

Date: Monday, July 28, 2008

Time: 9:00 a.m.

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



BOARD AGENDA

Orange County Transportation Authority Board Meeting
OCTA Headquarters
First Floor - Room 154, 600 South Main Street
Orange, California
Monday, July 28, 2008, 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 Amante

Pledge of Allegiance

Director Moorlach

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.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.



BOARD AGENDA

ACTIONS

Call to Order

Special Matters

1. Presentation of Resolutions of Appreciation for Employees of the Month for July 2008

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2008-41, 2008-40, 2008-42 to Carol Murdock, Coach Operator; Carlos Palacios, Maintenance; and Judy Leon, Administration, as Employees of the Month for July 2008.

2. Chairman's Goals Status Report

Consent Calendar (Items 3 through 19)

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

3. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of July 14, 2008.

4. Approval of Resolutions of Appreciation for Employees of the Month for July 2008

Adopt Orange County Transportation Authority Resolutions of Appreciation Nos. 2008-40, 2008-41, and 2008-42 to Carol Murdock, Coach Operator; Carlos Palacios, Maintenance; and Judy Leon, Administration, as Employees of the Month for July 2008.



BOARD AGENDA

ACTIONS

5. Information Systems Audit Risk Assessment and Audit Plan
Kathleen M. O'Connell

Overview

The Internal Audit Department of the Orange County Transportation Authority engaged Control Solutions International, Inc., to perform an information systems audit risk assessment. The purpose of this risk assessment was to identify risk in the Orange County Transportation Authority's information systems environment to assist the Internal Audit Department in developing its annual internal audit plans.

Recommendation

Receive and file as an information item.

6. Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System
Kathleen M. O'Connell

Overview

The Internal Audit Department has conducted a review of the Orange County Transportation Authority's internal controls over its Orange County Employees Retirement System contributions and participant data. The review also included a review of the Orange County Transportation Authority's controls over distribution of Additional Retiree Benefit Account benefits. The review found the internal controls over contributions and participant data to be generally adequate. Recommendations are being made to improve controls over monitoring Orange County Employees Retirement System reciprocity and Additional Retiree Benefit Account transactions.

Recommendation

Direct staff to implement the recommendations in the Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System, Internal Audit Report No. 07-033.



BOARD AGENDA

ACTIONS

7. Ortega Highway (State Route 74) Widening Project Update

Jennifer Bergener/Kia Mortazavi

Overview

The Orange County Transportation Authority Board of Directors has approved funding for the Ortega Highway (State Route 74) widening project through the State Transportation Improvement Program. This project will widen Ortega Highway (State Route 74) for approximately two miles from Calle Entradero to Antonio Parkway. As the lead agency for the project, the County of Orange has requested to split the project into two separate segments and phase the implementation.

Recommendations

- A. Authorize staff to split the Ortega Highway (State Route 74) widening project into two segments for implementation.
- B. Authorize the Chief Executive Officer to negotiate and execute a cooperative agreement with the County of Orange for the implementation and funding of the Ortega Highway (State Route 74) widening project.
- C. Authorize staff to amend the Federal Transportation Improvement Program and the State Transportation Improvement Program and execute any necessary agreements to facilitate the delivery of the above.

8. Proposed Regulation of Greenhouse Gas Emissions

Kristin Essner/Monte Ward

Overview

An overview is provided of the several processes underway for implementing AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006). A principle is recommended to be added to a set of existing principles for streamlining environmental analysis of transportation projects. An oppose unless amended position is recommended for legislation that would require transportation projects to meet emission reduction targets through the adoption of regional growth scenarios.



BOARD AGENDA

ACTIONS

8. (Continued)

Recommendations

A. Amend the existing Orange County Transportation Authority Principles for Amending SB 375 (Steinberg, D-Sacramento) to add a principle advocating for the streamlining of environmental analysis for greenhouse gas emissions at the project-level for transportation projects that meet certain requirements

B. Adopt the following recommended position on legislation:

Oppose Unless Amended SB 303 (Ducheny, D-San Diego), which would require transportation agencies to create two growth scenarios to achieve regional greenhouse gas reductions

9. **Sole Source Agreement with SunGard Bi-Tech, Inc. for Accounting Software Upgrades and Services**

Catherine Whitmore/James S. Kenan

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2008 Budget, the Orange County Transportation Authority has planned an upgrade to its accounting software system. A proposal was solicited and received from SunGard Bi-Tech, Inc. in accordance with the Orange County Transportation Authority's sole-source procurement procedures for professional and technical services.

Recommendations

A. Authorize the Chief Executive Officer to execute Agreement No. C-7-1434 between the Orange County Transportation Authority and SunGard Bi-Tech, Inc., in a firm-fixed price amount of \$487,794, for software and services to upgrade the Orange County Transportation Authority's accounting software system to the most recent version and to implement two additional Integrated Financial and Administrative Solution software modules.



BOARD AGENDA

ACTIONS

9. (Continued)

- B. Authorize the Chief Executive Officer to amend the fiscal year 2009 budget, in the amount of \$487,794, to fund Agreement No. C-7-1434.

10. **Agreements for Contract Technical Staffing for Programming, Database Administration, Computer Operations, Network Administration, and Desktop Support**

Ray Riggins/James S. Kenan

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget, the Board of Directors approved contract technical staffing for programming, database administration, computer operations, network administration, and desktop support. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. The Board of Directors' approval is requested to execute the following four-year agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement No. C-8-0673 between the Orange County Transportation Authority and Digital Intelligence Systems Corporation, in a firm fixed-price amount of \$4,182,000, for programming, database administration, computer operations, network administration, and desktop support.

11. **New York Meetings with Rating Agencies 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 and investors in New York, New York. This year, the trip took place during the week of June 16, 2008.



BOARD AGENDA

ACTIONS

11. (Continued)

Recommendation

Receive and file as an information item.

12. **Second Quarter 2008 Debt and Investment Report**

Kirk Avila/James S. Kenan

Overview

The California Government Code requires the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the investment activity for the period. This investment report covers the second quarter of 2008, April through June, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

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

13. **Orange County Register Newspaper in Education Curriculum Outline**

Judy Leon/Ellen S. Burton

Overview

On June 23, 2008, the Board of Directors approved the agreement between the Orange County Transportation Authority and the Orange County Register for the Newspaper in Education program consisting of a transportation curriculum and teacher's guide for the upcoming 2008-2009 school year. Per the committee's request, attached is an outline of the proposed curriculum topics.

Recommendation

Provide comments and direct staff to finalize the Newspaper in Education transportation curriculum with the Orange County Register.



BOARD AGENDA

ACTIONS

Orange County Local Transportation Authority Consent Calendar Matters

14. Status of Go Local Step One Final Reports
Kelly Hart/Kia Mortazavi

Overview

The deadline for all Go Local Step One final reports was June 30, 2008. Four final reports were received, screened, and forwarded to the Board of Directors for recommendations in May 2008. Since then, 13 additional final reports have been received to meet the June 30, 2008, deadline and four final reports remain outstanding. Direction from the Transportation 2020 Committee is requested regarding overdue Go Local Step One final reports.

Committee Recommendation

Direct staff to advise participating cities that final reports submitted prior to the June 30, 2008, deadline will receive timely consideration and those reports received after the deadline may receive delayed consideration for Go Local Step Two.

15. Release of Request for Proposals for Go Local Bus/Shuttle Service Planning and Program Management Oversight of Bus/Shuttle and Fixed-Guideway Proposals
Kelly Hart/Kia Mortazavi

Overview

On May 23, 2008, the Orange County Transportation Authority Board of Directors approved the use of professional services to perform service planning for qualifying Go Local Step One mixed-flow bus/shuttle proposals and to provide technical and program management support for the fixed-guideway proposals. Staff has developed draft requests for proposals to initiate two competitive procurements to retain the consultant services.



BOARD AGENDA

ACTIONS

15. (Continued)

Recommendations

- A. Approve the proposed evaluation criteria and weightings for selection of consultants for Request for Proposals No. 8-1012.
- B. Approve the release of Request for Proposals No. 8-1012 for consultant services to conduct service planning on Go Local mixed-flow bus/shuttle proposals that have been advanced to Step Two of the Go Local Program.
- C. Approve the proposed evaluation criteria and weightings for selection of consultants for Request for Proposals No. 8-1013.
- D. Approve the release of Request for Proposals No. 8-1013 for consultant services to provide program management oversight of the Go Local fixed-guideway proposals.

16. Renewed Measure M Progress Report

Andrea West/Ellen C. Burton

Overview

Staff has prepared a Renewed Measure M progress report for April 2008 through June 2008 for review by the Orange County Transportation Authority Board of Directors. The report highlights progress on Renewed Measure M projects and programs and is made available to the public via the OCTA website and advertisements in local newspapers.

Recommendation

Receive and file as an information item.



BOARD AGENDA

ACTIONS

Orange County Transit District Consent Calendar Matters

17. Request for Authorization to Issue an Invitation for Bids for Paint and Decal Services for the Bravo! Bus Rapid Transit Vehicles

Gordon Robinson/Beth McCormick

Overview

As part of the Bus Rapid Transit Implementation Strategy approved by the Board of Directors on October 14, 2005, the painting and placing of decals on 92 vehicles is required to promote the unique identity and branding concept, known as Bravo!, for the implementation of the planned bus rapid transit services. Board of Directors' approval is requested to release an invitation for bids for paint and decal services for the Bravo! branded bus rapid transit vehicles.

Recommendation

Authorize staff to issue an invitation for bids for paint and decal services for the Bravo! bus rapid transit vehicles.

18. ACCESS Performance Measurements Update and Amendment to Agreement with Veolia Transportation Services, Inc., for the Provision of ACCESS, Contracted Fixed Route, Stationlink, and Express Bus Services

Curt Burlingame/Beth McCormick

Overview

As directed by the Board of Directors, staff has provided monthly updates regarding ACCESS service provided by Veolia Transportation Services, Inc., including a report on contractual performance measurements. This report provides ACCESS performance measurement data through May 2008 and provides an overview of proposed changes to the current contract with Veolia Transportation Services, Inc.



BOARD AGENDA

ACTIONS

18. (Continued)

Recommendations

- A. Receive and file ACCESS Performance Measurements Update as an information item.
- B. Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-5-3021 between the Orange County Transportation Authority and Veolia Transportation Services, Inc., in the amount of \$1,050,550, bringing the total contract value to \$96,620,434.

19. **Amendment to Agreement for Lease of Non-Revenue Compact Vehicles**
Connie Raya/Beth McCormick

Overview

On February 23, 2004, the Board of Directors approved an agreement with Enterprise Fleet Services, in the amount of \$2,800,000, for a four-year lease of 99 non-revenue compact hybrid vehicles. Board of Directors' approval is requested to extend the lease agreement with Enterprise Fleet Services for two additional years, in the amount of \$634,200.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-3-1095 between the Orange County Transportation Authority and Enterprise Fleet Services, to extend the current agreement by two years and increase the maximum obligation by \$634,200, bringing the total contract value to \$3,434,200, for leased non-revenue vehicles.



BOARD AGENDA

ACTIONS

Regular Calendar

Orange County Transit District Regular Calendar Matters

20. **Fuel Crisis Contingency Planning Update**
Scott Holmes/Beth McCormick

Overview

Fuel prices have risen steadily since October 2007 and energy analysts are unable to forecast when the ceiling will be reached, and at what price. In addition, it should be noted that most of the world's oil is produced in areas suffering from potential political instability and that, to make matters worse, oil consumption is rapidly climbing in such nations as China and India. In the meantime, public transportation is beginning to attract the attention of motorists as a lower-cost trip-making alternative to private vehicles.

To date, the impact on the Orange County Transportation Authority's transit system has been readily managed within existing capacity. However, contingency plans are being updated to address the potential for a dramatic increase in demand for bus service as energy prices continue to increase.

Originally, staff based the assessment of a potential "doomsday" scenario on a "worse-case" assumption of gasoline selling for \$4.50 per gallon, clearly an indication of how rapidly this situation is shifting. Today, oil is running in excess of \$120 a barrel with some analysts talking about prices going as high as \$200 per barrel of oil with gas increasing to \$5 or \$6 a gallon or even higher.

Recommendation

Receive and file as an information item.



BOARD AGENDA

ACTIONS

Discussion Items

21. Second Quarter Review of Chief Executive Officer's Goals for 2008

Arthur T. Leahy

22. Bus Customer Satisfaction Survey

Stella Lin/Ellen S. Burton

To gauge bus customer usage patterns, satisfaction, attitudes and awareness, as well as to gather customer demographic information, a bus customer satisfaction survey was conducted in November 2007. Results from the survey are expected to play a key role in helping the Orange County Transportation Authority better understand bus customer needs and perceptions, as well as provide insight to improve the bus service. This staff report summarizes the results from the survey.

23. Southern California 511 Update

Iain C. Fairweather/Paul C. Taylor

24. Caltrans Landscaping Plant Selection and Water Conservation Update

Jim Beil

Landscape and aesthetics process; corridor theme efforts; planting pallets; planting standards; landscape maintenance.

25. Public Comments

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



BOARD AGENDA

26. Chief Executive Officer's Report

27. Directors' Reports

28. Closed Session

Pursuant to Government Code Section 54956.9(b)(1).

29. Adjournment

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, August 11, 2008**, at OCTA Headquarters.

ACTIONS

Chairman Norby's Goals For 2008 Status Report

1. Pursue an equitable share of state and federal funding for Orange County.
 - Secured \$218 million from the Trade Corridor Improvement Fund of Proposition 1B for seven grade separation and one highway projects
 - Secured \$4 million from the Proposition 1B Traffic Light Synchronization Program, with a total of \$5.86 million to Orange County
 - Secured federal appropriations of \$2.7 million
 - Secured \$1 million Department of Homeland Security grant for bus video surveillance

2. Advance bus rapid transit to ensure that the Harbor Boulevard line is operational by mid 2009.
 - Finalized Bravo! bus branding with New Flyer, with first bus scheduled to be delivered in December 2008
 - Selected the consultant on January 14 for design services for bus stop enhancements
 - Selected the consultant on February 25 for the bus rapid transit intelligent transportation systems, traffic signal synchronization project, and transit signal priority design

3. Increase bus system marketing and communication efforts to teenagers.
 - Conducted 29 presentations/events focusing on how to ride the bus with youth, schools/PTAs, and youth organizations with an estimated attendance of 2,700 (up 12.5 percent over last year)
 - Summer youth marketing program launched in May with 64,000 mailers, containing information on nearby routes and youth bus pass, sent to families with teenagers living within a quarter mile of a bus stop

4. Expand Metrolink in Orange County and work with Los Angeles and San Diego counties to better coordinate service in the Los Angeles-San Diego (LOSSAN) corridor.
 - Design 60 percent complete for the infrastructure improvements required to increase service between Laguna Niguel/Mission Viejo Station and Fullerton Station
 - OCTA, Caltrans and the LOSSAN Technical Advisory Committee completed a study that identifies 20 service improvements that could be implemented over the course of the next year
 - Four focus groups were conducted to learn about rider and non-rider attitudes toward rail transit and to assess opportunities for better integration of Metrolink, Amtrak, and Coaster rail services. A final report of findings is being prepared.

5. Work with neighboring counties and agencies to improve freeway and rail connections between counties.
 - OC/LA Intercounty Transportation Study has identified at least seven major congestion “hotspots” in the county border area for potential improvement
 - Collaborated with Riverside County Transportation Commission to advance legislation to extend the 91 Express Lanes into Riverside County through the Senate and Assembly Transportation Committee
 - Awarded a contract to conduct a strategic assessment to coordinate and improve passenger rail service in the LOSSAN corridor
6. Develop a strategic plan for the use of a Pacific Electric right-of-way (PE ROW) in Orange County.
 - Conducted four tours of the PE ROW, with 19 total participants
 - Potential uses for the PE ROW being evaluated as part of the OC/LA Intercounty Transportation Study
 - Conducted PE ROW virtual tour on April 14, 2008
7. Support construction of the Foothill Eastern 241 Extension.
 - Provided letter of support for Foothill Eastern 241 Extension to the California Coastal Commission and coordinated participation of five Board Members at the public hearing
 - Provided letter of support for the Transportation Corridor Agency’s appeal of California Coastal Commission’s decision to the Secretary of Commerce
8. Convene the Central County Corridor Major Investment Study (MIS) working group that will review technical data and seek public input necessary to pursue potential options to extending the Orange Freeway (State Route 57).
 - In April, selected technical consultant to begin Central County Corridor MIS
 - Study expected to kick-off in late July
9. Enhance transparency of internal operations with the public, including implementing streaming audio of Board meetings for easy access through the Internet.
 - Audio streaming of Board meetings went into operation on June 23
 -
10. Reinstitute the Procurement Task Force to evaluate the implementation of previous procurement policy actions.
 - Procurement Task Force to be addressed at the July 7 Executive Committee meeting

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
July 14, 2008

Call to Order

The July 14, 2008, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Vice Chairman Buffa at 9:03 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

Roll Call

Directors Present: Peter Buffa, Vice Chair
Arthur C. Brown
Jerry Amante
Patricia Bates
Bill Campbell
Carolyn Cavecche
Richard Dixon
Paul Glaab
John Moorlach
Curt Pringle
Mark Rosen
Gregory T. Winterbottom
Cindy Quon, Governor's Ex-Officio Member

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

Directors Absent: Chris Norby, Chairman
Cathy Green
Allan Mansoor
Janet Nguyen
Miguel Pulido

Invocation

Director Rosen gave the invocation.

Pledge of Allegiance

Director Bates led the Board and audience in the Pledge of Allegiance.

Public Comments on Agenda Items

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

Special Matters

1. Presentation of Resolution of Appreciation to Marian Bergeson

Vice Chairman Buffa presented a Resolution of Appreciation on behalf of the OCTA to Marian Bergeson, highlighting her extensive work and meaningful contributions to transportation issues during her many years of public service.

Incoming California Transportation Commissioner Lucy Dunn, provided comments in appreciation of Ms. Bergeson's work during her tenure on that Commission.

Consent Calendar (Items 2 through 16)

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

Orange County Transportation Authority Consent Calendar Matters

2. Approval of Resolution of Appreciation for Marian Bergeson

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to approve the resolution of appreciation for Marian Bergeson.

3. Approval of Minutes

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of June 23, 2008.

4. State Legislative Status Report

Director Cavecche pulled this item for comment regarding the discussion on AB 3021 at the Legislative and Communications Committee meeting. She indicated that while the Committee voted to oppose the bill (and she voted against that position), she felt that a position to work with the author was appropriate.

Discussion followed, and a motion was made by Director Cavecche, seconded by Director Campbell, and declared passed by those present, to adopt the recommended position to Work with the Author on AB 3021 (Nava, D-Santa Barbara), which would create an alternative funding mechanism for projects and an ability to use tolling, without legislative approval needed.

5. Schedule for the Preparation of the 2009 State and Federal Legislative Platforms

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to approve the preparation plan and timeline for the State and Federal Legislative platforms.

6. Amendment to Agreement for State Legislative Advocacy and Consulting Services

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement No. C-2-0947 between the Orange County Transportation Authority and Sloat Higgins Jensen & Associates, in an amount not to exceed \$339,984, for state legislative advocacy and consulting services through November 30, 2010, and reserve the right to exercise two, two-year option term extensions.

7. Los Angeles - San Diego - San Luis Obispo Rail Corridor Quick Improvements Study

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to direct staff to work with the Los Angeles – San Diego – San Luis Obispo Technical Advisory Committee to collaboratively develop a strategy, schedule, and plan for implementing the recommended service improvements.

8. Amendment to Agreement for Additional Construction Management Services for the Americans with Disabilities Act Bus Stop Accessibility Program

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement No. C-3-0798 between the Orange County Transportation Authority and Bureau Veritas North America, Inc., in an amount not to exceed \$200,000, and extend the termination date by six months to December 31, 2008, for construction management services for the bus stop accessibility program.

Director Bates abstained from voting on this item.

9. 2008 State Transportation Improvement Program Update

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to:

- A. Adopt the California Transportation Commission-approved 2008 State Transportation Improvement Program.
- B. Authorize the use of \$27.6 million of Regional Surface Transportation Funding for the Gene Autry Way west project.
- C. Authorize the use of \$2.8 million of Regional Surface Transportation Funding for the La Paz Road interchange improvements project.
- D. Authorize staff to amend the Federal Transportation Improvement Program and execute any necessary agreements to facilitate the delivery of the adopted State Transportation Improvement Program.

10. Amendment to Agreement for Pre-Employment Background Screening

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to exercise the second option term for on-call Agreement No. C-4-0100 between the Orange County Transportation Authority and Accusource, Inc., adding \$40,000, for a total contract amount of \$253,900, for pre-employment background screening services.

Orange County Local Transportation Authority Consent Calendar Matters

11. Agreement for On-Call Geographic Information System Services

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to authorize the Chief Executive Officer to execute agreements between the Orange County Transportation Authority and Technology Associates International Corporation Agreement No. C-8-0734, Jacobs Carter Burgess Agreement No. C-8-0996, and HDR Engineering, Inc., Agreement No. C-8-0998, in an aggregate amount not to exceed \$600,000, for a three-year contract covering fiscal years 2008-09, 2009-10, and 2010-11, for on-call geographic information system services.

12. Oso Parkway/Pacific Park Drive Signal Synchronization Demonstration Project Summary Report

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

13. Selection of a Consultant for Preparation of Project Report and Environmental Document for the San Diego Freeway (Interstate 405) Widening Project from the Costa Mesa Freeway (State Route 55) to the San Gabriel River Freeway (Interstate 605)

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to:

- A. Select Parsons Transportation Group, Inc., as the top-ranked firm to prepare the project report and environmental document for the San Diego Freeway (Interstate 405) widening project.
- B. Authorize the Chief Executive Officer to request a cost proposal from Parsons Transportation Group, Inc., and negotiate an agreement for services.
- C. Authorize the Chief Executive Officer to execute the final agreement.

Orange County Transit District Consent Calendar Matters

14. Agreement for Construction of a Roof Access System at the Laguna Hills Transportation Center

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to:

- A. Amend the Orange County Transportation Authority's Fiscal Year 2008-09 Budget by \$50,626 for construction of the roof access system at the Laguna Hills Transportation Center.
- B. Authorize the Chief Executive Officer to execute Agreement No. C-8-0751 between the Orange County Transportation Authority and Inman Welding, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$50,626, for the roof access system at the Laguna Hills Transportation Center.

15. Amendment to Agreement for Compressed Natural Gas Fueling Stations at the Anaheim and Garden Grove Bases

A motion was made by Director Brown, seconded by Director Moorlach, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-6-0890 between the Orange County Transportation Authority and California Trillium Company, in the amount of \$168,882, for electrical service upgrades at the Anaheim Base.

16. Amendment to Purchase Order for Natural Gas Service to the Santa Ana Base

Director Moorlach pulled this item for comment and asked for the results from the Committee meeting. Kia Mortazavi, Executive Director of Development, advised that the Committee had approved the staff recommendation for the encumbrance of installation costs. After careful review by staff and additional information requested from the Gas Company, it was determined that the findings are consistent with the contract.

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

- A. Amend the Orange County Transportation Authority's Fiscal Year 2008-09 Budget by \$1,662,003 to allow encumbrance of the full cost for installation of an underground natural gas line to the Santa Ana Base.
- B. Authorize the Chief Executive Officer to execute Amendment No. 2 to Purchase Order No. 06-74392 between the Orange County Transportation Authority and the Southern California Gas Company, in the amount of \$1,321,918, for the installation of an underground natural gas line to the Santa Ana Base.

Regular Calendar

Orange County Local Transportation Authority Regular Calendar Matters

17. Report to Legislative Analyst's Office on the Garden Grove Freeway (State Route 22) Design-Build Project

Chief Executive Officer (CEO), Arthur T. Leahy, provided opening comments on this report and introduced Tom Warne, Tom Warne and Associates, who prepared the report to the Legislative Analyst's Office.

Mr. Warne presented his findings and indicated that he felt the decision for design/build should be on a project-by-project basis.

A motion was made by Director Brown, seconded by Director Amante, and declared passed by those present, to approve the report to Legislative Analyst's Office on the use of the design-build delivery approach on the Garden Grove Freeway (State Route 22) project and direct the Chief Executive Officer to transmit the report.

18. Design of Gateway Monument Sign for the Santa Ana Freeway (Interstate 5) Gateway Project

Charlie Guess, Project Manager for the Interstate 5 Gateway Project, presented this item to the Board and stated that Caltrans had agreed that the term, 'Welcome to' could be added to the sign. Three design options were presented.

Director Brown indicated that he had presented this item to the Buena Park City Council, and they were supportive of keeping the Orange County sign as initially designed and not include 'Welcome to' on it.

A motion was Director Brown, seconded by Director Pringle, to select the original design concept for the Santa Ana Freeway (Interstate 5) gateway sign with no "Welcome to" language.

Vice Chairman Buffa and Director Moorlach voted in opposition of the motion.

Discussion Items

19. Public Comments

Vice Chairman Buffa 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.

No public comments were offered.

20. Chief Executive Officer's Report

CEO, Arthur T. Leahy, reported:

- Status of Senate Bill 974 (Lowenthal-D), the container fee bill;
- Update on mentoring programs with the Women's Transportation Seminar and Cal State Fullerton;
- Update on a program recently begun to work with the United States Marine Corps regarding Marines transitioning back to civilian life and potential opportunities for them at OCTA. Mr. Leahy introduced Colonel Patrick Gough, representing the Marine Corps, who thanked the Board for this opportunity;
- OCTA has a booth at the Orange County Fair;
- Upcoming meetings.

Lacy Kelly, Executive Director of the Orange County League of Cities, addressed the Board and thanked Members for their participation in the recent meeting last week regarding rail in Orange County.

21. Directors' Reports

Director Brown reported that Metrolink's delivery of new locomotives and rail cars is on schedule, and the second locomotive will be received this month.

Director Winterbottom expressed his appreciation to staff for the recent bus base inspection and tour given to elected officials and city workers.

Director Pringle expressed his appreciation to OCTA Legislative staff and commended their work on the many issues underway at this time. He also indicated that today would be critical for Assembly Bill 3034, the high-speed rail bill, which will come before voters in November.

Director Amante thanked the Board Members who participated in the League of Cities meeting last week and provided comments of support at the meeting. He further reported that the July 25 hearing before the Secretary of Commerce on the potential extension of the 241 tollroad may be postponed due to the venue possibly not being large enough to accommodate the crowd anticipated.

22. Closed Session

A Closed Session was held pursuant to Government Code Section 54956.9 (b)(1). General Counsel did not give a report out from this session.

All members at the Regular meeting session attended the Closed Session.

23. Adjournment

The meeting adjourned at 11:05 a.m. The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, July 28, 2008**, at the OCTA Headquarters.

ATTEST

Wendy Knowles
Clerk of the Board

Peter Buffa
OCTA Vice Chairman



ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

CAROL MURDOCK

WHEREAS, the Orange County Transportation Authority recognizes and commends Carol Murdock; and

WHEREAS, be it known that Carol Murdock has been a principal player at the OCTA and has performed her responsibilities as a Coach Operator in a professional, safe, courteous, and reliable manner; and

WHEREAS, Carol Murdock has demonstrated that safety is paramount by achieving 27 years of safe driving; and

WHEREAS, Carol Murdock has demonstrated her integrity by maintaining an excellent attendance record, and her dedication exemplifies the high standards set forth for Orange County Transportation Authority employees; and

WHEREAS, Carol Murdock has proven that "Putting Customers First" is the only way to conduct yourself as a professional coach operator at OCTA and Carol's attention to detail and concern for her customers have helped OCTA ridership grow.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Carol Murdock as the Orange County Transportation Authority Coach Operator Employee of the Month for July 2008; and

BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Carol Murdock's valued service to the Authority.

Dated: July 28, 2008

Chris Norby, Chairman
Orange County Transportation Authority

Arthur T. Leahy, Chief Executive Officer
Orange County Transportation Authority





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

CARLOS PALACIOS

WHEREAS, the Orange County Transportation Authority recognizes and commends Carlos Palacios; and

WHEREAS, be it known that Carlos Palacios is a valued member of the Maintenance Department. Carlos takes every opportunity to improve himself and become one of the most exceptional mechanics. Carlos' skills and superb "can-do attitude" in performing all facets of vehicle maintenance have earned him the respect of all who work with him; and

WHEREAS, Carlos has consistently demonstrated a high level of achievement in providing our customers safe, clean, and ready vehicles at the Santa Ana Base; and

WHEREAS, Carlos has a strong commitment to teamwork, high standards of excellence and organizational pride which make him a strong asset to the base; and

WHEREAS, his dedication to his duties and desire to excel are duly noted and he is recognized as an outstanding Authority employee.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Carlos Palacios as the Orange County Transportation Authority Maintenance Employee of the Month for July 2008; and

BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Carlos Palacios' valued service to the Authority.

Dated: July 28, 2008

Chris Norby, Chairman
Orange County Transportation Authority

Arthur T. Leahy, Chief Executive Officer
Orange County Transportation Authority

OCTA Resolution No. 2008-40





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

JUDY LEON

WHEREAS, the Orange County Transportation Authority recognizes and commends Judy Leon; and

WHEREAS, be it known that Judy has performed her duties as OCTA's Marketing Outreach Specialist for the Authority's Marketing Department, demonstrating the highest level of customer service and professionalism in all her dealings with public and youth outreach programs; and

WHEREAS, Judy's contributions to the overall marketing outreach for OCTA to the general public, senior citizens, youth, employers and commuters have demonstrated her superior qualifications in customer service, oral and visual presentations and event logistics planning to create the most effective channels in communicating OCTA projects and services to a variety of audiences; and

WHEREAS, Judy's knowledge and understanding of OCTA projects and services, coupled with her exceptional customer-focused approach, create a friendly and professional face for OCTA in reaching out to thousands of people living and working in Orange County; and

WHEREAS, Judy's superior teamwork can-do attitude and dedication help create a progressive and productive working environment and demonstrate a high standard of the OCTA values.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Judy Leon as the Orange County Transportation Authority Administrative Employee of the Month for July 2008; and

BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Judy Leon's valued service to the Authority.

Dated: July 28, 2008

Chris Norby, Chairman
Orange County Transportation Authority

Arthur T. Leahy, Chief Executive Officer
Orange County Transportation Authority





MEMO

July 23, 2008

To: Members of the Board of Directors
From: Wendy Knowles^{WK}, Clerk of the Board
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 23, 2008

To: Finance and Administration Committee
AL
From: Arthur T. Leahy, Chief Executive Officer
Subject: Information Systems Audit Risk Assessment and Audit Plan

Overview

The Internal Audit Department of the Orange County Transportation Authority engaged Control Solutions International, Inc., to perform an information systems audit risk assessment. The purpose of this risk assessment was to identify risk in the Orange County Transportation Authority's information systems environment to assist the Internal Audit Department in developing its annual internal audit plans.

Recommendation

Receive and file as an information item.

Background

Generally Accepted Government Auditing Standards (GAGAS) require that internal auditors consider the controls over information systems (IS) in assessing risk within an organization. As part of its fiscal year 2007-08 internal audit plan, the Internal Audit Department (Internal Audit) of the Orange County Transportation Authority (OCTA) included an assessment of the IS environment (Risk Assessment) so as to assist Internal Audit in the development of future annual Internal Audit plans. Through a competitive procurement process, Internal Audit engaged the services of Control Solutions International, Inc. (CSI), to perform the Risk Assessment and recommend audit engagements.

The objective of the Risk Assessment was to review and evaluate risk in the IS environment at OCTA. The scope of work for this Risk Assessment included providing a risk assessment methodology, the risk assessment itself, identifying the audit universe, ranking auditable units by criticality, recommending audit cycles, and providing any incidental observations or recommendations.

Discussion

CSI conducted a Risk Assessment of the IS environment at OCTA. The Risk Assessment was conducted over a three-week period in January and February 2008, utilizing the *Control Objectives for Information and Related Technology* (COBIT) version 4.1 framework developed by the Information Technology Governance Institute and supplemented by the Information Technology Infrastructure Library Service Management framework developed by the Office of Government Commerce.

The COBIT model employed in the Risk Assessment consisted of linking business goals to IS goals, providing metrics and measuring the maturity of IS processes, and identifying the associated responsibilities of business and IS process owners.

COBIT defines IS activities in a process model within four domains. These domains include planning and organization, acquisition and implementation, delivery and support, and monitoring and evaluation. The domains map to an IS department's traditional responsibility areas of plan, build, run, and monitor.

In performing the Risk Assessment, CSI analyzed all domains and processes, risk-rated them, then identified those areas with the highest risk. CSI then assembled the risk-rated results into 25 auditable units for Internal Audit's consideration and provided a recommended audit cycle for each. The detailed Risk Assessment criteria and results have been provided to Internal Audit. The auditable units, cycles, and suggested audit program steps are included herein at Attachment A.

Summary

Based on the Risk Assessment, Internal Audit will consider identified auditable units in the preparation of future Internal Audit plans.

Attachment

A. Auditable Units and Audit Cycle

Prepared by:



Kathleen M. O'Connell
Manager, Internal Audit
(714) 560-5669

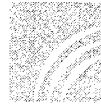


AUDITABLE UNITS AND AUDIT CYCLE

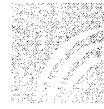
As a result of our IS Audit Risk Assessment and discussions with IS management, CSI observed and noted the following twenty-five potential auditable units ranked by criticality and grouped within five IT General Computer Control areas.

“Criticality” refers to Control Solution’s subjective ranking based on the risk level and the importance of audit finding. There are five criticality categories: Low, Medium to Low, Medium, Medium to High, and High.

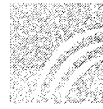
Unit no.	Criticality	COBIT Ref	Control Areas	Audit Cycle	Auditable Units	Audit Objectives	Suggested Standard Audit Program
1	High	DS4	Continuity of System	Every 2 years	Business Continuity Plan	Enable business to continue operations in the event of a disruption and to survive interruption	<ol style="list-style-type: none"> 1. Review of Disaster Recovery Plan and Business Recovery Process 2. Review Risk Assessment and Business Impact Analysis 3. Review of recovery teams 4. Training, testing and audit of recovery procedures 5. Post Event review
2	High	DS4	Continuity of System	Every 2 years	Recovery Strategy	Evaluate plan to recover system in case of disaster	<ol style="list-style-type: none"> 1. Senior Management selection process based on criticality, cost, time, security, reliability 2. Recognition and assessment of Interruption windows, Recovery Time Objective, Recovery Point Objective, Service Delivery Objective, Maximum Tolerable Objectives 3. Provision of recovery or alternate processing sites 4. Escalation processes
3	Medium to High	DS2, AI3, AI5, ME3	Information Security	Every 2 years	Policies and Procedures	Determine Organization policies and procedures are documented, updated and accessible	<ol style="list-style-type: none"> 1. Written organization policies for Information Security are centrally managed and accessible to staff 2. Training and awareness program plan 3. Periodical management review of enterprise wide security policies
4	Medium to High	DS2, AI3, ME3	Information Security	Yearly	Access Controls	Determine that all users, both local and remote are forced to authenticate to all network, systems, applications, and databases through unique user ID and password and other mechanism	<ol style="list-style-type: none"> 1. Unique userID 2. Generic account authorization and controls 3. Strong password parameter 4. Exception monitoring 5. Periodical recertification of user IDs 6. Critical system files and directories in production environments access control 7. User access administration - new, transfer, and termination 8. Privileged user access administration - new, transfer and termination
5	Medium to High	DS2, AI3, ME3	Information Security	Every 2 years	Encryption	Determine appropriate procedures have been implemented to protect sensitive data	<ol style="list-style-type: none"> 1. Sensitive data encryption or otherwise protected when stored or transmitted over unsecured network



Unit no.	Criticality	COBIT Ref	Control Areas	Audit Cycle	Auditable Units	Audit Objectives	Suggested Standard Audit Program
6	Medium to High	DS2, AI3, ME3	Information Security	Every 2 years	Anti Virus	Determine the entity's programs, data and other information resources are protected from viruses	<ol style="list-style-type: none"> 1. Virus definition updates 2. Email virus scan 3. Antivirus installation on all PCs, Laptop, servers connected to the internal network
7	Medium to High	DS2, AI3, ME3	Information Security	Every 2 years	Physical Access	Physical access control mechanism is used to restrict and record access to protected areas.	<ol style="list-style-type: none"> 1. Physical access restriction to protected areas 2. Periodic review of access
8	Medium to High	AI2, AI7	System Development	Every 2 years	Policies and Procedures	Organization policies and procedures are documented, updated and accessible	<ol style="list-style-type: none"> 1. Written organization policies and procedures regarding program development are centrally managed, well documented, updated annually, approved, reviewed and accessible to staff
9	Medium to High	AI2, AI7	System Development	Yearly	Formal SDLC	Application system development and modification are consistent with management intentions	<ol style="list-style-type: none"> 1. Review of request for changes to application functionality and/or data structure 2. Process methodology
10	Medium to High	AI2, AI7, AI1	System Development	Yearly	Business and Technical Specifications	Functional and technical requirements have been approved to ensure data integrity in production	<ol style="list-style-type: none"> 1. Documentation and approval of business and technical requirements 2. Security control considerations
11	Medium to High	AI2, AI7	System Development	Yearly	Segregations of Environment and duties	Appropriate segregation of environments (test, QA and production) for development activities to ensure production data integrity	<ol style="list-style-type: none"> 1. Existence of separate test and QA environment separate from the life production environment 2. Segregations of applications development responsibilities from access to the production environment
12	Medium to High	AI2, AI7, PO8	System Development	Yearly	Testing and QA	Test is adequately performed with appropriate set of test data	<ol style="list-style-type: none"> 1. Use of comprehensive and representative set of test data 2. Comprehensive test plan covering functional system testing, interface, parallel testing, capacity, user acceptance testing
13	Medium to High	AI2, AI7	System Development	Yearly	Promotion/transport to production	Logical security tools and techniques are administered to ensure that the ability to perform promotion/transport is appropriately restricted.	<ol style="list-style-type: none"> 1. Segregations of duties for promotion/transport functions from development responsibilities 2. Control of access to the promotion/transport tools 3. Monitoring and review of promotion/transport function and activities
14	Medium to High	DS9	Information Security	Every 2 years	Security Configuration	Default security settings are monitored and modified	<ol style="list-style-type: none"> 1. All in-scope server default settings have been disabled or modified e.g. default vendor password, default IDs, system services and ports 2. Security parameter configuration 3. Implementation of security patches



Unit no.	Criticality	COBIT Ref	Control Areas	Audit Cycle	Auditable Units	Audit Objectives	Suggested Standard Audit Program
15	Medium to High	ME2	Information Security	Every 2 years	Logging, Monitoring and Reporting	Security monitoring is performed to detect inappropriate or unauthorized access	<ol style="list-style-type: none"> 1. Unsuccessful authentication attempt monitoring 2. Monitoring and review of privileged user activities
16	Medium to High	AI6	Change Management	Every 2 years	Policies and Procedures	Organization policies and procedures are documented, updated and accessible	<ol style="list-style-type: none"> 1. Written organization policies and procedures regarding IT change management related to application, database, system software, network and communication systems are centrally managed, well documented, updated annually, approved, reviewed and accessible to staff
17	Medium to High	AI6, AI1	Change Management	Every 2 years	Prioritization	Modification are appropriately implemented and are consistent with management's intention	<ol style="list-style-type: none"> 1. Projects are prioritized and approved 2. Projects are evaluated through feasibility study process
18	Medium to High	AI6	Change Management	Every 2 years	Change Requests	All necessary modifications to existing application systems are implemented timely	<ol style="list-style-type: none"> 1. Emergency change requests 2. Management approval and documentation of change requests
19	Medium to High	AI6, PO8	Change Management	Every 2 years	Testing	Modifications are tested to ensure compliance to the original requirements and objectives.	<ol style="list-style-type: none"> 1. Testing of changes against defined requirements and objectives 2. Proper performance and appropriate documentation of unit, system, interface, capacity and user acceptance testing
20	Medium to High	AI6	Change Management	Every 2 years	Approvals and authorizations	Changes are authorized by management to ensure accuracy, validity, completeness	<ol style="list-style-type: none"> 1. Management approvals of results 2. Changes are promoted to production environment by personnel independent of development or end-users
21	Medium to High	AI6	Change Management	Every 2 years	Restore Plans	Backup versions of application, systems software, network and communications systems are maintained as roll-back contingency	<ol style="list-style-type: none"> 1. Assurance of restoration to original environment in case of failed changes
22	Medium	DS13	IS Operations	Every 2 years	Policies and Procedures	Organization policies and procedures are documented, updated and accessible	<ol style="list-style-type: none"> 1. Written organization policies for IT Operations are centrally managed, documented, reviewed regularly, updated, approved and accessible to the staff
23	Medium	DS13	IS Operations	Every 2 years	Processing and Monitoring	The computer processing environment is supported and maintained	<ol style="list-style-type: none"> 1. Procedure for batch processing and review of job/task scheduling, re-start/recovery, schedule change approvals, logging of incidents 2. Monitoring of processing (batch, online, interface and reports) 3. Monitoring of data network, key server and devices 4. Automated scheduling tools and controls 5. Production scheduling control language



Unit no.	Criticality	COBIT Ref	Control Areas	Audit Cycle	Auditable Units	Audit Objectives	Suggested Standard Audit Program
24	Medium	DS13	IS Operations	Every 2 years	Technical Support	Process to respond to incidents or user queries regarding systems	<ol style="list-style-type: none">1. Technical support tracking process which logs user incidents and inquiries2. Monitoring of incidents and inquiries until final resolution
25	Medium	DS11	IS Operations	Every 2 years	Backup and Restore	Data is retained in accordance with laws, regulation and organization policy to enable retrieval when needed	<ol style="list-style-type: none">1. Policies to cover backup and retention of data, erasure of data.2. Management review of retention and release records3. Implementation of backup processes.4. Review of backup logs, messages and follow up action when incident occurs5. Reliability of backup testing and restoration procedure6. Offsite backup storage



MEMO

July 23, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 23, 2008

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System

Overview

The Internal Audit Department has conducted a review of the Orange County Transportation Authority's internal controls over its Orange County Employees Retirement System contributions and participant data. The review also included a review of the Orange County Transportation Authority's controls over distribution of Additional Retiree Benefit Account benefits. The review found the internal controls over contributions and participant data to be generally adequate. Recommendations are being made to improve controls over monitoring Orange County Employees Retirement System reciprocity and Additional Retiree Benefit Account transactions.

Recommendation

Direct staff to implement the recommendations in the Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System, Internal Audit Report No. 07-033.

Background

The Orange County Employees Retirement System (OCERS) provides retirement, death, and disability benefits to employees of the County of Orange and 15 agencies, including the Orange County Transportation Authority (OCTA). Retirement benefits are based on plan type, years of service, age at retirement, and final average salary.

OCTA's plans with OCERS include two tiers: Tier I and Tier II. Tier I members were hired on or before September 21, 1979. Members hired after that date are considered Tier II members. For Tier I, the retirement benefit formula is 2 percent at 57 years of age and the final average salary is the average of the highest consecutive 12 months of compensation. For Tier II, the formula is

1.6667 percent at 57.5 years of age and the final average salary is the average of the highest consecutive 36 months of compensation.

OCTA provides an Additional Retiree Benefit Account (ARBA), a retirement income supplement, to eligible OCTA retired members of OCERS. ARBA is intended to assist career OCTA employees with the cost of health insurance coverage following retirement from OCTA service. To be eligible for ARBA, employees must separate from OCTA service and receive retirement benefits under OCERS on or after January 1, 1995. The benefit is \$10 per month for each year of OCERS-covered service with OCTA, with a not-to-exceed monthly benefit of \$150.

Discussion

The fiscal year 2006-07 Internal Audit Department (Internal Audit) plan included a review of OCERS. The review objective was to determine the existence of internal controls over OCTA's submission of contributions and participant data to OCERS.

During the review, Internal Audit noted that OCTA lacks controls to ensure that the entry age is adjusted and a retroactive adjustment is credited for new employees with service from a reciprocal retirement system. Internal Audit recommended that the Human Resources Department track all new OCTA employees with potential reciprocity and follow up with OCERS on a periodic basis if reciprocal service paperwork has been outstanding for a significant period of time. Internal Audit also recommended that there be supervisory reviews of ARBA benefit payments against source documents. Finally, Internal Audit recommended that OCTA monitor the OCERS audit function to ensure a fiscal year 2007-08 Internal Audit plan is adopted and implemented.

Summary

Based on the review, Internal Audit offered three recommendations, which management has indicated will be implemented.

Attachment

- A. Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System, Internal Audit Report No. 07-033

Prepared by:



Kathleen M. O'Connell
Manager, Internal Audit
(714) 560-5669



INTEROFFICE MEMO

July 10, 2008

To: Jim Kenan, Executive Director
Finance, Administration and Human Resources

From: SN
Serena Ng, Senior Internal Auditor
Internal Audit

Subject: **Internal Control Review of Contributions and Participant Data
Transmission to Orange County Employees Retirement System,
Internal Audit Report No. 07-033**

Attached hereto is the Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System, Internal Audit Report No. 07-033. The management responses to the three recommendations made in the review have been incorporated into the attached final audit report. Internal Audit concurs with the responses.

We appreciate the cooperation received during this review. Internal Audit will follow up on management's planned corrective action in six months.

Appendix: Internal Control Review of Contributions and Participant Data
Transmission to Orange County Employees Retirement System,
Internal Audit Report No. 07-033

c: Lisa Arosteguy
Najla DeBow
Rodney Johnson
Kathleen O'Connell

ORANGE COUNTY TRANSPORTATION AUTHORITY INTERNAL AUDIT DEPARTMENT



Internal Control Review of Contributions and Participant Data Transmission to Orange County Employees Retirement System

INTERNAL AUDIT REPORT NO. 07-033

July 10, 2008



Internal Audit Team:

Kathleen M. O'Connell, CPA, Internal Audit Manager
Serena Ng, CPA, Senior Internal Auditor

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Internal Control Review of Contributions and Participant Data Transmission to
Orange County Employees Retirement System
July 10, 2008**

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<i>OCTA Plans</i>	<i>1</i>
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OBJECTIVES, SCOPE, AND METHODOLOGY	3
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**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Internal Control Review of Contributions and Participant Data Transmission to
Orange County Employees Retirement System
July 10, 2008**

CONCLUSION

A review of Orange County Transportation Authority's (OCTA) internal controls over its Orange County Employees Retirement System (OCERS) contributions and participant data has been completed. The review also included a review of OCTA's internal controls over distribution of Additional Retiree Benefit Account (ARBA) benefits.

During the review, Internal Audit encountered a scope limitation in that a planned test to compare OCTA participant data with OCERS records could not be performed. OCERS considers member records confidential. As such, OCERS would not release the information without authorization from plan participants.

The review found that OCTA's internal controls over contributions and participant data are generally adequate. Recommendations are being made to improve controls over monitoring OCERS reciprocity and ARBA transactions.

BACKGROUND

OCERS Background

OCERS is a cost-sharing multiple-employer, defined benefit pension plan governed by a Board of Retirement and serves approximately 26,000 active and deferred members and 11,000 benefit recipients, primarily retired members and survivors. OCERS provides retirement, death, and disability benefits for employees of the County of Orange and 15 agencies, including OCTA.

Retirement benefits are based on plan type, years of service, age at retirement, and final average salary, which includes base pay and may also include bonuses, shift differential, uniform allowance, automobile allowance, and bilingual pay.

OCERS' funded ratio increased from 71.53 percent to 73.77 percent from December 31, 2005 to December 31, 2006. OCERS audited financial statement included an unqualified opinion for the year ended December 31, 2006. Net Assets Held in Trust for Pension Plan Benefits increased from \$6,077,768,385 to \$6,987,107,123 from December 31, 2005, to December 31, 2006.

OCTA Plans

OCTA's plans with OCERS include two tiers: Tier I and Tier II. Tier I members were hired on or before September 21, 1979. Anyone hired after that date is considered a

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Internal Control Review of Contributions and Participant Data Transmission to
Orange County Employees Retirement System
July 10, 2008**

Tier II member. For Tier I, the retirement benefit formula is two percent at 57 years of age and the final average salary is the average of the highest consecutive twelve months of compensation earnable. For Tier II, the formula is 1.6667 percent at 57.5 years of age and the final average salary is the average of the highest consecutive 36 months of compensation earnable.

The OCTA employer contribution rate for fiscal year 2007-08 is 14.96 percent, and the employee contribution rates vary based on tier and entry age. OCTA prepaid its employer contribution for the fiscal year ended June 30, 2008. Each payroll period, the prepaid amount is reduced by the employer contribution amount. OCTA pays the employee contributions for administrative employees, whereas employee contributions are deducted from union employees' paychecks. Employee contributions are wired to OCERS each payroll period. OCTA also sends to OCERS a transmission file of participant and contribution data which is set up according to OCERS specifications through File Transfer Protocol (FTP).

ARBA Background

OCTA provides ARBA, a retirement income supplement, to eligible OCTA retired members of OCERS. ARBA is intended to assist career OCTA employees in offsetting the cost of health insurance coverage following their retirement from OCTA service.

To be eligible for the ARBA benefit, employees must separate from OCTA service and receive retirement benefits under OCERS on or after January 1, 1995. The benefit is \$10.00 per month for each year of OCERS-covered service with OCTA, with a not-to-exceed monthly benefit of \$150.00.

The ARBA benefit was originally funded through excess earnings of OCTA's retirement plan and held as part of the unallocated fund balance. As the unallocated fund balance was reduced due to benefit payments and market performance, participating agencies began contributing 0.5 percent, then later one percent of payroll. OCTA continued to allocate internally one percent of payroll to fund this benefit. On April 14, 2008, the OCTA Board of Directors adopted the ARBA Plan, authorized the Executive Director of Finance, Administration and Human Resources to enter into a Grantor Trust Agreement with Barclays Global Investor, N.A., and approved a post-employment benefit trust account third-party administrative services and investment agreement between OCTA and OCERS. The OCTA Board of Directors also authorized the Executive Director of Finance, Administration and Human Resources to fund the ARBA Plan with approximately \$6.7 million of reserves previously set aside for self-funded health care claims.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Internal Control Review of Contributions and Participant Data Transmission to
Orange County Employees Retirement System
July 10, 2008**

For December 2007, ARBA benefits totaling \$46,540 were distributed to 322 recipients. For the calendar year 2007, ARBA distributions totaled approximately \$531,000.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Internal Audit Plan for Fiscal Year 2006-07 included a review of OCERS. The review objectives were to determine the existence of internal controls over OCTA's submission of contributions and participant data to OCERS. The audit scope included OCERS contributions in calendar year 2007. The methodology included obtaining an understanding of OCERS and OCTA internal controls over OCERS contributions and participant data. Internal Audit's procedures included:

- Review of OCERS Plan Descriptions and OCERS Actuarial Valuation and Review;
- Review of Comprehensive Annual Financial Report for the Year Ended December 31, 2006, including financial statements audited by Brown, Armstrong, Paulden, McCown, Starbuck, Thornburgh & Keeter Accountancy Corporation;
- Review of OCERS' Audit Committee minutes and OCERS' Internal Audit Plan;
- Review of ARBA Policy;
- Interviews with OCTA Human Resources, Payroll, and Information Systems staff involved with OCERS contributions, participant data transmission and ARBA benefits;
- Review of OCERS contribution rates for a sample of participants; and
- Review of ARBA benefits for a sample of recipients.

One of Internal Audit's planned tests was to compare OCTA participant data with OCERS records for a sample of OCTA participants. However, Internal Audit was unable to perform this test. OCERS' legal opinion was that the information could not be released without signed authorizations from employees. Based, however, on Internal Audit's understanding of the data transfer process, it appears that adequate controls exist to ensure that participant data collected by OCERS from OCTA is protected.

This audit was conducted in accordance with generally accepted government auditing standards. Those standards require that Internal Audit plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for these findings and conclusions.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Internal Control Review of Contributions and Participant Data Transmission to
Orange County Employees Retirement System
July 10, 2008**

**AUDIT COMMENTS, RECOMMENDATIONS AND MANAGEMENT
RESPONSES**

Noteworthy Accomplishments

Internal Audit noted during this review that OCTA secures OCERS participant data and ARBA beneficiary data. For each payroll period, OCTA encrypts the OCERS contributions file that includes participant data and sends it to OCERS. The ARBA files in Human Resources are secured in locked drawers. In addition, internal controls over the preparation and transmission of wire transfers to OCERS are in place and operating effectively.

Monitoring of New Employees with Reciprocity

New OCTA employees may establish reciprocity between OCERS and other retirement systems by communicating directly with OCERS. An employee's age of entry into the first reciprocal system establishes OCTA's contribution rate. Since the contribution rate generally increases with age, the contribution rate for a new employee with reciprocal service is generally less than if he or she is a new participant. OCTA does not adjust the employee's entry age in the system until it receives notification from OCERS. Once reciprocity is established, OCERS must credit OCTA for any overpayment of contributions.

Internal Audit noted, during review of entry ages for OCERS participants, that the entry date for employees with reciprocity may take some time to establish. For example, OCTA was not notified by OCERS of the Internal Audit Manager's reciprocity with the California Public Employees' Retirement System until almost 16 months after reciprocity was established. The adjustment was not processed for this employee until approximately 21 months after reciprocity was established. There are no controls within OCTA to ensure that the entry age is adjusted and that a retroactive adjustment is credited.

Recommendation 1: The OCERS Member Affidavit that is filled out by new employees includes a section on previous California public service. Internal Audit recommends that Human Resources implement a practice of tracking all new employees with potential reciprocal service based on the OCERS Member Affidavit and then following up with OCERS on a periodic basis if the reciprocal paperwork has been outstanding for a significant time period.

Management Response: Human Resources is in the process of enhancing the Lawson program to provide a tool to track those new employees that have indicated on their

**ORANGE COUNTY TRANSPORTATION AUTHORITY
INTERNAL AUDIT DEPARTMENT**

**Internal Control Review of Contributions and Participant Data Transmission to
Orange County Employees Retirement System
July 10, 2008**

OCERS Member Affidavit that they have previous California public service. This process will provide a quarterly list of employees to facilitate a follow up process to ensure the reciprocal paperwork has been processed.

Supervisory Review of ARBA Benefits

When an OCTA employee retires, OCERS faxes and/or emails a letter to the OCTA Benefits Analyst in the Human Resources Department with the retiree years of service. Concurrently, OCTA provides a retiree with an ARBA Participation Agreement. The Benefits Analyst matches the OCERS letter to the ARBA Participation Agreement, determines ARBA eligibility by reviewing the OCERS letter and the human resources system data, and calculates the ARBA benefit amount. The Benefits Analyst also calculates a retroactive benefit, if appropriate.

The Benefits Analyst transmits files of ARBA benefit recipients on a monthly basis to OCERS, the paying agent. Upon receipt of the monthly OCERS report of ARBA distributions, the Benefits Analyst reconciles the OCERS report to her files. However, there is no supervisory review.

Recommendation 2: Internal Audit recommends that a Human Resources manager or a separate Human Resources employee periodically review ARBA benefit payments against source documents to ensure that ARBA benefit amounts are being paid in the appropriate amounts to the appropriate beneficiaries.

Management Response: The Senior Benefits Analyst will provide a report to the Human Resources section manager of Compensation and Benefits to ensure that ARBA benefit amounts are being paid in the appropriate amounts to the appropriate beneficiaries.

OCERS Audit

OCERS did not implement its Fiscal Year 2007 Internal Audit Plan due to the loss of its Internal Auditor early in 2007 with the replacement hired just recently. While there were five Audit Oversight Committee meetings in 2006, there has only been one meeting in 2007, on June 1, 2007, and one meeting in 2008, on July 9, 2008.

It is important that OCTA be assured that the OCERS Internal Audit function is operating effectively and that audits are being routinely conducted, particularly in areas that impact actuarial valuations, such as participant data audits. Employee data is transmitted in only one direction (from OCTA to OCERS). Because OCERS will not release member records to OCTA for audit testing without member authorization, data errors must be identified internally by OCERS staff or its internal auditors.

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Recommendation 3: Internal Audit recommends that OCTA monitor the OCERS audit function to ensure a Fiscal Year 2008 Internal Audit Plan is adopted and implemented.

Management Response: Once OCERS has adopted and implemented an annual internal audit plan OCTA will ask OCERS to provide evidence of such implementation.



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Ortega Highway (State Route 74) Widening Project Update

Highways Committee of July 21, 2008

Present: Directors Amante, Cavecche, Glaab, Green, Mansoor, Norby, Pringle, and Rosen
Absent: Director Dixon

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Authorize staff to split the Ortega Highway (State Route 74) widening project into two segments for implementation.
- B. Authorize the Chief Executive Officer to negotiate and execute a cooperative agreement with the County of Orange for the implementation and funding of the Ortega Highway (State Route 74) widening project.
- C. Authorize staff to amend the Federal Transportation Improvement Program and the State Transportation Improvement Program and execute any necessary agreements to facilitate the delivery of the above.



July 21, 2008

To: Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Ortega Highway (State Route 74) Widening Project Update

Overview

The Orange County Transportation Authority Board of Directors has approved funding for the Ortega Highway (State Route 74) widening project through the State Transportation Improvement Program. This project will widen Ortega Highway (State Route 74) for approximately two miles from Calle Entradero to Antonio Parkway. As the lead agency for the project, the County of Orange has requested to split the project into two separate segments and phase the implementation.

Recommendations

- A. Authorize staff to split the Ortega Highway (State Route 74) widening project into two segments for implementation.
- B. Authorize the Chief Executive Officer to negotiate and execute a cooperative agreement with the County of Orange for the implementation and funding of the Ortega Highway (State Route 74) widening project.
- C. Authorize staff to amend the Federal Transportation Improvement Program and the State Transportation Improvement Program and execute any necessary agreements to facilitate the delivery of the above.

Background

In 2007, the Orange County Transportation Authority (Authority) Board of Directors (Board) approved \$10 million of additional funding in State Transportation Improvement Program (STIP) funds to widen approximately

two miles of the Ortega Highway (State Route 74) from Calle Entradero to Antonio Parkway. This project is jointly funded with other state and County of Orange (County) funds, including development impact fees, and is being implemented through a coordinated effort between the County and the California Department of Transportation (Caltrans). A segment of this project, approximately 1.1 miles in length, is currently environmentally cleared and ready for construction. The remaining 0.9-mile segment is in the environmental stage and anticipated to be cleared in late 2009.

Discussion

As lead agency for the entire project, the County submitted a request to the Authority to split the widening project into two segments to be implemented separately. The first segment, referred to as the County segment and located within the County's right-of-way, is approximately 1.1 miles in length and is ready to begin construction. The second segment, referred to as the City segment and located within the City of San Juan Capistrano and the County rights-of-way, is approximately .9 miles in length and is currently in the environmental phase. Because the County segment is environmentally cleared and ready for construction, the County would like to proceed in advance of the City segment. The County will remain the lead for both segments. Attachment A provides project maps depicting the currently approved projects and the proposed split.

The County Board of Supervisors approved a cooperative agreement with Caltrans for the County to implement the construction phase of the County segment. Included in the County Board of Supervisors agenda item for that agreement was a proposed funding plan for each segment. The County has proposed to utilize all \$10 million of STIP funds for the County segment, and has committed to work with the California Transportation Commission (CTC) to seek alternate funding through the interregional portion of the STIP for the balance of the City segment. Should these funds not be made available through the interregional STIP, the County has committed to funding the balance for the City segment through County sources. This full funding commitment ensures that the Authority's investment, \$10 million of STIP funds, will be utilized to deliver the full benefit of both segments of the project (two miles of improvement). A full funding summary as proposed by the County is provided as Attachment B, and a cooperative agreement is recommended between the Authority and the County to finalize the County's funding contribution.

Staff has reviewed the County's request and recommends approval of the project split given the County's commitment to provide additional funding if needed. The funding split requires approval by the CTC; staff will initiate this process with approval of the recommendations.

Summary

The Orange County Transportation Authority's Board of Directors has programmed \$10 million in State Transportation Improvement Program funds for improvements on the Ortega Highway (State Route 74). The County of Orange has requested to split the Ortega Highway (State Route 74) widening project into two segments for delivery and to utilize the available funds for a portion of the project. Staff has reviewed the request and recommends approval given the County of Orange's commitment to full funding of the project.

Attachments

- A. Ortega Highway (State Route 74) Widening Project
- B. Ortega Highway (State Route 74) Improvement Projects Funding Plan

Prepared by:



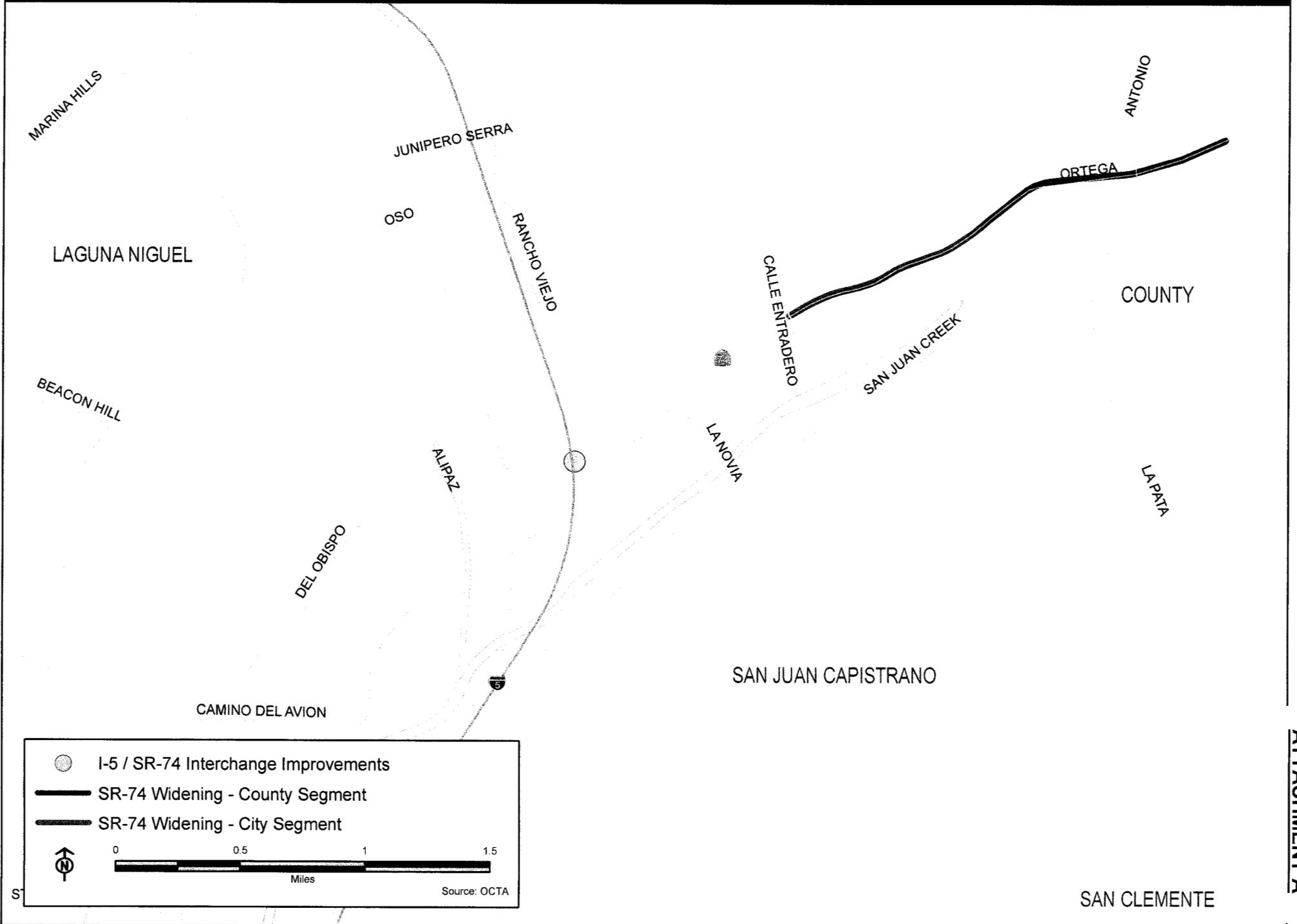
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Ortega Highway (State Route 74) Widening Project



ATTACHMENT A

Ortega Highway (State Route 74) Improvement Projects Funding Plan

(\$1000s)

County Segment							
Fund Source	Environmental	Design	Right-of-Way Support	Right-of-Way Capital	Construction Support	Construction Capital	TOTAL
OCTA - STIP						\$ 10,000	\$ 10,000
Local Funds	\$ 125	\$ 4,305	\$ 225	\$ 10,510	\$ 2,340	\$ 13,400	\$ 30,905
TOTAL	\$ 125	\$ 4,305	\$ 225	\$ 10,510	\$ 2,340	\$ 23,400	\$ 40,905

City Segment							
Fund Source	Environmental	Design	Right-of-Way Support	Right-of-Way Capital	Construction Support	Construction Capital	TOTAL
ITIP ¹	\$ 3,713						\$ 3,713
Future ITIP ²						\$ 10,000	\$ 10,000
Local Funds	\$ -	\$ 2,870	\$ 1,386	\$ 8,716	\$ 1,744	\$ 7,440	\$ 22,156
TOTAL	\$ 3,713	\$ 2,870	\$ 1,386	\$ 8,716	\$ 1,744	\$ 17,440	\$ 35,869

Combined Segments							
Fund Source	Environmental	Design	Right-of-Way Support	Right-of-Way Capital	Construction Support	Construction Capital	TOTAL
OCTA - STIP						\$ 10,000	\$ 10,000
ITIP ¹	\$ 3,713						\$ 3,713
Future ITIP ²						\$ 10,000	\$ 10,000
Local Funds	\$ 125	\$ 7,175	\$ 1,611	\$ 19,226	\$ 4,084	\$ 20,840	\$ 53,061
TOTAL	\$ 3,838	\$ 7,175	\$ 1,611	\$ 19,226	\$ 4,084	\$ 40,840	\$ 76,774

1 - Interregional Transportation Improvement Program

2 - The County will be working with Caltrans to submit a request for future ITIP funds. If the request is not approved, the County has committed to fully funding the project



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Proposed Regulation of Greenhouse Gas Emissions

Legislative and Communications Committee Meeting of July 17, 2008

Present: Directors Bates, Brown, Buffa, Cavecche, Mansoor, and Rosen
Absent: Director Glaab

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Amend the existing Orange County Transportation Authority Principles for Amending SB 375 (Steinberg, D-Sacramento) to add a principle advocating for the streamlining of environmental analysis for greenhouse gas emissions at the project-level for transportation projects that meet certain requirements.
- B. Adopt the following recommended position on legislation:

Oppose Unless Amended SB 303 (Ducheny, D-San Diego), which would require transportation agencies to create two growth scenarios to achieve regional greenhouse gas reductions.

Note: This item was also presented at the Transportation 2020 and Highways Committees on July 21, 2008.



July 21, 2008

To: Transportation 2020 Committee
From: Arthur T. Leahy, ^{NY} Chief Executive Officer
Subject: Proposed Regulation of Greenhouse Gas Emissions

Overview

An overview is provided of the several processes underway for implementing AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006). A principle is recommended to be added to a set of existing principles for streamlining environmental analysis of transportation projects. An oppose unless amended position is recommended for legislation that would require transportation projects to meet emission reduction targets through the adoption of regional growth scenarios.

Recommendations

- A. Amend the existing Orange County Transportation Authority Principles for Amending SB 375 (Steinberg, D-Sacramento) to add a principle advocating for the streamlining of environmental analysis for greenhouse gas emissions at the project-level for transportation projects that meet certain requirements

- B. Adopt the following recommended position on legislation:

Oppose Unless Amended SB 303 (Ducheny, D-San Diego), which would require transportation agencies to create two growth scenarios to achieve regional greenhouse gas reductions

Discussion

Through the passing of AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006), the landmark state greenhouse gas (GHG) reduction goal of achieving 1990 emission levels by 2020 was established. In conjunction with the 2050 goal of reducing emissions 80 percent below 1990 levels, set by the Governor’s Executive Order S-01-07, authorization was given

to the California Air Resources Board (CARB) to begin the implementation of an unprecedented regulatory scheme to reduce GHG. In furtherance of this objective, CARB is authorized to use a combination of both market-based compliance mechanisms as well as traditional regulatory measures. This authority is tempered by the requirement that measures be cost-effective and technologically feasible. AB 32 requires CARB to adopt a Scoping Plan outlining the measures proposed to effectuate the emission reduction goals by January 1, 2009.

Although AB 32 designates CARB as the lead agency for implementing regulations necessary to achieve the emission reduction goals, a variety of entities are working to either clarify the requirements under AB 32 or create methods for achieving the required reductions. From these proposals, one method consistently proposed of achieving GHG emission reductions from transportation is through improved coordination of transportation and land use planning using the regional transportation plan (RTP). As an incentive for the increased coordination, streamlining of environmental review under the California Environmental Quality Act (CEQA) for GHG has been proposed.

In the Orange County Transportation Authority (OCTA) 2008 State Legislative Platform, principles were adopted to guide AB 32 implementation to ensure that the AB 32 implementation will be incentive based, economically practical, technologically feasible, and not done in piecemeal fashion. Moreover, the principles sought to ensure that the AB 32 process would not be accelerated and that efforts would be supported to prevent pre-emptive litigation under CEQA before necessary guidelines have been developed. These principles are used to guide staff in review of the differing proposals for AB 32 implementation.

California Environmental Quality Act and Greenhouse Gases

One of the most near-term impacts to OCTA will come in the form of new guidelines on how to address GHG emissions under CEQA. In August 2007, Governor Arnold Schwarzenegger signed SB 97 (Chapter 185, Statutes of 2007), which requires the Governor's Office of Planning and Research (OPR) to prepare CEQA guidelines for the "feasible mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions" by July 1, 2009. The state Resources Agency is required to certify and adopt the guidelines by January 1, 2010.

Though OPR is still developing formal regulations on CEQA GHG analysis, the agency issued a technical advisory in June 2008 that provides informal guidance for public agencies on how to address climate change in CEQA

documents. The advisory directs agencies to develop an approach for performing a climate change analysis for all projects that generate GHG emissions. OPR states that the analysis should:

- Identify and quantify GHG emissions;
- Assess the significance of its impact on climate change, including cumulative impacts, and
- If the impact is found to be significant, identify alternatives and/or mitigation measures that will reduce the impact to a level that is less than significant

All transportation projects, including Renewed Measure M projects, would be subject to these new guidelines, with the exception of Proposition 1B projects environmentally cleared before January 1, 2010. A list of OCTA projects that have not been environmentally cleared that could be subject to any new guidelines for CEQA GHG analysis is attached (Attachment A).

Future environmental impact reports will be required to analyze expected GHG emissions. If the emissions are found to be significant, public agencies would be required to implement all feasible mitigation measures to reduce emissions to a level that is less than significant. Proposed mitigation measures could include land-use strategies and programs to reduce vehicle miles traveled.

OPR has asked CARB to recommend a method for setting statewide significance thresholds for GHG emissions. In the meantime, local agencies are directed to determine its own threshold of significance.

Because of the global nature of climate change, determining the significance of GHG emissions from a single project will be extremely difficult. A program-level analysis of GHG emissions in Regional Transportation Plans (RTP) may be a more reasonable approach, though still not without challenges.

Subjecting individual transportation projects to quantitative GHG analysis under CEQA would not only add to the expense of preparing environmental documents, but also could increase project cost if GHG mitigation measures are required. In the absence of a clear statewide methodology for conducting GHG analysis under CEQA, projects may also face legal challenges that could result in additional delays.

The Scoping Plan

On June 26, 2008, CARB released the draft Scoping Plan to serve as a blueprint for how the state will reduce GHG emissions to 1990 levels by 2020. This translates to reducing emissions from about 10 percent of 2002-2004 average emission levels or 30 percent from the current emission levels projected for 2020. It is estimated that a reduction of about 169 metric tons of carbon dioxide equivalents (MMTCO₂E) of greenhouse gases will be needed to achieve this goal. Furthermore, as directed by the Governor's Executive Order S-3-05, CARB will also work to achieve long-term GHG reductions to meet the goal of reducing GHG emissions to 80 percent below 1990 levels by 2050.

According to CARB estimates, the transportation sector comprises 38 percent of the total GHG emissions in the state, the largest single source of GHG emissions. However, the Scoping Plan does not require each sector to achieve the same percentage emission reductions as the sector's estimated contributions. For the transportation sector, the Scoping Plan targets three core measures to produce the necessary reductions for that sector.

The first measure to reduce transportation-related emissions is through local government actions and regional GHG targets. Estimated to achieve about 1 percent of the total GHG reductions needed to meet the 2020 goal, this recommendation is comprised of both initial recommendations for voluntary government actions, and regulatory recommendations. As a preliminary measure, the Scoping Plan encourages local governments to incorporate GHG reduction measures and regional blueprint plans into their general plans, create climate action plans, and set GHG targets for 2020.

Reductions could come from a variety of areas including transportation planning changes, energy efficiency, wastewater system operation changes, recycling measures, and community design changes. In regards to transportation, the aim is to develop new smart growth planning that will emphasize low-carbon travel such as transit, carpooling, biking, and walking. To help local governments to accomplish this, the Scoping Plan recommends measurement and tracking protocols, planning tools, and best practices be developed to assist local governments. Through rulemaking, CARB will create both local government protocols for measuring GHG emissions and a series of best practices that local governments can implement to achieve the required reductions.

A major component of the Scoping Plan's projected decrease in local government GHG emissions is the creation of regional GHG targets. To do

this, the Scoping Plan offers that a greater connection between land use and transportation is needed, with an emphasis on mixed use communities, improved mobility options, and better designed suburban environments.

CARB recommends that the following be implemented to meet the targets:

- Integrated scenario modeling to align RTPs and local general plans
- Consideration of other state policy goals, yet to be defined
- Performance indicators to monitor progress
- Coordination of local and regional planning efforts
- Prioritize and direct state resources to help local and regional governments meet regional GHG targets

The Scoping Plan highlights the use of “blueprints” as a planning mechanism that can lead to sustainable growth. In exchange for the increased emphasis on sustainable growth, CARB is to work with OPR to ensure that CEQA will provide recognition for projects that are consistent with the general plans that align with adopted blueprints.

Although currently only a small percentage of total GHG emission reductions is assigned to local government actions, CARB projects that a greater percentage reduction will be needed to meet the 2050 targets. For the 2020 goal, the majority of emission reductions for the transportation sector are attributed to the light-duty vehicle GHG standards and the development of a low carbon fuel standard (LCFS).

The second measure to reduce transportation-related GHG emissions is through stronger light-duty vehicle GHG standards. An estimated 18-19 percent of the total GHG reductions will be accomplished through the model created under AB 1493 (Chapter 500, Statutes of 2002), otherwise known as the Pavley rule. Under the framework developed, vehicle standards are to lower GHG emissions to the maximum extent technologically feasible, beginning with the 2009 model. The Scoping Plan also envisions the adoption of a second, more stringent phase of the Pavley regulations, to be known as Pavley II.

The implementation of these standards is currently the subject of litigation between the State of California and the United States Environmental Protection Agency (EPA). Under the federal Clean Air Act, in order to be able to implement these regulations, the EPA must grant California a waiver. In December 2007, the EPA denied this waiver, leading California and other states to challenge the decision in federal court. The Scoping Plan assumes this challenge will be successful. However, if it is unsuccessful CARB is

directed under AB 32 to adopt substitute regulations to achieve the same emission reductions. In the draft Scoping Plan, CARB addresses two substitutes for the Pavley standards:

- Require original equipment manufacturers to meet the equivalent emission reductions before the vehicle can be certified for sale in California
- A feebate proposal which imposes fees on the purchase of high GHG emitting vehicles, which would be returned as rebates to buyers of low GHG emitting vehicles. The fee schedule would be set so that equivalent emission reductions would occur as under Pavley

The third proposed measure to reduce transportation-related GHG emissions is through the development of a LCFS. Per Executive Order S-1-07, the Governor called for the development of a LCFS to reduce the carbon content of California's fuels by at least 10 percent by 2020. As a discrete early action item, the regulation is set to be considered by CARB in late 2008. It is estimated that this measure will provide 9-10 percent of the total GHG emission reductions needed to achieve the total 2020 emission reduction goal.

In addition to the above core measures, the Scoping Plan also recommends consideration of the following measures:

- Support of the implementation of a high-speed rail system, with emphasis on Phase 1 from San Francisco to Anaheim
- Regulations related to heavy- and medium-duty vehicles and engines, including hybridization and retrofits to improve fuel efficiency
- The investigation of additional opportunities to reduce GHG due to goods movement at the ports and related facilities
- Light-duty vehicle efficiency measures such as properly inflated tires, decreased engine load, and a tire tread program
- The establishment of a California cap-and-trade program linked to partners within the Western Climate Initiative, a regional partnership created to explore a comprehensive cap-and-trade program for participants

In addition, there are other measures that are still being considered such as further use of congestion pricing, exploration of a pay-as-you-drive insurance system, indirect source rules, and carbon fees.

The final Scoping Plan is to be adopted by CARB by January 1, 2009. CARB currently plans on releasing the proposed Scoping Plan in October, for final adoption in November. CARB will then have until January 1, 2011, to implement regulations proposed under the Scoping Plan, with enforceability required by January 1, 2012. In order to fund the costs of implementation,

CARB is also proposing the adoption of a fee structure, potentially to be levied on all GHG emissions in California.

Greenhouse Gas Legislation

Two bills are currently pending before the Legislature that attempt to create a framework for achieving GHG emission reductions by attempting to better connect land use and transportation planning decisions. Both bills rely heavily on the expansion of the blueprint process. SB 375 (Steinberg, D-Sacramento), first introduced in early 2007, requires the creation of a sustainable communities strategy (SCS) designed to meet regional GHG reduction targets created by CARB for automobiles and light trucks. Various problems exist in the framework created including potential ties to transportation funding, including local sales tax measures, no allowance for input from county transportation commissions in the Southern California Association of Governments (SCAG) region in the creation of the SCS, and limited CEQA streamlining, which is not extended to transportation projects.

Because of the issues associated with SB 375, other stakeholders have introduced alternative proposals that would achieve the same goal of better linking transportation and land use decisions, while providing a more flexible framework, with stronger incentives. The primary alternative is the California Building Industry Association sponsored SB 303 (Ducheny, D-San Diego), which was gutted and amended in June 2008. SB 303 requires transportation planning agencies to create both an initial planning scenario and an alternative growth scenario to achieve GHG reduction targets created by the transportation agency. Although more flexibility is granted in how these scenarios are created than that which exists under SB 375, a new issue is presented in the expansion of authority given to CARB in approving the growth plans.

Both bills are currently in the Assembly Appropriations Committee, with the intent that pressure created through the introduction of SB 303 will lead to the creation of amendments for SB 375 that will better align the bill to stakeholder interests.

Principles for Amending SB 375 (Steinberg, D-Sacramento)

At the March 10, 2008, meeting of the OCTA Board of Directors (Board), the Board voted to take an Oppose Unless Amended position on SB 375. With an awareness that staff was participating in negotiations to amend SB 375, the Board also adopted principles for amending SB 375 (Attachment B). The adopted principles seek to ensure that the current role of OCTA in the development of the RTP is protected, that projects approved under local sales tax measures are protected, that any CEQA streamlining mechanisms apply to transportation projects, and that the process prescribed under AB 32 is not accelerated. These principles can be used by staff in negotiations concerning many of the different proposals for regulating GHG emissions from land use and transportation, which use many of the same tools as SB 375 proposes.

Within negotiations for amending SB 375, a new issue has arisen regarding the streamlining of project-level CEQA analysis for transportation projects that requires further consideration by the Board. Considering the push to achieve regional GHG emission reduction targets through the RTP, transportation projects included in a RTP that conform to the required GHG emission reduction goals should not have to undergo CEQA analysis for GHG emissions at the project level. Conducting such analysis at the project level would be duplicative of the analysis that is done at the program level, when the RTP is adopted and analyzed for compatibility with the GHG emission reduction goals. Each project included in the RTP will serve a special role in achieving the necessary emission reductions for the region as a whole.

Moreover, in OPR's recently released CEQA Technical Advisory for GHG, the report specifically points to the ineffectiveness of CEQA analysis at the project level in some cases, and advocates "program-level plans, policies and measures that will result in a reduction of GHG emissions on a regional level." By requiring project level CEQA analysis for GHG, this would simply create additional hurdles for meeting the regional targets by extending the time needed to complete environmental analysis for transportation projects, and creating the potential for further delays because of litigation challenges. Therefore, staff recommends the following principle be added to OCTA's Principles for Amending SB 375:

Environmental analysis for greenhouse gas emissions under the California Environmental Quality Act for transportation projects that are included or consistent with a conforming regional transportation plan that meets adopted regional greenhouse gas reduction goals, shall be complete after the analysis at the program level. No project level environmental analysis for greenhouse gas emissions is necessary.

SB 303 (Ducheny, D-San Diego)

Under SB 303, transportation planning agencies in areas with a population over 200,000 would be required to prepare both an initial planning scenario and an alternative planning scenario in conjunction with the preparation of the RTP. For areas with a county transportation commission, like the OCTA, the county transportation commission is to prepare the initial and alternative planning scenarios, or otherwise contract with the multicounty designated transportation planning agency, SCAG. Both scenarios are to project a land use and development pattern for the region, consistent with local general plans, that addresses both the region's housing needs and reduces the region's carbon footprint. Unlike SB 375, the GHG emission reduction target is to be established through the creation of the initial planning scenario, rather than being created by CARB. Furthermore, the creation and implementation of the growth scenario would constitute the sole AB 32 compliance mechanism for the land use sector.

However, at least 90 days prior to the adoption of the draft RTP, the transportation planning agency is to submit the initial and alternative planning scenarios for review to CARB. CARB is then to create a report analyzing whether either plan will inhibit the state from meeting the goals outlined under AB 32. If it is determined that neither plan will do so, the transportation planning agency may adopt either planning scenario for the RTP. If only one scenario would fulfill the AB 32 goals, then that scenario is to be adopted. If neither scenario meets the goals of AB 32, then CARB's report is to propose modifications that will result in compliance. The transportation agency is then to adopt these modifications unless it finds they would prevent the region from meeting its long or medium term housing needs, or if they are inconsistent with federal law.

This provision grants an unprecedented power to CARB through its ability to create modifications to the proposed growth scenarios if neither meets the goals under AB 32. This would be a great expansion of CARB's authority, potentially allowing the agency to override transportation planning decisions or alter funding decisions. Not even the California Transportation Commission is authorized to take these actions.

In addition, although SB 303 creates stronger CEQA streamlining provisions that allow projects consistent with the adopted growth scenario in designation, density, and building intensity to not do CEQA analysis at the project level for GHG emissions, the provision does not explicitly apply to transportation projects.

Therefore, amendments will be necessary to accomplish the following:

- Delete provisions authorizing CARB to unilaterally alter a growth scenario thereby altering transportation planning and programming approval process. CARB's authority should be limited to ensuring compatibility with AB 32; allowing regional entities to maintain flexibility in how to achieve GHG emission reduction goals
- CEQA streamlining provisions should explicitly allow for transportation project streamlining if the project is included in an RTP that conforms with the provisions included in the adopted growth scenario. Requiring project level CEQA analysis would be duplicative of the process required for the project to be included in the RTP and the AB 32 conforming growth scenario

An analysis of the bill is attached (Attachment C). Staff recommends: OPPOSE UNLESS AMENDED.

Summary

An overview is given for the multiple methods proposed for achieving greenhouse gas reductions under AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006). A principle is recommended for adoption to streamline greenhouse gas environmental analysis for transportation projects. An oppose unless amended position is recommended for legislation that would require regional growth scenarios to be adopted by transportation agencies to achieve emission reductions.

Attachments

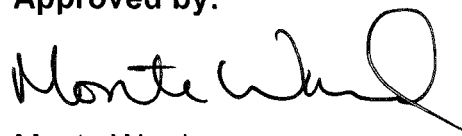
- A. Orange County Transportation Authority Highway Projects Pending Environmental Clearance
- B. Principles for Amending SB 375 (Steinberg, D-Sacramento)
- C. Analysis of SB 303 (Ducheny, D-San Diego)
- D. Orange County Transportation Authority Legislative Matrix

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**Orange County Transportation Authority Highway Projects
Pending Environmental Clearance**

1. San Diego Freeway (Interstate 5) from the Pacific Coast Highway to Avenida Pico (Renewed Measure M Project C south portion) [environmental review to commence fiscal year (FY) 2008-2009]
2. Orange Freeway (State Route 57) from Katella Avenue to Lincoln Avenue (Renewed Measure M Project G south portion) [environmental review to commence Winter 2008].
3. Riverside Freeway (State Route 91) from State Route 57 (SR-57) to Interstate 5 (I-5) westbound general-purpose lane improvements (Renewed Measure M Project H) [environmental review to commence Winter 2008].
4. State Route 91 (SR-91) from Costa Mesa Freeway (State Route 55) to Eastern Toll Roach (State Route 241) (within the limits of Renewed Measure M Project J, but funded with Corridor Mobility Improvement Account funding and State Transportation Improvement Program (STIP) augmentation funding) [environmental review underway, estimated completion July 2009].
5. San Diego Freeway (Interstate 405) Widening Project from State Route 55 (SR-55) to San Gabriel Freeway (Interstate 605) (Renewed Measure M Project K) [environmental review to commence Fall 2008].
6. SR-91 Auxiliary Lane from the northbound SR-55 / westbound SR-91 Connector to the Tustin Avenue Interchange (environmental review to commence FY 2008-2009 as per approved 2008 STIP project schedule).

**Principles for Amending SB 375 (Steinberg, D-Sacramento)
Adopted by the Orange County Transportation Authority Board of Directors on
March 10, 2008**

- An adopted sustainable communities strategy (SCS) should not be directly tied to the Regional Transportation Plan (RTP). The SCS should not create additional liabilities for agencies who prepare the RTP unless expressly requested by that entity.
- Projects and programmatic categories currently programmed or funded, in whole or in part, from funds provided by a voter-approved sales tax increase, or extension of an existing sales tax, should be exempt from any funding prioritization or obligation to be tied to the SCS. No new requirement under the SCS should restrict, modify, or condition any approval of these projects.
- Any new provisions created under the California Environmental Quality Act which allow for a streamlined environmental assessment process should apply to all projects under the SCS, including transportation projects.
- Current obligations and deadlines prescribed under AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006) should not be accelerated. Any proposed expansion of AB 32 obligations should only be implemented when determined by the California Air Resources Board that it is economically practicable and technologically feasible, and an allowance for public input and participation is provided.
- The SCS should clearly define responsible agencies for each element.
- The development of the SCS should be a public process and require input from affected agencies and the public.
- If the adopted sustainable communities strategy specifies new obligations for an entity, additional funding should be provided to carry out these new duties. Any new funding sources created for the development of the SCS or for projects implemented under the SCS should be allocated in a fair and equitable manner, taking into account the region's population, congestion levels and air quality.
- In the SCAG region, each county through the regional transportation planning agency, or other entity as determined by the affected cities and county, should develop transportation plans and land use assumptions for that county. SCAG should develop overall guidelines, ensure coordination, resolve conflicts, and adopt the plan for the region.

BILL: SB 303 (Ducheny, D-Sand Diego)
Introduced February 16, 2007
Amended In Senate March 22, 2007
Amended in Senate April 10, 2007
Amended in Senate April 18, 2007
Amended in Senate May 2, 2007
Amended in Assembly June 25, 2007
Amended in Assembly June 9, 2008
Amended in Assembly July 1, 2008

SUBJECT: Requires transportation planning agencies, when adopting a regional transportation plan, to prepare an initial planning scenario and an alternative planning scenario to meet the state's greenhouse gas emission reduction goals for the land use sector with review by the California Air Resources Board

STATUS: Passed Senate Transportation and Housing Committee 10-0
Passed Senate Environmental Quality Committee 6-0
Passed Senate Appropriations Committee 12-1
Passed Senate Floor 28-2
Passed Assembly Local Government Committee 5-0
Passed Assembly Transportation Committee 13-0
Pending in Assembly Appropriations Committee

SUMMARY AS OF JULY 7, 2008:

Introduced as an alternative to the structure proposed under SB 375 (Steinberg, D-Sacramento) for achieving the greenhouse gas (GHG) reduction targets under AB 32 – the Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006), SB 303 was gut and amended on June 9, 2008, to propose a method to achieve compliance under AB 32 for the land use sector. Under SB 303, transportation planning agencies in areas with a population over 200,000 would be required to prepare both an initial planning scenario and an alternative planning scenario in conjunction with the preparation of the regional transportation plan (RTP). For areas with a county transportation commission, like the Orange County Transportation Authority (OCTA), the county transportation commission is to prepare the initial and alternative planning scenarios, or otherwise contract with the multicounty designated transportation planning agency, the Southern California Association of Governments (SCAG). The initial planning scenario is to do the following:

- Project a land use and development pattern for the area covered by the RTP, based on general plan policies as well as recent and current growth patterns
- Identify areas within the region sufficient to house the regional housing need
- Take into consideration the region's long-term housing need

- Establish a regional GHG reduction target by projecting the land use-transportation carbon footprint associated with the implementation of the RTP. This is to be based on the planning assumptions used for determining conformity under federal law.

The initial planning scenario may also designate areas as transportation infill areas, which are areas to be built at higher densities to increase the efficiency of the transportation network.

The alternative planning scenario is to address the same elements as the initial planning scenario, except that it will be designed to accomplish a greater decrease for the area than that associated with the initial planning scenario. Furthermore, the projected land use and development is only to be created after considering a range of growth patterns with different emphases, as specified in the bill. In addition, the alternative planning scenario is to consider features such as ways to encourage the use of alternative modes of transportation, increased housing and commercial development around transit facilities, commercial, and employment centers, and use of an economic incentive program including transit vouchers and variable pricing for transportation. Under existing law the alternative planning scenario is optional and non-binding, with no provisions requiring county transportation commission input or requirements for GHG emission reductions.

Each respective transportation planning agency, through a public process with an opportunity for written and oral comments, is to develop procedures for adopting the initial and alternative planning scenarios. The procedure is to include certain features outlined in the bill such as outreach efforts to achieve a broad range of stakeholder participation and provisions for public hearings.

At least 90 days prior to the adoption of the draft RTP, the transportation planning agency is to submit the initial and alternative planning scenarios for review to the California Air Resources Board (CARB). CARB is then to create a report analyzing whether either plan will inhibit the state from meeting the goals outlined under AB 32. If it is determined that neither plan will do so, the transportation planning agency may adopt either planning scenario for the RTP. If only one scenario would fulfill the AB 32 goals, then that scenario is to be adopted. If neither scenario meets the goals of AB 32, then CARB's report is to propose modifications that will result in compliance. The transportation agency is then to adopt these modifications unless they would prevent the region from meeting its long or medium term housing needs, or if they are inconsistent with federal law.

The process outlined under this bill is deemed to be the exclusive compliance mechanism for the land use sector under AB 32. The outlined provisions are not to apply to any projects programmed for funding before December 31, 2011 that is contained in the 2007 or 2009 Federal Transportation Improvement Program (FTIP), funded pursuant to Proposition 1B, or projects funded pursuant to a local sales tax measure approved prior to November 4, 2008.

If a project is consistent with the designation, density, and building intensity in the adopted planning scenario, the project's environmental review under the California Environmental Quality Act (CEQA) will not need to consider GHG emissions.

EFFECTS ON ORANGE COUNTY:

Every four years, SCAG adopts the RTP for the region, with county transportation commissions such as OCTA, submitting planned transportation projects for the region to be included in the RTP. Each commission also submits land use and demographic projections for SCAG to consider and integrate into the RTP. The county transportation commissions retain planning and programming authority for their respective regions. Provisions under current law also allow for SCAG to develop an optional alternative growth scenario. This growth scenario is non-binding and SCAG does not have authority to implement it. Currently, consultation with county transportation commissions in the development of the alternative growth scenario is not required.

Through the framework created under SB 303, OCTA will be required to create two different planning scenarios addressing both transportation and housing development in order to reduce GHG emissions in the region. However, there are options for OCTA to contract the obligations with SCAG in order to align the responsibilities to the entity with more expertise. This will allow OCTA to play a greater role in the development of a growth scenario for the region, ensuring that planning adequately addresses the needs of Orange County. In addition, by expressly providing that the framework established under SB 303 constitutes AB 32 compliance for the land use sector, regulation by CARB of emissions from land use will be more restricted. AB 32 regulations for transportation fuel and technology will still be authorized.

Furthermore, provisions within SB 303 explicitly exclude projects funded by local sales tax measures, or programmed for funding prior to December 31, 2011 through the project's inclusion in either the 2007 or 2009 FTIP, or through Proposition 1B. These provisions will ensure that voter intent in passing local sales tax measures like Renewed Measure M will be carried out.

However, SB 303 grants an unprecedented power to CARB through in its ability to create modifications to the proposed growth scenarios, as the basis for the RTP, if neither meets the goals under AB 32. This would be a great expansion of CARB's authority, potentially allowing the agency to override transportation planning decisions or alter funding decisions. CARB is not required to consult with either local entities or entities such as the California Transportation Commission, who hold more expertise in transportation planning decisions.

Additionally, although CEQA streamlining is provided for projects that are consistent with the adopted growth scenario, the current language is not explicit that transportation projects will be covered. Because a RTP must go through CEQA analysis when it is adopted, it will be duplicative of transportation projects included within the RTP to analyze the effects the project has on GHG emissions. As displayed through the bill's

creation of regional GHG targets, GHG emissions are best analyzed at a regional level, with localized impacts difficult to quantify. Because projects will be included in the growth scenario in order to achieve the GHG targets, the project would have already proven its necessity in decreasing the regional GHG emissions. By requiring project level CEQA analysis for GHG, potential litigation could lead to further delay in achieving the GHG targets.

Therefore, amendments will be necessary to accomplish the following:

- Delete provisions authorizing CARB to unilaterally alter a growth scenario thereby altering transportation planning and programming approval process. CARB's authority should be limited to ensuring compatibility with AB 32, allowing regional entities to maintain flexibility in how to achieve GHG emission reduction goals.
- CEQA streamlining provisions should explicitly allow for transportation project streamlining if the project is included in a RTP that conforms with the provisions included in the adopted growth scenario. Requiring project level CEQA analysis would be duplicative of the process required for the project to be included in the RTP and the AB 32 conforming growth scenario.

OCTA POSITION:

Staff recommends: OPPOSE UNLESS AMENDED



Orange County Transportation Authority Legislative Matrix

**2008 State Legislation Session
July 17, 2008**

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
OCTA SPONSORED LEGISLATION			
<p>► AB 387 (Duvall - R) Design-Build: Transit Contracts</p>	<p>Amends law that authorizes transit operators to enter into design-build contract according to specified procedures. Provides that there would be no cost threshold for the acquisition and installation of technology applications or surveillance equipment designed to enhance safety, disaster preparedness, and homeland security efforts. Allows those projects to be awarded based on either the lowest responsible bidder or best value.</p>	<p>INTRODUCED: 02/15/2007 LAST AMEND: 01/07/2008 LOCATION: To Enrollment STATUS: 07/02/2008 In SENATE. Read third time. Passed SENATE. To enrollment.</p>	<p>Sponsor SUPPORT: CH2M HILL, California Transit Association OPPOSE: Associated Builders and Contractors of California, Western Electrical Contractors' Association</p>
<p>AB 2906 (Tran – R) Vehicles: High-Occupancy Vehicle Lane: Buffer Area</p>	<p>Repeals existing law that requires specified high occupancy vehicle lanes to be separated from adjacent mixed flow lanes by a buffer area of at least four feet in width.</p>	<p>INTRODUCED: 02/22/2008 LOCATION: To Governor STATUS: 06/06/2008 Signed by GOVERNOR. 06/06/2008 Chaptered by Secretary of State. Chapter No. 27</p>	<p>Sponsor</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
BILLS WITH OFFICIAL POSITIONS			
<p>► AB 660 (Galgiani – D)</p> <p>Railroad-Highway Grade Separations</p>	<p>Revises the highway-railroad grade separation program of the Department of Transportation to delete funding eligibility for a grade separation at a proposed new grade crossing or for removal or relocation of highways or railroad tracks to eliminate grade crossings. Provides a maximum allocation of project costs for all projects funded. Limits the maximum total allocation. Sets a railroad's contribution. Modifies the calculation of the amount of funds deducted from the apportionments of fuel tax revenues.</p>	<p>INTRODUCED: 02/21/2007 LAST AMEND: 06/23/2008 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 06/23/2008 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.</p>	<p>Amendments meet OCTA amendment requests to author.</p> <p>SUPPORT: American Federation of State, County, and Municipal Employees, CSAC (Support with amendments), City of Merced, Merced County, Southern California Contractor Association</p> <p>OPPOSE: Alameda Corridor East (unless amended)</p>
<p>► AB 842 (Jones – D)</p> <p>Regional Plans: Traffic Reduction</p>	<p>Requires the Department of Housing and Community develop to rank applicants for the award of capital improvement grants based upon a reduction of vehicle miles traveled as a result of the project.</p>	<p>INTRODUCED: 02/22/2007 LAST AMEND: 06/24/2008 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 06/24/2008 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS. HEARING: 07/07/2008 10:00 am</p>	<p>Amendments meet OCTA amendment requests to author.</p> <p>SUPPORT: California League of Conservation Voters (Sponsor), American Lung Association, Gray Panthers</p> <p>OPPOSE: Metropolitan Transportation Commission (unless amended), Association of Bay Area Governments</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 996 (Spitzer -- R)</p> <p>Department of Motor Vehicles: Records</p>	<p>Revises the confidentiality exemption for nondisclosure of personal information in Department of Motor Vehicles records for state officers and employees to provide that a governmental agency may obtain the information necessary to process the service and collection of traffic, parking, toll bridge or toll road violations. Provides the statutory time periods for processing such violations are tolled until the department provides the confidential home addressee's information.</p>	<p>INTRODUCED: 02/22/2007 LAST AMEND: 07/01/2008 LOCATION: Senate Second Reading File</p> <p>STATUS: 07/01/2008 In SENATE. Read second time. To third reading. 07/01/2008 In SENATE. Read third time and amended. To second reading.</p>	<p>Support/Work with Author</p> <p>None Listed</p>
<p>► AB 2009 (Hernandez –D)</p> <p>Utility Users Tax: Exemption</p>	<p>Amends existing law that authorizes a county board of supervisors to levy a utility user tax on the consumption of in the unincorporated area of the county. Provides that no utility user tax shall be imposed upon compressed natural gas within a local jurisdiction if that natural gas is dispensed by a gas compressor that is separately metered and dedicated to serve the local agency or public transit operator.</p>	<p>INTRODUCED: 02/15/2008 LAST AMEND: 06/18/2008 LOCATION: Senate Special Consent Calendar</p> <p>STATUS: 07/01/2008 In SENATE. To Special Consent Calendar.</p>	<p>Support</p> <p>(partial list) SUPPORT: Foothill Transit (Sponsor), CA Transit Association, LAMTA</p> <p>OPPOSE: City of Irwindale</p>
<p>► AB 3034 (Galgiani – D)</p> <p>Safe, Reliable High-Speed Passenger Train Bond Act</p>	<p>Makes various revisions to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to be submitted to the voters. Refers to construction of a high-speed train system consistent with the High Speed Rail Authority certified environmental impact report, rather than with the final business plan. Revises descriptions of route corridors of the proposed system. Relates to the spending of excess revenues from the system. Requires a revised business plan by the authority.</p>	<p>INTRODUCED: 02/22/2008 LAST AMENDED: 06/26/2008 LOCATION: Senate Second Reading File</p> <p>STATUS: 07/01/2008 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass as amended to Committee on APPROPRIATIONS.</p>	<p>Support</p> <p>SUPPORT: California High Speed Rail Authority, Association for California High Speed Trains, California State Association of Counties</p> <p>OPPOSE: Sierra Club California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>SB 375 (Steinberg – D)</p> <p>Transportation Planning: Travel Models: Reviews</p>	<p>Relates to guidelines for travel demand guidelines used in regional transportation plans. Includes a requirement that a regional transportation plan include a sustainable community strategy designed to achieve goals for the reduction of greenhouse gas emissions. Creates provisions for an environmental document under the Environmental Quality Act that examines specific impacts of a transportation project located in a local jurisdiction that has amended its general plan and the legislative body finds the project meets specified criteria.</p>	<p>INTRODUCED: 02/21/2007 LAST AMEND: 03/24/2008 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 03/24/2008 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments. 03/24/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.</p>	<p>Oppose Unless Amended</p> <p>(partial list)</p> <p>SUPPORT: California League of Conservation Voters (co-sponsor), Natural Resources Defense Council (co-sponsor), American Lung Association of California, Metropolitan Transportation Commission, California State Association of Counties (if amended)</p> <p>OPPOSE: Orange County Business Council, California Building Industry Association, Department of Finance, Contra Costa Transportation Authority, California Chamber of Commerce, Transportation California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>SB 974 (Lowenthal – D)</p> <p>Ports: Congestion Relief: Environmental Mitigation</p>	<p>Requires the Ports of Los Angeles and Long Beach to transmit a portion of the funds derived from imposition of a container cargo user fee to the San Pedro Bay Ports Congestion Relief Trust Fund and San Pedro Bay Ports Mitigation Relief Trust Funds. Requires the Port of Oakland to transmit a portion of the funds derived from imposition of the fee to the Port of Oakland Congestion Relief Trust Fund and a portion to the Port of Oakland Mitigation Relief Trust Fund. Authorizes related financing agreements.</p>	<p>INTRODUCED: 02/23/2007 LAST AMEND: 09/05/2007 LOCATION: Assembly Third Reading File</p> <p>STATUS: 02/26/2008 In ASSEMBLY. From Inactive File. To third reading.</p>	<p>Support with Amendments</p> <p>(partial list)</p> <p>SUPPORT: LACMTA, Mayor Curt Pringle, City of Anaheim, Port of Long Beach (support only if amended), SCAQMD, California Air Pollution Control Officers Association, California League of Conservation Voters, Gateway Council of Governments, Natural Resources Defense Council.</p> <p>OPPOSE: California Chamber of Commerce, California Railroad Industry, California Taxpayers' Association, National Association of Manufacturers, United States Chamber of Commerce, United Chambers of Commerce of the San Fernando Valley, Howard Jarvis Taxpayers' Association</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 1316 (Correa – D)</p> <p>Transportation Facilities: Tolls: Orange/Riverside</p>	<p>Authorizes the Orange County Transportation Authority to eliminate its rights, interests, and obligations in the Riverside County portion of the State Highway Route 91 toll lane by partial assignment to the Riverside County Transportation Commission or by amendment to the franchise agreement. Deletes the 2030 limitation on issuance of bonds and collections of tolls. Authorizes the use of toll revenues for the toll lane and for other related transportation purposes in the Route 91 corridor.</p>	<p>INTRODUCED: 02/20/2008 LAST AMEND: 06/23/2008 LOCATION: Assembly Second Reading File</p> <p>STATUS: 07/02/2008 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.</p>	<p>Support</p> <p>SUPPORT Riverside County Transportation Commission (sponsor), City of Corona, Greater Riverside Chambers of Commerce, Riverside City Firefighters' Association</p> <p>OPPOSE: Environmental Defense</p>
<p>► SB 1507 (Oropeza –D)</p> <p>Highway Construction: School Boundaries</p>	<p>Prohibits the Transportation Commission from authorizing the construction or expansion of, and the Department of Transportation from constructing or expanding, a state highway within 1/4 mile of a school boundary, with exceptions for operational or safety improvements, high-occupancy vehicle lanes, tunnels and projects that have a positive air quality impact. Prohibits a project subject to this restriction from being included in a regional transportation improvement program by a transportation agency.</p>	<p>INTRODUCED: 02/20/2008 LAST AMEND: 06/09/2008 LOCATION: Assembly Transportation Committee</p> <p>STATUS: 06/23/2008 In ASSEMBLY Committee on TRANSPORTATION: Failed passage. 06/23/2008 In ASSEMBLY Committee on TRANSPORTATION: Reconsideration granted.</p>	<p>Oppose</p> <p>(partial list) SUPPORT: American Lunch Association, Sierra Club, California Coalition for Clean Air.</p> <p>OPPOSE: County of Orange, Department of Finance , Automobile Club of Southern California, and County of Ventura</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
BILLS BEING MONITORED			
<p>► AB 38 (Nava – D)</p> <p>Department of Emergency Services and Homeland Security</p>	<p>Deletes provisions of existing law that governs the Office of Homeland Security and the Office of Emergency Services and establishes the Department of Emergency Services and Homeland Security, in the office of the Governor, which would succeed to and be vested with the duties, powers, purposes, responsibilities of both of the former offices. Requires the Office of Emergency Services to develop and complete a guidance document to the state emergency plan with respect to agriculture-related disasters.</p>	<p>INTRODUCED: 12/04/2006 LAST AMEND: 06/17/2008 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 06/30/2008 In SENATE Committee on APPROPRIATIONS: Heard, remains in Committee. HEARING: 07/07/2008</p>	<p>SUPPORT: Office of Emergency Services, Office of Homeland Security, California Emergency Services Association, CSAC, California State Sheriffs' Association, Little Hoover Commission, Metropolitan Transportation Commission, James Lee Witt Associates, Regional Council of Rural Counties</p>
<p>AB 109 (Nunez – D)</p> <p>Global Warming Solutions Act of 2006: Annual Report</p>	<p>Requires the Energy Commission to implement the Alternative and Renewable Fuel and Vehicle Technology Program and to provide a public competitive process for allocation of funds. Requires the commission include specified projects within the program. Adds feedstock cultivation to the full fuel-cycle assessment under the program. Expands the Air Quality Improvement Program to fund projects to achieve air quality improvements and greenhouse gas emissions reductions. Prohibits reductions for trading purposes.</p>	<p>INTRODUCED: 01/05/2007 LAST AMEND: 05/27/2008 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 06/02/2008 From SENATE Committee on ENVIRONMENTAL QUALITY: Do pass to Committee on APPROPRIATIONS.</p>	<p>SUPPORT: American Federation of State County and Municipal Employees, California Association of Professional Scientists, Moller International Inc., Silicon Valley Leadership Group</p>
<p>AB 867 (Davis – D)</p> <p>Transportation Analysis Zones</p>	<p>Requires each metropolitan planning organization and each regional transportation planning agency, in developing the regional transportation plan, to factor the mobility of low-income and minority residents into its computer analysis of regional traffic analysis zones used to estimate travel behavior and traffic generation as part of the transportation demand model. Requires results of such analysis to be availed to the public and to be added as an addendum to the regional transportation plan.</p>	<p>INTRODUCED: 02/22/2007 LAST AMEND: 07/10/2007 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 08/30/2007 In SENATE Committee on APPROPRIATIONS: Not heard.</p>	<p>SUPPORT: American Federation of State, County and Municipal Employees</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 901 (Nunez – D) Transportation: Highway Safety Traffic Reduction	Relates to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 that requires funds from the proceeds of bonds under the act for allocation to public transit operators and transportation planning agencies. Requires the Department of Transportation and Transportation Commission to provide information regarding their needs. Imposes specified auditing requirements.	INTRODUCED: 02/22/2007 LAST AMEND: 07/05/2007 LOCATION: Senate Appropriations Committee STATUS: 07/10/2007 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on APPROPRIATIONS.	SUPPORT: California Transit Association, LACMTA, Long Beach Transit, Merced Transit, Inyo Mono Transit, Unitrans, Associated Students of the University of California, Davis, Shields for Families, Inc.
► AB 983 (Ma –D) Public Contracts: Plans and Specifications	Requires a local public entity, charter city or county, before entering into any contract for a project, other than projects completed through an annual contract for repair, remodeling, or other repetitive work, to provide full, complete, and accurate plans and specifications as to enable a competent mechanic or builder to carry them out. Exempts from these provisions any clearly identified design-build projects or portions thereof. Provides that the liability of a design professional is unaffected.	INTRODUCED: 02/22/2007 LAST AMEND: 06/18/2007 LOCATION: Assembly Unfinished Business-Concurrence in Senate Amendments Status: 06/30/2008 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY for concurrence.	(Partial List) SUPPORT: Associated General Contractors of California (co-source), Construction Employers Association (co-source), Southern California Contractors Association OPPOSE: League of California Cities, California Special Districts Association, City of Costa Mesa and Garden Grove
AB 1351 (Levine – D) Transportation: State-Local Partnerships	Amends the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. States the intent of the Legislature to appropriate a specified amount of funds for the State-Local Partnership Program for funding transportation projects for a specified period. Defines local funds under the program relating to a local match as revenues from any locally imposed transportation related sales tax. Requires certain related reports.	INTRODUCED: 02/23/2007 LAST AMEND: 07/12/2007 LOCATION: Senate Appropriations Committee STATUS: 08/30/2007 In SENATE Committee on APPROPRIATIONS: Not heard.	SUPPORT: LACMTA, RCTC

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1506 (Arambula—D) Greenhouse Gas Emissions	Requires the Business, Transportation and Housing Agency to contract with the University of California or with another postsecondary educational institution to conduct a study of the most effective ways for the state to provide incentives to businesses to reduce greenhouse gas emissions, and to report its findings and recommendations to the Legislature.	INTRODUCED: 02/23/2007 LAST AMEND: 07/17/2007 LOCATION: Senate Appropriations Committee STATUS: 8/20/2007 In SENATE Committee on APPROPRIATIONS: Not heard.	None on File
AB 1845 (Duvall – R) Railroad-Highway Grade Separations	Makes inoperative the requirement for the Department of Transportation to include a specified amount of funds in its annual budget for highway-railroad grade separation projects on the date that the Director of Transportation notifies the Secretary of State that all funds made available by Proposition 1B bond act for such projects have been allocated and expended and all required reports have been completed, and provides for the repeal of the provisions.	INTRODUCED: 01/28/2008 LAST AMEND: 04/16/2008 LOCATION: Senate Transportation and Housing Committee. STATUS: 06/17/2008 In SENATE Committee on TRANSPORTATION AND HOUSING. Not Heard	None Listed
► AB 1851 (Nava – D) Greenhouse Gas Emissions: Sale of Voluntary Offsets	Requires sellers of voluntary greenhouse gas emission offsets to make good faith efforts to ensure the project generating the offset has been verified to reduce such emissions in a real, additional, measurable, and verifiable manner by independent verifiers that meet accreditation standards. Provides sellers to disclose specified information in its marketing materials. Requires a seller to ensure offset is registered with a registry accredited by the State Air Resources Board. Provides civil fines.	INTRODUCED: 01/29/2008 LAST AMEND: 07/01/2008 LOCATION: Senate Appropriations Committee STATUS: 07/01/2008 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	SUPPORT: Environmental Defense Fund OPPOSE: Pacific Gas and Electric
► AB 1954 (Jeffries – R) High-Occupancy Toll (HOT) Lanes	Relates to high-occupancy toll (HOT) lanes. Authorizes a value pricing and transit program involving HOT lanes to be developed and operated on State Highway Route 15 in Riverside County by the Riverside County Transportation Commission. Requires the Riverside County Transportation Commission and the Department of Transportation to implement the program pursuant to a cooperative agreement.	INTRODUCED: 02/13/2008 LAST AMEND: 07/01/2008 LOCATION: Senate Appropriations Committee STATUS: 07/01/2008 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	(partial list) SUPPORT: City of Corona, County of Riverside, AFL-CIO OPPOSE: Environmental Defense, Sierra Club California

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 1973 (Ruskin – D) Public Utilities Commission	Requires the Governor to appoint a president of the commission from among its members.	INTRODUCED: 02/14/2008 LOCATION: Senate Third Reading File STATUS: 06/18/2008 In SENATE. Read second time. To third reading.	SUPPORT: American Association of Retired Persons (AARP) Communication Workers of America, Local 9400 (sponsor) OPPOSE: California Public Utilities Commission
► AB 2093 (Jones – D) General Plan: Mandatory Elements	Amends the Planning and Zoning Law. Requires climate change to be considered in the general plan in policies to achieve the greenhouse gas emission reductions of the State Global Warming Solutions Act of 2006. Requires a city or county to meet the above requirement in any mandatory element or combination of mandatory elements on or before specified dates.	INTRODUCED: 02/19/2008 LAST AMEND: 06/19/2008 LOCATION: Senate Local Government Committee STATUS: 06/25/2008 In SENATE Committee on LOCAL GOVERNMENT: Failed passage. 06/25/2008 In SENATE Committee on LOCAL GOVERNMENT: Reconsideration granted	SUPPORT: Health Officers Association of California
► AB 2182 (Caballero – D) Urban Community Center Revitalization Program	Requires the State Allocation Board to determine the maximum total new construction grant eligibility of an applicant under a specified calculation that includes certain per-unhoused-pupil grant amounts. Authorizes the board to adjust those grant amounts by regulation for qualifying individuals with exceptional needs and to increase the grant amount. Authorizes a school district that has a new construction project approved containing special education classrooms, to apply for a supplemental appropriation.	INTRODUCED: 02/20/2008 LAST AMEND: 06/23/2008 LOCATION: Senate Rules Committee STATUS: 06/24/2008 Withdrawn from SENATE Committee on LOCAL GOVERNMENT. 06/24/2008 Re-referred to SENATE Committee on RULES.	SUPPORT: CA Associations of Councils of Government (In Concept) OPPOSE: CA Association of Realtors (Unless Amended)

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 2295 (Arambula – D) Transportation Capital Improvement Program	Relates to allocations of transportation capital improvement funds pursuant to the State Transportation Improvement Program process. States that local road rehabilitation projects are eligible for these funds.	INTRODUCED: 02/21/2008 LOCATION: Senate Third Reading File STATUS: 05/15/2008 In SENATE. Read second time. To third reading.	SUPPORT: California State Association of Counties (co-sponsor), Regional Council of Rural Counties (co-sponsor), League of California Cities
► AB 2321 (Feuer – D) Transportation Funding: County of Los Angeles	Requires the Los Angeles County Metropolitan Transportation Authority tax ordinance to specify that the tax is to be imposed for a period not to exceed a specified number of years, and to require the authority to include specified projects and programs in its Long Range Transportation Plan. Authorizes the authority to incur bonded indebtedness. Makes other related changes.	INTRODUCED: 02/21/2008 LAST AMEND: 05/28/2008 LOCATION: Senate Second Reading File STATUS: 06/25/2008 From SENATE Committee on REVENUE AND TAXATION: Do pass as amended to Committee on APPROPRIATIONS.	SUPPORT: Los Angeles County Metropolitan Transportation Authority (Metro), California Public Interest Research Group, Environment California
► AB 2376 (Price – D) Small and Emerging Contractors: Assistance Program	Authorizes the Department of Transportation to establish a Small and Emerging Contractor Technical Assistance Program for the purpose of providing training and technical assistance to small contractors to improve their ability to secure surety bond guarantees, offered by the federal Small Business Administration. Authorizes the department to charge a fee to participants in the program to cover the cost of administering the program.	INTRODUCED: 02/21/2008 LAST AMEND: 05/27/2008 LOCATION: Senate Appropriations Committee STATUS: 06/23/2008 From SENATE Committee on BUSINESS, PROFESSIONS AND ECON. DEVELOPMENT: Do pass to Committee on APPROPRIATIONS.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 2558 (Feuer – D)</p> <p>Los Angeles County Metropolitan Transportation Authority</p>	<p>Authorizes the Los Angeles County Metropolitan Transportation Authority and Metropolitan Transportation Commission to impose a climate change mitigation and adaptation fee, subject to approval of an ordinance by a majority of the governing board and majority voter approval of a ballot measure containing the fee and an expenditure plan, to appear on the ballot no later than a specified date. Specifies alternative options for imposing the fee, which would be a motor vehicle fuel fee or a vehicle fee.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 06/17/2008 LOCATION: Senate Second Reading File</p> <p>STATUS: 06/24/2008 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass as amended to Committee on APPROPRIATIONS.</p>	<p>(partial list) SUPPORT: LA County Metropolitan Transportation Authority, Natural Resources Defense Council, California Transit Association</p> <p>OPPOSE: Automobile Club of Southern California, Howard Jarvis Taxpayers Association, California Motor Car Dealers Association</p>
<p>► AB 2650 (Carter – D)</p> <p>Department of Transportation: Environmental Process</p>	<p>Extends the date by which the State Department of Transportation to submit a report regarding the surface transportation project delivery pilot program.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 06/16/2008 LOCATION: Senate Third Reading File</p> <p>STATUS: 07/01/2008 In SENATE. Read second time. To third reading.</p>	<p>SUPPORT: Caltrans (sponsor), Calaveras Council of Governments, City of Merced, Consulting Engineers and Land Surveyors of California</p>
<p>► AB 3021 (Nava – D)</p> <p>California Transportation Financing Authority</p>	<p>Creates the Transportation Financing Authority with powers and duties relative to issuance of bonds to fund transportation projects to be backed by various revenue streams of transportation funds, and toll revenues in order to increase the construction of new capacity or improvements for the state transportation system consistent with specified goals. Sets for the requirements for a project sponsor to obtain bond funding from the authority. Authorizes the imposition and collection of tolls on projects.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 07/01/2008 LOCATION: Senate Appropriations Committee</p> <p>STATUS: 07/01/2008 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.</p>	<p>SUPPORT: State Treasurer Bill Lockyer (sponsor), State Building and Construction Trades Council of California, AFL-CIO</p> <p>OPPOSE: Environmental Defense</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
ACA 1 (Nunez – D) Legislative Reform: Redistricting: Term Limits	Proposes an amendment to the Constitution to specify new legislative term limits, to prohibit a member of the Legislature of the Governor from accepting a campaign contribution from a lobbyist during a specified date until enactment of the budget bill for the ensuing fiscal year, to assign responsibility for congressional and legislative districts boundary lines to a specified commission, to grant the State Supreme Court jurisdiction over a final redistricting plan and to authorize the filing related writs.	INTRODUCED: 12/04/06 LAST AMEND: 05/06/2008 LOCATION: Assembly Appropriations Committee STATUS: 05/06/2008 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments. 05/06/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed
ACA 2 (Walters – R) Eminent Domain	Proposes a Constitutional amendment that prohibits the taking or damaging of private property without the express written consent of the owner for purposes of economic development, increasing tax revenue, or private use, or when the same use will be maintained following the taking. Requires that, prior to commencement of eminent domain proceedings, the public use for which the property is to be taken is stated in writing. Defines public use. Permits a taking to eliminate an ongoing threat to public safety.	INTRODUCED: 12/04/2006 LAST AMEND: 07/05/2007 LOCATION: Assembly Judiciary Committee STATUS: 07/10/2007 In ASSEMBLY Committee on JUDICIARY: Failed passage. 07/10/2007 In ASSEMBLY Committee on JUDICIARY: Reconsideration granted.	SUPPORT: Chris Norby, Orange County Supervisor OPPOSE: California Redevelopment Association, California State Association of Counties, League of California Cities
ACA 3 (Gaines – R) Expenditure Limits	Proposes an amendment to the Constitution that would limit total state General Fund and special fund expenditures to an annual increase of no more than the increase in the cost of living multiplied by the percentage increase in state population. Allocates any revenues exceeding the expenditure limitation to the State School Fund and to a reserve fund, to rebates for personal income taxpayers, and to fund state and California State University employees' health and dental benefits.	INTRODUCED: 12/04/2006 LAST AMEND: 06/04/2007 LOCATION: Assembly Education Committee STATUS: 01/09/2008 In ASSEMBLY Committee on EDUCATION: Not heard.	SUPPORT: Howard Jarvis Taxpayers Association

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
ACA 4 (Villines – R) Reapportionment	Proposes an amendment to the Constitution to provide for the establishment of the Independent Citizens' Commission on Redistricting to be comprised of registered voters, who would adjust the boundary lines of the Senate, Assembly, congressional and State Board of Equalization districts as required by law. Requires the Secretary of State to implement a random selection process for members of the commission. Provides that certain records of the commission are public records.	INTRODUCED: 12/04/2006 LAST AMEND: 06/20/2007 LOCATION: Assembly Appropriations Committee STATUS: 06/20/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed
ACA 10 (Feuer – D) Bond Indebtedness: Local Government: Transportation	Amends the State Constitution to create an additional exception to the 1 percent limit on ad valorem tax on real property for a county, or city to pay for bonded indebtedness, incurred to fund specified transportation infrastructure, that is approved by 55 percent of the voters of the county or city. Lowers to 55 percent the voter approval threshold.	INTRODUCED: 01/07/2008 LOCATION: Assembly Local Government Committee STATUS: 06/12/2008 To ASSEMBLY Committees on LOCAL GOVERNMENT, TRANSPORTATION, and APPROPRIATIONS.	None Listed
► ACA 11 (Blakeslee – R) Budget Process: Strategic Reserve Bank	Proposes a Constitutional Amendment. Creates the Strategic Reserve Bank governed by a board of financial experts appointed by the Governor and legislative leaders to reduce the volatility of the General Fund by moderating swings in revenues and accommodating short-term changes in revenue growth. Creates the Strategic Budget Reserve Fund.	INTRODUCED: 01/08/2008 LAST AMEND: 06/26/2008 LOCATION: Assembly Appropriations Committee STATUS: 06/26/2008 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments.. 06/26/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
ACA 12 (Plescia – R) State Mandated Local Programs	Proposes a constitutional amendment requiring the Legislative Analyst to determine and report to the Legislature whether the enacted bill is a balanced state budget; provides that if the Legislative Analyst reports that it is not a balanced state budget, the Legislature is required to pass and send the Governor a bill or bills to balance the state budget within 15 days and the Governor may reduce expenditures in the enacted budget bill as necessary to balance the state budget.	INTRODUCED: 01/15/2008 LOCATION: Assembly Budget Committee STATUS: 06/12/2008 To ASSEMBLY Committees on BUDGET and RULES.	None Listed
SB 9 (Lowenthal – D) Trade Corridor Improvement: Transportation Project	Relates to Trade Corridor Improvement Transportation Fund projects. Establishes a process to be administered by the State Transportation Commission for allocation of fund moneys. Establishes the corridors eligible for funding. Establishes criteria for project selection based on improvement of mobility of freight and improvement of air quality. Requires projects to be ready for construction by a specified date. Provides for allocations to projects outside of the trade corridors.	INTRODUCED: 12/04/2006 LAST AMEND: 08/20/2007 LOCATION: Assembly Appropriations Committee STATUS: 08/30/2007 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.	None Listed
SB 19 (Lowenthal – D) Trade Corridor; Projects to Reduce Emissions: Goods	Relates to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Requires the Air Resources Board to implement the Goods Movement Emission Reduction Program and to adopt guidelines and funding criteria for the program. Creates eligibility requirements for funding pursuant to this program. Creates the Goods Movement Emission Reduction Fund to be funded with bond proceeds.	INTRODUCED: 12/04/2006 LAST AMEND: 07/17/2007 LOCATION: Assembly Appropriations Committee STATUS: 07/17/2007 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments. 07/17/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	SUPPORT: Moller International, Inc.

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 286 (Dutton – R and Lowenthal – D) Transportation Enhancement Funds: Conservation Corps	Requires, with respect to federal funds made available to the state for transportation enhancement projects, transportation planning agencies, county transportation commissions or authorities, and congestion management agencies to adopt criteria that give priority in project selection to the sponsors of eligible projects that partner with, commit to employ the services of, a community conservation corps, or the state conservation corps to construct or undertake the project.	INTRODUCED: 02/15/2007 LAST AMEND: 01/17/2008 LOCATION: Assembly Appropriations Committee STATUS: 01/17/2008 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments. 01/17/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	None Listed
► SB 364 (Simitian – D) Personal Information: Privacy	Amends existing law that requires any agency, and any person or business, that owns or licenses computerized data that includes personal information to disclose in specified ways, any breach of the security of the system or data, following discovery or notification of the security breach, to any resident whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. Requires a report to the Office of Information Security and Privacy Protection..	INTRODUCED: 02/20/2007 LAST AMEND: 07/01/2008 LOCATION: Assembly Appropriations Committee STATUS: 07/01/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	SUPPORT: Consumers Union, Consumer Federation of California, Electronic Frontier Foundation, Privacy Rights Clearinghouse
SB 445 (Torlakson – D) Greenhouse Gas Mitigation Fee	Authorizes specified regional transportation agencies to impose a greenhouse gas mitigation fee on vehicles subject to registration within the jurisdiction of the agency. Requires the fee to be implemented pursuant to a plan, which would be required to contain an expenditure plan describing specified transportation projects and programs to be funded. Requires that the fee would be subject to approval of the governing board of the implementing agency and of voters of a ballot measure containing the plan.	INTRODUCED: 02/21/2007 LAST AMEND: 05/12/2008 LOCATION: Assembly Transportation Committee STATUS: 06/09/2008 In ASSEMBLY Committee on TRANSPORTATION: Heard, remains in Committee.	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SB 716 (Perata – D) Transit Operators	Relates to appropriations to transportation agencies from the Public Transportation Modernization, Improvement, and Service Enhancement Account for transit capital projects pursuant to a specified formula. Specifies requirements for an eligible project sponsor to receive an allocation of funds appropriated from the account. Requires the Transportation Commission and the Controller to administer these provisions.	INTRODUCED: 02/23/2007 LAST AMEND: 07/11/2007 LOCATION: Assembly Appropriations Committee STATUS: 07/11/2007 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	SUPPORT: Alameda Contra Costa Transit District, American Federation of State, County, and Municipal Employees OPPOSE: LACMTA
► SB 947 (Hollingsworth – R) Consultation: Transportation Facilities	Requires notice of at least one scoping meeting to be provided to transportation planning agencies or public agencies required to be consulted concerning a project proposed by a lead agency which requires an environmental impact report under the California Environmental Quality Act. Requires the project's effect on overpasses, on-ramps, and off-ramps to be included in that consultation.	INTRODUCED: 02/23/2007 LAST AMEND: 04/30/2007 LOCATION: Assembly Appropriations Committee STATUS: 06/23/2008 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS. HEARING: 07/02/2008 9:00 am	SUPPORT: Cities of El Cajon, Murrieta, Poway, Temecula, and Victorville, Lakeside Chamber of Commerce, San Diego Regional Chamber of Commerce, San Diego Mayor Jerry Sanders OPPOSE: California Chapter of the American Planning Association, Sierra Club California
► SB 1422 (Lowenthal –D) High Speed Rail Authority	Relates to existing law that creates the High Speed Rail Authority and that provides that whenever provisions is made by law for any project that is not under the jurisdiction of specified agencies, the project shall be under the jurisdiction of the Department of Transportation. Provides similar jurisdiction to the Department of Transportation whenever no provisions is made by law for any project that is not under the jurisdiction of the High-Speed Rail Authority.	INTRODUCED: 02/21/2008 LAST AMEND: 04/07/2008 LOCATION: Assembly Appropriations Committee STATUS: 06/23/2008 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS. HEARING: 07/02/2008 9:00 am	None Listed

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 1429 (Perata – D) State Owned Toll Bridges</p>	<p>Provides that identification of the source of any state matching funds for the toll revenues is to be included in the information reported to the Bay Area Toll Authority by the Department of Transportation and project sponsors, and that the authority may include this reported data in its Annual Report to the San Francisco Bay Area State Legislative Delegation.</p>	<p>INTRODUCED: 02/21/2008 LAST AMEND: 04/23/2008 LOCATION: Assembly Third Reading File</p> <p>STATUS: 06/30/2008 In ASSEMBLY. From Consent Calendar. To third reading.</p>	<p>None Listed</p>
<p>► SB 1557 (Wiggins—D) State Environmental Goals and Policy Report</p>	<p>Amends existing law that requires the Governor to prepare a State Environmental Goals and Policy Report. Includes, as a planning priority, meeting the state's greenhouse gas emission limits and development that reduces vehicle miles traveled. Amends existing law that provides for the State Administrative Manual as a reference source for statewide policies. Requires the chapters regarding capitol outlay to include the state planning priorities in the State Environmental Goals and Policy Report.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 06/25/2008 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 06/25/2008 In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.</p>	<p>SUPPORT: Environmental Defense Fund Planning and Conservation League</p> <p>OPPOSE: none filed</p>
<p>SB 1646 (Padilla – D) South Coast Air Quality Management District</p>	<p>Extends the authority of the South Coast Air Quality Management District to impose a specified fee on the renewal of registration of any motor vehicle in the district indefinitely, and would require no more than a specified percentage of funds in the account be used for administrative purposes.</p>	<p>INTRODUCED: 02/22/2008 LOCATION: Assembly Second Reading File</p> <p>STATUS: 06/18/2008 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.</p>	<p>(partial listing)</p> <p>SUPPORT: South Coast Air Quality Management District (sponsor), Los Angeles Unified School District, Orange County Sanitation District, Sempra Energy, Southern California Edison, Toyota, University of California, Irvine, Advanced Power and Energy Program</p> <p>OPPOSE: Howard Jarvis Taxpayers Association</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 1685 (Kehoe – D) Regional Comprehensive Plan: San Diego County</p>	<p>Relates to the San Diego County Regional Transportation Commission retail transactions and use tax. Revises the purposes for which the tax revenues could be use to provide for implementation of the regional comprehensive plan, water quality improvement, beach sand replenishment projects. Authorizes the transfer of environmental mitigation or conservation to a public agency or nonprofit corporation for management and monitoring. Authorizes related grants. Authorizes an increase in the tax rate.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 04/22/2008 LOCATION: To Governor STATUS: 06/27/2008 Enrolled</p>	<p>SUPPORT: San Diego Association of Governments (sponsor), North County Transit District, Nature Conservancy</p>
<p>SB 1731 (Yee- D) Vehicles: Fees: Congestion Mitigation</p>	<p>Authorizes the Metropolitan Transportation Commission to impose a vehicle registration fee in the counties under its jurisdiction for the purpose of implementing congestion mitigation strategies within the region. Requires the commission to adopt a program of projects that would be funded by the fee revenues.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 04/23/2008 LOCATION: Assembly Appropriations Committee STATUS: 06/18/2008 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File</p>	<p>(partial list) SUPPORT: Metropolitan Transportation Commission (Sponsor) OPPOSE: California Motor Car Dealers Association, Stop Hidden Taxes Coalition, Howard Jarvis Taxpayers Association</p>
<p>► SB 1732 (Romero – D) Local Agencies</p>	<p>Prohibits a majority of members of a legislative body of a local agency from using, outside a meeting authorized the Ralph M Brown Act, a series of communications of any kind, directly through intermediaries to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. Provides that when the members of a local agency are authorized to access a writing of the body there shall be no discrimination as to access of that information.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 04/24/2008 LOCATION: To Governor STATUS: 06/24/2008 *****To GOVERNOR.</p>	<p>(partial list) SUPPORT: California Newspaper Publishers Association, California Broadcasters Association, Los Angeles Unified School District Board President Monica Garcia, OPPOSE: Association of California School Administrators, California School Boards Association, Community College League of California</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SB 1760 (Perata – D) Energy: Greenhouse Gas Emissions</p>	<p>Creates the Climate Action Team (CAT) that would be responsible for coordinating the state's overall climate policy. Requires the CAT to prepare, adopt, and present to the Legislature, a strategic research, development, and demonstration plan that establishes priorities and identifies key expenditure categories for research, development, and deployment funds to be expended by the state agencies represented on the CAT.</p>	<p>INTRODUCED: 02/22/2008 LAST AMEND: 05/27/2008 LOCATION: Assembly Appropriations Committee</p> <p>STATUS: 06/23/2008 From ASSEMBLY Committee on NATURAL RESOURCES: Do pass to Committee on APPROPRIATIONS HEARING: 07/02/2008 9:00 am</p>	<p>None Listed</p>
<p>SCA 1 (McClintock – R) Eminent Domain: Condemnation Proceedings</p>	<p>Proposes an amendment to the Constitution to provide that private property may be taken or damaged only for a stated public purpose and not without the consent of the owner for purposes of economic development, increasing tax revenue, or any other private use, nor for maintaining the present use by a different owner. Provides that if the property ceases to be used for the public use, the former owner would have the right to reacquire the property at its fair market value. Provides reevaluation procedures.</p>	<p>INTRODUCED: 12/04/2006 LAST AMEND: 02/05/2007 LOCATION: Senate Judiciary Committee</p> <p>STATUS: 02/05/2007 From SENATE Committee on JUDICIARY with author's amendments. 02/05/2007 In SENATE. Read second time and amended. Re-referred to Committee on JUDICIARY.</p>	<p>None Listed</p>
<p>SCA 5 (McClintock – R) State and Local Government Finance: Taxes</p>	<p>Proposes an amendment to the Constitution to establish a constitutional definition of a tax as any monetary exaction imposed by a governmental entity. Recasts the definition of a special tax. Conditions the imposition by the state or local government of a new tax, or a change in a tax, that increases the amount of any tax levied upon the approval of 2/3 membership of the governing body and voter approval. Prohibits new tax without voter approval. Provides exceptions.</p>	<p>INTRODUCED: 01/30/2007 LAST AMEND: 03/21/2007 LOCATION: Senate Revenue and Taxation Committee</p> <p>STATUS: 04/25/2007 In SENATE Committee on REVENUE AND TAXATION: Heard, remains in Committee.</p>	<p>SUPPORT: Howard Jarvis Taxpayers' Association, California Chamber of Commerce, Council for Citizens Against Government Waste, Mid Valley Chamber of Commerce, Milpitas Chamber of Commerce</p> <p>OPPOSE: California Tax Reform Association, East Bay Municipal Utilities District</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► SCA 14 (Denham – R)</p> <p>Governor: State Budget</p>	<p>Proposes a Constitutional amendment. Requires the budget submitted by the Governor to be a balanced budget, pursuant to a determination to be made by the Legislative Analyst. Provides that if, by January 10, the Governor fails to submit a balanced budget, as determined by the Legislative Analyst, the Governor shall forfeit any salary from January 11 until the date a balanced budget is submitted.</p>	<p>INTRODUCED: 01/09/2008 LAST AMEND: 03/25/2008 LOCATION: Senate Budget & Fiscal Review committee</p> <p>STATUS: 06/26/2008 In SENATE Committee on BUDGET AND FISCAL REVIEW: Failed passage.</p>	<p>None Listed</p>
<p>► SCA 15 (Denham – R)</p> <p>Legislature: Sessions: State Budget</p>	<p>Proposes an amendment to the State Constitution. Requires, if the Legislature fails to pass the Budget Bill by June 15 of any year, that each house of the Legislature meet in session 24 hours a day, and not recess or adjourn, until the Budget Bill is passed and presented to the Governor.</p>	<p>INTRODUCED: 01/09/2008 LAST AMEND: 03/25/2008 LOCATION: Senate Rules Committee</p> <p>STATUS: 06/25/2008 In SENATE Committee on RULES: Failed passage.</p>	<p>None Listed</p>
<p>► SCA 16 (Denham – R)</p> <p>Legislature: Compensation</p>	<p>Proposes an amendment to the State Constitution. Provides that, if a Budget Bill is not passed by June 15, Members of the Legislature may not be paid any salary from June 16 to the date a Budget Bill is passed and sent to the Governor. Provides that once a Budget Bill is passed and sent to the Governor, a Member of the Legislature may not be paid any salary due for that period of time.</p>	<p>INTRODUCED: 01/09/2008 LAST AMEND: 03/25/2008 LOCATION: Senate Rules Committee</p> <p>STATUS: 06/25/2008 In SENATE Committee on RULES: Failed passage.</p>	<p>None Listed</p>
<p>► SCR 68 (Denham – R)</p> <p>Budget Bill Conference Committee</p>	<p>Adds a provision to the Joint Rules of the Senate and Assembly for the 2007-08 regular session to require that any conference committee on the Budget Bill be comprised of 10 members. Requires the Senate Committee on Rules and the Speaker of the Assembly to appoint three members each and the minority party caucuses in each house to appoint two members each.</p>	<p>INTRODUCED: 01/09/2008 LAST AMEND: 03/25/2008 LOCATION: Senate Rules Committee</p> <p>STATUS: 06/25/2008 In SENATE Committee on RULES: Failed passage.</p>	<p>None Listed</p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
SCR 69 (Denham – R) Budget Bill Votes	Adds a provision to the Joint Rules of the Senate and Assembly for the 2007-08 Regular Session to require that a vote by a committee or subcommittee in either house of the Legislature to take action on the Budget Bill, or a vote by a conference committee to take action on the Budget Bill, be a 2/3 vote.	INTRODUCED: 01/09/2008 LAST AMEND: 03/25/2008 LOCATION: Senate Rules Committee STATUS: 06/25/2008 In SENATE Committee on RULES: Failed passage.	None Listed
SB 5 c (Senate Budget & Fiscal Review Committee) Highway Users Tax Account	Requires transfers of revenues from the Highway Users Tax Account to counties or cities that would otherwise be made during certain months of 2008, to instead be made in September of 2008. Allows counties and cities to make use of any cash balance in any account that is designated for the receipt of state funds allocated for local streets and roads maintenance without the use of this cash being reflected as an expenditure of bond act funds, provided the cash is replaced.	INTRODUCED: 02/07/2008 LAST AMEND: 02/13/2008 LOCATION: Senate Third Reading File STATUS: 02/13/2008 From SENATE Committee on BUDGET AND FISCAL REVIEW: Do pass as amended. 02/13/2008 In SENATE. Read second time and amended. To third reading.	None Listed



MEMO

July 23, 2008

To: Members of the Board of Directors
From: ^{WK}Wendy Knowles, Clerk of the Board
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 23, 2008

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{AW} Chief Executive Officer
Subject: Sole Source Agreement with SunGard Bi-Tech, Inc. for Accounting Software Upgrades and Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2008 Budget, the Orange County Transportation Authority has planned an upgrade to its accounting software system. A proposal was solicited and received from SunGard Bi-Tech, Inc. in accordance with the Orange County Transportation Authority's sole-source procurement procedures for professional and technical services.

Recommendations

- A. Authorize the Chief Executive Officer to execute Agreement No. C-7-1434 between the Orange County Transportation Authority and SunGard Bi-Tech, Inc., in a firm-fixed price amount of \$487,794, for software and services to upgrade the Orange County Transportation Authority's accounting software system to the most recent version and to implement two additional Integrated Financial and Administrative Solution software modules.
- B. Authorize the Chief Executive Officer to amend the fiscal year 2009 budget, in the amount of \$487,794, to fund Agreement No. C-7-1434.

Background

The Orange County Transportation Authority (Authority) implemented SunGard Bi-Tech, Inc. (Bi-Tech) Integrated Financial and Administrative Solution (IFAS) as its accounting system in 1993. As a normal course of improving and advancing this system, Bi-Tech releases annual software upgrades. Bi-Tech ceases support for older versions as newer versions are released. The Authority is entitled to upgraded software per the terms of its maintenance agreement. The primary goal of this project is to upgrade the

Authority's software to the most current version. This upgrade project will ensure ongoing support from Bi-Tech and continued viable operation of the IFAS system at the Authority.

Along with the version upgrade, the Authority seeks to implement the "documents online" and "workflow" modules offered by Bi-Tech in the course of this project in order to enhance efficiencies in its accounting operations. The new version 7i user interface is required to achieve this objective.

To accomplish the IFAS software version upgrade and to implement the two new functional software modules, the Authority requires the professional services of Bi-Tech on a sole source basis.

Discussion

This procurement was handled in accordance with the Authority's sole-source procurement procedures for professional and technical services. The requirement was handled as a non-competitive negotiated procurement due to the sole-source nature of the services and software involved. Award is recommended to Bi-Tech, Inc., for its unique technical expertise relating to the IFAS accounting solution and direct knowledge of the Authority's implementation of its accounting software solution.

Through negotiations, staff achieved a reduction in proposed project costs in the amount of \$193,000.

Bi-Tech is uniquely qualified to perform the services for the following reasons:

- IFAS is Bi-Tech's original work product and is only available and licensed through Bi-Tech.
- Bi-Tech was the original systems integrator of the IFAS software in the Authority's deployment, and as such authored the custom software features of IFAS, as well as the custom integration software which controls the sharing of financial data with external systems.
- Bi-Tech does not maintain a partner program to authorize or certify third-party consultants to implement its products. Authority staff knows of no other firm authorized or certified to implement the IFAS software.

Any other vendor would have to expend an extraordinary amount of time studying the upgrades and integration to accomplish this project, predictably resulting in much higher costs to the Authority and with higher risk. It would also void the Authority's warranty with Bi-Tech. In addition, any other vendor

would have to subcontract with Bi-Tech to acquire this intellectual property with the same predictable cost impact to the Authority.

Several benefits will be realized with this project. First, the Authority will be positioned to continue to receive the ongoing support of Bi-Tech by keeping the software current.

Second, the version to which the Authority is upgrading has enhanced functionality that allows for easier navigation for IFAS users, enhanced reporting capabilities, and an improved user interface which improves the efficiency of data entry and simplifies training.

Third, the implementation of the documents online and workflow modules allow for the processing, attachment and storage of documents as electronic images to accounting records. This has many anticipated benefits which include efficiency gains in the processing, filing, retrieval, and storage of documents such as invoices, vendor correspondence, and reports that currently are retained in paper form. A decrease in physical storage space and use of paper is expected. Further, by reducing the opportunity for misplaced, misfiled, or lost documents, staff time spent searching for such documents will be minimized.

Audit Findings

The Authority's Internal Audit Department has conducted a sole-source price review in accordance with the Authority's sole-source procurement procedures and has found the price quoted by Bi-Tech to be fair and reasonable. The details of this audit are noted in the Price Audit Review No. PR08-21 attached to this report.

Fiscal Impact

This project was approved as part of the Authority's Fiscal Year (FY) 2008 Budget under the Accounting and Financial Reporting Department, Account 1240-9028-A5020-GA4, and was to be funded with the Local Transportation Fund. However, the development, procurement, and negotiation processes for this project took longer than anticipated and budget authority has lapsed with the end of the fiscal year. As a result, staff recommends the Board of Directors amend the FY 2009 budget, in the amount of \$487,794, to fund this contract by carrying over funds previously authorized as part of the FY 2008 budget.


Summary

Based on the information provided, staff recommends award of Agreement No. C-7-1434 to SunGard Bi-Tech Inc., in an amount not to exceed \$487,794, for technology and services to upgrade the Orange County Transportation Authority's accounting software system and implement two new functional software modules. Staff recommends amending the fiscal year 2009 budget, in an amount of \$487,794, using Local Transportation Fund to fund Agreement No. C-7-1434.

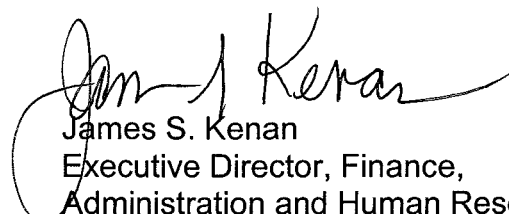
Attachment

- A. Sungard Bi-Tech – IFAS Accounting System Upgrade, Price Review No. PR081-21

Prepared by:


Catherine Whitmore
Project Manager II
Information Systems
(714) 560-5351

Approved by:


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



INTEROFFICE MEMO

June 18, 2008

To: Kathleen Perez, Manager
Contracts and Procurement

From: Ricco Bonelli, Senior Internal Auditor *RTB*
Internal Audit Department

Subject: **Sungard Bi-Tech – IFAS Accounting System Upgrade, Price Review No. PR08-021**

Conclusion

In Internal Audit's opinion, the \$487,794 price proposed by Sungard Bi-Tech for an IFAS accounting system upgrade appears fair and reasonable.

Background

The Finance, Administration, and Human Resources Division of the Orange County Transportation Authority (OCTA) has requested a sole source procurement for an IFAS accounting system upgrade (Upgrade) for hardware, licensing, training, implementation services, and expenses.

Purpose and Scope

The Internal Audit Department conducts reviews of sole source procurements that exceed \$50,000 at the request of Contracts Administration and Materials Management (CAMM). CAMM has requested that Internal Audit review the price proposed by Sungard Bi-Tech (Sungard) to determine if the pricing is fair and reasonable.

Discussion

Internal Audit reviewed the sole source checklist, the proposed price to OCTA, and Sungard's 2008 and 2006 published labor rates. Additionally, Internal Audit was able to obtain a copy of a price quote from Sungard to another local government and a detailed breakdown of labor hours and rates used to prepare Sungard's proposed price to OCTA.

Internal Audit reviewed the labor rates proposed by Sungard and compared them to Sungard's published labor rates. Internal Audit found that the proposed rates were the same or lower than the published rates. Additionally,

Internal Audit noted that Sungard's standard labor rates have not risen since 2006. Internal Audit was able to compare a single task of this multi-tasked Upgrade to another local government's recent IFAS upgrade. Internal Audit found that the price quoted for this task was the same for both OCTA and the local government.

In addition to the review of labor rates, Internal Audit requested that a review of the level of effort (labor hours) proposed by Sungard be performed by the Information Systems Project Manager (IS Staff) in the Information Systems Department. IS Staff reviewed the labor hours proposed and deemed the level of effort appropriate for the Upgrade.

Summary

Based on the work cited above, the pricing proposed by Sungard for the IFAS accounting system upgrade appears fair and reasonable.

c: William Brooks
Tom Wulf
Kathleen O'Connell



MEMO

July 23, 2008

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 23, 2008

To: Finance and Administration Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Agreement for Contract Technical Staffing for Programming, Database Administration, Computer Operations, Network Administration, and Desktop Support

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2008-09 Budget, the Board of Directors approved contract technical staffing for programming, database administration, computer operations, network administration, and desktop support. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. The Board of Directors approval is requested to execute the following four-year agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement No. C-8-0673 between the Orange County Transportation Authority and Digital Intelligence Systems Corporation, in a firm fixed-price amount of \$4,182,000, for programming, database administration, computer operations, network administration, and desktop support.

Background

Since consolidation in 1991, the Orange County Transportation Authority (Authority) has continued to look for ways to improve business by identifying opportunities for privatization and outsourcing. By outsourcing the support for some applications, staff has been able to concentrate on the newer technologies such as business intelligence, thin-client server applications, virtual servers, and thin-client desktops.

Without this contract for technical staffing, the Information Systems (IS) Department could not provide technical support to the current portfolio of over 70 projects that have been requested by various Authority departments.

Currently, the Lawson Payroll Upgrade, Ellipse Implementation, Business Objects Migration, Trapeze and Hastus Application Upgrades are supported by contract staff. Contract staff also provides support in maintaining the current technical infrastructure of 165 databases, over 1,000 desktops, 12 Hewlett Packard (HP)-Unix Operating System Servers, over 100 HP Proliant Microsoft Windows Servers, a local and wide area network comprised of 50 switches, seven routers supporting six sites, server virtualization, and two disk arrays containing over 18 terabytes of storage. The IS Department has also been able to expand its coverage of the Authority's centralized data center by using contract staffing.

On July 9, 2007, the Board of Directors (Board) approved similar contracts for contract staffing. Contracts were issued to Digital Intelligence Systems Corporation, Omega Contract Design, and Segula Technologies to meet the IS Department's staffing needs. At that time, it was suggested by the Finance and Administration Committee that staff consider a multi-year contract. This new contract addresses that request.

In January 2008, a manpower plan was developed by the IS Department to provide resources to support a number of the requested projects and maintain the technical infrastructure. In reviewing contract costs, it was determined that it was still cost effective to outsource these positions instead of increasing the Authority headcount. Using the manpower plan, a request for proposals (RFP) was developed for contract staffing that would provide programming, database administration, computer operations, network administration, and desktop support. On April 28, 2008, the Board approved the proposed evaluation criteria and authorization to release the RFP.

Discussion

This procurement was handled as a competitive negotiated procurement in accordance with the Authority's procedures for professional and technical services. In evaluating the firm's responses, several factors were considered. The staffing and organization, the qualifications of the firms that could best meet the requirements, and the proposing firms' work plans that best demonstrated the firms' understanding of how to provide the staff with the required skill levels and years of experience. The cost allowed for a fair comparison of the proposed solutions for the total life of the contract.

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 requirements, and technical expertise in the field, as well as cost.

The project was advertised on April 30 and May 7, 2008, in a newspaper of general circulation, and on CAMM NET. A pre-proposal meeting was held on May 13, 2008, and was attended by 35 Orange County firms and two firms from outside the County. On May 22, 2008, vendor questions were due, 29 were received from 10 firms, and on May 27, 2008, the Authority responses were posted.

On June 2, 2008, 29 offers were received. Of the 29 offers received, 17 were from firms located in Orange County, five offers were from firms located in Los Angeles, one offer from a firm located in Northern California, and six offers were from firms located in other states.

An evaluation committee composed of staff from Contracts Administration and Materials Management, IS, Human Resources Department and North San Diego County Transit District was established on June 19, 2008, to review all offers submitted. The offers were evaluated on the basis of firm staffing at 35 percent, firm qualifications at 25 percent, work plan at 20 percent, and cost at 20 percent. The evaluation committee short-listed the top five firms to interview on June 23, 2008.

Firm and Location

Digital Intelligence Systems Corporation
Anaheim, California

Omega Contract Design
Huntington Beach, California

Outsource Technical
Newport Beach, California

Segula Technologies
Huntington Beach, California

Strativa, Inc.
Irvine, California

The interviews considered presentation clarity, understanding of project requirements, experience, ability to answer questions, commitment, and enthusiasm. Digital Intelligence Systems Corporation (DISYS) received the highest ratings in all four evaluation areas as well as presenting the most concise information and having the best project understanding during the interview.

**Agreement for Contract Technical Staffing for Programming,
Database Administration, Computer Operations, Network
Administration, and Desktop Support**

Page 4

Based on these findings, the evaluation committee recommends DISYS to the Finance and Administration Committee for consideration of an award.

This firm clearly demonstrated the best understanding of the Authority's current needs as well as future requirements. The firms' proposal was the most professional and clearly met all the requirements of the scope of work.

This firm showed that its staff would be highly skilled and motivated individuals and offered the most service and benefits in support of the project requirements.

This firm offered the most comprehensive employee transition plan and clearly understands the potential problems that can occur during this type of process and has put in place a detailed plan to mitigate such problems. Also, because of its in-depth understanding of co-employment issues, DISYS offered a comprehensive employee benefit package and processes to protect the Authority from such risks.

Fiscal Impact

The project was approved in the Authority's Fiscal Year 2008-09 Budget, Finance and Administration/IS, Account 7519, and is funded through the Local Transportation Fund.

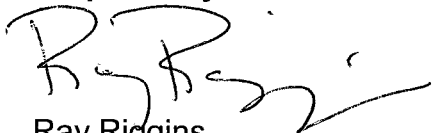
Summary

The evaluation committee recommends approval of Agreement No. C-8-0673 between the Orange County Transportation Authority and Digital Intelligence Systems Corporation, in a firm fixed-price amount of \$4,182,000, for programming, database administration, computer operations, network administration, and desktop support.

Attachments

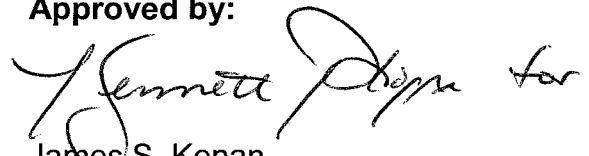
- A. RFP 8-0673 Information Technology Technical Staffing, Proposal Evaluation Criteria Matrix
- B. Information Technology Contract Technical Staffing Review of Proposals – RFP 8-0673

Prepared by:



Ray Riggins
Manager, Data Management
Information Systems
(714) 560-5535

Approved by:



James S. Kenan
Executive Director, Finance,
Administration and Human Resources
(714) 560-5878

PROPOSAL EVALUATION CRITERIA MATRIX							
FIRM: Digital Intelligence System Corporation						Weights	Criteria Score
Evaluation Number	1	2	3	4	5		
Qualification of Firm	4.00	4.00	4.50	4.00	4.00	5	20.50
Staffing/Project Organization	3.50	4.00	4.00	4.00	5.00	7	28.70
Work Plan	4.00	4.00	5.00	4.50	4.00	4	17.20
Cost and Price	5.00	5.00	5.00	5.00	5.00	4	20.00
Overall Score	80.50	84.00	90.50	86.00	91.00		86.40
FIRM: Omega Contract Design						Weights	Criteria Score
Evaluation Number	1	2	3	4	5		
Qualification of Firm	4.00	4.00	4.00	4.00	4.00	5	20.00
Staffing/Project Organization	4.00	3.50	3.50	4.00	4.00	7	26.60
Work Plan	3.50	3.50	3.50	4.00	4.00	4	14.80
Cost and Price	4.00	4.00	4.00	4.00	4.00	4	16.00
Overall Score	78.00	74.50	74.50	80.00	80.00		77.40
FIRM: Outsource Technical						Weights	Criteria Score
Evaluation Number	1	2	3	4	5		
Qualification of Firm	3.50	3.50	4.00	4.00	4.00	5	19.00
Staffing/Project Organization	3.50	3.00	4.00	3.50	4.00	7	25.20
Work Plan	3.00	3.50	4.00	4.00	4.00	4	14.80
Cost and Price	4.00	4.00	4.00	4.00	4.00	4	16.00
Overall Score	70.00	68.50	80.00	76.50	80.00		75.00
FIRM: Segula Technologies						Weights	Criteria Score
Evaluation Number	1	2	3	4	5		
Qualification of Firm	3.50	4.00	4.00	4.00	4.00	5	19.50
Staffing/Project Organization	3.50	3.50	3.50	4.00	4.00	7	25.90
Work Plan	3.50	3.50	3.50	4.00	4.00	4	14.80
Cost and Price	3.00	3.00	3.00	3.00	3.00	4	12.00
Overall Score	68.00	70.50	70.50	76.00	76.00		72.20
FIRM: Strativa, Inc.						Weights	Criteria Score
Evaluation Number	1	2	3	4	5		
Qualification of Firm	3.00	3.00	3.50	3.50	4.00	5	17.00
Staffing/Project Organization	3.50	3.50	3.50	4.00	4.00	7	25.90
Work Plan	3.00	3.50	4.00	3.00	3.00	4	13.20
Cost and Price	4.00	4.00	4.00	4.00	4.00	4	16.00
Overall Score	67.50	69.50	74.00	73.50	76.00		72.10

Information Technology Contract Technical Staffing

Review of Proposals - RFP 8-0673

PRESENTED TO THE FINANCE AND ADMINISTRATION COMMITTEE - JULY 23, 2008

29 proposals were received, 5 firms interviewed and 1 firm recommended for award

Overall Ranking	Proposal Score	Firm and Location	Sub-Contractors	Evaluation Committee Comments	Proposal Labor Rates
1	86.40	Digital Intelligence Systems Corporation Anaheim, California	None	Excellent proposal addressed all request for proposals requirements Core business information technology staffing Strong recruiting team and an excellent transition plan Presented a good interview, responded well to questions Proposed the lowest labor rates	Senior Database Administrator: \$74.40 Senior Programmer Analyst: \$51.76 Senior Desktop Support: \$46.91 Senior Computer Operator: \$33.97 Senior System Software Analyst: \$59.85
2	77.40	Omega Contract Design Huntington Beach, California	None	Good proposal addressed most of the request for proposal requirements Core business information technology staffing Did not present a good interview Did not respond well to questions during the interview Proposed the highest labor rates	Senior Database Administrator: \$120.00 Senior Programmer Analyst: \$72.00 Senior Desktop Support: \$40.00 Senior Computer Operator: \$43.00 Senior System Software Analyst: \$80.00
3	75.00	Outsource Technical Newport Beach, California	None	Good proposal addressed most of the request for proposal requirements Core business information technology staffing Good recruiting team and recruitment plan Presented a good interview and responded well to questions Proposed some of highest labor rates	Senior Database Administrator: \$102.00 Senior Programmer Analyst: \$102.00 Senior Desktop Support: \$56.00 Senior Computer Operator: \$63.00 Senior System Software Analyst: \$0.00
4	72.20	Segula Technologies Huntington Beach, California	None	Average proposal Core business information technology staffing Presented a good interview, disused transition plan in detail Responded well to questions during the interview Proposed the highest labor rates	Senior Database Administrator: \$101.76 Senior Programmer Analyst: \$81.09 Senior Desktop Support: \$52.97 Senior Computer Operator: \$52.97 Senior System Software Analyst: \$90.63
5	72.10	Strativa, Inc. Irvine, California	None	Average proposal Core business consulting firm Did not present a good interview Presented a transition plan however, did not have the experience in implementation Average proposed labor rates	Senior Database Administrator: \$82.15 Senior Programmer Analyst: \$75.05 Senior Desktop Support: \$49.59 Senior Computer Operator: \$49.59 Senior System Software Analyst: \$92.57

<u>Evaluation Panel</u>	<u>Proposal Criteria</u>	<u>Weight Factors</u>
North County Transit Information System (2)	Qualification of the Firm	25%
Human Resources	Staffing and Project Organization	35%
Contract Administration and Materials Management	Work Plan	20%
	Cost and Price	20%



MEMO

July 23, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 23, 2008

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: New York Meetings with Rating Agencies 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 and investors in New York, New York. This year the trip took place during the week of June 16, 2008.

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 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 Ratings, Bank of New York Mellon, U.S. Bank, Assured Guaranty, Municipal Bond Insurance Association (MBIA), Ambac, Depfa Bank, Heleba Bank, KBC Bank, J.P. Morgan, and Dexia Public Finance Bank. In addition to these institutions, the Authority also met with investors from Blackrock, Dreyfus, and Deutsche Bank.

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. The Authority's track record of delivering projects on

time and under budget has clearly established the Authority's strong credibility with the rating agencies.

Discussion

The following representatives from the Authority were in New York during the week of June 16, 2008: Chairman Chris Norby, Vice-Chairman Peter Buffa, Director Bill Campbell, Director Jerry Amante, Director Carolyn Cavecche, Chief Executive Officer Arthur T. Leahy, Jim Kenan, and Kirk Avila. In addition, Jim Martling from Sperry Capital and representatives from Lehman Brothers and J.P. Morgan attended the presentation meetings.

This year's meetings focused on the 91 Express Lanes and the issues related to the outstanding variable rate bonds. Other topics included the impacts to the Authority's programs and services from the slowdown of the national and local economies, the current Measure M program, the Renewed Measure M Early Action Plan, the performance of sales tax collections, bus transit update, Metrolink expansion program, 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.

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. A summary report of the most recent meetings in New York is provided as an attachment.

Attachment

- A. Sperry Capital Inc. Letter to James S. Kenan on OCTA's 2008 New York Update Meetings dated June 30, 2008.

Prepared by:



Kirk Avila
Treasurer and General Manager
(714) 560-5674

Approved by:



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

Sperry Capital Inc.

June 30, 2008

Mr. James S. Kenan
Executive Director, Finance, Administration and Human Resources
Orange County Transportation Authority
550 South Main Street
Orange, CA 92863-1584

Dear Jim:

The June 2008 rating agency and credit provider update trip to New York was very successful. OCTA provided an overview of the Authority, the 91 Express Lanes, and the Orange County economy at each presentation.

Fitch Ratings, Moody's and Standard & Poor's along with Assured Guaranty, Municipal Bond Insurance Association ("MBIA"), Dexia Credit Local, JP Morgan, Bank of New York Mellon, U.S. Bank, Depfa Bank, Heleba Bank and KBC Bank were all extremely complimentary about the quality of the June 2008 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 17th through 20th in New York:

Bank of New York Mellon	<ul style="list-style-type: none">• Potential credit/liquidity provider for 91 Express Lanes credit RFP
U.S. Bank	<ul style="list-style-type: none">• Potential credit/liquidity provider for 91 Express Lanes credit RFP
Dexia Credit Local & JP Morgan	<ul style="list-style-type: none">• Dexia and JP Morgan provide OCTA with M1 and M2 tax-exempt commercial paper (TECP) letters of credit; Dexia and JP Morgan provide the 91 Express Lanes with a \$100 million liquidity facility
Moody's	<ul style="list-style-type: none">• Moody's rates OCTA's First Senior Bonds Aa2, Second Senior Bonds Aa3, TECP A1, and 91 Express Lanes Bonds A1
Assured Guaranty	<ul style="list-style-type: none">• Potential credit provider for 91 Express Lanes credit RFP
MBIA	<ul style="list-style-type: none">• MBIA insures the \$66.3 million 1998 Second Senior Bonds
Investor Meeting	<ul style="list-style-type: none">• Briefed current and prospective institutional investors on OCTA
Standard & Poor's	<ul style="list-style-type: none">• S&P rates OCTA's First Senior Bonds AAA, Second Senior Bonds AA, TECP P1+, and the 91 Express Lanes Bonds A-
Fitch Ratings	<ul style="list-style-type: none">• Fitch rates OCTA's First Senior Bonds AA, Second Senior Bonds AA-, and TECP F1+, and the 91 Express Bonds A
Ambac	<ul style="list-style-type: none">• Ambac insures all of the outstanding 91 Express Lanes Bonds, the \$44.105 million Series 1997 Second Senior Refunding Bonds, and the \$48.43 million Series 2001 Second Senior Refunding Bonds
Depfa, Heleba and KBC banks	<ul style="list-style-type: none">• Potential credit/liquidity providers for 91 Express Lanes credit RFP
Goldman Sachs	<ul style="list-style-type: none">• Goldman Sachs was added to the 91 Express Lanes financing team

Sperry Capital Inc.

Mr. James S. Kenan
June 30, 2008
Page Two

Chairman Chris Norby, Vice Chairman Peter Buffa, Director Jerry Amante, Director Bill Campbell, Director Carolyn Cavecche, Art Leahy, Jim Kenan and Kirk Avila represented OCTA at the New York meetings. John McCray-Goldsmith and Lori Koh from Lehman Brothers, Dan Feitelberg from JP Morgan and I attended the presentations as well.

The Treasury/Public Finance Department, with support from many departments throughout the Authority, worked diligently during March, April and May to update and prepare the comprehensive 82-page spiral bound presentation book, entitled the "June 2008" update, which was used in conjunction with each of OCTA's 11 meetings in New York. The June 2008 update presentation book was organized as follows:

- I. Introduction
 - II. Metrolink Commuter Rail Program
 - III. Measure M and Renewed Measure M Programs
 - IV. 91 Express Lanes Operations
 - V. 91 Express Lanes Debt
 - VI. Orange County Economy
 - VII. Chief Executive Officer's Report
 - VIII. Sales Tax Collection
 - IX. Investment and Debt Portfolios
- Appendix

The Appendix to the June 2008 Update presentation book contained profiles for each Board member and bios for OCTA's executive management staff attending the presentations.

Tuesday, June 17^h

The first meeting of the week was with The Bank of New York Mellon at the Bank's headquarters located at 1 Wall Street. Kevin Dunphy introduced the four Bank of New York Mellon credit and municipal finance professionals. The 90 minute presentation was designed to familiarize The Bank of New York Mellon with OCTA in anticipation of a request for proposal for credit support for the 91 Express Lanes.

After self-introductions by the OCTA team, Vice Chairman Buffa began the presentation by describing OCTA as an unique transportation agency that is responsible for services including the 12th largest transit agency in the United States, Metrolink, freeway improvements, streets and roads and the 91 Express Lanes. Vice Chairman Buffa used the five pages of the Introduction section to describe the OCTA's Board of Directors and executive management team.

Director Amante presented a summary of the 91 Express Lanes background. Director Amante's presentation was the first time The Bank of New York Mellon representatives had a thorough overview of the 91 Express Lanes. The Bank's Mark Rogers asked about tolls, "What is the process to raise tolls for the 91 Express Lanes?" Director Amante answered that the Board

Sperry Capital Inc.

Mr. James S. Kenan
June 30, 2008
Page Three

adopted a Toll Policy in 2003 that requires that the number of cars in each lane be counted 24 hours a day, seven days a week and that “toll adjustments are made automatically every six months to insure that our customers can travel at the maximum speed.”

The Bank’s Kevin Dunphy then asked if the Board was obligated to implement the Toll Policy. Director Amante explained that the Board was bound by the Toll Policy to adjust tolls based on congestion. Director Cavecche added that, “The Toll Policy allows the Board to run the 91 Express Lanes like a business.”

The Bank’s representatives were very impressed by the explanation of the 91 Express Lanes Toll Policy. Jim Kenan added that OCTA had just been notified that the International Bridge Tunnel and Turnpike Authority had just awarded OCTA an award for its landmark Toll Policy.

Vice Chairman Buffa provided an overview of the sluggish Orange County economy which emphasized the local economy’s diversity, “Tourism is one of the keys to our diversified economy. Visitors from across the country and around the world come to Orange County every year and don’t care about the subprime crisis.” Jim Kenan added that despite the downturn in the Orange County housing, “We are pleased that local experts are predicting a turnaround in the Orange County economy in 2009.”

U.S. Bank: U.S. Bank was represented by the Bank’s New York-based national and Los Angeles-based West Coast government credit specialists. The 90 minute presentation was designed to familiarize U.S. Bank with OCTA in anticipation of a request for proposal for credit support for the 91 Express Lanes.

Vice Chairman Buffa started the presentation with a quick overview of OCTA that emphasized that OCTA is one of the few multi-faceted transit agencies in the United States that does both transportation planning and building, “We have 3.3 million residents, 34 cities and we are consistently working to provide mobility.”

Director Cavecche summarized the Measure M and Renewed Measure M programs for U.S. Bank. She used the pie charts on page III-2 to illustrate the historical and projected expenditures of Measure M. Director Cavecche then used the next eight pages in Section III to highlight the Renewed Measure M Early Action Plan projects and program development timetable.

Director Amante discussed the 91 Express Lanes. He noted with pride that U.S Secretary of Transportation Mary Peters recently toured the 91 Express Lanes and was “quite complimentary about our congestion management pricing operations as well as the 91 Express Lanes customer service center.”

New York-based Richard Raffetto asked about the time savings a 91 Express Lanes customer receives during peak rush hours. Director Cavecche said, “Using the 91 Express Lanes saves up to an hour during eastbound peak hours.” Art Leahy said that SR-91 is the only access route between Orange and Riverside counties for miles in either direction and pointed to the map

Sperry Capital Inc.

Mr. James S. Kenan

June 30, 2008

Page Four

on page IV-1 and noted, "This is not a summary map that doesn't show smaller roads. There are no other roads between the counties."

Director Amante explained that although fiscal year 2008 traffic volumes were expected to drop by approximately 6.8%, total revenues are projected to decline 3.2%.

Jim Kenan discussed sales tax collections. He used the charts in Section VIII to illustrate historic and projected taxable sales in Orange County. Historic taxable sales have increased an average of 7.4% per year since 1976 and future taxable sales growth is projected to increase 4.5% a year. He added context to the data by adding, "During the past 30 years the Orange County population has increased 74%. Over the next 30 years, the Orange County population is projected to increase by 14%."

Dexia Credit Local and JP Morgan: Dexia was represented by Richard Skiera and JP Morgan was represented by Tim Self. OCTA has met with Richard Skiera and Tim Self for annual updates for over five years. In addition, Dexia, JP Morgan as well as BNP Paribas and Bank of America just provided the Renewed Measure M Early Action Program with a \$400 million letter of credit for the early action program.

This was a timely presentation because the \$100 million 91 Express Lanes liquidity agreement with JP Morgan and Dexia expires November 12, 2008. In addition, the 90 minute presentation was designed to provide Dexia and JP Morgan with fiscal year-to-date traffic and revenue information in anticipation of a request for proposal for credit support for the 91 Express Lanes.

Due to the bank's familiarity with OCTA, Vice Chairman Buffa asked Director Cavecche to update the banks on Measure M and Renewed Measure M. Director Cavecche told the banks that work is already underway on the nine Early Action Program projects, "We have achieved quite a head start. The Early Action Program will set the stage for 45 miles of new freeway projects."

Director Amante updated the banks on the 91 Express Lanes fiscal-year-to-date traffic and revenue volumes. Despite the slight estimated drop in fiscal year 2008 revenues, JP Morgan's Tim Self was impressed with the financial performance of the 91 Express Lanes, "The \$1.5 million drop in revenues is not nearly as bad as some toll roads we are dealing with."

Director Amante also briefed the banks on the 2008 performance of the \$100 million variable rate demand bonds. Director Cavvche also updated the banks on the progress of SB 1316 and highlighted the provision in the bill that would extend the franchise agreement for 35 years.

Wednesday, June 18^h

Moody's: The OCTA team met with Maria Matesanz, an analyst who is very familiar with OCTA, and a new analyst, Baye Larsen, who listened to an OCTA presentation for the first time. Chairman Norby led the introductions for OCTA. Chairman Norby also outlined his goals for 2008 including bus rapid transit service and bus system marketing to the pre and post-driving

Sperry Capital Inc.

Mr. James S. Kenan
June 30, 2008
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populations in Orange County.

Director Cavecche gave an update on Measure M and Renewed Measure M. She told the analysts, "The taxpayers told us that they wanted continued work on transportation projects so we put together the Early Action Program. And, I'm pleased to say that the projects are evenly distributed around the County."

Director Campbell briefed the Moody's analysts on the \$100 million 91 Express Lanes Ambac-insured variable rate demand bonds. He used the chart on page V-2 to illustrate the pressure on Ambac and the subsequent decline in trading value of the 91 Express Lanes Ambac-insured variable rate demand bonds. He then outlined the actions taken by OCTA including the June 11th Finance and Administration Committee decision to instruct staff to retain a financing team and to release a request for proposals to credit providers. Maria Matesanz suggested if the 91 Express Lanes were restructured with a new credit support, that OCTA should anticipate a longer than normal internal Moody's review time before OCTA receives a credit rating.

Director Campbell then updated the Moody's analysts on SB 1316, "We are very supportive of the Riverside County Transportation Commission owning and operating a 91 Express Lanes extension into Riverside County as long as the express lanes operation looks seamless to our customers." Director Campbell emphasized that SB 1316 also extends the life of the OCTA franchise agreement 35 years and allows OCTA to make additional improvements in the SR-91 Corridor. Maria Matesanz asked, "When will the final SB 1316 vote take place?" "We will know for sure by September 1," replied Director Campbell.

Art Leahy presented his CEO's report and mentioned several fiscal year accomplishments including OCTA being awarded \$218 million in Proposition 1B funding for eight goods movement projects, the completed SR 22 design build project, the launching of the Anaheim Regional Transportation Intermodal Center (ARTIC) project, and that all 34 Orange County cities are participating in the Go Local program to increase local network connections to Metrolink. "Metrolink riders have an \$80,000 average income per year. They tend to all own cars. They are very sensitive to fuel price increases and as a consequence Metrolink ridership is up." said Art Leahy.

Jim Kenan updated Moody's on sales tax collections and Kirk Avila updated Moody's on OCTA's investments and debt portfolio.

Assured Guaranty: The OCTA team met with four Assured Guaranty representatives including transportation specialist Mary Francoeur. Mary Francoeur is a former FGIC and Moody's analyst who has met with OCTA many times on past annual New York updates. The 90 minute presentation was designed to provide Assured Guaranty with fiscal year-to-date traffic and revenue information in anticipation of a request for proposal for credit support for the 91 Express Lanes.

Chairman Norby introduced the presentation by quoting Rene Descartes' famous supposition, "I

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think, therefore I am”, and restating the supposition with a transportation emphasis stating that due to the importance of mobility in Orange County, “I move, therefore I live.”

Chairman Norby then stated that a major goal in 2008 is to seek more state and national transportation funding for Orange County, “We want more state and national transportation funding equity.”

Director Cavecche gave Assured Guaranty an overview of Measure M and Renewed Measure M. Director Amante agreed with Director Cavecche’s description of M1 and M2 and said, “We are very appreciative of the success of Measure M and we all learned that our voters want us to continue with critical transportation improvements as quickly as possible.”

Director Campbell discussed the 91 Express Lanes \$100 million Ambac-insured variable rate demand bonds debt and OCTA’s review process of its options. He told the Assured Guaranty representatives that OCTA’s financing team was planning to release a request for proposal for credit support. Mary Francoeur noted the difficulty securing liquidity today and asked about OCTA’s contingency plans. Director Campbell said, “OCTA has \$1 billion in cash and investments so we have ways to backstop our bonds if we have to.”

Jim Kenan gave the Assured Guaranty analysts a thorough review of sales tax collections in Orange County, “I get to talk about sales tax collections past, present and future.” Jim Kenan noted that Measure M is expected to take in \$4.18 billion before the expiration of the tax in March 31, 2011.

At the end of OCTA’s presentation, Jim Kenan asked John Trahan of Assured Guaranty if his firm had an interest in providing AAA insurance for the 91 Express Lanes. John Trahan said, “We are still formulating a strategy to deal with the large number of credit support requests due to the decline in the trading value of MBIA and Ambac variable rate demand bonds. But we gravitate to large sophisticated issuers like OCTA.”

MBIA: MBIA was represented by Ted Galgano and Chris Chafizadeh, two senior credit executives. Chairman Norby asked each OCTA team member to introduce themselves and then provided the MBIA representatives with an overview of OCTA.

MBIA insures \$66.3 million of OCTA’s Series 1998 sales tax bonds. Director Cavecche provided the two MBIA analysts with an in-depth overview of Measure M and Renewed Measure M. “We heard loud and clear that our voters wanted us to continue to build projects so we started the Renewed Measure M Early Action Plan.” said Director Cavecche. Then Director Cavecche provided MBIA with details on the Early Action Plan with information on pages III-3 through III-8.

At the end of the 90 minute presentation Chris Chafizadeh said, “Thank you for a great presentation. You have been doing very well in a very difficult market.” Director Campbell asked about the future of MBIA. After a brief discussion of the state of the monoline insurance

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industry, Chris Chafizadeh stated, "We have been in business for 34 years and we will be back." The next day, Moody's downgraded MBIA's claims paying ability from AAA negative to A2 negative.

Institutional Investors: OCTA provided a condensed June 2008 update presentation version for institutional investors. After a brief overview by Chairman Norby and the OCTA team, the OCTA team had "one-on-one" discussions with the institutional investors for 90 minutes. The institutional investors included representatives from Blackrock, Dreyfus and Deutsche Bank.

Thursday, June 19

Standard & Poor's: S&P was represented by long-time OCTA analyst David Hitchcock and toll road analyst Laura Macdonald. Chairman Norby led the self-introductions by the OCTA team. Chairman Norby used the nine bullet points on page I-5 to describe his major transportation goals for 2008.

After the Introduction overview, Chairman Norby noted that Orange County Metrolink ridership has doubled since 2001 and described OCTA's Metrolink service expansion plans.

Director Cavecche gave an overview of the Measure M and Renewed Measure M programs and concluded by saying, "We are very pleased that Orange County taxpayers are confident that we are spending their money wisely and successfully." Director Amante agreed and said, "The 70% vote for M2 was very important. We think it shows that the voters feel that their investment in sales tax revenues for transportation has made a difference in their lives."

Director Campbell began his presentation on the decline in the 91 Express Lanes variable rate demand bonds trading value by saying, "The market has obviously changed this year. We think the 91 Express Lanes is a great credit, but the market is penalizing us on weekly resets because of the Ambac insurance." Director Campbell outlined the steps OCTA has taken to date in 2008 including the Finance & Administration Committee authorization to select a financing team and to release a request for proposal for credit and or liquidity support. He also said, "We are looking at a private placement option to park the bonds for a few years until the market settles down."

Laura Macdonald asked about SB 1316, "Does RCTC want to be responsible for the construction and operation of the 91 Express Lanes extension?" Several Board members told the S&P analysts that they would agree to the Riverside County Transportation Commission having complete responsibility for the extension as long as the daily operations were smoothly coordinated. "SB 1316 is an extraordinary opportunity for OCTA. We get a 35-year extension with the passage of the bill." said Art Leahy.

Director Buffa conceded that most of Orange County's economic numbers had worsened in the past year, but pointed out that tourism spending has increased in 2008, "International visitors are flocking to Orange County. Domestically, many people who were planning overseas vacations

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are coming to Orange County.” Jim Kenan was cautiously optimistic on future economic trends, “Several economic experts we use are predicting an economic upturn next year.”

Fitch Ratings: Fitch was represented by San Francisco-based Amy Doppelt, toll road experts Cherian George and Mike McDermott, and a new analyst, Jessie Ortega. After introductions, Chairman Norby thanked the Fitch team by saying, “We are very pleased with our partnership with your firm that has helped us finance more transportation projects in Orange County.”

Director Amante began his update on the 91 Express Lanes by stating, “The 91 Express Lanes is undoubtedly the most successful toll road in the United States and we are very proud of that.” Director Amante successfully used the tables and charts in Section IV to illustrate the current trends in the 91 Express Lanes traffic and revenues.

The Fitch toll road experts were very curious about current traffic volumes and revenue. Cherian George said, “This is very interesting data for us. Everyone is talking about congestion management pricing but the 91 Express Lanes is the only toll road actually using congestion management pricing.” Director Campbell added, “Due to our Toll Policy, tolls can go up or down. My prediction is that some rates will go down. It will be interesting to test our model.”

During his CEO’s report, Art Leahy spoke about the economic benefits of goods movement as well as the environmental costs, “We are in favor of goods movement, but we also are in favor of environmental mitigation. That leads us to favor exploring a container fee bill for environmental mitigation projects.”

When Jim Kenan spoke about sales tax collections, he focused the Fitch analysts on the Measure M debt service coverage tables on page VIII-6. Jim Kenan pointed out that OCTA has always been “consistent and conservative” in Measure M debt service coverage ratio projections.

The Fitch presentation lasted almost two hours due to questions posed by the Fitch analysts and the answers by OCTA. At the conclusion of the presentation, Cherian George said, “I have met with a lot of issuers over the years. OCTA’s Board involvement and the quality of your staff have always given Fitch a great deal of comfort.”

Friday, June 20

Depfa, Helaba and KBC banks: Depfa is an Irish bank. Depfa has a major role in public private partnership infrastructure financings. Depfa recently acted as the financial advisor and lead letter of credit bank for a \$589 million variable rate demand bond issue for an express lanes toll road using congestion management pricing for a 12-mile express lanes project on the I-495 in Northern Virginia. Helaba is an abbreviation for Helaba Landesbank Hessen-Thüringen, a European regional bank with an international reach and focus on infrastructure financings. KBC Bank was formed 10 years ago through the merger of two Belgian banks and a Belgian insurance company. The almost two hour presentation was designed to familiarize the three bank credit analysts with OCTA in general and the 91 Express Lanes in particular in anticipation of a request

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for proposal for credit and liquidity support for the 91 Express Lanes.

After the 90 minute presentation, Roger Johnson from Helaba Bank said, "I used to work at Fitch. I've seen quite a few OCTA presentations over the years and they are always well done."

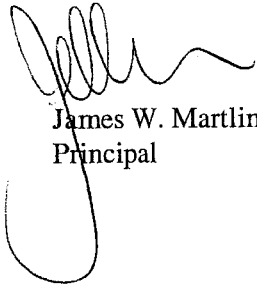
Goldman Sachs: The OCTA team met with representatives of Goldman Sachs late Friday afternoon. Kathleen Brown, on a conference call from Los Angeles, and New York-based Frank Oh and Ellen Jewett hosted the 90 minute meeting. A capital markets economist, an energy research analyst, and short-term municipal market trader, and a long-term municipal market trader discussed their views on the capital markets.

Summary:

The June 2008 New York update meetings were very positive and well received. Despite the credit and liquidity crunch affecting the economy and all areas of the capital markets, the rating agencies, monoline insurance analysts, letter of credit commercial bank analysts and institutional investors thanked the OCTA team for investing the time and resources to come to New York for the June 2008 update presentations.

I have attached a complete list of the participants at OCTA's 2008 New York meetings.

Sincerely,



James W. Martling
Principal

Date	Time	2008 Meetings	Name	Title	Telephone	Location
Tuesday June 17	9:30 AM	Bank of New York	Kevin Dunphy Mark Rogers Patrick M. Boyer Andrew Pollard	Managing Director Managing Director Vice President Vice President	212.635.7149 212.635.7203 212.635.7073 212.635.1227	Bank of New York 1 Wall Street (19 th Floor) Reception on 7 th Floor
Tuesday June 17	1:00 PM	U.S. Bank	Rich Raffetto Ken Haber	Senior Vice President Managing Director	646.935.4511 818.817.7235	Lehman Brothers 125 Park Avenue 745 7 th Avenue
Tuesday June 17	3:00 PM	Dexia , JPMorgan, BNP Paribas, B of A	Richard Skiera, Dexia Tim Self, JPMorgan Russell Nusbaum Paul Sutherlen, BofA Andy Shin BofA (phone)	Vice President Executive Director -NY Assocaite Senior Vice President Vice President	212.515.7025 212.270.4946 212.515.7021 213.621.7184 213.621.7146	Dexia Local Credit 445 Park Ave. at E.57 th 8 th Floor Reception on 7 th Floor
Wednesday June 18	9:00 AM	Moody's	Maria Matesanz Baye Larsen	SVP & Team Leader Associate	212.553.7241 212.553.0818	Moody's 7 World Trade Center at 250 Greenwich Street
Wednesday June 18	12:00 PM	Assured Guaranty Lunch Meeting	James Binette John Trahan Leonard Lasek Mary Francoeur	Director Managing Director Assistant Vice President Managing Director	212.408.6005 212.408.6023 212.408.6078 212.408.6051	Lehman Brothers 745 7 th Avenue Conference Room 27D
Wednesday June 18	2:15 PM	MBIA	Ted Galgano Christopher P. Chafizadeh	Managing Director Managing Director	914.765.3517 914.765.3520	Lehman Brothers 745 7 th Avenue Conference Room 29 A
Wednesday June 18	4:00 PM	Investor Meeting	Blackrock, Dreyfus and Deutsche Bank			Bobby Van's Grill 135 West 50 th Street
Thursday June 19	9:30 AM	Standard & Poor's	David Hitchcock Laura Macdonald	Director Director	212.438.2022 212.438.2519	Standard & Poor's 55 Water Street
Thursday June 19	1:00 PM	Fitch	Amy Doppelt Cherian George Mike McDermott Jessie Ortege	Managing Director Managing Director Senior Director Associate	415.732.5612 212.908.0519 212.908.0605 212.908.0520	Fitch 33 Whitehall Street, Reception 27 th Floor
Friday June 20	12:30 PM	Various LOC Banks	Roger Johnson, Helaba Jane Russell, Depfa Kurt Barkley, KBC		212.703.5310 212.796.9166 212.541.0726	Lunch Meeting Lehman Brothers Office 745 7 th Ave. Conference Room: 29B



MEMO

July 23, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 23, 2008

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Second Quarter 2008 Debt and Investment Report

Overview

The California Government Code requires the Orange County Transportation Authority Treasurer to submit a quarterly investment report detailing the investment activity for the period. This investment report covers the second quarter of 2008, April through June, and includes a discussion on the Orange County Transportation Authority's debt portfolio.

Recommendation

Receive and file the Quarterly 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 \$998 million as of June 30, 2008. 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 \$463.4 million as of June 30, 2008. Approximately 56 percent of the outstanding balance is comprised of Measure M debt, 5 percent is associated with the Renewed Measure M Program, and the remaining 39 percent is for the 91 Express Lanes.

Discussion

Economic Summary: The second quarter of 2008 provided some relief in the form of a stronger economic outlook than previously forecasted. First quarter Gross Domestic Product was revised upward to 1 percent, with slow but positive growth expected through the end of 2008, according to the most recent Bloomberg poll. Unemployment, however, continues to rise steadily. During the last 12 months, the seasonally adjusted rate has increased from 4.5 percent to 5.5 percent in June of 2008. Further layoffs on Wall Street and continued uncertainty in the housing market could potentially add to the existing unemployment figures.

The Federal Open Market Committee (Fed) met twice in the second quarter leaving the Fed Funds rate unchanged. During the period, the Fed did decide to shift its economic assessment from “a risk to growth” to “a risk of inflation.” Prices continue to rise on both wholesale and consumer goods. A 1.4 percent rise in May was the biggest gain since November and followed a 0.2 percent rise in April. Core prices, excluding food and energy, rose 0.2 percent. This is clearly evident in the price of oil, rising from \$100.98 at the beginning of the quarter to \$140 a barrel by June 30, 2008.

Debt Portfolio Activity: The Authority continues to face pressure on the weekly repricing of the 91 Express Lanes variable rate debt because of the issues related to Ambac Assurance Corporation (Ambac). During the quarter, Ambac lost its “AAA” rating from Standard and Poor’s and Moody’s and was downgraded to a “AA” level. As a result of these downgrades, the most current repricing has increased to 7 percent.

The basis account that was created as a result of the swap agreement for the variable rate bonds has been fully depleted. The Authority has incurred an additional \$475,000 in interest costs over the past four months.

Since the Authority’s liquidity agreement expires in November 2008, the Authority issued a request for proposals (RFP) to potentially find a replacement facility. Proposals are due mid-July 2008.

During the week of June 16, 2008, Authority representatives traveled to New York to visit with rating agencies and investors to provide an update on the 91 Express Lanes outstanding variable rate bonds. The Authority also met with several liquidity banks in anticipation of the release of the RFP. In addition to the 91 Express Lanes, other topics discussed at the meetings included the impacts to the Authority’s programs and services from the slowdown of the national and local economies, the current Measure M Program, the Renewed

Measure M Early Action Plan, the performance of sales tax collections, bus transit update, Metrolink expansion program, and the Orange County economy.

On June 30, 2008, the 91 Express Lanes retired \$2 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 \$32.4 million. The outstanding balances for each of the Authority's debt securities are presented in Attachment A.

Investment Portfolio Activity: During the quarter, the Authority transferred \$20 million from the short-term portfolio to the liquid portfolio. The transfers were performed to meet current cash flow needs.

On July 3, 2008, staff met with representatives from JP Morgan to discuss the merger between JP Morgan and Bear Stearns. Key members of the Bear Stearns Asset Management staff will remain active on the Authority's account on a temporary contract basis until September 30, 2008.

The JP Morgan Fixed Income staff is located in Columbus Ohio, with local field representatives in Southern California. The team currently manages approximately \$80.9 billion in assets.

The Authority currently invests several debt service reserve funds in investment agreements more commonly referred to as guaranteed investment contracts (GIC). During the quarter, American International Group (AIG) incurred a ratings event where its long-term ratings fell below predetermined levels. The Authority and Sperry Capital, the Authority's financial advisor, met with AIG and concluded the collateralization for the GIC was the best option available to the Authority. The collateralization requirement is 104 percent of the par value of the investment secured by treasury and agency instruments.

The debt service reserve fund for the 91 Express Lanes is invested in a GIC with MBIA. MBIA also had a ratings event during the second quarter. No action was necessary as the investment is fully collateralized for protection of the Authority and credit ratings remain within predetermined levels.

Investment Portfolio Compliance: As of June 30, 2008, the Authority's portfolio is in compliance with its 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, 2008, to the diversification guidelines of the investment policy.

On May 23, 2008, the Board of Directors approved the Authority's Annual Investment Policy for 2008. Included in the policy were minor changes implemented to increase diversification and promote safety in the Authority's short-term portfolio.

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 total returns for each of the investment managers for short-term operating monies and compared the returns to specific benchmarks as shown in Attachment C. Attachment D contains an annualized total return performance comparison by investment manager for the previous two years. Attachment E provides a two-year yield comparison between the short-term portfolio managers, the Orange County Investment Pool (OCIP), and the Local Agency Investment Fund.

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 2008 Annual Investment Policy. For the quarter ending June 30, 2008, the weighted average total return for the Authority's short-term portfolio was -0.60 percent, 26 basis points above the benchmark return of -0.86 percent. For the 12-month period ending June 30, 2008, the portfolio's return totaled 7.04 percent, 26 basis points below the benchmark return of 7.30 percent for the same period. The underperformance for the 12-month period is a direct result of a flight to quality as investors increased demand for treasury securities.

The fixed income market experienced more than its share of bad news during the fiscal year as subprime mortgages affected the bottom line of many Wall Street firms and regional banks. The treasury market performed very well as a result with the Merrill Lynch 1-3 year Treasury Index benchmark posting its strongest return since 2001. The Authority's investment managers underperformed the benchmark during the first quarter of the fiscal year as demand for treasury securities rose dramatically. As markets settled, the

benchmark experienced consecutive negative returns in April and May of 2008. The investment managers, while still negative for the quarter, performed well relative to the benchmark. The Authority's portfolio continues to benefit from a strategic diversification of assets anchored in treasuries complemented by high quality credit securities.

Investment Portfolios: A summary of each investment manager's investment diversification, performance, and maturity schedule is provided in Attachment F. These summaries provide a tool for analyzing the different returns for each manager.

A complete listing of all securities is provided in Attachment G. 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.

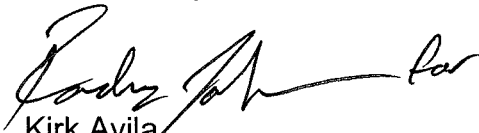
Summary

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 2008 through June 2008.

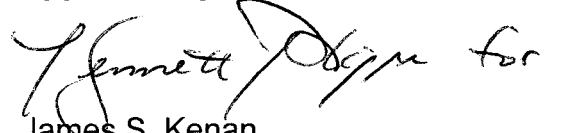
Attachments

- A. Orange County Transportation Authority Outstanding Debt June 30, 2008.
- B. Orange County Transportation Authority Investment Policy Compliance June 30, 2008.
- C. Orange County Transportation Authority Short-term Portfolio Performance Review Quarter Ending June 30, 2008.
- D. Orange County Transportation Authority Short-term Portfolio Performance as of June 30, 2008.
- E. Orange County Transportation Authority Comparative Yield Performance June 30, 2008.
- F. Investment Manager Diversification and Maturity Schedules June 30, 2008.
- G. Orange County Transportation Authority Portfolio Listing as of June 30, 2008.

Prepared by:


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Treasurer
Treasury/Public Finance
(714) 560-5674

Approved by:


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

**Orange County Transportation Authority
Outstanding Debt
June 30, 2008**

Orange County Local Transportation Authority (OCLTA) - M1 Program

	<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	66,320,000	2011
1997 Second Senior Sales Tax Revenue Refunding Bonds	57,730,000	44,105,000	2011
1995 Tax-Exempt Commercial Paper	74,200,000	22,600,000	2011
1992 First Senior Sales Tax Revenue Bonds	350,000,000	77,700,000	2011
Sub-total	\$ 744,345,000	\$ 259,155,000	

Orange County Local Transportation Authority (OCLTA) - M2 Program

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2008 Tax-Exempt Commercial Paper	\$ 25,000,000	\$ 25,000,000	2011

91 Express Lanes *

	<u>Issued</u>	<u>Outstanding</u>	<u>Final Maturity</u>
2003 Toll Road Revenue Refunding Bonds	\$ 195,265,000	\$ 179,285,000	2030

* Not reflected is the intra-agency borrowing (subordinated debt) for the purchase of the 91 Express Lanes in the amount of \$32,396,537.

TOTAL OUTSTANDING BALANCE **\$ 463,440,000**

**ORANGE COUNTY TRANSPORTATION AUTHORITY
Investment Policy Compliance
June 30, 2008**

<u>Investment Instruments</u>	<u>Dollar Amount Invested</u>	<u>Percent Of Portfolio</u>	<u>Investment Policy Maximum Percentages</u>
U.S. Treasuries	\$394,228,983	39.5%	100%
Federal Agencies & U.S. Government Sponsored	210,452,282	21.1%	100%
State of California & Local Agencies *	0	0.0%	25%
Money Market Funds & Mutual Funds	89,037,820	8.9%	20%
Bankers Acceptances	0	0.0%	30%
Negotiable Certificates of Deposit	10,964,792	1.1%	30%
Commercial Paper	0	0.0%	25%
Medium Term Maturity Corporate Securities	107,189,462	10.7%	30%
Mortgage and Asset-backed Securities	61,236,070	6.1%	20%
Repurchase Agreements	23,638,104	2.4%	75%
Investment Agreements Pursuant To Indenture	0	0.0%	100%
Local Agency Investment Fund	18,130,553	1.8%	\$ 40 Million
Orange County Investment Pool	2,969,552	0.3%	\$ 40 Million
CAMP	0	0.0%	10%
Variable & Floating Rate Securities	15,831,539	1.6%	30%
Debt Service Reserve Funds - Investment Agreements	64,204,347	6.4%	Not Applicable
Derivatives (hedging transactions only)	0	0.0%	5%
	<hr/>		<hr/>
TOTAL	<u>\$997,883,505</u>	100.0%	

* Balance does not include intra-agency borrowing for the purchase of the 91 Express Lanes in the amount of \$34,396,537.

**Orange County Transportation Authority
Short-term Portfolio Performance Review*
Quarter Ending June 30, 2008**

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
4/30/2008	-0.78%	1.66 years	-0.29%	1.62 years	-0.78%	1.72 years	-0.54%	1.52 years	-0.86%	1.72 years
5/31/2008	-0.36%	1.67 years	-0.34%	1.87 years	-0.36%	1.66 years	-0.23%	1.66 years	-0.30%	1.67 years
6/30/2008	0.29%	1.66 years	0.32%	1.83 years	0.29%	1.65 years	0.41%	1.84 years	0.29%	1.67 years

Apr 08 - Jun 08 Total Return	-0.86%		-0.31%		-0.85%		-0.36%		-0.87%	
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HISTORICAL QUARTERLY RETURNS

Jul 07 - Sep 07 Total Return	2.67%		2.27%		2.30%		2.49%		2.32%	
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Oct 07 - Dec 07 Total Return	2.36%		2.34%		2.35%		2.45%		2.37%	
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Jan 08 - Mar 08 Total Return	2.98%		2.37%		3.01%		2.71%		2.99%	
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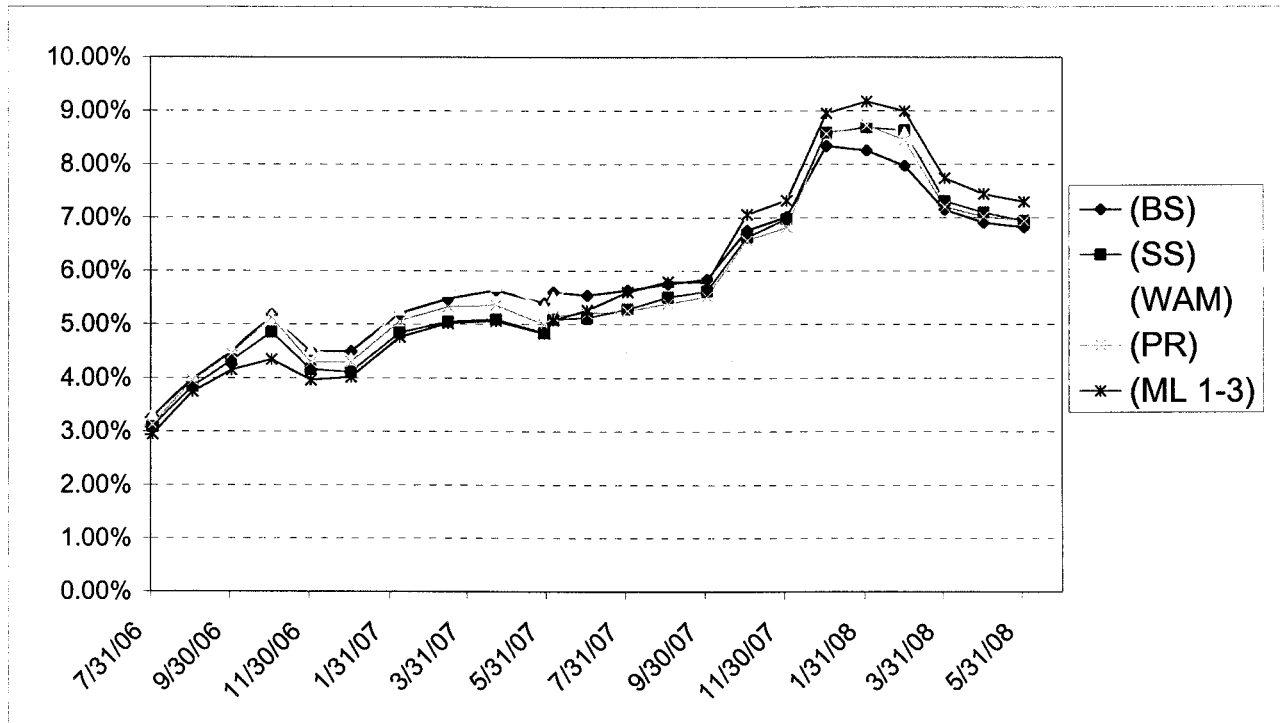
Apr 08 - Jun 08 Total Return	-0.86%		-0.31%		-0.85%		-0.36%		-0.87%	
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12-Month Total Return	7.30%		6.82%		6.94%		7.45%		6.94%	
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* - Month End Rates of Return are Gross of Fees

Orange County Transportation Authority Short-Term Portfolio Performance June 30, 2008

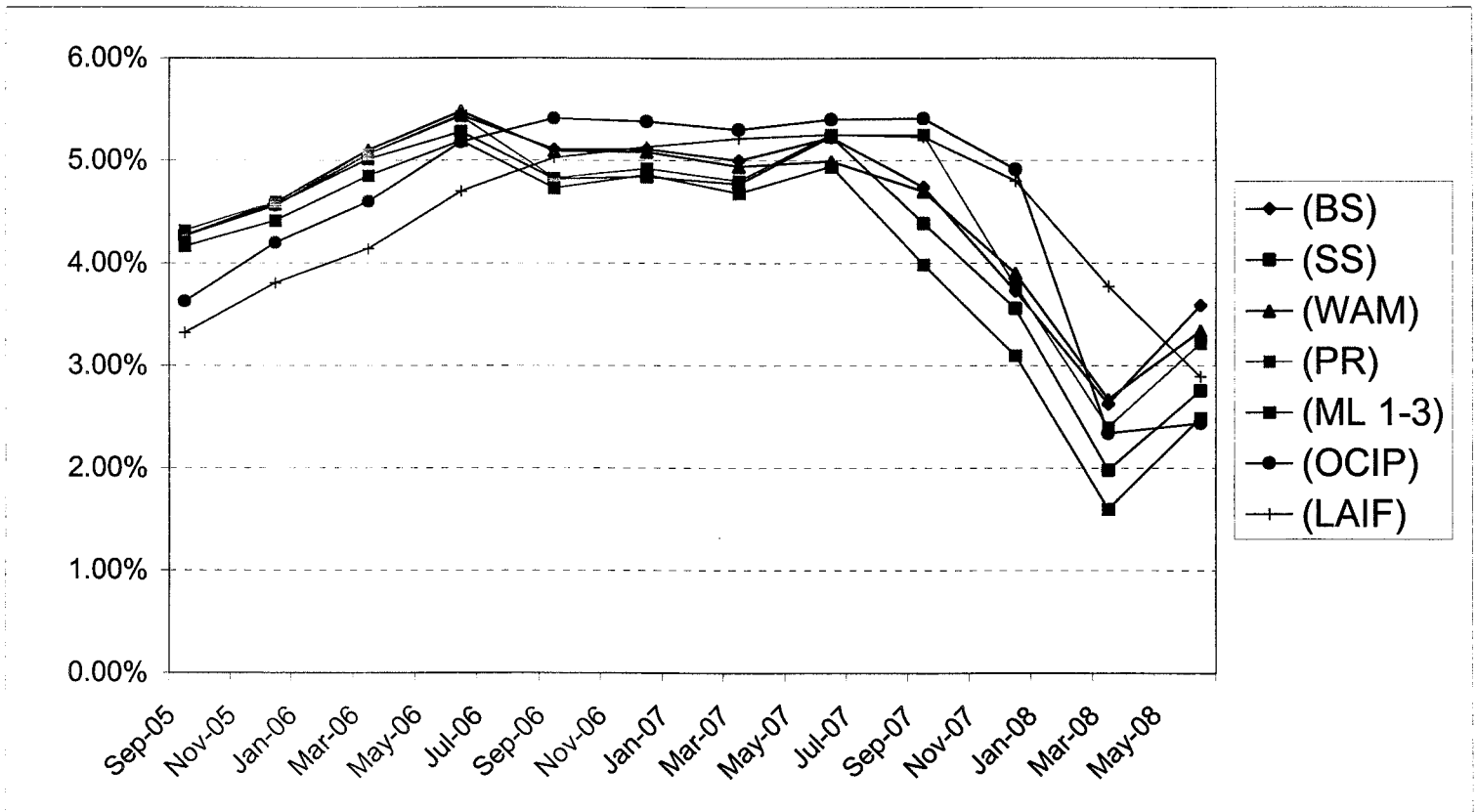
**Trailing 1-Year Total Return
Vs. The Merrill Lynch 1-3 Treasury Benchmark**



	Bear Stearns (BS)	State Street (SS)	Western Asset Mgmt (WAM)	Payden Rygel (PR)	Merrill Lynch 1-3 Yr (ML 1-3)
Jul-06	3.13%	3.03%	3.19%	3.03%	2.87%
Aug-06	3.28%	3.09%	3.32%	3.13%	2.95%
Sep-06	3.98%	3.84%	4.04%	3.95%	3.74%
Oct-06	4.48%	4.32%	4.56%	4.45%	4.15%
Nov-06	5.18%	4.85%	5.17%	5.12%	4.34%
Dec-06	4.49%	4.16%	4.53%	4.29%	3.96%
Jan-07	4.49%	4.11%	4.36%	4.29%	4.01%
Feb-07	5.20%	4.84%	5.27%	5.06%	4.76%
Mar-07	5.48%	5.05%	5.62%	5.33%	5.02%
Apr-07	5.64%	5.09%	5.72%	5.36%	5.06%
May-07	5.39%	4.84%	5.35%	5.00%	4.83%
Jun-07	5.60%	5.09%	5.52%	5.15%	5.07%
Jul-07	5.54%	5.12%	5.77%	5.20%	5.26%
Aug-07	5.64%	5.28%	5.90%	5.25%	5.60%
Sep-07	5.76%	5.51%	6.01%	5.39%	5.80%
Oct-07	5.84%	5.62%	6.10%	5.52%	5.78%
Nov-07	6.76%	6.63%	7.07%	6.57%	7.06%
Dec-07	7.01%	6.97%	7.35%	6.81%	7.32%
Jan-08	8.34%	8.59%	8.99%	8.57%	8.95%
Feb-08	8.26%	8.69%	8.89%	8.73%	9.17%
Mar-08	7.97%	8.64%	8.60%	8.45%	8.99%
Apr-08	7.15%	7.31%	7.54%	7.20%	7.74%
May-08	6.90%	7.09%	7.45%	7.02%	7.44%
Jun-08	6.82%	6.94%	7.45%	6.94%	7.30%

Orange County Transportation Authority Comparative Yield Performance June 30, 2008

**Historical Yields
Vs. The Merrill Lynch 1-3 Treasury Benchmark**



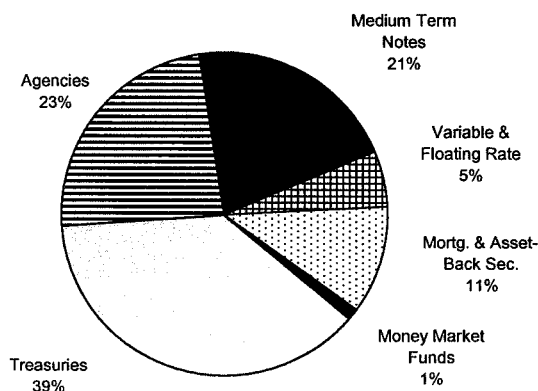
	Bear Stearns (BS)	State Street (SS)	Western Asset Mgmt (WAM)	Payden Rygel (PR)	Merrill Lynch 1-3 Yr (ML 1-3)	(OCIP)	(LAIF)
Sep-05	4.27%	4.27%	4.27%	4.32%	4.17%	3.63%	3.32%
Dec-05	4.56%	4.57%	4.59%	4.60%	4.41%	4.20%	3.81%
Mar-06	5.06%	5.01%	5.10%	5.06%	4.85%	4.60%	4.14%
Jun-06	5.44%	5.28%	5.48%	5.43%	5.19%	5.18%	4.70%
Sep-06	5.11%	4.82%	5.09%	4.83%	4.73%	5.41%	5.02%
Dec-06	5.11%	4.84%	5.08%	4.92%	4.86%	5.38%	5.13%
Mar-07	5.00%	4.77%	4.94%	4.80%	4.68%	5.30%	5.21%
Jun-07	5.22%	5.23%	4.99%	5.25%	4.94%	5.40%	5.25%
Sep-07	4.74%	4.39%	4.70%	5.25%	3.99%	5.41%	5.23%
Dec-07	3.73%	3.56%	3.90%	3.78%	3.10%	4.91%	4.80%
Mar-08	2.63%	1.98%	2.67%	2.40%	1.60%	2.34%	3.78%
Jun-08	3.59%	2.76%	3.34%	3.22%	2.49%	2.44%	2.89%

Investment Manager Diversification and Maturity Schedules

Bear Stearns

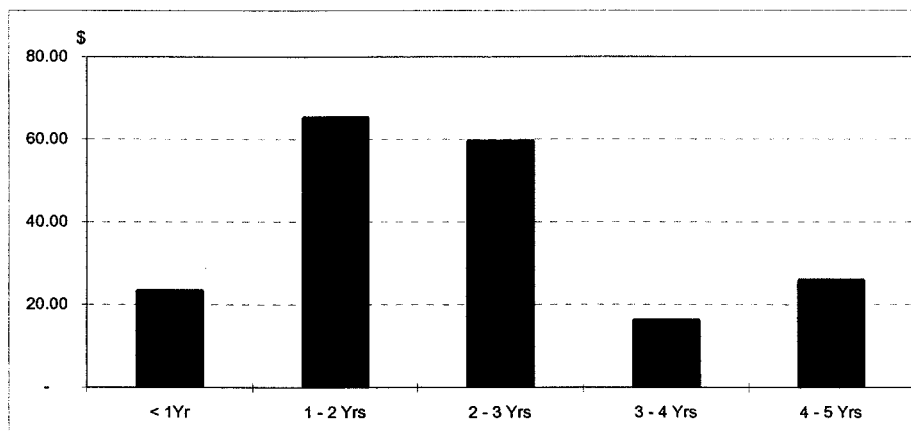
June 30, 2008

SHORT-TERM PORTFOLIO (\$190.9 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$72,230,218	\$73,380,253
Agencies	44,764,593	45,220,118
Medium Term Notes	40,608,222	40,934,237
Variable & Floating Rate	10,299,430	10,217,945
Mortg. & Asset-Back Sec.	20,931,150	21,174,383
Money Market Funds	<u>2,064,001</u>	<u>2,064,001</u>
	<u>\$190,897,614</u>	<u>\$192,990,938</u>

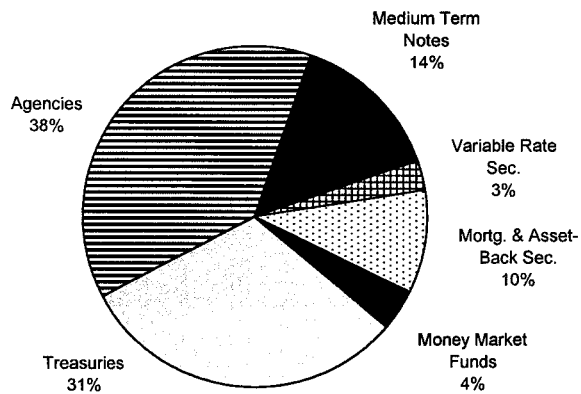
Wtd Avg Maturity	2.23 Yrs
Duration	1.83 Yrs
Quarter-end Yield	3.59%
Benchmark Comparison	2.49%
Quarter Return	-0.31%
Benchmark Comparison	-0.86%
12 Month Return	6.82%
Benchmark Comparison	7.30%



Investment Manager Diversification and Maturity Schedules

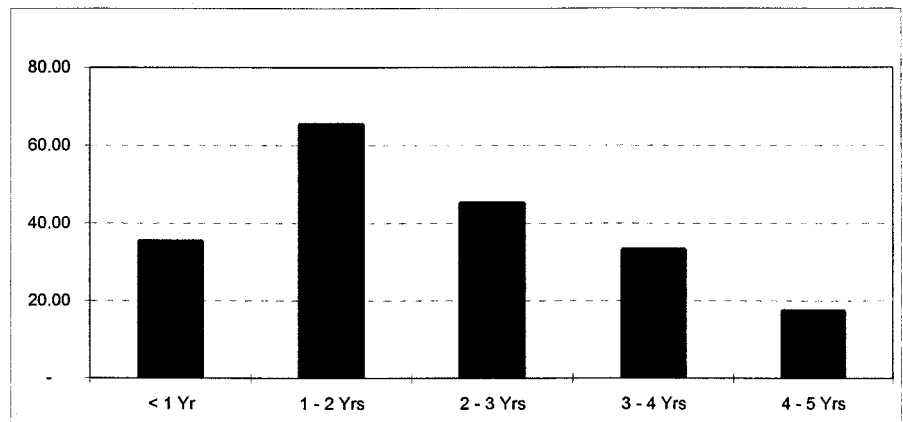
Western Asset Management June 30, 2008

SHORT-TERM PORTFOLIO (\$197.3 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$61,659,330	\$62,817,722
Agencies	74,870,917	75,966,507
Medium Term Notes	28,511,122	27,885,258
Variable Rate Sec.	5,532,109	5,488,257
Mortg. & Asset-Back Sec.	18,812,737	18,965,753
Money Market Funds	<u>7,942,308</u>	<u>7,942,308</u>
	<u>\$197,328,523</u>	<u>\$199,065,804</u>

Wtd Avg Maturity	2.23 Yrs
Duration	1.84 Yrs
Quarter-end Yield	3.34%
Benchmark Comparison	2.49%
Quarter Return	-0.36%
Benchmark Comparison	-0.86%
12 Month Return	7.45%
Benchmark Comparison	7.30%

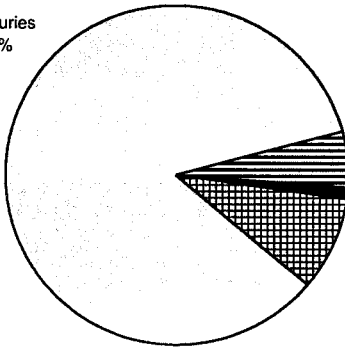


Investment Manager Diversification and Maturity Schedules

State Street
June 30, 2008

SHORT-TERM PORTFOLIO (\$192.2 M)

Treasuries
85%



Agencies
5%

Medium Term
Notes
1%

Mortg. & Asset-
Back Sec.
9%

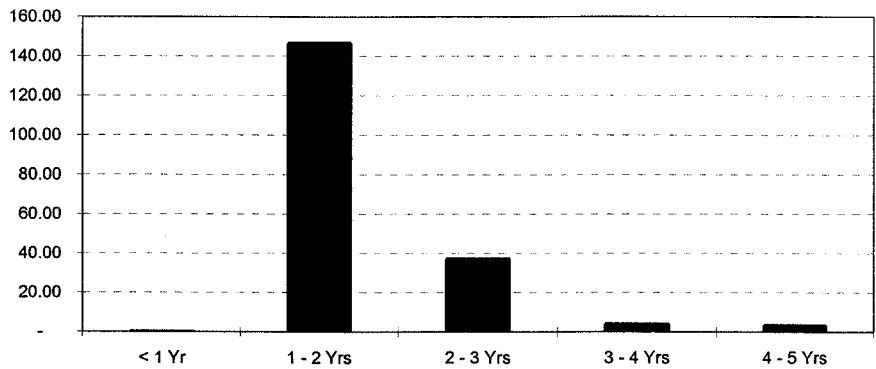
	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$162,701,534	\$163,300,168
Agencies	10,316,037	10,554,281
Medium Term Notes	2,051,200	2,085,780
Mortg. & Asset-Back Sec.	16,911,385	17,012,564
Money Market Funds	<u>249,206</u>	<u>249,206</u>
	<u>\$192,229,362</u>	<u>\$193,201,999</u>

Wtd Avg Maturity 1.84 Yrs
 Duration 1.67 Yrs

Quarter-end Yield 2.76%
 Benchmark Comparison 2.49%

Quarter Return -0.87%
 Benchmark Comparison -0.86%

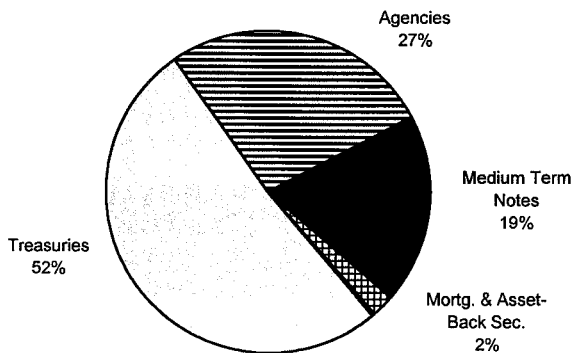
12 Month Return 6.94%
 Benchmark Comparison 7.30%



Investment Manager Diversification and Maturity Schedules

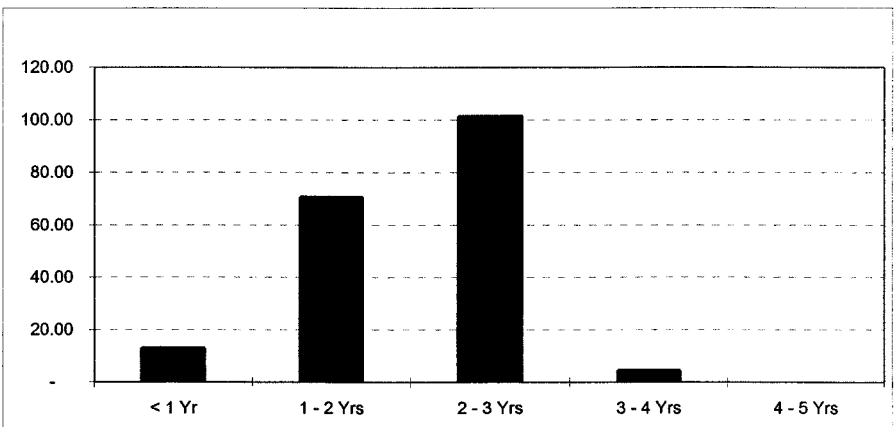
Payden & Rygel
June 30, 2008

SHORT-TERM PORTFOLIO (\$190.0 M)



	<u>Book Value</u>	<u>Market Value</u>
Treasuries	\$97,637,901	\$99,881,920
Agencies	51,335,936	51,435,008
Medium Term Notes	36,018,918	36,773,295
Mortg. & Asset-Back Sec.	4,580,797	4,651,328
Money Market Funds	<u>343,025</u>	<u>343,025</u>
	<u>\$189,916,577</u>	<u>\$193,084,577</u>

Wtd Avg Maturity	1.97 Yrs
Duration	1.65 Yrs
Quarter-end Yield	3.22%
Benchmark Comparison	2.49%
Quarter Return	-0.85%
Benchmark Comparison	-0.86%
12 Month Return	6.94%
Benchmark Comparison	7.30%



**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2008**

LIQUID PORTFOLIO

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<u>Cash Equivalents</u>				
FNMA Discount Note	2/13/2009	19,613,952.02	19,576,418.30	2.16%
FHLMC Discount Note	8/8/2008	2,182,209.81	2,181,379.16	1.92%
FHLB Discount Note	8/15/2008	6,277,952.71	6,276,532.62	2.07%
FNMA Discount Note	8/15/2008	1,090,685.43	1,090,331.24	1.99%
Repurchase Agreement	7/1/2008	23,638,103.80	23,639,088.72	1.50%
Fidelity Funds Treasury I	N/A	11,937,363.45	11,937,363.45	1.86%
First American Treasury Obligations	N/A	184,353.56	184,353.56	1.59%
Goldman Sachs Financial Govt Fund	N/A	20,519,177.78	20,519,177.78	2.09%
Milestone Funds Treasury Obligations	N/A	25,097,513.54	25,097,513.54	1.82%
<i>Sub-total</i>		<u>110,541,312.10</u>	<u>110,502,158.37</u>	
<u>Local Agency Investment Fund (LAIF)</u>	N/A	18,130,553.46	18,130,553.46	3.07%
<u>Orange County Investment Pool (OCIP)</u>	N/A	2,969,552.08	2,969,552.08	2.42%
Liquid Portfolio - Total		<u>\$ 131,641,417.64</u>	<u>\$ 131,602,263.91</u>	

SHORT-TERM PORTFOLIO

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>
<u>Cash Equivalents</u>				
Milestone Funds Treasury Obligations	N/A	<u>10,598,539.90</u>	<u>10,598,539.90</u>	1.82%
<i>Sub-total</i>		<u>10,598,539.90</u>	<u>10,598,539.90</u>	
<u>U.S. Government & Agency Obligations</u>				
FHLB	4/1/2009	1,893,480.04	1,892,281.25	2.20%
FHLB	9/18/2009	23,832,402.00	24,080,156.26	4.87%
FHLB	9/10/2010	10,942,239.00	11,156,484.38	4.93%
FHLB	10/22/2010	14,405,318.25	14,826,250.00	4.27%
FHLB	12/10/2010	21,211,211.80	21,355,519.32	3.50%
FHLMC	6/11/2009	15,654,878.20	16,004,187.50	4.90%
FHLMC	11/3/2009	5,214,468.00	5,373,046.88	4.64%
FHLMC	6/28/2010	4,186,887.50	4,222,842.50	2.89%
FHLMC	2/24/2011	2,987,550.00	3,037,290.00	5.18%
FHLMC	4/1/2011	6,090,850.00	6,018,626.00	3.04%
FNMA	12/15/2009	7,479,150.00	7,675,781.25	4.51%
FNMA	2/10/2010	5,806,148.40	5,840,006.25	3.23%
FNMA	4/28/2010	7,934,259.00	7,927,640.63	3.00%
FNMA	5/14/2010	4,309,269.98	4,457,453.13	4.73%
FNMA	7/9/2010	5,696,694.00	5,774,812.50	5.42%
FNMA	8/15/2010	4,909,510.00	5,100,000.00	4.16%
FNMA	10/15/2010	9,902,812.50	9,958,781.25	4.97%
FNMA	2/15/2011	10,296,284.10	10,226,734.38	4.37%
FNMA	4/28/2011	6,060,288.25	6,059,908.44	3.50%
FNMA	5/15/2011	5,600,558.08	5,452,800.00	5.63%
FNMA	4/9/2013	6,873,223.25	6,735,312.50	3.37%
US Treasury Note	9/15/2008	2,103,724.61	2,155,710.94	3.11%
US Treasury Note	8/15/2009	20,320,315.65	20,431,703.13	4.74%

Orange County Transportation Authority
Portfolio Listing
As of June 30, 2008

US Treasury Note	9/15/2009	12,445,668.40	13,015,636.50	3.33%
US Treasury Note	9/30/2009	30,665,625.00	30,606,900.00	3.92%
US Treasury Note	12/15/2009	13,784,507.82	14,425,212.00	3.44%
US Treasury Note	1/15/2010	15,620,626.23	15,745,141.91	3.96%
US Treasury Note	2/15/2010	5,591,774.84	5,872,453.13	3.44%
US Treasury Note	2/15/2010	12,577,596.39	12,635,540.00	4.58%
US Treasury Note	3/15/2010	10,995,815.23	11,327,199.75	3.90%
US Treasury Note	4/15/2010	52,609,253.69	53,324,375.01	3.90%
US Treasury Note	5/15/2010	55,537,064.89	57,222,338.25	4.34%
US Treasury Note	8/15/2010	7,302,421.88	7,212,187.50	4.00%
US Treasury Note	9/15/2010	45,149,647.88	46,543,706.56	3.77%
US Treasury Note	11/15/2010	18,801,179.69	18,634,258.00	4.32%
US Treasury Note	2/15/2011	2,734,265.63	2,745,652.00	4.73%
US Treasury Note	2/28/2011	26,187,370.20	25,854,000.00	4.31%
US Treasury Note	11/30/2011	13,222,773.44	13,077,125.00	4.30%
US Treasury Note	4/15/2012	6,006,184.16	6,867,423.33	1.89%
US Treasury Note	5/31/2012	22,041,097.12	21,423,329.20	4.49%
US Treasury Note	3/31/2013	20,532,070.34	20,260,170.00	2.59%
	<i>Sub-total</i>	<u>575,516,465.44</u>	<u>582,555,976.63</u>	

Medium Term Notes

3M Company	11/6/2009	1,999,120.00	2,049,320.00	5.00%
Allstate Life Global	9/10/2008	982,660.00	1,001,406.25	4.24%
Amgen Inc	11/18/2009	1,373,316.00	1,401,512.00	3.99%
Atlantic Richfield Company	4/15/2009	1,977,562.75	1,858,799.00	5.79%
Bank America Corp	2/17/2009	3,228,780.80	3,381,148.40	3.38%
Bank America Corp	9/15/2012	2,413,872.00	2,357,016.00	4.96%
Bank New York Inc	1/15/2009	1,957,952.25	2,018,039.06	3.63%
Banque Paribas	3/1/2009	2,134,576.50	2,017,423.00	6.73%
BellSouth Corp	9/15/2009	4,698,620.00	4,809,792.00	4.19%
Berkshire Hathaway Financial Corp	10/15/2008	2,225,452.50	2,251,530.00	3.37%
Berkshire Hathaway Financial Corp	1/15/2010	3,067,940.00	3,130,597.00	4.08%
Caterpillar Financial Services	12/1/2010	2,790,788.00	2,876,125.00	4.91%
Cisco Systems Inc	2/22/2011	2,513,050.00	2,573,975.00	5.09%
Citigroup Inc	2/9/2009	3,722,525.50	3,854,403.00	3.63%
Coca Cola Enterprises Inc	9/15/2009	3,750,600.00	3,847,728.00	4.32%
Credit Suisse First Boston USA	1/15/2009	1,940,500.00	1,996,940.00	3.88%
Genentech Inc	7/15/2010	1,474,155.00	1,522,530.00	4.33%
General Electric Capital Corp	9/13/2010	2,803,749.00	2,924,534.00	4.21%
General Electric Capital Corp	12/1/2010	629,166.00	615,510.00	4.87%
General Electric Capital Corp	2/22/2011	2,122,400.00	2,089,640.00	5.86%
Gillette Company	9/15/2009	1,937,000.00	2,009,600.00	3.78%
Goldman Sachs Group	1/15/2009	1,462,545.00	1,500,045.00	3.87%
Goldman Sachs Group	6/15/2010	488,545.00	500,670.00	4.49%
Goldman Sachs Group	1/15/2012	1,410,097.00	1,336,765.63	6.41%
Heller Financial Inc	11/1/2009	2,081,240.00	2,090,920.00	7.05%
Honeywell International Inc	3/1/2010	2,973,796.00	2,979,312.00	7.04%
Household Financial Corp	5/15/2009	1,961,780.00	2,002,000.00	4.74%
IBM International Group Capital LLC	10/22/2012	628,494.00	612,738.00	4.94%
International Lease Finance Corp	9/15/2008	2,926,020.00	2,995,110.00	4.35%
International Lease Finance Corp	4/15/2010	2,492,150.00	2,423,400.00	5.15%
John Deere Capital Corp	4/3/2013	1,557,441.60	1,540,515.60	4.55%
JP Morgan Chase & Co	1/2/2013	1,059,110.00	1,006,480.00	5.71%
Lehman Brothers Holdings	7/26/2010	1,951,500.00	1,929,880.00	4.66%
Lehman Brothers Holdings	1/24/2013	1,013,340.00	946,500.00	5.94%
McDonalds Corp	4/15/2011	2,051,200.00	2,085,780.00	5.75%

Orange County Transportation Authority
Portfolio Listing
As of June 30, 2008

Merrill Lynch & Co Inc	8/15/2012	1,034,500.00	978,720.00	6.18%
Metropolitan Life Global	4/10/2013	2,851,458.40	2,796,512.50	5.20%
Morgan Stanley Co	4/1/2012	1,075,180.00	1,016,718.75	6.49%
Nation Rural Utilities Financial	8/28/2009	4,873,112.00	4,895,520.00	5.63%
National City Bank	8/24/2009	899,320.35	837,811.25	2.76%
Oracle Corp	1/15/2011	1,309,368.71	1,325,311.00	4.90%
Pepsi Bottling	2/17/2009	2,021,940.00	2,020,960.00	5.56%
Principal Life Income Fundings	4/1/2009	2,145,825.00	2,241,382.50	3.21%
Protective Life	11/24/2008	3,790,585.00	3,837,025.50	3.71%
United Parcel Service Inc	1/15/2013	1,037,880.00	1,002,020.00	4.49%
Verizon Global Corp	12/1/2010	2,990,512.00	2,972,620.00	6.82%
Wal Mart Stores	8/10/2009	3,701,945.78	3,556,086.80	6.63%
Walt Disney Co	12/1/2012	619,986.00	603,774.00	4.67%
Wells Fargo	8/9/2010	2,064,493.50	2,070,684.50	4.57%
World Savings Bank	6/15/2009	1,001,710.00	998,920.00	4.50%
World Savings Bank	12/15/2009	1,970,600.00	1,986,820.00	4.15%
<i>Sub-total</i>		107,189,461.64	107,678,570.74	

Variable Rate Notes

Allstate Life Global	2/26/2010	1,000,000.00	987,890.00	3.25%
American Express Credit Corp	6/19/2013	930,000.00	923,787.60	4.18%
American Honda Financial Corp	2/5/2010	1,230,000.00	1,228,270.31	3.18%
Bank New York Inc	2/5/2010	500,000.00	499,680.00	3.13%
Caterpillar Financial Services	2/8/2010	1,000,000.00	998,700.00	3.21%
Hewlett Packard Co	9/3/2009	1,325,000.00	1,320,057.75	3.08%
John Deere Capital Corp	2/26/2010	1,200,000.00	1,185,072.00	3.09%
JP Morgan Chase & Co	6/22/2010	1,750,000.00	1,750,000.00	2.83%
PNC Bank NA Pittsburgh	2/23/2009	575,000.00	574,645.23	3.13%
PNC Bank NA Pittsburgh	8/5/2009	1,498,950.00	1,498,200.00	3.18%
Rental Car Financial Corp	6/25/2009	332,109.38	332,109.38	2.68%
UBS AG Stamford Medium Term Note	7/23/2009	2,000,000.00	1,976,660.00	2.91%
VTB Capital SA LN Partnership	11/2/2009	520,000.00	505,700.00	4.48%
Wachovia Bank NA	12/2/2010	1,472,835.00	1,425,825.00	2.75%
Western Union Co	11/17/2008	497,645.00	499,605.00	2.87%
<i>Sub-total</i>		15,831,539.38	15,706,202.27	

Mortgage And Asset-Back Securities

American Honda Auto Lease Trust	7/15/2009	310,978.47	307,510.86	4.60%
American Honda Auto Lease Trust	8/18/2009	413,905.12	391,894.97	5.23%
American Honda Auto Lease Trust	10/15/2010	1,719,408.06	1,730,547.82	5.06%
Americredit Auto Receivable Trust	10/6/2010	659,395.00	659,276.75	5.11%
Caterpillar Financial Trust	5/25/2010	1,472,496.12	1,485,643.95	5.52%
Chase Issuance Trust	5/15/2013	3,499,547.10	3,477,227.60	4.26%
Citibank Credit Card Issuance	2/10/2011	4,979,275.00	5,046,982.00	4.80%
CNH Equipment Trust	10/15/2009	112,985.33	113,123.78	5.12%
CNH Equipment Trust	8/16/2010	2,179,780.34	2,190,422.27	5.17%
FHLB Mortgage Pool	7/25/2008	1,028,738.08	1,049,079.22	3.14%
FHLB Mortgage Pool	8/25/2009	991,212.70	1,016,231.15	4.05%
FHLB Mortgage Pool	11/25/2009	2,999,838.95	3,093,717.89	3.86%
FHLB Mortgage Pool	10/25/2010	5,914,056.11	5,996,561.26	4.72%
FHLB Mortgage Pool	7/20/2011	4,277,444.18	4,272,275.49	5.51%
FHLMC Mortgage Pool	11/15/2008	105,460.30	104,183.40	6.00%
FHLMC Mortgage Pool	2/1/2009	1,108,840.97	1,104,955.02	4.48%
FHLMC Mortgage Pool	3/1/2009	573,593.77	569,095.79	4.48%
FHLMC Mortgage Pool	4/1/2009	1,255,890.43	1,274,552.88	4.00%
FHLMC Mortgage Pool	4/1/2009	1,807,917.82	1,788,430.64	4.00%

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2008**

FHLMC Mortgage Pool	1/1/2010	1,583,801.47	1,624,340.05	4.01%
FHLMC Mortgage Pool	12/1/2010	1,578,394.38	1,612,295.02	4.44%
FHLMC Mortgage Pool	12/1/2010	1,291,512.12	1,312,942.39	4.90%
FHLMC Mortgage Pool	3/15/2011	1,109,472.78	1,120,903.58	4.49%
FHLMC Mortgage Pool	4/1/2011	1,498,559.34	1,517,353.47	5.42%
FHLMC Mortgage Pool	8/15/2011	4,580,797.45	4,651,328.45	5.17%
FHLMC Mortgage Pool	9/15/2011	2,747,910.00	2,796,078.33	5.29%
FNMA Mortgage Pool	1/1/2009	24,207.35	23,231.62	5.48%
FNMA Mortgage Pool	1/1/2009	10,542.67	10,117.72	5.49%
FNMA Mortgage Pool	6/25/2009	473,158.35	463,417.80	5.96%
FNMA Mortgage Pool	5/1/2010	1,695,165.11	1,766,020.34	4.45%
Ford Credit Auto Owner Trust	4/15/2010	1,730,540.63	1,731,063.78	4.64%
Ford Credit Auto Owner Trust	8/15/2011	3,127,851.56	3,124,135.73	5.31%
GE Capital Credit Card Master Trust	9/15/2012	3,039,843.75	3,046,928.10	5.00%
Wells Fargo Financial Auto Trust	8/15/2008	708,382.64	703,416.70	4.30%
World Omni Auto Trust	10/15/2010	625,166.52	628,742.59	4.98%
<i>Sub-total</i>		61,236,069.97	61,804,028.41	
Short-Term Portfolio - Total		\$ 770,372,076.33	\$ 778,343,317.95	

DEBT SERVICE RESERVE FUNDS

<u>Description</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Required Amount</u>	<u>Yield</u>
<u>91 Express Lanes 2003 Refunding Bonds</u>	2030		23,023,499.00	
AIG GIC - Supplemental Reserve Fund	8/15/2015	6,000,000.00		4.51%
First American Treasury Obligations	N/A	4,388,054.14		1.59%
MBIA GIC - Debt Service Reserve Fund	12/15/2030	12,635,444.86		5.13%
<u>91 Express Lanes 2003 Refunding Bonds - Operating & Maintenance Reserves</u>			10,964,792.47	
Operating Reserve - Bank of the West CD		3,178,126.27		2.25%
Maintenance Reserve - Bank of the West CD		7,786,666.20		2.25%
<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 I	N/A	544,523.84		1.86%
<u>1994 Sales Tax Bonds -</u>	2011			
CSFP Agmt - Various Treasury Securities		6,527,695.56		5.98%
Fidelity Funds Treasury I	N/A	6,285,987.51		1.86%
<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 I	N/A	630,731.59		1.86%
<u>1998 Sales Tax Bonds -</u>	2011			
AIG GIC	2/15/2011	22,567,222.63		5.79%
Fidelity Funds Treasury I		2,028,947.82		1.86%
<u>2001 Sales Tax Bonds -</u>	2011			
Fidelity Funds Treasury I	2/15/2011	6,822,626.38		1.86%
Debt Service Reserve Funds - Total		\$ 95,870,011.77		

**Orange County Transportation Authority
Portfolio Listing
As of June 30, 2008**

	<u>Book Value</u>	<u>Market Value</u>
TOTAL PORTFOLIO	<u>\$ 997,883,505.74</u>	<u>\$ 1,005,815,593.63</u>

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 28, 2008

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Orange County Register Newspaper in Education Curriculum Outline

Legislative and Communications Committee Meeting of July 17, 2008

Present: Directors Bates, Brown, Buffa, Cavecche, Mansoor, and Rosen
Absent: Director Glaab

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Provide comments and direct staff to finalize the Newspaper in Education transportation curriculum with the *Orange County Register*.



July 17, 2008

To: Legislative and Communications Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Orange County Register Newspaper in Education Curriculum Outline

Overview

On June 23, 2008, the Board of Directors approved the agreement between the Orange County Transportation Authority and the *Orange County Register* for the Newspaper In Education program consisting of a transportation curriculum and teacher's guide for the upcoming 2008-2009 school year. Per the committee's request, attached is an outline of the proposed curriculum topics.

Recommendation

Provide comments and direct staff to finalize the Newspaper in Education transportation curriculum with the *Orange County Register*.

Background

The *Orange County Register's* (OCR) Newspaper in Education program consists of a 16-page student curriculum, along with a teacher's guide that is used in conjunction with the newspaper to teach students about transportation. It is an eight to 12-week curriculum that integrates California State Standards for Education, making it appealing to teachers and valuable for students.

The program will provide educators with an in-classroom tool that will help teach youth about the Orange County Transportation Authority (OCTA) and its transportation services. The program will also help OCTA staff coordinate with educators on outreach programs. OCTA will provide program participants with opportunities for guest speakers, field trips using fixed route bus service, and information about OCTA special events and programs.

OCR has an extensive distribution channel that includes over 2,000 educators. The program is available at no cost to all 29 school districts in the County. The procurement includes the creation, design, printing, and distribution of the

OCTA specific transportation curriculum to be used during the 2008-2009 school year and also includes 10,000 copies of the curriculum and over 300 teacher's guides.

Discussion

The 16-page student curriculum consists of a front and back cover plus 14 pages (seven, two-page spreads) in which to present the educational content, activities, and messages. The proposed content falls neatly into seven different themes, each of which can be presented on a two-page spread while highlighting OCTA's multimodal transportation options.

As the youth outreach program in-school presentations, this curriculum can also be tailored to meet the needs of each classroom and help communicate that public transportation options are a safe, clean, and reliable way to get around the County.

With its array of transportation options and projects, OCTA can easily provide content to support educational standards that schools are required to meet. Transportation is multi-faceted and can be correlated with subjects like math, geography, and history.

The program also will help OCTA staff coordinate outreach efforts with educators to increase student participation outside the classroom. The teacher's guide will provide educators with an opportunity for guest speakers, in-school presentations, as well as promotional passes for each program participant.

Summary

OCTA is participating in the OCR Newspaper in Education Program. A draft curriculum outline (Attachment A) is being presented for Board of Directors review and comment.

Attachment

- A. Transportation Curriculum Program for Youth – Proposed Outline of Topics

Prepared by:



for Judy Leon
Outreach Specialist, Marketing
(714) 560-5358

Approved by:



Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923

Transportation Curriculum Program for Youth – Proposed Outline of Topics

The 16-page Newspaper in Education tabloid consists of a front and back cover plus 14 pages or seven, two-page spreads, in which to present the OCTA educational content, activities, and messages.

The seven themes, around which we will build the tabloid content and lessons are:

1. **Freedom/Independence** – How kids can get around without depending on their parents to drive them

This section will introduce OCTA and its services and the independence those services provide to young people. It will also provide kids with ideas for fun things to do throughout Orange County and direct them away from sitting around playing video games all day. We could tie in a fitness component.

2. **Environment Benefits** – How riding the bus is good for the planet

This will be a look at the impact of vehicle emissions on the environment. We can also highlight the clean fleet vehicles and fuel technology being used to reduce emissions from OCTA buses.

3. **The Math of Transportation** –

Real world math challenges will teach students how to determine money saved when riding a bus versus being driven in a car, savings when buying a monthly pass versus single trip, etc.

4. **Safety and Etiquette** –

Safety and rules using mass transportation will be highlighted for the bus and train. With the upcoming expansion of Metrolink service, rail safety needs to be reinforced.

5. **Geography and Map Reading** –

A County map with bus routes becomes the focus of activities that teach students how to read a map while learning about the geography of Orange County. Metrolink stations, freeway projects, and the 91 Express Lanes will be highlighted to show youth how transportation can also get them into other counties.

6. **Government** – How public transportation is funded and the structure of the agency

A flow chart reflecting agencies that participate in the planning and execution of transportation projects can be used. Measure M and the projects made possible

using this sales tax will be highlighted. Renewed Measure M will also be applicable and future projects can be discussed.

7. Technology and Transportation –

Bus design, JustClick® website, real-time passenger information, and what is being envisioned in the technology area of transportation in Orange County will be emphasized.

Each of the seven themed sections will include an activity that uses the newspaper and an activity to do with parents at home to reinforce the message that OCTA's transportation is safe and reliable.



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Status of Go Local Step One Final Reports

Transportation 2020 Committee Meeting of July 21, 2008

Present: Directors Amante, Brown, Buffa, Campbell, Cavecche, and Pringle
Absent: Director Dixon

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation (reflects change from staff recommendation)

Direct staff to advise participating cities that final reports submitted prior to the June 30, 2008, deadline will receive timely consideration and those reports received after the deadline may received delayed consideration for Go Local Step Two.



July 21, 2008

To: Transportation 2020 Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Status of Go Local Step One Final Reports

Overview

The deadline for all Go Local Step One final reports was June 30, 2008. Four final reports were received, screened, and forwarded to the Board of Directors for recommendations in May 2008. Since then, 13 additional final reports have been received to meet the June 30, 2008, deadline and four final reports remain outstanding. Direction from the Transportation 2020 Committee is requested regarding overdue Go Local Step One final reports.

Recommendation

Direct staff to advise participating cities that final reports submitted after the June 30, 2008, deadline are not guaranteed consideration for Go Local Step Two.

Background

On February 27, 2006, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the Go Local Program, a four-step process for city-initiated transit planning. The Go Local Program is funded through the Measure M (M1) High-Technology Advanced Rail Transit Program. The use of M1 transit funds on the Go Local Program complies with the M1 transit project description to provide for improvements to the Los Angeles – San Diego – San Luis Obispo Rail Corridor and increase access between the primary rail system and employment centers.

As part of Step One of the Go Local Program, cities were eligible for a \$100,000 grant to conduct an initial needs assessment to connect to the Metrolink corridor.

On November 26, 2007, the Board approved a six-month extension to the Go Local Step One cooperative agreements, setting a deadline of June 30, 2008, for all Go Local Step One final reports.

Discussion

All 34 Orange County cities are participating in Step One of the Go Local Program. As a result of partnerships between cities, 21 teams were subsequently formed.

Four final reports were received and screened in March 2008 and brought to the Board for consideration in May 2008. As of this time, staff has received an additional 13 final reports. The reports are being evaluated and will be brought to the Board this summer for further direction. Staff has contacted the remaining four teams who have not submitted final reports for an estimated date of final report submission (Attachment A).

The remaining four teams are expected to submit mixed-flow bus/shuttle proposals. A delayed review, evaluation, and screening of these proposals could potentially prevent consideration of the proposals for entry into Step Two of the Go Local Program.

Upon Transportation 2020 Committee approval, staff will advise cities that while OCTA will continue to accept final reports, submission of a final report after the June 30, 2008, deadline may preclude them from advancing for Step Two of the Go Local Program.

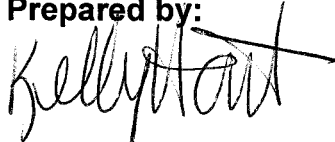
Summary

The deadline has passed for Step One of the Go Local Program. Four teams have not submitted a Go Local Step One final report by the June 30, 2008, deadline. Staff is recommending that OCTA continue to accept Go Local Step One final reports, but advise cities that due to the competitive nature of the Go Local Program, consideration for entry into Step Two is not guaranteed after the original deadline.

Attachment

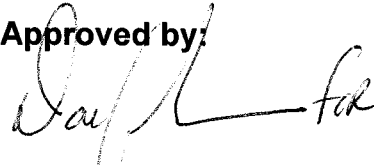
- A. Status of Go Local Final Reports by Team, Step One – Summary Matrix

Prepared by:



Kelly Hart
Senior Transportation Analyst
(714) 560-5725

Approved by:



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

Status of Go Local Final Reports by Team Step One - Summary Matrix

As of June 30, 2008

LEAD AGENCY	PARTNER CITY OR CITIES	FINAL REPORT SUBMITTED	ESTIMATED DATE OF SUBMISSION
Aliso Viejo	-	Delayed	Mid-July
Anaheim		Submitted	
Brea	Fullerton* La Habra Yorba Linda Placentia	Submitted	
Buena Park	Cypress La Palma	Submitted	
Fullerton*	-	Delayed	End of July
Irvine	-	Submitted	
Laguna Beach	-	Submitted	
Laguna Niguel	-	Submitted	
Laguna Woods	-	Delayed	September
Lake Forest*	-	Submitted	
Lake Forest*	Laguna Hills	Submitted	
Los Alamitos	Seal Beach	Submitted	
Mission Viejo	-	Submitted	
Newport Beach	Costa Mesa	Delayed	Mid-September
Orange*		Submitted	
Orange*	Villa Park	Submitted	
Rancho Santa Margarita	-	Submitted	
San Clemente	Dana Point San Juan Capistrano	Submitted	
Santa Ana	Garden Grove	Submitted	
Tustin	-	Submitted	
Westminster	Fountain Valley Huntington Beach Stanton	Submitted	

Notes:

*Multiple Participation



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors

From: Wendy Knowles, Clerk of the Board

Subject: Release of Request for Proposals for Go Local Bus/Shuttle Service Planning and Program Management Oversight of Bus/Shuttle and Fixed-Guideway Proposals

Transportation 2020 Committee Meeting of July 21, 2008

Present: Directors Amante, Brown, Buffa, Campbell, Cavecche, and Pringle
Absent: Director Dixon

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Approve the proposed evaluation criteria and weightings for selection of consultants for Request for Proposals No. 8-1012.
- B. Approve the release of Request for Proposals No. 8-1012 for consultant services to conduct service planning on Go Local mixed-flow bus/shuttle proposals that have been advanced to Step Two of the Go Local Program.
- C. Approve the proposed evaluation criteria and weightings for selection of consultants for Request for Proposals No. 8-1013.
- D. Approve the release of Request for Proposals No. 8-1013 for consultant services to provide program management oversight of the Go Local fixed-guideway proposals.



July 21, 2008

To: Transportation 2020 Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Release of Request for Proposals for Go Local Mixed-Flow Bus/Shuttle Service Planning and Program Management Oversight of Fixed-Guideway Proposals

Overview

On May 23, 2008, the Orange County Transportation Authority Board of Directors approved the use of professional services to perform service planning for qualifying Go Local Step One mixed-flow bus/shuttle proposals and to provide technical and program management support for the fixed-guideway proposals. Staff has developed draft requests for proposals to initiate two competitive procurements to retain the consultant services.

Recommendations

- A. Approve the proposed evaluation criteria and weightings for selection of consultants for Request for Proposals No. 8-1012.
- B. Approve the release of Request for Proposals No. 8-1012 for consultant services to conduct service planning on Go Local mixed-flow bus/shuttle proposals that have been advanced to Step Two of the Go Local Program.
- C. Approve the proposed evaluation criteria and weightings for selection of consultants for Request for Proposals No. 8-1013.
- D. Approve the release of Request for Proposals No. 8-1013 for consultant services to provide program management oversight of the Go Local fixed-guideway proposals.

Background

On May 23, 2008, the Orange County Transportation Authority (Authority) Board of Directors (Board) directed staff to procure outside resources to work

directly with the participating cities to conduct service planning for the Go Local Step One mixed-flow bus/shuttle concepts according to a set of Authority guidelines. The Board also directed staff to procure additional resources to supplement the Go Local Step Two programmatic development of the three fixed-guideway as well as the mixed-flow bus/shuttle proposals, including program management oversight and technical support.

Discussion

On April 23, 2007, the Board approved procurement procedures and policies requiring the Board to approve all request for proposals (RFP) over \$1 million, as well as approve the evaluation criteria and weightings. For the mixed-flow bus/shuttle service planning, staff is submitting RFP No. 8-1012 and evaluation criteria and weights for Board approval, which will be used to evaluate proposals received in response to the RFP (Attachment A). The proposed evaluation criteria and weights are as follows:

- Qualifications of the Firm 30 percent
- Staffing and Project Organization 30 percent
- Work Plan 20 percent
- Cost and Price 20 percent

For the fixed-guideway program management oversight services, staff is submitting RFP No. 8-1013 and evaluation criteria and weights for the Board's approval (Attachment B). Staff recommends a weighting of criteria for the fixed-guideway oversight RFP as follows:

- Qualifications of the Firm 30 percent
- Staffing and Project Organization 30 percent
- Work Plan 20 percent
- Cost and Price 20 percent

In developing the criteria weights for RFP No. 8-1012 and RFP No. 8-1013, several factors were considered. Staff proposed giving the greatest importance to the qualifications of the firm, staffing, and project organization, as the expertise of the firm and qualifications of the project manager and other key task leaders are critical to the successful performance of the project.

Staff will return to the Board in late fall for approval of the recommended consultants for the mixed-flow bus/shuttle service planning as well as the fixed-guideway program management oversight. In addition, staff will be

soliciting proposals for the program management oversight of the mixed-flow bus/shuttle projects and will return with a recommendation of award concurrent with the award recommendation for the mixed-flow bus/shuttle service planning as well as the fixed-guideway program management oversight.

In August 2008 staff will be requesting Board approval of the qualifying mixed-flow bus/shuttle concepts. Upon approval, staff will begin developing the contract task orders that will be issued upon a Notice to Proceed for the selected consultants.

Fiscal Impact

The costs associated with these RFPs are included in the Authority's Fiscal Year 2008-09 Budget, Development Division, Account 0010-7519/T5410-3SB, and are funded by the Local Transportation Authority.

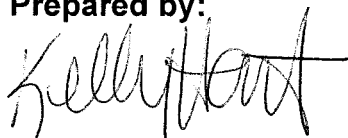
Summary

Staff is requesting that the Board approve the evaluation criteria and weightings for release of RFP No. 8-1012 to conduct service planning on Go Local mixed-flow bus/shuttle proposals that have been advanced to Step Two and the evaluation criteria and weightings for release of RFP No. 8-1013 to provide program management oversight of the Go Local fixed-guideway program.

Attachments

- A. Request for Proposals (RFP) 8-1012 for On-Call Service Planning Support Services
- B. Request for Proposals (RFP) 8-1013 for Project Management Consultant Services for Project Development of Proposed Go Local Fixed-Guideway Transit System

Prepared by:



Kelly Hart
Senior Transportation Analyst
(714) 560-5725

Approved by:



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

REQUEST FOR PROPOSALS (RFP) 8-1012

On-Call Service Planning Support Services



ORANGE COUNTY TRANSPORTATION AUTHORITY

**550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
(714) 560-6282**

Key RFP Dates

Issue Date:	July 28, 2008
Pre-Proposal Conference Date:	August 5, 2008
Question Submittal Date:	August 8, 2008
Proposal Submittal Date:	August 28, 2008
Interview Date:	September 16, 2008

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July 28, 2008

BOARD OF DIRECTORS

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Cindy Quon
Governor's
Ex-Officio Member

CHIEF EXECUTIVE OFFICE

Arthur T. Leahy
Chief Executive Officer

**SUBJECT: NOTICE OF REQUEST FOR PROPOSALS
RFP 8-1012: "On-Call Service Planning Support Services"**

Gentlemen/Ladies:

The Orange County Transportation Authority invites proposals from qualified consultants to provide on-call service planning support services. Such services are in support of Authority's Go Local Program. The Authority anticipates multiple awards resulting from this solicitation.

The estimated cost for these services is approximately \$1,080,000.

Proposals must be submitted in the Orange County Transportation Authority's office at or before 2:00 p.m. on August 28, 2008.

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority
Contracts Administration and Materials Management
600 South Main Street, 4th Floor
Orange, California 92868
Attention: David A. Christianson, Principal Contract Administrator**

Proposals delivered using the U.S. Postal Service shall be addressed as follows:

**Orange County Transportation Authority
Contracts Administration and Materials Management
P.O. Box 14184
Orange, California 92863-1584
Attention: David A. Christianson, Principal Contract Administrator**

Proposals and amendments to proposals received after the date and time specified above will be returned to the Offerors unopened.

Firms interested in obtaining a copy of this Request For Proposals (RFP) 8-1012 may do so by faxing their request to (714) 560-5792, or e-mail your request to *rfp_ifb_Requests@octa.net* or calling (714) 560-5922. Please include the following information:

- Name of Firm
- Address
- Contact Person
- Telephone and Facsimile Number
- Request For Proposal (RFP) 8-1012

All firms interested in doing business with the Authority are required to register their business on-line at CAMMNet, the Authority's interactive website. The website can be found at *www.octa.net*. From the site menu, click on CAMMNet to register.

To receive all further information regarding this RFP 8-1012, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Professional Consulting	Consultant Services – General Consultant Services – Transit Planning Consultant Services – Transportation Planning Feasibility Studies (Consulting)
Professional Services	Railroad; Rapid Transit; Monorail – Architectural Transit Management Services Transportation Service Providers

A pre-proposal conference will be held on August 5, 2008, at 10:00 am at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 154. All prospective Offerors are encouraged to attend the pre-proposal conference.

The Authority has established September 16, 2008 as the date to conduct interviews/discussions. All prospective Offeror's will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible. The Offeror will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of federal, state and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

Sincerely,

David A. Christianson
Principal Contract Administrator
Contracts Administration & Materials Management

SECTION I
INSTRUCTIONS TO OFFERORS

SECTION I. INSTRUCTIONS TO OFFERORS

A. PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on August 5, 2008, at 10:00 am at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 154. All prospective Offerors are encouraged to attend the pre-proposal conference.

B. EXAMINATION OF PROPOSAL DOCUMENTS

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the Authority's objectives.

C. ADDENDA

Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals.

D. AUTHORITY CONTACT

All questions and/or contacts with Authority staff regarding this RFP are to be directed to the following Contract Administrator:

David A. Christianson
Principal Contract Administrator
Contracts Administration and Materials Management Department
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Phone: 714.560.5006, Fax: 714.560.5792
Email: dchristianson@octa.net

E. CLARIFICATIONS

1. Examination of Documents

Should an Offeror require clarifications of this RFP, the Offeror shall notify the Authority in writing in accordance with Section E.2. below. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be sent to all firms registered on CAMMNet under the commodity codes

specified in this RFP.

2. Submitting Requests

- a. All questions, including questions that could not be specifically answered at the pre-proposal conference must be put in writing and must be received by the Authority no later than 5:00 p.m., on August 8, 2008.
- b. Requests for clarifications, questions and comments must be clearly labeled, "Written Questions". The Authority is not responsible for failure to respond to a request that has not been labeled as such.
- c. Any of the following methods of delivering written questions are acceptable as long as the questions are received no later than the date and time specified above:
 - (1) U.S. Mail: Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.
 - (2) Personal Courier: Contracts Administration and Materials Management Department, 600 South Main Street, 4th Floor, Orange, California 92868.
 - (3) Facsimile: The Authority's fax number is (714) 560-5792.
 - (4) E-Mail: David A. Christianson, Principal Contract Administrator e-mail address is *dchristianson@octa.net*.

3. Authority Responses

Responses from the Authority will be posted on CAMMNet, the Authority's interactive website, no later than August 12, 2008. Offerors may download responses from CAMMNet at *www.octa.net/cammnet*, or request responses be sent via U.S. Mail by e-mailing or faxing the request to David A. Christianson, Principal Contract Administrator.

To receive e-mail notification of Authority responses when they are posted on CAMMNet, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Professional Consulting	Consultant Services – General
	Consultant Services – Transit Planning

Professional Services Consultant Services – Transportation
Planning
Feasibility Studies (Consulting)
Railroad; Rapid Transit; Monorail –
Architectural
Transit Management Services
Transportation Service Providers

Inquiries received after 5:00 pm, August 8, 2008, will not be responded to.

F. SUBMISSION OF PROPOSALS

1. Date and Time

Proposals must be received in the Orange County Transportation Authority's office at or before 2:00 p.m. on August 28, 2008.

Proposals received after the above-specified date and time will be returned to Offerors unopened.

2. Address

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority
Contracts Administration and Materials Management (CAMM)
600 South Main Street, 4th Floor
Orange, California 92868
Attention: David A. Christianson, Principal Contract Administrator**

Or proposals delivered using the U.S. Postal Services shall be addressed as follows:

**Orange County Transportation Authority
Contracts Administration and Materials Management (CAMM)
P.O. Box 14184
Orange, California 92863-1584
Attention: David A. Christianson, Principal Contract Administrator**

Firms must obtain a visitor badge from the receptionist in the lobby of the 600 Building prior to delivering any information to CAMM.

3. Identification of Proposals

Offeror shall submit an **original and five (5) copies** of its proposal in a sealed package, addressed as shown above, bearing the Offeror's name and address and clearly marked as follows:

"RFP 8-1012: On-Call Service Planning Support Services"

4. Acceptance of Proposals

- a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.
- c. The Authority reserves the right to postpone proposal openings for its own convenience.
- d. Proposals received by Authority are public information and must be made available to any person upon request.
- e. Submitted proposals are not to be copyrighted.

G. PRE-CONTRACTUAL EXPENSES

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

- 1. Preparing its proposal in response to this RFP;
- 2. Submitting that proposal to the Authority;
- 3. Negotiating with the Authority any matter related to this proposal; or
- 4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

H. JOINT OFFERS

Where two or more firms desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

I. TAXES

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes.

J. PROTEST PROCEDURES

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

K. CONTRACT TYPE

It is anticipated that the Contract Task Order (CTO) based Agreements resulting from this solicitation, if awarded, will be time-and-expense type contracts. Authority anticipates multiple awards resulting from this solicitation. Services shall be provided through issuance of a CTO by Authority on an "as-needed" basis with no guaranteed level of usage. CTOs shall be awarded on a competitive basis.

L. CONTRACT TASK ORDERS

This RFP is issued to place several selected firms on an on-call service contract for services to be performed. As the need for services arises during the term of the Agreement, the selected firms will be asked to submit brief proposals and personnel resumes. The proposals will be evaluated by Authority staff, and a firm will be selected for the assignment. Time-and-expense CTOs will be issued which will specifically define the Scope of Work, the total cost of the CTO to be paid to the firm, and any other information which may be needed to perform the services. The Authority does not guarantee that any or all of the on-call firms will be selected for assignments. There will be a pool dollar amount and CTO's will only be issued for approved budgeted amounts.

M. PROHIBITION

Authority's existing Project Management Consultant (PMC), and all subconsultants, for the Go Local Program are precluded from submitting a proposal in response to this RFP.

SECTION II

PROPOSAL CONTENT

SECTION II. PROPOSAL CONTENT**A. PROPOSAL FORMAT AND CONTENT****1. Format**

Proposals should be typed with a standard 12 point font, double-spaced and submitted on 8 1/2" x 11" size paper, using a single method of fastening. Charts and schedules may be included in 11"x17" format. Offers should not include any unnecessarily elaborate or promotional material. Lengthy narrative is discouraged and presentations should be brief and concise. Proposals should not exceed fifty (50) pages in length, excluding any appendices.

2. Letter of Transmittal

The Letter of Transmittal shall be addressed to David A. Christianson, Principal Contract Administrator and must, at a minimum, contain the following:

- a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number. Include name, title, address, and telephone number of the contact person identified during period of proposal evaluation.
- b. Identification of all proposed subcontractors including legal name of company, contact persons name and address, phone number and fax number. Relationship between Offeror and subcontractors, if applicable.
- c. Acknowledgement of receipt of all RFP addenda, if any.
- d. A statement to the effect that the proposal shall remain valid for a period of not less than 120 days from the date of submittal.
- e. Signature of a person authorized to bind Offeror to the terms of the proposal.
- f. Signed statement attesting that all information submitted with the proposal is true and correct.

3. Technical Proposal

- a. **Qualifications, Related Experience and References of Offeror**

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of the same or similar nature; demonstrated experience working with local agencies and cities directly involved in this project; strength and stability of the Offeror; staffing capability; work load; record of meeting schedules on similar projects; and supportive client references. Equal weighting will be given to firms for past experience performing work of a similar nature whether with the Authority or elsewhere.

Offeror to:

- (1) Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size and location of offices; and number of employees.
- (2) Provide a general description of the firm's financial condition and identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project. The Authority does not have a policy for debarring or disqualifying firms.
- (3) Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project. Describe experience in working with the various government agencies identified in this RFP.
- (4) Identify subcontractors by company name, address, contact person, telephone number and project function. Describe Offeror's experience working with each subcontractor.
- (5) Provide as a minimum three (3) references for the projects cited as related experience, and furnish the name, title, address and telephone number of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as related experience.

b. Proposed Staffing and Project Organization

This section of the proposal should establish the method, which will be used by the Offeror to manage the project as well as identify key personnel assigned.

Offeror to:

- (1) Provide education, experience, and applicable professional credentials of project staff.
- (2) Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel.
- (3) Indicate adequacy of labor resources utilizing a table projecting the labor-hour allocation to the project by individual task.
- (4) Identify key personnel proposed to perform the work in the specified tasks and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment and how long each person has been with the firm.
- (5) Include a project organization chart, which clearly delineates communication/reporting relationships among the project staff.
- (6) Include a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

c. Work Plan

Offeror should provide a narrative, which addresses the Scope of Work, and shows Offeror's understanding of Authority's needs and requirements.

Offeror to:

- (1) Describe the approach to completing the tasks specified in the Scope of Work.
- (2) Outline sequentially the activities that would be undertaken in completing the tasks and specify who would perform them.
- (3) Furnish a sample schedule for service planning for a typical route in terms of elapsed weeks from the project commencement date.
- (4) Identify methods that Offeror will use to ensure quality control as well as budget and schedule control for the project.
- (5) Identify any special issues or problems that are likely to be

encountered in this project and how the Offeror would propose to address them.

- (6) Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

d. Exceptions/Deviations

State any exceptions to or deviations from the requirements of this RFP, segregating "technical" exceptions from "contractual" exceptions. Where Offeror wishes to propose alternative approaches to meeting the Authority's technical or contractual requirements, these should be thoroughly explained. If no contractual exceptions are noted, Offeror will be deemed to have accepted the contract requirements as set forth in Exhibit C.

4. Cost and Price Proposal

As part of the cost and price proposal, the Offeror shall submit proposed pricing to provide the services as described in Exhibit A, Scope of Work.

The Offeror shall complete the "Price Summary Sheet", Schedule I and Schedule II forms, included in Exhibit B of this RFP, and furnish any narrative required to explain the prices quoted in the schedules. Rates shall remain valid through the initial term of the Agreement.

5. Appendices

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials. Appendices should be relevant and brief.

B. FORMS

Party and Participant Disclosure Forms

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Boards of Directors, Offeror is required to complete and sign the Party and Participant Disclosure Forms provided in Exhibit D of this RFP and submit as part of the proposal. Offeror is required to submit only one copy of the completed form(s) as part of its proposal and it should be

included in only the **original** proposal. The prime contractor and subcontractors must complete the form entitled "Party Disclosure Form". Lobbyists or agents representing the prime contractor in this procurement must complete the form entitled "Participant Disclosure Form". Reporting of campaign contributions is a requirement from the proposed submittal date up and until the Authority's Board of Directors take action, which is anticipated to be October 27, 2008.

Status of Past and Present Contracts Form

Offeror is required to complete and sign the form entitled "Status of Past and Present Contracts" provided in this RFP and submit as part of the proposal. Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years and the contract has ended or will end in a termination, settlement, or litigation. A separate form must be completed for each contract. Offeror shall provide an accurate name and telephone number for each contract and indicate the term of the contract and the original contract value. If the contract was terminated, Offeror must list the reason for termination. Offeror must identify and state the status of any litigation, claims or settlement agreements related to any of the contracts. Each form must be signed by the Offeror confirming the information that the information provided is true and accurate. Offeror is required to submit **one** copy of the completed form(s) as part of its proposals and it should be included in only the **original** proposal.

SECTION III
EVALUATION AND AWARD

SECTION III. EVALUATION AND AWARD

A. EVALUATION CRITERIA

The Authority will evaluate the offers received based on the following criteria:

1. **Qualifications of the Firm** **30%**
 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.
2. **Staffing and Project Organization** **30%**
 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.
3. **Work Plan** **20%**
 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.
4. **Cost and Price** **20%**
 Reasonableness and competitiveness of rates with other offers received; adequacy of data in support of figures quoted.

B. EVALUATION PROCEDURE

The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals using criteria identified in Section III A. A list of top ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal.

During the evaluation period, the Authority will interview some or all of the proposing firms. The Authority has established September 16, 2008 as the date to conduct interviews/discussions. All prospective Offerors will be asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend the interview on this date, its proposal may be

eliminated from further discussion. The interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the firm's proposal and qualifications.

At the conclusion of the proposal evaluations, Offerors remaining within the competitive range may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the firms may be asked to provide additional information, confirm or clarify issues and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee may recommend to the appropriate Board Committee, an Offeror with the highest final ranking or a short list of top ranked firms within the competitive range whose proposal(s) is most advantageous to the Authority. The Board Committee will review the evaluation committee's recommendation and forward its decision to the full Board of Directors for final action.

C. AWARD

The Authority will evaluate the proposals received and will submit, with approval of the Transportation 2020 Committee, proposals considered to be the most competitive to the Authority's Board of Directors, for consideration and selection. The Authority may also negotiate contract terms with selected Offerors prior to award, and expressly reserves the right to negotiate with several Offerors simultaneously and, thereafter, to award contracts to Offerors offering the most favorable terms to the Authority.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror.

D. NOTIFICATION OF AWARD AND DEBRIEFING

Offerors who submit a proposal in response to this RFP shall be notified by electronic mail regarding the firm(s) who were awarded contracts. Such notification shall be made within three (3) days of the date the contract(s) are awarded.

Offerors who were not awarded a contract may obtain a prompt explanation concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors, who wish to be debriefed, must request the debriefing in writing or electronic mail and the Authority must receive it within three (3) days of notification of contract award(s).

EXHIBIT A
SCOPE OF WORK

SCOPE OF WORK

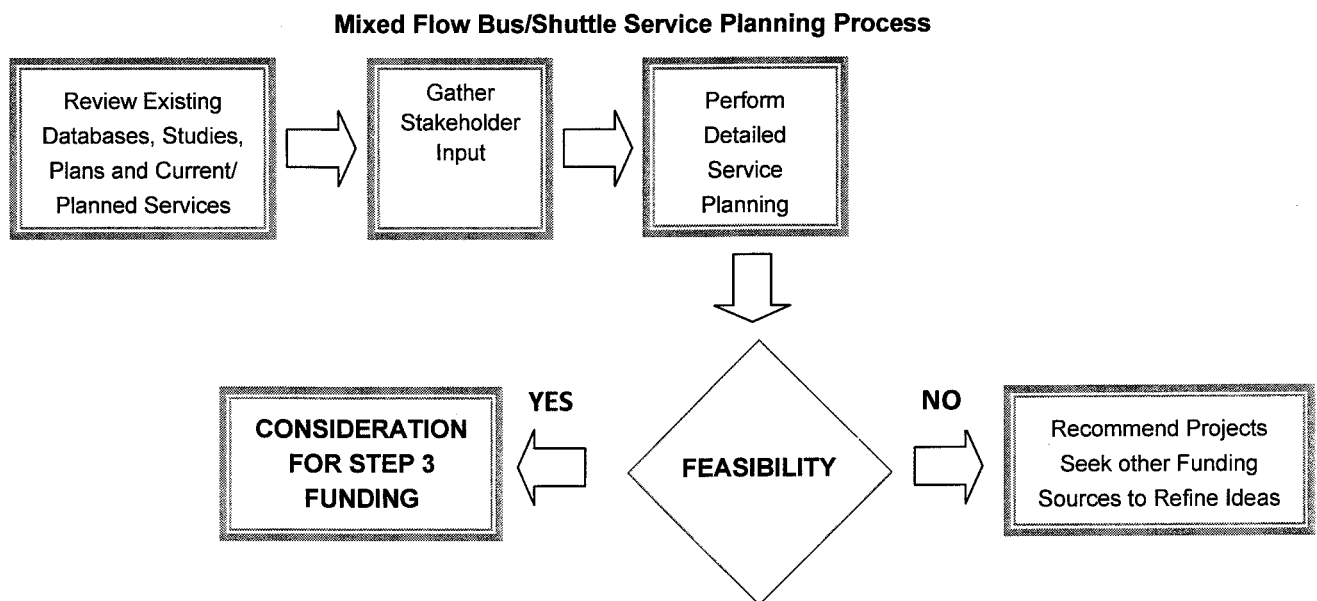
On Call Service Planning Support Services for Go Local Step Two Projects

1.0 INTRODUCTION

The Orange County Transportation OCTA (OCTA) is contracting a bench of on-call consultants to assist OCTA with the service planning component of Step Two of the Go Local Program. The operations service planning work to be performed by OCTA's bench of consultants will include the mixed-flow bus/shuttle projects submitted by cities under Go Local Step One.

OCTA will support the efforts of the participating Go Local cities with projects from Step One having been approved by the OCTA Board of Directors (Board) to continue into Step Two by providing a consultant(s) to conduct additional service planning for the further development of their projects. Under Step Two of the Go Local Program, all qualifying Go Local Step One proposals must undergo service planning to further refine the proposed concepts and evaluate the projects' viability. The service planning for future mixed-flow local transit bus/shuttle services must take into consideration the existing fixed-route bus transit system and StationLink services to maintain an integrated and cohesive transit system.

It is essential that the proposed services receive sufficient study and review, with respect to capital and operating cost estimates, and revenue and ridership assumptions. The CONSULTANT(s) shall conduct an in-depth feasibility screening (see figure below) based on a review of the Board-Approved (August 8, 2006) Go Local Program Evaluation Criteria. The feasibility screening shall evaluate areas such as, but not limited to, potential demand and customer needs, route segment and system performance, potential impacts to existing OCTA fixed bus route service, resources, budgets, policies and technical aspects of the proposed project.



2.0 BACKGROUND

2.1 Metrolink Service Expansion Program

A key component of OCTA's five-year program to improve public transportation in Orange County, approved by the Board in 2005, was to expand Metrolink service between Laguna Niguel and Fullerton. The Metrolink Service Expansion Program (MSEP) was subsequently approved in November 2005 and permitted the addition of 36 more Metrolink trains serving Orange County every 30 minutes, seven days a week. Another component of the five-year program was to extend the reach of Metrolink and commuter rail service into communities by allowing cities to develop extensions that would connect the corridor to major destinations or activity centers currently not being served. As the MSEP progresses toward implementation in 2010, the Go Local Program development maintains a similar course of planning development through Step Two and Step Three.

2.2 Go Local Program

The OCTA's Go Local Program envisions using the existing Metrolink commuter rail corridor as the backbone of the County's transit system as nearly two-thirds of Orange County residents and jobs are within four miles of this core, 68-mile long rail system. The program was designed to link the 34 cities through major activity and employment centers to the Metrolink corridor. All 34 Orange County cities are participating in the Go Local Program and have entered into cooperative agreements with OCTA to study transit extensions to Metrolink. Since the program's approval in February 2006, participating cities have been working on developing their own local transit vision as part of the first step of a four-step process for city-initiated rapid transit planning. Upon the completion of Step One, the cities will submit a final report documenting their findings of the preliminary needs assessment during this step. Approximately 15 teams have proposed mixed-flow bus/shuttle concepts in their cities with multiple routes expected from each concept.

3.0 GENERAL DESCRIPTION OF REQUIRED SERVICES

The OCTA plans to engage in several service planning studies for Step Two Program. Consultants will assist OCTA staff with analyzing the feasibility of projects submitted by different cities within the County. CONSULTANT(s) shall be required to perform a variety of tasks which include, but are not be limited to, the analysis of proposals, performance data, development of service plans for mixed-flow bus/shuttle service, resource requirements and other studies as needed.

CONSULTANT(s) shall be required to review existing planning databases, studies, plans, data and current/planned services to obtain a comprehensive understanding of the overall OCTA system. As part of the service planning effort, CONSULTANT(s) shall work directly with cities and all stakeholders to gain an understanding of transit interests and needs.

The CONSULTANT(s) service planning activities shall include, but are not limited to, addressing the following as part of the service planning effort:

- Passenger Demands and Needs
- Route Segment Performance

- System Performance
- Compliance with ADA and Impacts to Paratransit Service
- Analysis of Impacts to Existing Riders
- Boardings/ Revenue Vehicle Hour & Passenger Loads
- Market Research and Segmentation Analysis
- Resource Requirements
- Financial Analysis

CONSULTANT(s) will work directly with cities in a collaborative effort to develop service plans for proposed Go Local Step Two projects.

Timeline:

CONSULTANT(s) timeline for development through completion of the Service Planning Study is eighteen (18) months from Notice to Proceed (NTP).

4.0 SCOPE OF WORK (SOW)

CONSULTANT(s) shall develop a detailed transit service plan for the CITY(s) that incorporates and prioritizes the findings from Step One of the Go Local Program. CONSULTANT(s) shall work directly with participating cities to conduct the service planning according to a set of guidelines established by OCTA.

4.1 Project Management

This task includes the day-to-day management of the project to ensure that CONSULTANT(s) achieves OCTA's expectations, including communication and coordination with OCTA, participating Go Local cities, other consultants, and stakeholders. This task shall include the supervision of team members to facilitate the performance of the work in accordance with this scope of work, including all work required to provide a comprehensive service planning report. This includes, but is not limited to, project management, research, data collection, meetings, analysis, report development, report refinement, and project closeout activities. CONSULTANT(s) shall provide results of feasibility studies, develop independent cost estimates, and other reports/studies as assigned.

CONSULTANT shall provide proactive project management of the technical and administrative aspects of the project where there is an early identification of issues through the constant communication between OCTA's and CONSULTANT'S project manager. CONSULTANT(s) shall prepare a Project Management Plan, including a detailed schedule within 30 days of NTP.

Prior to beginning of the service planning effort, CONSULTANT(s) shall prepare a detailed Service Planning Work Plan itemizing the activities CONSULTANT(s) will undertake as part of this effort within 30 days of NTP.

CONSULTANT(s) shall ensure that the service planning is being performed in accordance with OCTA guidelines and that products are developed in accordance with CONSULTANT's Quality Assurance Procedures. A copy of the Quality Control Procedures establishing a process whereby plans are independently checked, corrected and back checked shall be submitted within 30 days of NTP and shall be maintained in effect during the duration of this Agreement.

CONSULTANT(s) shall keep good records, provide monthly progress reports, generate meeting agendas and minutes, reports, and related items.

CONSULTANT(s) shall keep time records and provide a monthly invoice with accompanying progress report indicating progress achieved during the reporting period in relation to the progress scheduled and costs expended. CONSULTANT(s) shall administer its own contract with OCTA, its subcontracts, including checking compliance with all contract terms and conditions, and monitoring the receipt and routing of deliverables.

Deliverables:

- Project Management Plan (including baseline project schedule)
- Service Planning Work Plan
- Quality Control Procedures
- Monthly progress reports, invoices, and schedule updates
- Meeting agendas and minutes
- Reports
- Independent Cost Estimates
- Reports/Studies as Assigned

4.2 Review Existing Databases, Studies, Plans, Data and Current/Planned Services

Prior to performing the detailed service planning effort, CONSULTANT(s) shall review existing studies, plans, and data to develop a baseline understanding of current service design and community needs. CONSULTANT(s) shall also review existing routes and applicable service information to ensure continuity, and advise of potential impacts and duplications with current service. Subtasks 4.21 thru 4.2.3 specify the categories of documents that shall be reviewed by CONSULTANT.

4.2.1 Review Existing Planning Databases

CONSULTANT(s) shall review OCTA's existing demographic and transit-planning databases. The data is stored in a Geographic Information System (GIS) format. OCTA's GIS base map is the Thomas Brothers Map street centerline digital file, using the California coordinate system (stateplane), Zone VI, NAD 1983, units = feet. All GIS databases are in either ArcInfo or ArcView format.

CONSULTANT shall also review at least the following studies, plans, and data:

- Go Local Step One Final Reports
- 2008 Five Year Strategic Transit Plan
- 2000 Master Transit Study
- 2000 Point-to-Point Final Report
- 2001 On-board Survey

- 2002 South Orange County Area Study
- 2002 Long Range Financial Plan
- 2002 Monthly Ridership Reports
- 2001, 2002, 2003 Route Load and Segment Studies
- Senior Transit Analysis
- GIS Route Network Files
- Demographic data including population, employment, and income distribution characteristics
- Land use data
- Trip generation data (transit and non-transit trips)
- Various documentation of recent Orange County route issues
- Overview of Customer Service “hot button” issues

CONSULTANT(s) shall also review route ride check data. This data is available in printed form and is organized by route, direction, and trip. It includes the number of boardings, alightings, and transfers to the bus stop level. OCTA also has route segment analysis in printed form for most large bus routes. This analysis provides productivity (boardings per vehicle service hour and mile) information between time points for individual routes.

4.2.2 Review OCTA Current Services

CONSULTANT(s) shall review all services currently operated by OCTA, which includes local bus routes, local community routes, intra-county and inter-county express routes, station links, and shuttle routes. The local bus fixed route system serves the majority of Orange County's transit travel market. CONSULTANT(s) shall review the most current route information.

4.2.3 Review Planned Services

CONSULTANT(s) shall review all documentation that pertains to planned services to be operated by OCTA. One example is the Bus Rapid Transit service (Board-approved October 2005) which is planned to be operational by late FY 2009-10 on the following corridors:

- Harbor Boulevard Corridor (Route 543) -Fullerton to Newport Beach
- Westminster/17th Corridor (Route 560) – Santa Ana to Long Beach
- 28-Mile Corridor (Route 557) – Brea to Irvine via State College / Bristol

Deliverables:

- Draft report summarizing the elements that apply to the service planning effort and advise of potential duplications and/or impacts, along with recommendations for incorporation
- Final report summarizing the elements that apply to the service planning effort and recommendations for incorporation

4.3 Stakeholder Participation and Input

CONSULTANT(s) shall work directly with cities and all stakeholders to gain an understanding of the City's interests and needs. The CONSULTANT(s) shall provide maps and graphics as display boards for public outreach efforts, as required.

CONSULTANT(s) shall actively coordinate the information flow between the Go Local participating cities and OCTA. The OCTA service planning process provides opportunities for public involvement and interaction with the Go Local participating cities at all stages of the process.

CONSULTANT(s) shall facilitate and/or assist with making presentations designed to disseminate information about service planning studies, and gather input from the intended recipients. The presentations may also serve as a tool to educate the intended audience on service planning issues while involving them in service planning exercises. Target audiences may include community groups, stakeholders, local elected representatives and/or OCTA and CITY staff.

CONSULTANT(s) shall meet with OCTA staff and the Go Local participating cities on a regular basis to review OCTA related proposed service changes and obtain input with respect to the Go Local Step Two proposals regarding the following items:

- Service Frequency
- Span of Service
- Bus Stop Spacing, Location, and Type
- Vehicle-hour/productivity estimates

Deliverables:

- Maps and graphics
- Presentation materials
- Meeting reports

4.4 Detailed Service Planning

CONSULTANT(s) shall further develop a detailed transit service plan for the Go Local participating cities that incorporates and prioritizes the findings of the study from the Step One Go Local Report. The Go Local Program is intended to provide connections to Metrolink stations and the specific goals and objectives include:

- Improve the coordination of transit services with the ongoing Metrolink Service Expansion Program
- Improve efficiencies of local routes to major streets and Metrolink stations
- Establish connections to communities that are not immediately adjacent to Metrolink stations and expand service coverage by introducing new local circulators

- Make the system more convenient by improving headways and widening the span of service
- Improve understandability by implementing consistent and predictable route headways oriented by zone, by corridor, or by service type.

As part of this task, CONSULTANT(s) shall develop a comprehensive report summarizing the results of subtasks 4.4.1 thru 4.4.8 (analysis of anticipated Passenger Demands/Needs, Route Segment Performance, System Performance, Compliance with ADA and Impacts to Paratransit Service, Analysis of Impacts to Existing Riders, Boardings/Revenue Vehicle Hour & Passenger Loads, Cost/Revenue Vehicle Hour, Resource Requirements, and Financial Considerations/Budget Constraints). The sections below describe the requirements for each element of the report. CONSULTANT shall address the Board-Approved (August 8, 2006) Go Local Program Evaluation Criteria as part of the report findings.

CONSULTANT shall develop a detailed and annotated outline of the report for OCTA review and approval. Upon approval of the outline, CONSULTANT(s) shall proceed to develop the report.

4.4.1 Passenger Demands and Needs

CONSULTANT(s) shall conduct a needs assessment to determine how proposed Go Local Step Two concept will improve movement within the Go Local participating cities and provide connectivity to Metrolink while complying with the Go Local Step Two parameters. The needs assessment will focus on areas that are underserved or lack transit service altogether. The CONSULTANT(s) shall consider several factors that indicate the need for public transit service.

Activities required from the CONSULTANT(s) based on an evaluation of the above service planning parameters under this task may include, but are not limited to the following:

- Identify and prioritize the need for new transit centers or hubs
- Propose new services to provide access to underserved areas from the Metrolink stations
- Propose new services to provide connections to Metrolink stations, major destinations and trip generators
- Identify frequency and span of new services, connecting to Metrolink stations
- Identify new types of services to match the demand and unique features of Orange County
- Identify how the proposed bus/shuttle systems will impact or facilitate the existing fixed route riders
- Identify how proposed network will fit with existing and future trip patterns to connect to Metrolink stations
- Determine the potential impacts to ACCESS resulting from new service implementation.

4.4.2 Route Segment Performance

CONSULTANT(s) shall evaluate each proposed Go Local project to ensure that the proposed bus/shuttle network is cost-effective, efficient and consistent with OCTA's service and operational objectives at the route level. The CONSULTANT shall determine the impact of the proposed route and service based on the addition of vehicle miles, vehicle hours and vehicles; operators and operator assignments and in operating cost and passenger revenue. This evaluation will be used by OCTA to identify costs and benefits associated with the proposed route as part of the Go Local program and provide a basis for prioritizing recommendations.

CONSULTANT shall include, at a minimum, a discussion and presentation of the appropriate route alignment, the proposed vehicle service hours and miles by route (weekday and weekend) and the proposed number of vehicles and vehicle type by route (e.g., articulated bus, large bus, small bus, new vehicle, etc.).

4.4.3 System Performance

CONSULTANT(s) shall review all alternatives presented for the proposed bus/shuttle network. An alternative shall be selected that recommends the best mix of headways and service coverage consistent with service planning goals and objectives. CONSULTANT(s) shall identify the impacts and conflicts of proposed system on OCTA fixed route and other transit systems. CONSULTANT(s) shall consider the following evaluation criteria for analyzing and determining various measures of transit effectiveness for the proposed mixed-flow bus/shuttle service, including but not limited to:

Service Effectiveness:

- Passengers per revenue hour estimates
- Travel time savings (comparisons to similar services)
- Transfer connections and volumes
- Transit ridership potential
- Transit accessibility potential

Cost Effectiveness:

- Vehicle service hours impact
- Vehicle service miles impact

The framework and evaluation criteria resulting from this effort shall be developed by the CONSULTANT and shall be approved by the OCTA's Project Manager. Proposals shall include a discussion on how each of these issues, as well as others offered by the CONSULTANT shall be addressed in the study process.

4.4.4 Compliance with ADA Requirements and Impacts to Paratransit Services

CONSULTANT(s) shall determine the effects the proposed project will have on OCTA's ACCESS program. Factors to consider, but should not be limited to:

- Determine the extent that the new mixed-flow bus/shuttle service impacts disabled fixed route riders
- Analyze how expanding network coverage and span of service may impact other OCTA services such as ACCESS (OCTA's paratransit service)
- Perform an overview of ACCESS service and determine the potential impacts on ACCESS service resulting from the addition of local circulators

4.4.5 Analysis Of Impacts To Existing Riders

CONSULTANT(s) shall review proposed service changes and determine impacts to current ridership. CONSULTANT(s) shall consider the following:

- How would the introduction of community circulators mitigate the impacts of a straight-lined local bus network?
- How will existing OCTA transit centers and maintenance facilities be impacted by the proposed network and service levels?
- How will major transfer points, such as the Village at Orange, Metrolink commuter rail stations, and other non-OCTA transfer facilities be impacted by the addition of bus/shuttle network?
- How will transfers be accommodated within the bus network? What will be the impact of shifting transfers to major intersections?

4.4.6 Boardings Per Revenue Vehicle Hour and Passenger Loads

CONSULTANT(s) shall evaluate the estimated passenger loading (the number of people on the bus at the point of maximum demand) and the seating capacity of the intended vehicles. The ratio of passengers to seats available, or the load coefficient shall be analyzed regarding passenger comfort. CONSULTANT(s) shall determine the following:

- Identify projected demand and ridership for each proposal
- Determine best way to deploy services if cost savings prove feasible. In addition, determine if resources deployed should mitigate the impacts of the additional route, and/or improve local route headways, and/or expand service coverage.
- Review extent to which increased frequencies will improve or lessen system convenience.

4.4.7 Market Research and Segmentation Analysis

CONSULTANT(s) shall review existing information from OCTA and the CITY(s) to obtain attitudinal information from transit users and non-users. This information will typically come from surveys, focus groups, stakeholder working groups and/or workshops. If this information is unavailable from existing sources, then market research studies may need to be performed.

The CONSULTANT(s) shall obtain and review, confirm and refine the information previously developed for market analysis from Step One of Go Local. The CONSULTANT(s) shall analyze demographic and attitudinal data to identify market segments for each transit mode and service strategy. Combining collected attitudinal data with demographic data from the US Census, the CONSULTANT(s) shall:

- Identify relationships between travel attitudes and socioeconomic/demographic profiles to estimate/locate potential transit market segments.
- Quantify the importance of specific service features with its associated costs to entice each market segment to choose a particular service.
- Identify service delivery strategies (vehicle types, stop amenities, routing, service hours, etc.) that will attract more riders to OCTA and result in capturing a greater mode split.
- Conduct mode choice analysis to better understand tradeoffs travelers make in considering travel options.

4.4.8 Resource Requirements

CONSULTANT(s) shall determine the intended vehicle size and vehicle type based on labor cost, passenger flow, and desired loads. In addition, CONSULTANT(s) shall propose operator requirements based on vehicles anticipated to be in operation by time of day and day of week.

CONSULTANT(s) shall also identify opportunities and develop conceptual plans for infrastructure improvements including passenger facility improvements (bus stops and transit centers), street improvements (stops, exclusive bus lanes, and queue jump lanes), right-of-way needs, and impacts to operating facilities. CONSULTANT(s) shall identify initial capital cost estimates, as well as on-going operating cost impacts.

Factors to consider as part of this effort should include, but are not limited to:

- Operational opportunities and issues the route presents
- Identify the size and type of vehicles that should be operated
- Identify costs and resources needed to implement recommendations
- Prioritize recommendations based on study findings in consideration of resource constraints

4.4.9 Fare Media Evaluation

CONSULTANT(s) shall review and incorporate into its findings the recommendations of RFP 8-0877 dated May 21, 2008 (the *OCTA – Fare Integration Study*). This study includes providing recommendations for a universal honoring of fare media on the various transit systems within Orange County. The primary goal of the fare integration study is to provide OCTA and its Board with fare collection alternatives for increasing operational efficiency, encouraging the use of various transportation options as they exist today, facilitating inter-agency and regional compatibility, and to account for future services, including but not limited to:

- Metrolink
- Other Go Local projects
- Bravo! – Bus Rapid Transit Program
- OCTA fixed route bus service
- Transit modes planned to access the Anaheim Regional Transportation Intermodal Center (ARTIC)

CONSULTANT(s) shall develop recommendations for fare media and fare structure for the assigned project in accordance with the results of the Fare Integration Study.

4.4.10 Financial Analysis

CONSULTANT(s) shall develop an analytical framework and evaluation criteria to quantify the benefits and costs of the routes of the proposed bus/shuttle service. Factors to consider as part of this effort should include, but are not limited to:

- Fare Type and farebox recovery estimate
- Operating and Capital Costs
- Service Cost-Benefit Analysis

Farebox recovery shall be evaluated by the CONSULTANT(s) as a measure of the economic viability of service and refers to the proportion or percentage of operating costs that are offset by passenger revenue. Passenger revenue includes the revenue collected in the farebox during regular passenger operation and special subsidies received to compensate for reduced fares, such as the reduced senior citizen fare.

CONSULTANT(s) shall analyze the projected financial impacts of the proposed service changes. The financial impacts shall be expressed in terms of changes in operating cost and changes in passenger revenue.

CONSULTANT(s) shall use OCTA's cost model, which allocates cost based on three operating variables (i.e., vehicles, vehicle miles and vehicle hours) for comparison of each project with every other project. The model is developed by assigning each budgeted operating expenditure to one of three operating variables and dividing the total operating costs by the corresponding

operating parameter, yielding unit costs for each of the model variables. There are model adjustments to incorporate differences in express and local service fuel efficiency as well as differences between peak hour and off-peak labor costs.

CONSULTANT(s) shall develop revenue estimates, based on applying an average fare per passenger by time of day (i.e., peak period, off-peak weekday, and weekend) to the projected changes in ridership for each of the respective time periods.

CONSULTANT(s) shall determine what the proposed cost savings will be to OCTA if implemented directly by Go Local participating cities.

The findings for this subtask shall include detailed discussions on:

- Ridership Estimates
- Projected Costs (operating and capital)
- Fare Type and Farebox Recovery Estimates
- Anticipated Vehicle size/type
- Cost-Benefit Comparison to Similar Services Analysis

Deliverables:

- Service planning report outline
- Draft report summarizing the results of subtasks 4.4.1 thru 4.4.10
- Final report summarizing the results of subtasks 4.4.1 thru 4.4.10

EXHIBIT B

COST AND PRICE FORMS

SCHEDULE II ---- OTHER DIRECT COSTS SCHEDULE

	Type of ODC	Quantity	Unit Rate	Budget Amount
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

- I acknowledge receipt of RFP 8-1012 and Addenda No.(s) _____
- This offer shall remain firm for _____ days from the date of proposal
(Minimum 120)

COMPANY NAME _____

ADDRESS _____

TELEPHONE _____

SIGNATURE OF PERSON
AUTHORIZED TO BIND OFFEROR _____

SIGNATURE'S NAME AND TITLE _____

DATE SIGNED _____

EXHIBIT C
PROPOSED AGREEMENT

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PROPOSED AGREEMENT NO. C-1012

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

THIS AGREEMENT is effective as of this ____ day of _____, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, CA 92863-1584, a public corporation of the state of California (hereinafter referred to as "AUTHORITY"), and _____, _____, _____ (hereinafter referred to as "CONSULTANT").

WITNESSETH:

WHEREAS, AUTHORITY requires assistance from CONSULTANT to provide On Call Service Planning Support Services services; and

WHEREAS, said work cannot be performed by the regular employees of AUTHORITY; and

WHEREAS, CONSULTANT has represented that it has the requisite personnel and experience, and is capable of performing such services; and

WHEREAS, CONSULTANT wishes to perform these services; and

WHEREAS, AUTHORITY's Board of Directors approved this Agreement on _____;

NOW, THEREFORE, it is mutually understood and agreed by AUTHORITY and CONSULTANT as follows:

ARTICLE 1. COMPLETE AGREEMENT

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and condition(s) of the agreement between AUTHORITY and CONSULTANT and it supersedes all prior representations, understandings and communications. The invalidity in whole or in part of any term or condition of this Agreement shall not affect the validity of other term(s) or condition(s).

B. AUTHORITY's failure to insist in any one or more instances upon CONSULTANT's performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of AUTHORITY's right to such performance or to future performance of such term(s) or condition(s) and CONSULTANT's obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

ARTICLE 2. AUTHORITY DESIGNEE

The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and exercise any of the rights of AUTHORITY as set forth in this Agreement.

ARTICLE 3. SCOPE OF WORK

A. CONSULTANT shall perform the work necessary to complete in a manner satisfactory to AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work", attached to and, by this reference, incorporated in and made a part of this Agreement and as specified in the Contract Task Orders ("CTOs") issued to CONSULTANT. All services shall be provided at the times and places designated by AUTHORITY.

B. CONSULTANT shall provide the personnel listed below to perform the above-specified services, which persons are hereby designated as key personnel under this Agreement.

<u>Names</u>	<u>Functions</u>

C. No person named in paragraph B of this Article, or his/her successor approved by AUTHORITY, shall be removed or replaced by CONSULTANT, nor shall his/her agreed-upon function or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.

1 Should the services of any key person become no longer available to CONSULTANT, the resume and
2 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as
3 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key
4 person, unless CONSULTANT is not provided with such notice by the departing employee.
5 AUTHORITY shall respond to CONSULTANT within seven (7) calendar days following receipt of these
6 qualifications concerning acceptance of the candidate for replacement.

7 **ARTICLE 4. TERM OF AGREEMENT**

8 This Agreement shall commence upon the effective date of this Agreement, and shall continue
9 in full force and effect through November 10, 2010, unless earlier terminated or extended as provided in
10 this Agreement.

11 **ARTICLE 5. CONTRACT TASK ORDERS (CTO) AND PAYMENT**

12 A. This Agreement is issued to place CONSULTANT, _____, and _____ on an
13 on-call list ("ON-CALL FIRMS"). As the need for consulting services arises during the term of these
14 Agreements, CTO's may be issued to CONSULTANT and/or other ON-CALL FIRMS at AUTHORITY's
15 sole discretion. Each CTO will be issued on a competitive basis and will specifically define the Scope of
16 Work, the total cost of the CTO to be paid CONSULTANT, and any other information which may be
17 needed to perform the services. AUTHORITY does not guarantee that CONSULTANT or any of the
18 ON-CALL FIRMS will receive an assignment, nor that the firms will receive an equal number of
19 assignments, nor does the AUTHORITY make any guarantee that the CTO budgeted amount will be
20 expended.

21 B. CONSULTANT shall submit to AUTHORITY, a written technical proposal and cost estimate
22 within 48 hours from AUTHORITY's request. CONSULTANT shall submit a final written technical
23 proposal and cost proposal within five (5) working days from AUTHORITY's initial request. No work
24 shall commence until a written CTO has been executed by both AUTHORITY and CONSULTANT.
25 Failure of the CONSULTANT to perform in accordance with this provision may result in CONSULTANT
26 forfeiture of retention monies and/or termination of this Agreement.

1 C. For CONSULTANT's full and complete performance of its obligations under this Agreement,
2 and subject to the maximum cumulative payment obligation provisions set forth in Article 6,
3 AUTHORITY shall pay CONSULTANT on a Time and Expense basis in accordance with the following
4 provisions.

5 1. For each full hour of labor satisfactorily performed by CONSULTANT's personnel
6 under this Agreement, AUTHORITY shall pay CONSULTANT at the hourly labor rates specified in
7 Exhibit B, entitled "Schedule of Fees", which is attached to and by this reference, incorporated in and
8 made a part of this Agreement. These rates shall remain fixed for the term of this Agreement and are
9 acknowledged to include CONSULTANT's direct labor costs, indirect costs and profit. Furthermore,
10 AUTHORITY shall reimburse CONSULTANT for the exact amount of the expenses shown in Exhibit B,
11 which are directly incurred by its personnel in the performance of work under this Agreement.

12 2. CONSULTANT shall invoice AUTHORITY on a monthly basis for payments
13 corresponding to the labor hours expended by CONSULTANT. Work completed shall be documented
14 in a monthly progress report prepared by CONSULTANT, which report shall accompany each invoice
15 submitted by CONSULTANT. CONSULTANT shall also furnish such other information as may be
16 requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY
17 may decline to make full payment for any work until such time as CONSULTANT has documented to
18 AUTHORITY's satisfaction, that CONSULTANT has fully completed all work required. AUTHORITY's
19 payment in full for any work completed shall not constitute AUTHORITY's final acceptance of
20 CONSULTANT's work under such task; final acceptance shall occur only when AUTHORITY's release
21 of the retention described in paragraph 3.

22 3. As partial security against CONSULTANT's failure to satisfactorily fulfill all of its
23 obligations under this Agreement, AUTHORITY shall retain five percent (5%) of the amount of each
24 invoice submitted for payment by CONSULTANT. All retained funds shall be released by AUTHORITY
25 and shall be paid to CONSULTANT within sixty (60) calendar days of payment of final invoice, unless
26 AUTHORITY elects to audit CONSULTANT's records in accordance with Article 16 of this Agreement.

1 If AUTHORITY elects to audit, retained funds shall be paid to CONSULTANT within thirty (30) calendar
2 days of completion of such audit in an amount reflecting any adjustment required by such audit.

3 4. Invoices shall be submitted by CONSULTANT on a monthly basis and shall be
4 submitted in duplicate to AUTHORITY's Accounts Payable office. Each invoice shall be accompanied
5 by the monthly progress report specified in paragraph 2 of this Article. AUTHORITY shall remit
6 payment within thirty (30) calendar days of the receipt and approval of each invoice. Each invoice shall
7 include the following information:

- 8 a) Agreement No. C-1012; and CTO Number;
- 9 b) Specify the work for which payment is being requested;
- 10 c) Labor (staff name, hours charged, hourly billing rate, current charges and
11 cumulative charges) performed during the billing period;
- 12 d) Itemized expenses including support documentation incurred during the
13 billing period;
- 14 e) Total monthly invoice (including project-to-date cumulative invoice
15 amount)
- 16 f) Monthly Progress Report;
- 17 g) Certification signed by the CONSULTANT or his/her designated alternate
18 that a) The invoice is a true, complete and correct statement of
19 reimbursable costs and progress; b) The backup information included
20 with the invoice is true, complete and correct in all material respects; c)
21 All payments due and owing to subcontractors and suppliers have been
22 made; d) Timely payments will be made to subcontractors and suppliers
23 from the proceeds of the payments covered by the certification and; e)
24 The invoice does not include any amount which CONSULTANT intends
25 to withhold or retain from a subcontractor or supplier unless so identified
26 on the invoice; and

h) Any other information as agreed or requested by AUTHORITY to substantiate the validity of an invoice.

ARTICLE 6. MAXIMUM OBLIGATION

Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and CONSULTANT mutually agree that AUTHORITY's maximum cumulative payment obligation for all of the ON-CALL FIRMS under this Agreement, (including obligation for CONSULTANT'S profit), shall be _____ Dollars (\$_____.00) which shall include all amounts payable to CONSULTANT and the ON-CALL FIRMS for subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement and the ON-CALL FIRMS Agreements.

ARTICLE 7. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONSULTANT:

ATTENTION: _____

Phone: _____ Fax: _____

Email: _____

To AUTHORITY:

Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584

ATTENTION: David A. Christianson

Principal Contract Administrator

Phone: (714) 560-5006 Fax: (714) 560-5792

Email: dchristianson@octa.net

ARTICLE 8. INDEPENDENT CONTRACTOR

CONSULTANT's relationship to AUTHORITY in the performance of this Agreement is that of an independent contractor. CONSULTANT's personnel performing services under this Agreement shall at

1 all times be under CONSULTANT's exclusive direction and control and shall be employees of
2 CONSULTANT and not employees of AUTHORITY. CONSULTANT shall pay all wages, salaries and
3 other amounts due its employees in connection with this Agreement and shall be responsible for all
4 reports and obligations respecting them, such as social security, income tax withholding, unemployment
5 compensation, workers' compensation and similar matters.

6 **ARTICLE 9. INSURANCE**

7 A. CONSULTANT shall procure and maintain insurance coverage during the entire term of this
8 Agreement. Coverage shall be full coverage and not subject to self-insurance provisions.
9 CONSULTANT shall provide the following insurance coverage:

10 1. Commercial General Liability, to include Products/Completed Operations,
11 Independent Contractors', Contractual Liability, and Personal Injury with a minimum limit of
12 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

13 2. Automobile Liability to include owned, hired and non-owned autos with a combined
14 single limit of \$1,000,000.00 each accident;

15 3. Workers' Compensation with limits as required by the State of California including a
16 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees and agents;

17 4. Employers' Liability with minimum limits of \$1,000,000.00; and

18 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

19 B. Proof of such coverage, in the form of an insurance company issued policy endorsement
20 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of
21 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days
22 from the effective date of this Agreement with AUTHORITY, its officers, directors, employees and
23 agents designated as additional insured on the general and automobile liability. Such insurance shall
24 be primary and non-contributive to any insurance or self-insurance maintained by AUTHORITY.
25 Furthermore, AUTHORITY reserves the right to request certified copies of all related insurance
26 policies.

1 C. CONSULTANT shall include on the face of the Certificate of Insurance the Agreement
2 Number C-1012; and, the Contract Administrator's Name, David A. Christianson, Principal Contract
3 Administrator.

4 D. CONSULTANT shall also include in each subcontract agreement the stipulation that
5 subcontractors shall maintain insurance coverage in the amounts required from CONSULTANT as
6 provided in this Agreement.

7 **ARTICLE 10. ORDER OF PRECEDENCE**

8 Conflicting provisions hereof, if any, shall prevail in the following descending order of
9 precedence: (1) the CTO's issued to CONSULTANT; (2) the provisions of this Agreement, including all
10 exhibits; (3) the provisions of RFP 8-1012; (4) CONSULTANT's proposal dated _____; (5) all other
11 documents, if any, cited herein or incorporated by reference.

12 **ARTICLE 11. CHANGES**

13 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or
14 make changes in the general scope of this Agreement, or to the specific contract task order, including,
15 but not limited to, the services furnished to AUTHORITY by CONSULTANT as described in the Scope
16 of Work. If any such work suspension or change causes an increase or decrease in the price of this
17 Agreement, the price of the specific contract task order or in the time required for its performance,
18 CONSULTANT shall promptly notify AUTHORITY thereof and assert its claim for adjustment within ten
19 (10) calendar days after the change or work suspension is ordered, and an equitable adjustment shall
20 be negotiated. However, nothing in this clause shall excuse CONSULTANT from proceeding
21 immediately with the agreement as changed.

22 **ARTICLE 12. DISPUTES**

23 A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact
24 arising under this Agreement which is not disposed of by supplemental agreement shall be decided by
25 AUTHORITY's Director, Contracts Administration and Materials Management, who shall reduce the
26 decision to writing and mail or otherwise furnish a copy thereof to CONSULTANT. The decision of the

1 Director, Contracts Administration and Materials Management, shall be final and conclusive.

2 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact
3 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by
4 such official or his representative or board is alleged, provided, however, that any such decision shall
5 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous
6 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any
7 appeal proceeding under this Article, CONSULTANT shall be afforded an opportunity to be heard and
8 to offer evidence in support of its appeal.

9 C. Pending final decision of a dispute hereunder, CONSULTANT shall proceed diligently with
10 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,
11 Contracts Administration and Materials Management. This Disputes clause does not preclude
12 consideration of questions of law in connection with decisions provided for above. Nothing in this
13 Agreement, however, shall be construed as making final the decision of any AUTHORITY official or
14 representative on a question of law, which questions shall be settled in accordance with the laws of the
15 state of California.

16 **ARTICLE 13. TERMINATION**

17 A. AUTHORITY may terminate this Agreement for its convenience any time, in whole or part,
18 by giving CONSULTANT written notice thereof. Upon said notice, AUTHORITY shall pay
19 CONSULTANT its allowable costs incurred to date of termination and those allowable costs determined
20 by AUTHORITY to be reasonably necessary to effect such termination. Thereafter, CONSULTANT
21 shall have no further claims against AUTHORITY under this Agreement.

22 B. AUTHORITY may terminate this Agreement for CONSULTANT's default if a federal or state
23 proceeding for the relief of debtors is undertaken by or against CONSULTANT, or if CONSULTANT
24 makes an assignment for the benefit of creditors, or if CONSULTANT breaches any term(s) or violates
25 any provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar
26 days after written notice thereof by AUTHORITY. CONSULTANT shall be liable for any and all

1 reasonable costs incurred by AUTHORITY as a result of such default, including but not limited to
2 reprocurement costs of the same or similar services defaulted by CONSULTANT under this Agreement.

3 **ARTICLE 14. INDEMNIFICATION**

4 CONSULTANT shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,
5 employees and agents from and against any and all claims (including attorneys' fees and reasonable
6 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage
7 to or loss of use of property caused by the negligent acts, omissions or willful misconduct by
8 CONSULTANT, its officers, directors, employees, agents, subcontractors or suppliers in connection
9 with or arising out of the performance of this Agreement.

10 **ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

11 A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by
12 CONSULTANT either voluntarily or by operation of law, nor may all or any part of this Agreement be
13 subcontracted by CONSULTANT, without the prior written consent of AUTHORITY. Consent by
14 AUTHORITY shall not be deemed to relieve CONSULTANT of its obligations to comply fully with all
15 terms and conditions of this Agreement.

16 B. AUTHORITY hereby consents to CONSULTANT's subcontracting portions of the Scope of
17 Work to the parties identified below for the functions described in CONSULTANT's proposal.
18 CONSULTANT shall include in the subcontract agreement the stipulation that CONSULTANT, not
19 AUTHORITY, is solely responsible for payment to the subcontractor for the amounts owing and that the
20 subcontractor shall have no claim, and shall take no action, against AUTHORITY, its officers, directors,
21 employees or sureties for nonpayment by CONSULTANT.

22 **Subcontractor Name/Addresses**

Subcontractor Amounts

23 _____
24

25 **ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

26 CONSULTANT shall provide AUTHORITY, or other agents of AUTHORITY, such access to

1 CONSULTANT's accounting books, records, payroll documents and facilities as AUTHORITY deems
2 necessary. CONSULTANT shall maintain such books, records, data and documents in accordance
3 with generally accepted accounting principles and shall clearly identify and make such items readily
4 accessible to such parties during CONSULTANT's performance hereunder and for a period of four (4)
5 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records
6 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15
7 of this Agreement. CONSULTANT shall permit any of the foregoing parties to reproduce documents by
8 any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

9 **ARTICLE 17. FEDERAL, STATE AND LOCAL LAWS**

10 CONSULTANT warrants that in the performance of this Agreement, it shall comply with all
11 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and
12 regulations promulgated thereunder.

13 **ARTICLE 18. EQUAL EMPLOYMENT OPPORTUNITY**

14 In connection with its performance under this Agreement, CONSULTANT shall not discriminate
15 against any employee or applicant for employment because of race, religion, color, sex, age or national
16 origin. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that
17 employees are treated during their employment, without regard to their race, religion, color, sex, age or
18 national origin. Such actions shall include, but not be limited to, the following: employment, upgrading,
19 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other
20 forms of compensation; and selection for training, including apprenticeship.

21 **ARTICLE 19. PROHIBITED INTERESTS**

22 CONSULTANT covenants that, for the term of this Agreement, no director, member, officer or
23 employee of AUTHORITY during his/her tenure in office/employment or for one (1) year thereafter shall
24 have any interest, direct or indirect, in this Agreement or the proceeds thereof.

25 /

26 /

1 **ARTICLE 20. OWNERSHIP OF REPORTS AND DOCUMENTS**

2 A. The originals of all letters, documents, reports and other products and data produced under
3 this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made
4 for CONSULTANT's records but shall not be furnished to others without written authorization from
5 AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein
6 shall be retained by AUTHORITY.

7 B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings,
8 descriptions, and all other written information submitted to CONSULTANT in connection with the
9 performance of this Agreement shall not, without prior written approval of AUTHORITY, be used for any
10 purposes other than the performance under this Agreement, nor be disclosed to an entity not connected
11 with the performance of the project. CONSULTANT shall comply with AUTHORITY's policies regarding
12 such material. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is or
13 becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not
14 use AUTHORITY's name, photographs of the project, or any other publicity pertaining to the project in
15 any professional publication, magazine, trade paper, newspaper, seminar or other medium without the
16 express written consent of AUTHORITY.

17 C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be
18 released by CONSULTANT to any other person or agency except after prior written approval by
19 AUTHORITY, except as necessary for the performance of services under this Agreement. All press
20 releases, including graphic display information to be published in newspapers, magazines, etc., are to
21 be handled only by AUTHORITY unless otherwise agreed to by CONSULTANT and AUTHORITY.

22 **ARTICLE 21. PATENT AND COPYRIGHT INFRINGEMENT**

23 A. In lieu of any other warranty by AUTHORITY or CONSULTANT against patent or copyright
24 infringement, statutory or otherwise, it is agreed that CONSULTANT shall defend at its expense any
25 claim or suit against AUTHORITY on account of any allegation that any item furnished under this
26 Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes

1 upon any presently existing U. S. letters patent or copyright and CONSULTANT shall pay all costs and
2 damages finally awarded in any such suit or claim, provided that CONSULTANT is promptly notified in
3 writing of the suit or claim and given authority, information and assistance at CONSULTANT's expense
4 for the defense of same. However, CONSULTANT will not indemnify AUTHORITY if the suit or claim
5 results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form
6 infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in
7 combination with other material not provided by CONSULTANT when such use in combination infringes
8 upon an existing U.S. letters patent or copyright.

9 B. CONSULTANT shall have sole control of the defense of any such claim or suit and all
10 negotiations for settlement thereof. CONSULTANT shall not be obligated to indemnify AUTHORITY
11 under any settlement made without CONSULTANT's consent or in the event AUTHORITY fails to
12 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at
13 CONSULTANT's expense. If the use or sale of said item is enjoined as a result of such suit or claim,
14 CONSULTANT, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell
15 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and
16 copyright indemnity thereto.

17 **ARTICLE 22. FINISHED AND PRELIMINARY DATA**

18 A. All of CONSULTANT's finished technical data, including but not limited to illustrations,
19 photographs, tapes, software, software design documents, including without limitation source code,
20 binary code, all media, technical documentation and user documentation, photoprints and other graphic
21 information required to be furnished under this Agreement, shall be AUTHORITY's property upon
22 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary
23 restriction except as elsewhere authorized in this Agreement. CONSULTANT further agrees that it
24 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said
25 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

26 B. It is expressly understood that any title to preliminary technical data is not passed to

1 AUTHORITY but is retained by CONSULTANT. Preliminary data includes roughs, visualizations,
2 software design documents, layouts and comprehensives prepared by CONSULTANT solely for the
3 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given
4 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to
5 AUTHORITY if CONSULTANT causes AUTHORITY to exercise Article 11, and a price shall be
6 negotiated for all preliminary data.

7 **ARTICLE 23. ALCOHOL AND DRUG POLICY**

8 AUTHORITY and CONUSLTANT shall provide under this Agreement, a safe and healthy work
9 environment free from the influence of alcohol and drugs. Failure to comply with this Article may result
10 in nonpayment or termination of this Agreement.

11 **ARTICLE 24. FORCE MAJEURE**

12 Either party shall be excused from performing its obligations under this Agreement during the
13 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its
14 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material,
15 products, plants or facilities by the federal, state or local government; national fuel shortage; or a
16 material act or omission by the other party; when satisfactory evidence of such cause is presented to
17 the other party, and provided further that such nonperformance is unforeseeable, beyond the control
18 and is not due to the fault or negligence of the party not performing.

19 This Agreement shall be made effective upon execution by both parties.

20 /
21 /
22 /
23 /
24 /
25 /
26 /

1 **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-1012 to be
2 executed on the date first above written.

3 _____ **ORANGE COUNTY TRANSPORTATION AUTHORITY**
4 By _____ By _____
5 _____ Arthur T. Leahy
6 _____ Chief Executive Officer

7 APPROVED AS TO FORM:

8 By _____
9 Kennard R. Smart, Jr.
10 General Counsel

11 APPROVED:

12 By _____
13 Kia Mortazavi
14 Executive Director, Development

15 Date _____
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EXHIBIT D
FORMS

PARTY DISCLOSURE FORM

Information Sheet

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

The attached Party Disclosure Form must be completed by applicants for, or persons who are the subject of, any proceeding involving a license, permit, or other entitlement for use pending before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies. (Please see next page for definitions of these terms.)

IMPORTANT NOTICE

Basic Provisions of Government Code Section 84308

- A. If you are an applicant for, or the subject of, any proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date your application is filed or the proceeding is otherwise initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents, and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the filing of the application or the initiation of the proceeding.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the application or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The Party Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

**RFP 8-1012
EXHIBIT D**

1. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor or personal employment contracts), and all franchises.
2. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."
3. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
4. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and 2 Cal. Adm. Code Sections 18438-18438.8.

ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ITS AFFILIATED AGENCIES

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: _____

Party's Address: _____

Street

City

State

Zip

Phone

Application or Proceeding
Title and Number: _____

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Date: _____

Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

Board of Directors

Chris Norby, Chair

Peter Buffa, Vice Chairman

Jerry Amante, Director

Patricia Bates, Director

Art Brown, Director

Bill Campbell, Director

Carolyn V. Cavecche, Director

Richard Dixon, Director

Paul G. Glaab, Director

Cathy Green, Director

Allan Mansoor, Director

John Moorlach, Director

Janet Nguyen, Director

Curt Pringle, Director

Miguel Pulido, Director

Mark Rosen, Director

Gregory T. Winterbottom, Director

PARTICIPANT DISCLOSURE FORM

Information Sheet

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

The attached Participant Disclosure Form must be completed by participants in a proceeding involving a license, permit, or other entitlement for use. (Please see next page for definitions of these terms.)

IMPORTANT NOTICE

Basic Provisions of Government Code Section 84308

- A. If you are a participant in a proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date you begin to actively support or oppose an application for license, permit, or other entitlement for use pending before the Orange County Transportation Authority or any of its affiliated agencies, and continues until three months after a final decision is rendered on the application or proceeding by the Board of Directors.

No board member or alternate may solicit or accept a campaign contribution of more than \$250 from you and/or your agency during this period if the board member or alternate knows or has reason to know that you are a participant.

- B. The attached disclosure form must be filed if you or your agent have contributed more than \$250 to any board member or alternate for the Orange County Transportation Authority or any of its affiliated agencies during the 12-month period preceding the beginning of your active support or opposition. (The disclosure form will assist the board members in complying with the law.)
- C. If you or your agent have made a contribution of more than \$250 to any board member or alternate during the 12 months preceding the decision in the proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a participant in the proceeding.

The Participant Disclosure Form should be completed and filed with the proposal submitted by a party, or should be completed and filed the first time that you lobby in person, testify in person before, or otherwise directly act to influence the vote of the board members of the Orange County Transportation Authority or any of its affiliated agencies.

1. An individual or entity is a "participant" in a proceeding involving an application for a license, permit or other entitlement for use if:
 - a. The individual or entity is not an actual party to the proceeding, but does have a significant financial interest in the Orange County Transportation Authority's or one of its affiliated agencies' decision in the proceeding.

AND

- b. The individual or entity, directly or through an agent, does any of the following:
 - (1) Communicates directly, either in person or in writing, with a board member or alternate of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing the member's vote on the proposal;
 - (2) Communicates with an employee of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing a member's vote on the proposal; or
 - (3) Testifies or makes an oral statement before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies.
2. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use; all contracts (other than competitively bid, labor, or personal employment contracts) and all franchises.
3. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit, or other entitlement for use. If an agent acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar business entity or corporation, both the business entity or corporation and the individual are agents.

4. To determine whether a campaign contribution of more than \$250 has been made by a participant or his or her agent, contributions made by the participant within the preceding 12 months shall be aggregated with those made by the agent within the preceding 12 months or the period of the agency, whichever is shorter. Campaign contributions made to different members or alternates are not aggregated.
5. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 and 2 Cal. Adm. Code Sections 18438-18438.8.

ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ITS AFFILIATED AGENCIES

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: _____

Party's Address: _____

Street

City

State

Zip

Phone

Application or Proceeding
Title and Number: _____

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Date: _____

Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

Board of Directors

Chris Norby, Chair

Peter Buffa, Vice Chairman

Jerry Amante, Director

Patricia Bates, Director

Art Brown, Director

Bill Campbell, Director

Carolyn V. Cavecche, Director

Richard Dixon, Director

Paul G. Glaab, Director

Cathy Green, Director

Allan Mansoor, Director

John Moorlach, Director

Janet Nguyen, Director

Curt Pringle, Director

Miguel Pulido, Director

Mark Rosen, Director

Gregory T. Winterbottom, Director

Status of Past and Present Contracts Form

On the form provided below, Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years in which the contract has ended or will end in a termination, settlement or in legal action. A separate form must be completed for each contract. Offeror shall provide an accurate contact name and telephone number for each contract and indicate the term of the contract and the original contract value.

If the contract was terminated, list the reason for termination. Offeror must also identify and state the status of any litigation, claims or settlement agreements related to any of the identified contracts. Each form must be signed by an officer of the Offeror confirming that the information provided is true and accurate.

Project city/agency/other:	
Contact name:	Phone:
Project award date:	Original Contract Value:
Term of Contract:	
1) Status of contract:	
2) Identify claims/litigation or settlements associated with the contract:	

By signing this Form entitled "Status of Past and Present Contracts," I am affirming that all of the information provided is true and accurate.

Name _____
Title _____

Date _____

REQUEST FOR PROPOSALS (RFP) 8-1013

**Project Management Consultant Services for
Project Development of Proposed Go Local
Fixed-Guideway Transit Systems**



**ORANGE COUNTY TRANSPORTATION AUTHORITY
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
(714) 560-6282**

Key RFP Dates

Issue Date:	July 28, 2008
Pre-Proposal Conference Date:	August 7, 2008
Question Submittal Date:	August 12, 2008
Proposal Submittal Date:	August 28, 2008
Interview Date:	September 17, 2008

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July 28, 2008

BOARD OF DIRECTORS

Chris Norby
Chair

Peter Buffa
Vice-Chairman

Jerry Amante
Director

Patricia Bates
Director

Art Brown
Director

Bill Campbell
Director

Carolyn V. Cavecche
Director

Richard Dixon
Director

Paul G. Glaab
Director

Cathy Green
Director

Allan Mansoor
Director

John Moorlach
Director

Janet Nguyen
Director

Curt Pringle
Director

Miguel Pulido
Director

Mark Rosen
Director

Gregory T. Winterbottom
Director

Cindy Quon
Governor's
Ex-Officio Member

CHIEF EXECUTIVE OFFICE

Arthur T. Leahy
Chief Executive Officer

**SUBJECT: NOTICE OF REQUEST FOR PROPOSALS
RFP 8-1013: "Project Management Consultant Services for
Project Development of Proposed Go Local Fixed-
Guideway Transit Systems"**

Gentlemen/Ladies:

The Orange County Transportation Authority invites proposals from qualified consultants to provide project management consultant services for project development of proposed Go Local fixed-guideway transit systems. Such services are in support of Authority's Go Local Program.

The estimated cost for these services is approximately \$2,000,000.

Proposals must be submitted in the Orange County Transportation Authority's office at or before 2:00 p.m. on August 28, 2008.

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority
Contracts Administration and Materials Management
600 South Main Street, 4th Floor
Orange, California 92868
Attention: David A. Christianson, Principal Contract Administrator**

Proposals delivered using the U.S. Postal Service shall be addressed as follows:

**Orange County Transportation Authority
Contracts Administration and Materials Management
P.O. Box 14184
Orange, California 92863-1584
Attention: David A. Christianson, Principal Contract Administrator**

Proposals and amendments to proposals received after the date and time specified above will be returned to the Offerors unopened.

Firms interested in obtaining a copy of this Request For Proposals (RFP) 8-1013 may do so by faxing their request to (714) 560-5792, or e-mail your request to rfp_ifb_Requests@octa.net or calling (714) 560-5922. Please include the following information:

- Name of Firm
- Address
- Contact Person
- Telephone and Facsimile Number
- Request For Proposal (RFP) 8-1013

All firms interested in doing business with the Authority are required to register their business on-line at CAMMNet, the Authority's interactive website. The website can be found at www.octa.net. From the site menu, click on CAMMNet to register.

To receive all further information regarding this RFP 8-1013, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Professional Consulting	Consultant Services – General Consultant Services – Transit Planning Consultant Services – Transportation Planning Environmental Consulting Feasibility Studies (Consulting)
Professional Services	Engineering – General Railroad; Rapid Transit; Monorail – Architectural Transit Management Services Transportation Service Providers

A pre-proposal conference will be held on August 7, 2008, at 2:00 pm at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 153/154. All prospective Offerors are encouraged to attend the pre-proposal conference.

The Authority has established September 17, 2008 as the date to conduct interviews/discussions. All prospective Offeror's will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible. The Offeror will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of federal, state and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

Sincerely,

David A. Christianson
Principal Contract Administrator
Contracts Administration & Materials Management

SECTION I
INSTRUCTIONS TO OFFERORS

SECTION I. INSTRUCTIONS TO OFFERORS

A. PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on August 7, 2008, at 2:00 pm, at the Authority's Administrative Office, 600 South Main Street, Orange, California, in Conference Room 153/154. All prospective Offerors are encouraged to attend the pre-proposal conference.

B. EXAMINATION OF PROPOSAL DOCUMENTS

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the Authority's objectives.

C. ADDENDA

Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals.

D. AUTHORITY CONTACT

All questions and/or contacts with Authority staff regarding this RFP are to be directed to the following Contract Administrator:

David A. Christianson
Principal Contract Administrator
Contracts Administration and Materials Management Department
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Phone: 714.560.5006, Fax: 714.560.5792
Email: dchristianson@octa.net

E. CLARIFICATIONS

1. Examination of Documents

Should an Offeror require clarifications of this RFP, the Offeror shall notify the Authority in writing in accordance with Section E.2. below. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be sent to all firms registered on CAMMNet under the commodity codes

specified in this RFP.

2. Submitting Requests

- a. All questions, including questions that could not be specifically answered at the pre-proposal conference must be put in writing and must be received by the Authority no later than 5:00 p.m., on August 12, 2008.
- b. Requests for clarifications, questions and comments must be clearly labeled, "Written Questions". The Authority is not responsible for failure to respond to a request that has not been labeled as such.
- c. Any of the following methods of delivering written questions are acceptable as long as the questions are received no later than the date and time specified above:
 - (1) U.S. Mail: Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.
 - (2) Personal Courier: Contracts Administration and Materials Management Department, 600 South Main Street, 4th Floor, Orange, California 92868.
 - (3) Facsimile: The Authority's fax number is (714) 560-5792.
 - (4) E-Mail: David A. Christianson, Principal Contract Administrator e-mail address is *dchristianson@octa.net*.

3. Authority Responses

Responses from the Authority will be posted on CAMMNet, the Authority's interactive website, no later than August 18, 2008. Offerors may download responses from CAMMNet at *www.octa.net/cammnet*, or request responses be sent via U.S. Mail by e-mailing or faxing the request to David A. Christianson, Principal Contract Administrator.

To receive e-mail notification of Authority responses when they are posted on CAMMNet, firms must be registered on CAMMNet with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

Commodities for this solicitation are:

<u>Category(s):</u>	<u>Commodity(s):</u>
Professional Consulting	Consultant Services – General
	Consultant Services – Transit Planning

Professional Services Consultant Services – Transportation
Planning
Environmental Consulting
Feasibility Studies (Consulting)
Engineering – General
Railroad; Rapid Transit; Monorail –
Architectural
Transit Management Services
Transportation Service Providers

Inquiries received after 5:00 pm, August 12, 2008, will not be responded to.

F. SUBMISSION OF PROPOSALS

1. Date and Time

Proposals must be received in the Orange County Transportation Authority's office at or before 2:00 p.m. on August 28, 2008.

Proposals received after the above-specified date and time will be returned to Offerors unopened.

2. Address

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority
Contracts Administration and Materials Management (CAMM)
600 South Main Street, 4th Floor
Orange, California 92868
Attention: David A. Christianson, Principal Contract Administrator**

Or proposals delivered using the U.S. Postal Services shall be addressed as follows:

**Orange County Transportation Authority
Contracts Administration and Materials Management (CAMM)
P.O. Box 14184
Orange, California 92863-1584
Attention: David A. Christianson, Principal Contract Administrator**

Firms must obtain a visitor badge from the receptionist in the lobby of the 600 Building prior to delivering any information to CAMM.

3. Identification of Proposals

Offeror shall submit an **original and five (5) copies** of its proposal in a sealed package, addressed as shown above, bearing the Offeror's name and address and clearly marked as follows:

"RFP 8-1013: Project Management Consultant Services for Project Development of Proposed Go Local Fixed-Guideway Transit Systems"

4. Acceptance of Proposals

- a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.
- c. The Authority reserves the right to postpone proposal openings for its own convenience.
- d. Proposals received by Authority are public information and must be made available to any person upon request.
- e. Submitted proposals are not to be copyrighted.

G. PRE-CONTRACTUAL EXPENSES

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

1. Preparing its proposal in response to this RFP;
2. Submitting that proposal to the Authority;
3. Negotiating with the Authority any matter related to this proposal; or
4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

H. JOINT OFFERS

Where two or more firms desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

I. TAXES

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes.

J. PROTEST PROCEDURES

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

K. CONTRACT TYPE

It is anticipated that the Contract Task Order (CTO) based Agreement resulting from this solicitation, if awarded, will be time-and-expense type contract.

L. CONTRACT TASK ORDER (CTO)

The Scope of Work set forth in Exhibit A shall be performed by the Consultant at the request of the Authority upon execution of a written CTO. Each CTO shall include a detailed Scope of Work, the time frame for completing the work, the total time & expense cost to be paid to the Consultant, and any additional back up information that may be required by the Consultant to perform the work. The Scope of Work set forth in Exhibit A represents the entire level of work that may be required by the Authority. The Authority makes no representation that any CTOs will be issued and does not guarantee that the selected Consultant will be guaranteed a level of work or that the estimate/budget amount will be expended.

M. PROHIBITION

The following restrictions applies to this procurement: firms who have, or will, perform consulting services (whether as a prime consultant or as a subconsultant at any tier) associated with the Go Local Program for the cities of Anaheim, Santa Ana and Irvine are precluded from submitting a proposal in response to this RFP. In addition, Authority's existing Project Management Consultant (PMC), and all subconsultants, for the Go Local Program are precluded from submitting a proposal in response to this RFP.

SECTION II

PROPOSAL CONTENT

SECTION II. PROPOSAL CONTENT**A. PROPOSAL FORMAT AND CONTENT****1. Format**

Proposals should be typed with a standard 12 point font, double-spaced and submitted on 8 1/2" x 11" size paper, using a single method of fastening. Charts and schedules may be included in 11"x17" format. Offers should not include any unnecessarily elaborate or promotional material. Lengthy narrative is discouraged and presentations should be brief and concise. Proposals should not exceed fifty (50) pages in length, excluding any appendices.

2. Letter of Transmittal

The Letter of Transmittal shall be addressed to David A. Christianson, Principal Contract Administrator and must, at a minimum, contain the following:

- a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number. Include name, title, address, and telephone number of the contact person identified during period of proposal evaluation.
- b. Identification of all proposed subcontractors including legal name of company, contact persons name and address, phone number and fax number. Relationship between Offeror and subcontractors, if applicable.
- c. Acknowledgement of receipt of all RFP addenda, if any.
- d. A statement to the effect that the proposal shall remain valid for a period of not less than 120 days from the date of submittal.
- e. Signature of a person authorized to bind Offeror to the terms of the proposal.
- f. Signed statement attesting that all information submitted with the proposal is true and correct.

3. Technical Proposal

- a. **Qualifications, Related Experience and References of Offeror**

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of the same or similar nature; demonstrated experience working with local agencies and cities directly involved in this project; strength and stability of the Offeror; staffing capability; work load; record of meeting schedules on similar projects; and supportive client references. Equal weighting will be given to firms for past experience performing work of a similar nature whether with the Authority or elsewhere.

Offeror to:

- (1) Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size and location of offices; and number of employees.
- (2) Provide a general description of the firm's financial condition and identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project. The Authority does not have a policy for debarment or disqualifying firms.
- (3) Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project. Describe experience in working with the various government agencies identified in this RFP.
- (4) Identify subcontractors by company name, address, contact person, telephone number and project function. Describe Offeror's experience working with each subcontractor.
- (5) Provide as a minimum three (3) references for the projects cited as related experience, and furnish the name, title, address and telephone number of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as related experience.

b. Proposed Staffing and Project Organization

This section of the proposal should establish the method, which will be used by the Offeror to manage the project as well as identify key personnel assigned.

Offeror to:

- (1) Provide education, experience, and applicable professional credentials of project staff.
- (2) Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel.
- (3) Indicate adequacy of labor resources utilizing a table projecting the labor-hour allocation to the project by individual task.
- (4) Identify key personnel proposed to perform the work in the specified tasks and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment and how long each person has been with the firm.
- (5) Include a project organization chart, which clearly delineates communication/reporting relationships among the project staff.
- (6) Include a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

c. Work Plan

Offeror should provide a narrative, which addresses the Scope of Work, and shows Offeror's understanding of Authority's needs and requirements.

Offeror to:

- (1) Describe the approach to completing the tasks specified in the Scope of Work.
- (2) Outline sequentially the activities that would be undertaken in completing the tasks and specify who would perform them.
- (3) Furnish a schedule for completing the tasks in terms of elapsed weeks from the project commencement date.
- (4) Identify methods that Offeror will use to ensure quality control as well as budget and schedule control for the project.
- (5) Identify any special issues or problems that are likely to be encountered in this project and how the Offeror would propose

to address them.

- (6) Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

d. Exceptions/Deviations

State any exceptions to or deviations from the requirements of this RFP, segregating "technical" exceptions from "contractual" exceptions. Where Offeror wishes to propose alternative approaches to meeting the Authority's technical or contractual requirements, these should be thoroughly explained. If no contractual exceptions are noted, Offeror will be deemed to have accepted the contract requirements as set forth in Exhibit C.

4. Cost and Price Proposal

As part of the cost and price proposal, the Offeror shall submit proposed pricing to provide the services as described in Exhibit A, Scope of Work.

The Offeror shall complete the "Price Summary Sheet", Schedule I and Schedule II forms, included in Exhibit B of this RFP, and furnish any narrative required to explain the prices quoted in the schedules. Rates shall remain valid through the initial term of the Agreement.

5. Appendices

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials. Appendices should be relevant and brief.

B. FORMS

Party and Participant Disclosure Forms

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Boards of Directors, Offeror is required to complete and sign the Party and Participant Disclosure Forms provided in Exhibit D of this RFP and submit as part of the proposal. Offeror is required to submit only **one** copy of the completed form(s) as part of its proposal and it should be included in only the **original** proposal. The prime contractor and subcontractors

must complete the form entitled "Party Disclosure Form". Lobbyists or agents representing the prime contractor in this procurement must complete the form entitled "Participant Disclosure Form". Reporting of campaign contributions is a requirement from the proposed submittal date up and until the Authority's Board of Directors take action, which is anticipated to be October 27, 2008.

Status of Past and Present Contracts Form

Offeror is required to complete and sign the form entitled "Status of Past and Present Contracts" provided in this RFP and submit as part of the proposal. Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years and the contract has ended or will end in a termination, settlement, or litigation. A separate form must be completed for each contract. Offeror shall provide an accurate name and telephone number for each contract and indicate the term of the contract and the original contract value. If the contract was terminated, Offeror must list the reason for termination. Offeror must identify and state the status of any litigation, claims or settlement agreements related to any of the contracts. Each form must be signed by the Offeror confirming the information that the information provided is true and accurate. Offeror is required to submit **one** copy of the completed form(s) as part of its proposals and it should be included in only the **original** proposal.

SECTION III
EVALUATION AND AWARD

SECTION III. EVALUATION AND AWARD

A. EVALUATION CRITERIA

The Authority will evaluate the offers received based on the following criteria:

1. **Qualifications of the Firm** **30%**
 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.
2. **Staffing and Project Organization** **30%**
 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.
3. **Work Plan** **20%**
 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.
4. **Cost and Price** **20%**
 Reasonableness and competitiveness of rates with other offers received; adequacy of data in support of figures quoted.

B. EVALUATION PROCEDURE

The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals using criteria identified in Section III A. A list of top ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal.

During the evaluation period, the Authority will interview some or all of the proposing firms. The Authority has established September 17, 2008 as the date to conduct interviews/discussions. All prospective Offerors will be asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend the interview on this date, its proposal may be

eliminated from further discussion. The interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the firm's proposal and qualifications.

At the conclusion of the proposal evaluations, Offerors remaining within the competitive range may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the firms may be asked to provide additional information, confirm or clarify issues and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee may recommend to the appropriate Board Committee, an Offeror with the highest final ranking or a short list of top ranked firms within the competitive range whose proposal(s) is most advantageous to the Authority. The Board Committee will review the evaluation committee's recommendation and forward its decision to the full Board of Directors for final action.

C. AWARD

The Authority will evaluate the proposals received and will submit, with approval of the Transportation 2020 Committee, the proposal considered to be the most competitive to the Authority's Board of Directors, for consideration and selection. The Authority may also negotiate contract terms with selected Offerors prior to award, and expressly reserves the right to negotiate with several Offerors simultaneously and, thereafter, to award a contract to the Offeror offering the most favorable terms to the Authority.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror.

D. NOTIFICATION OF AWARD AND DEBRIEFING

Offerors who submit a proposal in response to this RFP shall be notified by electronic mail regarding the firm who was awarded a contract. Such notification shall be made within three (3) days of the date the contract was awarded.

Offerors who were not awarded the contract may obtain a prompt explanation concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors, who wish to be debriefed, must request the debriefing in writing or electronic mail and the Authority must receive it within three (3) days of notification of contract award(s).

EXHIBIT A
SCOPE OF WORK

SCOPE OF WORK

Project Management Consultant Services for Project Development of Proposed Go Local Fixed Guideway Transit Systems

1.0 INTRODUCTION

The Orange County Transportation Authority (OCTA) is contracting for Project Management Consultant (PMC) services for the project development of the proposed Go Local Fixed Guideway Transit Systems. The PMC shall provide project management, oversight, expertise and technical support to ensure that the Fixed Guideway projects undergo detailed planning, Alternatives Analysis, conceptual engineering, and obtain the necessary environmental NEPA and CEQA clearances as required in Step Two of the Go Local program.

As part of this Scope of Work (SOW), the PMC shall serve as an extension of staff to OCTA to support the management and oversight of any fixed guideway systems proposed through the Step Two process. The cities will contract with a consultant for these services as part of the project development for the proposed Go Local Fixed Guideway Transit Systems. The PMC shall support OCTA in the preparation of the process for eligible projects to enter Step Three of the program. To prepare for and support the progression into Step Three, the PMC shall review the packages submitted by the cities requesting Step Three initiation.

2.0 OBJECTIVES

The objective of the PMC's work efforts during Step Two of the Go Local program are summarized into the following key components:

- Provide OCTA with the required staff, resources, and expertise to effectively oversee and manage this phase of the Fixed Guideway project, in regards to scope of work, schedule and progress, and budget controls.
- Provide technical expertise to perform reviews of Step Two work products.
- Assist OCTA management with evaluating the project's conformance to industry standard practices.
- Provide support in coordinating and integrating the input from the Federal Transit Administration (FTA), Caltrans, Metrolink, County of Orange, and other federal, state, and local agencies as required.
- Assist in ensuring compliance with all federal, state, and local laws, regulations, rules, and mandates applicable to OCTA and the project.
- Provide effective decision-making processes that ensure timely action on critical issues.
- Review the Step Two final deliverables for merit prior to the project advancing into Step Three of the program, including but not limited to sound ridership projections and cost estimates.
- Provide guidance with technical issues as they arise.
- Prepare and support the progression into Step Three.

The objective of the PMC's work efforts in support of development of a process for eligible projects to enter Step Three of the Go Local program include:

- Provide OCTA with the required support in developing a requirement process for cities to apply for entry into Step Three of the Go Local program.
- Assist OCTA management with review and evaluation of the Step Two key milestones to determine the project's merit to enter into Step Three of the process.

3.0 BACKGROUND

3.1 Metrolink Service Expansion Program

Two key components of OCTA's five-year program are to expand Metrolink service between Laguna Niguel and Fullerton and to extend the reach of commuter rail service into communities by allowing the cities to develop their own transit visions to connect to major destinations or activity centers currently not being served.

The Metrolink Service Expansion Program (MSEP) was approved in November 2005 and permitted the addition of 36 more Metrolink trains serving Orange County every 30 minutes, seven days a week. As the MSEP progresses toward implementation in 2010, the Go Local program development maintains a similar course of planning development through Step Two.

3.2 Go Local Program

The Go Local Program was designed to link the 34 Orange County cities through major activity and employment centers by using the existing 68-mile Metrolink commuter rail corridor as nearly two-thirds of Orange County residents and jobs are within four miles of this corridor.

All 34 Orange County cities participated in Step One of the Go Local program, a four-step process for city-initiated rapid transit planning. At the completion of Step One, the cities submitted a final report documenting their findings of the preliminary needs assessment. The fixed guideway proposals approved by OCTA to move forward into Step Two will enter into a cooperative agreement with OCTA to further study the merit of the proposal.

As of June 30, 2008, three Go Local Step One teams (Anaheim, Irvine, and Santa Ana teamed with Garden Grove) have proposed fixed guideway projects, as summarized in the Table 1.

Table 1: Proposed Go Local Fixed Guideway Transit Systems

Proposed Fixed Guideway Projects*	OCTA Board ** Step Two Approval Status
<p>ARTIC to the Platinum Triangle to Anaheim Resort Connector: Elevated fixed-guideway system along a high-volume corridor to connect ARTIC to the two key centers of interest, the Anaheim Resort and the Platinum Triangle. This system will operate as a high capacity, collector-distributor system, providing convenient and efficient transfers to Metrolink, Amtrak, BRT, local bus, and future high-speed train services connecting at ARTIC.</p> <p>Lead City: Anaheim Length: 2.9-3.4 miles</p>	<p>On May 12, 2008, the OCTA Board approved the project for entry into Step Two of the process and allocated \$5.9 million to the City of Anaheim.</p>
<p>Irvine Guideway Demonstration Project: Fixed guideway system (both rubber-tired vehicles and modern streetcar) links Irvine Station to the Irvine Spectrum and future Lifelong Learning district, Great Park, and Transit-Oriented Development District.</p> <p>Lead City: Irvine Length: 5.0 miles</p>	<p>On October 11, 2007, the OCTA Board approved the project for entry into Step Two and allocated \$5.2 million to the City of Irvine.</p>
<p>Santa Ana Fixed Guideway Santa Ana Regional Transportation Center (SARTC) to Harbor Boulevard: Five-mile fixed guideway system, which will close the existing gap for riders getting off Metrolink trains at the SARTC to reach their final destinations in Garden Grove and Santa Ana.</p> <p>Lead City: Santa Ana Length: 5.0 miles</p>	<p>On May 12, 2008, the OCTA Board approved the project for entry into Step Two of the process and allocated \$5.9 million to the Cities of Santa Ana and Garden Grove.</p>

* Information on each of these projects is available for review.

** Detailed information on the allocation of the funding for Step Two is available upon request.

4.0 GENERAL DESCRIPTION OF REQUIRED SERVICES

Under this scope of work, the PMC support shall be in the following general categories:

- Project Management
- Technical Oversight and Support
- Go Local Step Three Evaluation Preparation

OCTA will provide overall direction for the Step Two effort and assign its own staff to perform specific job responsibilities. The PMC shall supplement OCTA staff and provide expertise as requested. All PMC staff shall work in an integrated team relationship with OCTA staff members, as well as with the consultants performing Go Local Step Two activities for the cities.

5.0 SCOPE OF SERVICES

5.1 Project Management

The PMC shall assist the OCTA in the management and oversight for the project development of the proposed Go Local Fixed Guideway Transit Systems. The PMC shall work with the OCTA, the cities, and other stakeholders in the development of Step Two of the Go Local program. Activities include, but are not limited to:

- Review of proposed consultant agreement, including scope of work, fees, and schedule.
- Project management activities, communication coordination, collaborative practices and problem solving.
- Bi-weekly meetings with the cities and key agencies as required over the course of the work.
- Project status and schedule presentations to OCTA as requested.
- On-going project management direction and coordination of work planning and reporting.
- Coordination of presentation materials, conducting presentations, and documentation of this process, as requested.
- Ability to maintain and foster relationships with Go Local cities and other consultants.
- Review the Project Management Plan and the Quality Assurance/Quality Control Plan from the cities.
- Review, comment and provide feedback as required on quarterly progress reports from the cities to OCTA.
- The cities will prepare a program schedule as part of their submission of a quarterly progress report to OCTA. The schedule will provide to OCTA an understanding of the activities anticipated by the cities and allow proper programming of any OCTA funds; the PMC shall coordinate periodic workshops to be held with the cities to review the next update of the overall program schedule and quarterly report.

5.2 Overall Technical Oversight and Support

The cities completed a final report as the deliverable for Step One of the Go Local program. The PMC shall provide technical oversight and support using the Step One final reports as background information to further analyze and develop the information through Step Two of the Go Local program. The activities below outline the anticipated activities for this task.

Technical Oversight

- Monitor, oversee and review the Step Two work products provided by the consultants for the cities.
- Coordinate reviews with the cities, their consultants, and other stakeholders as necessary.
- Monitor adherence to the program schedule.
- Establish quarterly reporting for each project.

- Assure quality and efficient/timely completion of all service planning efforts.
- Coordinate work efforts by the cities and their agents.
- Ensure the Step Two work effort meets the goals and objectives of OCTA.
- Analyze potential impacts of fixed guideway systems on OCTA service to optimize proposed and existing services.
- Prepare a monthly status report addressing the status of all work elements being performed by the consultants for the cities. The report shall detail activities performed during the reporting period, issues of concern, significant accomplishments and deliverables submitted, problems encountered and anticipated potential solutions, and decisions needed by the cities and/or other agencies.

Technical Support

- As-needed review and related technical expertise.
- Development, maintenance, and consistency of procedures used for Step Two.
- Advise OCTA staff in technical matters and assist in the resolution of detailed planning and alternatives analysis issues and problems.
- Independent cost estimates/budgets for fixed guideway projects.
- Associated operations and service planning required to analyze impact of fixed guideway proposals on the OCTA fixed bus route system.
- Preparation of graphics and visuals.
- Specialized studies as assigned.

5.3 Specific Oversight of Go Local Step Two Key Elements

The PMC shall assist OCTA in oversight of the work, funded by OCTA, to be performed by the cities' in the four major Step Two milestones that will be evaluated prior to entering into Step Three of the program. The milestones include:

- Detailed Planning
- Alternatives Analysis (AA)
- Conceptual Engineering
- Environmental Clearance

The sections below identify the Step Two activities.

5.3.1 Detailed Planning

For the detailed planning work element, PMC shall provide technical oversight of the development of project alternatives, alignment and technology options, and station locations and the associated analysis, which will be reviewed during the environmental compliance portion of Step Two. During the fixed guideway planning effort, the PMC shall review the conceptual capital costs, financing plan, and operation and maintenance (O&M) costs to provide OCTA a proper level of confidence.

The 12 evaluation criteria for the Go Local projects that mirror the FTA evaluation and rating factors approved by the OCTA Board on August 8, 2006, are summarized in Table 2.

Table 2: OCTA Criterion vs. FTA Evaluation and Rating

OCTA Board-Approved Evaluation Criterion	OCTA Priority	Side by Side Comparison - OCTA Criterion vs. FTA Evaluation and Rating Factors	Synopsis of FTA Evaluation and Rating Framework	
1. Local Jurisdiction Funding Commitments	High		Side by Side Comparison - OCTA Criterion vs. FTA Evaluation and Rating Factors	<p>Project Justification Rating</p> <ul style="list-style-type: none"> • Mobility Improvements <ul style="list-style-type: none"> ♦ User Benefits ♦ Low Income Households ♦ Employment • Environmental Benefits • Operating Efficiencies • Cost Effectiveness <ul style="list-style-type: none"> ♦ Capital Cost ♦ O&M Cost ♦ User Benefits • Land Use • Level of local funding match • Other Factors <p>Financial Rating</p> <ul style="list-style-type: none"> • Non-Section 5309 Share • Capital Finances • Operating Finances <p>FTA assigns one of five ratings throughout the project development process as information on costs, benefits, and impacts are refined as shown below:</p> <ul style="list-style-type: none"> <input type="checkbox"/> High <input type="checkbox"/> Medium-High <input type="checkbox"/> Medium <input type="checkbox"/> Medium-Low <input type="checkbox"/> Low <p>FTA's summary rating is determined by averaging the rating for project justification and local financial commitment. A project must achieve an overall rating of Medium in order to advance into each stage of development.</p>
2. Proven Ability to Attract Other Financial Partners	High			
3. Proximity to Jobs and Population Centers	High			
4. Regional Benefits	High			
5. Ease and Simplicity of Connections	High			
6. Cost-Effectiveness	Medium			
7. Traffic Congestion Relief	Medium			
8. Right-of-Way (ROW) Availability	Medium			
9. Sound Long-Term Operating Plan	Medium			
10. Compatible and Approved Land Use	Medium			
11. Project Readiness	Low			
12. Safe and Modern Technologies	Low			

OCTA will employ the OCTA Board approved criteria at each step in the development of the fixed guideway projects. To this end, the PMC shall use this criterion to evaluate the results of the Step Two milestones for the proposed fixed guideway systems.

The PMC shall review the results of the conceptual operational analysis. The review will provide insight regarding trip time, recommended operating headway for peak and off-peak hours, station-to-station travel times, operating fleet size for peak hours, number of spare vehicles and total fleet size, and ridership capacity during peak and off-peak periods. The PMC shall review the proposed costs and budget information for the proposed Go Local Fixed Guideway Transit Systems and conduct a financial analysis.

The PMC shall provide support to OCTA with the review of proposed alternatives, as they advance into a more focused evaluation of the Alternatives Analysis. Key items to be identified during the Alternatives Analysis and environmental process include horizontal and vertical alignments, technology, station locations, right-of-way impacts, and long-lead items such as utility impacts.

5.3.2 Alternatives Analysis (AA)

The PMC shall ensure that the AA process follows the FTA's requirements to allow for potential federal funding options. It shall coordinate with the cities and their consultants to allow OCTA and FTA to gain sufficient understanding of the proposed alternatives to potentially support a later advancement. The PMC shall review the cities' drafts and final versions of the AA report.

The PMC shall review the evaluation of the cities' alternatives, which at minimum will include a bus only system operated in a dedicated transit lane, a fixed guideway system, and a bus only system operated in general purpose lanes. The Transportation Systems Management (TSM) Alternative will be developed by the cities and reviewed by the PMC as part of the AA process.

5.3.3 Environmental Clearance

The PMC shall be knowledgeable of applicable federal and state statutes, regulations, guidelines, as well as precedent created by relevant case law. The PMC shall pay particular attention to the previously completed studies for reference.

The PMC shall review the technical report methodologies prior to initiation of the technical studies.

The PMC shall review the results of the technical analyses to determine that salient environmental issues are identified, that the environmental impact analysis is based on reasonable assumptions, and that reasonable mitigation measures are identified. All findings from the technical reports produced for the proposed project shall be reviewed and reported to OCTA as part of the monthly status reporting.

The PMC shall provide oversight and technical guidance regarding the environmental studies and their potential environmental impacts, which may be attributed to each of the alternatives.

The lead agency for NEPA and CEQA environmental documentation will initiate the required noticing process. The Notice of Preparation (NOP) for the Environmental documents and schedule shall be reviewed by the PMC.

5.3.4 Conceptual Engineering

The PMC shall review the conceptual engineering packages and deliver written comments to the cities' consultants. The PMC shall monitor the consultants' written responses to the comments and dispositions and confirm that OCTA's comments have been incorporated into the

deliverables. In addition to the review process above, the PMC shall conduct "over-the-shoulder" reviews as the work progresses throughout the duration of the projects and that it is documented in the monthly status reports. These informal reviews will be an opportunity to discuss and verify the status of the environmental analysis as related to the specific conceptual engineering needs for the environmental documentation.

The PMC shall review the base mapping with respect to right-of-way impacts, the proposed alignment corridor, the design criteria requirements regarding stations, proposed widening and over and under crossings, elevated structures, utilities, geometrics, plan and profile, traffic engineering, roadway design, grade crossings, structures maintenance and operations, communications, fare vending/validation, vehicles, signals, traction power stations, property acquisitions, hydrology and drainage, geotechnical investigations, station locations, constructability, maintenance facility & yard alternatives site assessment, and vehicle procurement.

This task shall also include coordination with other stakeholders that will provide input and comments to the conceptual engineering.

6.0 PREPARATION FOR GO LOCAL STEP THREE

The PMC shall support OCTA in the development of application guidelines for entry into Step Three. The PMC shall assist with the evaluation process to determine the proposed project's merit for advancing into preliminary engineering through construction.

The PMC shall review and oversee the project delivery scheme, including proposed sequencing for final design and construction procurement. The PMC shall participate in the project delivery workshops with peer agencies and interested industry reviewers. In preparation, workshops will be held internally at the cities with the PMC in attendance to provide comments. The PMC shall review all information for approval prior to initiation of external workshops.

The PMC shall review the final Step Two package prepared by the consultants requesting Step Three initiation, including at minimum the four major milestones identified below.

- Detailed Planning
- Alternatives Analysis (AA)
- Conceptual Engineering
- Environmental Clearance

The review of the four major milestones shall be documented in the form of a recommendation of the project's merit to enter into Step Three, pursuant to the Board approved 12 Go Local Criterion, with emphasis on ridership projections and cost estimates.

7.0 DELIVERABLES

7.1 Anticipated Deliverables

The PMC shall submit the deliverables pertinent to tasks assigned by the OCTA. It is anticipated that the deliverables for the fixed guideway transit systems include, but are not limited to:

- Program schedule
- Oversight work plan
- Monthly status reports
- Quarterly spot check reports for each Step Two key element – detailed planning, AA, environmental clearance, and conceptual engineering
- Review reports/comment matrix for all documents reviewed
- Meeting agendas and reports
- Independent cost estimates/budgets
- Graphics and visuals
- Specialized technical reports and studies as assigned
- Report summarizing review of Step Two milestones including recommendations
- Step Three Entry Guidance
- QA/QC monitoring reports

Specific deliverables will be further defined during the term of the Agreement.

EXHIBIT B
COST AND PRICE FORMS

SCHEDULE II ---- OTHER DIRECT COSTS SCHEDULE

	Type of ODC	Quantity	Unit Rate	Budget Amount
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

1. I acknowledge receipt of RFP 8-1013 and Addenda No.(s) _____
2. This offer shall remain firm for _____ days from the date of proposal
(Minimum 120)

COMPANY NAME _____

ADDRESS _____

TELEPHONE _____

SIGNATURE OF PERSON
AUTHORIZED TO BIND OFFEROR _____

SIGNATURE'S NAME AND TITLE _____

DATE SIGNED _____

EXHIBIT C
PROPOSED AGREEMENT

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PROPOSED AGREEMENT NO. C-1013

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

THIS AGREEMENT is effective as of this ____ day of _____, 2008, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, CA 92863-1584, a public corporation of the state of California (hereinafter referred to as "AUTHORITY"), and _____, _____, _____ (hereinafter referred to as "CONSULTANT").

WITNESSETH:

WHEREAS, AUTHORITY requires assistance from CONSULTANT to provide Project Management Consultant Services for Project Development of Proposed Go Local Fixed-Guideway Transit Systems; and

WHEREAS, said work cannot be performed by the regular employees of AUTHORITY; and

WHEREAS, CONSULTANT has represented that it has the requisite personnel and experience, and is capable of performing such services; and

WHEREAS, CONSULTANT wishes to perform these services; and

WHEREAS, AUTHORITY's Board of Directors approved this Agreement on _____;

NOW, THEREFORE, it is mutually understood and agreed by AUTHORITY and CONSULTANT as follows:

ARTICLE 1. COMPLETE AGREEMENT

A. This Agreement, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and condition(s) of the agreement between AUTHORITY and CONSULTANT and it supersedes all prior representations, understandings and communications. The invalidity in whole or in part of any term or

1 condition of this Agreement shall not affect the validity of other term(s) or condition(s).

2 B. AUTHORITY's failure to insist in any one or more instances upon CONSULTANT's
3 performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or
4 relinquishment of AUTHORITY's right to such performance or to future performance of such term(s) or
5 condition(s) and CONSULTANT's obligation in respect thereto shall continue in full force and effect.
6 Changes to any portion of this Agreement shall not be binding upon AUTHORITY except when
7 specifically confirmed in writing by an authorized representative of AUTHORITY by way of a written
8 amendment to this Agreement and issued in accordance with the provisions of this Agreement.

9 **ARTICLE 2. AUTHORITY DESIGNEE**

10 The Chief Executive Officer of AUTHORITY, or designee, shall have the authority to act for and
11 exercise any of the rights of AUTHORITY as set forth in this Agreement.

12 **ARTICLE 3. SCOPE OF WORK**

13 A. CONSULTANT shall perform the work necessary to complete in a manner satisfactory to
14 AUTHORITY the services set forth in Exhibit A, entitled "Scope of Work", attached to and, by this
15 reference, incorporated in and made a part of this Agreement and as specified in the Contract Task
16 Orders ("CTOs") issued to CONSULTANT. All services shall be provided at the times and places
17 designated by AUTHORITY.

18 B. CONSULTANT shall provide the personnel listed below to perform the above-specified
19 services, which persons are hereby designated as key personnel under this Agreement.

<u>Names</u>	<u>Functions</u>

20
21
22
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24
25 C. No person named in paragraph B of this Article, or his/her successor approved by
26 AUTHORITY, shall be removed or replaced by CONSULTANT, nor shall his/her agreed-upon function

1 or level of commitment hereunder be changed, without the prior written consent of AUTHORITY.
2 Should the services of any key person become no longer available to CONSULTANT, the resume and
3 qualifications of the proposed replacement shall be submitted to AUTHORITY for approval as soon as
4 possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent key
5 person, unless CONSULTANT is not provided with such notice by the departing employee.
6 AUTHORITY shall respond to CONSULTANT within seven (7) calendar days following receipt of these
7 qualifications concerning acceptance of the candidate for replacement.

8 **ARTICLE 4. TERM OF AGREEMENT**

9 This Agreement shall commence upon the effective date of this Agreement, and shall continue
10 in full force and effect through November 10, 2011, unless earlier terminated or extended as provided in
11 this Agreement.

12 AUTHORITY, in its sole discretion, may elect to extend the term of this Agreement up to an
13 additional twelve (12) months ("Option Term 1") and thereupon require CONSULTANT to continue to
14 provide services, and otherwise perform, in accordance with Exhibit A, entitled "Scope of Work". Hourly
15 Rates specified in Exhibit B, entitled "Schedule of Fees", shall be increased by 4% during Option Term
16 1. Other Direct Costs specified in Exhibit B, entitled "Schedule of Fees", shall remain unchanged during
17 Option Term 1.

18 AUTHORITY, in its sole discretion, may elect to further extend the term of this Agreement up to
19 an additional twelve (12) months ("Option Term 2") and thereupon require CONSULTANT to continue
20 to provide services, and otherwise perform, in accordance with Exhibit A, entitled "Scope of Work".
21 Hourly Rates specified in Exhibit B, entitled "Schedule of Fees", shall be increased by an additional 4%
22 during Option Term 2. Other Direct Costs specified in Exhibit B, entitled "Schedule of Fees", shall
23 remain unchanged during Option Term 2.

24 **ARTICLE 5. CONTRACT TASK ORDERS (CTO) AND PAYMENT**

25 A. As the need for consulting services arises during the term of this Agreement, CTO's may be
26 issued to CONSULTANT at AUTHORITY's sole discretion. Each CTO will specifically define the Scope

1 of Work, the total cost of the CTO to be paid CONSULTANT, and any other information which may be
2 needed to perform the services. AUTHORITY does not guarantee that CONSULTANT will receive an
3 assignment, nor does the AUTHORITY make any guarantee that the CTO budgeted amount will be
4 expended.

5 B. CONSULTANT shall submit to AUTHORITY, a written technical proposal and cost estimate
6 within 48 hours from AUTHORITY's request. CONSULTANT shall submit a final written technical
7 proposal and cost proposal within five (5) working days from AUTHORITY's initial request. No work
8 shall commence until a written CTO has been executed by both AUTHORITY and CONSULTANT.
9 Failure of the CONSULTANT to perform in accordance with this provision may result in CONSULTANT
10 forfeiture of retention monies and/or termination of this Agreement.

11 C. For CONSULTANT's full and complete performance of its obligations under this Agreement,
12 and subject to the maximum cumulative payment obligation provisions set forth in Article 6,
13 AUTHORITY shall pay CONSULTANT on a Time and Expense basis in accordance with the following
14 provisions.

15 1. For each full hour of labor satisfactorily performed by CONSULTANT's personnel
16 under this Agreement, AUTHORITY shall pay CONSULTANT at the hourly labor rates specified in
17 Exhibit B, entitled "Schedule of Fees", which is attached to and by this reference, incorporated in and
18 made a part of this Agreement. These rates shall remain fixed for the term of this Agreement and are
19 acknowledged to include CONSULTANT's direct labor costs, indirect costs and profit. Furthermore,
20 AUTHORITY shall reimburse CONSULTANT for the exact amount of the expenses shown in Exhibit B,
21 which are directly incurred by its personnel in the performance of work under this Agreement.

22 2. CONSULTANT shall invoice AUTHORITY on a monthly basis for payments
23 corresponding to the labor hours expended by CONSULTANT. Work completed shall be documented
24 in a monthly progress report prepared by CONSULTANT, which report shall accompany each invoice
25 submitted by CONSULTANT. CONSULTANT shall also furnish such other information as may be
26 requested by AUTHORITY to substantiate the validity of an invoice. At its sole discretion, AUTHORITY

1 may decline to make full payment for any work until such time as CONSULTANT has documented to
2 AUTHORITY's satisfaction, that CONSULTANT has fully completed all work required. AUTHORITY's
3 payment in full for any work completed shall not constitute AUTHORITY's final acceptance of
4 CONSULTANT's work under such task; final acceptance shall occur only when AUTHORITY's release
5 of the retention described in paragraph 3.

6 3. As partial security against CONSULTANT's failure to satisfactorily fulfill all of its
7 obligations under this Agreement, AUTHORITY shall retain five percent (5%) of the amount of each
8 invoice submitted for payment by CONSULTANT. All retained funds shall be released by AUTHORITY
9 and shall be paid to CONSULTANT within sixty (60) calendar days of payment of final invoice, unless
10 AUTHORITY elects to audit CONSULTANT's records in accordance with Article 16 of this Agreement.
11 If AUTHORITY elects to audit, retained funds shall be paid to CONSULTANT within thirty (30) calendar
12 days of completion of such audit in an amount reflecting any adjustment required by such audit.

13 4. Invoices shall be submitted by CONSULTANT on a monthly basis and shall be
14 submitted in duplicate to AUTHORITY's Accounts Payable office. Each invoice shall be accompanied
15 by the monthly progress report specified in paragraph 2 of this Article. AUTHORITY shall remit
16 payment within thirty (30) calendar days of the receipt and approval of each invoice. Each invoice shall
17 include the following information:

- 18 a) Agreement No. C-1013; and CTO Number;
- 19 b) Specify the work for which payment is being requested;
- 20 c) Labor (staff name, hours charged, hourly billing rate, current charges and
21 cumulative charges) performed during the billing period;
- 22 d) Itemized expenses including support documentation incurred during the
23 billing period;
- 24 e) Total monthly invoice (including project-to-date cumulative invoice
25 amount)
- 26 f) Monthly Progress Report;

- g) Certification signed by the CONSULTANT or his/her designated alternate that a) The invoice is a true, complete and correct statement of reimbursable costs and progress; b) The backup information included with the invoice is true, complete and correct in all material respects; c) All payments due and owing to subcontractors and suppliers have been made; d) Timely payments will be made to subcontractors and suppliers from the proceeds of the payments covered by the certification and; e) The invoice does not include any amount which CONSULTANT intends to withhold or retain from a subcontractor or supplier unless so identified on the invoice; and
- h) Any other information as agreed or requested by AUTHORITY to substantiate the validity of an invoice.

ARTICLE 6. MAXIMUM OBLIGATION

Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and CONSULTANT mutually agree that AUTHORITY's maximum cumulative payment obligation under this Agreement, (including obligation for CONSULTANT'S profit), shall be _____ Dollars (\$_____.00) which shall include all amounts payable to CONSULTANT for subcontracts, leases, materials and costs arising from, or due to termination of, this Agreement.

ARTICLE 7. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and addressed as follows:

To CONSULTANT:

To AUTHORITY:
Orange County Transportation Authority
550 South Main Street

1 _____

P.O. Box 14184

2 _____

Orange, CA 92863-1584

3 ATTENTION: _____

ATTENTION: David A. Christianson

4 Principal Contract Administrator

5 Phone: _____ Fax: _____

Phone: (714) 560-5006 Fax: (714) 560-5792

6 Email: _____

Email: dchristianson@octa.net

7 **ARTICLE 8. INDEPENDENT CONTRACTOR**

8 CONSULTANT's relationship to AUTHORITY in the performance of this Agreement is that of an
9 independent contractor. CONSULTANT's personnel performing services under this Agreement shall at
10 all times be under CONSULTANT's exclusive direction and control and shall be employees of
11 CONSULTANT and not employees of AUTHORITY. CONSULTANT shall pay all wages, salaries and
12 other amounts due its employees in connection with this Agreement and shall be responsible for all
13 reports and obligations respecting them, such as social security, income tax withholding, unemployment
14 compensation, workers' compensation and similar matters.

15 **ARTICLE 9. INSURANCE**

16 A. CONSULTANT shall procure and maintain insurance coverage during the entire term of this
17 Agreement. Coverage shall be full coverage and not subject to self-insurance provisions.
18 CONSULTANT shall provide the following insurance coverage:

19 1. Commercial General Liability, to include Products/Completed Operations,
20 Independent Contractors', Contractual Liability, and Personal Injury with a minimum limit of
21 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

22 2. Automobile Liability to include owned, hired and non-owned autos with a combined
23 single limit of \$1,000,000.00 each accident;

24 3. Workers' Compensation with limits as required by the State of California including a
25 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees and agents;

26 4. Employers' Liability with minimum limits of \$1,000,000.00; and

1 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

2 B. Proof of such coverage, in the form of an insurance company issued policy endorsement
3 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of
4 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days
5 from the effective date of this Agreement with AUTHORITY, its officers, directors, employees and
6 agents designated as additional insured on the general and automobile liability. Such insurance shall
7 be primary and non-contributive to any insurance or self-insurance maintained by AUTHORITY.
8 Furthermore, AUTHORITY reserves the right to request certified copies of all related insurance
9 policies.

10 C. CONSULTANT shall include on the face of the Certificate of Insurance the Agreement
11 Number C-1013; and, the Contract Administrator's Name, David A. Christianson, Principal Contract
12 Administrator.

13 D. CONSULTANT shall also include in each subcontract agreement the stipulation that
14 subcontractors shall maintain insurance coverage in the amounts required from CONSULTANT as
15 provided in this Agreement.

16 **ARTICLE 10. ORDER OF PRECEDENCE**

17 Conflicting provisions hereof, if any, shall prevail in the following descending order of
18 precedence: (1) the CTO's issued to CONSULTANT; (2) the provisions of this Agreement, including all
19 exhibits; (3) the provisions of RFP 8-1013; (4) CONSULTANT's proposal dated _____; (5) all other
20 documents, if any, cited herein or incorporated by reference.

21 **ARTICLE 11. CHANGES**

22 By written notice or order, AUTHORITY may, from time to time, order work suspension and/or
23 make changes in the general scope of this Agreement, or to the specific contract task order, including,
24 but not limited to, the services furnished to AUTHORITY by CONSULTANT as described in the Scope
25 of Work. If any such work suspension or change causes an increase or decrease in the price of this
26 Agreement, the price of the specific contract task order or in the time required for its performance,

1 CONSULTANT shall promptly notify AUTHORITY thereof and assert its claim for adjustment within ten
2 (10) calendar days after the change or work suspension is ordered, and an equitable adjustment shall
3 be negotiated. However, nothing in this clause shall excuse CONSULTANT from proceeding
4 immediately with the agreement as changed.

5 **ARTICLE 12. DISPUTES**

6 A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact
7 arising under this Agreement which is not disposed of by supplemental agreement shall be decided by
8 AUTHORITY's Director, Contracts Administration and Materials Management, who shall reduce the
9 decision to writing and mail or otherwise furnish a copy thereof to CONSULTANT. The decision of the
10 Director, Contracts Administration and Materials Management, shall be final and conclusive.

11 B. The provisions of this Article shall not be pleaded in any suit involving a question of fact
12 arising under this Agreement as limiting judicial review of any such decision to cases where fraud by
13 such official or his representative or board is alleged, provided, however, that any such decision shall
14 be final and conclusive unless the same is fraudulent or capricious or arbitrary or so grossly erroneous
15 as necessarily to imply bad faith or is not supported by substantial evidence. In connection with any
16 appeal proceeding under this Article, CONSULTANT shall be afforded an opportunity to be heard and
17 to offer evidence in support of its appeal.

18 C. Pending final decision of a dispute hereunder, CONSULTANT shall proceed diligently with
19 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,
20 Contracts Administration and Materials Management. This Disputes clause does not preclude
21 consideration of questions of law in connection with decisions provided for above. Nothing in this
22 Agreement, however, shall be construed as making final the decision of any AUTHORITY official or
23 representative on a question of law, which questions shall be settled in accordance with the laws of the
24 state of California.

25 **ARTICLE 13. TERMINATION**

26 A. AUTHORITY may terminate this Agreement for its convenience any time, in whole or part,

1 by giving CONSULTANT written notice thereof. Upon said notice, AUTHORITY shall pay
2 CONSULTANT its allowable costs incurred to date of termination and those allowable costs determined
3 by AUTHORITY to be reasonably necessary to effect such termination. Thereafter, CONSULTANT
4 shall have no further claims against AUTHORITY under this Agreement.

5 B. AUTHORITY may terminate this Agreement for CONSULTANT's default if a federal or state
6 proceeding for the relief of debtors is undertaken by or against CONSULTANT, or if CONSULTANT
7 makes an assignment for the benefit of creditors, or if CONSULTANT breaches any term(s) or violates
8 any provision(s) of this Agreement and does not cure such breach or violation within ten (10) calendar
9 days after written notice thereof by AUTHORITY. CONSULTANT shall be liable for any and all
10 reasonable costs incurred by AUTHORITY as a result of such default, including but not limited to
11 repurchase costs of the same or similar services defaulted by CONSULTANT under this Agreement.

12 **ARTICLE 14. INDEMNIFICATION**

13 CONSULTANT shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,
14 employees and agents from and against any and all claims (including attorneys' fees and reasonable
15 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage
16 to or loss of use of property caused by the negligent acts, omissions or willful misconduct by
17 CONSULTANT, its officers, directors, employees, agents, subcontractors or suppliers in connection
18 with or arising out of the performance of this Agreement.

19 **ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

20 A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by
21 CONSULTANT either voluntarily or by operation of law, nor may all or any part of this Agreement be
22 subcontracted by CONSULTANT, without the prior written consent of AUTHORITY. Consent by
23 AUTHORITY shall not be deemed to relieve CONSULTANT of its obligations to comply fully with all
24 terms and conditions of this Agreement.

25 B. AUTHORITY hereby consents to CONSULTANT's subcontracting portions of the Scope of
26 Work to the parties identified below for the functions described in CONSULTANT's proposal.

1 CONSULTANT shall include in the subcontract agreement the stipulation that CONSULTANT, not
2 AUTHORITY, is solely responsible for payment to the subcontractor for the amounts owing and that the
3 subcontractor shall have no claim, and shall take no action, against AUTHORITY, its officers, directors,
4 employees or sureties for nonpayment by CONSULTANT.

5 **Subcontractor Name/Addresses**

Subcontractor Amounts

6 _____
7

8 **ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

9 CONSULTANT shall provide AUTHORITY, or other agents of AUTHORITY, such access to
10 CONSULTANT's accounting books, records, payroll documents and facilities as AUTHORITY deems
11 necessary. CONSULTANT shall maintain such books, records, data and documents in accordance
12 with generally accepted accounting principles and shall clearly identify and make such items readily
13 accessible to such parties during CONSULTANT's performance hereunder and for a period of four (4)
14 years from the date of final payment by AUTHORITY. AUTHORITY's right to audit books and records
15 directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15
16 of this Agreement. CONSULTANT shall permit any of the foregoing parties to reproduce documents by
17 any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

18 **ARTICLE 17. FEDERAL, STATE AND LOCAL LAWS**

19 CONSULTANT warrants that in the performance of this Agreement, it shall comply with all
20 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and
21 regulations promulgated thereunder.

22 **ARTICLE 18. EQUAL EMPLOYMENT OPPORTUNITY**

23 In connection with its performance under this Agreement, CONSULTANT shall not discriminate
24 against any employee or applicant for employment because of race, religion, color, sex, age or national
25 origin. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that
26 employees are treated during their employment, without regard to their race, religion, color, sex, age or

1 national origin. Such actions shall include, but not be limited to, the following: employment, upgrading,
2 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other
3 forms of compensation; and selection for training, including apprenticeship.

4 **ARTICLE 19. PROHIBITED INTERESTS**

5 CONSULTANT covenants that, for the term of this Agreement, no director, member, officer or
6 employee of AUTHORITY during his/her tenure in office/employment or for one (1) year thereafter shall
7 have any interest, direct or indirect, in this Agreement or the proceeds thereof.

8 **ARTICLE 20. OWNERSHIP OF REPORTS AND DOCUMENTS**

9 A. The originals of all letters, documents, reports and other products and data produced under
10 this Agreement shall be delivered to, and become the property of AUTHORITY. Copies may be made
11 for CONSULTANT's records but shall not be furnished to others without written authorization from
12 AUTHORITY. Such deliverables shall be deemed works made for hire and all rights in copyright therein
13 shall be retained by AUTHORITY.

14 B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings,
15 descriptions, and all other written information submitted to CONSULTANT in connection with the
16 performance of this Agreement shall not, without prior written approval of AUTHORITY, be used for any
17 purposes other than the performance under this Agreement, nor be disclosed to an entity not connected
18 with the performance of the project. CONSULTANT shall comply with AUTHORITY's policies regarding
19 such material. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is or
20 becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not
21 use AUTHORITY's name, photographs of the project, or any other publicity pertaining to the project in
22 any professional publication, magazine, trade paper, newspaper, seminar or other medium without the
23 express written consent of AUTHORITY.

24 C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be
25 released by CONSULTANT to any other person or agency except after prior written approval by
26 AUTHORITY, except as necessary for the performance of services under this Agreement. All press

1 releases, including graphic display information to be published in newspapers, magazines, etc., are to
2 be handled only by AUTHORITY unless otherwise agreed to by CONSULTANT and AUTHORITY.

3 **ARTICLE 21. PATENT AND COPYRIGHT INFRINGEMENT**

4 A. In lieu of any other warranty by AUTHORITY or CONSULTANT against patent or copyright
5 infringement, statutory or otherwise, it is agreed that CONSULTANT shall defend at its expense any
6 claim or suit against AUTHORITY on account of any allegation that any item furnished under this
7 Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes
8 upon any presently existing U. S. letters patent or copyright and CONSULTANT shall pay all costs and
9 damages finally awarded in any such suit or claim, provided that CONSULTANT is promptly notified in
10 writing of the suit or claim and given authority, information and assistance at CONSULTANT's expense
11 for the defense of same. However, CONSULTANT will not indemnify AUTHORITY if the suit or claim
12 results from: (1) AUTHORITY's alteration of a deliverable, such that said deliverable in its altered form
13 infringes upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in
14 combination with other material not provided by CONSULTANT when such use in combination infringes
15 upon an existing U.S. letters patent or copyright.

16 B. CONSULTANT shall have sole control of the defense of any such claim or suit and all
17 negotiations for settlement thereof. CONSULTANT shall not be obligated to indemnify AUTHORITY
18 under any settlement made without CONSULTANT's consent or in the event AUTHORITY fails to
19 cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at
20 CONSULTANT's expense. If the use or sale of said item is enjoined as a result of such suit or claim,
21 CONSULTANT, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell
22 said item, or shall substitute an equivalent item acceptable to AUTHORITY and extend this patent and
23 copyright indemnity thereto.

24 **ARTICLE 22. FINISHED AND PRELIMINARY DATA**

25 A. All of CONSULTANT's finished technical data, including but not limited to illustrations,
26 photographs, tapes, software, software design documents, including without limitation source code,

1 binary code, all media, technical documentation and user documentation, photoprints and other graphic
2 information required to be furnished under this Agreement, shall be AUTHORITY's property upon
3 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary
4 restriction except as elsewhere authorized in this Agreement. CONSULTANT further agrees that it
5 shall have no interest or claim to such finished, AUTHORITY-owned, technical data; furthermore, said
6 data is subject to the provisions of the Freedom of Information Act, 5 USC 552.

7 B. It is expressly understood that any title to preliminary technical data is not passed to
8 AUTHORITY but is retained by CONSULTANT. Preliminary data includes roughs, visualizations,
9 software design documents, layouts and comprehensives prepared by CONSULTANT solely for the
10 purpose of demonstrating an idea or message for AUTHORITY's acceptance before approval is given
11 for preparation of finished artwork. Preliminary data title and right thereto shall be made available to
12 AUTHORITY if CONSULTANT causes AUTHORITY to exercise Article 11, and a price shall be
13 negotiated for all preliminary data.

14 **ARTICLE 23. ALCOHOL AND DRUG POLICY**

15 AUTHORITY and CONUSLTANT shall provide under this Agreement, a safe and healthy work
16 environment free from the influence of alcohol and drugs. Failure to comply with this Article may result
17 in nonpayment or termination of this Agreement.

18 **ARTICLE 24. FORCE MAJEURE**

19 Either party shall be excused from performing its obligations under this Agreement during the
20 time and to the extent that it is prevented from performing by an unforeseeable cause beyond its
21 control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material,
22 products, plants or facilities by the federal, state or local government; national fuel shortage; or a
23 material act or omission by the other party; when satisfactory evidence of such cause is presented to
24 the other party, and provided further that such nonperformance is unforeseeable, beyond the control
25 and is not due to the fault or negligence of the party not performing.

26 This Agreement shall be made effective upon execution by both parties.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement No. C-1013 to be executed on the date first above written.

By _____

ORANGE COUNTY TRANSPORTATION AUTHORITY
By _____
Arthur T. Leahy
Chief Executive Officer

APPROVED AS TO FORM:

By _____
Kennard R. Smart, Jr.
General Counsel

APPROVED:

By _____
Kia Mortazavi
Executive Director, Development
Date _____

EXHIBIT D
FORMS

PARTY DISCLOSURE FORM

Information Sheet

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

The attached Party Disclosure Form must be completed by applicants for, or persons who are the subject of, any proceeding involving a license, permit, or other entitlement for use pending before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies. (Please see next page for definitions of these terms.)

IMPORTANT NOTICE

Basic Provisions of Government Code Section 84308

- A. If you are an applicant for, or the subject of, any proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date your application is filed or the proceeding is otherwise initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents, and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the filing of the application or the initiation of the proceeding.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the application or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The Party Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

**RFP 8-1013
EXHIBIT D**

1. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor or personal employment contracts), and all franchises.
2. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."
3. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
4. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and 2 Cal. Adm. Code Sections 18438-18438.8.

ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ITS AFFILIATED AGENCIES

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: _____

Party's Address: _____

Street _____

City _____

State _____ Zip _____ Phone _____

Application or Proceeding
Title and Number: _____

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Date: _____

Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

Board of Directors

Chris Norby, Chair

Peter Buffa, Vice Chairman

Jerry Amante, Director

Patricia Bates, Director

Art Brown, Director

Bill Campbell, Director

Carolyn V. Cavecche, Director

Richard Dixon, Director

Paul G. Glaab, Director

Cathy Green, Director

Allan Mansoor, Director

John Moorlach, Director

Janet Nguyen, Director

Curt Pringle, Director

Miguel Pulido, Director

Mark Rosen, Director

Gregory T. Winterbottom, Director

PARTICIPANT DISCLOSURE FORM

Information Sheet

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

The attached Participant Disclosure Form must be completed by participants in a proceeding involving a license, permit, or other entitlement for use. (Please see next page for definitions of these terms.)

IMPORTANT NOTICE

Basic Provisions of Government Code Section 84308

- A. If you are a participant in a proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date you begin to actively support or oppose an application for license, permit, or other entitlement for use pending before the Orange County Transportation Authority or any of its affiliated agencies, and continues until three months after a final decision is rendered on the application or proceeding by the Board of Directors.

No board member or alternate may solicit or accept a campaign contribution of more than \$250 from you and/or your agency during this period if the board member or alternate knows or has reason to know that you are a participant.

- B. The attached disclosure form must be filed if you or your agent have contributed more than \$250 to any board member or alternate for the Orange County Transportation Authority or any of its affiliated agencies during the 12-month period preceding the beginning of your active support or opposition. (The disclosure form will assist the board members in complying with the law.)
- C. If you or your agent have made a contribution of more than \$250 to any board member or alternate during the 12 months preceding the decision in the proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a participant in the proceeding.

The Participant Disclosure Form should be completed and filed with the proposal submitted by a party, or should be completed and filed the first time that you lobby in person, testify in person before, or otherwise directly act to influence the vote of the board members of the Orange County Transportation Authority or any of its affiliated agencies.

1. An individual or entity is a "participant" in a proceeding involving an application for a license, permit or other entitlement for use if:
 - a. The individual or entity is not an actual party to the proceeding, but does have a significant financial interest in the Orange County Transportation Authority's or one of its affiliated agencies' decision in the proceeding.

AND

- b. The individual or entity, directly or through an agent, does any of the following:
 - (1) Communicates directly, either in person or in writing, with a board member or alternate of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing the member's vote on the proposal;
 - (2) Communicates with an employee of the Orange County Transportation Authority or any of its affiliated agencies for the purpose of influencing a member's vote on the proposal; or
 - (3) Testifies or makes an oral statement before the Board of Directors of the Orange County Transportation Authority or any of its affiliated agencies.
2. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use; all contracts (other than competitively bid, labor, or personal employment contracts) and all franchises.
3. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit, or other entitlement for use. If an agent acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar business entity or corporation, both the business entity or corporation and the individual are agents.

4. To determine whether a campaign contribution of more than \$250 has been made by a participant or his or her agent, contributions made by the participant within the preceding 12 months shall be aggregated with those made by the agent within the preceding 12 months or the period of the agency, whichever is shorter. Campaign contributions made to different members or alternates are not aggregated.
5. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 and 2 Cal. Adm. Code Sections 18438-18438.8.

ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ITS AFFILIATED AGENCIES

To be completed only if campaign contributions have been made in the preceding 12 months.

Party's Name: _____

Party's Address: _____
Street

City

State Zip Phone

Application or Proceeding
Title and Number: _____

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Date: _____

Signature of Party and/or Agent

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND AFFILIATED AGENCIES**

Board of Directors

Chris Norby, Chair

Peter Buffa, Vice Chairman

Jerry Amante, Director

Patricia Bates, Director

Art Brown, Director

Bill Campbell, Director

Carolyn V. Cavecche, Director

Richard Dixon, Director

Paul G. Glaab, Director

Cathy Green, Director

Allan Mansoor, Director

John Moorlach, Director

Janet Nguyen, Director

Curt Pringle, Director

Miguel Pulido, Director

Mark Rosen, Director

Gregory T. Winterbottom, Director

Status of Past and Present Contracts Form

On the form provided below, Offeror shall list the status of past and present contracts where the firm has either provided services as a prime contractor or a subcontractor during the past five (5) years in which the contract has ended or will end in a termination, settlement or in legal action. A separate form must be completed for each contract. Offeror shall provide an accurate contact name and telephone number for each contract and indicate the term of the contract and the original contract value.

If the contract was terminated, list the reason for termination. Offeror must also identify and state the status of any litigation, claims or settlement agreements related to any of the identified contracts. Each form must be signed by an officer of the Offeror confirming that the information provided is true and accurate.

Project city/agency/other:	
Contact name:	Phone:
Project award date:	Original Contract Value:
Term of Contract:	
1) Status of contract:	
2) Identify claims/litigation or settlements associated with the contract:	

By signing this Form entitled "Status of Past and Present Contracts," I am affirming that all of the information provided is true and accurate.

Name _____
Title _____

_____ Date



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Renewed Measure M Progress Report

Transportation 2020 Committee Meeting of July 21, 2008

Present: Directors Amante, Brown, Buffa, Campbell, Cavecche, and Pringle
Absent: Director Dixon

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file as an information item.



July 21, 2008

To: Transportation 2020 Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Renewed Measure M Progress Report

Overview

Staff has prepared a Renewed Measure M progress report for April 2008 through June 2008 for review by the Orange County Transportation Authority Board of Directors. The report highlights progress on Renewed Measure M projects and programs and is made available to the public via the Orange County Transportation Authority's website and advertisements in local newspapers.

Recommendation

Receive and file as an information item.

Background

Measure M Ordinance No. 3 requires quarterly status reports regarding the major projects detailed in the Renewed Measure M Transportation Investment Plan be filed with the Orange County Transportation Authority (OCTA) Board of Directors (Board). All renewed Measure M progress reports are posted online for public review.

Discussion

Considering that voter safeguards have been a critical factor for public acceptance of Renewed Measure M (M2), the quarterly report is an opportunity to show progress in implementing the M2 Transportation Investment Plan. In order to be cost-effective and improve the accessibility of information to stakeholders and the public, all M2 progress reports will be web-based; however, hard copies will be mailed upon request. Additionally, a new and improved "sitelet" (web portal) is being considered to maximize the availability of easily accessed information to the public. The report reflects progress being made on Board-approved Early Action Plan (EAP) projects and programs.

Each item features a brief paragraph that provides an overview of significant progress for the time period, with a web link to more information including staff reports and project descriptions (Attachment A).

Highlights of the M2 progress in this quarter include:

- Release of the environmental impact report (EIR) for improvements to the Santa Ana Freeway (Interstate 5)/Ortega Highway (State Route 74) interchange
- Completion of the conceptual design for a new lane each way on the San Diego Freeway (Interstate 405) between the Costa Mesa Freeway (State Route 55) and the San Gabriel Freeway (Interstate 605)
- Allocation of \$4 million from Proposition 1B for signal synchronization on 10 corridors and development of a countywide traffic signal master plan
- Initial results from the signal synchronization demonstration project on Oso Parkway/Pacific Park Drive showing travel time improvements of up to 30 percent
- Allocation of \$218 million in Trade Corridors Improvement Fund (TCIF) projects for seven M2 grade separations and westbound lanes on the Riverside Freeway (State Route 91)
- Award to cities of Santa Ana and Anaheim \$5.9 million each in Measure M (M1) Go Local funds for the fixed-guideway projects that will compete for M2 Project S funding

To encourage the public review of the quarterly report online, information will be placed in the existing "Transportation Update" advertisement that appears approximately every three weeks in the *Orange County Business Journal*, *Orange County Register*, *Excelsior*, *The Korean Daily*, *The Chinese Daily News*, and *Nguoi Viet Daily News*. Staff also will notify all Orange County cities and use other existing communication tools such as project newsletters and Board action updates to notify the public about the online availability of the M2 progress report. Because the public sees both the original Measure M and M2 as one program, the original Measure M annual report also includes an update on the progress of M2.

Summary

As required by Measure M Ordinance No. 3, a quarterly report is provided to update progress in implementing the M2 Transportation Investment Plan. To facilitate accessibility and transparency of information available to stakeholders and the public, the M2 progress report is presented on the OCTA website.

Attachment

- A. Renewed Measure M Quarterly Report for April – June 2008

Prepared by:

Andrea West

Andrea West
Community Relations Specialist
(714) 560-5611

Approved by:

*Elle Burton
for Monte Ward*

Monte Ward
Director, Special Projects
(714) 560-5582

Renewed Measure M Quarterly Report

April – June 2008

The following is a summary of the progress made on the Renewed Measure M (M2) Early Action Plan (EAP) covering the period of April 2008 – June 2008.

Highway Projects

Development of the freeway projects under the M2 program continued at a rapid pace during the second quarter of 2008. With all EAP projects underway, progress continued with the advancement of the conceptual design, environmental clearance, and final design. This effort will set the stage for the construction of 40 miles of freeway improvements, costing more than \$1.7 billion, over the next ten years.

The projects underway in the second quarter of 2008 were:

Project C – Caltrans is preparing a conceptual design study to identify options to increase capacity of the Santa Ana Freeway (I-5) corridor between Avenida Pico and Pacific Coast Highway, through the communities of San Clemente and Dana Point. This study will evaluate the benefits of extending the current high-occupancy vehicle (HOV) lanes on I-5 that currently end at the Pacific Coast Highway interchange, all the way down to Avenida Pico in San Clemente.

Project D – The City of San Juan Capistrano released a draft of the environmental analysis of proposed improvements to the I-5/Ortega Highway (SR-74) interchange for public review. The city, working with Caltrans, identified five alternatives to improve traffic flow within the interchange. These five options will be reviewed by various public agencies and the public, and their comments will be considered before a final design alternative is selected.

Project F – The Orange County Transportation Authority (OCTA) is preparing a feasibility study to look at options to improve the Costa Mesa Freeway (SR-55) between the San Diego Freeway (I-405) and I-5, passing through the communities of Costa Mesa, Irvine, Tustin, and Santa Ana. The study is looking at the feasibility of lane additions within this corridor and possible improvements to the freeway interchanges to reduce traffic congestion in the area.

Project G – OCTA is preparing the final design for a new northbound lane on the Orange Freeway (SR-57) from Orangethorpe Avenue to Lambert Avenue through the communities of Fullerton, Placentia, and Brea. It is expected that the widening of the freeway in the northbound direction can be accommodated within the existing right of way. In addition, the OCTA is preparing an environmental analysis to add a new northbound lane on SR- 57 between Katella Street and Lincoln Avenue in the Anaheim area. This study will identify any potential environmental impacts of the project and will propose mitigation measures to minimize any unavoidable impacts.

Project H – Work continued on OCTA’s effort to advance an environmental document to add a new westbound lane to the Riverside Freeway (SR-91) between I-5 and SR-57 in the Anaheim area. This effort is looking at environmental and design issues related to adding the new lane and identifies the most practical approach with the least impact on existing properties along the freeway.

Project I – OCTA is preparing a feasibility study to look into options for improving the SR-91/SR-55 interchange and to add capacity along SR-91 between SR-57 and SR-55. This feasibility study will evaluate previous studies done in the area and pick some of the best options to advance into the conceptual design phase.

Project J – Three projects are being advanced along SR- 91 to relieve traffic congestion in the corridor connecting Orange County and Riverside County. Caltrans is advancing the final design of a new westbound lane between the Corona Freeway (SR-71) in Riverside County and the Foothill-South (SR-241). This project will extend the existing westbound auxiliary lane that terminates before Green River Road to the SR-71 interchange. Caltrans is also preparing an environmental analysis for adding one new lane each way along SR-91 from SR-55 to SR-241. This project will add significant new capacity through the cities of Anaheim and Placentia. The third project, being advanced by the Riverside County Transportation Commission, is to add a new lane each way between SR-241 in Anaheim to the Corona Freeway (I-15) in Corona. They are currently preparing an environmental analysis for proposed improvements.

Project K – OCTA completed the conceptual design for adding one new lane each way on I-405 between SR-55 and the San Gabriel River Freeway (I-605). These improvements will add mainline capacity and improve the local interchanges along the corridor that serves the communities of Santa Ana, Costa Mesa, Fountain Valley, Huntington Beach, Westminster, Seal Beach, and Los Alamitos. The environmental analysis of the proposed improvements will begin in the next quarter.

Signal Synchronization

In January 2008, OCTA completed the Euclid Street Signal Synchronization Project that optimized signal timing along a 16-mile segment of Euclid Street. Travel times along Euclid Street were improved between 16 and 24 percent with the new timings.

A second synchronization project at OCTA along a nine-mile segment of Oso Parkway/Pacific Park Drive is currently under way. Optimized timing has been implemented in conjunction with strategic signal system upgrades and a monitoring effort. Studies show that travel times along Oso Parkway/Pacific Park Drive were improved between 20 and 31 percent.

In April 2008, the California Transportation Commission (CTC) awarded OCTA \$4 million as part of the Proposition 1B Traffic Signal Synchronization Program. This, combined with \$4 million from Measure M, will provide \$8 million to fund signal synchronization along ten significant street corridors comprised of 533 signalized

intersections over the next three years. OCTA has developed a schedule to fund and implement these projects and will start the first set of these projects in January 2009.

Finally, OCTA began developing a master plan for the Regional Traffic Signal Synchronization Program. The \$450 million program is funded by Renewed Measure M. The goal of the program is to improve the flow of traffic by developing and implementing regional signal coordination through more than 2,000 intersections. The master plan effort will be complete in fall 2009.

Trade Corridors Improvement Fund (TCIF) Projects

In the second quarter, it was announced that Orange County would receive \$218 million from the state to help offset the impacts of goods moving from the ports of Long Beach and Los Angeles through the region.

The funding was allocated by the CTC, which is allocating \$3 billion to agencies statewide through the TCIF.

OCTA received funding for seven grade separations and one freeway project. OCTA will provide \$263 million in matching funds, bringing to \$481 million the total for the projects that are set to begin construction in the next two to five years. The TCIF funding offsets funds that would otherwise come from M2.

TCIF Projects:

Orange County TCIF Projects	Total Project (Millions)	TCIF Funding (Millions)	Local Match (Millions)
SR-91WB Lane Addition (From I-5 to SR-57)	\$73.40	\$34.95	\$38.45
State College Boulevard (Fullerton)	\$62.08	\$30.73	\$31.35
Placentia Avenue Undercrossing (Placentia and Fullerton)	\$29.87	\$14.93	\$14.94
Orangethorpe Avenue Overcrossing (Placentia and Anaheim)	\$83.96	\$41.67	\$42.29
Kraemer Boulevard Undercrossing (Placentia)	\$45.91	\$22.64	\$23.27
Raymond Avenue (Fullerton)	\$63.74	\$12.76	\$50.98
Lakeview Avenue Overcrossing (Placentia and Anaheim)	\$58.53	\$28.69	\$29.84
Tustin Avenue/Rose Drive Overcrossing (Placentia and Anaheim)	\$63.40	\$31.39	\$32.01

Metrolink Expansion

As a result of planned increases in passenger and freight rail traffic on the three rail lines in Orange County, a renewed focus has been placed on at-grade rail-highway

crossing (grade crossing) improvements. Improvements to grade 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 reduction of locomotive horn blowing (quiet zones).

On August 27, 2007, the OCTA Board of Directors approved the implementation strategy for the grade crossing enhancement program and quiet zone improvements at 53 grade crossings in Orange County. Since then, significant efforts have been undertaken to advance the program towards completion by the spring 2010. The 30 percent design was completed in May 2008, and cities' review and comments were received. On June 23, 2008, a program update was provided to the OCTA Board of Directors. A budget amendment was approved for an additional \$10 million to the current \$60 million program budget based on updated cost estimates generated at 30 percent design completion. The current design phase should be completed in August 2008.

To see the Rail-Highway Grade Crossing enhancement Program Update, [click here](#).
(*Link to 6/23/08 board agenda*)

Go Local

The GoLocal program is a four-step program designed to enhance connections between the Metrolink stations in Orange County and surrounding communities. Since the inception of the Go Local program, Orange County cities have worked to develop concepts either individually or in partnership with neighboring cities. All 34 cities received a \$100,000 grant from OCTA to study possible extensions linking major activity and employment centers with a Metrolink station. Cities began submitting their findings in March and final reports were due June 30, 2008, ending the first step of the program.

Step One report evaluations are now under way and the OCTA Board of Directors awarded the first round of Go Local Step Two funds. The City of Anaheim has been awarded \$5.9 million for detailed planning, alternatives analysis, conceptual engineering, and state and federal environmental clearance for the Anaheim Regional Transportation Intermodal Center (ARTIC) to The Platinum Triangle to Anaheim Resort Connector. The City of Santa Ana also has been awarded \$5.9 million to undergo similar activities for the Fixed Guideway: Santa Ana Regional Transportation Center to Harbor Boulevard proposal. Although Go Local Step Two is funded through M1, the detailed planning efforts are needed to prepare before competing for M2 Project S and other funds.

Consistent with previous OCTA Board of Directors direction, the Irvine Guideway Demonstration Project was formally included as a Go Local project, although Step Two of the project has already been funded with OCTA contributing \$5.2 million of federal Congestion Mitigation and Air Quality funds, and \$1.3 million being provided by City of Irvine local funding.

As part of Go Local Step Two, all proposed mixed-flow bus/shuttle routes need to be evaluated to refine the proposed concepts and routings prior to further action by the OCTA Board of Directors. In May 2008, the Board directed that staff procure outside resources that would work directly with the participating cities to conduct service planning activities according to a set of guidelines established by OCTA. This approach will ensure uniformity in merging existing and new service into a cohesive transit system by maximizing the overall transit service and avoiding duplication of services. The Board also directed staff to procure additional resources to supplement the Step Two programmatic development of the three fixed-guideway proposals, including program management oversight and technical support.

Staff will be requesting the Board's approval to release a request for proposals (RFP) in July 2008 for both tasks. The deadline for Go Local Step One final reports was June 30.

Environmental Programs

The Environmental Cleanup Allocation Committee (Allocation Committee) and the Environmental Oversight Committee (EOC) both began meeting on a monthly basis starting in January 2008. The Allocation Committee makes recommendations to the Board of Directors on the allocation of funds for water quality improvements and is currently developing a framework for competitive allocation of water quality funding.

The Allocation Committee has identified two priority categories for consideration by the OCTA Board of Directors for water quality funding: a catch basin filter program and a new capital projects program. The committee is in the process of developing more detail and determining how to design funding programs around these priorities. This includes surveying city and county public works staff to understand better the status of local water quality efforts and needs.

The purpose of the EOC is to make recommendations to the OCTA Board of Directors on the allocation of environmental freeway mitigation funds and monitor the implementation of a master agreement between OCTA and state and federal resource agencies. The master agreement will provide higher-value environmental benefits such as habitat protection, wildlife corridors, and resource preservation in exchange for streamlined project approvals and greater certainty in the delivery of the freeway program as a whole.

The EOC committee and its two ad-hoc working groups, the Master Agreement Working Group and Mitigation Working Group, continue to build an inventory of the potential environmental impacts of the M2 freeway projects and are developing a draft framework for the master agreement. They have also begun developing a proposed set of criteria for determining a list of potential land acquisitions and restorations.

A progress report on the efforts of both environmental committees will be presented to the OCTA Board of Directors in August 2008.

Finances

OCTA has received updated sales tax forecasts from the three universities that are contracted to provide this information, namely Chapman University, the University of California Los Angeles (Anderson Forecast), and California State University, Fullerton. Staff is currently reviewing the forecast data and will apply it to actual revenue receipts for fiscal year 2008 to come up with an updated M2 forecast. The forecast results will be provided to the OCTA Board of Directors in the coming months.



MEMO

July 23, 2008

To: Members of the Board of Directors

From: ^{WK}Wendy Knowles, Clerk of the Board

Subject: **Board Committee Transmittal for Agenda Item**

The following item is being discussed at a Committee meeting which takes place subsequent to distribution of the Board agenda. Therefore, you will be provided a transmittal following that Committee meeting (and prior to the Board meeting) informing you of Committee action taken.

Thank you.



July 24, 2008

To: Transit Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Request for Authorization to Issue an Invitation for Bids for Paint and Decal Services for the Bravo! Bus Rapid Transit Vehicles

Overview

As part of the Bus Rapid Transit Implementation Strategy approved by the Board of Directors on October 14, 2005, the painting and placing of decals on 92 vehicles is required to promote the unique identity and branding concept, known as Bravo!, for the implementation of the planned bus rapid transit services. Board of Directors' approval is requested to release an invitation for bids for paint and decal services for the Bravo! branded bus rapid transit vehicles.

Recommendation

Authorize staff to issue an invitation for bids for paint and decal services for the Bravo! bus rapid transit vehicles.

Background

In order to satisfy regional air quality commitments and offer more effective and efficient transit solutions to Orange County (County) citizens, the Orange County Transportation Authority (Authority) plans to launch a bus rapid transit (BRT) program to provide differentiated service for riders who travel longer distances over core County corridors.

On October 14, 2005, the Board of Directors (Board) approved the BRT implementation strategy which contained a unique vehicle branding identity to support the implementation of services within the BRT program. On November 26, 2007, the Board approved the Bravo! branding concept to promote and support the implementation of BRT services within the BRT program.

The three Bravo! BRT corridors are planned to be implemented as follows:

- Harbor Boulevard Corridor Route 543 – June 2009
- Westminster Avenue/17th Street Corridor Route 560 – June 2010
- Bristol Street/State College Boulevard Corridor Route 557 – December 2010

In June 2009, the Harbor Boulevard corridor is planned to begin pilot program operations using Bravo!-branded vehicles serving designated BRT station stops with static identification signage. In July 2009, with Board approval, construction and installation of the enhanced identity at new bus shelters, required civil site modifications, Traffic Signal Synchronization (TSS), and Intelligent Transportation Systems (ITS) elements, known as the full build-out amenities, for the Harbor Boulevard corridor are scheduled to begin installation. Target date for completion of this work on the initial corridor is March 2010.

In June 2010, revenue operations are planned to begin on the Westminster Avenue/17th Street corridor with the full build-out amenities. Finally, in December 2010, full build-out revenue operations are planned to begin on the Bristol Street/State College Boulevard corridor.

This procurement is currently approved for funding through Proposition 1B, the Public Transportation Modernization Improvement and Service Enhancement Account program (PTMISEA), as approved by the Board in January 2008. The PTMISEA funds are distributed to eligible transit operators on a formula basis, similar to the current State Transportation Assistance formula. The funds are then made available for expenditure through the annual state budget process subject to legislative action. The current state budget is anticipated to be adopted in August or September 2008 followed by a trailer bill which will allow the funding to be disbursed to transit operators.

Discussion

Prior to the implementation of the BRT services, the vehicles are to be painted and decals placed with a branding concept which is a unique and easily recognizable identity to promote awareness and attract riders to this new service. Because approval of this branding concept did not occur in advance of finalizing the vehicle production schedule, the final paint and decal plans could not be incorporated into the current vehicle procurement by the manufacturer for completion at the factory without causing unnecessary delays to the

delivery of vehicles along with associated cost escalations. As a result, the paint and decal applications must be completed by a contractor after the delivery of the vehicles to the Authority according to a defined schedule (Attachment A). This actually works to the benefit of the Authority in that each bus must undergo a vigorous acceptance process and complete a certain number of in-service hours. This process can now be completed without causing confusion among passengers with a premature deployment of the Bravo! branding scheme. The Bravo! paint and decal applications will be completed approximately one month prior to implementation on each corridor to conduct final operational testing and technology acceptance requirements.

Initially, 63 vehicles will be painted, decals added, and placed into service. Assuming passenger demand increases after the implementation of each corridor, additional vehicles will be painted and decals added by the contractor(s) as needed. To account for this, an option to paint and decal up to 29 additional vehicles will be part of the contract.

For the three planned BRT corridors, the timeline for completing the paint and decal services on the initial 63 of 92 vehicles is as follows:

Prototype (Branded In-House)

The purpose of the prototype vehicle, which is one of the 63, is to provide the Board with an example of the branded Bravo! BRT vehicles prior to the end of calendar year 2008 and serve as a model for prospective paint and decal bidders to minimize potential contract risks. This vehicle will be used at community outreach events to begin promoting the Bravo! BRT service throughout our service area prior to the Harbor Boulevard corridor implementation.

Harbor Boulevard Corridor

To meet the June 2009 implementation date, beginning in December 2008, the contractor will be required to perform and complete paint and decal installation services on up to 22 vehicles for final submittal in May 2009.

Westminster Avenue/17th Street Corridor

To meet the June 2010 implementation date, beginning in December 2009, the contractor will be required to perform and complete paint and decal installation services on 22 vehicles for final submittal in May 2010.

**Request for Authorization to Issue an Invitation for Bids for
Paint and Decal Services for the Bravo! Bus Rapid Transit
Vehicles**

Page 4

Bristol Street/State College Boulevard Corridor

To meet the December 2010 implementation date, beginning in July 2010, the contractor will be required to perform and complete paint and decal installation services on 18 vehicles for final submittal in November 2010.

The scheduled timelines described above are contingent upon the contractor completing one vehicle per week.

Paint and decal services for the remaining 29 of 92 vehicles will be executed under an option if needed at a future date.

Fiscal Impact

The services described are included in the Authority's Fiscal Year 2008-09 Budget, Transit Systems Development, Account 1545-D2102-9024-K1W. The execution of a contract is contingent upon the allocation of PTMISEA funds, which are linked to passage of the state budget.

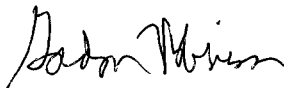
Summary

Staff requests Board approval to issue an invitation for bids for paint and decal services for the Bravo! bus rapid transit vehicles. The execution of a contract is contingent upon the allocation of Proposition 1B, Public Transportation Modernization Improvement and Service Enhancement Account funds.

Attachments

- A. Bravo! Bus Rapid Transit (BRT) Vehicle Paint and Decal Services Schedule
- B. Invitation for Bids (IFB) 8-1028 – Paint and Decal Services for the Bravo! Bus Rapid Transit (BRT) Vehicles

Prepared by:



Gordon Robinson
BRT Project Manager
(714) 560-5715

Approved by:



Beth McCormick
General Manager, Transit
(714) 560-5964

Bravo! Bus Rapid Transit (BRT) Vehicle Paint and Decal Services Schedule

Activity Name	Start	Finish	2008	2009												2010											
			N	D	J	F	M	A	M	J	J	A	S	N	D	J	F	M	A	M	J	J	A	S	N	D	
Harbor Boulevard Corridor (22 Vehicles)																											
Notice to Proceed for First Article	12/01/08	--																									
First Article Paint and Decal Installation	12/01/08	12/19/08																									
Notice to Proceed for Remaining 21 Vehicles	12/29/08	--																									
Remaining Vehicles Paint and Decal Installation	12/29/08	05/29/09																									
Begin Revenue Operations	--	06/10/09																									
Westminster/17th Street Corridor (22 Vehicles)																											
Notice to Proceed for First Article	11/02/09	--																									
First Article Paint and Decal Installation	11/02/09	11/20/09																									
Notice to Proceed for Remaining 21 Vehicles	12/04/09	--																									
Remaining Vehicles Paint and Decal Installation	12/04/09	04/30/10																									
Begin Revenue Operations	--	06/10/10																									
Bristol/State College Boulevard Corridor (18 Vehicles)																											
Notice to Proceed for First Article	05/31/10	--																									
First Article Paint and Decal Installation	05/31/10	06/18/10																									
Notice to Proceed for Remaining 17 Vehicles	06/28/10	--																									
Remaining Vehicles Paint and Decal Installation	06/28/10	11/01/10																									
Begin Revenue Operations	--	12/10/10																									

* Note: Total number of vehicles includes spares.

INVITATION FOR BIDS (IFB) 8-1028

**PAINT AND DECAL SERVICES FOR THE
BRAVO! BUS RAPID TRANSIT (BRT)
VEHICLES**



ORANGE COUNTY TRANSPORTATION AUTHORITY

550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
(714) 560-6282

Key IFB Dates

Issue Date:	August 28, 2008
Pre Bid Conference Date:	September 11, 2008
Question Submittal Date:	September 25, 2008
Bid Submittal Date:	October 14, 2008

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REFERENCE DOCUMENT C – CONCEPTUAL BRAVO! VEHICLE PAINT AND DECAL ILLUSTRATION WITH ROOF-TOP COOLER (TOP VIEW)

REFERENCE DOCUMENT D – CONCEPTUAL BRAVO! VEHICLE PAINT AND DECAL ILLUSTRATION WITHOUT ROOF-TOP COOLER (SIDE VIEW)

REFERENCE DOCUMENT E – CONCEPTUAL BRAVO! VEHICLE PAINT AND DECAL ILLUSTRATION WITHOUT ROOF-TOP COOLER (TOP VIEW)

REFERENCE DOCUMENT F – BRAVO! BRT VEHICLE DECAL SPECIFICATIONS LIST

IFB 8-1028

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IFB 8-1028

SECTION 1.0
PROJECT DESCRIPTION

SECTION 1.0 PROJECT DESCRIPTION

1.1 OBJECTIVE AND BACKGROUND

The objective of this project shall be to contract the painting, re-painting, and decal removal and installation for up to ninety-one (91) 2008 New Flyer Compressed Natural Gas (CNG) powered buses as part of the Orange County Transportation Authority's (AUTHORITY) new Bus Rapid Transit (BRT), Bravo! branded identity package.

The AUTHORITY plans to implement three (3) BRT Corridors within Orange and Los Angeles Counties with the following planned dates for implementation.

1. Harbor Boulevard Corridor – June 2009
2. Westminster/17th Street Corridor – June 2010
3. Bristol/State College Boulevard Corridor – December 2010

Because the three BRT services will begin at different periods, these dates will have an impact on bus scheduling and/or availability for the Bravo! BRT paint and decal program. Prior to implementation into the Bravo! BRT program, the vehicles will be operated in local revenue service before the required paint and decal applications are applied as described in this Scope of Work (SOW).

1.2 SCOPE

The AUTHORITY's intent is to have a firm fixed price per bus for the priming, stripping, painting, re-painting, decal removal and installation within each LOT and/or upon execution of OPTION. Prior to the CONTRACTOR and/or subcontractor performing paint and decal services, any required bodywork will be completed by the AUTHORITY. Pre-defined and pre-approved decal kits by the AUTHORITY containing specified information listed in REFERENCE DOCUMENT F will be required for the CONTRACTOR and/or subcontractor to install on each bus. A subcontractor shall perform no more than twenty percent (20%) of all work.

1.3 GENERAL INFORMATION

The AUTHORITY operates four (4) Operations/Maintenance Bases. The names and locations are as follows:

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1.3.1 MAINTENANCE BASE INFORMATION

Base	Address
Garden Grove	11790 Cardinal Circle Garden Grove, CA 92843
Anaheim	1717 East Via Burton Anaheim, CA 92806
Irvine	14736 Sand Canyon Road Irvine, CA 92618
Santa Ana	4301 W. MacArthur Boulevard Santa Ana, CA 92704

1.3.2 POINT OF CONTACT

The point of contact for this project will be the Senior Maintenance Administrator or other assigned representatives of the AUTHORITY's Transit Technical Services Department.

1.4 BUS INFORMATION

All buses included within the scope of this project are CNG powered buses equipped with seven (7) CNG roof-mounted tanks, with a total fuel capacity of approximately 23,086 square cubic feet (SCF) at 3,600 pounds per square inch (PSI).

Bus Model: New Flyer, C40LF, CNG powered
Length: 40 Foot, 7 inches over body
Width: 102 inches (excluding mirrors)
Wheelbase: 293 inches
Height: 132 inches
Curb Weight 30,150 pounds
Fuel: CNG
Fuel Capacity: 23,086 SCF at 3,600 PSI

1.4.1 IMPORTANT NOTES:

All buses included within the scope of this project are equipped with an On-Board Fire Suppression and Methane Detection Systems. In the presence of sparks, flames or other sources of ignition, e.g., welding equipment, etc., the fire-suppressing agent, twenty-five (25) pounds of Purple K, will be discharged in less than a second after detection.

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The CONTRACTOR and/or subcontractor shall ensure that all sources of ignition, open flames or other heat sources are not used on or near the buses.

In addition, the on-board fuel system consists of seven (7) roof-mounted CNG fuel tanks with a capacity of 23,086 SCF @ 3,600 psi. Each CNG tank is equipped with a fuel pressure relief device designed to operate, based on temperature, and they are all rated to 219 °F, 104 °C.

The CONTRACTOR and/or subcontractor shall not attempt to operate, change, or otherwise manipulate any of the CNG controls or equipment. In case of an emergency with the fueling system, call the fire department immediately.

1.4.2 PROTOTYPE/SAMPLE

A prototype or sample bus may be provided for review during the pre-bid meeting which will serve as an example. If available, the bus will be displayed through arrangements with the Contract Administrator at the Santa Ana Maintenance Base located at the address below:

4301 W. MacArthur Blvd
Santa Ana, CA 92704

1.5 BUS LOTS

Buses listed in LOTS 1, 2, and 3 have been painted with the AUTHORITY's approved, Bravo! BRT white-base color from the factory prior to delivery to the AUTHORITY. In addition, buses in LOTS 1, 2, and 3 will not contain the painted gray colored trim at the bottom of the buses as exists today on the existing large bus fleet. These buses are all equipped with a roof-mounted oil cooler as described in REFERENCE DOCUMENTS B and C. For each LOT, a First Article bus will be required.

1.5.1 LOT 1

Twenty-two (22) 7500 series buses shall require a partial Bravo! BRT paint and decal package.

Quantity	Passengers	Year	Make	Model	Lot	Length	Width
22	36/2	2008	New Flyer	C40LF	1	40'	102"

1.5.2 LOT 2

Twenty-two (22) 7500 series buses shall require a partial Bravo! BRT paint and decal package.

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Quantity	Passengers	Year	Make	Model	Lot	Length	Width
22	36/2	2008	New Flyer	C40LF	2	40'	102"

1.5.3 LOT 3

Eighteen (18) 7500 series buses shall require a partial Bravo! BRT paint and decal package.

Quantity	Passengers	Year	Make	Model	Lot	Length	Width
18	36/2	2008	New Flyer	C40LF	3	40'	102"

Total number of buses in LOTS 1, 2, and 3: 62

1.5.4 OPTION

At the discretion of the AUTHORITY, and at an unknown date, a notice to proceed may be issued by the AUTHORITY in writing to paint and decal up to twenty-nine (29) additional buses with the Bravo! BRT paint and decal identity package. These buses shall require a complete Bravo! BRT paint and decal package as explained in detail in Section 2.2 OPTION LOT DELIVERABLES (UP TO TWENTY-NINE (29) BUSES) primarily because these buses do not contain the original Bravo! BRT white-base color from the factory. These buses are not equipped with a roof-mounted oil cooler as described in REFERENCE DOCUMENTS D and E. In addition, these buses contain a painted gray colored bottom trim which will require stripping and painting to match the Bravo! BRT painting scheme. The CONTRACTOR and/or subcontractor shall submit a firm fixed price per vehicle unit upon execution of this contract option by the AUTHORITY in writing. A First Article bus will be required.

Quantity	Passengers	Year	Make	Model	Lot	Length	Width
29	36/2	2008	New Flyer	C40LF	Option	40'	102"

Total number of buses in OPTION LOT: 29

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1.5.5 OBSERVATION

Within the OPTION LOT, there may be one bus equipped with a roof-mounted oil cooler, vehicle number 7529. This bus may require a “complete paint job” as similar to buses within LOTS 1, 2, and 3 described in REFERENCE DOCUMENTS B and C. If this bus is included within the OPTION deliverables at a future date, the additional painting shall be priced separately as requested by the AUTHORITY in writing upon execution.

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SECTION 2.0

CONTRACTOR RESPONSIBILITIES

SECTION 2.0 CONTRACTOR RESPONSIBILITIES

2.1 LOT 1, 2 AND 3 DELIVERABLES (SIXTY-TWO (62) BUSES)

Sixty-two (62) buses require a partial bus painting program and/or work as compared to buses within the OPTION lot as these sixty-two (62) buses are all factory painted using the required Bravo! BRT white-base color. In addition, the gray colored trim at the bottom of the vehicles will not exist on these vehicles. For a complete description of the paint and decal package, REFERENCE DOCUMENTS B, C, and F contain required specifications related to buses within LOTS 1, 2, and 3.

The CONTRACTOR and/or subcontractor shall provide a firm fixed price for the following paint and decal services:

1. The CONTRACTOR and/or subcontractor services shall include all work required to complete the paint and decal SOW. This includes, but is not limited to, project management, priming, stripping, painting applications, decal installations, and closeout activities.
2. The CONTRACTOR and/or subcontractor shall be responsible for providing the AUTHORITY with a fully painted bus to include all decals, bus numbers, logos, warnings, stickers, OCTA's CA number, etc., as described in REFERENCE DOCUMENTS B, C, and F.
3. The CONTRACTOR and/or subcontractor shall paint the bus using PPG paint and colors, as described in REFERENCE DOCUMENTS B and C.

The CONTRACTOR and/or subcontractor shall properly prepare the bus for painting to prevent overspray - the unintentional painting of items, such as, windows, glass, lamps, lights, etc. The CONTRACTOR and/or subcontractor shall complete the following prior to painting:

1. All exterior lamps and rubber seals will be removed before prepping and painting.
2. All hinged panels and engine doors will be prepped.

The CONTRACTOR and/or subcontractor shall obtain all relevant materials to perform the work, including, but not limited to, paint, decals and/or decal kits, industry standards, specifications, illustrations, plans.

The CONTRACTOR and/or subcontractor shall install decals using criteria specified in REFERENCE DOCUMENT F using decal kits pre-defined and pre-approved by the AUTHORITY.

The CONTRACTOR and/or subcontractor shall adhere to special precautions when working around and storing these CNG powered buses. The

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CONTRACTOR and/or subcontractor facility(s) shall be equipped to accommodate CNG powered buses and shall comply with all applicable rules and regulations at the time of the award.

The CONTRACTOR and/or subcontractor shall be responsible for vehicle pick-up, delivery and storage.

The CONTRACTOR and/or subcontractor shall provide a secure location for the vehicles removed from the AUTHORITY's property.

The CONTRACTOR and/or subcontractor assumes all liabilities and risks associated with vehicle pick-up, vehicle delivery, vehicle storage, proper licensing and insurance for drivers and companies used to drive and/or transfer, to and from the AUTHORITY's properties.

The CONTRACTOR and/or subcontractor will exclusively be responsible for all damages, liabilities, risks and excludes the AUTHORITY, AUTHORITY property, AUTHORITY personnel, representatives, agents and others of any liabilities, damages and/or risks associated with this project.

The CONTRACTOR and/or subcontractor shall present valid proof to the AUTHORITY that all operators of vehicles have a valid CDL license permitting them to transport these buses.

The CONTRACTOR and/or subcontractor shall provide proof of business license and certifications.

The CONTRACTOR and/or subcontractor shall comply with all of OSHA / EPA / Cal OSHA / Cal EPA regulations, including training.

2.2 OPTION LOT DELIVERABLES (UP TO TWENTY-NINE (29) BUSES)

At the AUTHORITY's discretion, the OPTION lot may exercised for up to twenty-nine (29) buses in increments of one or greater. These buses require a complete paint and decal package primarily because the existing white-base as well as the gray colored trim at the bottom of the buses require stripping and painting to match the Bravo! BRT white-base color and all inclusive identity package as described herein and in REFERENCE DOCUMENTS D, E, and F.

The CONTRACTOR and/or subcontractor shall provide a firm fixed price for the following paint and decal services:

1. The CONTRACTOR and/or subcontractor services shall include all work required to complete the paint and decal SOW. This includes, but is not limited to, project management, priming, stripping, painting applications, decal installations, and closeout activities.

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2. The CONTRACTOR and/or subcontractor shall be responsible for providing the AUTHORITY with a fully painted bus to include all decals, bus numbers, logos, warnings, stickers, OCTA's CA number, etc., as depicted in REFERENCE DOCUMENTS D, E and F.
3. The CONTRACTOR and/or subcontractor shall paint the bus using PPG paint and colors, as described in REFERENCE DOCUMENTS D and E.

The CONTRACTOR and/or subcontractor shall properly prepare the bus for painting to prevent overspray - the unintentional painting of items, such as, windows, glass, lamps, lights, etc. The CONTRACTOR and/or subcontractor shall complete the following prior to painting:

1. All exterior lamps and rubber seals will be removed before prepping and painting.
2. All hinged panels and engine doors will be prepped.

The CONTRACTOR and/or subcontractor shall obtain all relevant materials to perform the work, including, but not limited to, paint, decals, industry standards, specifications, illustrations, plans.

The CONTRACTOR and/or subcontractor shall install decals using criteria specified in REFERENCE DOCUMENT F using AUTHORITY pre-defined and pre-approved decal kits.

The CONTRACTOR and/or subcontractor shall adhere to special precautions when working around these CNG powered buses. The CONTRACTOR and/or subcontractors facility(s) shall be equipped to accommodate CNG powered buses and shall comply with all applicable rules and regulations at the time of the award.

The CONTRACTOR and/or subcontractor shall be responsible for vehicle pick-up, delivery and storage.

The CONTRACTOR and/or subcontractor shall provide a secure location for the vehicles removed from the AUTHORITY's property.

The CONTRACTOR and/or subcontractor assumes all liabilities and risks associated with vehicle pick-up, vehicle delivery, vehicle storage, proper licensing and insurance for drivers and companies used to drive and/or transfer, to and from the AUTHORITY's properties.

The CONTRACTOR and/or subcontractor will exclusively be responsible for all damages, liabilities, risks and excludes the AUTHORITY, AUTHORITY property, AUTHORITY personnel, representatives, agents and others of any liabilities, damages and/or risks associated with this project.

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The CONTRACTOR and/or subcontractor shall present valid proof to the AUTHORITY that all operators of vehicles must have a valid CDL license allowing them to transport these buses.

The CONTRACTOR and/or subcontractor shall provide proof of business license and certifications.

The CONTRACTOR and/or subcontractor shall comply with all of OSHA / EPA / Cal OSHA / Cal EPA regulations, including training.

The AUTHORITY shall perform announced and unannounced inspections to the CONTRACTOR and/or subcontractor facility(s) to verify the stages of completion, quality of work performed, status of repairs and others as applicable to this project.

2.3 PAINT AND DECAL REMOVAL

For each LOT and/or OPTION, in preparation of performing paint, re-paint and decal installation services for the Bravo! BRT vehicles, CONTRACTOR and/or subcontractor shall remove all paint and decals, in compliance with industry standard practices, from vehicles prior to applying new paint and installing new decals. The CONTRACTOR and/or subcontractor shall protect all materials which include, but are not limited to, glass, plastic, rubber, and other underlying metal surfaces.

For each LOT and/or OPTION, during the paint and decal removal process, if CONTRACTOR and/or subcontractor damages any features on the vehicles, CONTRACTOR and/or subcontractor shall notify the AUTHORITY's point of contact within two (2) working days, and CONTRACTOR and/or subcontractor shall be responsible for replacing the features prior to performing and/or continuing paint and decal installation services. The CONTRACTOR and/or subcontractor shall reimburse AUTHORITY at original and/or full cost.

2.4 PAINT DRYING/CURING

To ensure proper decal adhesion, the CONTRACTOR and/or subcontractor shall provide adequate drying or curing time prior to any decal installations on any AUTHORITY vehicle to prevent defects. To minimize risks, the AUTHORITY recommends that the decal installations occur at a pre-scheduled and consistent interval after the painting on each vehicle has properly cured. This effort shall be organized and monitored by the CONTRACTOR and/or subcontractor to ensure that each vehicle meets acceptance and warranty requirements stated in the SOW.

2.5 DECAL REQUIREMENTS

For each LOT and/or OPTION, the CONTRACTOR and/or subcontractor shall secure and install new Bravo! BRT decal graphics within kits pursuant to

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AUTHORITY's pre-defined and pre-approved branding decal specifications and requirements listed in REFERENCE DOCUMENT F.

In addition, the CONTRACTOR and/or subcontractor shall follow the guidelines listed below:

1. Materials shall be 3M 680-10 CR reflective material (for all blue and white colored items listed in REFERENCE DOCUMENT F) and 3M 8991R for clear surface protectant.
2. Black vinyl shall be used for the CA bus numbers on both sides, and the numbers on the roof of the bus.
3. All printing shall be done with 3M inks and clear coat finish.

Artwork will be provided by AUTHORITY to the CONTRACTOR and/or subcontractor in Adobe Illustrator Encapsulated Postscript files (EPS) format, with an Adobe Acrobat PDF formatted file for reference.

Decals shall be kiss-cut and pre-masked in groups, for ease of installation.

All manufacturing and installation of decals shall be in accordance with 3M MCS (Matched Component System) specifications to qualify for 3M warranties.

2.6 DECAL SPECIFICATIONS

For each LOT and/or OPTION, decal graphics per vehicle shall be included within a decal kit(s) which exactly match specifications outlined in REFERENCE DOCUMENT F. As a requirement, the CONTRACTOR and/or subcontractor shall only install decals from AUTHORITY pre-defined and pre-approved kits which match the criteria and descriptions outlined in REFERENCE DOCUMENT F. No decal substitutions or omissions will be acceptable unless approved by the AUTHORITY in writing.

For each LOT and/or OPTION, the CONTRACTOR and/or subcontractor shall complete the following:

1. Replace all CNG stickers.
2. Replace all Kneeling stickers.
3. Replace all Bike Rack Instruction and Caution stickers.
4. Replace "OCTA Your Wheels" stickers Front & Back.
5. Replace all Handicap stickers.
6. Replace DMV CA 43438 Stickers.

2.7 PAINT PALETTES

For each LOT and/or OPTION, prior to commencing any work on the First Article, the CONTRACTOR and/or subcontractor shall submit paint palettes for the AUTHORITY's approval, four (4) sets of each color, size 3 inch by 6 inch, with the intended colors to be used in the Bravo! BRT painting scheme described in REFERENCE DOCUMENTS B through E.

The CONTRACTOR and/or subcontractor shall distribute the four (4) sets as follows:

- One (1) set shall be provided to AUTHORITY's Contract Administrator;
- One (1) set shall be under the CONTRACTOR's custody;
- The AUTHORITY's Technical Project Manager and the AUTHORITY's accepting team shall use the remaining two (2) sets to validate/verify color integrity throughout the program.

Upon approval by the AUTHORITY in writing, the CONTRACTOR and/or subcontractor shall commence the work.

2.8 FIRST ARTICLE

For each LOT and/or OPTION, CONTRACTOR and/or subcontractor shall perform paint and decal installation services as described in the SOW and/or subcontractor for a First Article on one (1) vehicle and will submit to the AUTHORITY for inspection and acceptance according to the scheduled submittal date(s), prior to proceeding with the remaining work within the SOW.

For each LOT and/or OPTION, the CONTRACTOR and/or subcontractor will perform a First Article vehicle within fifteen (15) working days following a Notice to Proceed (NTP) issued by the AUTHORITY in writing.

For each LOT and/or OPTION, the AUTHORITY will have five (5) working days to inspect and either accept or reject the First Article vehicle.

2.9 NOTICE TO PROCEED WITH PAINT PROGRAM (LOTS 1-3, OPTION)

Only after the approval of each First Article bus by the AUTHORITY, one (1) for LOT 1, one (1) for LOT 2, one (1) for LOT 3, and one for the OPTION, a NTP will be issued by the AUTHORITY's Contract Administrator in writing to the CONTRACTOR and/or subcontractor to proceed with each LOT and/or OPTION.

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2.10 PRODUCTION AND SCHEDULE

2.10.1 SCHEDULE / BUS AVAILABILITY

Upon the CONTRACTOR and/or subcontractor receiving a NTP from the AUTHORITY, the AUTHORITY shall have buses available to the CONTRACTOR and/or subcontractor prior to the listed dates in the project schedule in REFERENCE DOCUMENT A.

All dates throughout the SOW are based on calendar days unless otherwise noted.

2.10.2 PRODUCTION

For each LOT and/or OPTION, the CONTRACTOR and/or subcontractor shall complete one bus a week or two (2) buses every two (2) weeks (two buses painted the first week and the same two buses decaled the second week). The project schedule is designed to allow for adequate curing or drying time in between paint and decal installations. In addition, due to the anticipated level of coordination between the CONTRACTOR and/or subcontractor, an adequate amount of time is required to minimize schedule related complications.

As is consistent with the project schedule in REFERENCE DOCUMENT A, listed below is a brief summary of the bus availability dates for each LOT and/or OPTION.

2.10.3 LOT 1

First Article: Shall be available by December 1, 2008.
Production buses: Twenty-two (22) buses shall be available starting on December 29, 2008.

2.10.4 LOT 2

First Article: Shall be available by November 2, 2009.
Production buses: Twenty-two (22) buses shall be available starting on November 30, 2009.

2.10.5 LOT 3

First Article: Shall be available by May 31, 2010.
Production buses: Eighteen (18) buses shall be available starting on June 28, 2010.

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2.10.6 OPTION

- First Article: Shall be available at an unknown future date.
- Production buses: An unknown number of buses shall be available at an unknown future date.

2.11 ACCEPTANCE CRITERIA

For each LOT and/or OPTION, the AUTHORITY reserves the right of final approval upon acceptance of the First Article bus. The following, among others, as deemed necessary, shall be used as the acceptance criteria by the recipient Operating Authority Base/Supervision or designee from the AUTHORITY:

2.11.1 UNIFORMITY

Appearance is consistent over entire bus, both individual panels and between adjacent panels within a zone and throughout the bus.

2.11.2 COLOR UNIFORMITY

The Color shall not vary from agreed upon colors. Colors shall be traceable back to AUTHORITY's approved paint palettes.

2.11.3 GLOSS (20 DEGREE)

The shininess of the painted surface utilizing a BYK Gardener Micro –TRI- or a Haze & Gloss (20 degree) meter, or equivalent. Gloss measurements shall not be taken on non-metallic or contoured surfaces. Readings will only be taken as the bus exits the paint booth. Requirement shall be 80%.

2.11.4 FILM THICKNESS OF THE PAINTED SURFACE

All primer and topcoat film thickness shall be applied and measured in accordance with the pre-determined Paint Manufacturers Standards.

The dry film thickness (DFT) will be the sum of coatings applied as per recommended DFT as supplied by PPG. The minimum DFT of paint shall equal three (3) mils. The total maximum DFT shall not exceed 0.020".

2.11.5 PAINT SURFACE BLEMISHES – FISH EYES – BUBBLES/CRATERS

Small round depressions in the paint film which may or may not expose the underlying surface. This will be visually inspected and reported as applicable.

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2.11.6 DING

A localized depression or protrusion in the metal surface or substrate, which is visible after paint. This will be visually inspected (w/o) fluorescent light and reported as applicable

2.11.7 OVERSPRAY

Rough or gritty texture on paint film surface. Visual evaluation. No visible overspray is acceptable

2.11.8 SOLVENT POP

Small holes in a paint film usually caused by trapped solvent or porosity. Solvent boils are small, clustered, raised but unbroken bubbles in a paint film surface. Visual evaluation. An acceptable criterion is for pinhole type solvent pops, which are visible only when viewed at an angle or small random pops not visible from three (3) feet away.

2.11.9 POLISH MARKS

Visible swirl marks or hazy marks, which are caused by polishing techniques viewed in reflected or non-reflected lighting. Swirl marks or hazy marks, which are visible, are acceptable provided the gloss meets the previously described standard.

2.11.10 SAGS AND RUNS

Visual evaluation.

2.11.11 SCRATCHES ON SURFACE OF PAINT FILM

Visual evaluation.

2.11.12 FILE/GRIND MARKS

Cuts in the surface metal caused by poor sand / file technique or improper repair (visible after paint). Visual evaluation.

2.11.13 PINHOLES

Small holes in a paint film, usually in the area of fiberglass gelcoat parts (i.e. porosity). Visual evaluation.

2.11.14 PAINT CHIPS

The absence of a small portion of the paint film. Visual evaluation.

Touch-up is acceptable if no color change.

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2.11.15 PAINT STRIPE AND PAINT BREAK

A stripe is defined as any color less than eight (8) inches in width.

A paint break is wider than eight (8) inches.

Visual evaluation. Paint stripes and paint breaks shall be free of chipping or loss of small portion of paint. When a single stage coating application process is used, with more than one color, there will be a ridge (*) where the adjacent colors meet.

(*) This ridge is created by the different mil thickness of each color; most colors require a different mil thickness to accomplish total "hiding".

Mil thickness shall be applied and measured in accordance with the pre-determined Paint Manufacturers Standards. Touch up on paint stripe or paint break is acceptable if there is no color change.

NOTE: Touch-up, wet sand and polish are acceptable repairs.

Upon completion of all authorized work, the Senior Maintenance Administrator or designee from the AUTHORITY will inspect each vehicle for thoroughness and quality of work. In the event the performed work is found to be incomplete, substandard or unacceptable, payment shall be withheld until such work is acceptable.

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SECTION 3.0
BID CONTENT

SECTION 3.0 BID CONTENT

3.1 QUALIFICATIONS OF CONTRACTOR/SUBCONTRACTORS/REFERENCES

The CONTRACTOR and/or subcontractor shall submit with its bid, at a minimum, the following:

- Present examples of work (photos, documents, etc.) as well as samples of any work done by contractors and/or subcontractors used.
- Presentation of facility and physical samples of work if requested by AUTHORITY.
- Present three (3) separate references of similar work as described in the SOW.
- Attend the Pre-bid meeting where the buses involved in this paint program, or similar, may be on display.
- Submit proof of air quality operating permits for the facilities where the painting will be completed.
- Present proof of their employee safety and environmental compliance training programs.

Upon contract award, the successful bidder(s) shall provide a sample decal kit from a specified vendor provided by the AUTHORITY which exactly matches the AUTHORITY approved specifications outlined in REFERENCE DOCUMENT F.

3.2 LEGAL REQUIREMENTS, LAWS, AND REGULATIONS

The CONTRACTOR and/or subcontractor shall comply with all applicable Federal, State, and local regulations and laws. Local regulations are defined as those below the state level. These shall include, but are not limited to:

- Code of Federal Regulations, Title 49, Chapter V-National Safety Bureau, California Code of Regulations (CCA), Title 13.
- California Vehicle Code.
- California Health and Safety Code.
- California Air Resources Board Regulations.
- U.S. Environmental Protection Agency.

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In the event of any conflict between the requirements of this specification and any applicable legal requirement, the legal requirement shall prevail.

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SECTION 4.0
WARRANTY REQUIREMENTS

SECTION 4.0 WARRANTY REQUIREMENTS

4.1 TERMS OF WARRANTY

The CONTRACTOR and/or subcontractor shall provide a 100% material warranty for color fading, bubbling, and/or disintegration and labor warranty for the complete project, which includes bus painting, decal installation/replacement for a period of six-years (6), unlimited mileage, beginning on the date of acceptance.

As stated in Section 2.5 DECAL REQUIREMENTS, all manufacturing and installation of decals shall be in accordance with 3M MCS (Matched Component System) specifications to qualify for and maintain 3M warranty periods.

If, during the warranty period, repairs or modifications on any vehicle, made necessary by defective materials or workmanship, are not completed due to lack of material or inability to provide the proper repair for thirty (30) calendar days, the applicable warranty period shall be extended by the number of days equal to the delay period.

The warranties shall not apply to vehicles with defects resulting from misuse, negligence, or accidents.

4.2 TERMS OF RESPONSE

The CONTRACTOR and/or subcontractor will be required to respond to any warranty issues within three (3) working days.

4.3 LATENT DEFECTS

Defects noted after acceptance will be handled exactly as stated in Section 4.2 TERMS OF RESPONSE.

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REFERENCE DOCUMENTS

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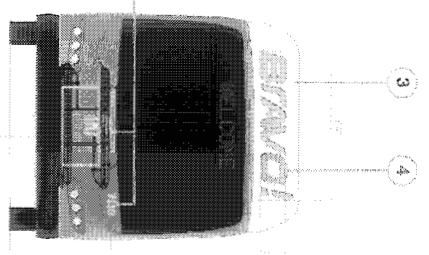
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REFERENCE DOCUMENT A – PROJECT SCHEDULE

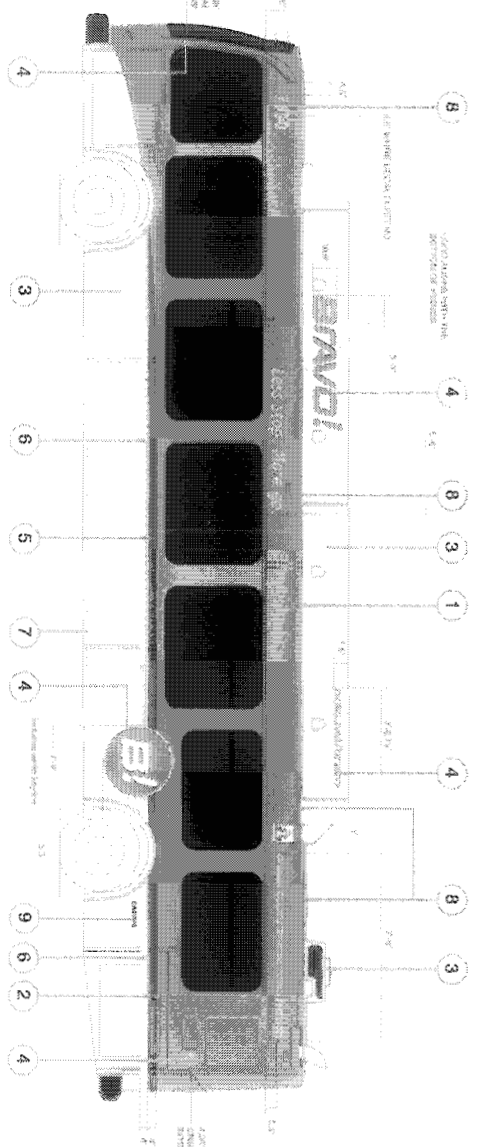
Project Schedule	
Milestones/Deliverables	NTP/Deliverable Dates
LOT 1	
NTP for First Article	12/01/2008
Delivery of First Article	12/19/2008
NTP for Production	12/29/2009
Production / Delivery Schedule	12/29/2008 through 05/29/2009
LOT 2	
NTP for First Article	11/02/2009
Delivery of First Article	11/20/2009
NTP for Production	11/30/2009
Production / Delivery Schedule	11/30/2009 through 04/30/2010
LOT 3	
NTP for First Article	05/31/2010
Delivery of First Article	06/18/2010
NTP for Production	06/28/2010
Production / Delivery Schedule	06/28/2010 through 11/01/2010
OPTION	
NTP for First Article	Unknown
Delivery of First Article	Unknown
NTP for Production	Unknown
Production / Delivery Schedule	Unknown

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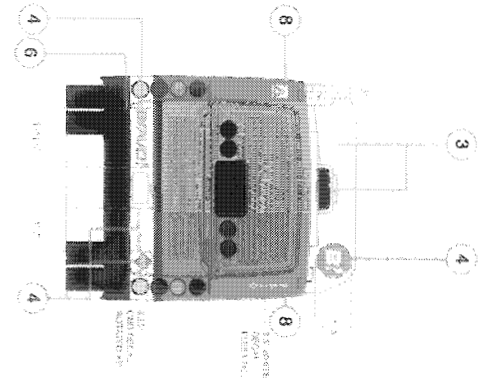
**REFERENCE DOCUMENT B – CONCEPTUAL BRAVO! VEHICLE PAINT AND
DECAL ILLUSTRATION WITH ROOF-TOP COOLER (SIDE VIEW)**



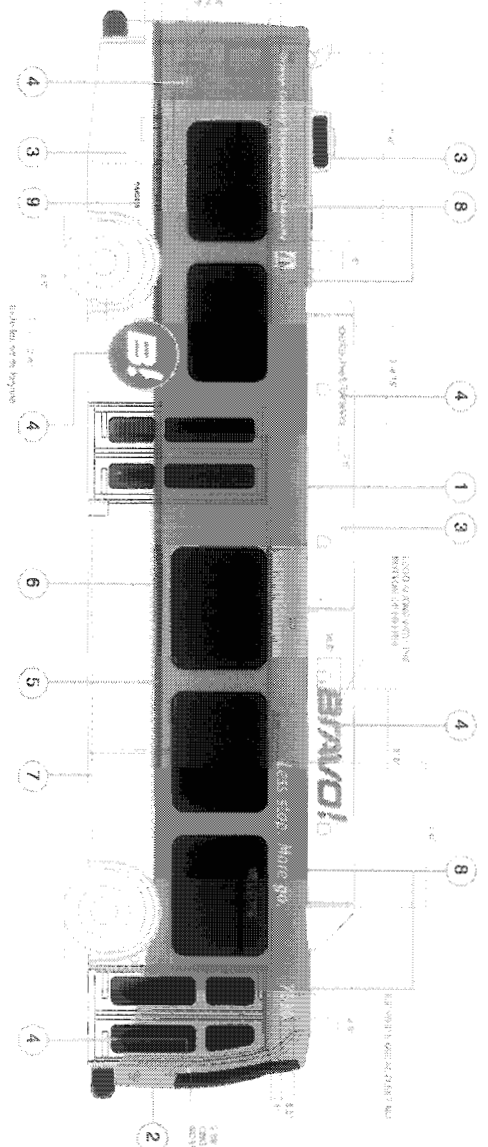
FRONT VIEW



STREET SIDE VIEW



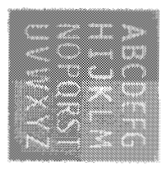
REAR VIEW



CURB SIDE VIEW

NOTES

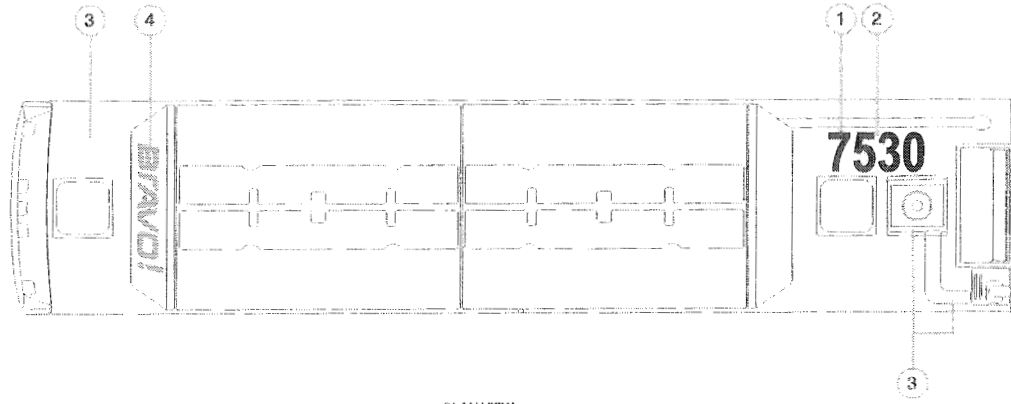
1. PPG PARTS TO MATCH PMS 279 C
2. PPG PAINT TO MATCH PMS 151 C ORANGE
3. PPG PAINT TO MATCH WHITE 1597 B2412
4. BRAVO! BLUE FOR ALL THE BLUE DECALS IS PMS 279 C AND NEEDS TO MATCH THE BUS PAINT COLOR. ALL WHITE AND BLUE DECALS ARE PRINTED ON 3M GLOSS REFLECTIVE MATERIAL, UNLESS OTHERWISE NOTED.
5. PMS REFLEX BLUE C ON 3M GLOSS REFLECTIVE MATERIAL, NEEDS TO MATCH STRIPING ON EXTERIOR FLEET.
6. WHITE STRIPING PRINTED ON 3M GLOSS REFLECTIVE MATERIAL.
7. 3M GLOSS CLEAR SURFACE PROTECTANT TO ALL EXPOSED SURFACES ON PAINT FROM BUS (AND ADVERTISEMENTS) (1646 WIDE X 36" HIGH)
8. WHITE DECAL ON 3M GLOSS REFLECTIVE MATERIAL.
9. 2.5" GAP HEIGHT BLACK VINYL, REFLECTIVE LEVEL FOR EACH BUS.
10. DRAWING IS FOR REFERENCE ONLY. FINAL ENGINEERING DRAWING WILL BE PROVIDED BY CHOSEN VENDOR FOR AUTHORITY APPROVAL.



IFB 8-1028

REFERENCE DOCUMENT C - CONCEPTUAL BRAVO! VEHICLE PAINT AND
DECAL ILLUSTRATION WITH ROOF-TOP COOLER (TOP VIEW)

1. DECAL FLEET NUMBER 18" BLACK CENTERED IN AVAILABLE SPACE AS SHOWN. FONT CAN CHANGE IF THERE IS AN INDUSTRY STANDARD FOR THE BUS ROOF NUMBERS.
2. DECAL EDGE SEALER
3. PPG PAINT TO MATCH WHITE HSV 981472.
4. BRAVO! BLUE FOR ALL THE BLUE DECAL IS PMS 279 C AND NEEDS TO MATCH THE BUS PAINT COLOR. ALL WHITE AND BLUE DECALS ARE PRINTED ON 3M 880CR REFLECTIVE MATERIAL, UNLESS OTHERWISE NOTED.

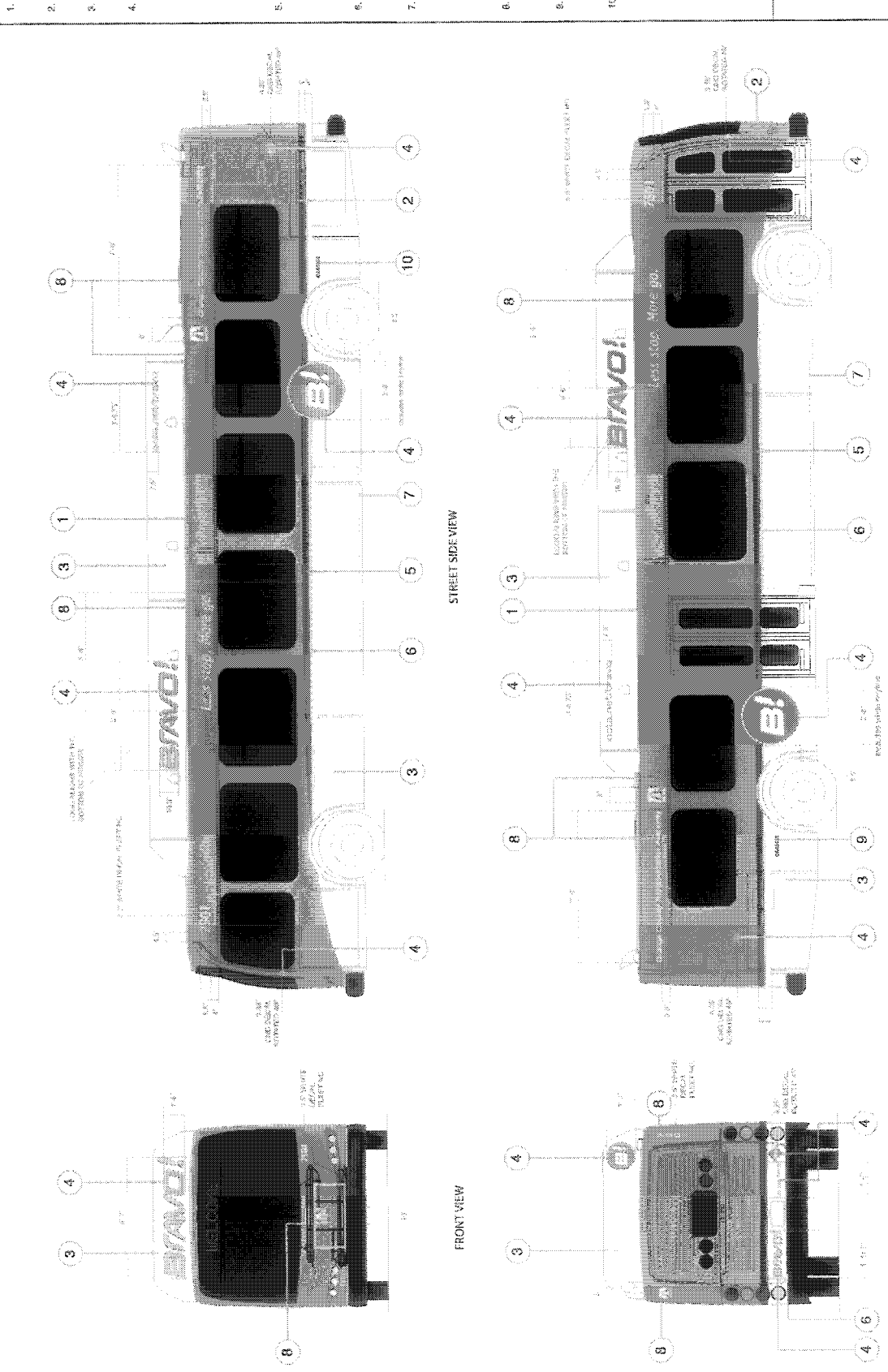


PLAN VIEW

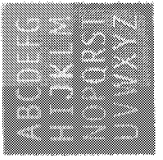
A B C D E F G H
 I J K L M
 N O P Q R S T
 U V W X Y Z

IFB 8-1028

REFERENCE DOCUMENT D - CONCEPTUAL BRAVO! VEHICLE PAINT AND
DECAL ILLUSTRATION WITHOUT ROOF-TOP COOLER (SIDE VIEW)



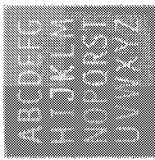
1. PPG PAINT TO MATCH PMS 274 C
2. PPG PAINT TO MATCH PMS 161 C CHANGE
3. PPG PAINT TO MATCH WHITE HSV 66.42R
4. BRASH BLUE FOR ALL THE BLUE DECALS IS PMS 274 C AND NEEDS TO MATCH THE BUS PAINT COLOR. ALL WHITE AND BLUE DECALS ARE PRINTED ON 8M GLOSS REFLECTIVE MATERIAL, UNLESS OTHERWISE NOTED.
5. PMS REFLEX BLUE C ON 8M GLOSS REFLECTIVE MATERIAL. NEEDS TO MATCH STRIPING ON EXISTING FLEET.
6. WHITE STRIPING PRINTED ON 2M GLOSS REFLECTIVE MATERIAL.
7. 3M BRILL CLEAR SURFACE PROTECTANT TO ALLEVATE SCRATCHES ON PAINT FROM BUS WING ADVERTISEMENTS. (148" WIDE X 54" HIGH)
8. WHITE DECAL ON 8M GLOSS REFLECTIVE MATERIAL.
9. 2.5" GAP HEIGHT BLACK VINYL INDENTIALIZED FOR EACH BUS.
10. DRAWING IS FOR REFERENCE ONLY. FINAL ENGINEERING DRAWING WILL BE PROVIDED BY CHASE VENDOR FOR AUTHORITY APPROVAL.



IFB 8-1028

REFERENCE DOCUMENT E – CONCEPTUAL BRAVO! VEHICLE PAINT AND
DECAL ILLUSTRATION WITHOUT ROOF-TOP COOLER (TOP VIEW)

A	B	C	D	E	F	G	H		
TITLE: BRAVO! BUS PART AND DECAL PLAN (VEHICLES 7501-7528) D888 OCTA (8/1/08) (Rev. 6/1) (Page 2 of 4)				PREPARED BY: JAMES KLEIN + ASSOCIATES		SHEET NO: 3 / 4		DATE: 06.16.08	
<p style="text-align: center;">PLAN VIEW</p>									
NOTES 1. DECAL FLEET NUMBER '67' BLACK CENTERED IN AVAILABLE SPACE AS SHOWN. FONT CAN CHANGE IF THERE IS AN INDUSTRY STANDARD FOR THE BUS ROOF NUMBERS. 2. DECAL EDGE SEALING 3. PPG PAINT TO MATCH WHITE: HSV 821412. 4. BRAVO! BLUE FOR ALL THE BLUE DECALS IS PMS 279 C AND NEEDS TO MATCH THE BUS PAINT COLOR. ALL WHITE AND BLUE DECALS ARE PRINTED ON 3M 880CR REFLECTIVE MATERIAL, UNLESS OTHERWISE NOTED.									
1	2	3	4	5	6	7	8		



IFB 8-1028

REFERENCE DOCUMENT F – BRAVO! BRT VEHICLE DECAL SPECIFICATIONS LIST

Part No.	Qty.	Description	Size	Colors
B1	1	top BRAVO!	60" wd x 10.5" ht (exclamation point is 13.55" ht)	PMS 279 C Blue
B2	1	Less stop. More go.	66" wd x 8" ht	White
B3	1	top octa.net/bravo	44.75" wd x 4" ht	PMS 279 C Blue
B4	1	top OCTA Logos	8" wd x 9.8" ht	White
B5	1	Orange County Transportation Authority (type logo)	84.25" wd x 3.5" ht	White
B6	1	unit numbers	5.5" ht	White
B7	1	B! logo	32" diameter	PMS 279 C Blue
B8	1	CNG logos (at front)	3 3/8" square (45 degree rotation)	White with PMS 293 Blue type (on orange background)
B9	1	CNG logos (at back)	4.25" square (45 degree rotation)	White with PMS 293 Blue type (on orange background)
B10	1	CA43438 numbers (vinyl)	2.5" ht	black vinyl, not reflective material
B11	1	3M 8991R clear protectant (under bus ads to protect paint)	148" wd x 34" ht	Clear, not reflective material

IFB 8-1028

Part No.	Qty.	Description	Size	Colors
B1	1	top BRAVO!	60" wd x 10.5" ht (exclamation point is 13.55" ht)	PMS 279 C Blue
B2	1	Less stop. More go.	66" wd x 8" ht	White
B3	1	top octa.net/bravo	44.75" wd x 4" ht	PMS 279 C Blue
B4	1	top OCTA Logos	8" wd x 9.8" ht	White
B5	1	Orange County Transportation Authority (type logo)	84.25" wd x 3.5" ht	White
B6	1	unit numbers	5.5" ht	White
B7	1	B! logo	32" diameter	PMS 279 C Blue
B8	1	CNG logos (at front)	3 3/8" square (45 degree rotation)	White with PMS 293 Blue type (on orange background)
B9	1	CNG logos (at back)	4.25" square (45 degree rotation)	White with PMS 293 Blue type (on orange background)
B10	1	CA43438 numbers (vinyl)	2.5" ht	black vinyl, not reflective material
B11	1	3M 8991R clear protectant (under bus ads to protect paint)	148" wd x 34" ht	Clear, not reflective material

Part No.	Qty.	Description	Size	Colors
B12	1	top BRAVO!	67" wd x 15.25" ht	PMS 279 C Blue
B13	1	center OCTA Logo	10" wd x 12.25" ht	White
B14	2	unit numbers	3.5" ht	White

IFB 8-1028

Part No.	Qty.	Description	Size	Colors
B15	1	left OCTA Logo	5" wd x 6.13" ht	White
B16	1	top B! logo	15" diameter	PMS 279 C Blue
B17	1	vertical unit numbers	3.5" ht	White
B18	1	bottom BRAVO!	23.5" wd x 5" ht	PMS 279 C Blue
B19	1	Less stop. More go.	19" wd x 2.25" ht	White
B20	1	CNG logo	6.25" square (45 degree rotation)	PMS 279 C Blue

Part No.	Qty.	Description	Size	Colors
B21	4	unit numbers	18" tall	Black Vinyl

Part No.	Qty.	Description	Size	Colors
B22	1	8" total depth stripe (4" of blue and 4" of white). Stripe starts at the side of the bus behind the wheel, continues around the back, and covers the second side of the bus.	4" each of white and blue, 8" total height (one piece with both colors)	PMS Reflex Blue on white reflective material



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: ACCESS Performance Measurements Update and Amendment to Agreement with Veolia Transportation Services, Inc. for the Provision of ACCESS, Contracted Fixed Route, Stationlink, and Express Bus Services

Transit Committee meeting of July 10, 2008

Present: Directors Brown, Dixon, Nguyen, Pulido, and Winterbottom
Absent: Directors Buffa and Green

Committee Vote

This item was passed by all Committee Members present.

Pursuant to Government Code 84308, Committee Chairman Nguyen recused herself from the discussion and voting on this item.

Committee Recommendations

- A. Receive and file ACCESS Performance Measurements Update as an information item.
- B. Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-5-3021 between the Orange County Transportation Authority and Veolia Transportation Services, Inc., in the amount of \$1,050,550, bringing the total contract value to \$96,620,434.



July 10, 2008

To: Transit Committee

From: Arthur T. Leahy, Chief Executive Officer *ATL by RL*

Subject: ACCESS Performance Measurements Update and Amendment to Agreement with Veolia Transportation Services, Inc., for the Provision of ACCESS, Contracted Fixed Route, Stationlink, and Express Bus Services

Overview

As directed by the Board of Directors, staff has provided monthly updates regarding ACCESS service provided by Veolia Transportation Services, Inc., including a report on contractual performance measurements. This report provides ACCESS performance measurement data through May 2008 and provides an overview of proposed changes to the current contract with Veolia Transportation Services, Inc.

Recommendations

- A. Receive and file ACCESS Performance Measurements Update as an information item.
- B. Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement No. C-5-3021 between the Orange County Transportation Authority and Veolia Transportation Services, Inc., in the amount of \$1,050,550, bringing the total contract value to \$96,620,434.

Background

On February 27, 2006, the Board of Directors (Board) awarded Veolia Transportation Services, Inc., (Veolia) the contract to manage and operate of the Orange County Transportation Authority's (Authority) ACCESS service (Attachment A). In response to continued service quality issues experienced after the start of the contract, the Board requested staff provide regular updates to the Transit Committee and the Board. A review of the contractual performance measurements indicate that service has either improved and/or remained consistent throughout the previous 12 months. Performance

measurements showed a slight decline in on-time performance, customer comments, and service delivery failures for February, March, and April 2008. However, these areas have shown improvement during the month of May 2008.

Discussion

Veolia and Community Transportation Services (CTS) staff have continued to work closely to monitor ACCESS service quality. Performance standards are monitored on a daily basis. After a period of positive trends, on-time performance, service delivery, and customer comments began to worsen in February 2008. This decline continued into March and April 2008. Veolia made several adjustments to scheduling, radio dispatch staffing, and related policies and procedures in an effort to improve service quality.

During May 2008, on-time performance and customer comment levels improved. On-time performance, which has been below the 93 percent level the previous three months, surpassed the 94 percent level for the first time since January 2008, ending the month at 94.17 percent. The average on-time performance for the last six months is 94.23 percent (Attachment B).

Service delivery failures, or trips in excess of 120 minutes late, increased in the month of May, with a total of 37 for the month. While this represents an increase compared to April 2008, the total is consistent with that of previous months (Attachment C).

The month of May also showed considerable improvement in the number of customer comments received, with a total of 195 comments. This total represents a 33 percent reduction in comments compared to April 2008 (Attachment D).

Authority staff is working with Veolia staff to address specific issues that have impacted service quality. During the month of May, of the five most common customer comments, four of the categories improved to levels consistent with previous months. While there was a positive trend in the month, attention continues to be focused on these areas of performance (Attachment E).

Amendment to Veolia Agreement

At the June 9, 2008, Board meeting, staff reported the results of an Internal Audit review of the agreement between the Authority and Veolia. The report made a number of recommendations to both contract language and contract administration. In response, staff developed an amendment to the agreement with Veolia which incorporates the recommendations related to tracking penalties and incentives. In addition, the amendment includes items which have been added and/or modified during the first two years of the contract. The following is a description of the four items included in the amendment:

Key Personnel – Replacement of the maintenance manager position. Under the terms of the contract, Veolia is required to inform the Authority of any changes to the key personnel assigned to this project. In March 2008, a replacement was made in the position of maintenance manager for Veolia.

Maximum Obligation – The current maximum obligation for the initial three-year term of the agreement is \$95,569,884. The costs associated with the items addressed in the amendment total \$1,050,550. If increased by this amount, the new maximum obligation for this agreement would be \$96,620,434. A description of each of these items is provided in this staff report.

Express Bus Stand-by Service – Language is proposed to allow Authority staff to authorize the contractor to provide stand-by vehicles for express bus service initiating in Riverside County. This practice began during the 2006 start-up phase of the express bus service to ensure quality service and continued for a period of time. Stand-by vehicles are intended to provide coverage for potential overload situations and minimize service disruption in case of mechanical failure. It is anticipated that this strategy will again become necessary as ridership on express bus continues to increase and as new express bus services are implemented. The cost associated with this item is \$65,500.

Fueling – On the issue of fuel, there are three areas which are addressed in the amendment: the responsibility for providing fuel utilized in Authority-provided vehicles; the costs associated with the off-site fueling of compressed natural gas (CNG) vehicles; and the labor costs for CNG off-site fueling. Language is proposed which clearly states the Authority shall provide all fuel utilized in Authority-provided revenue service vehicles. It was originally anticipated there would be a CNG fueling facility at the Irvine Sand Canyon

Base, but the construction of the facility has been delayed due to the uncertainty associated with the development of the Great Park and the possible impact on the Authority's property. As an alternative, the contractor fuels these vehicles at either the Authority's Santa Ana Base or the City of Irvine maintenance facility located on Oak Canyon Road. The cost of the labor associated with fueling at the Santa Ana Base was unanticipated by the contractor in the original bid. This language allows the contractor to bill the Authority for the labor associated with this activity on a per vehicle basis. The cost associated with this item is \$318,260. Additionally, the Authority will reimburse the contractor for the cost of CNG purchased for Authority-provided revenue vehicles at the City of Irvine maintenance facility. The cost associated with the item of CNG fuel is \$553,000.

Vehicle Operator Training – Language is proposed to clarify that the Authority will make four revenue vehicles available for vehicle operator training. There is no additional cost to the Authority for this item. The vehicles have been retired from the Authority and Veolia is responsible for all costs associated with the operation of the vehicles.

Facility Location – Preparations have been underway to relocate several Veolia administrative functions that support ACCESS service, from the Authority headquarters building in Orange and Irvine Sand Canyon Base, to the Irvine Construction Circle Base; this includes the call center, radio dispatch, scheduling, coach operator training, and data entry. The Authority will compensate Veolia for the costs associated with this move. Costs include required furniture, computer hardware, and an additional driver trainer position. Costs associated with this are \$77,858.

Facility Maintenance – On April 1, 2007, the Authority assumed the responsibilities of facility maintenance services at Irvine Sand Canyon Base. However, during the first year of the contract, Veolia provided these services with the understanding that the costs for the required facility maintenance technicians would be reimbursed by the Authority. The total compensation for facility maintenance services was \$142,000.

Janitorial Services – Language is proposed to clarify the responsibility to provide facility maintenance and janitorial services at both the Irvine Sand Canyon and Irvine Construction Circle bases. In the original scope of work it was anticipated that the contractor would provide janitorial services for both the maintenance and administrative areas of the facility. The services provided by the contractor did not consistently meet the Authority's standards. As a result,

**ACCESS Performance Measurements Update and Page 5
Amendment to Agreement with Veolia Transportation
Services, Inc., for the Provision of ACCESS, Contracted Fixed
Route, Stationlink, and Express Bus Services**

the Authority assumed the provision of janitorial services on December 1, 2007. Veolia will apply a credit to the monthly invoice for service in the amount of \$5,582 for transferring these responsibilities. The total amount of this credit through the end of the base term of the agreement will be \$106,068.

Assessment of Penalties – In response to an Internal Audit finding regarding the assessment of penalties and incentives, language is proposed to clarify the Authority's right to waive the assessment of any penalty and/or incentive. The Board will be provided with periodic reports regarding any penalties and/or incentives which have been waived.

Summary

After a slight decline in performance measurements in February, March and April 2008, ACCESS performance shows improvement during the month of May. Staff will continue to monitor service quality and report to the Board as directed. Staff requests authorization to execute Amendment No. 3 to Agreement No. C-5-3021 with Veolia Transportation Services, Inc., in the amount of \$1,050,550, bringing the total contract value to \$96,620,434.

Attachments

- A. Veolia Transportation Services, Inc. Agreement No. C-5-3021 Fact Sheet
- B. On-Time Performance
- C. Service Delivery Failure
- D. Monthly Customer Comments
- E. Top Five Comments
- F. Amendment No. 3 to Agreement No. C-5-3021 Between the Orange County Transportation Authority and Veolia Transportation Services, Inc.

Prepared by:



Curt Burlingame
Section Manager
Community Transportation Services
714-560-5921

Approved by:



Beth McCormick
General Manager, Transit
714-560-5964

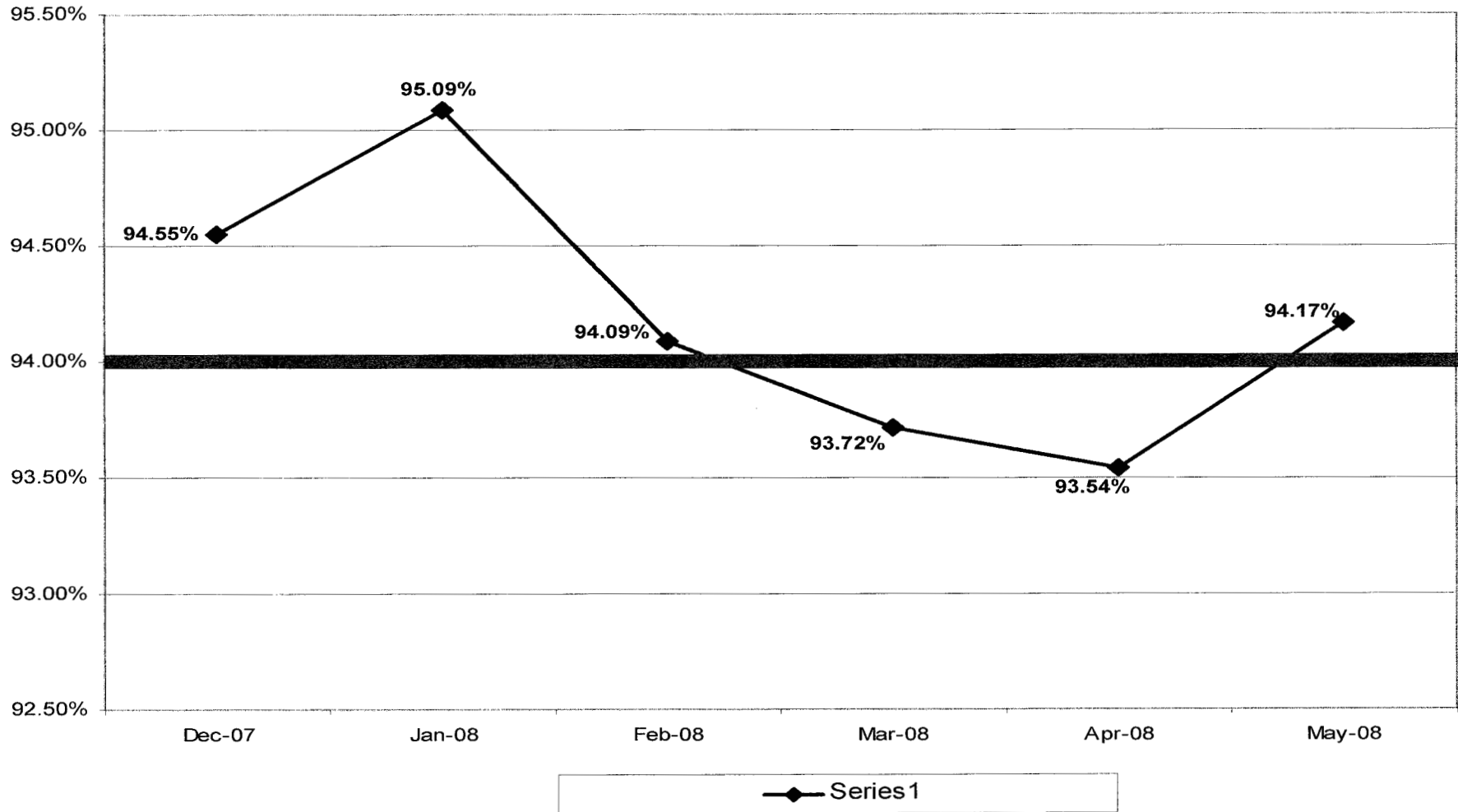
ATTACHMENT A

Veolia Transportation Services, Inc. Agreement No. C-5-3021 Fact Sheet

1. February 27 2006, Agreement No. C-5-3021, \$95,569,884, approved by the Board of Directors.
 - Term of Agreement: July 1 ,2006 through June 30, 2009
2. October 7, 1999, Amendment No. 1 to Agreement No. C-5-3021, approved by the Contracts Administration and Materials Management Department.
 - For the replacement of key personnel (Maintenance Director)
 - No value change to agreement
3. June 7, 2000, Amendment No. 2 to Agreement No. C-5-3021, approved by the Contracts Administration and Materials Management Department.
 - For the replacement of key personnel (General Manager)
 - No value change to agreement
4. July 14, 2008, Amendment No. 3 to Agreement No. C-5-3021, \$1,050,550, pending approval by Board of Directors.
 - Internal Audit Department reported recommendations to contract language and contract administration.
 - Amendment to the agreement includes addition and/or modification to language regarding key personnel, maximum obligation, express bus standby service, fueling, vehicle operator training, facility location, facility maintenance and janitorial services, and assessment of penalties.

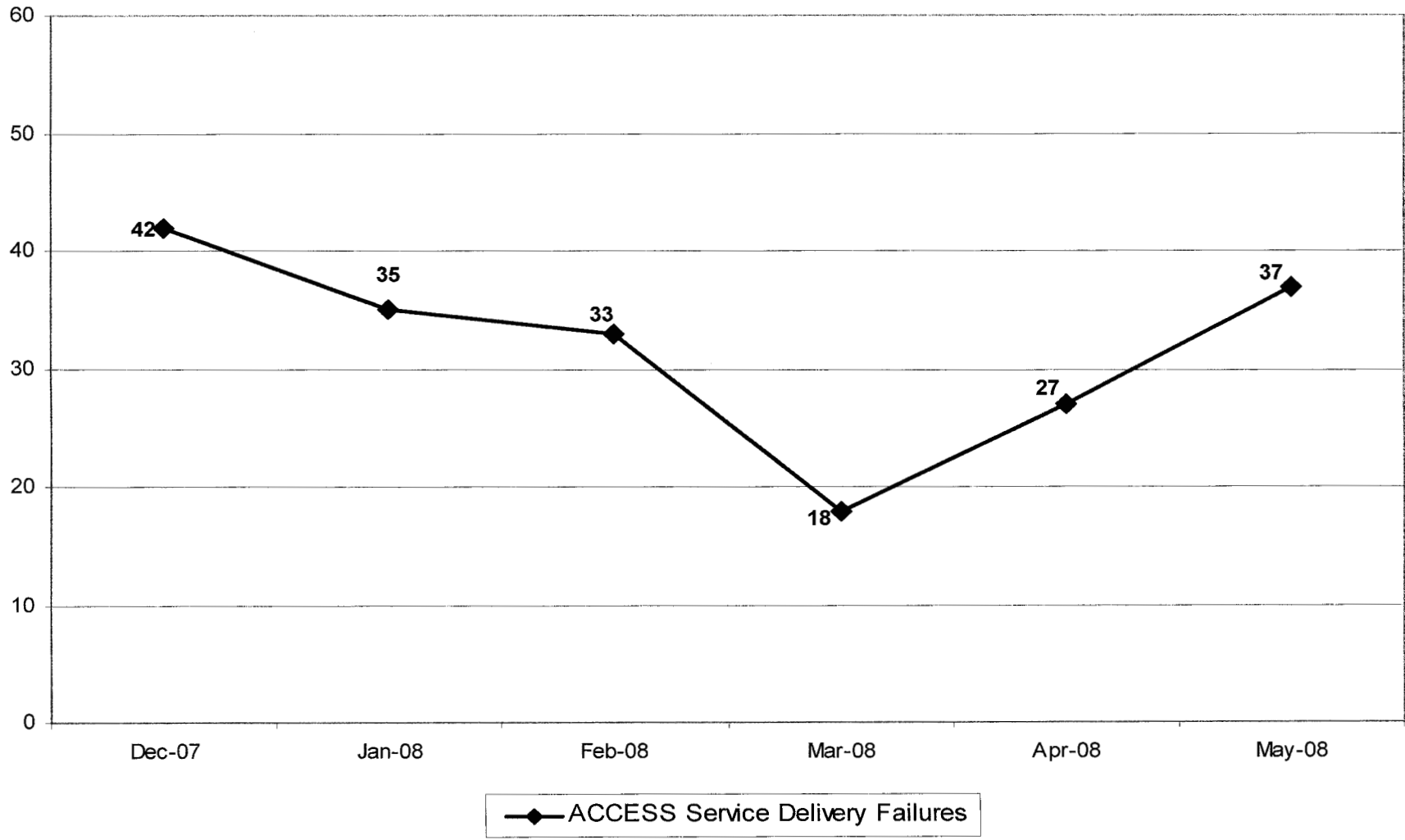
Total committed to Veolia Transportation Services, Inc., Agreement No. C-5-3021:
\$96,620,434

On-Time Performance

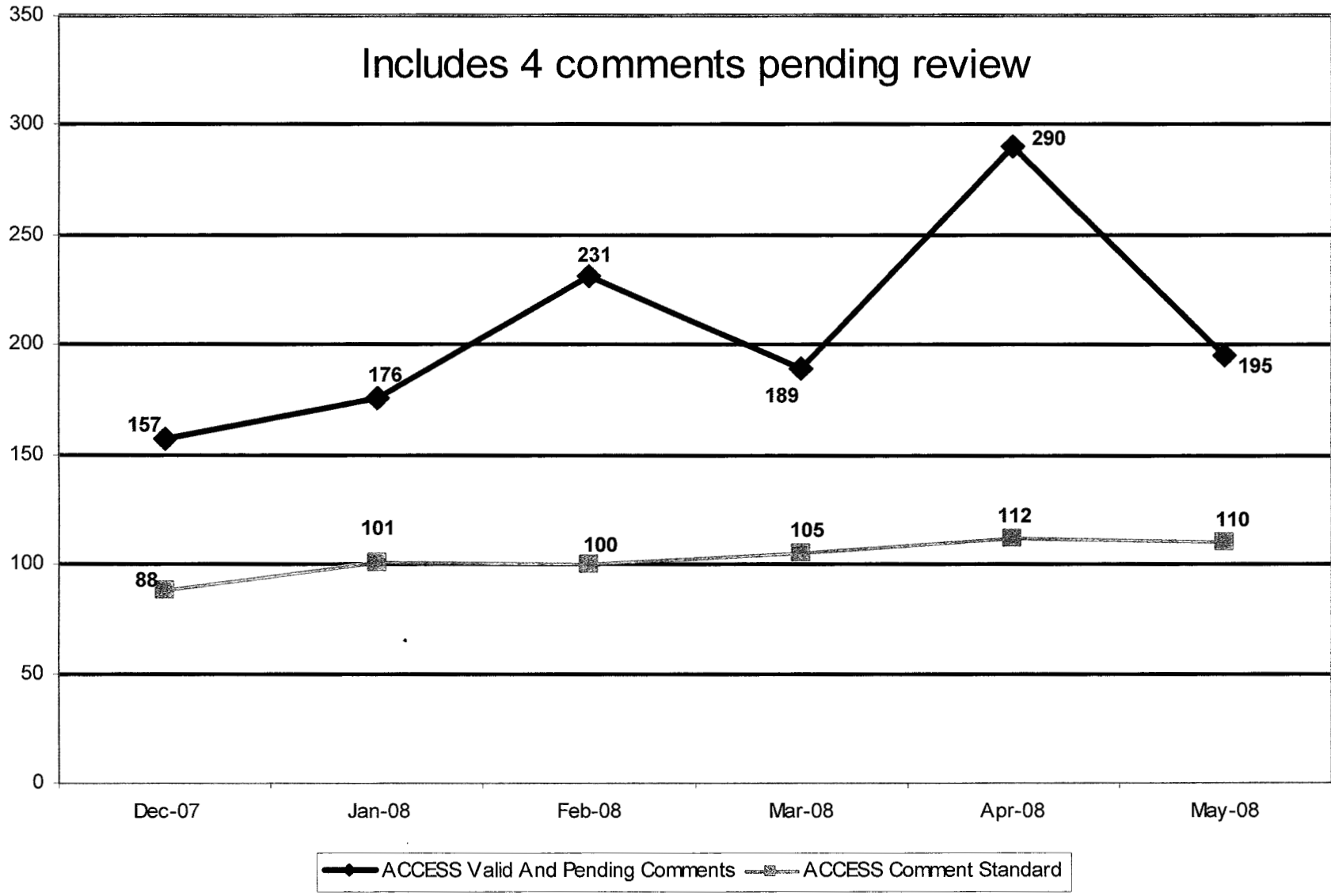


Service Delivery Failure

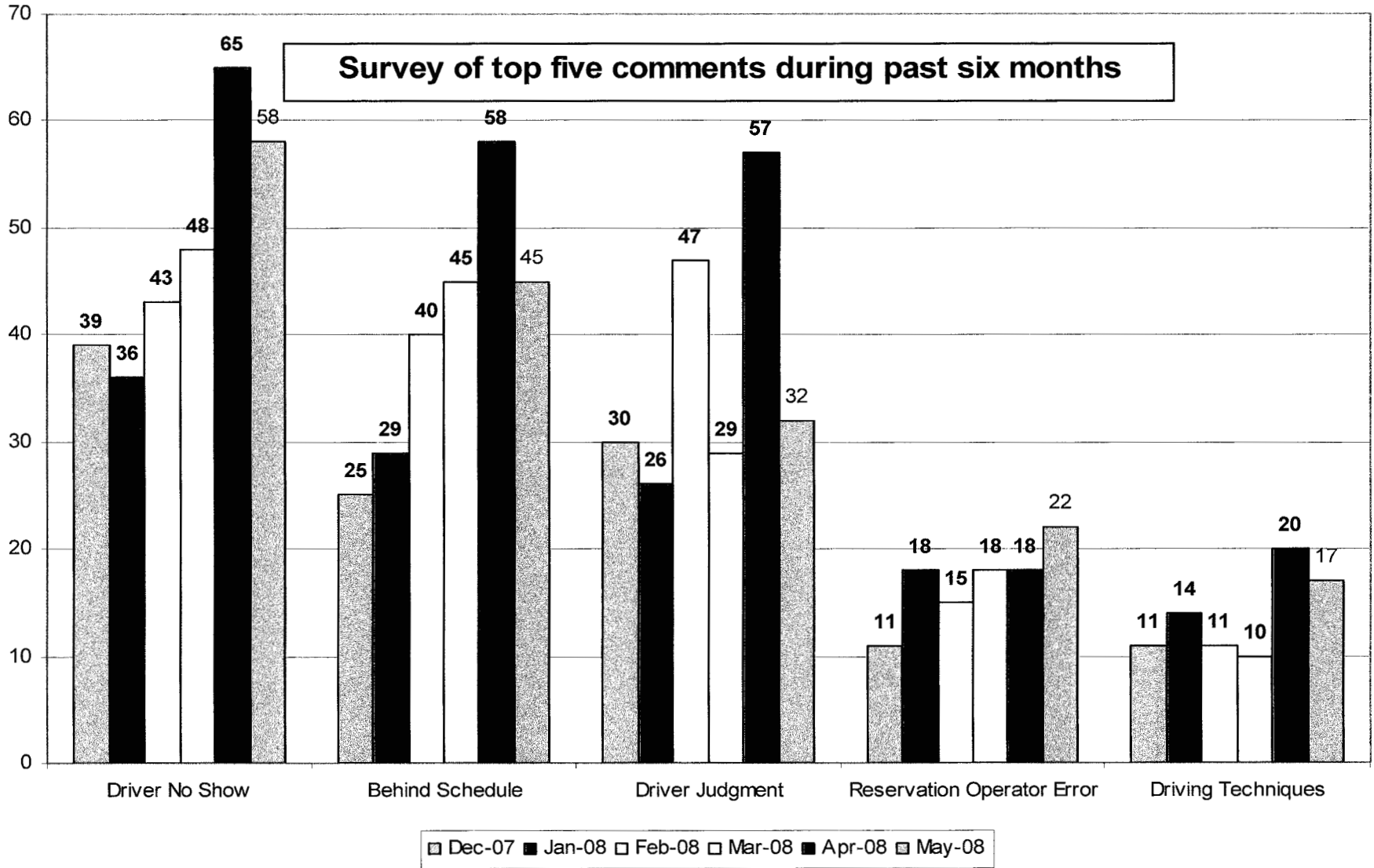
Data validated through 05/31/08



Monthly Customer Comments



Top Five Comments



AMENDMENT NO. 3

AGREEMENT NO. C-5-3021

BETWEEN THE

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

VEOLIA TRANSPORTATION SERVICES, INC.

THIS AMENDMENT NO. 3, is made and entered into this ___ day of _____, 2008, by and between the Orange County Transportation Authority ("AUTHORITY"), and Veolia Transportation Services, Inc. ("CONTRACTOR").

WITNESSETH:

WHEREAS, by Agreement No. C-5-3021 dated February 27, 2006 ("Agreement"), as last changed by way of Amendment No. 2 dated January 10, 2008, AUTHORITY and CONTRACTOR entered into an Agreement for CONTRACTOR to provide management and operation for ACCESS, Contracted Fixed Route, Stationlink and Express Bus Services; and

WHEREAS, AUTHORITY desires to make changes to this Agreement and the Scope of Work that reflect actions that have been taken by AUTHORITY and CONTRACTOR over the course of the Agreement and CONTRACTOR has agreed to these changes;

NOW, THEREFORE, it is mutually understood and agreed that Agreement No. C-5-3021 is hereby amended in the following particulars only:

1. Amend **ARTICLE 5. KEY PERSONNEL**, Page 3 of 25, line 25, as last changed by Amendment No. 2, to delete " Enis Yeneriz" and in lieu thereof insert "Carlos Saldana".

2. Amend **ARTICLE 8. MAXIMUM OBLIGATION**, Page 6 of 25, lines 18 and 19, to delete "Ninety-Five Million, Five Hundred Sixty-Nine Thousand, Eight Hundred Eighty-Four Dollars (\$95,569,884.00)" as the maximum cumulative payment obligation and in lieu thereof insert "Ninety-Six Million, Six Hundred Twenty Thousand, Four Hundred Thirty-Four Dollars (\$96,620,434.00)"

/

1 3. Amend Exhibit A, Scope of Work as following:

2 A. **Section 3: CONTRACTED FIXED ROUTE, STATIONLINK AND EXPRESS**
3 **BUS SERVICE, Subsection A, Express Bus Service Routes**, page 25 of 87, shall be amended to
4 add the following as the last paragraph in the Subsection:

5 “In an effort to ensure quality service, AUTHORITY may direct CONTRACTOR to
6 provide additional “standby” vehicles to routes assigned to the AUTHORITY’S
7 Express Bus Service. These standby vehicle assignments will provide coverage
8 for potential overload situations, in addition to vehicle breakdown support. As the
9 Express Bus Service is invoiced on a per operated mile basis, any vehicle
10 assigned as Express Bus Standby and not required for revenue service will be
11 invoiced for all time spent at the assigned standby location at the current revenue
12 vehicle hour (RVH) rate included in the Agreement for Contracted Fixed Route
13 service. The RVH shall include travel time to and from the assigned standby
14 location. If the vehicle is utilized into Express Bus revenue service, the standby
15 rate will end and the service will be invoiced at the regular Express service rate.
16 CONTRACTOR shall be compensated for only those Express Bus Standby
17 vehicles which have been previously approved by AUTHORITY.”

18 B. **Section 4: VEHICLE MAINTENANCE, Subsection H, Fueling**, page 38 of 87,
19 shall be amended in the following manner:

20 1) The third paragraph of this Subsection shall be deleted in its entirety.

21 2) The following shall be added as the third paragraph in this Subsection:

22 “AUTHORITY shall provide all fuel necessary to operate the vehicles used in
23 providing ACCESS and Contracted Fixed Route Service under this Agreement.
24 AUTHORITY will make available to CONTRACTOR the AUTHORITY’S Santa
25 Ana CNG Fueling Facility, located at 4301 MacArthur Blvd. Santa Ana, CA, for
26 fueling CNG powered vehicles until such time as a CNG fueling facility is

1 operable at the AUTHORITY'S Irvine Sand Canyon operating base, located at
2 14736 Sand Canyon Avenue. Until such time as the Irvine Sand Canyon CNG
3 Fueling Facility is operational, AUTHORITY will reimburse CONTRACTOR for
4 fueling the CNG powered vehicles at the AUTHORITY'S Santa Ana CNG
5 Fueling Facility at the hourly rate of \$17.84, which shall include the cost of
6 transporting the vehicles to and from the Santa Ana CNG Fueling Facility, as
7 well as the cost of labor incurred in driving and fueling the vehicles.
8 CONTRACTOR is authorized to invoice AUTHORITY for the cost of fueling
9 vehicles at the Santa Ana CNG Fueling Facility one (1) time per day at a rate of
10 one (1) hour per fueling event, unless provided with prior approval from
11 AUTHORITY. CONTRACTOR shall document each fueling event on the
12 AUTHORITY approved CNG Fuel Log form and shall submit to this form to
13 AUTHORITY with the CONTRACTOR'S monthly invoice. Any fuel event
14 invoiced without the required documentation will not be reimbursed. If for any
15 reason the AUTHORITY'S Santa Ana CNG Fueling Facility is not operable,
16 AUTHORITY will notify CONTRACTOR of the situation and direct them to fuel
17 at another CNG fueling site in Orange County. In the event AUTHORITY
18 directs CONTRACTOR to fuel at another CNG fueling facility other than the
19 AUTHORITY'S Santa Ana CNG Fueling Facility, CONTRACTOR shall be
20 reimbursed at the same \$17.84 hourly rate utilized for fueling at the Santa Ana
21 CNG Fueling Facility. This reimbursement of costs associated with fueling shall
22 exclude any vehicles fueled at the City of Irvine Maintenance Facility, located at
23 6427 Oak Canyon Road, Irvine, CA. If vehicles are fueled at the City of Irvine
24 Maintenance Facility, AUTHORITY shall reimburse CONTRACTOR for the
25 actual cost of the fuel obtained from the City of Irvine Maintenance Facility. The
26 labor costs incurred by CONTRACTOR driving to and from the City of Irvine

1 Maintenance Facility and in fueling the vehicles shall not be reimbursed.”

2 This change shall be effective commencing on September 1, 2007.

3 C. **Section 5: OPERATOR TRAINING AND SAFETY PROGRAMS, Subsection**
4 **A, Vehicle Operator Training**, page 47 of 87, shall be amended to delete the Subsection in its
5 entirety and in lieu thereof insert the following:

6 **“A. Vehicle Operator Training**

7 CONTRACTOR shall be responsible for all training of vehicle operators,
8 including training on AUTHORITY organization, service policies, passenger
9 fares and an overview of other AUTHORITY services. AUTHORITY shall train
10 the CONTRACTOR's Safety and Training Manager on AUTHORITY's policies,
11 procedures, and the other items listed above. CONTRACTOR shall be
12 responsible for the provision of qualified training staff to conduct behind-the-
13 wheel operator training and other training as determined by CONTRACTOR.
14 AUTHORITY shall make four (4) 25-foot cutaway vehicles available to the
15 CONTRACTOR for vehicle operator training. The provision of these training
16 vehicles shall be subject to the following conditions: 1) CONTRACTOR shall be
17 responsible for providing and paying all required maintenance, including
18 preventative maintenance, inspections and all required repairs. 2) The training
19 vehicles shall not be included in the provisions specified in Scope of Work
20 **Section 4 Vehicle Maintenance, Subsection L, Maintenance Repair**
21 **Procedures** that provides that the cost for replacement of major components
22 can be a passed to AUTHORITY. CONTRACTOR shall provide all fuel and
23 tires for these training vehicles. CONTRACTOR shall be responsible for fueling
24 these vehicles at an off-site location.”

25 /

26 /

1 D. **Section 10: FACILITY, Subsection A, Facility Location**, page 58 of 87 shall
2 be amended to add the following as the last paragraph in this Subsection:

3 “The parties intend to relocate various CONTRACTOR administrative functions
4 from their current locations to an AUTHORITY-owned operating base located at
5 16281 Construction Circle West, Irvine, CA. It is anticipated that this relocation
6 shall be completed by July 1, 2008. The administrative functions included in the
7 relocation are: ACCESS Call Center, ACCESS scheduling, radio dispatch, driver
8 training and data entry. AUTHORITY shall assist the CONTRACTOR in the
9 development of a schedule for the relocation of each function. AUTHORITY shall
10 provide the modular furniture for the ACCESS call center and radio dispatch at
11 their relocated location. In addition, AUTHORITY will provide the following items
12 that are associated with the relocation of the above-listed CONTRACTOR
13 administrative functions:

- 14 • Costs for the teardown, movement and assembly for additional
15 workstations utilizing CONTRACTOR’s existing modular furniture. The total
16 cost for this item is \$9,310.00 and is estimated to be completed by July 1,
17 2008.
- 18 • Costs for additional driver trainer position. The total cost for this position,
19 through the end of the third year of the Agreement, will be \$40,080.00.
20 CONTRACTOR shall invoice AUTHORITY in the amount of \$3,340.00 per
21 month, beginning July 1, 2008, provided that the position be staffed.
22 CONTRACTOR shall not submit an invoice for this expense when the
23 position is vacant.
- 24 • Costs for approved computer hardware and T1 connectivity required for the
25 relocation. The total costs for these items are \$28,468.00.

26 /

1 The total of the abovementioned costs shall not exceed the amount of
2 \$77,858.00.

3 E Section 10: FACILITY, Subsection D, Maintenance, Cleanliness and Safety
4 of Facilities, page 59 of 87, shall be amended to delete Subsection D in its entirety and in lieu thereof
5 insert the following:

6 **"D. Maintenance, Cleanliness and Safety of Facilities**

7 AUTHORITY shall provide facility maintenance services required to ensure the
8 safe and efficient operation of the properties and equipment at the
9 AUTHORITY'S operating bases located at 16281 Construction Circle West and
10 14736 Sand Canyon Road in Irvine, CA. AUTHORITY staff will be available
11 during all days and hours of operation. Facility maintenance services provided
12 by AUTHORITY staff shall include inspections and preventative maintenance of
13 all equipment supplied by AUTHORITY, as outlined in the Scope of Work,
14 Attachment 26.

15 CONTRACTOR shall be responsible for all costs associated with any repair
16 resulting from negligence on the part of CONTRACTOR. In the case of a repair
17 resulting from the negligence of CONTRACTOR, AUTHORITY shall perform the
18 repairs and deduct the cost of the repair from the most current unpaid invoice
19 received from CONTRACTOR. Alternatively, with prior written approval from
20 AUTHORITY, CONTRACTOR may be permitted to perform the repairs at their
21 expense. Any repairs so undertaken shall be performed to the AUTHORITY'S
22 satisfaction. If said repairs are not performed to the AUTHORITY'S
23 satisfaction, the AUTHORITY reserves the right to perform the corrective
24 repairs deduct the cost from the most current unpaid invoice received from
25 CONTRACTOR. Whether to allow CONTRACTOR to self perform any repair
26 shall be evaluated on a case-by-case basis and only allowed with written

1 advanced approval from AUTHORITY. CONTRACTOR shall be responsible for
2 simple facility tasks such as office and equipment moving, light painting and
3 wall hangings.

4 CONTRACTOR shall make the facility available to AUTHORITY, as well as city
5 inspectors, facilities contractors, fire department, and insurance inspectors at
6 any time as requested by the AUTHORITY.

7 CONTRACTOR shall be required to follow all applicable regulatory
8 requirements, such as storm water runoff and hazardous material regulations
9 and requirements at all times herein. Training will be provided by AUTHORITY
10 on these requirements, as needed.

11 AUTHORITY shall provide reasonable janitorial services for the above-
12 referenced operating bases, including all offices, administrative areas,
13 bathrooms and public areas. CONTRACTOR shall ensure that all employees
14 use care and consideration for the property to ensure a safe, professional,
15 hygienic and attractive working environment that complies with all federal, state
16 and local regulations. CONTRACTOR shall credit AUTHORITY for the costs of
17 providing these services, at the rate of \$5,582.50 per month. This change shall
18 be effective commencing December 2007.”

19 F **Section 12: POLICIES AND PROCEDURES, Subsection D, Assessment of**
20 **Penalties**, page 71 of 87, shall be amended to add the following as the first paragraph in this
21 Subsection:

22 “AUTHORITY shall review the performance of CONTRACTOR on a monthly
23 basis to determine if any penalties and/or incentives are to be assessed
24 pursuant to the Agreement. AUTHORITY reserves the right to waive the
25 assessment of any penalty and/or incentive. AUTHORITY’S decision to waive
26 any penalty and/or incentive in one instance shall in no way be construed as a

1 waiver or relinquishment of AUTHORITY'S right to waive or assess penalties
 2 and/or incentives in any other instance. The decision to either waive or assess
 3 any penalty or incentive shall be in the AUTHORITY'S sole discretion."

4 4. Amend **Exhibit B** to this Agreement, **section "A. OCTA Facility- Turnkey (All**
 5 **Inclusive) Fixed Rate"** as following:

6 A. A. OCTA Facility- Turnkey (All Inclusive) Fixed Rate

		A	B	A x B	
	Contract Year	Monthly Fixed Rate	Annual Months	Annual Fixed Cost	
7					
8					
9	Period 1:	7/1/-06-6/30/07	\$ 276,614	12	\$3,319,368
10	Period 2 a	7/1/07-11/30/07	\$284,057	5	\$1,420,285
11	Period 2b	12/1/07-6/30/08	\$278,474.50	7	\$1,949,322
12	Period 3:	7/1/08-6/30/09	\$287,844	12	\$3,454,133
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The balance of Agreement No. C-5-3021 remains unchanged.

This Amendment No. 3 shall be made effective upon execution by both parties or as specifically stated in the body of the Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 3 to Agreement No. C-5-3021 to be executed on the date first written above.

VEOLIA TRANSPORTATION, INC.

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____
Michael Griffus
President and Chief Operating Officer

By: _____
Arthur T. Leahy
Chief Executive Officer

APPROVED AS TO FORM:

By: _____
Kennard R. Smart, Jr.
General Counsel

APPROVED

By: _____
Beth McCormick
General Manager, Transit

Date



July 28, 2008

To: Members of the Board of Directors
From: Arthur T. Leahy, Chief Executive Officer
Subject: Amendment to Agreement for Lease of Non-Revenue Compact Vehicles

Overview

On February 23, 2004, the Board of Directors approved an agreement with Enterprise Fleet Services, in the amount of \$2,800,000, for a four-year lease of 99 non-revenue compact hybrid vehicles. Board of Directors' approval is requested to extend the lease agreement with Enterprise Fleet Services for two additional years, in the amount of \$634,200.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement No. C-3-1095 between the Orange County Transportation Authority and Enterprise Fleet Services, to extend the current agreement by two years and increase the maximum obligation by \$634,200, bringing the total contract value to \$3,434,200, for leased non-revenue vehicles.

Background

Coach operators assigned to the morning schedule must be relieved by coach operators assigned to operate the afternoon schedule. There are several methods used to accomplish the coach operator relief process which includes walking between assigned operations bases and the relief point, riding an in-service revenue bus to the relief point, or driving a company equipment assigned (CEA) vehicle from the assigned base to the relief point.

The Orange County Transportation Authority (Authority) entered into a four-year agreement with Enterprise Fleet Services (Enterprise) on February 29, 2004, to lease 99 Toyota Priuses to be used as CEA vehicles. It has become advantageous to extend the lease two additional years to explore options to replace the vehicles.

Discussion

This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. The original agreement was approved by the Board of Directors (Board) on February 23, 2004, and was procured on a competitive basis (Attachment A).

On April 14, 2008, staff requested Board approval for the purchase of 93 non-revenue vehicles to replace vehicles under the expiring lease agreement. On April 28, 2008, the Board directed staff to pursue an extension of the current lease of non-revenue compact hybrid vehicles in order to explore options to replace the vehicles.

Staff has considered other options including compressed natural gas (CNG) sedans and plug-in hybrids. Because only one operating base has a fully functional CNG fueling station, CNG vehicles were not considered viable at this time, but certainly will be within the next two years. Moreover, plug-in vehicles are not available in the quantities needed to support the CEA requirements. However, staff is evaluating the acquisition of a smaller number of plug-in vehicles and installation of a charging station using grant funds to gain some practical experience and evaluate the use of these vehicles in support of operations.

Staff met with Enterprise to discuss extending the current lease and reduce the cost of the monthly lease amount. The current lease is approximately \$55,700 per month, or \$668,400 per year. The monthly lease amount for the two year extension would be \$18,950 or \$227,400 per year. The Authority will certainly benefit by an extension of this lease while other alternatives are considered and a new procurement is conducted (Attachment B).

In addition to the monthly lease fee, there will be a fixed fee of \$8 per month per vehicle for maintenance services, plus the actual cost of maintenance once the vehicles exceed 100,000 miles. The maintenance cost is estimated to be approximately \$2,950 per month or \$35,400 for the first year extension. Although no historical data exists for vehicles which have exceeded 100,000 miles, staff estimates that the maintenance costs for the second year extension could increase to \$12,000 per month or \$144,000 per year, or could be higher should engines or batteries require replacement. This estimate includes amounts owed for any damage to the vehicles caused by the Authority as well as estimated maintenance repairs for vehicles exceeding 100,000 miles. The current fleet consists of 97 cars (two cars have been damaged and removed from the fleet) with an average mileage of 64,000. To address the potential for

significantly higher maintenance costs associated with vehicles exceeding 100,000 miles, staff will work to retire high mileage vehicles first under the lease extension with Enterprise through a new procurement or multiple procurements. There is no penalty for removing vehicles from the lease agreement prior to the two year term of the extension. This provides the Authority maximum flexibility in managing resources and minimizing expenses.

The original four-year contract amount was \$700,000 per year, \$668,400 for the lease plus \$31,600 for maintenance services. The total amount for Amendment No. 2 is \$634,200, \$454,800 for the lease and \$179,400 for maintenance services. Because historical maintenance data does not exist, this amount may need to be adjusted to reconcile actual experience and expenditures. If the maintenance costs exceed this amount, staff will return to the Board to request approval for the adjustment.

Fiscal Impact

The changes described in Amendment No. 2 to Agreement No. C-3-1095 were approved in the Authority Fiscal Year 2008-09 Budget, Transit Division, Maintenance Department, Account 2159-7693-D2107-6D4, and are funded through the Local Transportation Fund.

Summary

Staff recommends approval of Amendment No. 2 to Agreement No. C-3-1095 with Enterprise Fleet Services, in the amount of \$634,200, to extend the lease agreement for two years, bringing the total contract value to \$3,434,200.

Attachments

- A. Enterprise Fleet Services Agreement No. C-3-1095 Fact Sheet
- B. Total Six-Year Contract Costs Including Estimated Maintenance Fees

Prepared by:



Connie Raya
Section Manager,
Maintenance Resource Management
(714) 560-5962

Approved by:



Beth McCormick
General Manager, Transit
(714) 560-5964

**Enterprise Fleet Services
Agreement No. C-3-1095 Fact Sheet**

1. February 27, 2004, Agreement No. C-3-1095, \$2,800,000, approved by the Board of Directors.
 - Lease of 99 company equipment assigned (CEA) vehicles.
2. May 19, 2008, Amendment No. 1 to Agreement No. C-3-1095, \$100,000, approved by the Contracts Administration and Materials Management Department, bringing the total commitment to \$2,900,000.
 - Increase the contract obligation to accommodate the cost of damage to vehicles caused by the Authority.
3. July 28, 2008, Amendment No. 2 to Agreement No. C-3-1095, \$634,200, pending approval by the Board of Directors.
 - Extend the lease an additional two years to explore options to replace the vehicles.

Total committed to Enterprise Fleet Services, Agreement No. C-3-1095: \$3,434,200.

**Total Six-Year Contract Costs
Including Estimated Maintenance Fees**

Current Lease Years	Monthly Lease	Monthly Maintenance	Annual Lease	Annual Maintenance	Total Lease Cost
Year 1	\$ 55,700.00	\$ 2,600.00	\$ 668,400.00	\$ 31,600.00	\$ 700,000.00
Year 2	\$ 55,700.00	\$ 2,600.00	\$ 668,400.00	\$ 31,600.00	\$ 700,000.00
Year 3	\$ 55,700.00	\$ 2,600.00	\$ 668,400.00	\$ 31,600.00	\$ 700,000.00
Year 4	\$ 55,700.00	\$ 2,600.00	\$ 668,400.00	\$ 31,600.00	\$ 700,000.00
Current 4-Year Lease			\$ 2,673,600.00	\$ 126,400.00	\$ 2,800,000.00

Extension Lease Years	Monthly Lease	Monthly Maintenance	Annual Lease	Annual Maintenance	Total Lease Cost
Extension Year 1	\$ 18,950.00	\$ 2,950.00	\$ 227,400.00	\$ 35,400.00	\$ 262,800.00
Extension Year 2	\$ 18,950.00	\$ 12,000.00	\$ 227,400.00	\$ 144,000.00	\$ 371,400.00
2-Year Extension			\$ 454,800.00	\$ 179,400.00	\$ 634,200.00

Current 4-Year Lease	\$ 2,800,000.00
Extension Year 1	\$ 262,800.00
Extension Year 2	\$ 371,400.00
Total Commitment	\$ 3,434,200.00



BOARD COMMITTEE TRANSMITTAL

July 28, 2008

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Fuel Crisis Contingency Planning Update

Transit Committee meeting of June 12, 2008

Present: Directors Brown, Buffa, Dixon, Green, Nguyen, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file as an information item.



June 12, 2008

To: Transit Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Fuel Crisis Contingency Planning Update

Overview

Fuel prices have risen steadily since October 2007 and energy analysts are unable to forecast when the ceiling will be reached, and at what price. In addition, it should be noted that most of the world's oil is produced in areas suffering from potential political instability and that, to make matters worse, oil consumption is rapidly climbing in such nations as China and India. In the meantime, public transportation is beginning to attract the attention of motorists as a lower-cost trip-making alternative to private vehicles.

To date, the impact on the Orange County Transportation Authority's transit system has been readily managed within existing capacity. However, contingency plans are being updated to address the potential for a dramatic increase in demand for bus service as energy prices continue to increase.

Originally, staff based the assessment of a potential "doomsday" scenario on a "worse-case" assumption of gasoline selling for \$4.50 per gallon, clearly an indication of how rapidly this situation is shifting. Today, oil is running in excess of \$120 a barrel with some analysts talking about prices going as high as \$200 per barrel of oil with gas increasing to \$5 or \$6 a gallon or even higher.

Recommendation

Receive and file as an information item.

Background

Fuel prices are at record levels and information networks are filled with stories about the impact it is having on the American economy. As with prior energy episodes, the causal factors include overseas economic growth in addition to the usual international political and weather related turmoil. Despite a softening

in the United States economy and a reduction in domestic fuel consumption, the escalation in pricing continues.

During the worst of the 1970's fuel shocks, fuel was rationed and, at times, unavailable at any price. As motorists searched for alternative trip-making methods, use of public transportation increased significantly. Today, fuel is available, so demand for transit in Orange County, while growing, remains well below record levels set by the Orange County Transportation Authority (Authority) in fiscal year 2006-07. However, as prices continue to escalate, more Southern California residents are reaching the economic tipping point where they can no longer afford to operate a personal auto as much as desired before fuel pricing increased. Further, energy availability at any price is not completely assured given the uncontrollable variables previously mentioned.

In any event, the potential exists for a serious crisis of major proportions. At some point, this may result in great increases in demand for transit services for people needing to get to work or school. Accordingly, we find ourselves in need of updating the Authority contingency plan to insure that we are able to effectively respond to such a situation.

Authority staff are updating available capacity estimates and reviewing recent ridership data to help identify the trends in demand that may be emerging. To date, systemwide demand remains flat, but selected service categories are attracting additional riders, most likely in response to higher fuel costs.

The critical issues associated with this effort are the availability of additional buses to accommodate increased demand, availability of fuel for the buses, additional operators, mechanics, service workers, and support hardware needed to execute and maintain service.

Discussion

Despite the dramatic increase in gasoline prices, systemwide the Authority ridership since August 2007 still lags behind the levels recorded for the same period in fiscal year 2006-07. From August 2007 through April 2008, ridership is down 3 percent. Contributing factors likely include the lingering impact of the operator strike in July 2007 and softening in the local economy. However, ridership does appear to be recovering as data comparing January through April 2008 shows less than one percent difference systemwide compared to the same period in 2007.

Sufficient capacity has been available to accommodate increasing ridership at the system level based on the peak loads observed on the busiest Authority routes as measured against our loading policies. Authority loading policies

compare the average number of riders on board each trip during the peak hour against the number of seats provided on each bus. Current scheduling parameters provide for standees on local buses up to 25 percent over the number of seats provided, if the vehicle can accommodate standees. On a 40 seat bus, for example, during the peak rush hour, an average of 50 riders per trip during the peak hour meets our maximum load standard, also stated as a load ratio of 125 percent.

However, our response to a rapid increase in demand would include consideration of increasing the load standard to as high as 145 percent on some services.

However, not all buses accommodate standees, either due to design limitations of the vehicles or policies prohibiting standees due to safety concerns. Paratransit vehicles, for example, are not designed to carry standing riders, while express buses are not permitted to carry standees because of the safety issues associated with high-speed travel. The load ratio for express service, therefore, is 100 percent of seated capacity.

To date, the busiest services remain within current loading standards but growth in ridership has been observed in select service categories. For example, express bus ridership has shown growth over the last 10 months. Looked at in detail, from August 2007 through April 2008, express bus ridership increased 11.5 percent. From January 2008 through April 2008 express ridership increased 18.6 percent. Further, selected express bus trips have attracted additional ridership to the point that temporary adjustments in the schedule have been implemented to accommodate more riders.

Metrolink weekday ridership in Orange County has increased 5.1 percent comparing the third quarter of fiscal year 2008 (January, February and March) to the same period in 2007. Stationlink shuttle bus ridership showed a gain of about 3.0 percent for the same period. Transfers to other Authority local bus routes serving rail stations increased more significantly, over 25 percent, looking at monthly totals for the same period. Clearly, Metrolink service and support bus routes are being used by growing numbers of riders, most likely a result of escalating fuel prices.

As with events of this sort, it is difficult to forecast how long the current fuel crisis episode will last. Past experience suggests at some point fuel costs stop rising, and may even retreat, particularly if the economy continues to soften and demand for fuel drops.

Assuming growth in demand, loads on express bus and major local bus routes may necessitate additional service. Metrolink service will continue to grow in

importance for Orange County travelers as demand for both intercounty and intracounty long distance travel grows. Demand for Metrolink associated support services will grow as well. Metrolink service will be significantly improved in 2010 when additional rolling stock is placed into service. With this, Metrolink will begin to offer all-day service at 30 to 60 minute frequencies.

To further encourage the use of Metrolink within the County after these service improvements are made, the current fare structure, which favors longer distance trips over shorter intracounty trips, will be evaluated.

In summary, demand systemwide since August 2007 is increasing but still lags prior year levels by about 3 percent. However, those services providing expedited trips or connections to Metrolink service have shown growth in demand. While the growth to date has been accommodated within existing service levels, continued upward pressure on fuel prices may generate enough additional demand to warrant additional service.

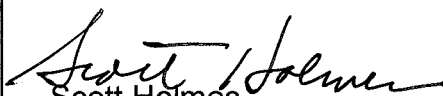
Summary

Events driving current fuel prices are dynamic and may have an effect on demand for public transit services. The Authority is positioned to respond to a 20 percent increase in ridership by using vehicles in the existing contingency fleet. Should fuel problems continue to worsen and stimulate demand beyond 20 percent, additional buses are available to provide additional service. Staff will continue to update the Board of Directors when significant trends become evident.


Attachment

- A. Orange County Transportation Authority Fuel Crisis Contingency Plan Revised May 2008

Prepared by:


Scott Holmes
Manager, Service Planning
and Customer Advocacy
(714) 560-5710

Approved by:


Beth McCormick
General Manager, Transit
(714) 560-5964

ORANGE COUNTY TRANSPORTATION AUTHORITY
FUEL CRISIS CONTINGENCY PLAN

Revised May 2008

Overview

As fuel prices rise, interest in public transportation as an alternative to private vehicle travel also increases. As demand increases, available capacity is reduced, and at some point, additional service will need to be deployed to accommodate growth in ridership.

To prepare for a significant increase in demand, the Orange County Transportation Authority (Authority) is executing the following fuel crisis contingency plan. It is based on maintaining additional reserve capacity that can be deployed to supplement those services where a depletion of capacity has been verified.

The plan is based on the following components:

1. Contingency fleet reserve maintenance
2. Retention of bus purchase option for 57 40-foot coaches and fleet plan that is updated regularly to address changing service needs
3. Verification of service capacity consumption and depletion
4. Adjust load ratio to increase capacity at maximum load point to 145 percent
5. Deployment of additional service capacity
6. Ongoing available resource adjustments
7. Promotion of alternative travel modes
8. Fuel crisis task force
9. Seek short-distance Metrolink fares

In detail, the plan elements are:

Contingency Reserve Fleet Maintenance

Approximately 150 large and 50 small buses will comprise the Authority's contingency fleet by the end of December 2008. Fifty 40-foot buses are immediately available for deployment while the remainder can be made service-ready within a week. The current fixed route fleet consists of 572 active buses; 477 are required for peak service.

Retention of Bus Purchase Option in 2010

The Authority is currently receiving 299 New Flyer 40' CNG-powered buses. While service levels for fiscal year 2008-09 have been held flat to reflect stagnant ridership throughout fiscal year 2006-07 and fiscal year 2007-08, the Authority has retained a remaining option with New Flyer to purchase an additional 57 of these 40' vehicles through 2013. This will allow for rapid fleet expansion to meet increasing service levels beyond the capacity of the contingency fleet we maintain.

Verification of Service Capacity Consumption and Depletion

The Authority is actively monitoring passenger activity by line and service type to identify repeated cases of ridership levels in excess of load ratio policy guidelines. Initial growth in ridership is likely to be targeted toward selected service categories such as express bus and commuter rail feeder services. The Authority's ongoing rider data gathering program is being used to pinpoint those services and times of day where demand is clearly increasing to determine if available capacity is being depleted. Indicators of possible excess loads such as pass-up reports, passenger complaints, and operator reports are being monitored.

Deployment of Additional Service Capacity

Should ridership increase to the point it exceeds the approved load standard, we will consider adding capacity. Mitigation measures to address capacity depletion include adjustment of trip times and the addition of extra buses where necessary. In the event capacity must be inserted into the system between standard service change dates, temporary bus schedules will be utilized and supplemental passenger information will be distributed in the form of revised timetables, Rider Alerts, and updated web site information.

Ongoing Available Resource Adjustments

Fuel availability for transit vehicles is being monitored and delivery status is updated continually.

Coach operator and maintenance manpower will be scheduled to work additional overtime in the initial response to a significant increase in demand requiring service augmentation. Should the increase in demand continue to escalate, manpower levels to operate and maintain Authority buses may be increased. Authority hiring and training programs will be adjusted as necessary.

Promotion of Alternative Travel Modes

A critical component of the fuel crisis contingency plan is the public outreach and information programs helping motorists enhance their awareness of travel alternatives.

Should the crisis persist, a multi-agency, multi-media promotional campaign will be developed regarding service options for both short and longer distance trip making.

High speed alternatives such as Metrolink commuter rail and express bus services will be promoted and information developed regarding schedules, connections to feeder bus services, and associated fares.

Use of car pools and van pools will be promoted and contact with employee transportation coordinators will be offered to area employers.

Fuel Crisis Task Force

Should the crisis persist, the Authority's multi-disciplinary Fuel Crisis Task Force will be convened to review the effectiveness of agency responses, and, if necessary, to develop strategies to strengthen mitigation measures. Periodic reports and updates will be issued.

The Task Force is composed of representatives from the Development, External Affairs, Finance, Administration and Human Resources, and Transit divisions.

Metrolink Short Distance Fares

The current Metrolink fare structure includes very high fares for short trips, such as from Fullerton to Anaheim or Santa Ana, or between San Juan Capistrano and Irvine.

Authority staff will be working with Metrolink staff to seek early implementation of short-ride fare reductions to make better use of the Authority's investment in Metrolink and in the Lossan corridor, and to encourage increased Metrolink ridership and fare revenues.



MEMO

July 28, 2008

To: Members of the Board of Directors

From: Arthur T. Leahy, ^{AL} Chief Executive Officer

Subject: **Second Quarter Review of Chief Executive Officer's Goals for 2008**

This is the report on the Chief Executive Officer's goals for the second quarter of calendar year 2008. The goals are comprehensive and address a wide range of key performance areas for the Orange County Transportation Authority (Authority). They also provide a useful instrument for monitoring results during the year.

All of the outstanding first quarter goals have been accomplished. These included streaming audio of Board of Directors meetings and completion of the Five-year Strategic Transit Plan.

Notable accomplishments during the second quarter include beginning construction on the Orange Metrolink Station; award of \$4 million from the Traffic Light Synchronization Program of Proposition 1B; continuing to advance safety and quiet zones at grade crossings with design 60 percent complete; and adoption of a balance budget.

Many third quarter goals have also been completed including completing the project study report and awarding the environmental review consultant contract for the San Diego Freeway (Interstate 405) project; finalizing the last Measure M call for street and road projects; completing the Metrolink destination signage pilot program; securing enactment of legislation to allow for continuous access of the high occupancy vehicle lanes on the Costa Mesa Freeway (State Route 55); and securing \$218 million from the Trade Corridors Improvement Fund of Proposition 1B. Additionally, the goal added to secure funds to advance improvements on Interstate 5 at Oso Parkway has been completed. The California Transportation Commission approved the advancement of State Transportation Improvement Funds for this project.

Five second quarter goals have not been completed as detailed below.

- Goal Number 14 – *Complete Renewed Measure M Freeway Strategic Plan.* The initial request for proposals (RFP) to retain professional services to prepare the Renewed Measure M (M2) Freeway Strategic Plan resulted in only one bid. The procurement was cancelled, and the RFP was revised and reissued resulting in three proposals being received. The plan will be completed in the fourth quarter.
- Goal Number 16 – *Complete the organizational readiness review and implement appropriate recommendations to deliver projects.* To ensure that management staff is involved in the decisions, completion of the organizational readiness review is expected in September.
- Goal Number 17 – *Complete Renewed Measure M Transit Strategic Plan.* The M2 Transit Strategic Plan is being developed based on the principles approved by the Board of Directors in June. Staff is currently preparing the guidelines for Projects S, T, and V for consideration by the T2020 Committee and adoption by the Board.
- Goal Number 18 – *Complete SR-55 Access Study.* Staff is working closely with the cities of Costa Mesa and Newport Beach on this study. Participating cities have requested additional higher level meetings and briefing and work is continuing to complete the final report for the State Route 55 Access Study.
- Goal Number 20 – *Begin Central County Corridor Major Investment Study, including the study of the extension of the Orange Freeway (State Route 57).* Procurement for professional technical services to begin the Central County Corridor Major Investment Study (MIS) was completed in June; however, the MIS Policy Group has yet to convene. We expect to have a meeting of the MIS Policy Group in September.

The attachment provides an update on the status of each goal. Please let me know if you have any questions.

ATL:psz
Attachment

**Chief Executive Officer's Goals
2008**

CEO Goal Reference Number	<u>CEO's Goal</u>	<u>Date</u>	<u>Summary</u>	<u>Performance Measurement</u>	<u>Divisional Responsibility</u>	<u>Status</u>
1	Begin environmental document for SR-57 project between Katella and Lincoln	First Quarter	This project is part of the Renewed Measure M Early Action Plan to add capacity to SR-57. Technical studies will be performed to evaluate the environmental impact of the project with a goal to prepare the draft environmental document by the end of the year.	<ul style="list-style-type: none"> • Award consultant contract and begin environmental review • Conduct public outreach 	Development	Completed <ul style="list-style-type: none"> • Contract negotiated and signed with consultant to begin environmental review of the project
2	Complete freeway improvements along SR-22 between Valley View and the SR-55	First Quarter	Complete all construction activities.	<ul style="list-style-type: none"> • Complete construction activities by contract date of January 25, 2008 • Complete construction activities by GMR's anticipated date of March 31, 2008 • Initiate assessment of project delivery method, with completion in Third Quarter 	Development	Completed <ul style="list-style-type: none"> • All improvements completed under the design-build contract. All facilities have been turned over to Caltrans • Landscaping maintenance and plant establishment will continue by contractor for three-years • Final report prepared for Legislative Analyst' Office
3	Support Foothill South Project	First Quarter	Foothill South is an important element of county transportation system and TCA will be seeking approval from California Coastal Commission in February 2008.	<ul style="list-style-type: none"> • Continue to communicate support for completion of the project 	Development & External Affairs	Ongoing <ul style="list-style-type: none"> • Supported TCA at California Coastal Commission hearing • Joint Board leadership meeting planned in May • Support letter sent to Department of Commerce May 20

**Chief Executive Officer's Goals
2008**

CEO Goal Reference Number	<u>CEO's Goal</u>	<u>Date</u>	<u>Summary</u>	<u>Performance Measurement</u>	<u>Divisional Responsibility</u>	<u>Status</u>
4	Initiate development of Renewed Measure M Water Quality Program	First Quarter	Start the process of designing guidelines for competitive program; seat oversight committee.	<ul style="list-style-type: none"> • Progress on development of Project X in Renewed Measure M 	Development, External Affairs & Special Projects	Completed <ul style="list-style-type: none"> • Formed Program Oversight Committee per the Ordinance • Initiated work with the Committee on program policies and guidelines • Developed questionnaire for public works directors to inventory catchbasin needs • Issued RFP to develop specific guidelines for call for projects • Developed priorities for first call for projects for consideration by Board
5	Initiate development of the Environmental Mitigation and Resource Protection Master Agreement	First Quarter	Support development of master freeway mitigation plan by seating Environmental Oversight Committee.	<ul style="list-style-type: none"> • Progress on development of master agreement between OCTA and resource agencies 	Development, External Affairs & Special Projects	Completed <ul style="list-style-type: none"> • Formed Program Oversight Committee per the Ordinance • Two ad-hoc committees created to develop master agreement and to examine opportunities to mitigate freeway impacts • Prepared digital inventory of biological resources and freeway impacts • Began development of inventory of mitigation opportunities
6	Establish a commercial paper program that funds M2 Early Action Plan (EAP)	First Quarter	The Board of Directors approved a plan of finance using a commercial paper program to fund the EAP projects in November 2007. Funding will become available once all legal documents have been approved by the Board and the commercial paper notes have been sold to investors.	<ul style="list-style-type: none"> • Implement commercial paper program to support cash flow requirements of the M2 EAP 	Finance, Administration & Human Resources	Completed <ul style="list-style-type: none"> • First tranch of \$25 million issued at 1% interest for 180 days on February 7

**Chief Executive Officer's Goals
2008**

CEO Goal Reference Number	<u>CEO's Goal</u>	<u>Date</u>	<u>Summary</u>	<u>Performance Measurement</u>	<u>Divisional Responsibility</u>	<u>Status</u>
7	FY 2008 Comprehensive Business Plan	First Quarter	The Comprehensive Business Plan is a financially constrained 20-year plan that details services levels for OCTA programs and sets the target for the annual budget.	<ul style="list-style-type: none"> • Present the 2008 Comprehensive Business Plan to the Board of Directors on January 28, 2008 	Finance, Administration & Human Resources	Completed <ul style="list-style-type: none"> • Comprehensive Business Plan was approved by the Board January 28
8	Streaming audio of Board of Directors meetings via the Internet	First Quarter	The Board of Directors has directed staff to implement the technology necessary for the live audio of Board of Directors meetings to be accessible via the Internet.	<ul style="list-style-type: none"> • Streaming audio of Board meetings will be available via the Internet 	Finance, Administration & Human Resources	Completed <ul style="list-style-type: none"> • Executed contract in March, Project Kick-off April 3 • Implementation planned for June 23 Board Meeting • Rolled out on June 23
9	Support Board review of federal transportation legislation and development of policy recommendation	First Quarter	The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorizes the federal surface transportation programs for highways and transit through Sep 2009. OCTA will participate in the authorization of the next act.	<ul style="list-style-type: none"> • Conduct a workshop on the reauthorization of the federal transportation program 	Federal Relations	Completed <ul style="list-style-type: none"> • On February 25, a presentation on reauthorization was made to the Board which included a history of the federal program, the results of the 1909 Commission and a discussion of the next authorization program
10	Internal Audit Standards	First Quarter	Finalize Internal Audit Policies & Procedures to ensure compliance with professional standards (GAO, AICPA, IIA). Conduct internal department training and adopt report language indicating compliance with standards.	<ul style="list-style-type: none"> • Revised Internal Audit Policies & Procedures and report language 	Internal Audit	Completed <ul style="list-style-type: none"> • Comprehensive Audit Policies and Procedures were adopted in January and initial staff training was conducted • Revisions/additional training will be ongoing

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11	Complete collective bargaining agreement negotiations with Transportation Communications International Union (TCU)	First Quarter	The collective bargaining agreement with TCU for the facilities maintenance, parts, and revenue employees will expire on March 31, 2008.	<ul style="list-style-type: none"> The collective bargaining agreement between the OCTA and TCU is negotiated within approved Board of Directors parameters 	Labor & Employee Relations	Completed <ul style="list-style-type: none"> Agreement ratified by the union membership on March 9 Agreement approved by the Board of Directors on March 10
12	Five-Year Strategic Transit Plan	First Quarter	Develop a five-year strategic plan from the Comprehensive Business Plan that considers fleet, facility, and personnel needs.	<ul style="list-style-type: none"> Draft plan is developed 	Transit	Completed <ul style="list-style-type: none"> Five-Year Strategic Transit Plan Overview was presented to the Transit Committee on June 12 Final draft was distributed to the Board of Directors
13	Begin construction phase of Orange Metrolink Station pedestrian underpass	Second Quarter	This project will improve passenger safety by constructing a pedestrian tunnel under the tracks at the Orange Metrolink Station.	<ul style="list-style-type: none"> Construction contract awarded and construction activities underway 	Development	Completed <ul style="list-style-type: none"> SCRRA awarded the construction contract in March 2008 Bus stop has been temporarily relocated Grading is underway
14	Complete Renewed Measure M Freeway Strategic Plan	Second Quarter	This plan will provide more detailed description of the Renewed Measure M Freeway projects, key considerations, and project benefits.	<ul style="list-style-type: none"> Complete the final report 	Development	Underway <ul style="list-style-type: none"> OCTA awarded the contract for this work in March 2008 Work is underway and draft report due third quarter 2008
15	Develop project nominations for Proposition 1B Traffic Light Synchronization Program to advance Renewed Measure M traffic signal program	Second Quarter	Proposition 1B provides grants for signal synchronization projects to improve operations and the effective capacity of local streets and roads. Renewed Measure M includes a similar program.	<ul style="list-style-type: none"> Submit project nominations for Proposition 1B Traffic Light Synchronization Program 	Development	Completed <ul style="list-style-type: none"> OCTA submitted a Board-approved list of candidate projects in March 2008 California Transportation Commission awarded OCTA \$4 million in TLSP funds in May 2008

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16	Complete organizational readiness review and implement appropriate recommendations to deliver projects	Second Quarter	An organizational readiness review is underway to determine OCTA's ability to deliver Renewed Measure M projects, projects funded by state transportation bonds, and services provided by OCTA.	<ul style="list-style-type: none"> • Complete the final report • Recommend appropriate organizational changes to deliver projects and services 	Executive Office	Underway <ul style="list-style-type: none"> • Work is continuing with completion expected in September 2008
17	Complete Renewed Measure M Transit Strategic Plan	Second Quarter	This plan will develop concepts to coordinate transit projects to be funded by Renewed Measure M with existing transit services.	<ul style="list-style-type: none"> • Complete the final report 	Development & Special Projects	Underway <ul style="list-style-type: none"> • Board of Directors approved guiding principles in June 2008 • Work is continuing on final report
18	Complete SR-55 Access Study	Second Quarter	This project will assess the viability of potential projects to address the terminus of SR-55 at 19th Street and build consensus for solutions.	<ul style="list-style-type: none"> • Complete the final report • Continue to involve public officials and stakeholders 	Development & External Affairs	Underway <ul style="list-style-type: none"> • Purpose and need approved, alternatives created and outreach under way March-April 08 • 250 people completed online survey • 100 residents filled in comment cards from mailers • 300 participants at three open houses in Costa Mesa and Newport Beach • 40 comment cards turned in at open houses • 55 people spoke during public comment period • Final report preparation under way

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19	Continue advancement of grade crossing and quiet zone program	Second Quarter	Specific improvements are required to improve safety and implement railroad corridor quiet zones. Thirty-five percent engineering design is a key milestone in the project development process. A companion public awareness program will be launched.	<ul style="list-style-type: none"> • 35% design submitted to SCRRRA, OCTA, and local cities for review • Conduct public outreach 	Development & External Affairs	Completed <ul style="list-style-type: none"> • 60% design plans were provided to the cities in late May • The design team is reviewing City comments and preparing responses • Procurement for rail safety public involvement program underway • Right-of-way cost estimates completed
20	Begin Central County Corridor Major Investment Study, including the study of the extension of the Orange Freeway (State Route 57)	Second Quarter	Develop and implement a public participation program in support of Central County Corridor Study.	<ul style="list-style-type: none"> • Begin MIS • Convene Central County Corridor MIS Policy Group in 2nd Quarter • Incorporation of outreach findings in project development activities 	Development & External Affairs	Underway <ul style="list-style-type: none"> • Procurement for professional technical services completed in June 2008 • Outreach consultant selected • Drafting work plan for public involvement program

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21	Advance Metrolink expansion project to support doubling of service by 2010	Second Quarter	Initiate public outreach program to share information about service expansion, track work, parking facilities, and pedestrian bridges and undercrossings (Orange, Irvine, Tustin and Fullerton).	<ul style="list-style-type: none"> • Submit 35% of the plans to SCRRA for review • Develop survey questions and public involvement program • Incorporate outreach findings in project development activities 	External Affairs & Development	Completed <ul style="list-style-type: none"> • Fact sheets are being finalized, which will be available for public outreach • Draft 60% plans for the Metrolink Service Expansion Program were reviewed in May 2008 • Comments were provided to SCRRA and updated costs are being developed • Developing public information materials such as website content, fact sheets, etc. • Purchase of right-of-way started • Four Focus groups conducted in June and July • Awarded contract for qualitative research
22	FY 2008-09 Annual Budget and Personnel & Salary Resolution	Second Quarter	The 2008-09 annual budget balances sources and uses of funds, without an unplanned use of reserves, and is consistent with the CBP and Board approved goals, policies, and procedures. The Personnel and Salary Resolution documents compensation policies and procedures adopted for administrative employees.	<ul style="list-style-type: none"> • Staff will secure Board approval for the 2008-09 annual budget and 2008-09 Personnel & Salary Resolution in June 	Finance, Administration & Human Resources	Completed <ul style="list-style-type: none"> • Budget is being developed, budget workshop scheduled for May 12 and public hearing for June 9 • Personnel and Salary Resolution (PSR) will accompany budget • Budget & PSR approved June 9
23	Internal Audit Risk Assessment & Administrative Software	Second Quarter	Implementation of audit software for use in performing annual risk assessment, monitoring audit findings and implementation of recommendations, producing timekeeping and productivity reports, standardizing workpaper templates and reports.	<ul style="list-style-type: none"> • Software installation & implementation 	Internal Audit	Complete <ul style="list-style-type: none"> • Audit leverage, work paper, timekeeping and reporting modules implemented in June • Risk Assessment module to be implemented FY 2009

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24	Consider Bus Transit Fare Adjustment	Third Quarter	The Comprehensive Business Plan and the fiscal year 2008-2009 proposed budget both include a fare increase in bus transit service effective January 2009.	<ul style="list-style-type: none"> • Develop fare adjustment scenarios • Conduct public outreach and public hearing on proposed bus fares • Secure Board of Directors' action on proposed bus fares 	Finance, Administration & Human Resources and External Affairs	In progress <ul style="list-style-type: none"> • Fare Policy Committee developing recommendations • Drafted communications plan for outreach to bus customers, stakeholders, etc. • Fare Adjustment Scenarios will go to F&A Committee 7/23/08 and Transit Committee on 7/24/08 • Proposed Fare Adjustment will go to the F&A Committee on 8/13/08, Transit Committee on 8/14/08, and the Board on 8/25/08 • Public Hearing at Board Meeting to be held on 10/10/08 • Board action on the Fare Adjustment on 11/24/08
25	Advance development of the I-405 Freeway project between SR-55 and I-605	Third Quarter	This project is part of the Renewed Measure M Early Action Plan. Technical studies will be performed to evaluate the environmental impact of the project.	<ul style="list-style-type: none"> • Award consultant contract and begin environmental review • Complete Project Study Report • Conduct public outreach 	Development	Completed <ul style="list-style-type: none"> • Consultant contract awarded on July 14, 2008 • Outreach consultant selected in April and began work in June • Project Study Report completed
26	Complete Oso Parkway signal synchronization demonstration project	Third Quarter	This is the second pilot signal synchronization project and intended to assist OCTA's efforts to develop and implement the Renewed Measure M countywide signal synchronization program.	<ul style="list-style-type: none"> • Implement signal synchronization • Prepare final report on the project including assessment of travel time savings 	Development	Underway <ul style="list-style-type: none"> • Board update planned for July 2008

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27	Finalize last M1 call for Street and Road projects	Third Quarter	This action will allocate the remaining portion of the 1990 Measure M Regional Streets and Roads programs.	• Approve allocation of funds to cities	Development	Completed • Call for projects finalized in June 2008
28	Complete installation of CNG fueling station at Anaheim Base	Third Quarter	CNG fueling facilities are required to support the new CNG fleet to be based at Anaheim Base.	• Facility is constructed and operational	Development	Underway • Construction is progressing on schedule • Major equipment has been delivered and being installed • Natural gas line service to the site has been completed • Electrical upgrades scheduled for Board action on July 14 and installation on July 19 • Station commissioning scheduled for July 21 • Performance testing scheduled for July 29
29	Complete construction of CNG fueling station at Irvine Sand Canyon Base	Third Quarter	CNG fueling facilities are required to support the new CNG fleet to be based at Irvine Sand Canyon Base.	• Facility is constructed and operational	Development	Underway • Construction is progressing on schedule • Installation of underground gas and electrical lines almost completed • Major equipment (compressors, storage bottles, etc) to be delivered in July • Natural gas line service to site to be completed in September
30	Complete the Metrolink destination signage pilot program	Third Quarter	This project will provide improved track specific signage for Metrolink stations in Orange County.	• Project is complete and in service	Development	Completed • Installation completed the last week in June

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31	Begin final design of SR-57 project between Katella and Lincoln	Third Quarter	Authorize consultant to begin work on final design.	<ul style="list-style-type: none"> • Approve contract task order to begin design • Host public scoping meetings 	Development & External Affairs	Planned <ul style="list-style-type: none"> • Work to be initiated in coordination with progress on environmental process • Board approved Wesbound Communications as consultant to support public involvement program
32	Advance development of Anaheim Regional Transportation Intermodal Center	Third Quarter	Advance development of ARTIC through expressions of interest and request for qualifications.	<ul style="list-style-type: none"> • Request for Expressions of Interest submittals • Develop and issue request for qualifications for development of ARTIC 	Development & External Affairs	In progress <ul style="list-style-type: none"> • 14 firms submitted Request for Expressions of Interest • Request for Qualifications expected to be released by the City of Anaheim in late summer/early fall
33	Complete Orange County / Los Angeles Intercounty Study	Third Quarter	This study evaluates the major cross county transportation corridors, including the Pacific Electric right-of-way, and will make recommendations on opportunities for improvement.	<ul style="list-style-type: none"> • Elected officials and community workshops conducted in April • Complete the final report 	Development & External Affairs	Underway <ul style="list-style-type: none"> • Board approved the statement of Purpose & Need in March 2008 • Study brochure mailed to 1,400 residents with 85 surveys completed • 70 people participated in online survey • Elected officials workshop held in Apr and two public open houses were held in May • Technical work complete with study report scheduled for Board consideration in August

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CEO Goal Reference Number	CEO's Goal	Date	Summary	Performance Measurement	Divisional Responsibility	Status
34	Advance construction of the I-5 Gateway freeway project by completing the Stanton Avenue overcrossing	Third Quarter	Advance construction and open the new bridge over I-5 at Stanton Avenue. Continue outreach program and communicate project status and construction impacts.	<ul style="list-style-type: none"> • Open the new Stanton Bridge to traffic • Conduct outreach, monitor comments, and track issues 	Development & External Affairs	Complete <ul style="list-style-type: none"> • Stanton Avenue bridge opened on March 21, one month early • 75 dignitaries, media and others attended project tour • Outreach on closures ongoing
35	Evaluate benefits of Rubberized Asphalt on the SR-22	Third Quarter	Evaluate noise reduction levels of the rubberized asphalt using scientific methodology and monitor awareness and perception of SR-22 rubberized asphalt project.	<ul style="list-style-type: none"> • Report findings to Board 	Development & External Affairs	Underway <ul style="list-style-type: none"> • Noise readings completed • Report to Board in third quarter
36	Obtain fair share of Trade Corridor Improvement (TCIF) account funding from Proposition 1B	Third Quarter	In cooperation with the Southern California Consensus Working Group and the OCTA Development Division, develop and implement strategy to receive an equitable share of TCIF funds.	<ul style="list-style-type: none"> • If TCIF funds are included in the FY 2008-2009 state budget, Southern California and Orange County should receive an equitable share of funds 	State Relations & Development	In progress <ul style="list-style-type: none"> • CTC approved funding, totaling \$218 million, for eight Orange County projects
37	Obtain fair share of State-Local Partnership Program (SLPP) account funding from Proposition 1B	Third Quarter	In cooperation with the Development Division, develop and implement a strategy to receive an equitable share of SLPP funds.	<ul style="list-style-type: none"> • If SLPP funds are included in the FY 2008-2009 state budget, Orange County should receive an equitable share of funds 	State Relations & Development	Underway <ul style="list-style-type: none"> • No Legislation introduced at this time
38	Secure passage of legislation to eliminate the four foot buffer requirement on the SR-55 high occupancy vehicle lane	Third Quarter	In cooperation with the Development Division and OCTA's state legislative advocate, develop and implement a strategy to secure the passage of this bill.	<ul style="list-style-type: none"> • Bill signed by Governor 	State Relations & Development	Completed <ul style="list-style-type: none"> • Signed by the Governor on June 6, 2008
39	Complete environmental document for I-5/Ortega Interchange	Fourth Quarter	Work with City of San Juan Capistrano to complete environmental document.	<ul style="list-style-type: none"> • Approve environmental document 	Development	Underway <ul style="list-style-type: none"> • Draft environmental document released for public review in late-March

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40	Initiate I-5 Project Study Report	Fourth Quarter	This project will prepare conceptual engineering for the I-5 (between SR-73 and I-405) improvement recommendations that will be developed as part of the South Orange County Major Investment Study.	<ul style="list-style-type: none"> • Initiate conceptual engineering work 	Development	Completed <ul style="list-style-type: none"> • Procurement for professional services completed in June 2008
41	Complete South Orange County Major Investment Study	Fourth Quarter	This study will define the scope of major transportation improvements in South Orange County.	<ul style="list-style-type: none"> • Complete the major investment study • Incorporate outreach findings in project development activities 	Development & External Affairs	Underway <ul style="list-style-type: none"> • Reduced set of alternatives approved in March 2008 and detailed technical analysis is in progress • 95 people participated in three open houses in Laguna Hills, Lake Forest and Dana Point • Third survey posted online for public feedback • Policy and stakeholder committee meetings continued • Presentations given to nine city councils • Locally preferred strategy scheduled for Board review in third quarter
42	Monitor public perception of Signal Synchronization pilots	Fourth Quarter	Gather public responses to Euclid and Oso signal synchronization pilots to determine public perception.	<ul style="list-style-type: none"> • Track public responses • Incorporate findings in final study reports 	External Affairs & Development	Ongoing <ul style="list-style-type: none"> • Initial findings from public responses for Euclid • Developing plan to track responses for Oso pilot • Press conference scheduled July 21 on Oso Parkway

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43	Advance West County Connectors (SR-22 Phase 2) freeway projects	Fourth Quarter	Complete and submit to Caltrans the final design for the two projects for advertisement of construction in 2009.	<ul style="list-style-type: none"> • Conduct comprehensive public outreach • Submit final design documents to Caltrans 	Development & External Affairs	Ongoing <ul style="list-style-type: none"> • City council briefings were held for Westminster, & Garden Grove; Los Alamitos, Seal Beach, and Rossmoor • Final design is underway • 150 responses from e-survey to community • 20 stakeholder briefings conducted with 75 participants • Open houses scheduled in July
44	Prepare to launch Harbor Boulevard Bus Rapid Transit service	Fourth Quarter	Develop marketing and communications program in support of Harbor Boulevard BRT launch.	<ul style="list-style-type: none"> • Marketing and communications plan approved by Board of Directors 	External Affairs & Transit	Ongoing <ul style="list-style-type: none"> • Bravo! brand selected • Finalizing marketing and communications plan • Bus decal art for branding complete • Shelter designs underway • Meeting with corridor cities ongoing
45	Compensation and Classification Study	Fourth Quarter	The purpose of the compensation and classification study is to develop a fair and equitable classification system, a market based pay system and incentive plans (merit based), appropriate job descriptions, as well as establish compensation policies and procedures that are aligned with OCTA's philosophy and strategic objectives.	<ul style="list-style-type: none"> • Present study findings and adopt Board approved recommendations 	Finance, Administration & Human Resources	In progress <ul style="list-style-type: none"> • Proposals received, evaluation committee recommendation approved by Finance & Administration Committee and Board • Segal under contract • Project Kickoff 6/2/08

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46	Comprehensive Annual Financial Reporting	Fourth Quarter	The Comprehensive Annual Financial Report (CAFR) presents the fiscal year-end financial statements for the OCTA.	<ul style="list-style-type: none"> • Earn an unqualified audit opinion and earn the Government Finance Officers Association Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) • Earn an unqualified audit opinion for the financial statements of the 91 Express Lanes and the Local Transportation Authority 	Finance, Administration & Human Resources	In progress <ul style="list-style-type: none"> • Audit field work initiated • Scheduled to go to Board on 12/8/08
47	Conduct Peer Review	Fourth Quarter	Schedule a Quality Assurance Program (peer review) audit of the OCTA Internal Audit Department.	<ul style="list-style-type: none"> • Complete self assessment and scheduled peer review 	Internal Audit	In Progress <ul style="list-style-type: none"> • Self Assessment will begin in September - Association of Local Government Auditors has been contacted concerning possible timeframe.
48	Fare Collection System Integration Assessment	Fourth Quarter	Hire a consultant to develop a plan for fare integration among OCTA, Metrolink, and other local operators within the county. Investigate integration strategies and technology availability to support a coordinated approach to establish fare policies and collection methods that promote convenience among transit users.	<ul style="list-style-type: none"> • Release RFP and select consultant to support project - First Quarter • Complete assessment and develop action plan - Fourth Quarter 	Transit	Underway <ul style="list-style-type: none"> • Proposals have been received and a contract is scheduled to be awarded at August 25 Board meeting
49	Assist with securing funds to advance improvements on I-5 at Oso Parkway	Yearlong	Work with Caltrans District 12 to secure funding to advance improvements on I-5 at Oso Parkway	<ul style="list-style-type: none"> • Funding is identified to improve the I-5 at Oso Parkway 	Development	Complete <ul style="list-style-type: none"> • CTC approved project advancement and allocation request in June 2008

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50	LOSSAN Rail Corridor Service Integration	Yearlong	Continue efforts to integrate passenger rail services in the San Diego-Los Angeles-San Luis Obispo rail corridor, including development of a corridorwide strategic plan.	<ul style="list-style-type: none"> • Release RFP and select consultant to support a corridorwide strategic plan for Amtrak, Coaster, and Metrolink - Second Quarter • Develop an integrated passenger timetable - Third Quarter 	Development	Ongoing <ul style="list-style-type: none"> • Contract C-8-0548 executed and awarded to Wilbur Smith Associates for the corridor wide strategic plan • Grant approval for integrated passenger timetable pending Caltrans award in 3rd quarter
51	Continued participation in five-county transportation coalition	Yearlong	Participate in five-county coalition to address goods movement and issues of regional significance.	<ul style="list-style-type: none"> • Receive fair share of goods movement transportation bond for Southern California and Orange County • Receive fair share of container fee that may be implemented at the ports of Los Angeles and Long Beach for mitigation of goods movement impacts in Orange County • Develop federal surface transportation authorization principles in support of Southern California's needs 	Development	In progress <ul style="list-style-type: none"> • CTC approved funding, totaling \$218 million, for eight Orange County projects in April 2008 • Work on a container fee bill is ongoing
52	Explore enhancing integration and coordination with Caltrans District 12	Yearlong	Continue to explore ways to refine the working relationship and sharing of responsibilities between Caltrans and OCTA for programming and funding of projects and for accelerating project delivery.	<ul style="list-style-type: none"> • Developing consistent project priorities • Success in awarding of funding requests • Meeting project delivery milestones 	Development	Ongoing <ul style="list-style-type: none"> • Regular monthly meetings have been set up to review project status and resolve inter-agency issues

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53	Advance Go Local transit projects	Yearlong	Provide support in the development of Go Local projects and develop criteria for the allocation and award of Step 2 funding for further project development.	<ul style="list-style-type: none"> • Approve allocation of funds to cities by second quarter • Provide ongoing support and monitoring 	Development & External Affairs	Ongoing <ul style="list-style-type: none"> • First round of Go Local Step Two funding awarded in May 2008 to cities of Anaheim and Santa Ana for respective fixed guideway concepts • RFPs to be released in July for Go Local Step Two service planning and project management oversight • All Go Local Step One final reports are due June 30, 2008
54	Advance high occupancy vehicle lanes policy changes	Yearlong	Advance progress on continuous access to HOV lanes on other freeways and implement outreach program to increase awareness of the SR-22 HOV lanes and other freeways if implemented.	<ul style="list-style-type: none"> • Caltrans to complete project study report for continuous access on SR-55 in second quarter • Sufficiency of public notification as reflected by Board of Directors comment, public comment, media information 	Development & External Affairs	Ongoing <ul style="list-style-type: none"> • Caltrans completed in May 2008 a project study report for the SR-55 • Distributed news releases and shared information with numerous news stories • Finalizing scope of work for follow-up survey to measure public support for continuous access
55	Increase bus system marketing to potential riders	Yearlong	Create awareness and trial use of buses through grassroots route promotions and integrated marketing, outreach, media relations, and pass sales program.	<ul style="list-style-type: none"> • Conduct marketing and public information activities with an average of at least one time each week 	External Affairs	Ongoing <ul style="list-style-type: none"> • Conducted "Dump the Pump" program with the following results: <ul style="list-style-type: none"> • 45,088 boardings • 2.3 million impressions from the media and 673,563 impressions from seven newspaper ads

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56	Grow Vanpool Program and file timely National Transit Database reports	Yearlong	Continue to monitor and grow the new Vanpool Program with timely federal report filing to ensure receipt of 5307 federal funding.	<ul style="list-style-type: none"> Expand program by 10%, increasing number of participating vans from 160 to 176 vans 	External Affairs	Ongoing <ul style="list-style-type: none"> Exceeded goal with 218 vanpools
57	Participate with the Riverside County Transportation Commission to extend the 91 Express Lanes into Riverside County	Yearlong	Consult with Riverside County on proposed 91 Express Lanes extension to I-15.	<ul style="list-style-type: none"> Monitor progress and conduct follow-up analysis Legislation enacted to allow extension of the toll lanes 	Finance, Administration & Human Resources and State Relations	Ongoing <ul style="list-style-type: none"> SB 1316 authored by Senator Correa, and co-authored by Assembly Member Spitzer, passed the Senate and Assembly Transportation Committee Bill is currently on Assembly Appropriations Committee Suspense File
58	Maintain farebox recovery of 20% for fixed route system	Yearlong	Fares are to cover at least 20% of the cost to operate the fixed route transit system.	<ul style="list-style-type: none"> Recover 20% of operating costs for fixed route system from fares 	Finance, Administration & Human Resources and Transit	Ongoing <ul style="list-style-type: none"> Fiscal Year 2007-08 farebox recovery rate was 20.25% as of May
59	Bus Rapid Transit	Yearlong	Continue advancement of BRT service through preparation of operations plan.	<ul style="list-style-type: none"> Complete operations plan - First Quarter Commence design and technology tasks on bus stop improvements and the information systems that will support the program - Second Quarter Board approval to release bid documents for public works construction associated with bus stop improvements - Fourth Quarter 	Transit	Ongoing <ul style="list-style-type: none"> Commenced design and technology tasks on bus stop improvements and the information systems that will support the BRT program Notice to Proceed issued for the shelter and technology design contracts Project Management Plans from both consultant teams have been submitted Initial conceptual design planning efforts underway for both contracts

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60	Transit - Maintenance Efficiency	Yearlong	Maintain miles between road calls at 12,000.	<ul style="list-style-type: none"> The average number of miles between road calls is at least 12,000 	Transit	Ongoing <ul style="list-style-type: none"> Miles between road calls through May is at 12,751
61	Transit - Fleet Cleanliness	Yearlong	Maintain a fleet that is clean and graffiti free.	<ul style="list-style-type: none"> Fleet is clean with zero tolerance for graffiti 	Transit	Ongoing <ul style="list-style-type: none"> All graffiti incidents logged in were handled prior to pull-out
62	Transit - Delivery of Revenue Vehicles	Yearlong	Continue to provide quality control and assurance to accept 299 compressed natural gas buses from New Flyer.	<ul style="list-style-type: none"> Accept 99 buses from New Flyer during 2008 Final delivery of all buses expected in mid-2009 	Transit	Ongoing <ul style="list-style-type: none"> Through June, OCTA has accepted 177 of 299 buses from New Flyer Staff working with vendor to resolve defects
63	Transit - Passenger Service	Yearlong	Provide 70 million passenger boardings and increase passenger boardings per hour.	<ul style="list-style-type: none"> Achieve 70 million passenger boardings Achieve an average of 34 passenger boardings per revenue vehicle hour for fixed route Achieve an average of 1.9 passenger boardings per revenue vehicle hour for ACCESS 	Transit	Through June: <ul style="list-style-type: none"> Boardings are down by .9% from the prior year period Year-end forecast is at 66.3 million boardings Boardings per revenue vehicle hour for fixed route is at 34.8 Boardings per revenue vehicle hour for ACCESS is at 2



Bus Customer Satisfaction Survey

Board of Directors
July 28, 2008





Key Findings

- Overall satisfaction is very positive
 - Driver contact key part of satisfaction
- Frequency of service is a key issue
- A high percentage of pass usage
 - Cash continues to be most common payment method
- Awareness is lower among Hispanic customers
 - Strengthen awareness
- Bus Book is preferred for receiving information
 - Customers willing pay up to \$1.00



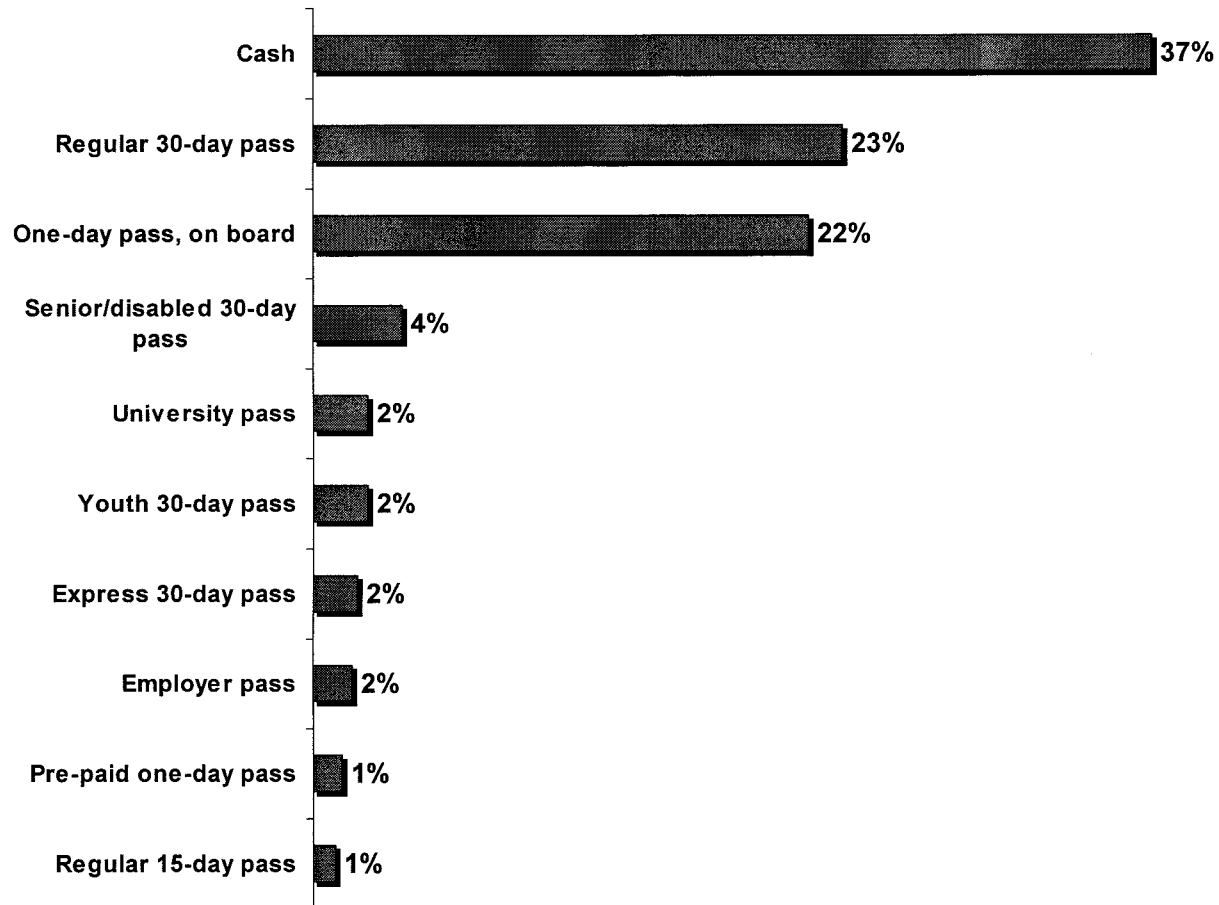
Demographics

- Average years using service: 4.3 years
- 74% are between the ages of 18 - 44
- 50% Hispanic/Latino, 33% Caucasian/White
- 51% are employed full time
- Average household income: \$31,800
- 58% have internet access



Overall Ridership – Method of Payment

Thirty-seven percent of customers paid cash for the current bus trip. The regular 30-day pass (23%) and one-day pass on-board (22%) were the next most common methods used to pay for the current bus trip.

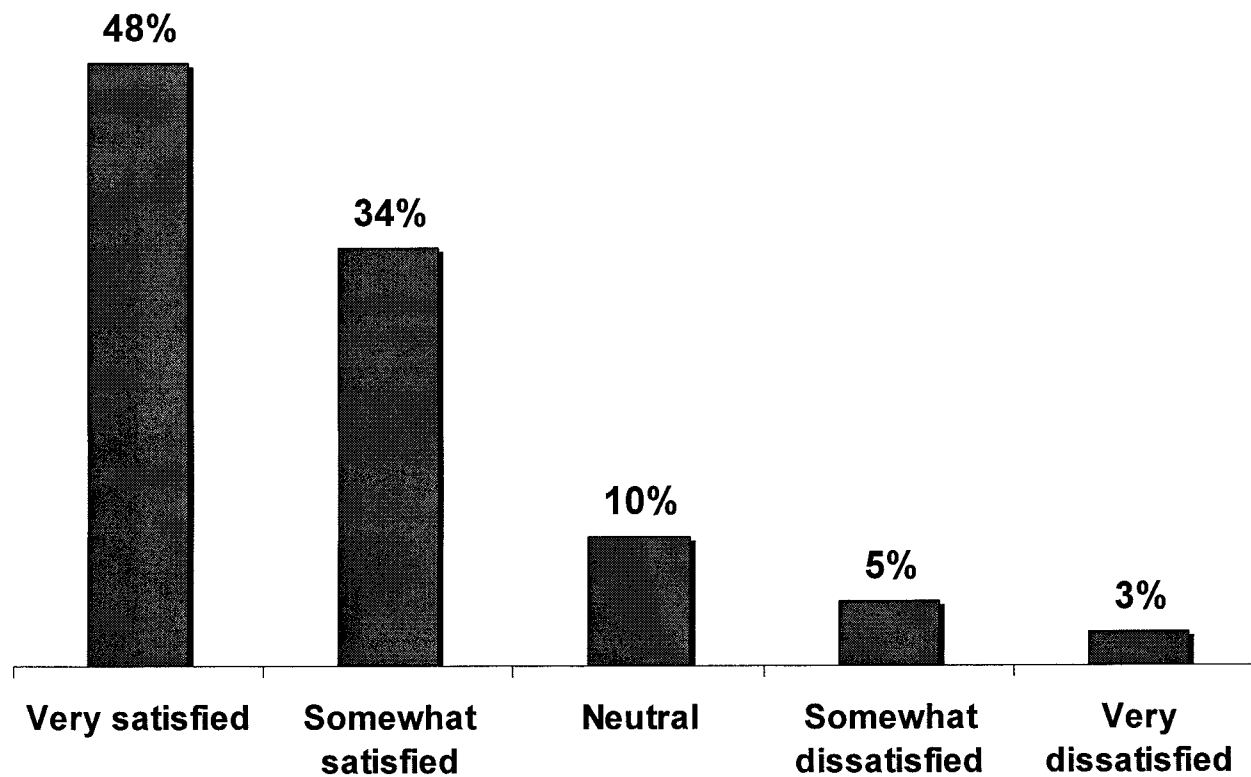


Not all passes shown due to very small %.



Overall Ridership – Satisfaction

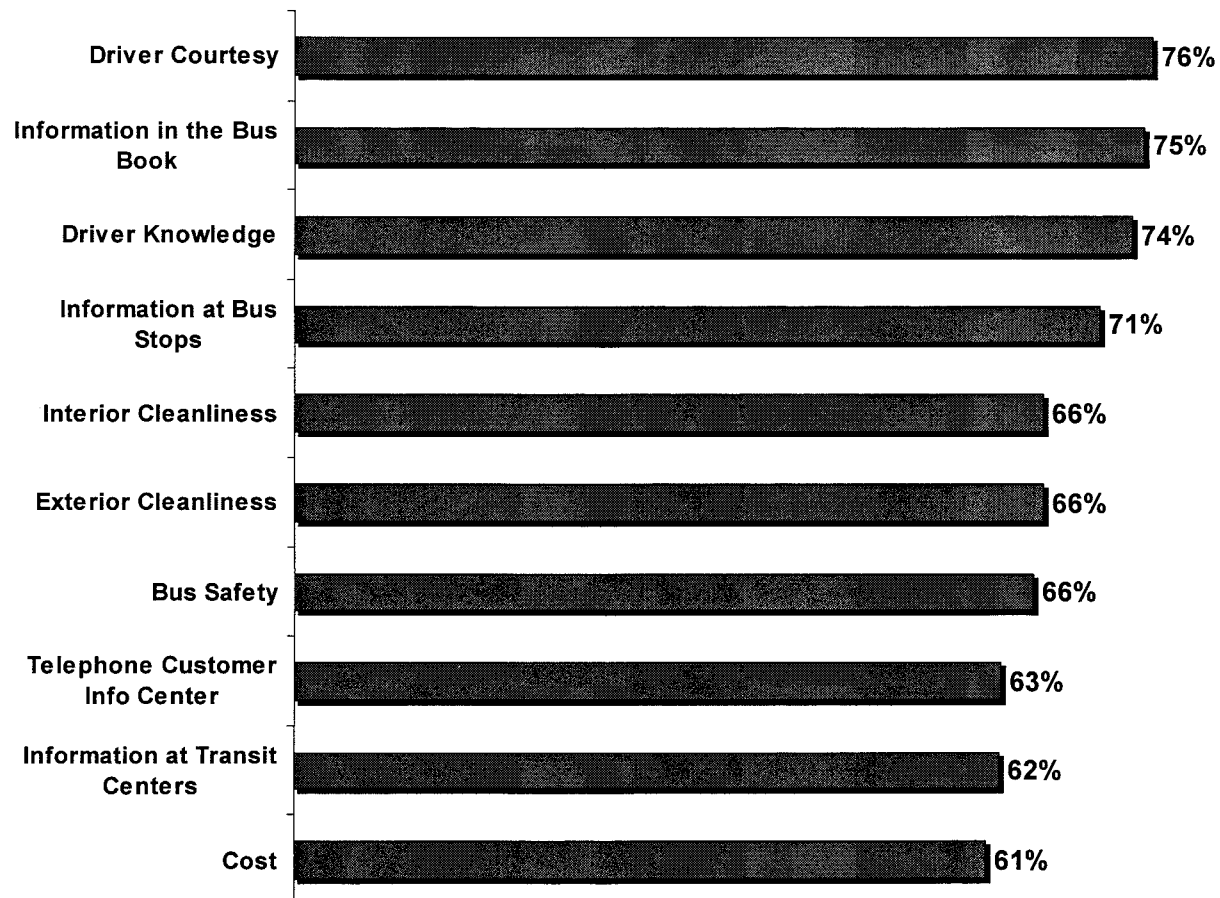
The majority of customers (82%) are satisfied with bus service. In fact, almost half of customers say they are very satisfied.





Overall Ridership – Satisfaction by Attribute

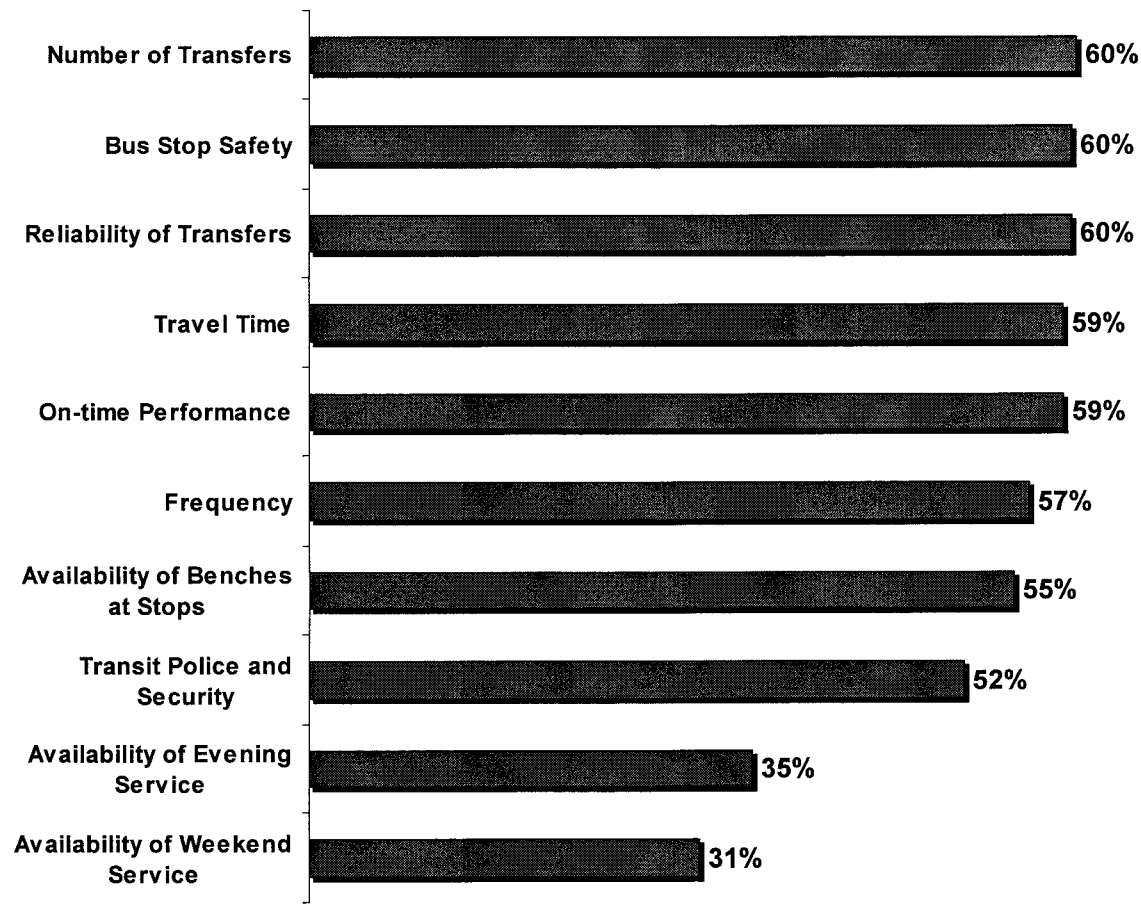
Customers are most satisfied with bus driver courtesy (76%), information in the bus book (75%), bus driver knowledge (74%) and information at bus stops (71%).





Overall Ridership – Satisfaction by Attribute

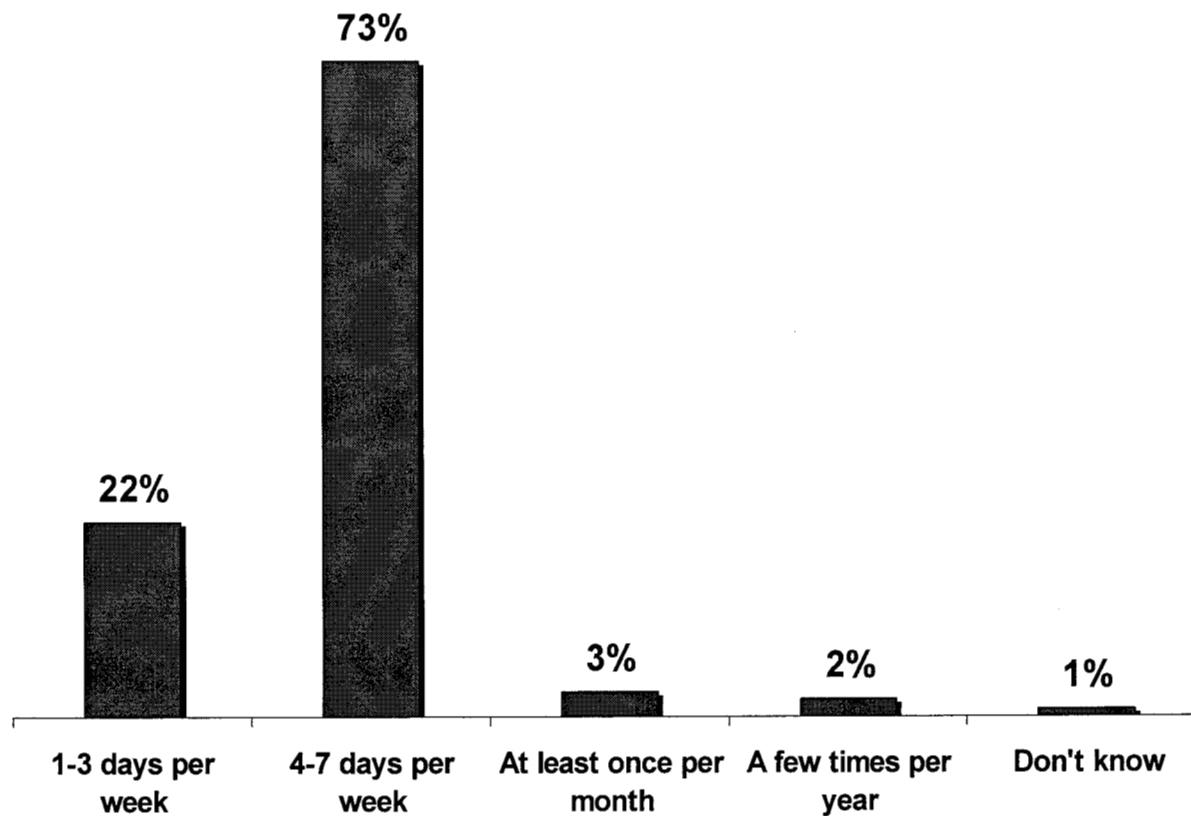
Customers are least satisfied with the availability of evening service (35%) and the availability of weekend service (31%).





Overall Ridership – Frequency

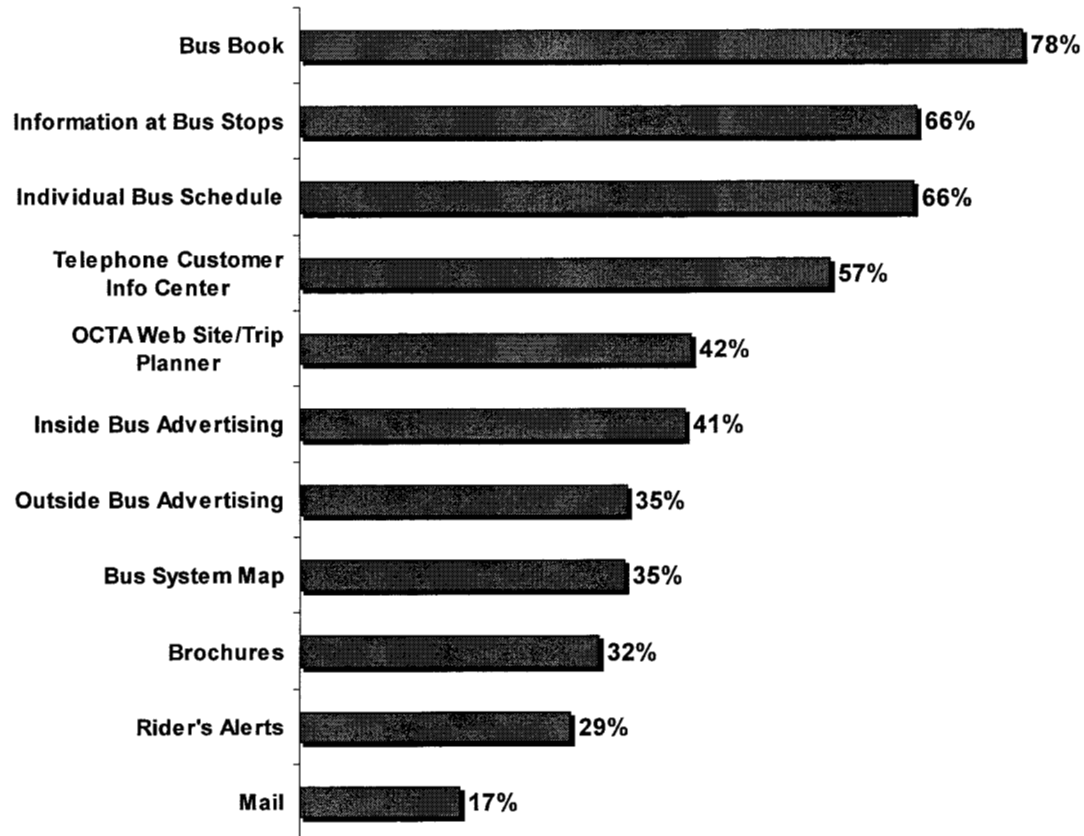
The majority of customers (73%) are riding the bus 4-7 days per week. Ninety-five percent of customers are riding the bus at least one day per week.





Overall Ridership – Sources Used

The most popular source for information about bus service is the Bus Book (78%). Information at bus stops (66%) and individual bus schedules (66%) are the next most popular sources for information, followed by the telephone customer information center (57%).





Next Steps

- Continue monitoring bus customer satisfaction level
- Promote pass sales
- Develop and implement on-line customer information venues
 - e-BusBook, text-messaging trip information via cell phone, etc.



Southern California 511 Update

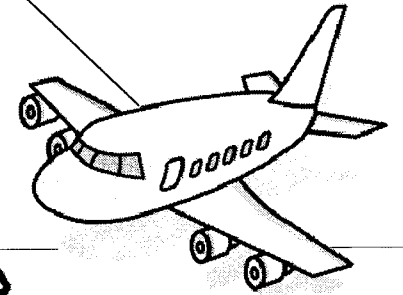
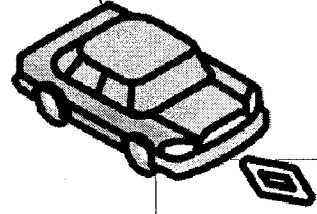
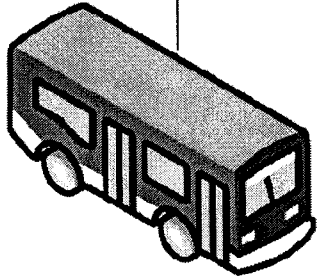
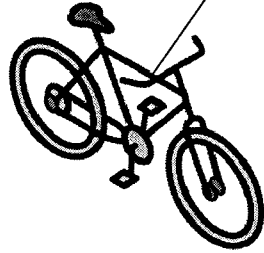
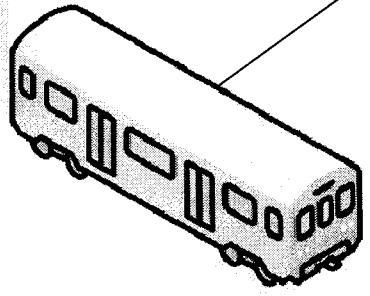
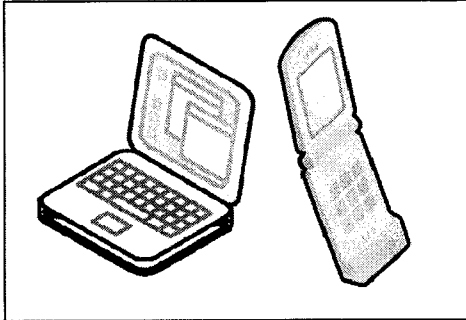
**Board of Directors' Meeting
July 28, 2008**

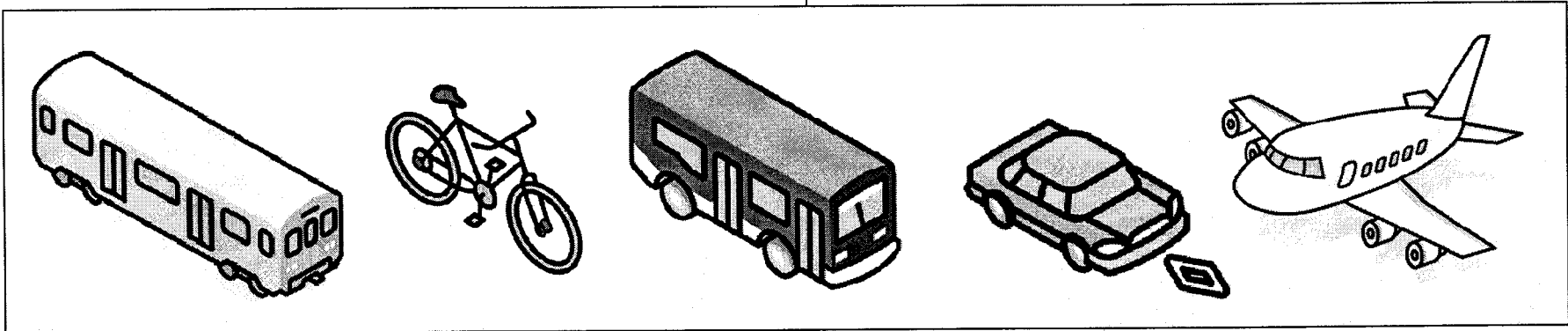
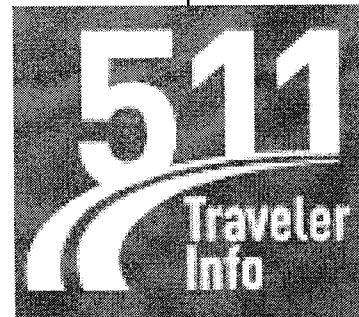
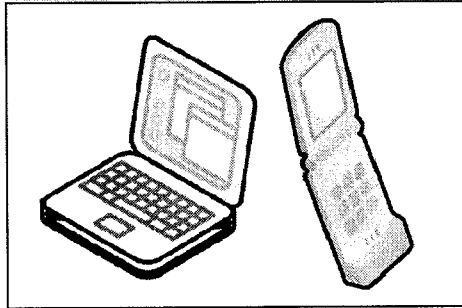
- What is 511?
- Where will it be implemented?
- Who will implement it?
- When will it be implemented?
- Cost to OCTA?

- 511 National Initiative and Vision
 - Federal Communications Commission designation and mandate by 2010
 - 511 deployment guidelines
 - Safe, Accountable, Flexible, Efficient, Transportation, Equity, Act a Legacy for Users
- Over 107 million calls in nationwide since inception*
- 511 service is available to over 128 million Americans*
- 42 active 511 phone systems in 34 states
- 33 active 511 websites

*Data from March 2008, *deploy511.org*







- Easy Number
- Helps commuters
- Improves mobility
- Builds on existing 511

- Real-time freeway traffic information
- Transit information and trip planning
- Rideshare information
- Bike information
- English interactive voice response

- Interactive voice response system
- Americans with Disabilities Act compliant
- Provides traffic, transit, rideshare and other travel information
- Transfers to a live operator if needed
- Bay Area demonstration: 888-500-4636

- Trip planning
- Traffic information
- Rideshare information
- Bay Area internet address
 - www.511.org

- Phase 1: baseline
 - Projected launch: January 2009
- Phase 2: near-term enhancements
 - Projected launch: July 2009
- Phase 3: long-term enhancements
 - Projected launch: January 2010 and beyond

- Future communications to the Board
 - Web portal: www.lasafe.net/511

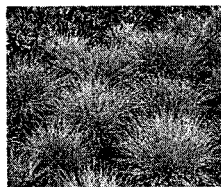
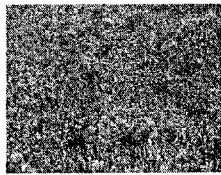


Transportation Landscape Architecture



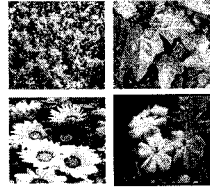
District 12
July 2008

Transportation Landscape Architecture



VALUES

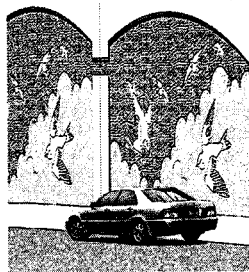
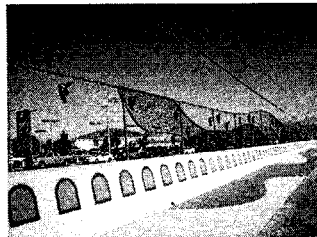
- Aesthetic
- Environment
- Scenic
- Community



Caltrans

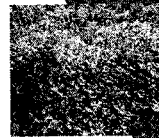
☐ Aesthetic

- Protect and improve transportation facility aesthetics.



☐ Environmental

- Integrate transportation facilities and the environment:
 - ✓ Preserve and restore habitat.
 - ✓ Conserve agricultural lands.
 - ✓ Conserve water with drought tolerant plants.
 - ✓ Use inert materials for groundcover.
 - ✓ Use non-potable water.
 - ✓ Prevent storm water pollution.



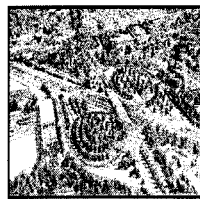
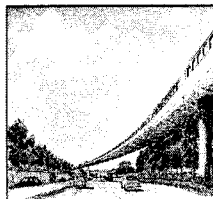
☐ Scenic

- Assess potential adverse visual impacts.
- Design mitigation for scenic protection and preservation.

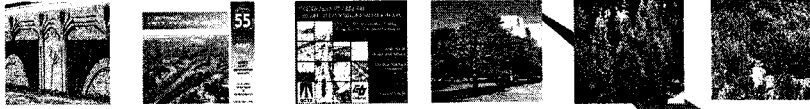


☐ Community

- Integrate transportation needs:
 - ✓ Community goals.
 - ✓ Community involvement.
 - ✓ Corridor planning.
- Implement Context Sensitive Design Policy



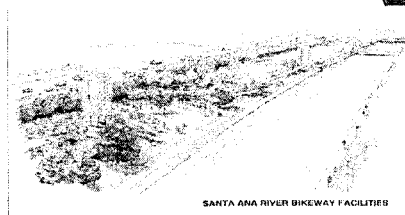
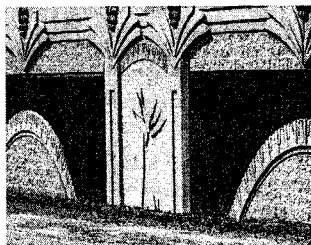
Landscape Architecture Design Considerations



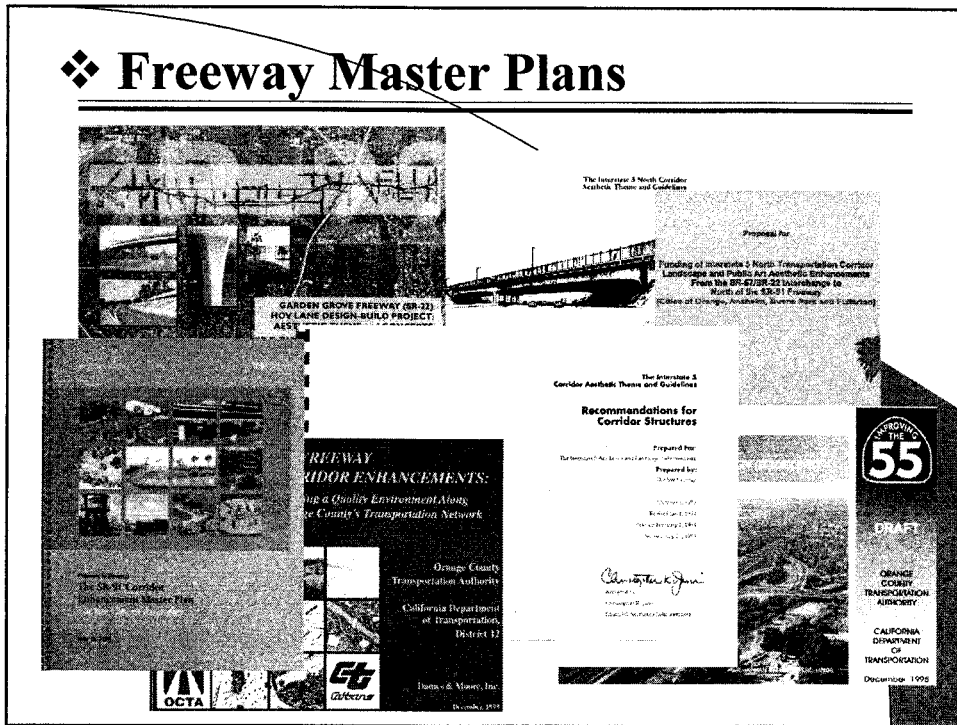
- ❖ Context Sensitive Design Policy
- ❖ Freeway Master Plans
- ❖ Corridor Aesthetic Considerations
- ❖ Plant Selection Process
- ❖ Native Plant Considerations
- ❖ Drought Considerations

❖ Context Sensitive Design Policy

- Harmonize roadway, topography and land use.
- Preserve and enhance community character.
- Meet needs of non-motorized travelers.
- Support transportation art and community identity.

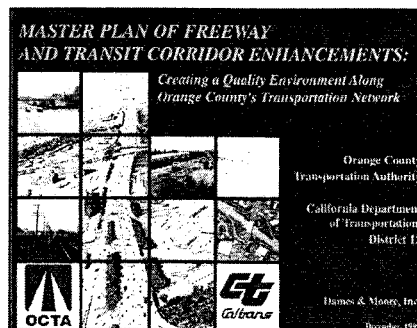


❖ Freeway Master Plans



❖ Freeway Master Plan

- ❑ **Master Plan of Freeway and Transit Corridor Enhancements:** Creating a quality environment along Orange County's Transportation Network



❖ Corridor Aesthetic Considerations

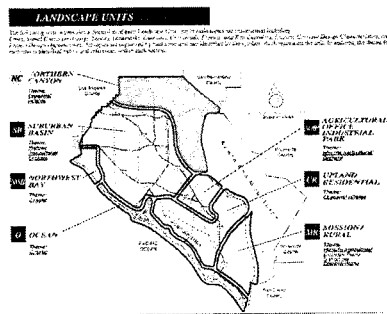
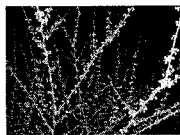


❑ Master Plan of Freeway and Transit Corridor Enhancements:

- Northern Canyon
- Suburban Basin
- Northwest Bay
- Agricultural/ Office Industrial Park
- Ocean
- Upland Residential
- Mission/Rural

• Northern Canyon

- Route 57
- Route 90
- Route 91



• Northern Canyon



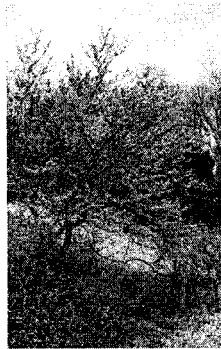
Design Theme Chaparral Hillside

- **Aesthetic Treatment**

- ✓ Natural Elements

- **Landscape Treatment**

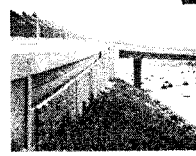
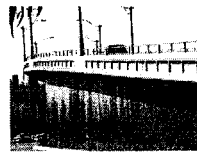
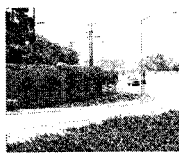
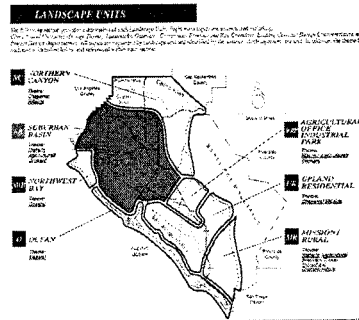
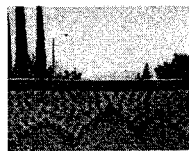
- ✓ Natural
- ✓ Drought tolerant



• Suburban Basin



- **Route 5**
- **Route 22**
- **Route 55**
- **Route 57**
- **Route 91**
- **Route 405**
- **Route 605**

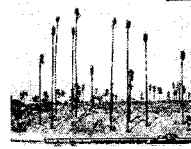
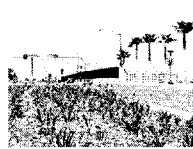


• Suburban Basin



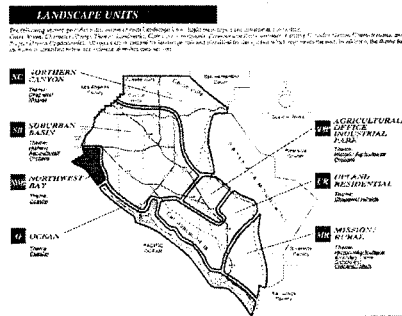
Design Theme Historic Agriculture/ Orchard

- **Aesthetic Treatment**
 - ✓ Geometric
- **Landscape Treatment**
 - ✓ Row Pattern
 - ✓ Symmetrical



• Northwest Bay

- **Route 1**
- **Route 22**
- **Route 405**

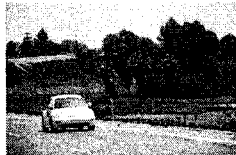


• Northwest Bay



Design Theme Coastal

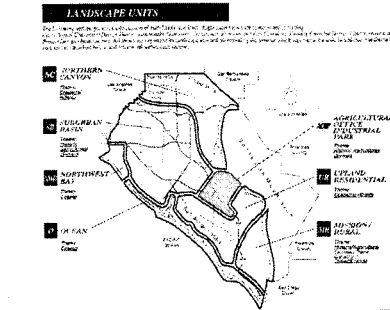
- **Aesthetic Treatment**
 - ✓ Natural
- **Landscape Treatment**
 - ✓ Free Form



• Agricultural/ Office Industrial Park



- **Route 5**
- **Route 133**
- **Route 231 Toll**
- **Route 241 Toll**
- **Route 405**



• Agricultural/ Office Industrial Park



Design Theme Historic Agriculture/ Orchard

• Aesthetic Treatment

- ✓ Geometric



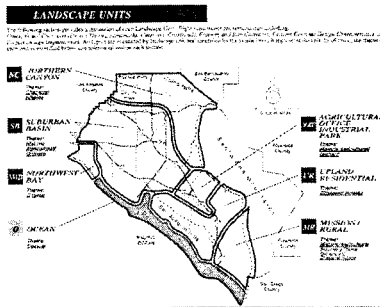
• Landscape Treatment

- ✓ Row Pattern
- ✓ Symmetrical



• Ocean

- Route 1
- Route 5



• Ocean



Design Theme
Coastal

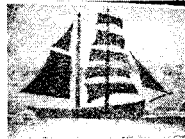
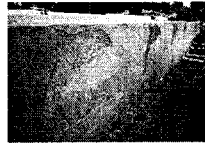
• **Aesthetic Treatment**

✓ Natural



• **Landscape Treatment**

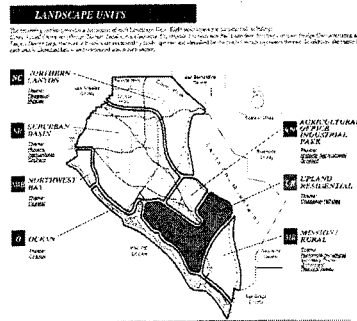
✓ Free Form



Gibson

• Upland Residential

- **Route 5**
- **Route 133**
- **Route 73 Toll**
- **Route 241 Toll**



Gibson

• Upland Residential



Design Theme Chaparral Hillside

- Aesthetic Treatment

- ✓ Natural Elements

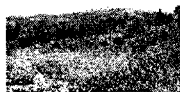
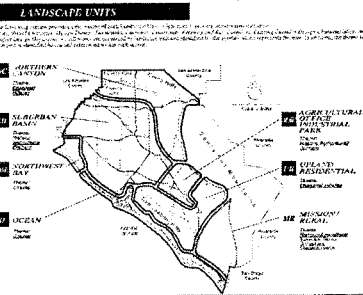
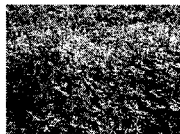
- Landscape Treatment

- ✓ Natural
- ✓ Drought tolerant

Caltrans

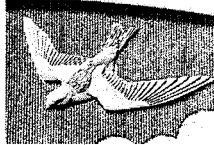
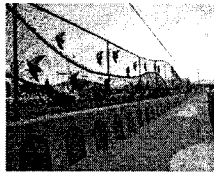
• Mission/ Rural

- Route 5
- Route 241 Toll



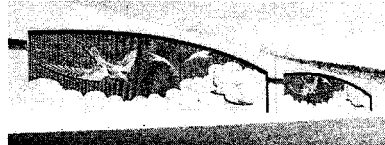
Caltrans

• Mission/ Rural

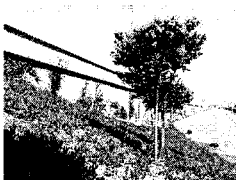
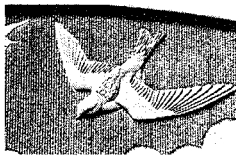


Design Theme Historic /Agricultural

- **Aesthetic Treatment**
 - ✓ Historical
- **Landscape Treatment**
 - ✓ Row Pattern
 - ✓ Natural



□ Route Design Considerations

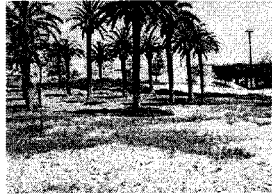


- **Aesthetic Treatments**

- **Landscape Treatments**



☐ Route 57



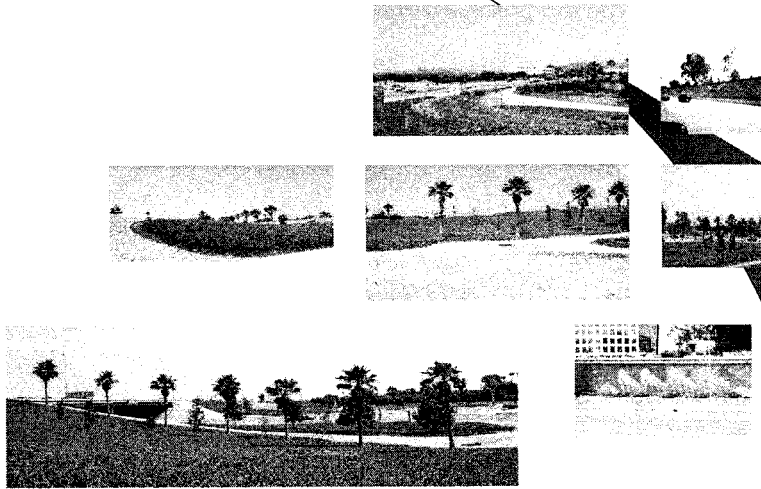
Gilbane

☐ Route 5/22/57 Interchange



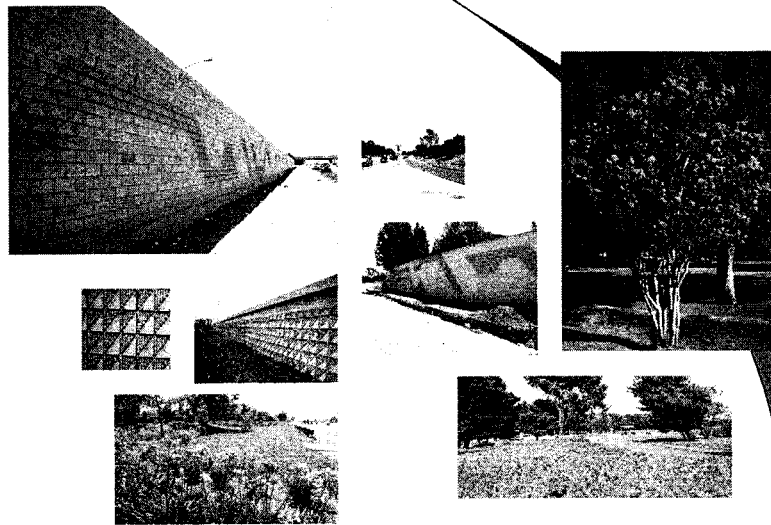
Gilbane

☐ Route 55



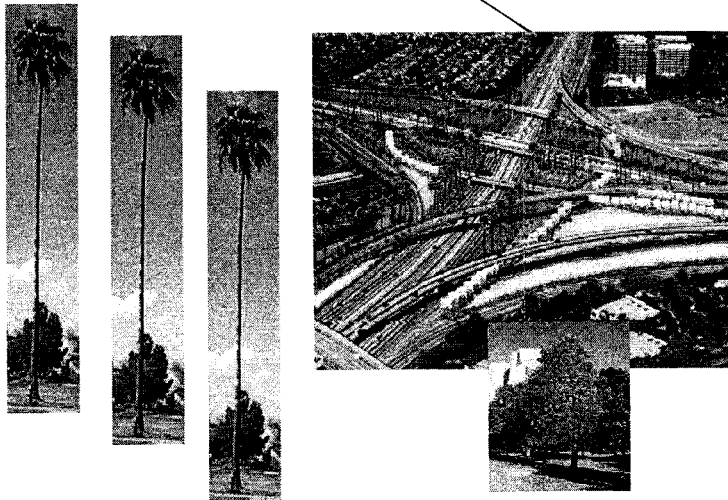
Coltrane

☐ Route 405

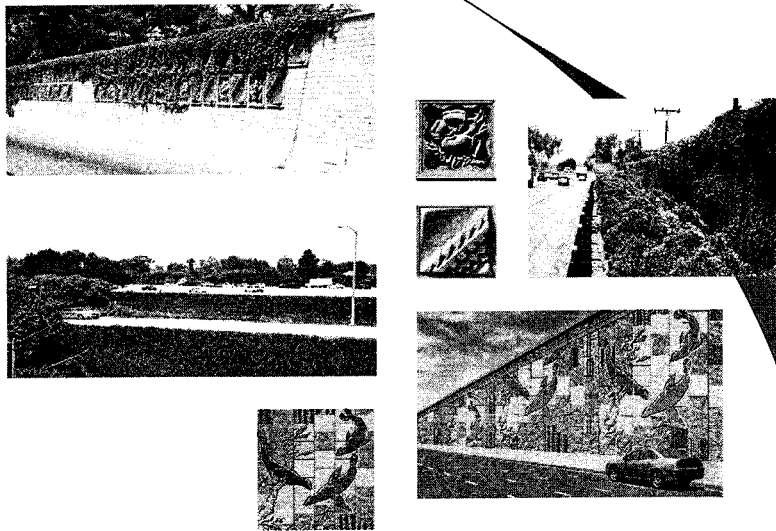


Coltrane

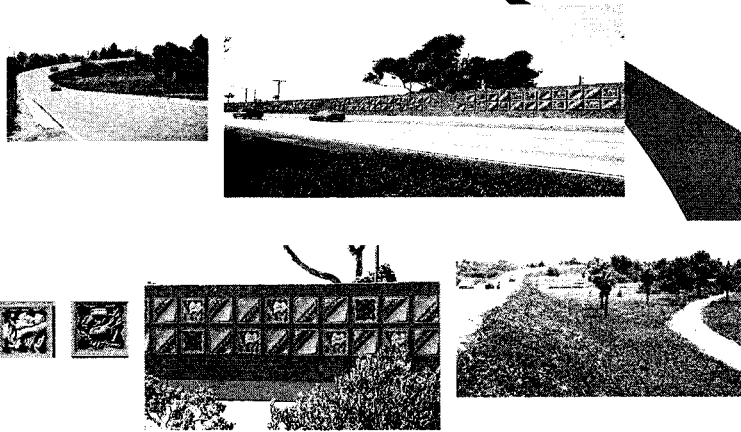
☐ Route 55/405 Interchange



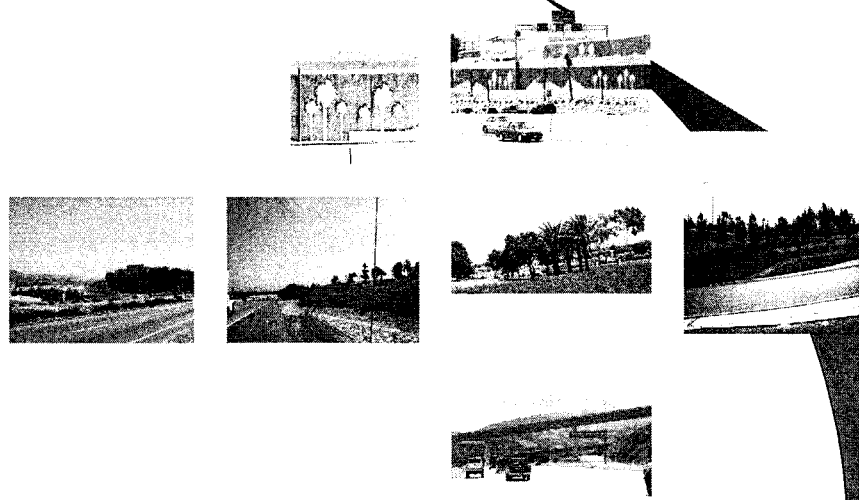
☐ Route 605



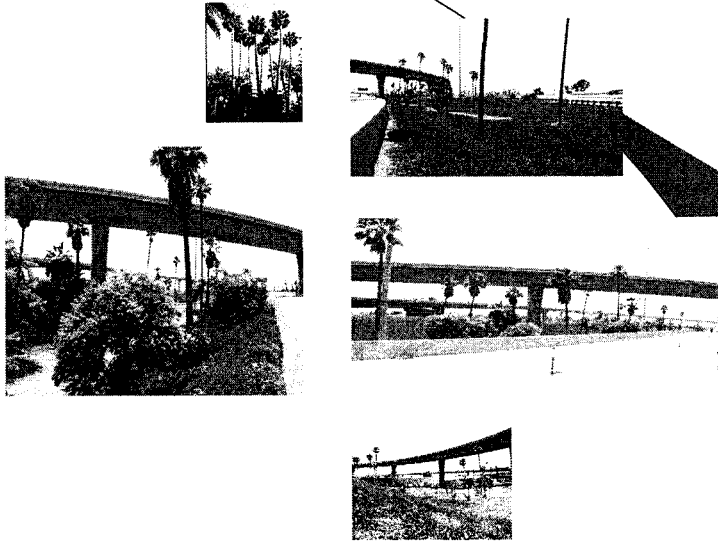
☐ Routes 22/405/605 Interchange



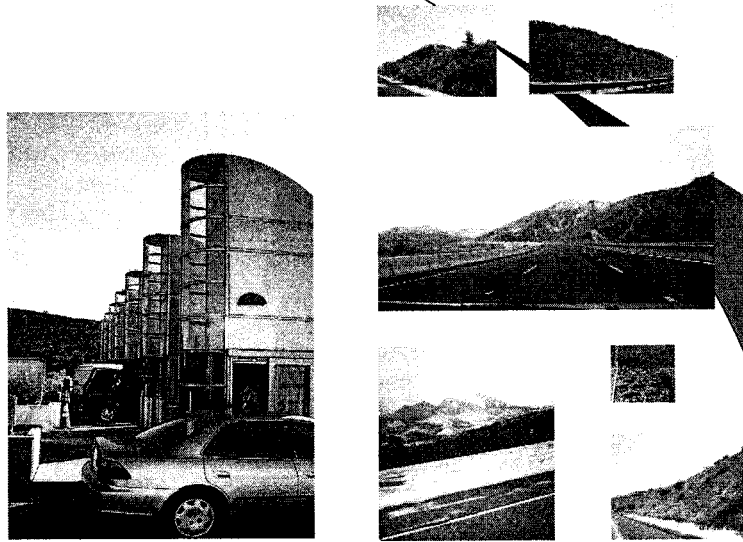
☐ Route 91



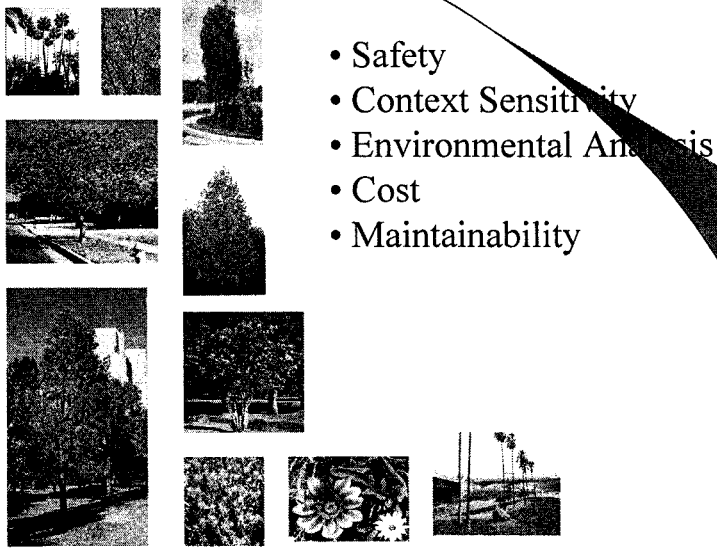
☐ Route 5/91 Interchange



☐ Toll Roads



❖ Plant Selection Criteria



- Safety
- Context Sensitivity
- Environmental Analysis
- Cost
- Maintainability

❖ Native Plant Considerations

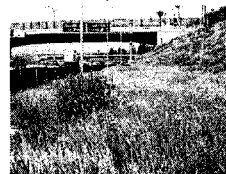
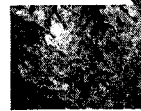


California Sycamore

- Use when feasible.
- Use for mitigation purposes.
- Sensitive to environmental conditions.



Toyon



Native Grasses



Oaks

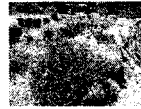


California Pepper

❖ Native Plant Considerations



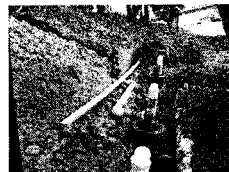
- Dormant/brown in summer.
- Complex to create native micro-climate.
- Flammable.



❖ Drought Considerations



- Caltrans Water Conservation Efforts
 - ✓ Proactive design for drought resistance.
 - ✓ 1993 Reclaimed Water Master Plan
 - ✓ Remote irrigation systems (RICS).
 - ✓ Low water use plants.
 - ✓ Mulch, paving, inert material



☐ Proactive Water Conservation Practice

1993 Director's Water Conservation Honor

Category: Water Management

Utilization of Proactive Management Strategies

Presented to:

District 12

"District's 'can-do' attitude and aggressive efforts to negotiate feasible reclaimed water agreements with local agencies resulted in substantial potable water savings."

