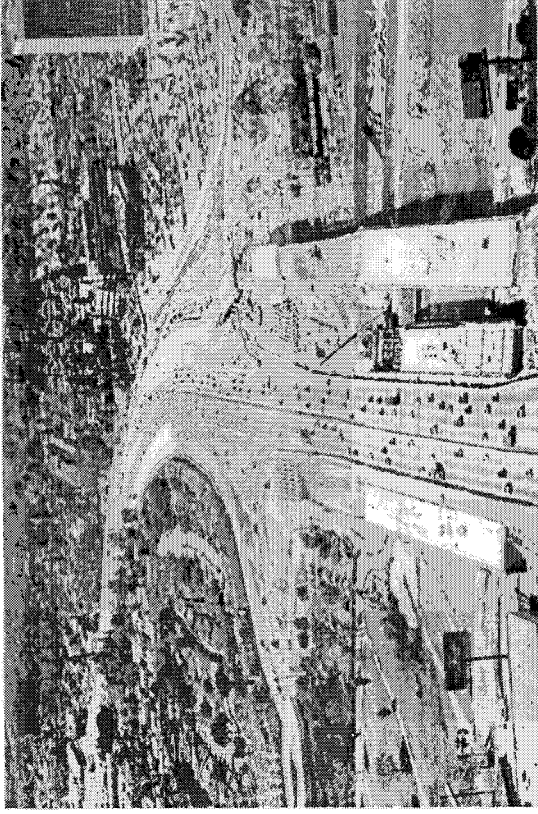
- ▶ The American Public Transportation Association (APTA) declared that the Orange County Transportation Authority (OCTA) is the best large property transportation system in the United States
- ▶ OCTA recognized for:
 - a fast-growing bus system that annually serves more than 68 million passengers
 - Metrolink commuter train service with more than three million boardings per year
 - 91 Express Lanes
 - A significantly enhanced freeway system and improved local streets, and
 - Exceptional motorist services and coordinated taxicab operations
- ▶ Past recipients include New York City's MTA in 2001, Denver's Regional Transportation District in 2003, and the Bay Area Rapid Transit Authority in 2004



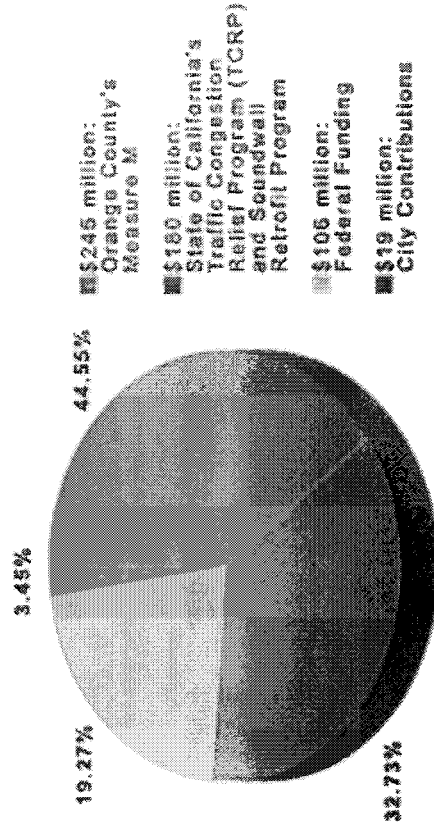
Remaining Major Construction Projects: SR-22 Project

- ▶ **Project Area:** Approximately 12 miles on the SR-22 from the SR-55 to Valley View Avenue through the cities of Westminster, Garden Grove, Santa Ana, and Orange
- ▶ **Project Funding:** Measure M will fund approximately \$245 million of the \$550 million project
- ▶ **Project Status:** New elevated southbound SR-57 and I-5 freeway connector to the westbound SR-22 opened ahead of schedule in May 2006
- ▶ **Project is scheduled to be completed within the 800-day timeframe (November 2006)**

Days remaining until completion: 162

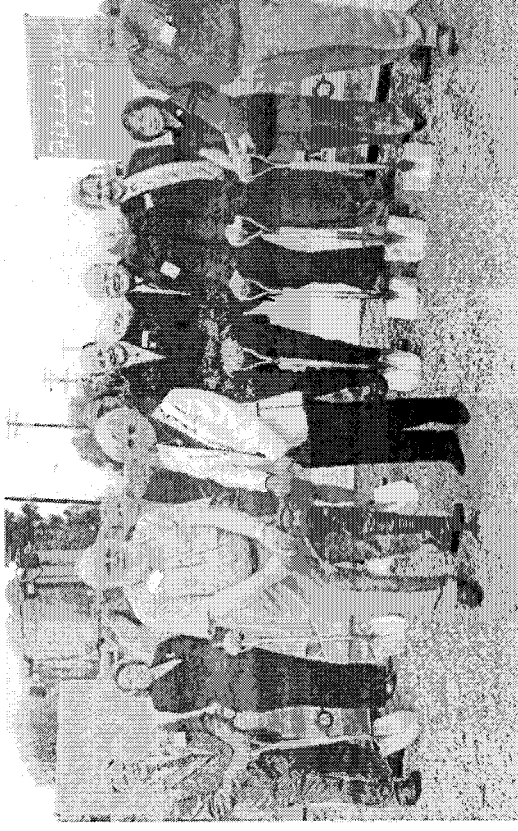


Project Funding



Remaining Major Construction Projects: I-5 Gateway Project

- ▶ **Project Area:** Sections of the I-5 within the City of Buena Park from the SR-91 north to the Orange/Los Angeles County line
- ▶ **Project Funding:** Measure M will fund \$179 million of the approximate \$314 million project (\$105 million will be funded by State Transportation Improvement Program funds and \$30 million by Congestion Mitigation and Air Quality funds)
- ▶ **Project Status:** Utility relocations are in progress and freeway construction began in May 2006 with completion scheduled for mid-2010

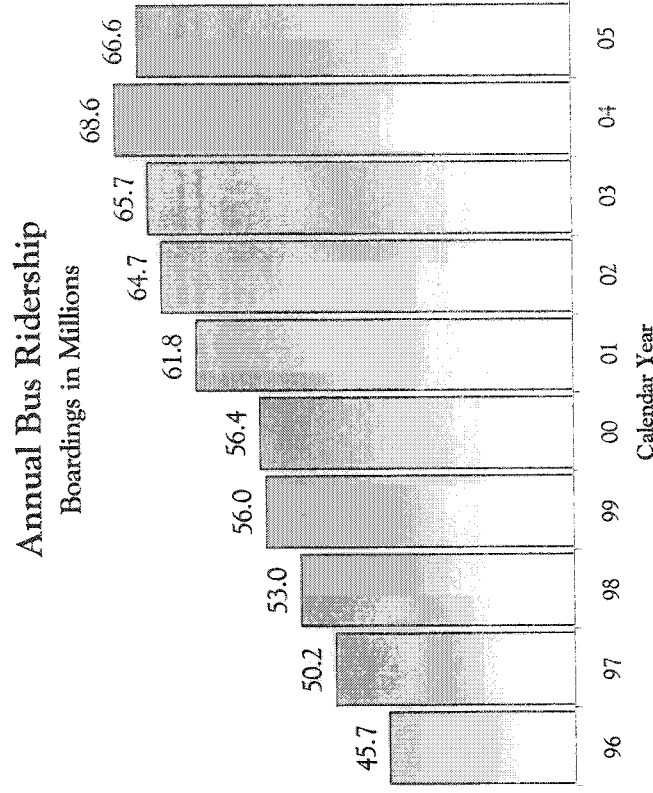


Project Components

- Roadway widening from six total lanes to 10 lanes
- Reconstruct six bridges
- Build 27 retaining walls
- Build two soundwalls
- Build stormwater pumping plant

Transit Update

- ▶ In May 2006, the Board of Directors accelerated the purchase of 249 compressed natural gas buses for a total of \$106 million
- ▶ Beginning July 1, 2006, Veolia Transportation (formerly known as Connex Transit, Inc.) will replace Laidlaw Transit as the operator of ten local fixed routes, four express lines, ten Station Link lines and the entire ACCESS paratransit network
- ▶ Board of Directors approved a three-year, \$47.9 million collective bargaining agreement with Teamsters Local 952 covering 256 maintenance employees
- ▶ Bus ridership declined in 2005 by 2.9 percent due to a January 2005 fare increase – however, ridership exceeded the 2005 target rate by 6.0 percent



Ridership Approaching Pre-Fare Increase Levels

- ▶ On January 2, 2005, the first system-wide fare increase in nearly 14 years took effect
 - One way bus fare: \$1.00 to \$1.25
 - 30-day bus pass: \$37.50 to \$45.00
 - Senior/Disabled one-way bus fare: 25 cents to 50 cents
 - Senior/Disabled 30-day bus pass: \$10.00 to \$15.00
- ▶ Ridership increased 5.7 percent during the first four months of 2006 when compared to the same period in 2005 and is 1.15 percent lower than the levels achieved in 2004 (pre-fare increase)

Year	Monthly Boardings				Total Through April
	January	February	March	April	
2003	5,363,559	4,843,852	5,619,631	5,594,250	21,421,292
2004	5,378,400	5,279,807	6,104,170	5,820,715	22,583,092
2005	4,922,954	4,727,394	5,767,323	5,692,653	21,110,324
2006	5,445,687	5,218,590	5,995,993	5,663,733	22,324,003
Change from 2005 to 2006	522,733	491,196	228,670	(28,920)	1,213,679
Percent Change	10.6%	10.4%	4.0%	-0.5%	5.7%
Change from 2004 to 2006	67,287	(61,217)	(108,177)	(156,982)	(259,089)
Percent Change	1.25%	-1.16%	-1.77%	-2.70%	-1.15%

Staffing and Service Trends

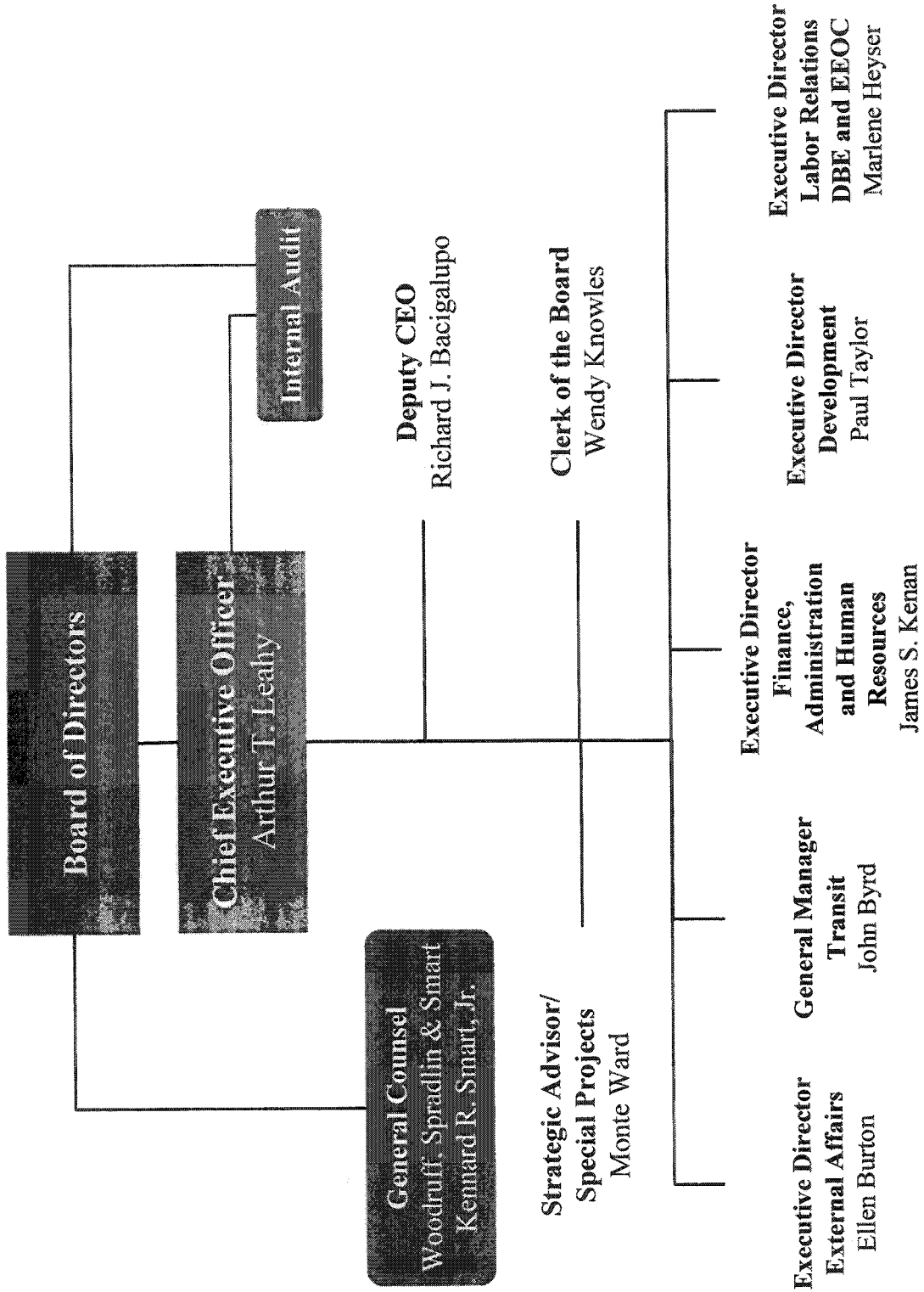
Fixed Route Revenue Vehicle Hr. (RVH)



	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
RVH	1,334	1,295	1,294	1,282	1,257	1,251	1,293	1,359	1,436	1,567	1,679	1,752	1,805	1,843	1,850	1,908



OCTA's Executive Management Team

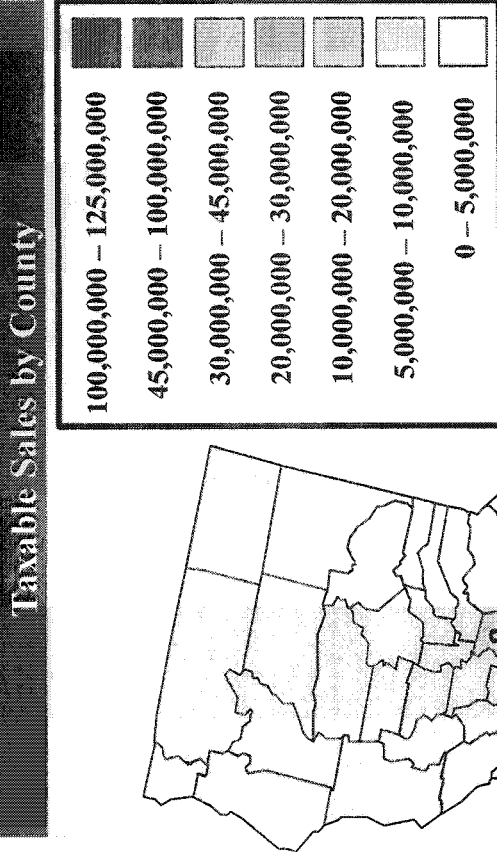


VII. Sales Tax Collections

Taxable Sales By County

- ▶ Orange County is ranked 2nd in the state for total taxable sales revenue
- ▶ Taxable sales in Orange County grew by 8.8% in 2004
- ▶ The estimated growth rate for 2005 is 6.1% according to Chapman University, April 2006
- ▶ Calendar year 2006 is also projected to be another strong year with a 5.2% forecasted rate by Chapman University

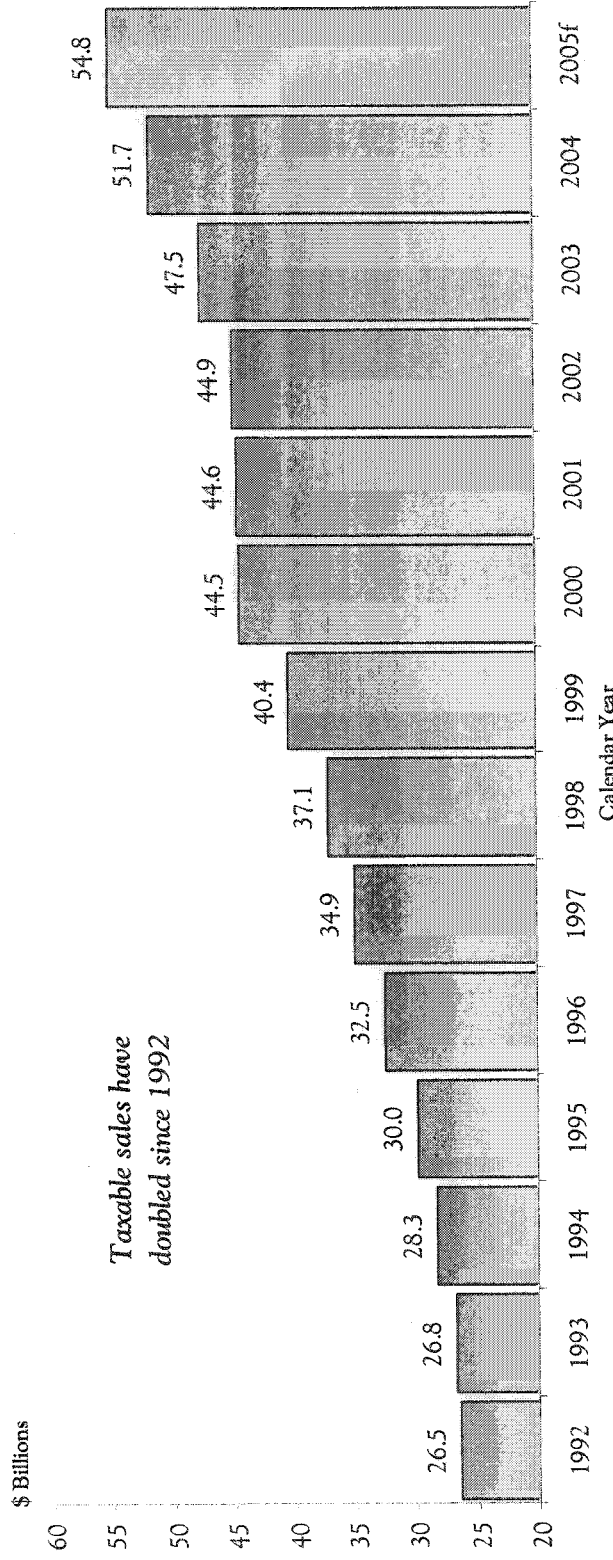
	Taxable Sales by County			
	2001	2002	2003	2004
1 Los Angeles	107,426,692	108,753,064	113,685,422	122,533,104
2 Orange	44,595,314	44,869,156	47,517,066	51,682,059
3 San Diego	37,699,333	38,595,547	40,863,978	44,470,338
4 Santa Clara	32,133,247	27,453,942	27,062,663	28,491,576
5 San Bernardino	19,684,143	20,849,502	22,599,947	26,206,167
6 Riverside	18,231,555	19,498,994	21,709,135	25,237,148
7 Alameda	22,758,085	21,264,629	21,375,029	22,996,365
8 Sacramento	17,221,801	17,577,559	18,506,466	20,216,922
9 Contra Costa	12,256,721	12,159,424	12,223,295	12,990,538
10 San Francisco	12,455,236	11,589,440	11,496,746	12,207,507



All denominations in thousands of dollars. Data from State of California Board of Equalization

Orange County Taxable Sales Continues to Grow

Historical Orange County Taxable Sales



Taxable Sales Rate of Growth

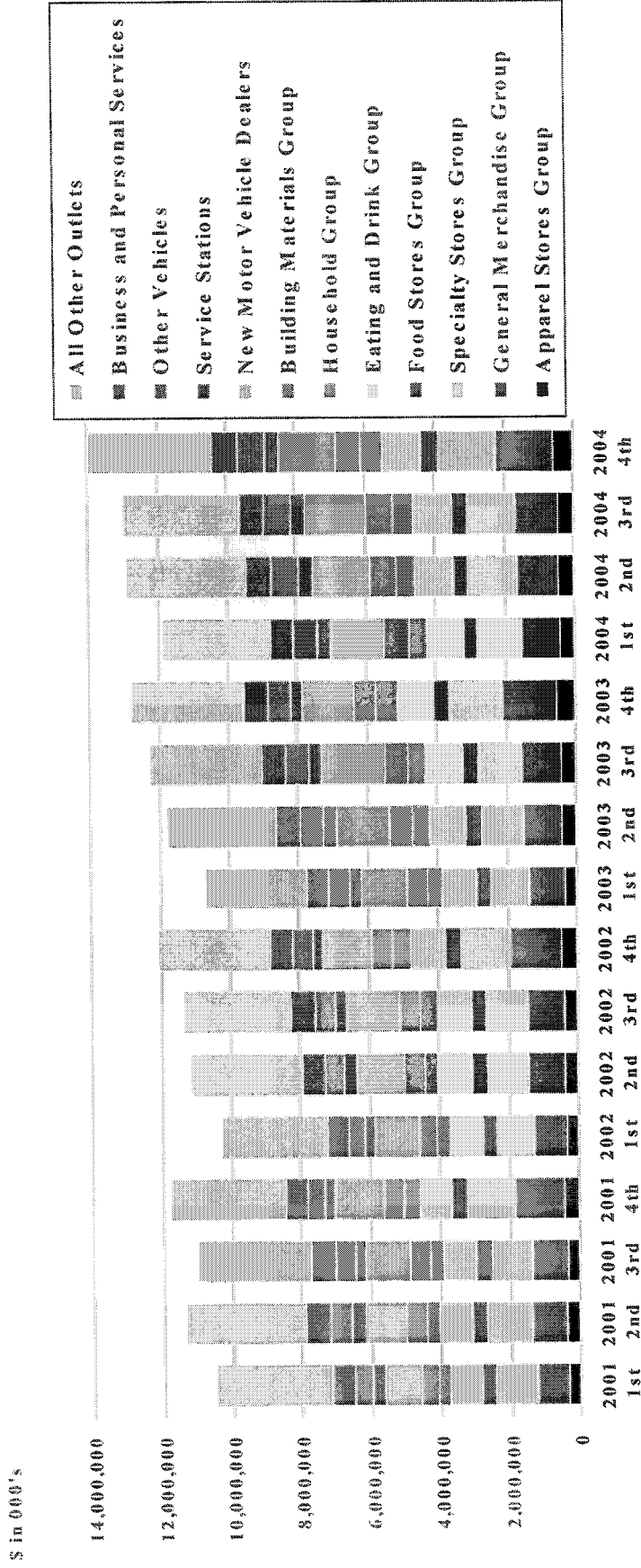
Calendar Year

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Orange County	8.8%	10.1%	0.3%	0.6%	5.9%	8.8%
State Average	10.0%	11.9%	-0.1%	-0.1%	4.3%	8.7%

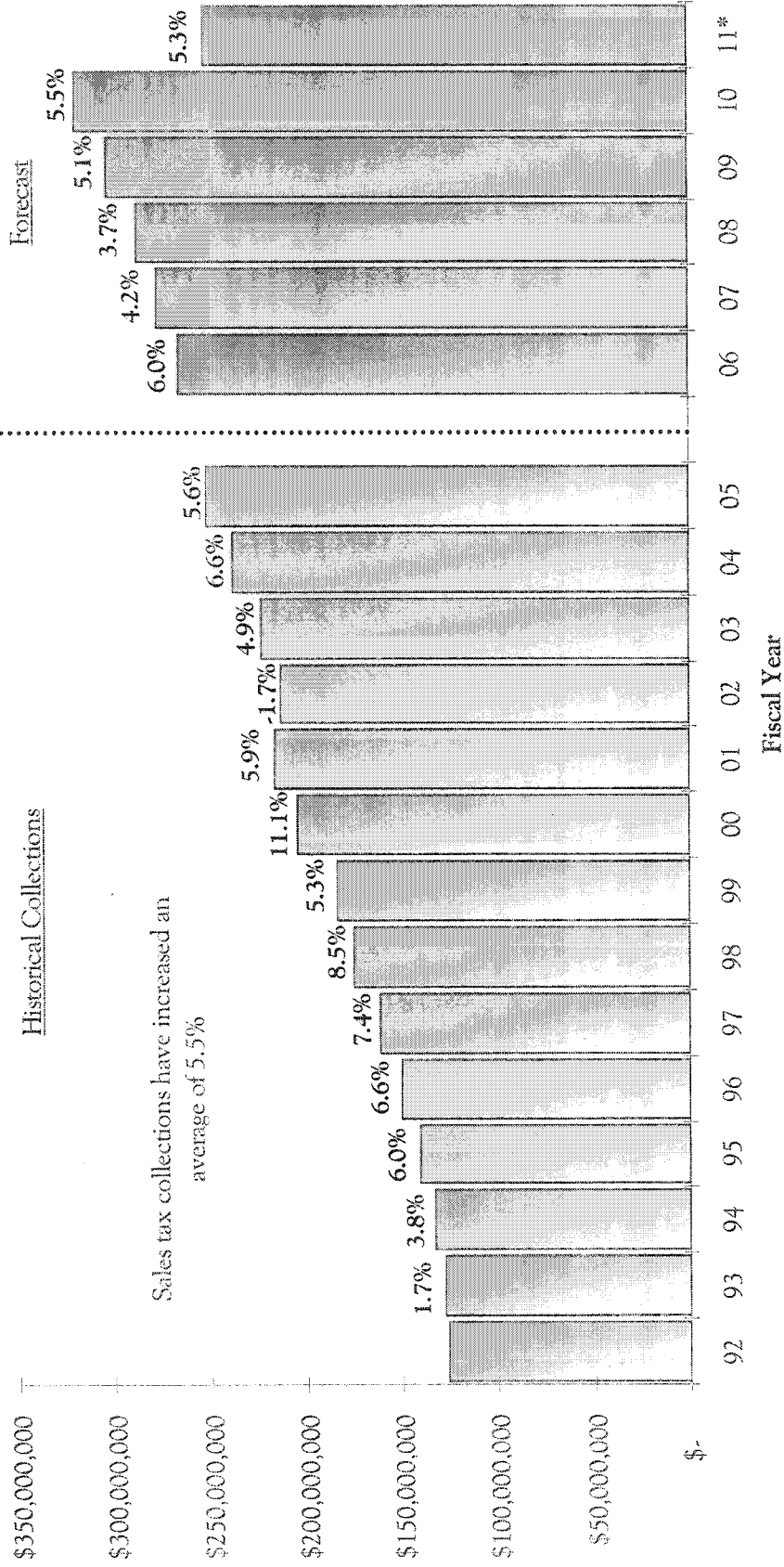
Taxable Sales are Distributed Across 12 Major Sectors

- ▶ No single sector is responsible for more than 15% of taxable sales in a single quarter
- ▶ Each sector's share of total taxable sales has been relatively stable
- ▶ General merchandise, specialty merchandise and new motor vehicle dealers each contributed between 9% and 12%

Taxable Sales Components

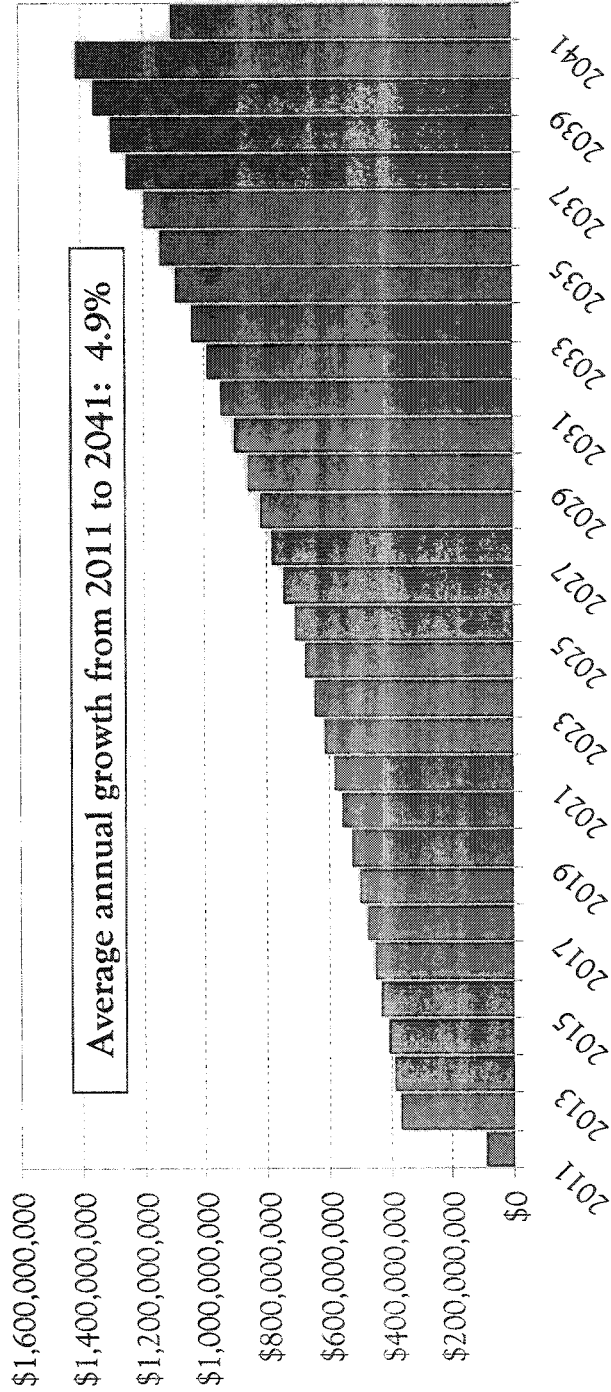


Measure M Sales Tax Collections – Historical and Projected



*Represents 3/4th of a fiscal year since Measure M sales tax collections terminate 3/31/11. Forecast is based on Chapman University's April 2006 report.

Renewed Measure M Nominal Forecast



Fiscal Year	Renewed Measure M Revenue	Growth Rate
2011	\$ 86,310,021	5.4%
2012	364,072,472	5.5%
2013	383,856,767	5.4%
2014	404,826,441	5.5%
2015	426,995,595	5.5%
2016	450,212,099	5.4%
2017	474,066,097	5.3%
2018	499,257,644	5.3%
2019	525,515,745	5.3%
2020	552,863,834	5.2%
2021	\$ 581,272,662	5.1%
2022	610,448,613	5.0%
2023	640,994,095	5.0%
2024	673,004,071	5.0%
2025	707,486,479	5.1%
2026	743,354,978	5.1%
2027	780,529,936	5.0%
2028	818,989,151	4.9%
2029	859,520,233	4.9%
2030	902,042,847	4.9%
2031	\$ 946,163,421	4.9%
2032	992,012,220	4.8%
2033	1,039,322,828	4.8%
2034	1,088,579,275	4.7%
2035	1,140,015,189	4.7%
2036	1,192,956,038	4.6%
2037	1,245,496,365	4.4%
2038	1,299,590,072	4.3%
2039	1,355,616,980	4.3%
2040	1,413,712,756	4.3%
2041	1,103,937,293	4.1%

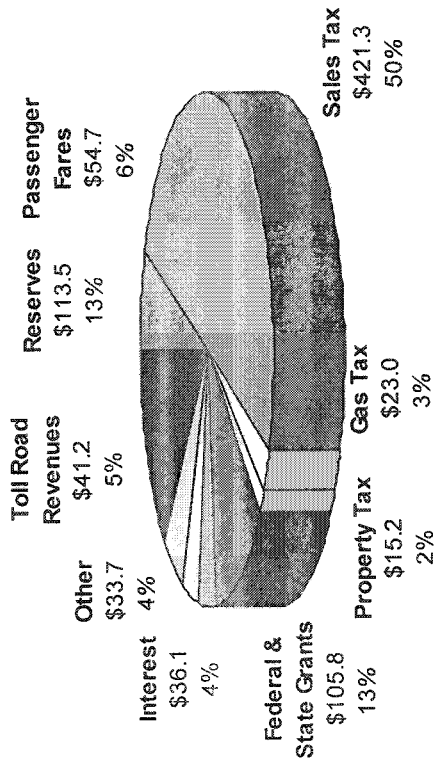
Based upon forecasts provided by Chapman University, UCLA, and Cal. State Fullerton



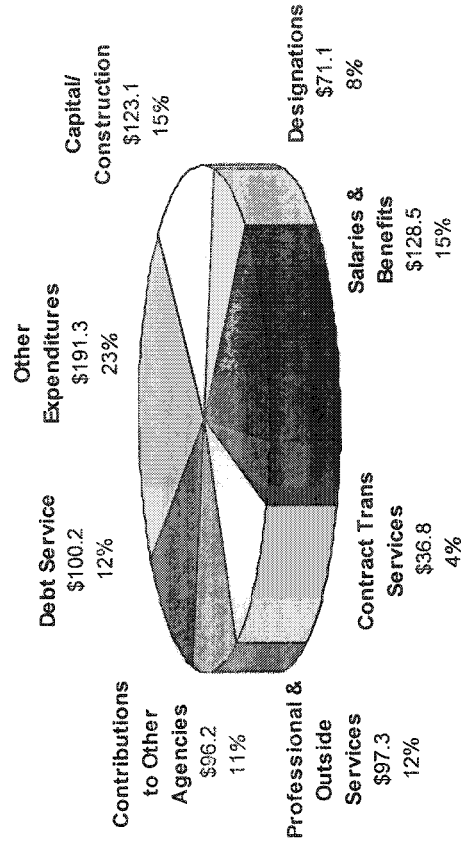
VIII. Financial Issues

Proposed Fiscal Year 2007 Budget Overview

Sources of Funds (\$ in Millions)



Uses of Funds (\$ in Millions)



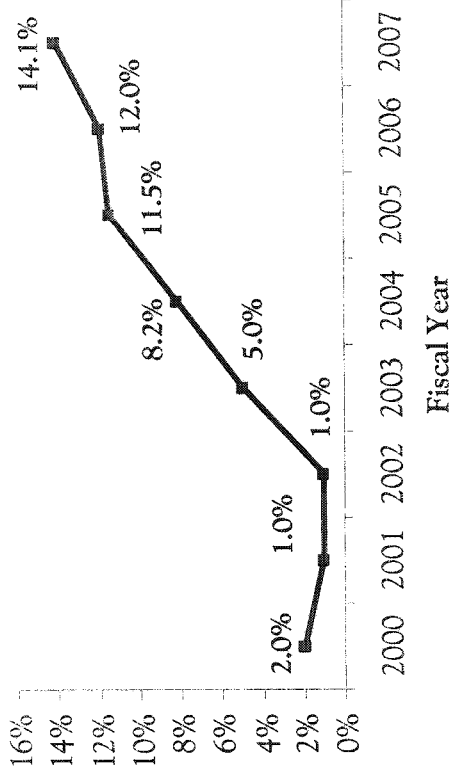
Budget Highlights

- ▶ \$844.5 million balanced budget
- ▶ Net reduction of one administrative position
- ▶ Over \$76 million earmarked for Metrolink
- ▶ Budget is in accordance with Comprehensive Business Plan

Orange County Employees Retirement System

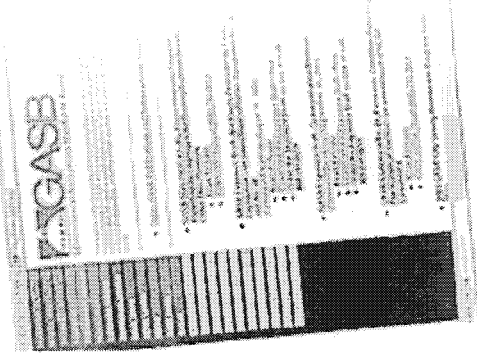
- ▶ OCTA employees are covered by the Orange County Employees Retirement System (OCERS), which is a defined benefits plan with \$6.5 billion in assets
- ▶ OCTA employees are covered under two tiers:
 - Tier I - 2.00 percent at age 57
 - Tier II - 1.67 percent at age 57½
- ▶ OCTA's employer rate will be 14.1 percent in FY 2007 and is projected to be 16.3 percent in FY 2008
- ▶ As of December 2004, OCTA's assets totaled approximately \$353 million and the unfunded liability was approximately \$80 million
- ▶ OCTA is reviewing other retirement options for employees, such as California Public Employees Retirement System (CalPERS)

OCTA's Employer Contribution Rates



Other Post Employment Benefits

- ▶ In 1994, OCTA entered into an agreement with OCERS to establish a program to provide a retirement income supplement to OCTA retired employees (not restricted to medical/health insurance costs)
 - Supplement income benefit is \$10 per month per year of service performed for OCTA covered by OCERS, not to exceed a monthly fixed supplement of \$150
 - Balance in the program is \$601,460 as of December 31, 2005
 - 275 retiree employees participate in the program
 - \$39,000 monthly cost to OCTA
- ▶ OCTA offers post employment health insurance up to age 65 for OCTA retired employees
 - Costs are fully funded by retired employees
 - OCTA currently has 12 employees utilizing benefits
- ▶ Based upon initial discussions with our auditors, OCTA is anticipating minimal reporting requirements under GASB 45



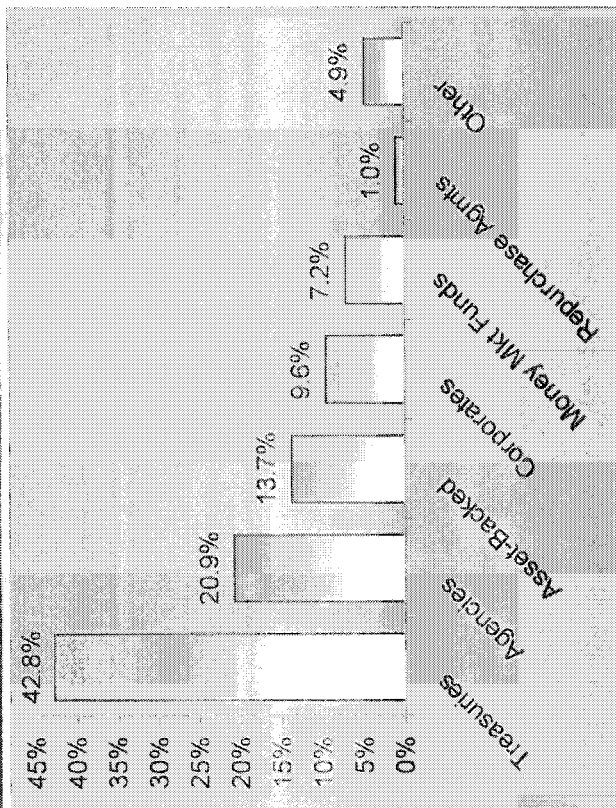
IX. Assets, Liabilities, and Cash Flows

Investment Portfolio - As of April 30, 2006

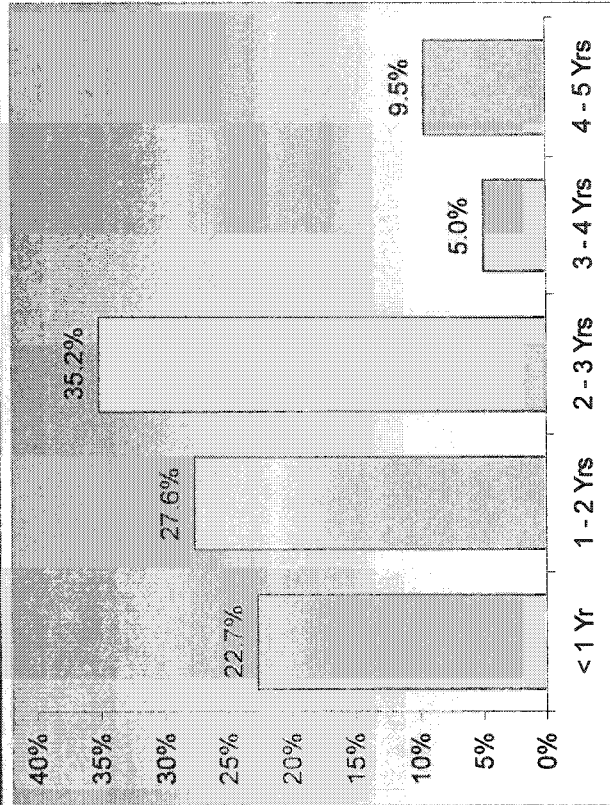
Portfolio Characteristics

Portfolio Market Value	\$1.0 Billion	Short-term Portfolio Performance	2.36%
Average Credit Quality	AAA	12-month total return	2.10%
Average Duration	1.69 years	3-year total return average	4.45%
Yield to Maturity	4.4%	5-year total return average	

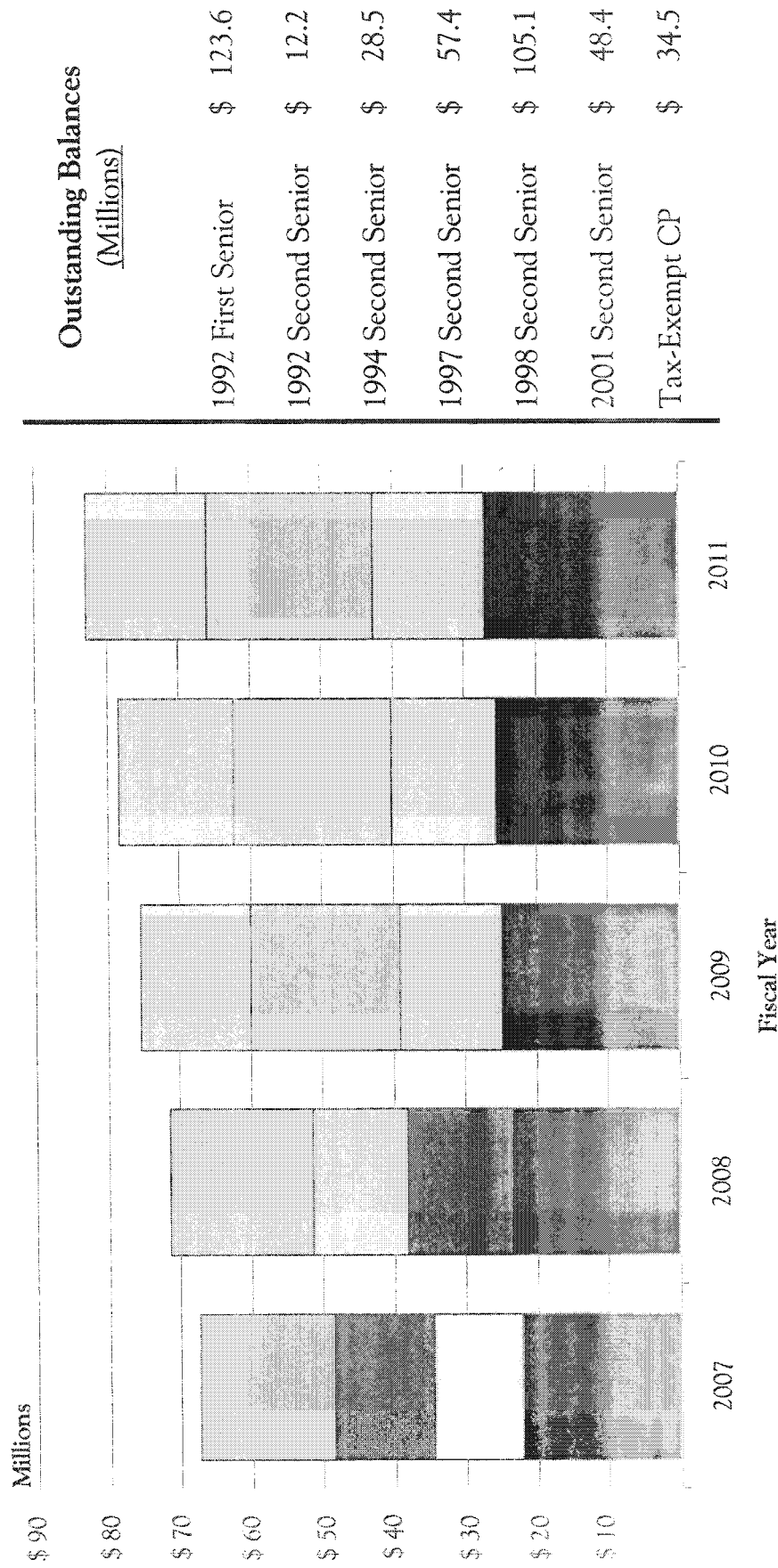
Allocation Sectors



Maturity Distribution



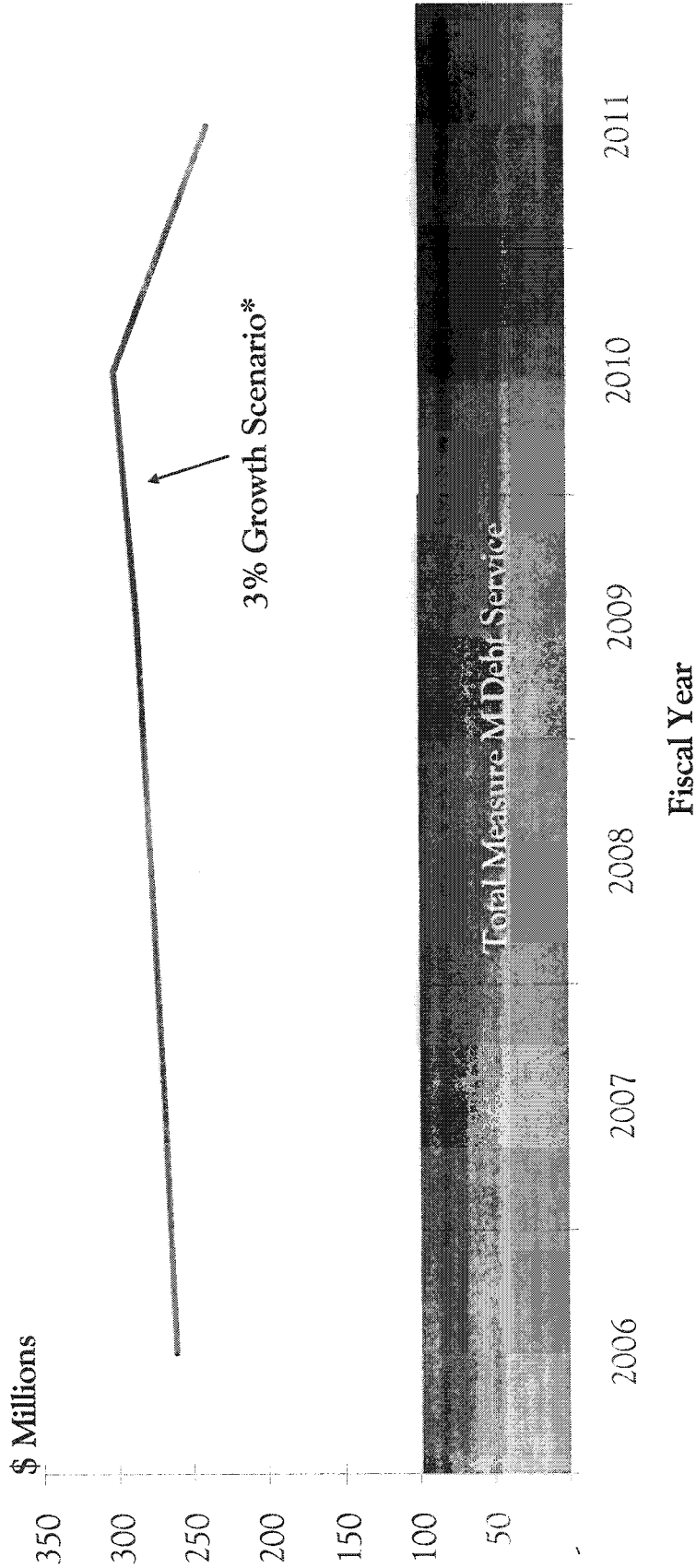
Measure M Outstanding Debt Totals \$410 Million



■ 1992 First Senior □ 1992 Second Senior ■ 1994 Second Senior
 □ 1997 Second Senior ■ 1998 Second Senior □ 2001 Second Senior



Measure M Revenues Provide Strong Coverage



Measure M sales tax collections will terminate on March 31, 2011

* 3% growth scenario assumes 5.71% for FY 06 (95% of Chapman University - April 2006), 3.0% for FY 07 through FY 09, and 5.19% for FY 10 (95% of Chapman University - April 2006)



Historical Measure M Coverage

Millions	FY 01	FY 02	FY 03	FY 04	FY 05
<u>Revenues</u>					
Sales Tax Revenues (1)	\$ 213.3	\$ 209.4	\$ 219.9	\$ 234.4	\$ 247.4
Less 14.6% Turnback	(30.8)	(30.3)	(31.8)	(33.9)	(35.8)
Revenues Available for Debt Service (2)	\$ 182.5	\$ 179.1	\$ 188.1	\$ 200.5	\$ 211.6
<u>First Senior Bonds</u>					
Long-Term Bond Debt Service	\$ 29.8	\$ 29.5	\$ 29.5	\$ 29.5	\$ 29.8
Coverage	6.12x	6.07x	6.38x	6.80x	7.10x
<u>First and Second Senior Bonds</u>					
Long-Term Bond Debt Service	\$ 88.4	\$ 87.6	\$ 87.9	\$ 88.0	\$ 88.2
Coverage	2.06x	2.04x	2.14x	2.28x	2.40x

(1) Sales Tax Revenues are defined as Sales Tax Receipts minus State Board of Equalization fees.

(2) Excludes investment earnings



Projected Measure M Coverage

Millions	FY 06	FY 07	FY 08	FY 09	FY 10
<u>Revenues</u>					
Sales Tax Revenues (1)	\$ 261.6	\$ 269.4	\$ 277.5	\$ 285.8	\$ 300.7
Less 14.6% Turnback	(37.8)	(38.9)	(40.1)	(41.3)	(43.5)
Revenues Available for Debt Service (2)	\$ 223.8	\$ 230.5	\$ 237.4	\$ 244.5	\$ 257.2
<u>First Senior Bonds</u>					
Long-Term Bond Debt Service	\$ 29.8	\$ 29.9	\$ 29.8	\$ 29.8	\$ 28.7
Coverage	7.51x	7.71x	7.97x	8.20x	8.96x
<u>First and Second Senior Bonds</u>					
Long-Term Bond Debt Service	\$ 88.2	\$ 88.3	\$ 88.5	\$ 88.6	\$ 87.4
Coverage	2.54x	2.61x	2.68x	2.76x	2.94x

(1) Sales Tax Revenues are defined as Sales Tax Receipts minus State Board of Equalization fees. Assumptions for revenue growth are 5.71% for FY 06 (95% of Chapman University - April 2006), 3.0% for FY 07 through FY 09, and 5.19% for FY 10 (95% of Chapman University - April 2006).

(2) Excludes investment earnings



Projected Measure M Program Cash Flow

	Fiscal Year Ending June 30,					
	2006	2007	2008	2009	2010	2011
BEGINNING CASH BALANCE	591.35	398.56	236.00	192.96	179.19	212.00
SOURCES OF FUNDS						
Sales Tax Revenues*	254.24	261.87	269.73	277.81	292.40	228.41
Bond Proceeds	0.00	0.00	0.00	0.00	0.00	0.00
TECP Proceeds	0.00	0.00	0.00	0.00	0.00	0.00
Other Revenues	92.86	60.08	3.40	3.40	3.40	0.00
Investment Earnings	21.12	17.26	11.57	10.07	9.58	10.73
Total Sources Of Funds	368.22	339.21	284.71	291.28	305.38	239.15
DEBT SERVICE PAYMENTS						
Gross Debt Service on Bonds	88.19	88.32	88.46	88.56	87.40	87.42
TECP Interest / Redemption **	7.93	7.70	7.48	7.25	7.72	7.97
Total Debt Service Payments	96.12	96.02	95.93	95.81	95.13	95.39
AMOUNT AVAILABLE FOR PROJECTS	863.46	641.75	424.78	388.44	389.45	355.75
PROGRAM EXPENDITURES						
Freeway Mode	237.80	162.32	45.44	43.51	34.16	0.00
Transit Mode	126.43	123.36	82.00	82.00	72.00	59.64
Pay-As-You-Go Transit	1.17	1.17	1.17	1.17	1.17	1.17
Local Streets & Roads	54.99	69.49	61.06	59.49	53.83	103.33
Regional Streets & Roads	44.52	49.40	42.14	23.08	16.30	75.48
Total Program Expenditures	464.90	405.74	231.81	209.24	177.45	239.62
ANNUAL CASH FLOW	(192.79)	(162.65)	(43.04)	(13.77)	32.80	(95.86)
ENDING CASH BALANCE	398.56	236.00	192.96	179.19	212.00	116.13

* Sales Tax Revenues are net of SBOE fees and OCTA administrative fees. Forecast is based on Chapman University Sales Tax Forecast, April 2006 (@ 95% for FY 2006, 2010, 2011, and a flat 3% for FY 2007, 2008, 2009)

** Assumes principal retirement (TECP = Tax-exempt commercial paper)

Projected 91 Express Lanes Cash Flow

Fiscal Year	2006	2007	2008	2009	2010	2011
BEGINNING BALANCE	25,126,899	16,919,674	12,639,112	11,761,739	8,561,779	2,254,401
REVENUES						
Toll Income	33,233,600	34,230,608	35,257,526	36,315,252	39,094,938	41,336,620
Non-toll Income	4,220,800	5,000,000	5,150,000	5,304,500	5,463,635	5,627,544
Total Revenues	37,454,400	39,230,608	40,407,526	41,619,752	44,558,573	46,964,164
EXPENDITURES						
Debt Service on 2003 Series Bonds	12,254,033	12,257,389	12,252,714	12,254,876	12,257,901	12,257,170
Operating Expenses	15,070,242	16,169,317	15,957,004	16,445,398	16,927,657	17,423,828
Capital Expenses	3,857,350	4,084,465	1,475,181	1,519,437	6,080,393	13,910,709
Total Expenditures	31,181,624	32,511,171	29,684,899	30,219,711	35,265,951	43,591,707
ANNUAL CASH FLOW BEFORE OTHER EXPS	6,272,775	6,719,437	10,722,627	11,400,041	9,292,622	3,372,457
RESERVE REQUIREMENTS						
Supplemental Reserve Set Aside	600,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Operating Reserve Set Aside	680,000	0	0	0	0	0
Capital Reserve Set Aside	1,200,000	1,800,000	2,400,000	2,400,000	400,000	0
Internal Capital Expense Reserve Set Aside	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	(10,000,000)
Total Reserve Set Aside	4,480,000	5,000,000	4,600,000	4,600,000	2,600,000	(8,800,000)
OTHER EXPENDITURES						
Repayment of Subordinated OCTA Debt	10,000,000	6,000,000	7,000,000	10,000,000	13,000,000	12,000,000
ENDING BALANCE	16,919,674	12,639,112	11,761,739	8,561,779	2,254,401	2,426,857
CUMULATIVE BALANCES						
SUPPLEMENTAL RESERVE	6,600,000	7,800,000	9,000,000	10,200,000	11,400,000	12,600,000
OPERATING RESERVE	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000
CAPITAL RESERVE	3,000,000	4,800,000	7,200,000	9,600,000	10,000,000	10,000,000
INTERNAL CAPITAL EXPENSE RESERVE	5,500,000	7,500,000	8,500,000	9,500,000	10,500,000	500,000
2003 SERIES DEBT SERVICE COVERAGE	1.83	1.88	2.00	2.05	2.25	2.41

Toll Income growth is based on Vollmer Associates' October 2003 forecast for FY 2006, 2010, & 2011. FY 2007, 2008, 2009 assume a flat 3% growth rate.



Summary of Reserve Funds (as of May 31, 2006)

<u>Bond Indenture Reserves</u>	<u>Reserve Requirement</u>	<u>Current Balance</u>	<u>Monthly Deposit</u>	<u>Fully Funded By:</u>
Operating Reserve Fund	\$2,750,000	\$2,891,355		Fully Funded
Capital Reserve Fund	\$10,000,000	\$3,120,908	\$100,000- \$200,000	December 2009
Supplemental Reserve Fund	\$12,634,792	\$7,131,975	\$100,000	January 2012
Debt Service Reserve Fund	\$12,634,792	\$12,634,812		Fully Funded
<u>Additional Reserves</u>				
Internal Capital Reserve	N/A	\$3,533,705	N/A	N/A
"Basis" Account	N/A	\$ 83,180	N/A	N/A

Projected OCTD Cash Flow

\$ Millions

Fiscal Year Ending June 30,

2011

2010

2009

2008

2007

2006

BEGINNING CASH BALANCE 171.56 195.62 136.69 107.45 75.95 39.79

Cash Flows From Operating Activities:

Sources of Funds

Local Transportation Fund*	90.78	93.51	96.31	99.20	104.35	109.66
State Transit Assistance Fund	11.67	12.09	16.08	21.35	19.78	20.35
Federal Operating Grants	22.85	24.19	25.05	25.93	26.84	27.79
Bus Operations Fund	14.00	14.00	14.50	14.50	14.50	14.50
Passenger fares	53.05	55.01	58.70	64.89	85.20	92.61
Gas Tax Exchange	23.00	23.00	23.00	23.00	23.00	23.00
Property tax revenue	8.90	9.34	9.81	10.30	10.81	11.35
Charges for services	28.08	28.94	29.77	30.70	31.71	32.74
Miscellaneous revenues	11.16	7.58	8.43	9.48	15.62	17.15
Total Sources of Funds	263.50	267.67	281.65	299.36	331.82	349.15

Uses of Funds

Bus Operations	(227.49)	(243.49)	(257.22)	(283.62)	(312.27)	(336.23)
Transfer Out to Commuter Rail Operations	(5.55)	(5.72)	(5.89)	(6.07)	(6.25)	(6.44)
Transfer Out to Bristol Street	0.00	(13.00)	0.00	0.00	0.00	-
Other Transfer Out - Gas Tax Subvention for Bristol Street	0.00	(10.00)	(23.00)	(23.00)	(23.00)	(23.00)
Total Uses of Funds	(233.04)	(272.21)	(286.11)	(312.69)	(341.52)	(365.66)

Net Cash Used by Operations

30.46 (4.54) (4.46) (13.33) (9.70) (16.51)

Cash Flows From Capital Financing Activities:

Capital Grants	4.10	49.99	27.21	80.83	88.10	21.45
Acquisition and construction of capital assets	(14.18)	(108.80)	(55.47)	(103.28)	(118.45)	(36.50)
Principal paid on COPS	(2.50)	(1.24)	(1.24)	0.00	0.00	0.00
Interest paid on COPS	(0.15)	(0.07)	0.00	0.00	0.00	0.00
Net Cash Used by Capital Financing Activities	(12.73)	(60.12)	(29.49)	(22.45)	(30.35)	(15.05)

Cash Flows From Investing Activities:

6.32 5.72 4.71 4.28 3.89 4.87

Net Cash Provided by Investing Activities

6.32 5.72 4.71 4.28 3.89 4.87

ENDING CASH BALANCE

195.62 136.69 107.45 75.95 39.79 13.10

* Local Transportation Fund revenues are based on Chapman University Sales Tax Forecast, April 2006 (@95% for FY 2006, 2010, 2011, and a flat 3% for FY 2007, 2008, 2009)



FOR MORE INFORMATION

ORANGE COUNTY
TRANSPORTATION AUTHORITY

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ORANGE, CA 92863-1584

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BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Customer Relations Service Quality Report for Third Quarter Fiscal Year 2005-06

Transit Planning and Operations Committee

July 13, 2006

Present: Directors Brown, Duvall, Green, Norby, and Winterbottom
Absent: Directors Pulido and Silva

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive information for discussion and possible action as deemed appropriate by the Board.



July 13, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Customer Relations Service Quality Report for Third Quarter Fiscal Year 2005-06

Overview

The Customer Relations Service Quality Report is submitted to the Orange County Transportation Authority Board of Directors on a quarterly basis. The report provides a statistical analysis of customer communications received during the quarter, as well as details proactive activities undertaken by staff to ensure quality service to customers.

Recommendation

Receive information for discussion and possible action as deemed appropriate by the Board.

Background

The Customer Relations Department is responsible for identifying and resolving service quality issues through the use of proactive and responsive methods. Customer Relations disseminates information to customers concerning Orange County Transportation Authority (OCTA) services and policies and serves as the channel through which customers' opinions about those services and policies are transmitted to OCTA.

Discussion

Responsibilities within the Customer Relations Department are varied. As its primary function, communications from customers are input into a database, and staff interacts closely with numerous departments to obtain resolution to customers' concerns. Customer Relations participates in monthly meetings with both Bus Operations and Community Transportation Services (CTS), as well as with the contractor responsible for providing ACCESS service and contracted fixed route service, to ensure customer concerns are heard and problems are resolved. Staff also interacts closely with Service Planning and Customer Advocacy to accommodate the needs of riders.

In addition to its primary function, the department oversees the Customer Information Center (CIC) which provides routing information to bus riders; the issuance of Reduced Fare Identification (RFID) cards to seniors and persons with disabilities; and the sale of bus passes and ACCESS coupons to the public via mail, phone, and online. Customer Relations is also responsible for addressing customer service issues at 91 Express Lanes meetings and resolving complaints from customers about toll violations received on the 91 Express Lanes; oversight of the OCTA Store; production of Riders' Alerts to notify customers of changes to bus routes and schedules; visiting new vendors selling OCTA fare media; oversight of the Special Needs in Transit Advisory Committee, and holding quarterly roundtable discussions with transit users. Below are highlights of Customer Relations activity during the period of January 1 through March 31, 2006.

Communications from Customers

Customer Relations receives and processes communications from customers on a variety of topics. The concern most often expressed by customers during this quarter was being passed by while waiting for a bus. The most frequent concern raised by users of contracted service had to do with vehicles not arriving to pick them up. Listed below is a breakdown of the types and numbers of concerns that Customer Relations received during the quarter.

Communications were received in the form of telephone calls (9,108), emails (663), and letters (144), for a total of 9,915 communications on a variety of topics, versus the 9,657 communications received last quarter.

Fixed Route Operations

During this quarter, there were 16,179,669 fixed route boardings. Based on the customer communications received, there were 4.44 complaints per 100,000 boardings, which is well within the Transit Division's goal of 6 complaints per 100,000 boardings.

Continuing key issues for fixed route service include:

1. Pass-bys

A total of 170 complaints were received from passengers who reported being passed by OCTA buses, compared to 185 complaints received last quarter.

2. Driver Judgment (any questionable decision, action, or omission on the part of a coach operator)

There were 120 complaints received about the judgment displayed by OCTA coach operators. This is two more than the 118 complaints received last quarter.

3. Driving Techniques

There were 96 complaints about the driving techniques displayed by coach operators, which is three less than the 99 complaints received in the previous quarter.

Contracted Fixed Route Service and ACCESS Service

During the quarter, there were 577,117 contracted service boardings. Of these boardings, 296,816 were on ACCESS service, while 280,301 were on contracted fixed route. Based on communications received from customers, there were 11.51 complaints for every 10,000 boardings. These figures remain within performance standards established in the contract with the provider, Laidlaw Transit, Inc.

Continuing key issues for contracted service include:

1. Vehicles Not Arriving

Customer Relations received 169 complaints from riders about contracted vehicles not arriving to pick them up, compared to the 151 complaints reported in the previous quarter. Fifteen of the complaints were for contracted fixed routes, while 154 were from ACCESS riders.

2. Vehicles Running Behind Schedule

There were 105 complaints about contracted drivers running late, versus 99 in the previous quarter. Twenty-four of these complaints were for Laidlaw-operated fixed route service while 81 were about ACCESS rides.

3. Driver Judgment (any questionable decision, action, or omission on the part of the contracted service driver)

Seventy-eight complaints were received from riders about the judgment displayed by contracted drivers, compared to the 60 received last quarter. Twelve of these complaints were reported by riders of Laidlaw-operated fixed route service while 66 were from ACCESS riders.

Customer Relations Activities

- OCTA Store

During this quarter, sales at the OCTA Store totaled \$194,092 versus the \$177,342 in sales during the previous quarter. Two-hundred-nineteen (219) new accounts for the 91 Express Lanes were established during the quarter, compared to 217 in the second quarter of this fiscal year.

- Pass Sales

There was a total of \$397,639 in passes sold within the Pass Sales Section, compared to the \$401,030 sold last quarter.

- Pass Sales Analysis

Customer Relations continued to work with a consultant on an analysis of the Pass Sales vendor program. The consultant has obtained information from other transit agencies on their practices and will be making recommended improvements in Fall, 2006.

- Customer Roundtable

Customer Relations organized and facilitated a roundtable discussion about potential bus service improvements and expansion of service. A total of ten fixed route customers participated in the roundtable. Attendees identified ways to improve the Bus Book; suggested routes they felt would be good candidates for Night Owl service; and provided feedback on the proposed changes presented by Service Planning and Customer Advocacy. Some of the information and feedback from the roundtable will be incorporated into the June service change and will be used when planning future service changes. Customer Relations will host roundtable discussions on a variety of topics on a quarterly basis.

- Obtaining Timely Information for Riders' Alerts

A committee was formed to discuss better ways of obtaining information from cities regarding detours and construction activity as it impacts OCTA customers. Field Supervision will be having two supervisors interact with a designated person from each city on a regular basis in an effort to be proactive and obtain information early in the process which can then be passed on to customers via Riders' Alerts.

- **Contracted Services Transition**

Customer Relations has been participating in meetings with CTS and Veolia (the new ACCESS service provider) to ensure a smooth transition of contracted services effective July 1, 2006.

- **Customer Compliments**

Customer Relations attended a meeting with base managers, coach operators, and labor management personnel to discuss the customer comment process. It was agreed that some process modifications would be made at the base level to ensure coach operators receive compliments from customers in a timely manner.

- **ACCESS No-Show Policy**

Customer Relations met with ACCESS Eligibility to discuss ways to improve the efficiency of the ACCESS No-Show notification and service suspension process. Procedures and customer notification letters are being modified to reflect the improvements that were suggested.

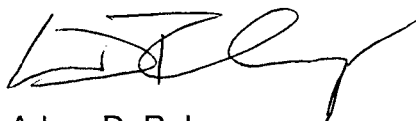
Summary

During the quarter, both OCTA and Laidlaw staff continued to address service quality issues by initiating various measures intended to improve customer service. Customer comments for the third quarter of the fiscal year, as well as a comparison with other quarters, are shown in the attachments following this report.

Attachments

- A. Fixed Route Operations Complaints
- B. Contracted Service Complaints
- C. Total Compliments, Complaints, and Comments
- D. OCTA Store Revenue 2005/2006
- E. Pass Sales Section Monthly Sales Totals/Pass-By-Mail, Telephone, On-Line Orders

Prepared by:



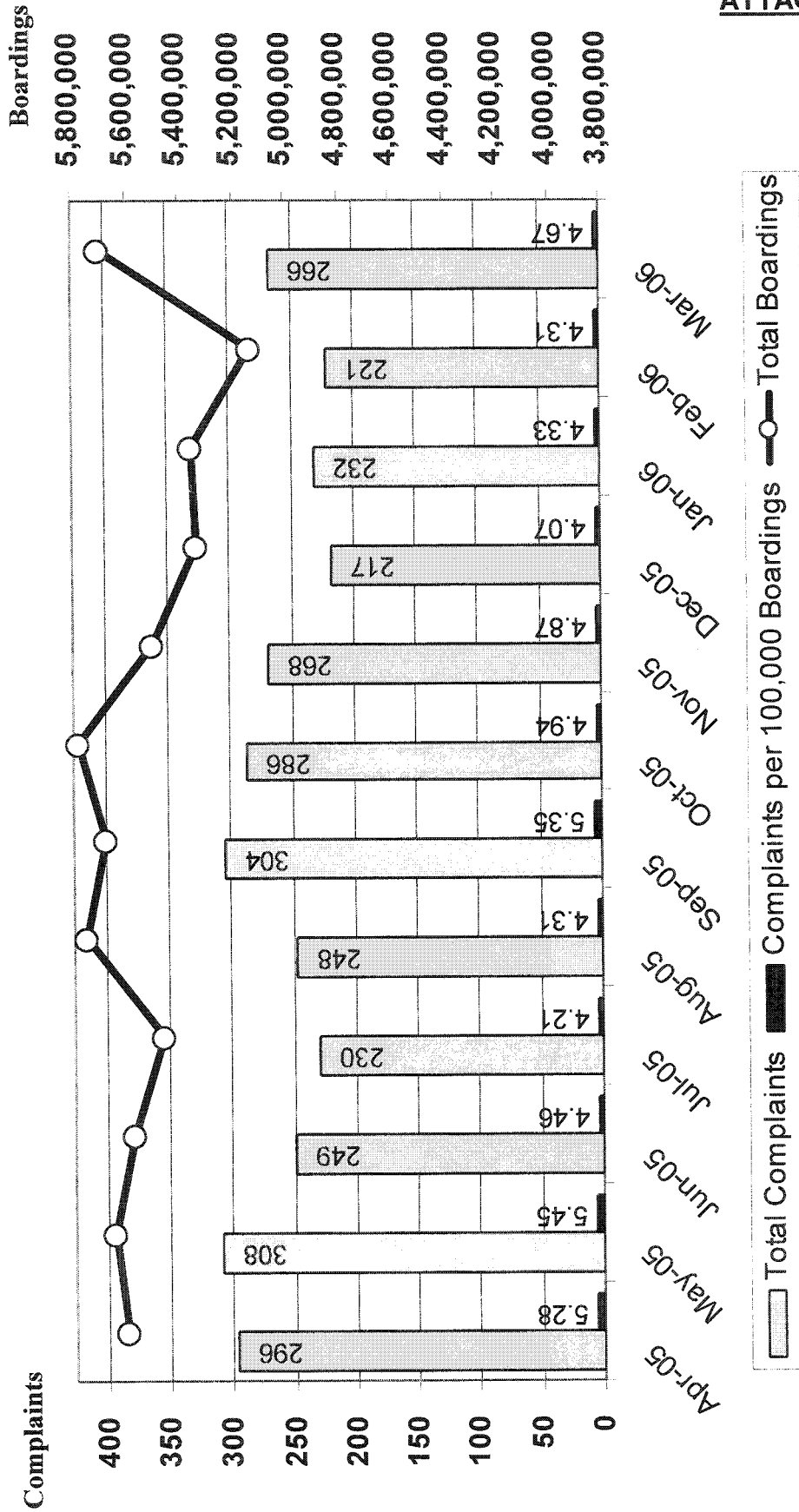
Adam D. Raley
Senior Customer Relations
Specialist
(714) 560-5510

Approved by:

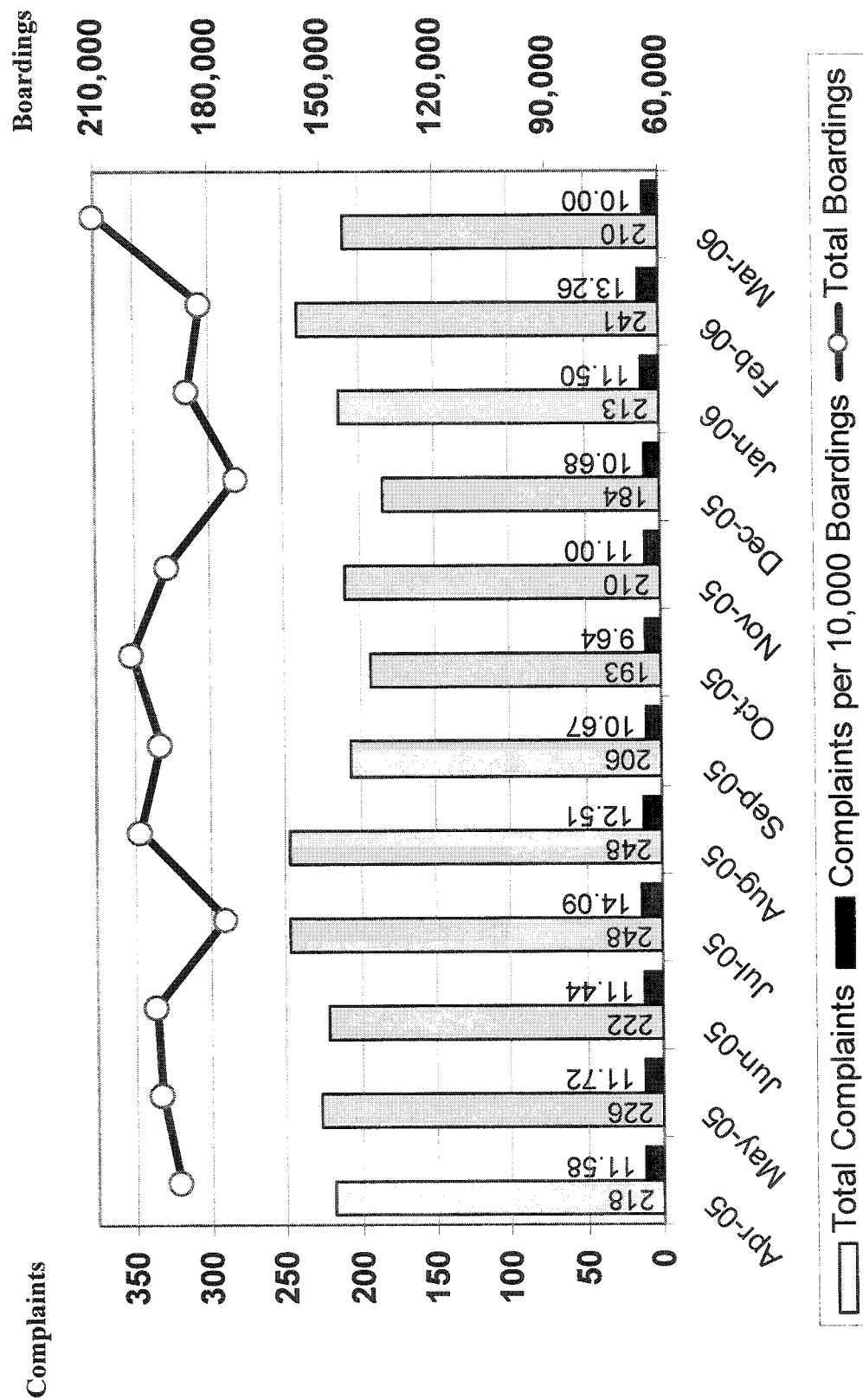


Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923

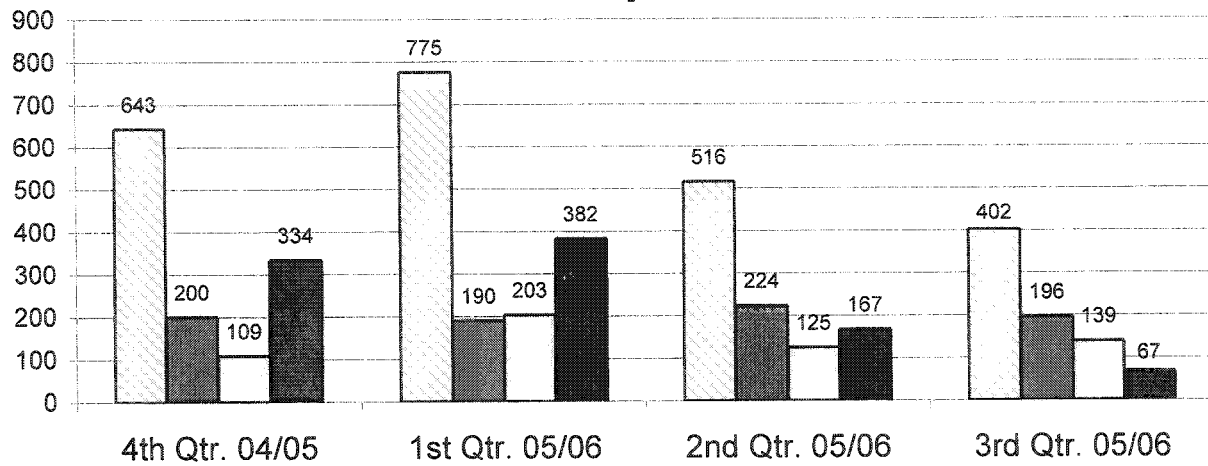
Fixed Route Operations Complaints



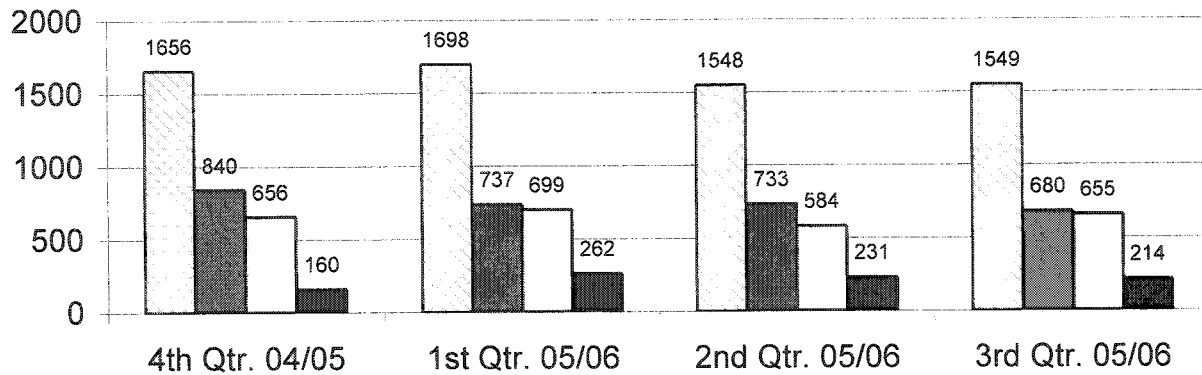
Contracted Service Complaints



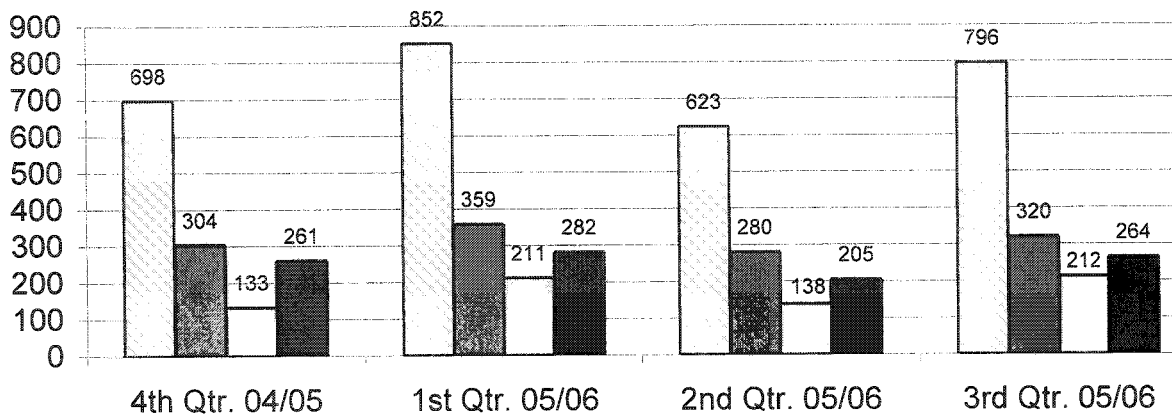
Total Compliments



Total Complaints

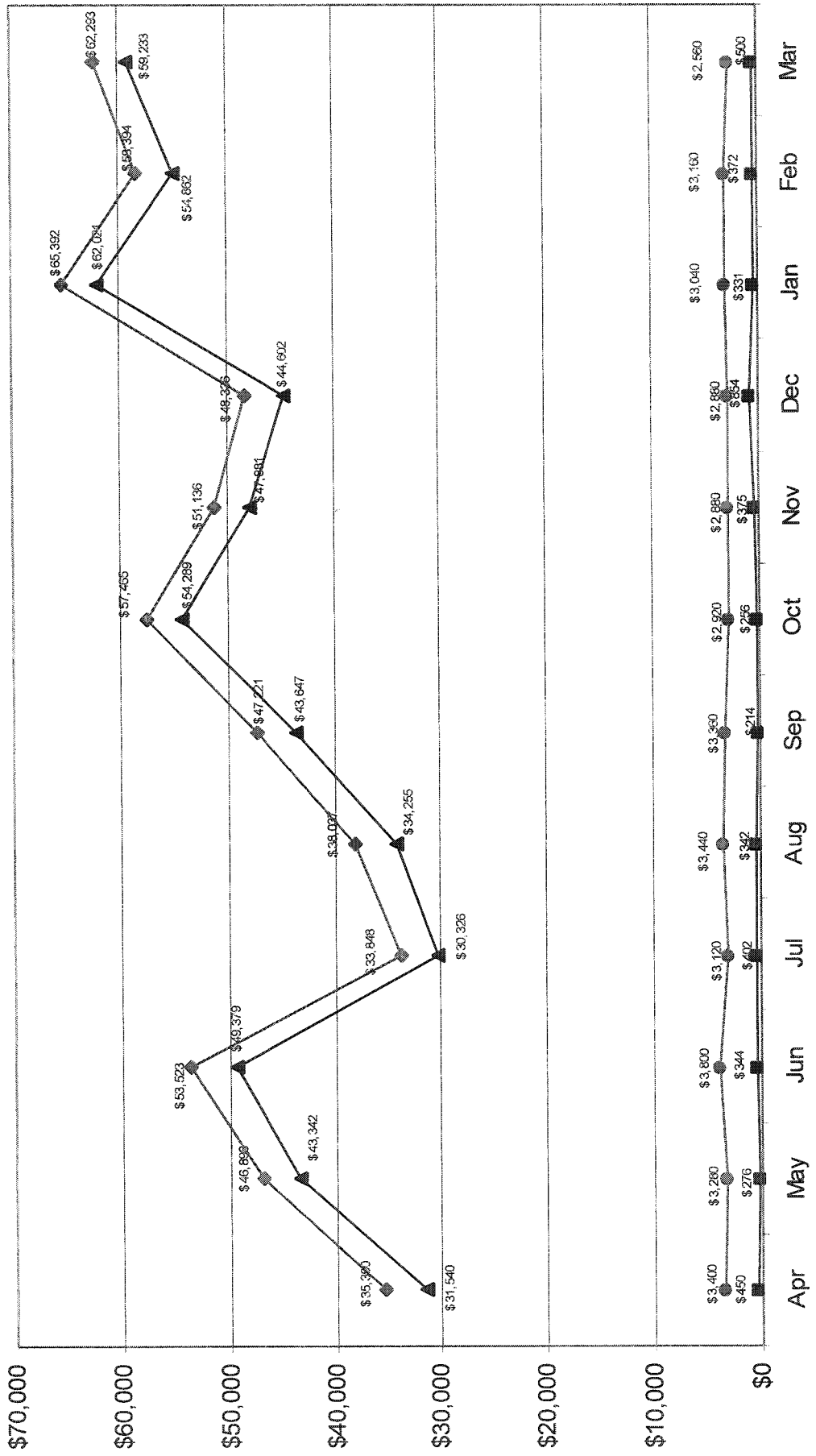


Total Comments



Total
 Fixed Route Operations
 Contracted Service
 Other

OCTA Store Revenue
2005/2006



Merchandise Sales
 Transponder Sales
 Pass Sales
 Total

Pass Sales Section Monthly Sales Totals

Pass-By-Mail, Telephone, On-Line Orders

PASS TYPE	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06
	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD
Senior/Disabled Pass	759	773	245	531	505	580
Regular Pass	536	586	454	594	532	573
Youth Pass	856	775	513	836	796	778
Summer Youth Pass	0	0	0	0	0	0
Regular PP Day Pass	5,530	6,570	5,690	3,300	9,792	4,530
Sr/Disabled PP Day Pass	720	1,760	690	1,216	1,400	630
7-Day pass	218	112	9	107	315	159
7-Day Sr/Dis pass	0	50	5	4	2	5
15-Day Pass	55	34	25	20	67	22
15-day Sr/Dis pass	4	15	5	6	7	5
ACCESS Coupons	2,681	1,934	2,139	2,008	2,126	2,090
Door-to-Door Cpns	101	96	143	76	152	161
Express Pass	49	44	43	45	40	46
RFID Duplicates	72	132	220	59	64	13
Exchanges/Refunds	(\$247.00)	(\$343.00)	(\$503.75)	(\$311.00)	(\$1,437.75)	(\$407.85)
Number of Transactions	2,235	2,116	1,745	2,113	1,980	2,130
On-line Sales <small>(Included in Sales Totals below)</small>	\$32,897.50	\$28,232.00	\$23,575.50	\$31,669.00	\$29,860.50	\$30,916.00
Sales Totals	\$149,292.00	\$ 133,595.00	\$118,143.75	\$122,728.00	\$145,134.27	\$129,776.75
Prior Year Monthly Sales	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05
Senior/Disabled Pass	284	552	820	363	601	671
Regular Pass	804	267	873	483	489	607
Student/Youth Pass	512/0	251/0	472/0	12/223	0/699	0/689
Summer Youth Pass	0	0	0	0	0	0
Regular PP Day Pass	4,756	5,535	7,143	7,610	4,557	8,082
Sr/Disabled PP Day Pass	360	1,868	2,478	1,225	721	626
7-Day pass	9	8	77	8	8	51
7-Day Sr/Dis pass	5	0	61	1	5	0
15-Day Pass	17	14	57	39	23	33
15-Day Sr/Dis Pass	677	3	212	4	8	8
ACCESS Coupons	2,948	2,267	2,627	2,902	2,303	3,177
Door-to-Door Cpns	169	84	155	129	108	325
Express Pass	34	20	88	38	33	57
RFID Duplicates	55	386	108	223	51	66
Exchanges/Refunds	N/A	N/A	N/A	N/A	N/A	N/A
Number of Transactions	1,911	1,213	1,613	2,075	2,021	2,229
On-line Sales <small>(Included in Sales Totals below)</small>	\$12,483.50	\$17,270.50	\$8,085.00	\$15,055.60	\$21,077.50	\$24,290.40
Sales Totals	\$117,148.55	\$78,405.25	\$122,210.50	\$139,600.70	\$119,842.75	\$161,941.80



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Agreement for Rideshare Support Services

Legislative and Government Affairs/Public Communications
Committee

July 6, 2006

Present: Directors Buffa, Campbell, Cavecche, Correa, Ritschel, Rosen, Silva,
and Wilson
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Director Ritschel was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0344 between the Orange County Transportation Authority and Inland Transportation Services for the period August 1, 2006 to July 31, 2007 in an amount not to exceed \$100,000, with three option terms for Rideshare support services.



July 6, 2006

To: Legislative and Government Affairs/Public Communications Committee

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

Subject: Agreement for Rideshare Support Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved resources for Rideshare support services. Offers to provide these services were received in accordance with the Orange County Transportation Authority's procurement policy. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0344 between the Orange County Transportation Authority and Inland Transportation Services for the period August 1, 2006 to July 31, 2007, in an amount not to exceed \$100,000, with three option terms for Rideshare support services.

Background

The Orange County Transportation Authority (OCTA) provides public information about its myriad of transportation services to both the general public as well as targeted market segments. One avenue is via the regional Rideshare program. Along with the Riverside County Transportation Commission, Los Angeles County Metropolitan Transportation Commission, San Bernardino Associated Governments, and Ventura County Transportation Commission, the regional Rideshare program consists of:

- Outreach to employers to provide bus, rail, carpool, employer transit pass program, and other transportation information
- Training of employee transportation coordinators and familiarizing them with OCTA services and transportation options
- Providing information by calling 1-800-COMMUTE

- Providing website information at www.commutSMART.info
- Participation of programs such as Bike to Work and Rideshare Week
- Assisting employers with processing carpool matchlists and average vehicle ridership (AVR) surveys

The assistance to employers with AVR surveys enables OCTA to reach a greater number of employees with information about its transportation services as well as to capture employees' current commute behaviors. During the current fiscal year, OCTA provided information to more than 70 employers, a 50 percent increase from the previous fiscal year. As a result, OCTA provided more than 20,000 employees with personalized RideGuides.

Discussion

OCTA contracts with private providers to implement portions of the Rideshare program. OCTA recently implemented a competitive procurement process to secure professional services for call taking, matchlist processing, AVR surveys, and production of RideGuides which offer personalized information about transportation options for employees. This procurement was handled in accordance with the OCTA's procedures for professional and technical services.

The project was advertised on April 27, 2006 and May 1, 2006, in a newspaper of general circulation, and on CAMMNET. A pre-proposal meeting was held on May 22, 2006, and was attended by three firms. On May 22, 2006, two offers were received. An evaluation committee composed of staff from customer relations, government relations, marketing as well as Contracts Administration and Materials Management (CAMM) reviewed offers. The offers were evaluated on the basis of staffing, prior experience, technical expertise and cost. Based on the criteria, the evaluation committee recommends Inland Transportation Services for award of the contract.

Fiscal Impact

Resources in an amount of \$100,000 for Rideshare support services were approved with the OCTA Fiscal Year 2006-07 Budget in the External Affairs Division Account 7519. This amount is funded through the Congestion Mitigation and Air Quality (CMAQ) program.

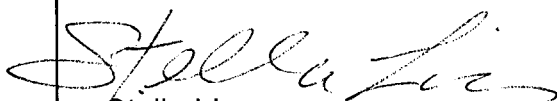
Summary

Staff recommends approval of Agreement C-6-0344 with Inland Transportation Services in an amount not to exceed \$100,000 for the period August 1, 2006 through July 31, 2007, with three option years to provide professional services in support of OCTA's Rideshare program.

Attachment

None.

Prepared by:



Stella Lin
Manager, Marketing
(714) 560-5342

Approved by:



Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923

BOARD COMMITTEE TRANSMITTAL



July 18, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Citizens' Advisory Committee Update

This item will be considered by the Legislative and Government Affairs/Public Communications Committee on July 20, 2006. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



July 20, 2006

To: Legislative and Government Affairs/Public Communications Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Citizens' Advisory Committee Update

Overview

The Orange County Transportation Authority's Citizens' Advisory Committee has been meeting for a year under their new structure. A summary of the committee activities and the appointment status are provided with this report.

Recommendations

- A. Receive and file the status report on Citizens' Advisory Committee activities over the past year.
- B. Recommend the Board of Directors adopt resolutions of appreciation 2006-42 through 2006-44 for members of the 2005-2006 Citizens' Advisory Committee whose terms have expired and will not be continuing.

Background

In its role as County Transportation Commission, the Public Utilities Code (PUC) 130105 requires the Orange County Transportation Authority (OCTA) to appoint a Citizens' Advisory Committee (CAC) to provide input on the OCTA's transportation projects, programs and services. PUC 130105 states that, the commission shall... "Appoint...a citizens' advisory committee, which membership shall reflect a broad spectrum of interests and all geographic areas of the county."

With Assembly Bill 710 (Chapter 469, Statutes 2004) expansion of the OCTA Board of Directors, the CAC was restructured to complement the Board structure. Each OCTA Board member appoints two citizens to serve on the CAC creating a committee with broad representation of 34 members.

Discussion

The restructured CAC has met more than 30 times over the past 12 months with its main focus of reviewing and providing input on the Renewed Measure M Transportation Investment Plan. The CAC has met monthly with ad hoc working group meetings. OCTA Board Chairman Art Brown and Director Greg Winterbottom have been attending the monthly meetings on a regular basis, providing guidance and input to the committee.

The CAC has been extremely helpful in providing staff with community input throughout the ongoing development of the Renewed Measure M Transportation Investment Plan. The committee reviewed each element of the Renewed Measure M plan including the ordinance and submitted its comments to staff and to the Board throughout the public input process.

With the development of the plan and the draft ordinance complete, the focus of the CAC will change to review and provide input on a variety of OCTA programs and projects. The committee is in the process of determining priorities for future involvement and frequency of meetings. The number of meetings over the past year will need to be scaled back to ensure members are not overly burdened with too frequent meetings. The committee is considering meeting either bi-monthly or quarterly and augmenting the regular meetings with ad hoc working groups. The committee's responsibilities include:

- Commenting on significant transportation issues, suggesting possible solutions and making recommendations to the OCTA Board of Directors
- Identifying opportunities for community input
- Recommending mechanisms and methodologies for obtaining public opinion on specific transportation issues
- Serving as a liaison between the public and OCTA

Terms of Service

The terms of the fiscal year 2005-2006 CAC members were staggered with one-year and two-year terms to ensure consistency on the committee. In July 2006, 17 of the 34 members' terms expired. The opportunity to reappoint members for an additional term was presented to each OCTA Board Member along with resignations. All CAC members interested in continuing were reappointed. Three new members have been appointed to fill vacant expired terms. A 2006-2007 roster of CAC members is included as Attachment A.

To show OCTA's appreciation to members whose term expired, a resolution of appreciation was prepared to thank them for their contributions over the past year. Resolutions of appreciation are included as Attachment B.

On a sad note, one of our members, Mara Brandman past away a few weeks ago. Mara was one of the three members who declined the offer to continue for another two-year term. Mara was an active member of the CAC, and she will be missed.

Summary

The OCTA Citizens' Advisory Committee plays a vital role in OCTA's efforts to provide public input in our transportation decision making process. Over the past year, the Citizens' Advisory Committee members have contributed substantially to the work of OCTA. Of the 34-member committee, only three members are not continuing for another two-year term. To thank members who are not continuing on the committee, resolutions of appreciation have been prepared.

Attachments

- A. Citizens' Advisory Committee Roster 2006-2007
- B. Resolutions of Appreciation

Prepared by:



Tamara Warren
Community Relations Officer
(714) 560-5590

Approved by:



Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923



**CITIZENS' ADVISORY COMMITTEE
ROSTER
2006-2007**

Director	Appointment	Affiliation	Term
Bill Campbell	Jack Mallinckrodt <i>Santa Ana</i>	Drivers for Highway Safety	08
	Michael McNally <i>Irvine</i>	UC Irvine	07
Art Brown	Donald Godfrey <i>Buena Park</i>	California Building Association	08
	Leonard Lahtinen <i>Anaheim</i>	North Orange County Community College District Board of Trustees	07
Peter Buffa	Michael Brandman <i>Orange</i>	Building Industry Association	07
	Georgine Kabler <i>Tustin</i>	Business owner	08
Carolyn Cavecche	Roy Shabazian <i>Orange</i>	Bus Rider, Transit Advocate of Orange County	08
	Jeff R. Thompson <i>Tustin</i>	Building Industry Association	07
Lou Correa	Dave Chapel <i>Santa Ana</i>	Trustee, Rancho Santiago CCD	07
	Connie Jones <i>Santa Ana</i>	Community Development Council	08
Richard Dixon	John Frankel <i>Rancho Santa Margarita</i>	Architectural Review Committee	08
	Roberta Menn <i>Mission Viejo</i>	Vantage, Inc.	07

Michael Duvall	Larry Larsen <i>Yorba Linda</i>	Yorba Linda Traffic Commission	07
	James Hillquist <i>Yorba Linda</i>	Society of Logistic Engineers	08
Cathy Green	Ralph Bauer <i>Huntington Beach</i>	Council on Aging, City of Huntington Beach	08
	Monica Hamilton <i>Huntington Beach</i>	Huntington Beach Tomorrow	07
Gary Monahan	Gil Coerper <i>Huntington Beach</i>	City of Huntington Beach, City Council	07
	Byron de Arakal <i>Costa Mesa</i>	Costa Mesa Parks and Recreation Commission	08
Chris Norby	Jane Reifer <i>Fullerton</i>	Transit Advocates of Orange County	08
	Vince Buck <i>Fullerton</i>	Cal State Fullerton	07
Curt Pringle	Nahla Kayali <i>Anaheim</i>	Anaheim Resident	07
	Pat Pepper <i>Anaheim</i>	Anaheim Resident	08
Miguel Pulido	Phil Bacerra <i>Santa Ana</i>	Transit Advocate	08
	Desi Reyes <i>Santa Ana</i>	Santa Ana Environmental Transportation Advisory Committee (ETAC)	07
Susan Ritschel	John Tengdin <i>San Clemente</i>	Engineering Consultant	07
	David Kilsares <i>San Juan Capistrano</i>	Ocean Point Homeowners Association	08
Mark Rosen	Sheldon Singer <i>Garden Grove</i>	Vector Control Board	08
	Gary Sunda <i>Garden Grove</i>	Kiwanis Club Of Garden Grove	07

James Silva	Arlene Schafer <i>Costa Mesa</i>	Costa Mesa Sanitation District	07
	Mark McCurdy <i>Fountain Valley</i>	Fountain Valley Chamber of Commerce	08
Thomas Wilson	Micki Harris <i>Laguna Niguel</i>	Laguna Niguel Planning Commission	07
	Derek McGregor <i>Irvine</i>	Trabuco Canyon Advisory Committee	08
Greg Winterbottom	Lyle Overby <i>Laguna Niguel</i>	OC Public Affairs Association	07
	Phil Tsunoda <i>Aliso Viejo</i>	OC Public Affairs Association	08



ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

MARA BRANDMAN

WHEREAS, the Orange County Transportation Authority Board of Directors recognizes and commends the valuable contribution of Mara Brandman to the Authority's public outreach process; and

WHEREAS, be it known that Mara Brandman has served on the Citizens' Advisory Committee providing advice and recommendations to the Authority on reaching public consensus concerning Orange County transportation matters; and

WHEREAS, Mrs. Brandman has assisted the Authority in identifying significant transportation issues and suggested possible solutions; and

WHEREAS, Mrs. Brandman helped submit recommendations to the board on the Renewed Measure M Transportation Investment Plan; and

WHEREAS, representing the citizens of Orange County, Mrs. Brandman displayed a keen perception and understanding of issues and the complexities of the Authority's programs and services.

understanding of issues and the complexities of the Authority's programs and services.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby acknowledge the dedicated efforts of Mrs. Brandman and her willingness to volunteer personal time to provide advice on public outreach activities and act as a liaison between the public and the Authority.

Dated: July 24, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

BRIAN RECHSTEINER

WHEREAS, the Orange County Transportation Authority Board of Directors recognizes and commends the valuable contribution of Brian Rechsteiner to the Authority's public outreach process; and

WHEREAS, be it known that Brian Rechsteiner has served on the Citizens' Advisory Committee providing advice and recommendations to the Authority on reaching public consensus concerning Orange County transportation matters; and

WHEREAS, Mr. Rechsteiner has assisted the Authority in identifying significant transportation issues and suggested possible solutions; and

WHEREAS, Mr. Rechsteiner helped submit recommendations to the board on the Renewed Measure M Transportation Investment Plan; and

WHEREAS, representing the citizens of Orange County, Mr. Rechsteiner displayed a keen perception and understanding of issues and the complexities of the Authority's programs and services.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby acknowledge the dedicated efforts of Mr. Rechsteiner and his willingness to volunteer personal time to provide advice on public outreach activities and act as a liaison between the public and the Authority.

Dated: July 24, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

LEE SNYDER

WHEREAS, the Orange County Transportation Authority Board of Directors recognizes and commends the valuable contribution of Lee Snyder to the Authority's public outreach process; and

WHEREAS, be it known that Lee Snyder has served on the Citizens' Advisory Committee providing advice and recommendations to the Authority on reaching public consensus concerning Orange County transportation matters; and

WHEREAS, Mr. Snyder has assisted the Authority in identifying significant transportation issues and suggested possible solutions; and

WHEREAS, Mr. Snyder helped submit recommendations to the board on the Renewed Measure M Transportation Investment Plan; and

WHEREAS, representing the citizens of Orange County, Mr. Snyder displayed a keen perception and understanding of issues and the complexities of the Authority's programs and services.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby acknowledge the dedicated efforts of Mr. Snyder and his willingness to volunteer personal time to provide advice on public outreach activities and act as a liaison between the public and the Authority.

Dated: July 24, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority





BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Pass Sales Review

Finance and Administration Committee

July 12, 2006

Present: Directors Cavecche, Correa, Duvall and Pringle
Absent: Directors Campbell and Wilson

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Direct staff to implement the recommendations made in the Pass Sales Review.



July 12, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Pass Sales Review

Overview

The Internal Audit Department has completed a limited review of controls and operations over pass sales vendors and the employer pass program. Thirteen recommendations were made to strengthen internal controls and make operations more efficient. Management has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

Recommendation

Direct staff to implement the recommendations made in the Pass Sales Review.

Background

The Orange County Transportation Authority (OCTA) bus passes are sold at bus pass vendor locations under the pass sales program. As of May 16, 2006, there were 187 pass sales vendors.

The employer pass program is an OCTA program that was launched at the end of 2003 that allows enrolled companies to offer its employees unlimited bus transportation. Enrolled companies are given employer passes, which are swipe-cards that track each ride by magnetic strip-reading technology. As of May 16, 2006, there were 25 companies in the program.

Darrel Cohoon & Associates is currently conducting a retail pass sales analysis with reporting to the Manager of Customer Relations. The Fare Policy Committee is being kept informed of findings and recommendations from the analysis.

Discussion

The objective of the audit was to review operations and controls over the pass sales vendor program and the employer pass program. The audit scope included review of the controls over the administration, billing, and monitoring of the pass sales vendor program and the employer pass program.

Recommendations for the pass sales vendor program include designating a program coordinator, establishing a pass sales outlet selection policy with criteria and guidelines, conducting reviews of pass sales vendors' ordering history, developing a strategy for pursuing an anchor store, and performing periodic site visits. Recommendations for the employer pass program include establishing and documenting guidelines and criteria for evaluating company's usage and reconciling promotional passes in stock to the promotional pass log for the employer pass program.

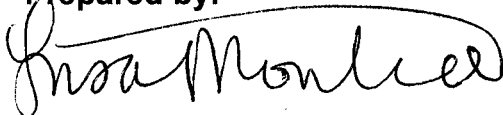
Summary

Based on the review, Internal Audit made some recommendations, which management indicated would be implemented or otherwise satisfactorily addressed.

Attachments

- A. Pass Sales Review, Internal Audit Report No. 05-011
- B. Pass Sales Review, Close-out Memo

Prepared by:



Lisa Monteiro
Acting Manager, Internal Audit
(714) 560-5591



INTEROFFICE MEMO

May 23, 2006

To: Jim Kenan, Executive Director
Finance, Administration & Human Resources

Ellen Burton, Executive Director
External Affairs

From: ^{SN} Serena Ng, Senior Internal Auditor
Internal Audit

Subject: **Pass Sales Review, Internal Audit Report No. 05-011**

Conclusion

The Internal Audit Department has completed a limited review of controls and operations over pass sales vendors and the Employer Pass Program. **In Internal Audit's opinion**, the controls over the pass sales vendors and the Employer Pass Program are, in general, adequate to ensure the safeguarding of Orange County Transportation Authority's (OCTA) assets. However, based on the review, Internal Audit is recommending improvements that will strengthen internal controls and make operations more efficient.

Background

OCTA bus passes are sold at bus pass vendor locations. Bus passes can also be ordered online, purchased by mail or phone, and/or purchased at the OCTA Store. Passes are issued to bus pass vendors on consignment at the stated price less a 5 percent discount. Invoices to pass sales vendors are created in Microsoft Access. Payments from pass sales vendors are posted in the Integrated Fund Accounting System (IFAS). Invoices are considered past due after 60 days from date of invoice. The Accounting Department is involved in the administration of the pass sales vendors.

The Employer Pass Program is an OCTA program that was launched at the end of 2003 that allows enrolled companies to offer its employees unlimited bus transportation. Enrolled companies are given Employer Passes, which are swipe-cards that track each ride by magnetic strip-reading technology. Effective January 2, 2005, the cost per boarding is \$0.75 up to a maximum of \$45.00 per month. OCTA sends a monthly billing summary to the enrolled

companies for the recorded rides. The companies may choose to subsidize the amount, deduct the amount from the pass holder's paycheck, or a combination thereof. The Marketing and Accounting Departments are involved in administering the program.

Darrel Cohoon & Associates is currently conducting a Retail Pass Sales Analysis reporting to the Manager of Customer Relations. The Fare Policy Committee is being kept informed of findings and recommendations from the analysis.

Purpose and Scope

The objective of the audit was to review operations and controls over the pass sales vendor program and the Employer Pass Program. The audit scope included, but was not limited to, review of the following:

- Controls over the administration and billing of pass sales vendors;
- Controls over the monitoring of pass sales vendors; and
- Controls over the administration and monitoring of the Employer Pass Program.

The work included interviewing key personnel, reviewing a sample of agreement files, and reviewing other documents discussed during interviews.

Observations and Recommendations – Pass Sales Vendors

As of May 16, 2006, there were 187 pass sales vendors. The number of vendors fluctuates constantly. Specific observations and recommendations on pass sales vendors are noted below.

Pass Sales Administration and Outlet Selection

The pass sales vendor program lacks a program administrator or coordinator who has primary responsibility for the program, including outlet selection. The only criterion that exists for approving stores to become pass sales outlets is the passing of a bank credit reference.

Recommendation No. 1

Internal Audit recommends that a program coordinator be designated for the pass sales program.

Recommendation No. 2

Internal Audit recommends that the program coordinator establish a pass sales outlet selection policy with criteria and guidelines. The selection criteria should include required minimum level of sales and proximity to other pass sales outlets.

Pass Sales Vendor Evaluation

Reviews or evaluations of pass sales vendors' selling performance are not conducted due to limitations in the system.

Recommendation No. 3

Internal Audit recommends that the program coordinator conduct evaluations of the pass sales vendors' ordering history to determine if the orders from pass sales vendors justify the administrative cost.

Issuance of Passes to Pass Sales Vendors

There are no credit limits for the pass sales vendors in the current system. The Accounting Department usually checks if the vendor's account is clear of past due invoices at the time of issuance of passes. However, these reviews of past due invoices are not always done. Additionally, these reviews do not factor in any outstanding invoices that are not past due.

Recommendation No. 4

Internal Audit recommends that reviews of the pass sales vendors' account history be consistently performed before issuing any additional passes. These reviews should include a review of all unpaid invoices.

Periodic Site Visits

Visits to the pass sales outlets are performed upon issuance and delivery of first order of passes. However, subsequent site visits are not performed.

Recommendation No. 5

Internal Audit recommends that the program coordinator perform or delegate periodic site visits to the pass sales outlet locations to monitor pass sales outlets' performance and to keep apprised of any changes in business and ownership structure.

Written Procedures over Pass Sales Vendors

No formal written policy or procedures exist for pass sales vendors.

Recommendation No. 6

Internal Audit recommends that a comprehensive written policy and procedures be established, finalized and implemented.

Anchor Store

Many of the pass sales vendors are small business owners. There have been attempts in the past to develop an anchor store, which is a major retail chain that would sell passes.

Recommendation No. 7

Internal Audit recommends that a strategy be developed and implemented for pursuing an anchor store.

Standard Order Forms

Although a standard pass order form has been developed and is used by some pass sales vendors, pass sales vendors also order passes through other media such as phone calls, emails, faxes, and notes attached to payments. Inconsistent order methods may result in some orders being missed as well as inefficiencies in sorting through the orders.

Recommendation No. 8

Internal Audit recommends that the standard pass order form be promoted as the preferred method for ordering passes. Ideas should be developed on making standard pass order forms easier to use and more available, such as attaching a copy of the standard pass order form to all invoices and passes sent out and making the standard pass order form available in electronic form for email use.

Observations and Recommendations – Employer Pass Program

As of May 16, 2006, there were 25 companies in the program. The Employer Pass Program requires ongoing administrative support from OCTA staff. For example, Accounting staff must prepare monthly bills and print and de-activate passes as requested by the companies. Currently, there is a requirement for a

minimum order of 25 passes to enroll in the Employer Pass Program. However, during fieldwork there were a handful of companies with less than 25 passes because the requirement was not established until partway into the program. The passes are printed in-house with a one-year term. Specific observations and recommendations on the Employer Pass Program are noted below.

Employer Pass Usage Evaluation

A procedure to evaluate each company's pass usage under the Employer Pass Program with guidelines and criteria has not been established and documented. Such an evaluation would assist in the decision of whether to continue offering Employer Passes to the companies under the Employer Pass Program.

Recommendation No. 9

Internal Audit recommends that guidelines and criteria be established and documented for the evaluation of the company's pass usage under the Employer Pass Program.

Comprehensive Written Procedures over Employer Pass Program

Some written procedures for the Employer Pass Program have been created, but they are neither formal nor comprehensive to the program. The written materials are separate documents created by different parties. For example, the Accounting Department has written materials such as narratives that briefly describe the billing process. The Marketing Department has created a guideline form for enrolling and administering the program, which is an instruction listing for interested companies; however, the procedures performed internally are not documented. A flowchart depicts the enrollment cycle beginning with a company's submission of paperwork to the delivery of the passes to the company but is not widely used and readily available.

Recommendation No. 10

Internal Audit recommends that a comprehensive written policy and procedures on the program be established, finalized and implemented. The procedures should include relevant procedures of all parties involved in administering the program and be distributed to all of these parties. The procedures should be part of comprehensive pass sales procedures that include the written policies and procedures for both the Employer Pass Program and the pass sales vendors.

Promotional Pass Log

The Promotional Pass Log, which is used to log the receipt and distribution of Promotional Passes for the Employer Pass Program, did not record a receipt of 100 passes and some small miscellaneous distributions of 12 passes. Additionally, reconciliations of Promotional Passes in stock to the Promotional Pass Log are not performed.

Recommendation No. 11

Internal Audit recommends that all receipts and distributions of Promotional Passes for the Employer Pass Program be promptly recorded in the Promotional Pass Log.

Recommendation No. 12

Internal Audit recommends that the Promotional Passes in stock be periodically reconciled to the Promotional Pass Log to determine that all Promotional Passes received for the Employer Pass Program either have been distributed or are still in stock.

Other Observations and Recommendations

Fare Pricing on OCTA Website

In the Fare Information section on the OCTA website, the fare pricing for the 7-Day Pass for seniors and persons with disabilities was misstated at \$5.00 during our fieldwork. Fare pricing for the 7-Day Pass for seniors and persons with disabilities should have been \$2.50 at the time. The Web Developer corrected this fare pricing after Internal Audit relayed the error to him.

Recommendation No. 13

Internal Audit recommends that all fare pricing be verified by the responsible staff before being published on the OCTA website.

Summary

Based on Internal Audit's review, the controls and operations over the pass sales vendors and the Employer Pass Program are, in general, adequate to ensure the safeguarding of Authority assets. Internal Audit did make some recommendations, as detailed above.

Management Response

Internal Audit requests that a written response from Jim Kenan and Ellen Burton indicating the corrective action taken or planned to address the recommendations be forwarded to Serena Ng, Senior Internal Auditor, by June 2, 2006.

Audit performed by: Serena Ng, In-Charge Auditor

c: Rick Bacigalupo
Tom Wulf
Stella Lin
Linda Fenner
Lisa Monteiro



INTEROFFICE MEMO

June 28, 2006

To: Ellen Burton, Executive Director
External Affairs

Jim Kenan, Executive Director
Finance, Administration & Human Resources

From: ^{SN} Serena Ng, Senior Internal Auditor
Internal Audit

Subject: **Pass Sales Review, Close-out Memo**

Internal Audit has received and concurs with management's responses to the recommendations issued in the Pass Sales Review, Internal Audit Report No. 05-011. Management plans to implement the recommendations and/or other processes to address the audit observations. Internal Audit appreciates the responses and the cooperation received during the audit. A follow-up review on the status of management's planned corrective actions will be conducted in six months.

Attachment: Management Response Memos

c: Rick Bacigalupo
Stella Lin
Linda Fenner
Tom Wulf
Lisa Monteiro



INTEROFFICE MEMO

June 2, 2006

To: Serena Ng, Senior Internal Auditor

From: Ellen Burton, Executive Director External Affairs *Ellen Burton*

Subject: **Response to Pass Sales Review, Internal Audit Report No. 05-011**

Thank you for the opportunity to comment on the findings of the Pass Sales Review. Following are responses to each of the recommendations listed in the review. Much of this information is based on a recent analysis of the Pass Sales program conducted by Darrel Cohoon & Associates.

Pass Sales Vendors

Recommendation No. 1

Internal Audit recommends that a program coordinator be designated for the pass sales program.

Management concurs. A job description for an open marketing position has been revised to include coordination of the pass sales program. It is estimated that this function will require approximately 20 percent of a full time equivalent (FTE) position; this can be absorbed within existing resources. Management will continue to monitor and evaluate whether this level of effort is sufficient to administer the program. If not, additional resources will be requested.

Recommendation No. 2

Internal Audit recommends that the program coordinator establish a pass sales outlet selection policy with criteria and guidelines. The selection criteria should include required minimum level of sales and proximity to other pass sales outlets.

Management concurs and has begun working on criteria. Geographic Information System (GIS) maps have been created to plot existing vendor locations. New criteria will include: a) location of site in relationship to high volume bus routes, b) ensuring balanced coverage throughout the county c)

credit worthiness of potential vendor and d) ability to sell a minimum number of passes per month - an appropriate threshold is currently being analyzed.

Recommendation No. 3

Internal Audit recommends that the program coordinator conduct evaluations of the pass sales vendors' ordering history to determine if the orders from pass sales vendors justify the administrative cost.

Response provided by Finance Division.

Recommendation No. 4

Internal Audit recommends that reviews of the pass sales vendors' account history be consistently performed before issuing any additional passes. These reviews should include a review of all unpaid invoices.

Response provided by Finance Division.

Recommendation No. 5

Internal Audit recommends that the program coordinator perform or delegate periodic site visits to the pass sales outlet locations to monitor pass sales outlets' performance and to keep apprised of any changes in business and ownership structure.

Management concurs. A schedule will be developed for routinely communicating with and/or visiting vendor locations to maintain contact and to ensure there is an understanding of the program parameters. This also will help monitor vendor status i.e. sales performance, customer service, and business ownership structure and changes.

Recommendation No. 6

Internal Audit recommends that a comprehensive written policy and procedures be established, finalized and implemented.

Management concurs. One of the first tasks for the pass sales coordinator will be to develop and consolidate policies and procedures for the pass sales program. A preliminary research effort and a review of the current program is underway. Findings will be incorporated into the final written guidelines. The target for completing this is first quarter of Fiscal Year 2007.

Recommendation No. 7

Internal Audit recommends that a strategy be developed and implemented for pursuing an anchor store.

Management concurs. Currently, Northgate-Gonzales is the only chain store selling passes. A marketing strategy will be developed and implemented in Fiscal Year 2007 to target a chain store or stores. In addition, unproductive sites will be identified and eliminated from the vendor list.

Recommendation No. 8

Internal Audit recommends that the standard pass order form be promoted as the preferred method for ordering passes. Ideas should be developed on making standard pass order forms easier to use and more available, such as attaching a copy of the standard pass order form to all invoices and passes sent out and making the standard pass order form available in electronic form for email use.

Response provided by Finance Division.

Employer Pass Program

Recommendation No. 9

Internal Audit recommends that guidelines and criteria be established and documented for the evaluation of the company's pass usage under the Employer Pass Program.

Management concurs. Currently, marketing utilizes pass sales reports to monitor and evaluate company pass sales and usage. Formal guidelines and evaluation criteria for ongoing participating in the program are under development and will be completed in the first quarter of Fiscal Year 2007.

Recommendation No. 10

Internal Audit recommends that a comprehensive written policy and procedures on the program be established, finalized and implemented. The procedures should include relevant procedures of all parties involved in administering the program and be distributed to all of these parties. The procedures should be part of comprehensive pass sales

procedures that include the written policies and procedures for both the Employer Pass Program and the pass sales vendors.

Management concurs. Comprehensive written policies and procedures for the Employer Pass Program are under development and will be ready at the beginning of the Fiscal Year 2007.

Recommendation No. 11

Internal Audit recommends that all receipts and distributions of Promotional Passes for the Employer Pass Program be promptly recorded in the Promotional Pass Log.

Management concurs. Marketing staff have been using an Excel Spreadsheet to track the receipt and distribution of all the promotional passes. Verbal feedback on promotional passes has been provided periodically to the OCTA Board of Directors Legislative and Government Affairs / Public Communications and Transit Planning and Operations Committees. A formal Board report will be submitted to the Board on an annual basis.

Recommendation No. 12

Internal Audit recommends that the Promotional Passes in stock be periodically reconciled to the Promotional Pass Log to determine that all Promotional Pass received for the Employer Pass Program either have been distributed or are still in stock.

Currently all promotional passes have serial numbers and inventory is tracked on Excel spreadsheets. There is presently no formal, centralized reporting. The pass sales coordinator will be responsible for controlling the inventory and issuing a reconciliation report.

OCTA Website

Recommendation No. 13

Internal Audit recommends that all fare pricing be verified by the responsible staff before being published on the OCTA website.

This is already being done. The Website Content Management Policy has been developed and circulated to all appropriate staff. All information and content on the OCTA website is reviewed and approved by OCTA project managers before posting. In addition, project managers notify the Webmaster

with any changes or corrections. The Webmaster also conducts periodic reviews of the information on the website to look for errors and/or omissions. Ongoing training of personnel will emphasize the importance of this policy.

c: Rick Bacigalupo
Tom Wulf
Stella Lin
Linda Fenner
Lisa Monteiro



INTEROFFICE MEMO

June 1, 2006

To: Serena Ng, Senior Internal Auditor

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

Subject: **Internal Audit Report No. 05-011 Response**

I have reviewed your report on OCTA pass sales and I am in general agreement with all of your recommendations. As you know, the External Affairs Division has overall responsibility for the pass sales program. My division provides administrative support and advice to that program. Below are my specific responses to the recommendations that directly affect our administrative functions. For the other recommendations, my staff is available to provide External Affairs with input and assistance to address the issues.

Recommendation No. 3

We concur with the recommendation to establish a minimum pass sales order that justifies our administrative costs. External Affairs has contracted with a consultant to make recommendations regarding minimum sales orders. Accounting staff has provided vendor sales data to the consultant and supports his recommendations.

Recommendation No. 4

We concur with the recommendation that a vendor's history be reviewed for past due amounts prior to issuing any additional passes. Accounting staff are developing new reports, policies and procedures to address this issue.

Recommendation No. 8

We concur that a standard pass order form be used to order passes when the buyer does not have a standard purchase order document. We will work to develop an internal form to meet this recommendation.

Thank you for your recommendations. Your input is a greatly appreciated component of our ongoing effort to improve processes and strengthen internal controls.



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Agreement for Asphalt Pavement Reconstruction at the Garden Grove Base

Transit Planning and Operations Committee

July 13, 2006

Present: Directors Brown, Duvall, Green, Norby, and Winterbottom
Absent: Directors Pulido and Silva

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Increase the Development Division Fiscal Year 2006-07 Budget by \$589,000, for asphalt pavement reconstruction at the Garden Grove Base.
- B. Contingent upon approval of budget increase, authorize the Chief Executive Officer to execute Agreement C-6-0419 between the Orange County Transportation Authority and R.J. Noble, the lowest responsive, responsible bidder, in an amount not to exceed \$589,000, for asphalt pavement reconstruction at the Garden Grove Base.



July 13, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^MChief Executive Officer
Subject: Agreement for Asphalt Pavement Reconstruction at the Garden Grove Base

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2005-06 Budget, the Board of Directors approved asphalt pavement reconstruction at the Garden Grove Base. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures.

Recommendations

- A. Increase the Development Division Fiscal Year 2006-07 Budget by \$589,000, for asphalt pavement reconstruction at the Garden Grove Base.
- B. Contingent upon approval of budget increase, authorize the Chief Executive Officer to execute Agreement C-6-0419 between the Orange County Transportation Authority and R.J. Noble, the lowest responsive, responsible bidder, in an amount not to exceed \$589,000, for asphalt pavement reconstruction at the Garden Grove Base.

Background

The Orange County Transit District, predecessor to the Orange County Transportation Authority (Authority), completed construction of the Garden Grove Base in 1977. The existing asphalt paving around the operations and annex buildings was installed during the construction of the Garden Grove Base. A facility audit, completed in November 2004, indicated that the asphalt paving has extensive deterioration and requires reconstruction. On July 13, 2005, the Authority executed a contract task order with Miralles Associates to provide design and construction support services for asphalt paving reconstruction at the Garden Grove Base.

Discussion

This procurement was handled in accordance with the Authority's procedures for public works and construction projects, which conform to state requirements. Public work projects are handled as sealed bids and award is made to the lowest responsive, responsible bidder.

On March 3, 2006, Invitation for Bids (IFB) No. 6-0092 was released. On March 30, 2006, one bid was received. The single bid was determined to be non-responsive and was rejected. On May 31, 2006, IFB No. 6-0419 was released and posted on CAMMNET and an electronic notification was sent to 519 Firms. The project was advertised on June 5 and June 19, 2006, in a newspaper of general circulation. A pre-bid conference was held on June 6, 2006, and was attended by three firms. Addendum No. 1 was issued on June 20, 2006, to address administrative issues, respond to questions, and provide clarifications to the plans and specifications. On June 28, 2006, three bids were received. The bids were reviewed by the staff from Development and Contracts Administration and Materials Management departments to ensure compliance with the terms and conditions, and plans and specifications. Listed below are the three low bids received. State law requires award to the lowest responsive, responsible bidder.

<u>Firm and Location</u>	<u>Bid Price</u>
R.J. Noble Orange, California	\$589,000
Amtek Construction La Habra California	\$701,833
PALP, Inc. DBA Excel Paving Company Long Beach, California	\$819,000

Fiscal Impact

The project was not included in the Authority's Fiscal Year 2006-07 Budget. A budget increase in Development, Account 1722-9022-D3122-9QY is requested and will be funded through the Orange County Transit District.


Summary

Staff has reviewed the bids received and requests Board of Directors approval to increase Development Budget, Account 1722-9022-D3122-9QY, and execute Agreement C-6-0419 in the amount of \$589,000, with R.J. Noble, the lowest responsive and responsible bidder, for the reconstruction of asphalt pavement at the Garden Grove Base.


Attachment

None.

Prepared by:


James J. Kramer, P.E.
Senior Project Manager
(714) 560-5866

Approved by:


Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Agreement for Purchase of Electrical Utility Equipment at the Santa Ana Base

Transit Planning and Operations Committee

July 13, 2006

Present: Directors Brown, Duvall, Green, Norby, and Winterbottom
Absent: Directors Pulido and Silva

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0501 between the Orange County Transportation Authority and Southern California Edison, in an amount not to exceed \$93,569, for new electrical service upgrades at the Santa Ana Base.



July 13, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Agreement for Purchase of Electrical Utility Equipment at the Santa Ana Base

Overview

In November 2005, the Orange County Transportation Authority's Board of Directors approved a lease-to-own compressed natural gas fueling station at the Santa Ana Base. Electrical service upgrades are required to operate the new compressed natural gas fueling station at the Santa Ana Base.

Recommendation

Authorize the Chief Executive Officer to execute an Agreement C-6-0501 between the Orange County Transportation Authority and Southern California Edison, in an amount not to exceed \$93,569, for new electrical service upgrades at the Santa Ana Base.

Background

In November 2004, the Orange County Transportation Authority (Authority) Board of Directors (Board) adopted the update to the Ten-Year Fleet Plan and authorized staff to proceed with the design of a liquefied to compressed natural gas (CNG) fueling facility at the Santa Ana Base.

On November 28, 2005, the Board approved a lease-to-own agreement with California Trillium Company for a CNG fueling station at the Santa Ana Base and executed an agreement with Southern California Gas Company for the extension of an underground natural gas line to the Santa Ana Base.

During design of the Santa Ana Base, a 4,000-amp electrical service was provided to the facility. The Authority began bus service at the Santa Ana Base in May 2005.

Discussion

The CNG fueling station requires three 600-horsepower electric compressors, plus one 600-horsepower back-up electrical compressor to fuel the Authority's bus fleet within the specified eight-hour bus fueling window. The CNG fueling station consists of four electric compressors, a gas dryer, small buffer storage spheres, two back-up power generators, and five dispensers. An additional 3,000-amp electrical service is required to operate the new CNG equipment.

To accommodate the additional electrical load and to utilize existing spare electrical conduits, Southern California Edison (SCE) will install a primary meter ahead of the Santa Ana Base's two electrical service points. The first service point is the existing 4,000-amp main electrical switchgear at the Santa Ana Base. The second service point is a new 3,000-amp electrical equipment to be installed at the CNG fueling station. The SCE's cost to install the additional electrical equipment required for the CNG fueling facility is \$93,569.

In addition, SCE charges a monthly maintenance fee for all SCE equipment (transformer, switches, cabling, etc.) installed beyond the primary meter location. The maintenance fee for the existing Santa Ana Base service is \$350.40 plus \$325.76 for the new CNG fueling station resulting in a total monthly maintenance cost of \$676.16.

Fiscal Impact

The project was approved in the Authority's Fiscal Year 2006-07 Budget, Development, Account 1722-9022-D3126-F30, and is funded through the Orange County Transit District.


Summary

Staff recommends approval of Agreement C-6-0501 with SCE, in an amount not to exceed \$93,569, for new electrical service upgrades at the Santa Ana Base.

Attachment

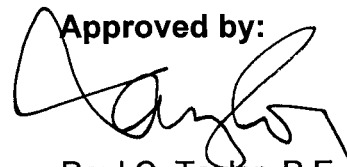
None.

Prepared by:



James J. Kramer, P.E.
Senior Project Manager
(714) 560-5866

Approved by:



Paul C. Taylor, P.E.
Executive Director, Development
(714) 560-5431



BOARD COMMITTEE TRANSMITTAL

July 24, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WK}
Subject: Amendment to Agreement for Uniform Rental and Cleaning Service

Transit Planning and Operations Committee

July 13, 2006

Present: Directors Brown, Duvall, Green, Norby, and Winterbottom
Absent: Directors Pulido and Silva

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-3-0683 between the Orange County Transportation Authority and Prudential Overall Supply, in an amount not to exceed \$91,984, to exercise the one-year option, for uniform rental and cleaning service.



July 13, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Amendment to Agreement for Uniform Rental and Cleaning Service

Overview

On September 12, 2003, the Board of Directors approved an agreement with Prudential Overall Supply, to provide uniform rental and cleaning service for all maintenance employees for a three-year period with one option year.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-3-0683 between the Orange County Transportation Authority and Prudential Overall Supply, in an amount not to exceed \$91,984, to exercise the one-year option, for uniform rental and cleaning service.

Background

In accordance with the collective bargaining agreements between the Orange County Transportation Authority (Authority), Teamster's Union, Local 952, and the Transportation Communications International Union, the Authority shall provide uniforms and laundry/repair service for all maintenance employees. To facilitate this requirement the Authority requires the services of a qualified firm to service this need.

Discussion

This procurement was originally handled in accordance with the Orange County Transportation Authority's procedures for professional and technical services. The original agreement was awarded on a competitive basis. It has become necessary to amend the agreement due to exercising the option year.

The original agreement awarded on September 12, 2003, was in the amount of \$275,952. Amendment No. 1, in the amount of \$91,984, will increase the total agreement amount to \$367,936 (Attachment A).

Fiscal Impact

The work described in Amendment No. 1 to Agreement C-3-0683 was approved in the Authority's Fiscal Year 2006-07 Budget, Transit, Maintenance Department, Account 7287, and is funded through the Local Transportation Fund.

Summary

Staff recommends approval of Amendment No. 1 to Agreement C-3-0683, in the amount of \$91,984, with Prudential Overall Supply.

Attachment

- A. Prudential Overall Supply Agreement C-3-0683 Fact Sheet

Prepared by:



Al Pierce
Manager, Maintenance
(714) 560-5975

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341

**Prudential Overall Supply
Agreement C-3-0683 Fact Sheet**

1. September 13, 2003, Agreement C-3-0683, \$275,952, approved by Board of Directors.
 - Uniform rental and cleaning service for all Maintenance employees.
2. July 24, 2006, Amendment No. 1 to Agreement C-3-0683, \$91,984, pending approval by the Board of Directors.
 - Extend option year for the period of October 1, 2006 through September 30, 2007.

Total committed to Prudential Overall Supply, Agreement C-3-0683: \$367,936.



MEMO

July 24, 2006

To: Members of the Board of Directors
From: Arthur C. Brown, Chairman
Subject: **Chairman's Goals**

At the beginning of the year, I set forth a set of goals for my term as Chairman of the Board of Directors.

Attached please find a status report on those goals. I will update the Board of Directors on the final status of the goals at the end of my term.

Attachment

CHAIRMAN'S GOALS

NO. CHAIRMAN GOAL TIME FRAME AREA OF CONCENTRATION STATUS DESCRIPTION

1	Put renewal of Measure M on the November Ballot	July	External Affairs/Special Projects	To BOD on 7/24	The BOD will be asked to approve, by a two-thirds majority, the Renewed Measure M Draft Investment Plan and request that the Bd. of Supervisors place it on the ballot.
2	Begin the I-5 Gateway Project through Buena Park	May	Development	Groundbreaking held on 5/12/	Along the I-5, from the SR-91 to the OC/LA line, this project widens the freeway from six to 10 lanes; reconstruct six bridges as well as associated sound and retaining wall work.
3	Complete the SR-22 improvements within the 800 day schedule	November	Development	Project is on schedule	The project includes the addition of one car pool lane in each direction between the Costa Mesa Freeway and Valley View Ave; a travel lane in each direction between The City Dr. and Beach Blvd. as well as various highway connectors, etc.
4	Completion of Central County Corridor Study	November	Development	OCTA continues to work with the Army Corps of Engineers and the County of Orange on the technical feasibility of the extension of the SR-57.	The study seeks to develop options for improving mobility in central Orange County including widening and improving area arterials, additional lanes on the SR-55, and the extension of the SR-57 to the I-405.
5	Work with Riverside Transportation Commission for mutual benefit	Ongoing	Development	The OCTA Board approved the 2006 SR-91 Implementation Plan on 6/26. OCTA is working with RCTC and Caltrans to complete the EIR for the eastbound widening from the SR-241 to the SR-71.	Both boards and staffs of the OCTA and RCTC continue to work together on transportation challenges along the SR-91 Corridor.

CHAIRMAN'S GOALS

NO. CHAIRMAN GOAL TIME FRAME AREA OF CONCENTRATION STATUS DESCRIPTION

6	Award of ACCESS service contract	February	Transit	Contract awarded by BOD on 2/27	ACCESS is OCTA's shared-ride paratransit service. The service is for those eligible people unable to use regular bus service due to a disability.
7	Complete signal synchronization demonstration project along Euclid as well as a definition of a pilot project in South County	August	Development	OCTA has initiated a draft MOU between the six affected local agencies and Caltrans. The BOD will shortly be requested to approve a pilot project for south county.	Euclid Street from La Habra to Fountain Valley, is a high traffic volume corridor linking north and central Orange County. The corridor is 15 miles, includes 60 signals, and traffic volumes are as high as 50,000 vehicles daily.
8	Establishment of a technical committee to study a countywide method for emergency vehicle pre-emption	Ongoing	Development	OCTA has formed a technical working group, the Intelligent Transportation (ITS) Roundtable, to review and discuss transportation technologies including signal preemption. Future meetings will include emergency response agencies for further discussion on signal preemption.	The ITS meets quarterly to review, discuss, and provide input on a countywide basis.
9	Additional Metrolink station in northeast county	September	Development	On 6/26 /, BOD approved a request for \$2.5 million in State Transportation Improvement Program (STIP) funds for design of a Metrolink station in Placentia. Staff expects the California Transportation Commission to consider the request at its September meeting.	Placentia station will relieve some demand on the Fullerton station. The station will also reduce the parking needed in Fullerton.

CHAIRMAN'S GOALS

AREA OF CONCENTRATION STATUS

NO.	CHAIRMAN GOAL	TIME FRAME	AREA OF CONCENTRATION	STATUS	DESCRIPTION
10	Work with other Metrolink partners to enhance service	Yearlong	Development	On 6/3/ OCTA instituted Saturday Metrolink service between Oceanside and Los Angeles; on 7/2/, Sunday service began on the same route. Working with the Riverside Transportation Commission and the San Bernardino Associated Governments, OCTA introduced year-round weekend service between those counties and Oceanside on 7/15.	OCTA continues to work with neighboring counties to enhance Metrolink service as part of the Metrolink Expansion Plan.

11	Study the feasibility of developing a "Park and Fly" system to John Wayne Airport as well as work with MTA regarding a link from LAX via the Green Line using OCTA bus service.	December	Development	As a first step for the future park and Ride system, OCTA will contract for a consultant to evaluate private sector development/ services at OCTA-owned transit centers and park-and-ride locations	Private sector interest in a park-and-fly system at OCTA owned facilities will be evaluated this year.
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Memo

July 24, 2006

To: Members of the Board of Directors
From: Arthur T. Leahy, ^AChief Executive Officer
Subject: **Chief Executive Officer's Goals**

This is the report on the Chief Executive Officers goals for the second quarter for calendar 2006.

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.

Attachment

CEO's Goal **Time Frame** **Area of Concentration** **Status** **Summary**

February

CEO Goal Reference Number	CEO's Goal	Time Frame	Area of Concentration	Status	Summary
1	OCTA to hold SR-22 press communications and/or events.	February - November 2006	External Affairs	First event: 5/19 opening of I-5/SR-22 connector	Staff will plan communications and/or events to the news media involving Board of Directors to commemorate key milestones toward project completion in November. Examples of such events are the southbound SR-57 to westbound SR-22 connector opening in May, reconfigured Beach Blvd. interchange in August, the opening of the reconstructed Lewis Street Bridge and project completion in November.

March

2	Staff will develop implementation strategy for SR-22/I-405 Connector Project for Board approval.	March 2006	Development	Approved by BOD 6/26	Staff will provide an implementation plan to the Board of Directors for Phase II of the Garden Grove Freeway (State Route 22), which completes the direct HOV connectors SR-22/I-405 and I-405/605.
3	Staff will secure Board approval of the 2006 Comprehensive Business Plan (CBP) and use the assumptions from the base year as the starting point for the FY 2006-07 budget.	March 2006	Finance, Administration & Human Resources	Approved by BOD 3/27	Staff will secure Board approval of the 2006 Comprehensive Business Plan (CBP) and use the assumptions from the base year as the starting point for the FY 2006-07 budget. 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.
4	OCTA will award ACCESS, Contracted Fixed Route, StationLink, and Express Bus Service contract. Weekly status reports are to be provided to Board during transition period and for 90 days following move to Irvine Base with monthly reports thereafter.	March 2006	Transit	Approved by BOD 2/27	This contract was awarded February 27, 2006. Weekly reports will begin on March 17, 2006 and will be included as part of the CEO's weekly summary. The report will include key performance indicators and a brief update on the service transition activities.
5	OCTA will secure funding for I-5 Gateway Freeway Widening contract.	March 2006	Development	Approved by BOD 2/27	OCTA is providing the financial means so that Caltrans can award the \$193.4 million construction contract for Interstate 5 widening to the Los Angeles County line.
6	Staff will provide status and budget for Euclid signal synchronization project.	March 2006	Development	Approved by BOD 3/27	OCTA will work with La Habra, Fullerton, Anaheim, Garden Grove, Santa Ana, Fountain Valley and Caltrans on the Euclid Street corridor pilot project to demonstrate the benefits of expanded signal coordination. Staff will also develop an implementation plan (scope, budget, and schedule, cooperative agreement) by March 2006.

CEO's Goal Time Frame Area of Concentration Status Summary

CEO Goal Reference Number

First Quarter

7	OCTA staff will conduct workshop to review procurement process.	First Quarter	Finance, Administration & Human Resources	Approved by BOD 3/27	The procurement workshop will be an opportunity for staff to familiarize the Board with the current request for proposals evaluation process including how evaluation criteria and weights are determined.
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CEO Goal Reference Number

April

8	OCTA will host APTA Bus and Paratransit Conference/Roadeo.	April 28, 2006	Transit / External Affairs	Completed 5/3	Bus Roadeo is on Sunday, April 30th at the OCTA Irvine Base. The conference is going to be held at the Anaheim Marriott on April 30 through May 3. There will be general forums, technical sessions, tours, bus and products display.
9	Pending Board direction, staff to finalize Measure M plan for consideration by cities and Board of Supervisors and request resolutions from cities and Board of Supervisors approving the Measure M Plan.	April-May 2006	External Affairs / Special Projects	Plan approved by BOD 4/24; city resolutions complete 6/28	Based on public involvement, the Board will finalize the Renewed Measure M Draft Transportation Investment Plan. Cities and the Board of Supervisors will be asked to pass resolutions to approve the plan for the purposes of putting it on the ballot.
10	Caltrans will report to Board regarding HOV Lane change process.	April 2006	Development	Approved by BOD 4/10	The Board has requested Caltrans to consider changes to their operation of HOV lanes in OC. Concepts include continuous access and use of the lanes by general purpose traffic during non-peak hours.

CEO Goal Reference Number

May

11	Staff will test & accept first article CNG bus.	May-September 2006	Transit	First article CNG bus scheduled for mid-October delivery	Upon arrival, staff will inspect first article CNG bus; confirm it meets all specifications/contract and requirements. The buses will operate in fixed route service, and staff will verify performance and durability.
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CEO Goal Reference Number

June

12	OCTA will begin weekend Metrolink service. Staff to make monthly status reports to the Board through September.	June 2006	Development	Implementation: 6/3 - Sat service. 7/2 - Sun service added. 7/15 - IEOC service added (Riverside)	As part of Board-approved Metrolink expansion, weekend service is planned to start by 2006.
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CEO's Goal Time Frame Area of Concentration Status Summary

CEO Goal Reference Number

June cont.

13	OCTA staff and consultant will complete design for the CNG fueling system at the Santa Ana Bus Base.	June 2006	Development	Construction started 6/12	Staff will complete the CNG fueling station design with the contractor, Trillium. This will require coordination with utility companies, regulatory agencies, and OCTA staff.
14	Staff will secure Board approval for the 2006-07 Annual Budget, which is balanced, without an unplanned use of reserves, and is consistent with the CBP and Board-approved goals, policies, and procedures.	June 2006	Finance, Administration & Human Resources	Budget approved by BOD on 6/12	Staff will seek Board approval for the 2006-07 annual budget, which is balanced, without an unplanned use of reserves, and is consistent with the CBP and Board-approved goals, policies, and procedures.

CEO Goal Reference Number

Second Quarter

15	Staff to initiate South County Major Investment Study.	Second Quarter	Development	City mtgs completed. Board Policy Advisory Committee scheduled for 8/2	Staff will prepare a comprehensive multimodal long range plan for transportation improvements and priorities. The study covers all of south county up to SR-55 and will take 18-month to complete.
16	Staff to implement new collective bargaining agreements with Teamsters for maintenance bargaining unit, as well as Transportation Communications Union.	Second Quarter	Employee/ Labor Relations, & Civil Rights	BOD approved an agreement with teamsters Local 952 on 3/27 and the TCU on 4/24.	Teamsters Local 952 represents OCTA drivers and maintenance workers. The contract approved by the BOD is for the maintenance workers. The contract is from 10/1/04 to 9/30/07. The Transportation Communications International Union (TCU) represents OCTA parts clerks, facilities technicians, and revenue clerks. The contract w/the TCU is from 4/1/05 to 3/31/08.

CEO Goal Reference Number

July

17	Staff to implement Express Bus Service on SR-57.	July 1, 2006	Transit	Service implemented 7/3	Service on this line will be transitioned from directly operated OCTA Rte. 757 to contracted service effective July 1, 2006. The route will be modified to provide service from the Fairplex Park in Ride in Pomona to the Irvine Spectrum. A new route will also be implemented, Rte. 758, which will provide service from Chino Hills Spectrum to Hutton Center in Santa Ana.
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CEO Goal Reference Number

July cont.

<u>CEO's Goal</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>	<u>Summary</u>	
18	When approved by majority of cities with a majority of the incorporated population and OCTA Board, OCTA requests Board of Supervisors place renewed Measure M on ballot.	July 2006	External Affairs / Special Projects	To BOD 7/ 24	After cities approve the Renewed Measure M Draft Transportation Investment Plan, the Board will be asked to approve (by a two-thirds majority) the plan and request the Board of Supervisors place the transportation plan on the ballot.
19	Staff to complete Long-Range Transportation Plan and short-range action element.	July 2006	Development	To BOD 7/ 24	Every four years, OCTA prepares a plan to define the long-range transportation vision and priorities for Orange County. This plan also serves as input to SCAG's Regional Transportation Plan process. This 2006 plan also provides the planning framework for the proposed Renewal of Measure M. OCTA is also preparing a Preliminary EIR that evaluates overall potential impacts of the entire plan or policies.
20	OCTA to transition ACCESS service and move contracted services to Irvine Base.	July 2006	Transit	Service transitioned on 7/1	As part of the recent procurement, vendors were required to propose using the Irvine Base. The contracted operations are currently operated from a vendor-owned facility and will be moved to the Irvine Base effective July 1, 2006 to correspond with the change of service providers.

CEO Goal Reference Number

August

21	a. Staff to complete callbox conversion to digital service, per action taken by Board last year. b. Staff to complete callbox reductions	August 2006	Development	Purchase order of equipment submitted and equipment on back order. Completed 6/22	a. Federal mandate requires that OCSAFE convert the call box communication system from analog cellular service to digital cellular service. The system conversion will be completed between March and July, 2006. b. Staff will "thin" 587 call boxes between March and June to meet OCSAFE Board direction to increase call box spacing from 1/4 mile to the statutory minimum spacing of 1/2 mile.
22	Staff to initiate review of State and Federal legislative goals and assess future advocacy effort requirements.	August 2006	State and Federal Relations	Staff recommendations to LGA on 8/3	Each of the state and federal advocate contracts expire this year and will need consideration by the Board for extension. This goal was established to conduct a thorough review of the advocacy firms for consideration of ongoing representation in Sacramento and Washington, D.C.

CEO's Goal **Time Frame** **Area of Concentration** **Status** **Summary**

CEO Goal Reference Number

September

23	Staff to complete assessment of freeway infrastructure protection capabilities and request approval of future course of action from the Security Working Group.	September 2006	Security Threat Assessment	FHWA & Army Corps to conduct site visits to evaluate freeway columns. In August, FHWA and Army Corps will conduct explosive tests on simulated columns.	In conjunction with Caltrans, staff will meet with officials from FHWA and Army Corps to evaluate the vulnerability of our freeway columns. FHWA and Army Corps will conduct blast tests during third quarter this year and will issue a report by October.
24	OCTA to implement Express Bus Service on SR-91 through a cooperative agreement with Riverside Transit Agency.	September 10, 2006	Transit	On schedule.	New Rte. 794 will be implemented in September, 2006 providing service from the Tyler Mall in Riverside to South Coast Metro. This service will be funded through a cooperative agreement with Riverside Transit Agency, with approximately 70% funded by OCTA and 30% funded by RTA.

CEO Goal Reference Number

Third Quarter

25	Staff to advance work on Riverside-Orange corridor improvements.	Third Quarter	Development	Comprehensive RC-OC Action Plan approved on 6/26	See items 25a-c
25a	Staff to initiate Ortega Highway Safety Study.	Third Quarter	Development	Scope of work under development for release in Fall '06	OCTA will develop engineering concepts to improve safety and operations of Ortega Highway from the future SR-241 to Lake Elsinore. The plan builds on recommendations from the recently completed Major Investment Study.
25b	Staff to initiate PE for SR-91 improvements and viaduct.	Third Quarter	Development	Scope of work under development for release in Fall '06	In this study conceptual engineering for the proposed SR-91 improvements between SR-241 and I-15, including elevated lanes and reversible lanes (contingent on Board approval) will be initiated.
25c	Staff to initiate Irvine-Corona feasibility study.	Third Quarter	Development	Geotechnical work underway through MWD	Technical studies related to the Irvine-Corona Expressway (new corridor) will be initiated. These studies will focus first on geotechnical investigation of "Corridor B."

Third Quarter cont.

26	OCTA staff and south Orange County cities to select corridor for South County Signal Synchronization Project.	Third Quarter	Development	To BOD 7/24	OCTA will work with southern Orange County cities on a potential pilot project corridor to demonstrate the benefits of expanded signal synchronization. An implementation plan (scope, budget, and schedule, cooperative agreement) will also be developed.
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October

27	Staff to work with the Board to maximize annual federal appropriations for OCTA transportation projects.	October 2006	Government Relations	House passed HR5576 which included \$2M for Orange County projects. Senate action expected to commence in mid-July.	The OCTA Board of Directors adopted a fiscal year 2007 appropriations project list, which includes 14 projects totaling \$97,180,000. The goal is to reach a minimum of \$10 million in earmarks for OCTA projects for FY07, which amounts to a little more than 10 percent of the total request. It would also represent an increase in congressional earmarks of 40 percent over fiscal year 2006.
28	Cities to begin construction of the SR-90 Imperial Highway Smart Streets Project.	October 2006	Development	See a, b and c below	This is a local Smart Streets Project. The cities include La Habra, Brea, and Fullerton. The project will be split to allow Brea and Fullerton (Segments B&C) to proceed with project, while La Habra (Segment A) addresses local issues.
28a	Segment A: LA County line to Harbor Blvd (La Habra)	Yearlong	Development	City of La Habra is the lead, project in development	Smart Streets Project Segment A consists of re-striping to 6 lanes from L.A. County line to Idaho Street; providing continuous raised median from County line to Beach Blvd; widening of intersections at Beach Blvd., Idaho, Euclid, & Harbor; construction of bus pads, ADA bus stop modifications, bus turnouts, & soundwalls at various locations, and drainage improvements.
28b	Segment B: Harbor Blvd to SR-57 (Fullerton)	October 2006	Development	Project on track to advertise by October	City of Brea is lead - Smart Streets Project, Segment B consists of re-striping to 6 lanes from Harbor Blvd. to Berry Street; median modifications at the Puente Street intersection; and constructing bus pads, ADA bus stop modifications, bus turnouts, & soundwalls at various locations

CEO's Goal Time Frame Area of Concentration Status Summary

CEO Goal Reference Number

October cont.

28c	Segment C: SR-57 to Rose Drive (Brea)	October 2006	Development	Project on track to advertise by October	City of Brea is lead - Smart Streets Project Segment C consists of adding a lane eastbound from Valencia Avenue to the Brea city limits; constructing median modifications at intersections, including Valencia Avenue & Rose Street; and constructing bus pads, ADA bus stop modifications, bus turnouts, & soundwalls at
29	OCTA to procure contractor to operate Customer Information Center.	October 2006	External Affairs	RFP released 6/14; responses due 7/14	The current contract for the Customer Information Center will expire at the end of 2006. The center provides bus-routing information to passengers and sells bus passes. A Request for Proposals for a new contractor will be issued this summer with a contractor being awarded in the fall.

CEO Goal Reference Number

November

30	GMR to meet the substantial contractual completion of the SR-22.	November 30, 2006	Development	On schedule	GMR will complete the improvements to the SR-22 project by the 800 day milestone. The date of completion will be no later than November 30, 2006.
31	OCTA to complete the installation of a closed circuit TV camera at the Fullerton Transportation Center.	November 2006	Development	City expects completion by March 2007	A federal grant is being used by the city under agreement with OCTA.
32	Caltrans will award the contract for SR-90 Bridge and Grade Separation.	November 2006	Development	CTC approved funding allocation in June. Caltrans receiving bids	Caltrans Imperial Hwy. grade separation in Anaheim/Yorba Linda should be "Ready To List" in June 06. OCTA oversight will focus on city agreements and Adelphia relocation issues.

CEO's Goal **Time Frame** **Area of Concentration** **Status** **Summary**

December

33	OCTA Board to approve Comprehensive Annual Financial Report (CAFR).	December 2006	Finance, Administration & Human Resources	In process	The Comprehensive Annual Financial Report (CAFR) is the generally accepted publication for reporting audited financial statements and other financial information about the governmental entity.
34	OCTA to draft project report and environmental document for first new eastbound lane on SR-91.	December 2006	Development	On schedule - DEIR in process	Staff will complete the draft environmental report to add a new eastbound lane to SR-91 from SR-241 to SR-71.
35	Staff to report to Board regarding Measure M results and implementation.	December 2006	Special Projects	Report will be made to BOD pending Measure M ballot results	Assuming Measure M appears on the ballot, staff will present a report on the November 6th ballot results and next steps needed to be taken.

Fourth Quarter

36	Staff to develop AAP/EEO plan for Triennial submission and approval by FTA.	Fourth Quarter	Employee/Labor Relations, & Civil Rights		The FTA requires each transit agency receiving federal funds to submit an AAP/EEO Plan for review and approval every three years. The Labor/Employee Relations & Civil Rights Division will develop and submit this plan to the FTA for review and approval.
37	Staff to develop and submit Triennial Title VI Report to FTA.	Fourth Quarter	Employee/Labor Relations, & Civil Rights		The FTA requires each transit agency receiving federal funds to submit a Title VI Report every three years for its review and approval. The Labor/Employee Relations & Civil Rights Division will develop and submit this report to the FTA for review and approval.

CEO's Goal Time Frame Area of Concentration Status Summary

CEO Goal Reference Number

Year Long

38*	OCTA will achieve an operating ratio of 25 percent, the same as in 2005.	Yearlong	Transit	Operating ratio actual: 24.6 percent	The operating ratio is the ratio of farebox revenue to operating cost based on projected growth in ridership.
39*	OCTA will increase bus revenue to \$49.2 million, an increase of 2.2 percent over 2005. OCTA will provide 1.866 million hours of revenue service.	Yearlong	Transit	Bus revenue actual: \$51.2 million Revenue vehicle hours actual: 1.855 million	OCTA will operate 1.866 million annual revenue vehicle hours of bus service, an increase of 57,000 million annual revenue vehicle miles of bus service, an increase of over 400,000 miles over 2005.
40*	OCTA will provide 23.8 million revenue miles, a 1.5 percent increase over 2005. OCTA will provide 68.1 million passenger rides, a 2.2 percent increase over 2005.	Yearlong	Transit	Revenue vehicle miles actual: 23.4 million Passenger rides actual: 69 million	Passenger rides are estimated to increase by approximately 1.5 million rides to 68.1 million annually, an increase of 2.2 percent over 2005.
41*	OCTA will operate 85 percent on-time service and 11,000 miles between road calls.	Yearlong	Transit	On-time performance actual: 86.4 percent Miles between road calls actual: 11,481	On time service distance/miles traveled by fixed route buses between mechanical failures not caused by accident or driver error. In January 2006, the fixed route system achieved an on-time performance of 84.9%. For the past 12 months, on time performance for all scheduled trips has maintained at least 85% on-time performance, which is the system wide goal for this performance measure.
*January - March 2006 statistics					
42	OCTA staff to conduct workplace harassment prevention training for management, administration, and bargaining unit employees.	Yearlong	Employee/Labor Relations, & Civil Rights	All management/ supervisory personnel received training as required by 12/31/05 in accordance with AB 1825	In accordance with California AB 1825, the Labor/Employee Relations & Civil Rights Division will continue to conduct bi-annual training for supervisors and management personnel on workplace harassment and discrimination prevention. The Division staff will also conduct training for all coach operators as part of their Annual Required Training as well as for mechanics and administrative employees.

Year Long cont.

CEO's Goal

Time Frame

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Summary

CEO Goal Reference Number	CEO's Goal	Time Frame	Area of Concentration	Status	Summary
43	OCTA will meet the following goals on the SR-91 Express Lanes: (a) 13,500,000 trips on the lanes (b) \$37,000,000 in toll revenue	Yearlong	Finance, Administration & Human Resources	1st quarter CEO Goals a) goal: 3,065,000 actuals: 3,511,000 b) goal: \$8,989,000 actuals: \$10,808,000 2nd quarter a) goal: 3,123,843 actuals: 3,608,855 b) goal: \$9,131,113 actuals: \$11,704,939	To maintain consistency with bond indenture requirements, the SR-91 Express Lanes 2006 revenue and vehicle trip goals are derived from annualized estimates of Volimer weekly traffic and revenue forecasts. Traffic and revenue have outstripped Volimer forecasts by at least 15 percent.
44	Staff will consider additional bus base, long-range facilities assessment.	Yearlong	Transit	Laidlaw property in escrow	Based on growth projections substantiated by the Comprehensive Business Plan, staff will assess facility needs for all bus and Para Transit for the next 15 years.
45	Staff will evaluate options for developing ARTIC; to integrate Orange County's transportation system with proposed regional systems .	Yearlong	Development	Purchase of site to BOD 7/24	OCTA will work with the City of Anaheim to develop the Anaheim Regional Transportation Intermodal Center in conjunction with Metrolink expansion plans, bus rapid transit deployment, and high-speed rail proposals.
46	Staff will support regional efforts to address goods movement needs along the Orangethorpe corridor.	Yearlong	Development	On-going	Staff will ensure that Orange County's projects/priorities are included in various regional goods movement studies and plans.
47	Staff will monitor and evaluate the CIGNA Health Plan for the following: a) Claim rate accuracy: 95% of total audited claims paid correctly b) Time to process: 90% of claims processed in 14 business days c) Average Speed of Answer: ASA for calls to Call Center shall be no longer than 45 seconds d) Abandonment rate: no greater than 5% of calls result in caller termination before speaking to customer service.	Yearlong	Finance, Administration & Human Resources		Staff will monitor and evaluate the CIGNA Health Plan. CIGNA was recently added as OCTA's health care provider for medical services for administrative employees and Board Members. The items listed under CEO goals are the performance goals contained in the agreement.