

Date: Monday, June 26, 2006

Time: 9:00 a.m.

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



AGENDA

Orange County Transportation Authority Board Meeting
OCTA Headquarters
First Floor - Room 154
600 South Main Street, Orange, California
Monday, June 26, 2006, at 9:00 a.m.

ACTIONS

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

Invocation

Director Duvall

Pledge of Allegiance

Chairman Brown

Agenda Descriptions

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

Public Comments on Agenda Items

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



AGENDA

ACTIONS

Special Matters

1. **Recognition for Congressman Gary Miller – Express Bus Unveiling**
2. **Presentation of Resolutions of Appreciation for Employees of the Month for June 2006**

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2006-33, 2006-34, 2006-35 to Marcel Labine, Coach Operator; Conrad Baca, Maintenance; and Kelly Hart, Administration, as Employees of the Month for June 2006.

3. **Presentation of Resolution of Appreciation to Orange County Sheriff's Department Employee of the Quarter**

Present Orange County Transportation Authority Resolution of Appreciation No. 2006-40 to Orange County Sheriff's Deputy Eric King.

4. **Measure M Citizens Oversight Committee Annual Public Hearing and New Member Recruitment**
Alice T. Rogan/Ellen S. Burton

Overview

The Measure M Ordinance calls for a Citizens Oversight Committee to serve as a watchdog over the program of transportation improvements. The Citizens Oversight Committee has found the Orange County Transportation Authority has acted in accordance with Measure M during 2005. In addition, the recruitment process conducted by the Grand Jurors Association of Orange County has been completed and three new members will be chosen by lottery to fill vacancies left by expired terms in the Second, Fourth and Fifth Supervisorial Districts.

Recommendations

- A. Pursuant to the Measure M Ordinance, conduct the lottery for final selection of new Measure M Citizens Oversight Committee members by drawing one name each to represent the Second, Fourth and Fifth Supervisorial Districts from the list of Grand Jurors Association of Orange County recommended finalists.



AGENDA

ACTIONS

4. (Continued)

- B. Adopt Orange County Local Transportation Authority Resolutions of Appreciation Nos. 2006-36, 2006-37 and 2006-38 for Jeff Haspell, Joann Lombardo and Ernie Nishii, members of the Citizens Oversight Committee whose terms have expired.

Consent Calendar (Items 5 through 29)

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

Orange County Transportation Authority Consent Calendar Matters

5. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of June 12, 2006.

6. Approval of Resolutions of Appreciation for Employees of the Month for June 2006

Adopt Orange County Transportation Authority Resolutions of Appreciation Nos. 2006-33, 2006-34, and 2006-35 to Marcel Labine, Coach Operator, Conrad Baca, Maintenance, and Kelly Hart, Administration, as Employees of the Month for June 2006.

7. Approval of Resolution of Appreciation to Orange County Sheriff's Department Employee of the Quarter

Adopt Orange County Transportation Authority Resolution of Appreciation No. 2006-40 for Orange County Sheriff's Deputy Eric King.



AGENDA

ACTIONS

8. State Legislative Status Report
Wendy Villa/Richard J. Bacigalupo

Overview

An oppose position is recommended for potential legislation that would ban the "push" mode in commuter rail operations.

Recommendation

Adopt the following policy positions on proposed legislation:

Oppose potential legislation that would ban the "push" mode in commuter rail operations

9. Federal Legislative Status Report
Kristine Murray/Richard J. Bacigalupo

Overview

The Federal Legislative Status Report includes a summary of the fiscal year 2007 federal transportation appropriations bill, as well as a status of the Orange County Transportation Authority appropriations requests.

Recommendation

Receive and file as an information item.

10. Triennial Performance Audit
Lisa Monteiro/Richard J. Bacigalupo

Overview

A triennial performance audit was conducted for the Orange County Transportation Authority, the Orange County Transit District, and the Laguna Beach Municipal Transit Lines for the fiscal years 2000-01 through 2002-03. These triennial performance audits are required per California Public Utilities Code §99246.



AGENDA

ACTIONS

10. (Continued)

Recommendations

- A. Direct staff to implement the recommendations in the Triennial Performance Audit of the Orange County Transportation Authority and Orange County Transit District, for fiscal years 2000-01 through 2002-03, specifically to:
 - 1. Improve and update policies and procedures related to the Transportation Development Act to ensure compliance with claims for funding, record retention, identifying, and monitoring productivity improvements for transit operators, and oversight of senior mobility programs;
 - 2. Ensure that the Transportation Development Act annual fiscal and compliance audits and triennial performance audits are completed in a timely manner and are submitted by the required due dates; and
 - 3. Implement procedures to monitor and follow up on prior triennial performance audit recommendations.
- B. Direct staff to implement procedures to monitor and follow up on the recommendations included in the Laguna Beach Municipal Transit Lines, Triennial Performance Audit, For the Fiscal Years 2000-01 through 2002-03.

11. **Review of Accounts Payable - Employee Expense Reports**

Lisa Monteiro/Richard J. Bacigalupo

Overview

The Internal Audit Department has completed a limited review of controls over employee expense reports. Seven recommendations were made to strengthen internal controls, make operations more efficient, and ensure compliance with applicable policies. Management staff has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.



AGENDA

ACTIONS

11. (Continued)

Recommendation

Receive and file the Review of Accounts Payable - Employee Expense Reports Internal Audit Report No. 05-035.

12. **Consultant Selection for Project Study Report Services for Corridor Improvements on the San Diego Freeway (Interstate 405)**

Arshad Rashedi/Paul C. Taylor

Overview

The next step towards implementation of the San Diego Freeway (Interstate 405) Major Investment Study – Locally Preferred Strategy is to perform further engineering assessment and refine the project scope. Proposals and statements of qualifications were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering work. These procedures are in accordance with both federal and state legal requirements.

Committee Recommendations

- A. Select Parsons Transportation Group for the preparation of a Project Study Report/Project Development Support for the corridor improvement project on the San Diego Freeway (Interstate 405) between the San Gabriel Freeway (Interstate 605) and the San Joaquin Transportation Corridor (State Route 73).
- B. Authorize the Chief Executive Officer to negotiate and bring back the final agreement within the authorized budget of \$900,000.
- C. Form an ad hoc committee which would include Directors Correa and Norby and OCTA staff to review this procurement process and lessons for the future; as a courtesy advise the Regional Planning and Highways Committee of the meeting.



AGENDA

ACTIONS

13. Comprehensive Funding Strategy and Policy Direction Update
Jennifer Bergener/Paul C. Taylor

Overview

The Orange County Transportation Authority Board of Directors approved a comprehensive funding strategy and policy direction in November 2005. Since that time, the California Transportation Commission adopted the 2006 State Transportation Improvement Program, the Santa Ana Freeway (Interstate 5) Gateway project was awarded, and scope changes were approved on the Garden Grove Freeway (State Route 22) widening project. These changes have necessitated revisions to the adopted funding strategy and policy direction. Staff is proposing a revised funding strategy to align the available funding with eligible projects.

Recommendations

- A. Approve the revised comprehensive local, state, and federal funding plan for \$1.6 billion from fiscal year 2005-06 through fiscal year 2010-11.
- B. Authorize staff to request State Transportation Improvement Program funding for the Jeffrey Railroad Grade Separation and the Placentia (Metrolink) transit station projects.
- C. Authorize staff to release a Request For Proposals for engineering services for the Garden Grove Freeway (State Route 22) Phase II project.
- D. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program, and execute any necessary agreements to facilitate the programming above.



AGENDA

ACTIONS

14. **Riverside County - Orange County Major Investment Study Draft Action Plan**

Kurt Brotcke/Paul C. Taylor

Overview

A draft three-year plan for actions following the recently completed major investment study is presented for review, discussion, and potential action.

Recommendation

Approve the draft action plan.

15. **Agreement for Commercial Banking Services**

Vicki Austin/James S. Kenan

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved the contracting of commercial banking services. The current banking services agreement expires on August 31, 2006. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0172 between the Orange County Transportation Authority and Bank of the West, in an amount not to exceed \$330,000, for commercial banking services. The initial term of the contract will be three years with two one-year option periods.



AGENDA

ACTIONS

16. **Agreements for Medical Clinic Services**

Linda Conte/James S. Kenan

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved the contracting of medical clinic services to perform physical examinations, Department of Motor Vehicle DL-51 recertification's, vaccinations, alcohol testing, drug screens, and medical review officer services. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendations

- A. Authorize the Chief Executive Officer to execute Agreement C-6-0135 between the Orange County Transportation Authority and Golden West Medical Center, in an amount not to exceed \$181,500, to perform physical examinations, alcohol testing, drug screens, medical review officer services, and vaccinations. The initial term of the agreement will be three years with two one-year option periods.
- B. Authorize the Chief Executive Officer to execute Agreement C-6-0339 between the Orange County Transportation Authority and Pacific Medical Clinic, in an amount not to exceed \$218,500, to perform Department of Motor Vehicle DL-51 recertification's. The initial term of the agreement will be three years with two one-year option periods.

17. **Sole Source Agreement for Technology and Services to Upgrade Fixed Route Radio System Computer Sub-System**

Joe Tiernan/James S. Kenan

Overview

As part of the Orange County Transportation Authority's ongoing efforts to maintain its fixed route radio communication system, it is necessary to upgrade the Mobile Intermediary System. An offer was received in accordance with the Orange County Transportation Authority's procurement and internal audit procedures for professional and technical services on a sole source basis.



AGENDA

ACTIONS

17. (Continued)

Recommendation

Authorize the Chief Executive Officer to execute sole source Agreement C-6-0383 between the Orange County Transportation Authority and M/A-COM, Inc., in an amount not to exceed \$112,729, for technology and services to upgrade the Mobile Intermediary System, a sub-system of the Orange County Transportation Authority's fixed route radio communication system.

Orange County Local Transportation Authority Consent Calendar Matters

18. Garden Grove Freeway (State Route 22) Design-Build Project Construction Contract Change Order Nos. 30, 31, and 32 to Agreement C-3-0663

T. Rick Grebner/Paul C. Taylor

Overview

On August 23, 2004, the Orange County Transportation Authority's Board of Directors awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View Street east to the Costa Mesa Freeway (State Route 55) interchange. Construction contingency has been budgeted to account for unforeseen and changed conditions that occur during construction. Contract Change Order Nos. 30, 31, and 32 are presented for Board consideration.

Recommendations

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 30 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$252,670, for clean up and dewatering in the Santa Ana River resulting from the winter rains of 2004-05.
- B. Authorize the Chief Executive Officer to execute Contract Change Order No. 31 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$300,000, for clean up and replacement of stormwater prevention items during the winter rains of 2004-05.



AGENDA

ACTIONS

18. (Continued)

- C. Authorize the Chief Executive Officer to execute Contract Change Order No. 32 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$4,491,515, for costs associated with utility work impacts.

19. **Revisions to Cooperative Agreement with the California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project** Charles Guess/Paul C. Taylor

Overview

On July 27, 2005, the Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation to provide funding for Santa Ana Freeway (Interstate 5) Gateway Project. A revision is proposed for consideration.

Recommendation

Authorize the Chief Executive Officer to execute a revision to the Cooperative Agreement with California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project reflecting a proportional cost-sharing arrangement of 55.9 percent to the Orange County Transportation Authority and 44.1 percent to the California Department of Transportation for funding cost overruns due to change orders or claims related to construction and construction management.

Orange County Transit District Consent Calendar Matters

20. **Agreement for Tile and Carpet Replacement at Garden Grove and Anaheim Bases** Al Pierce/John D. Byrd

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2005-06 Budget, the Board approved the contracting of tile and carpet replacement at Garden Grove and Anaheim bases. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures.



AGENDA

ACTIONS

20. (Continued)

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0125 between the Orange County Transportation Authority and SCS Flooring Systems, in an amount not to exceed \$201,316, for tile and carpet replacement at Garden Grove and Anaheim bases.

21. **Agreement for E.J. Ward Fuel/Oil Management System Modifications**

Patrick Sampson/John D. Byrd

Overview

The Orange County Transportation Authority uses the E. J. Ward, Inc., fuel/oil management system at its operations bases. As part of the ACCESS and contracted fixed route service provider transition, the contracted operation is moving to the Irvine Base. Modification is required to the system to accommodate the contracted fleet. A sole source agreement is necessary to procure the equipment necessary to utilize this system.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0434 between the Orange County Transportation Authority and E.J. Ward, Inc., in an amount not to exceed \$125,850, for the purchase and installation of the CANceiver Data System.

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

Beth McCormick/John D. Byrd

Overview

On July 14, 2003, the Board of Directors approved a five-year agreement with the Orange County Sheriff's Department for Transit Police Services in the amount of \$3,791,712. Each year of the agreement the maximum obligation is amended to include the following fiscal year.



AGENDA

ACTIONS

22. (Continued)

Recommendation

Authorize the Chief Executive Officer to amend Agreement C-3-0656 between the Orange County Transportation Authority and the County of Orange, Orange County Sheriff's Department, in an amount not to exceed \$4,428,226, for Transit Police Services provided from July 1, 2006, through June 30, 2007.

23. **Agreement for Radio Site with the County of Orange**

Al Pierce/John D. Byrd

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved funds for continuing Orange County Transportation Authority's contractual relationship with the County of Orange for radio site lease space and subscriber use of the County's microwave infrastructure.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0396 between the Orange County Transportation Authority and the County of Orange for the first year of a 10-year agreement, in an amount not to exceed \$100,000, for radio site space lease and shared use of microwave infrastructure.

24. **Authorization to Proceed with Negotiation for Santa Catalina Island as a Radio Site**

Al Pierce/John D. Byrd

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved funds for equipping Santa Catalina Island as an additional Integrated Transportation Communications System Radio site.



AGENDA

ACTIONS

24. (Continued)

Recommendation

Authorize staff to proceed with negotiations with Santa Catalina Island Conservancy for site lease space and M/A-COM, Inc. for acquisition of the radio frequency equipment, installation, and maintenance. The estimated cost of this project is not to exceed \$300,000.

25. Agreement for Radio Frequency Engineering Consulting Services

Al Pierce/John D. Byrd

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, staff requested radio frequency engineering consulting services to assist in-house radio communications maintenance team. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0223 between the Orange County Transportation Authority and Yoh Services LLC, in an amount not to exceed \$75,000, for radio frequency engineering consulting services.

26. Agreement for Transmission Dynamometer Replacement

Al Pierce/John D. Byrd

Overview

As part of the Orange County Transportation Authority Fiscal Year 2005-06 Budget, funding is available for the purchase of a replacement transmission dynamometer. This procurement was handled in accordance with the Orange County Transportation Authority's procedures for fixed assets which permits the use of competitive negotiated procurement.



AGENDA

ACTIONS

26. (Continued)

Recommendation

Authorize the Chief Executive Officer to issue Agreement C-6-0048 between the Orange County Transportation Authority and SuperFlow Technologies Group, in an amount not to exceed \$321,658, for the purchase and installation of a new transmission dynamometer.

27. **Request for Public Hearing for the Proposed Bus Service Improvements** Scott Holmes/John D. Byrd

Overview

The Orange County Transportation Authority proposes service changes to increase and improve the Orange County Transportation Authority's bus services. If implemented, the program would require about 22,300 annual revenue vehicle hours, at a cost of approximately \$1.2 million annually. It is estimated these improvements would generate up to 453,000 additional annual boardings.

Recommendations

- A. Receive and file the preliminary recommendations for the proposed bus service improvements.
- B. Set a public hearing for August 14, 2006, for the proposed bus service improvements, and direct the Clerk of the Board to publish the public hearing notice in newspapers of general circulation and notify elected officials in the County.
- C. Direct staff to initiate a comprehensive review of the existing express bus network and develop recommendations to improve customer satisfaction and service efficiency.



AGENDA

ACTIONS

28. **Amendment to Agreement for Trapeze Pass Scheduling Software**
Patrick Sampson/John D. Byrd

Overview

On May 4, 1999, the Board of Directors approved an agreement with Trapeze Software Group, Inc., in the amount of \$158,930, to provide paratransit scheduling software. Trapeze Software Group, Inc. was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional/technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$295,689, for Mobile Data Terminal mapping software, Mobile Data Terminal supervisor units, supervisor terminal licenses, implementation services and support.

29. **Amendment to Agreement for Trapeze Software Support**
Patrick Sampson/John D. Byrd

Overview

On December 8, 2003, the Board of Directors approved an agreement with Trapeze Software Group, Inc., in the amount of \$20,000, to provide software support for the Trapeze PASS scheduling software package, utilized to schedule ACCESS trips. The annual maintenance agreement, which is part of the license, does not include all the support necessary to ensure that ACCESS maintains comparability with the Orange County Transportation Authority's fixed route service. Trapeze Software Group, Inc. was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional/technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-3-1218 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$20,000, for software support services.



AGENDA

ACTIONS

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

30. **Draft 2006 State Route 91 Implementation Plan**
Kurt Brotcke/Paul C. Taylor

Overview

Enabling legislation related to the 91 Express Lanes requires the Orange County Transportation Authority to annually issue a plan and proposed schedule for Riverside Freeway (State Route 91) improvements eligible for funding by potential excess toll revenue. The draft 2006 State Route 91 Implementation Plan is provided for review and approval.

Recommendation

Approve the draft 2006 State Route 91 Implementation Plan, and direct staff to forward copies to members of the state legislature.

31. **Proposed Overall Annual Race-Neutral Disadvantaged Business Enterprise Goal for Federal Fiscal Year 2006-07**
Tina Giles-Potter/Marlene K. Heyser

Overview

An overall annual race-neutral Disadvantaged Business Enterprise goal has been developed for the Orange County Transportation Authority's contracts assisted by Federal Transit Administration funds in compliance with federal regulations set forth in 49 CFR Part 26 titled "Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs" for federal fiscal year 2006-07. The proposed overall annual DBE goal of 13 percent for federal fiscal year 2006-07 will be implemented utilizing strictly race-neutral measures based upon the Orange County Transportation Authority's historical race-neutral Disadvantaged Business Enterprise attainments and the United States Department of Transportation's recently issued race-neutral policy directives.



AGENDA

ACTIONS

31. (Continued)

Recommendation

Adopt the proposed federal fiscal year 2006-07 overall annual race-neutral Disadvantaged Business Enterprise participation goal of 13 percent for contracts assisted by Federal Transit Administration funds, in accordance with 49 CFR Part 26.

Orange County Local Transportation Authority Regular Calendar Matters

32. **City-Initiated Extensions to Metrolink Service**

Paul C. Taylor

Overview

On February 27, 2006, the Board of Directors approved a four-step process for Orange County cities to extend transit access from Metrolink into their communities. Two workshops were conducted to obtain input from city representatives. Evaluation criteria and a revised cooperative agreement reflecting input from the workshops are offered for consideration.

Recommendations

- A. Approve the City-Initiated Transit Extensions to Metrolink on cooperative agreement for execution by the cities to access the step one \$100,000 grants for development of their local transit vision and conduct initial planning.
- B. Approve evaluation criteria for cities' competitive applications for step two funding to further develop the most promising projects.
- C. Authorize the Chief Executive Officer to apply for grant resources from the Southern California Association of Governments in cooperation with the Orange County Council of Governments for city staff training and facilitation of partnerships.



AGENDA

ACTIONS

33. Selection of Project Management Consultant for Metrolink Service Expansion

Abbe McClenahan/Paul C. Taylor

Overview

On March 27, 2006, the Orange County Transportation Authority's Board of Directors approved the release of Request for Proposals for a project management consultant for the Metrolink Service Expansion, including approval of the evaluation criteria used to evaluate the proposals. Proposals and statements of qualifications were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering work. These procedures are in accordance with both federal and state legal requirements.

Recommendations

- A. Select Parsons Brinckerhoff Quade & Douglas, Inc. as the top-ranked firm to provide project management consultant services for the Metrolink Service Expansion.
- B. Authorize the Chief Executive Officer to request a cost proposal from Parsons Brinckerhoff Quade & Douglas, Inc. and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement in the amount not to exceed \$5 million for a period of five years.



AGENDA

ACTIONS

Other Matters

34. Directors' Reports

35. Chief Executive Officer's Report

36. 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.

37. Closed Session

Pursuant to Government Code Section 54956.8 to discuss negotiations regarding the real property located at 550 South Main Street, Orange, California 92868. The real property is owned by The Colton Company and its negotiator is David Colton; the negotiator for the Orange County Transportation Authority is James S. Kenan.

38. Adjournment

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSAAV Board will be held at **9:00 a.m. on July 10, 2006**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Measure M Citizens Oversight Committee Annual Public Hearing and New Member Recruitment

Legislative and Government Affairs/Public Communications Committee

June 15, 2006

Present: Directors Buffa, Campbell, Cavecche, Ritschel, Rosen, Silva, and Wilson
Absent: Director Correa

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Pursuant to the Measure M Ordinance, conduct the lottery for final selection of new Measure M Citizens Oversight Committee members by drawing one name each to represent the Second, Fourth and Fifth Supervisorial Districts from the list of Grand Jurors Association of Orange County recommended finalists.
- B. Adopt Orange County Local Transportation Authority Resolutions of Appreciation Nos. 2006-36, 2006-37 and 2006-38 for Jeff Haspell, Joann Lombardo and Ernie Nishii, members of the Citizens Oversight Committee whose terms have expired.



June 15, 2006

To: Legislative and Government Affairs/Public Communications Committee
AM

From: Arthur T. Leahy, Chief Executive Officer

Subject: Measure M Citizens Oversight Committee Annual Public Hearing and New Member Recruitment

Overview

The Measure M Ordinance calls for a Citizens Oversight Committee to serve as a watchdog over the program of transportation improvements. The Citizens Oversight Committee has found the Orange County Transportation Authority has acted in accordance with Measure M during 2005. In addition, the recruitment process conducted by the Grand Jurors Association of Orange County has been completed and three new members will be chosen by lottery to fill vacancies left by expired terms in the Second, Fourth and Fifth Supervisorial Districts.

Recommendations

- A. Pursuant to the Measure M Ordinance, conduct the lottery for final selection of new Measure M Citizens Oversight Committee members by drawing one name each to represent the Second, Fourth and Fifth Supervisorial Districts from the list of Grand Jurors Association of Orange County recommended finalists.
- B. Adopt Orange County Local Transportation Authority Resolutions of Appreciation Nos. 2006-36, 2006-37 and 2006-38 for Jeff Haspell, Joann Lombardo and Ernie Nishii, members of the Citizens Oversight Committee whose terms have expired.

Background

The Measure M Citizens Oversight Committee (COC) is required by the Traffic Improvement and Growth Management Plan Ordinance No. 2 (Ordinance). The COC is an independent committee representing all five supervisorial districts in the County. The COC is comprised of eight public members serving three-year

terms, in addition to the County Auditor-Controller. The COC is responsible for ensuring the transportation projects in Measure M are implemented according to the expenditure plan approved by the voters. The COC meets bimonthly to review progress on the implementation of the Measure M program.

Annual Hearing

Annually, the COC is required to hold a public hearing to hear comments from citizens, as part of their oversight effort, to determine whether the Orange County Transportation Authority (OCTA), acting as the Orange County Local Transportation Authority, is proceeding in accordance with the Measure M Traffic Improvement and Growth Management Plan. The results of the hearing and the findings of the COC are transmitted to the OCTA Board annually.

New Member Recruitment

Each year, as terms on the COC come to an end, a recruitment is conducted to fill vacancies on the COC. As outlined in the Ordinance, the recruitment process is conducted by the Grand Jurors Association of Orange County (GJAOC). This organization acts as an independent body serving in the interest of the Orange County citizens. In its role, the GJAOC appoints a five-member Citizens Oversight Committee Membership Selection Panel (Selection Panel).

The Selection Panel conducted the first COC application/recruitment program from August to October 1990. The first lottery took place on November 15, 1990, and the individuals chosen began meeting in January 1991, serving staggered one-year, two-year, or three-year terms. Following the same recruitment process, new members serving three-year terms have joined the COC each year, replacing outgoing members whose terms have expired.

Discussion

Annual Public Hearing and COC Finding

The 15th Measure M Annual Public Hearing took place on February 14, 2006. The hearing was publicized through news releases, public notices, and direct mail. For the 15th year in a row, the Measure M COC has found the OCTA is proceeding in accordance with the countywide Traffic Improvement and Growth Management Plan in an unanimous vote. The finding was based on the public hearing, the fiscal year 2004-05 financial audit results, and all other information

the COC has to date. Acting on behalf of the COC, the committee co-chairperson has prepared an official letter stating their findings (Attachment A).

New Member Recruitment

On June 30, 2006, the terms of three members of the COC will expire. The current membership roster is attached (Attachment B). The Selection Panel (Attachment C) has conducted a recruitment process to fill the three vacant positions on the COC.

The Selection Panel used a fact sheet/application form for recruitment purposes (Attachment D). Applications were distributed to nearly 15,000 persons in the Second, Fourth and Fifth Supervisorial Districts by utilizing direct mail to listings in the OCTA database, including area chambers, public libraries, ethnic organizations, and other special interest groups. Advertisements were also placed in the Los Angeles Times/Orange County Edition, the Orange County Register, Excelsior, and local newspapers, for a total estimated circulation of nearly 1.5 million readers.

The members of the Selection Panel screened nearly 75 applications from interested citizens. The Selection Panel looked closely at each applicant's community service record as well as experience in community and transportation issues. The Selection Panel considered each individual's ability to assess and analyze facts, desire to make the COC a priority, involvement in community organizations, special skills or experience, and degree of knowledge of government. In addition, the Ordinance prohibits elected or appointed officials from serving on the COC. Finalists with potential conflicts have agreed to resign from their elected positions if selected.

Personal interviews were conducted by the Selection Panel, following an initial screening process, in an effort to gain as much insight as possible into the most qualified candidates.

The criteria listed in Policy Resolution No. 1, Section III, No. 3 of Ordinance No. 2, calls for a minimum of three, and no more than five candidates to be recommended for each Supervisorial District. The Selection Panel is recommending nine candidates for possible membership on the Committee: three from the Second District, three from the Fourth District and three from the Fifth District. The list of finalists is included as Attachment E. At the June 26, 2006 Board of Directors Meeting, the Chairman will select three persons by lottery to fill the vacant positions - one from the Second District, one

from the Fourth and one from the Fifth District. The representatives will begin serving three-year terms on the Citizens Oversight Committee in July 2006.

During the lottery process, the first name drawn from each district will be the selected COC member. The remaining names will be drawn from each district to establish a contingency list. Should a vacancy occur, finalists would be called upon to serve on the COC in the order in which their names were drawn.

Resolutions for Outgoing Members

Participation on the COC is a three-year commitment. The volunteers who serve on the COC provide personal energy and insight into thoughtful discussion regarding implementation and oversight of Measure M. In recognition of this contribution to the citizens of Orange County, adoption of resolutions of appreciation is proposed for the following COC members who have completed their terms: Jeff Haspell/First District, Joann Lombardo/Second District and Ernie Nishii/Fourth District (Attachment F).

Summary

Subsequent to its bimonthly meeting and after holding the Measure M Annual Public Hearing on February 14, 2006, the Measure M COC has determined that the OCTA is proceeding in accordance with the Measure M Traffic Improvement and Growth Management Plan.

The GJAOC Selection Panel has completed its recruitment for the three vacancies on the COC for the Second, Fourth and Fifth Supervisorial Districts. The Selection Panel has submitted the names of eligible candidates for the 2006 lottery to fill three positions on the COC. Three resolutions of appreciation for outgoing COC members are included for Board adoption.

Attachments

- A. Measure M Citizens Oversight Committee – Annual Measure M Public Hearing
- B. Measure M Citizens Oversight Committee Members – July 1, 2005 through June 30, 2006
- C. Grand Jurors Association of Orange County – Citizens Oversight Committee Selection Panel 2006
- D. Measure M Citizens Oversight Committee Application
- E. Measure M Citizens Oversight Committee 2006 Finalists
- F. Resolutions of Appreciation to Outgoing Members

Prepared by:

Alice T. Rogan

Alice T. Rogan
Community Relations Officer
(714) 560-5577

Approved by:

Ellen S. Burton

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

Measure M Citizens Oversight Committee

April 18, 2006

To: Art Brown, Chairman
Board of Directors
Orange County Transportation Authority

From: Citizens Oversight Committee

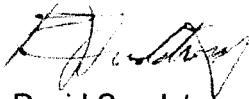
Subject Annual Measure M Public Hearing

In accordance with Policy Resolution No. 1 "Citizens Oversight Committee," the Citizens Oversight Committee (COC) held an annual public hearing on February 14, 2006, to determine whether the Orange County Transportation Authority (Authority) is proceeding in accordance with the countywide Traffic Improvement and Growth Management Plan (Plan), dated May 22, 1989. The hearing was well publicized. No items were presented at the hearing to indicate that the Authority was not proceeding in accordance with the Plan during 2005.

Based upon the above-mentioned hearing, previous financial audits and all other information the COC has to date, the COC hereby finds the Authority is proceeding in accordance with the Plan.

In addition, in accordance with Ordinance No. 2, Section 12, Paragraph B.3, I certify that the expenditures from the trust fund, through fiscal year ending June 30, 2005, have been spent on specific transportation purposed identified in the Plan.

Sincerely,



David Sundstrom, Chairman
Measure M Citizens Oversight Committee
Orange County Auditor-Controller

**MEASURE M
CITIZENS OVERSIGHT COMMITTEE MEMBERS
JULY 1, 2005 THROUGH JUNE 30, 2006**

<u>District</u>	<u>Name</u>	<u>Term</u>	<u>Expiration</u>
1	Ed Wylie	3 Years	2007
1	Jeff Haspell	3 Years	2006
2	Joann Lombardo*	2 1/2 Years	2006
2	Brooks Corbin	3 Years	2008
3	Merlin Henry	3 Years	2008
3	Greg Moore	3 Years	2008
4	H. Ernie Nishii	3 Years	2006
5	Gene Rodriguez	3 years	2007
	David Sundstrom, Auditor-Controller		

*Filled position of a member who resigned part-way into his/her three-year term.

**GRAND JURORS ASSOCIATION OF ORANGE COUNTY
CITIZENS OVERSIGHT COMMITTEE
SELECTION PANEL
2006**

Robert Fauteux (Chair)

Peter Carter

Rose Moreno

Joe Moreland

Carol Morales

BE A PART OF THE TRANSPORTATION SOLUTION

APPLY FOR THE 2006 MEASURE M CITIZENS OVERSIGHT COMMITTEE

RESIDENTS NEEDED FROM THE SECOND, FOURTH AND FIFTH SUPERVISORIAL DISTRICTS

Measure M is the Revised Traffic Improvement and Growth Management Plan approved by Orange County voters in November 1990. The measure raises the sales tax in Orange County by one-half cent for a period of 20 years to alleviate traffic congestion. This money is administered by the Orange County Transportation Authority (OCTA) and pays for specific voter-approved transportation projects for freeway improvements, local street and road improvements, and rail and transit programs specified in the plan.

Measure M requires that an independent Citizens Oversight Committee ensure the integrity of the measure by acting as watchdog over the expenditures specified in the Revised Traffic Improvement and Growth Management Plan.

The responsibilities of the nine-member Citizens Oversight Committee are to:

- Ensure all transportation revenue collected from Measure M is spent on the projects approved by the voters as part of the plan;
- Ratify any changes in the plan and recommend any major changes go back to the voters for approval;
- Ensure all jurisdictions in Orange County have a Growth Management Plan and a Seven-Year Capital Improvement Program which conform with the requirements of Measure M before receipt of any tax monies for local projects;
- Hold annual public meetings regarding the expenditure and status of funds generated by Measure M;
- Request independent audits of issues regarding the plan and performance of the Orange County Local Transportation Authority regarding the expenditure of Measure M sales tax monies.

► HOW ARE MEMBERS CHOSEN?

Citizens Oversight Committee candidates are chosen by the Grand Jurors Association of Orange County (GJAOC), which has formed a five-member Citizens Oversight Committee Selection Panel to conduct an extensive recruitment program. The panel screens all applications, conducts interviews and recommends candidates for membership on the Citizens Oversight Committee. The GJAOC is made up of former grand jurors who have a continuing concern for good government and whose purpose is to promote public understanding of the functions and purpose of the grand jury. The GJAOC is a neutral body serving the interests of the citizens of Orange County.

Citizens Oversight Committee members represent each of the five Orange County Supervisorial Districts and have been meeting regularly since 1990. At this time, the GJAOC is conducting a recruitment to fill three vacancies with one representative from the Second, one from the Fourth and one from the Fifth Supervisorial Districts. The GJAOC will recommend as many as five finalists from each district. The new members are to be chosen by lottery at the June 26, 2006 meeting of the OCTA Board of Directors. The terms for the new committee members will begin July 1, 2006. The representatives will serve three-year terms which expire on June 30, 2009. This is a volunteer position and no monetary compensation will be paid to committee members. The Chairperson is the elected Auditor-Controller of Orange County. The Auditor-Controller's term coincides with his/her elected term.

► WHO CAN APPLY TO SERVE?

Any Orange County citizen 18 years or older may apply to serve on the Citizens Oversight Committee. Potential candidates will be reviewed on the basis of the following criteria:

1. Commitment and ability to participate in Citizens Oversight Committee meetings for a three-year term from July 1, 2006 to June 30, 2009. The Committee will maintain time and meeting requirements. The Committee currently meets bi-monthly.
2. Demonstrated interest and history of participation in community activities, with special emphasis on transportation-related activities.
3. Lack of conflict of interest with respect to the expenditure of the sales tax revenue generated by Measure M. All Citizens Oversight Committee members are required to sign a conflict of interest form when accepting appointment.
4. Currently elected or appointed city, district, county, state or federal officials are not eligible to serve.

DEADLINE FOR APPLICATION:

All applications **MUST** be received no later than **May 1, 2006**. For more information, call the GJAOC's Citizen Oversight Committee Selection Panel at (714) 970-9329. Please mail application to:

GJAOC's Citizens Oversight Committee
Selection Panel
P.O. Box 1154
Yorba Linda, CA 92885-1154

APPLICATION FOR MEASURE M CITIZENS OVERSIGHT COMMITTEE

PLEASE TYPE OR PRINT USING DARK INK. ADDITIONAL SHEETS MAY BE ATTACHED IF NEEDED.

Name (Mr. Ms. Mrs.) _____
(circle one)

Business Address _____ City _____ Zip Code _____

Residence Address _____ City _____ Zip Code _____

Home Phone (____) _____ Business Phone (____) _____

Supervisory District Number _____ (Call Registrar of Voters at (714) 567-7586 to confirm your district.)

Are you presently employed? _____ not employed? _____ retired? _____

Present Occupation _____ Employer _____

Please state your ethnic origin (optional) _____

How long have you lived in Orange County? _____

Are you a citizen of the United States? Yes No

Are you a registered voter? Yes No

Are you related to, or closely associated with any elected official or public employee? Yes No
If yes, please state the nature of the association.

Have you ever been convicted of malfeasance in office, or of any felony? Yes No
If yes, please explain.

As a member of any profession or organization, or as a holder of any office, have you ever been suspended, disbarred, or otherwise disqualified? Yes No
If yes, please explain.

Do you personally have any past or pending issues related to development or transportation in any Orange County city? Yes No
If yes, please explain.

Are you currently serving with any organization in an elected or appointed capacity involved with planning or traffic matters? Yes No
If yes, please explain.

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Do you possess research abilities, including complex reading facility and capability to assess and analyze facts?..... Yes No

Are you able and willing to define and evaluate issues without expressing a personal bias? Yes No

While no specific time commitment is predetermined, are you willing to make a conscientious effort for a period of three years to give membership on this committee a priority and participate as necessary?..... Yes No

If you are presently active or have been active in the past five years in any organization, please give the organization name, nature of your activities and duties, and appropriate dates. (Attach sheet if necessary)

In what transportation-related activities have you been involved?

What do you know about Measure M?

What specialized skill or expertise would you bring to the Citizens Oversight Committee?

EDUCATIONAL BACKGROUND:

List highest grade completed, any degrees you hold and the college/university attended and date of graduation.

EMPLOYMENT BACKGROUND:

List employment history for the last five years, including positions and titles held.

APPLICATION FOR MEASURE M CITIZENS OVERSIGHT COMMITTEE

Why do you wish to be considered for membership on the Citizens Oversight Committee?

APPLICATION MUST BE RECEIVED BY MAY 1, 2006.

Please send completed application to:

**GJAOC's Citizens Oversight Committee Selection Panel
P.O. Box 1154
Yorba Linda, CA 92885-1154**

For more information call (714) 970-9329.

I hereby declare the information provided in this Application for the Citizens Oversight Committee is true, correct and complete to the best of my knowledge. I understand that my statements may be verified and I give permission to do so.

Date

Signature



Orange County Transportation Authority
550 South Main Street
PO Box 14184
Orange, CA 92863-1584

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Permit No. 985

**MEASURE M
CITIZENS OVERSIGHT COMMITTEE
2006 FINALISTS**

DISTRICT 2

<u>NAME</u>	<u>CITY</u>
Suzanne Hoehl	Los Alamitos
David Mootchnik	Huntington Beach
Gilbert Ishizu	Cypress

DISTRICT 4

<u>NAME</u>	<u>CITY</u>
Michael Carre	Fullerton
Joseph Stopper	Fullerton
Frederick von Coelin	Irvine

DISTRICT 5

<u>NAME</u>	<u>CITY</u>
James Kelly	Mission Viejo
Gerard Pardeon	San Clemente
Ellen Phelan	San Juan Capistrano

Jeff Haspell

WHEREAS, the Orange County Transportation Authority Board of Directors recognizes and commends the valuable contribution of Jeff Haspell to the successful implementation of Measure M to date; and

WHEREAS, be it known that Jeff Haspell has served on the Measure M Citizens Oversight Committee from July 2003 to June 2006;

WHEREAS, Mr. Haspell served as Co-Chairman of the Measure M Citizens Oversight Committee for two years;

WHEREAS, Mr. Haspell has served on the Measure M Citizens Oversight Committee Audit Subcommittee for two years;

WHEREAS, Mr. Haspell also served as chair of the Measure M Citizens Oversight Committee Growth Management Subcommittee for one year;

WHEREAS, representing the citizens of Orange County and the First Supervisorial District, Mr. Haspell displayed a keen perception and understanding of issues and the complexities of Measure M.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby acknowledge and appreciate the dedicated efforts of Mr. Haspell and his willingness to give up many hours of his personal time to ensure the will of the voters, and the integrity of Measure M is maintained.

Dated: June 26, 2006

**Art Brown, Chairman
Orange County Transportation Authority**

Joann Lombardo

WHEREAS, the Orange County Transportation Authority Board of Directors recognizes and commends the valuable contribution of Joann Lombardo to the successful implementation of Measure M to date; and

WHEREAS, be it known that Joann Lombardo has served on the Measure M Citizens Oversight Committee from 2003 to 2006;

WHEREAS, Ms. Lombardo has served on the Measure M Citizens Oversight Committee Audit Subcommittee for two years;

WHEREAS, Ms. Lombardo also served on the Measure M Citizens Oversight Committee Growth Management Subcommittee for one year;

WHEREAS, Ms. Lombardo has acted in the best interest of the citizens of Orange County and the Second Supervisorial District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby acknowledge and appreciate the dedicated efforts of Ms. Lombardo and her willingness to give up many hours of her personal time to ensure the will of the voters, and the integrity of Measure M is maintained.

Dated: June 26, 2006

**Art Brown, Chairman
Orange County Transportation Authority**

OCTA Resolution No. 2006-37

Ernie Nishii

WHEREAS, the Orange County Transportation Authority Board of Directors recognizes and commends the valuable contribution of Ernie Nishii to the successful implementation of Measure M to date; and

WHEREAS, be it known that Ernie Nishii has served on the Measure M Citizens Oversight Committee from June 2003 to July 2006;

WHEREAS, Mr. Nishii served on the Measure M Citizens Oversight Committee Growth Management Subcommittee for three years, and served as chair for two years;

WHEREAS, representing the citizens of Orange County and the Fourth Supervisorial District, Mr. Nishii displayed a keen perception and understanding of issues and the complexities of Measure M.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby acknowledge and appreciate the dedicated efforts of Mr. Nishii and his willingness to give up many hours of his personal time to ensure the will of the voters, and the integrity of Measure M is maintained.

Dated: June 26, 2006

**Art Brown, Chairman
Orange County Transportation Authority**

OCTA Resolution No. 2006-38

Minutes of the Meeting of the
Orange County Transportation Authority
Orange County Service Authority for Freeway Emergencies
Orange County Local Transportation Authority
Orange County Transit District
Board of Directors
June 12, 2006

Call to Order

The June 12, 2006, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order by Chairman Brown at 9:00 a.m. at the Orange County Transportation Authority Headquarters, Orange, California.

Roll Call

Directors Present: Arthur C. Brown, Chairman
Carolyn Cavecche, Vice Chair
Peter Buffa
Bill Campbell
Lou Correa
Richard Dixon
Michael Duvall
Cathy Green
Chris Norby
Curt Pringle
Miguel Pulido
Susan Ritschel
Mark Rosen
Thomas W. Wilson
Gregory T. Winterbottom
Cindy Quon, Governor's Ex-Officio Member

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

Directors Absent: Gary Monahan
James W. Silva

Invocation

Director Norby gave the invocation.

Pledge of Allegiance

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

Public Comments on Agenda Items

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

Special Matters

1. Public Hearing on the Orange County Transportation Authority's Fiscal Year 2006-07 Budget

Chief Executive Officer (CEO), Arthur T. Leahy, provided opening comments on this proposed budget, stating that the budget continues all the initiatives that the Board has previously approved, and that the budget presented at this time is a balanced one.

Chairman Brown opened the Public Hearing regarding the OCTA's Proposed Fiscal Year 2006-07 Budget at this time and solicited comments from the public. No comments were offered.

(The minutes for the public hearing on OCTA's proposed budget were recorded verbatim by Barrister's Recording Service. That official record will be filed in the Clerk of the Board's office upon receipt by OCTA.)

Wendy Knowles, Clerk of the Board, read into the record the process by which the public was made aware of today's Public Hearing.

Ken Phipps, Deputy Director of Finance, Administration and Human Resources, presented an overview of the proposed budget to the Board, recapping main points, provisions, and changes from last year's budget.

Director Winterbottom requested that data be put together to show the significant growth in OCTA's service with a minimal increase in staffing over the past few years, and to bring this information to the Transit Planning and Operations Committee.

Director Winterbottom also stated that in regard to the ACCESS program, the current door-to-door service and associated costs for this service will need to be reconsidered some time in the near future.

1. (Continued)

Chairman Brown asked for additional comments by Board Members on the proposed budget. Hearing none, he asked Members if they would like at this time to close the Public Hearing portion of today's meeting.

A motion was made by Director Pulido, seconded by Director Buffa, and declared passed by those present, to close the Public Hearing on the proposed budget.

Director Correa was not present for this vote.

Subsequently, a motion was made by Director Winterbottom, seconded by Director Buffa, and declared passed by those present, to:

- A. Conduct a public hearing on the Orange County Transportation Authority's Fiscal Year 2006-07 Budget on June 12, 2006.
- B. Approve by resolution the Orange County Transportation Authority's Fiscal Year 2006-07 Budget.
- C. Approve changes to the Personnel and Salary Resolution.
- D. Authorize the Purchasing Agent to execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements.
- E. Defer the scheduled increases in the charge for premium door-to-door ACCESS service by one calendar year and direct staff to make appropriate changes to the Orange County Transportation Authority Schedule of Tariffs.

Director Correa was not present for this vote.

Consent Calendar (Items 2 through 23)

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

Chairman Brown pulled Item 3 for clarification, and Director Winterbottom pulled Item 21 for discussion.

Orange County Transportation Authority Consent Calendar Matters

2. Approval of Minutes

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of May 22, 2006.

3. Appointments to the Riverside Orange Corridor Authority Board

Chairman Brown pulled Item 3 for clarification, stating that the Board was being asked to approve two appointments to the three OCTA seats on the Riverside Orange Corridor Authority (ROCA). He informed Members that Director Campbell had already been appointed by the Transportation Corridor Agencies as their ROCA representative, along with his representation of OCTA.

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to approve the appointment of Vice Chair Cavecche and Director Dixon to the Riverside Orange Corridor Authority.

4. Public Reports of Meetings; Policy for Compensation, Reimbursement of Expenses, and Ethics Training for Members of the Board of Directors

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to approve revising Section IV K of the Policy for Compensation, Reimbursement of Expenses and Ethics Training for Members of the Board of Directors to require reports on Director attendance at Brown Act meetings, other than OCTA standing committee meetings, and for Director travel activities approved by the Board of Directors.

5. State Legislative Status Report

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to adopt the following policy positions on proposed legislation:

Oppose legislative efforts to impede the local planning and development process for the Foothill Transportation Corridor-South extension.

6. Rubberized Asphalt Incentive Grant for the Garden Grove Freeway (State Route 22) Improvement Project

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to adopt Resolution No. 2006-29 authorizing the Chief Executive Officer to submit applications and, if awarded, execute grant-related agreements with the State of California Integrated Waste Management Board.

7. Cooperative Agreement with the City of Santa Ana for the Bristol Street Widening Project

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Cooperative Agreement C-6-0069 between the Orange County Transportation Authority and the City of Santa Ana, in an amount not to exceed \$125 million, for the partial funding of the Bristol Street Widening project.

8. Freeway Retrofit Soundwall Program Status Report

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to:

- A. Direct staff to continue cooperative efforts with the California Department of Transportation to develop projects in support of the Freeway Retrofit Soundwall Program.
- B. Approve the proposed update to the Freeway Retrofit Soundwall Policy.

9. Amendment to Agreements for On-Call Noise Barrier Consultants for the Orange County Freeway Retrofit Soundwall Program

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 3 to Agreements C-2-0522, C-2-0778, C-2-0779, C-2-0780, C-2-0781, and C-2-0783 between the Orange County Transportation Authority and Parsons Engineering Science, Inc., Parsons Brinckerhoff Quade & Douglas, Inc., LSA Associates, Inc., Washington Group International, Inc., Willdan, and Tetra Tech, Inc., to increase the maximum obligation by \$430,000, to a total amount not to exceed \$1,280,000, for noise barrier consultant support services.

10. Memorandum of Agreement Regarding Goods Movement

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute a Memorandum of Agreement with other county transportation commissions to collaboratively develop a Southern California goods movement strategy.

11. Fiscal Year 2005-06 Third Quarter Budget Status Report

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

12. Third Quarter Fiscal Year 2005-06 Grant Status Report

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

13. Resolution to Establish the Orange County Transportation Authority General Fund Appropriations Limitation for Fiscal Year 2006-07

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to adopt Orange County Transportation Authority Resolution No. 2006-33 to establish the Orange County Transportation Authority General Fund appropriations limit at \$7,402,156 for fiscal year 2006-07.

14. Amendment to Agreement for Financial Advisory Services

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0554 between the Orange County Transportation Authority and Sperry Capital Incorporated to provide financial and investment advisor services to the Orange County Transportation Authority.

Orange County Local Transportation Authority Consent Calendar Matters

15. Resolution to Establish the Orange County Local Transportation Authority Measure M Appropriations Limitation for Fiscal Year 2006-07

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to adopt Orange County Local Transportation Authority Measure M Resolution No. 2006-32 to establish the Orange County Local Transportation Authority Measure M appropriations limit at \$1,122,895,973, for fiscal year 2006-07.

Orange County Transit District Consent Calendar Matters

16. Review of Transit Maintenance Tire Lease and Service

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to receive and file the March 29, 2006, Operations Maintenance Tire Lease and Service - Internal Audit Report No. 06-014.

17. Agreement for Concrete Pavement Reconstruction at the Garden Grove Base and Anaheim Base

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0105 between the Orange County Transportation Authority and Damon Construction, the lowest responsive, responsible bidder, in an amount not to exceed \$989,000, for concrete pavement reconstruction at the Garden Grove and Anaheim bases.

18. Agreement for Restroom Supplies

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Agreement D-6-0182 between the Orange County Transportation Authority and Kathco Products, in an amount not to exceed \$105,000, for the purchase of restroom supplies required for a one-year period with two option years.
- B. Authorize the Chief Executive Officer to execute Agreement D-6-0380 between the Orange County Transportation Authority and Gale Supply Company, in an amount not to exceed \$35,000, for the purchase of restroom supplies required for a one-year period with two option years.

19. Amendment to Agreement for Janitorial Services

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-2-1189 between the Orange County Transportation Authority and Diamond Contract Services, Inc., in an amount not to exceed \$370,000, to extend the contract from June 30, 2006, to December 31, 2006, for janitorial services at all Orange County Transportation Authority owned facilities.

20. Agreement for Underground Storage Tank Testing and Repair Service

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-6-0178 between the Orange County Transportation Authority and Inland Petroleum Equipment and Repair, Inc., in an amount not to exceed \$100,000, for underground storage tank testing and repair service.

21. Orange County Transportation Authority Bus Service to the Orange County Fair

Director Winterbottom pulled this item for discussion and commented that this demonstration project will provide service to the Orange County Fair from three locations - Fullerton Park and Ride, Golden West Transportation Center, and Junipero Serra Park and Ride. He felt this may give a great many more people the chance to go to the Fair with transportation easily available.

A motion was made by Director Winterbottom, seconded by Director Green, and declared passed by those present; to approve the implementation of weekend bus service to the 2006 Orange County Fair as a demonstration project.

22. Agreement for Mobility Planning Services

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-5-3038 between the Orange County Transportation Authority and Transit Access, Inc., in an amount not to exceed \$235,335, for mobility training for the initial term July 1, 2006, through June 30, 2008.

23. Amendment to Agreement for Provision of Same-Day Taxi Service

A motion was made by Director Wilson, seconded by Director Buffa, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-5-2376 to increase the current maximum obligation and exercise the first option year between the Orange County Transportation Authority and Yellow Cab of Greater Orange County, in an amount not to exceed \$178,410, for same-day taxi service.

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

24. Third Quarter Fiscal Year 2005-06 Bus Operations Monthly Performance Measurements Report

CEO, Arthur T. Leahy, provided opening comments on this report, addressing changes employed regarding the management of vacation time, unscheduled overtime, and meeting several key objectives for the Bus Operations Department.

A brief discussion followed detailing the practice of using seniority for vacation, as is the system which operates for those in the bargaining unit.

No action was taken on this report; it was received for file as an information item.

Other Matters

25. Bus Rapid Transit Project Update

Jorge Duran, Section Manager, Transit, gave a verbal and PowerPoint presentation to explain the background, program elements, fleet options, and branding. He also detailed the potential impacts of the various types of bus rapid transit service and the coaches available for purchase from the different manufacturers.

Discussion followed between Board Members and staff regarding sizes of coaches, different technology on each type, seating capacity, costs for various options on coaches, and branding.

25. (Continued)

Director Pringle stated that weighting options should be carefully looked at and stated that he would like to see what measurements will be used to establish selection criteria and priorities.

Director Winterbottom stated that he felt purchasing a proven technology is very important, and that adherence to the timeline is imperative for receipt of vehicles on-time. He stated he personally supports purchasing the forty-foot vehicles.

Mr. Duran informed Members that workshops are being held with the cities, and staff is working with the traffic engineers in those cities.

Ellen Burton, Executive Director of External Affairs, provided a brief presentation on the process for planning the branding aspect of the system and emphasized that this should serve as a future model for bus rapid transit. She stated that staff will return with additional information on decals, bus wraps, and paint options.

26. Directors' Meeting Reports

No reports were provided at this time.

27. Chief Executive Officer's Report

CEO, Arthur T. Leahy, informed Members that 30 of the County's 34 city councils have endorsed the Measure M Plan for placing on the ballot in November.

28. Directors' Reports

Director Campbell stated that he was just advised via a telephone call from Senator Ackerman that the Conference Committee on the budget for the State Legislature deleted the item voted upon by this Board earlier in this meeting (Item 5, regarding the Foothill Transportation Corridor-South extension) had been removed from the Governor's budget.

Director Ritschel reported that on Tuesday, June 13, she and Director Buffa would be visiting the Metropolitan Transportation Authority and traveling on the Orange Line and several other systems in that area.

Director Pringle stated that he, in his position as Mayor for the City of Anaheim, has been working on the California/Nevada High-Speed Rail Commission as a member. He stated that the City did not receive the level of funding through the federal authorization process which was anticipated. He commented that the challenge will be to re-focus the Commission on a variety of funding options.

28. (Continued)

Director Dixon commented that San Diego County's transportation system is one which would serve as an excellent model, should OCTA wish to look at another system, and opined that staff may want to consider trips to observe that system.

Director Duvall mentioned that pedestrian safety needs to be kept in mind as OCTA pursues a rapid transit system. He also stated that with the service to the Orange County Fair being added, it would be a good idea to do advertising.

Director Campbell informed Members that the County of Orange has the adoption of the renewed Measure M for the November on its agenda for Tuesday, June 13.

29. Public Comments

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

No comments were offered.

30. Closed Session

Public comment was heard from Thomas Gilmer, representing Lee & Associates. Mr. Gilmer stated that the property is under contract with Turner Development, who would be amenable to entering into negotiations for the leasing of this property, rather than the purchase.

A Closed Session was conducted pursuant to Government Code Section 54956.8, to discuss negotiations regarding the real property located at 16281 Construction Circle West, Irvine, California. The real property is owned by Laidlaw Transit Services, Inc., and its negotiator is John W. Morse; the negotiator for the Orange County Transportation Authority is Kennard R. Smart, Jr.

During this Closed Session, the Board approved the purchase of this property by OCTA.

Director Pulido was not present to vote on this item.

31. Adjournment

The meeting adjourned at 10:40 a.m. in memory of Orange Councilman Steve Ambriz, who was tragically killed on May 25 in a car accident.

Chairman Brown announced that the next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSSAAV Board will be held at **9:00 a.m. on June 26, 2006**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.

ATTEST

Wendy Knowles
Clerk of the Board

Arthur C. Brown
OCTA Chairman



ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

MARCEL LABINE

WHEREAS, the Orange County Transportation Authority recognizes and commends Marcel Labine; and

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

WHEREAS, Marcel Labine has demonstrated his integrity by maintaining an excellent work record for the last six years. His dedication exemplifies the high standards set forth for Orange County Transportation Authority employees; and

WHEREAS, Marcel Labine has demonstrated excellent customer service evident by achieving the highest number of customer compliments within the Authority during the last year; and

WHEREAS, Marcel Labine's teamwork and partnership is evident as a member of the Santa Ana Base and his can-do spirit has earned the respect of his fellow Coach Operators.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Marcel Labine as the Orange County Transportation Authority Coach Operator Employee of the Month for June 2006; and

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

Dated: June 26, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority

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

OCTA Resolution No. 2006-33





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

CONRAD BACA

WHEREAS, the Orange County Transportation Authority recognizes and commends Conrad Baca; and

WHEREAS, be it known that Conrad Baca is a valued member of the Maintenance Department. His diligence, industriousness and conscientiousness in performing all tasks are recognized. Conrad consistently demonstrates a high level of achievement in assisting the Garden Grove Base meet mission goals; and

WHEREAS, Conrad's expertise in the maintenance and repair of all bus systems is exceptional. His skills and superb attitude in performing all facets of vehicle maintenance have earned him the respect of all that work with him; and

WHEREAS, Conrad began his employment with the Authority in March 2003 as a Journeyman Mechanic, he has maintained an excellent work record and has excellent attendance; 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 Conrad Baca as the Orange County Transportation Authority Maintenance Employee of the Month for June 2006; and

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

Dated: June 26, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority

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

OCTA Resolution No. 2006-34





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

KELLY HART

WHEREAS, the Orange County Transportation Authority recognizes and commends Kelly Hart; and

WHEREAS, be it known that Kelly has performed her duties as Local Government Relations Specialist for the Authority's Local Government Department, demonstrating the highest level of integrity and professionalism in all dealings with elected officials, city executives, Authority staff and the public; and

WHEREAS, Kelly's outstanding contributions to facilitate city input on the development of the Renewed Measure M Transportation Investment Plan has qualified her as one of Orange County's top young government relations professionals; and

WHEREAS, Kelly's knowledge and understanding of local government and superb ability in working with elected officials and other Orange County leaders has allowed OCTA to effectively communicate with the cities of Orange County; and

WHEREAS, Kelly's superb communication skills, teamwork, professional ethics, can-do attitude and customer focus best exemplifies the values of the Orange County Transportation Authority.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Kelly Hart as the Orange County Transportation Authority Administrative Employee of the Month for June 2006; and

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

Dated: June 26, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority

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

OCTA Resolution No. 2006-35





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

DEPUTY ERIC KING

WHEREAS, the Orange County Transportation Authority recognizes and commends Deputy Eric King; and

WHEREAS, Deputy King has been assigned to Transit Police Services (TPS) since 2004, handling the responsibilities involved with working at TPS with enthusiasm and a strong desire to provide the best service possible to OCTA, it's employees and the patrons who utilize the transportation system; and

WHEREAS, Deputy King conducted extensive testing of several different onboard video surveillance systems. He has attended meetings in regards to the video surveillance system, and has provided feedback on both the software and hardware presently being evaluated. Deputy King has extensively updated and edited a patrol reference guide for TPS. This is a valuable tool for patrol personnel in the field, and a model for Patrol Operations; and

WHEREAS, Deputy King was tasked with providing recommendations for the Routes, Issues, and Inputs (R12) web page. Deputy King's dedication assured that coach operators with TPS related concerns had a user friendly means of inputting those concerns, and that those concerns would be addressed promptly; and

WHEREAS, Deputy King's duties include Fixed Route patrol, graffiti abatement, calls for service on fare evasions, disturbances – both on buses and at transit facilities, enforcement of penal code and vehicle code violations related to bus operations, he always strives to perform his duties within the guidelines of OCTA and TPS.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Deputy Eric King as the Orange County Transportation Authority Transit Police Services Employee of the Quarter for June 2006; and

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

Dated: June 26, 2006

Arthur C. Brown, Chairman
Orange County Transportation Authority

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





BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{wk} Wendy Knowles, Clerk of the Board
Subject: State Legislative Status Report

Legislative and Government Affairs/Public Communications
Committee

June 15, 2006

Present: Directors Buffa, Campbell, Cavecche, Ritschel, Rosen, Silva,
and Wilson
Absent: Director Correa

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Adopt the following policy positions on proposed legislation:

Oppose potential legislation that would ban the "push" mode
in commuter rail operations.



June 15, 2006

To: Legislative and Government Affairs/Public Communications
Committee *kw*

From: Arthur T. Leahy, Chief Executive Officer

Subject: State Legislative Status Report

Overview

An oppose position is recommended for potential legislation that would ban the “push” mode in commuter rail operations.

Recommendation

Adopt the following policy positions on proposed legislation:

Oppose potential legislation that would ban the “push” mode in commuter rail operations.

Discussion

Potential Legislation

Assembly Member Dario Frommer (D-Los Feliz) is soon expected to insert language into an existing Senate bill to ban the use of “push” mode in commuter rail operations by 2010. All passenger rail services in California and nationwide use the “push-pull” mode of service. This consists of trains that operate in the pull mode in one direction (with the locomotive up front) and the push mode in the other direction (with a cab car up front). However, Assembly Member Frommer’s proposal appears not to apply to state funded Amtrak service, including the Pacific Surfliner. It would only restrict the four commuter rail services: Metrolink, Coaster (San Diego County), Caltrain (San Francisco to San Jose), and the Altamont Commuter Express (Stockton to San Jose). Part of Assembly Member Frommer’s proposal may also include restricting State Transit Assistance (STA) funds to those agencies who do not comply. Since the Orange County Transportation Authority (OCTA) funds Metrolink,

STA funds would be withheld, which could result in an annual loss of up to \$13.5 million based on fiscal year FY 2006-2007 revenue projections.

The proposal began to emerge following the January 26, 2005, Metrolink crash in Glendale, which killed 11 people and injured nearly 200 others. The Assembly Special Committee on Rail Safety, chaired by Assembly Member Frommer, was then created to study the crash and develop recommendations. The committee met over the course of a year and on January 18, 2006, issued a report with the following seven recommendations included:

- 1) Eliminate the push mode operation of trains within three years
- 2) Restrict occupancy in the cab cars immediately
- 3) Install additional gates at "at-grade" crossings
- 4) Install surveillance systems at the most dangerous crossings
- 5) Urge the Federal Railroad Administration (FRA) to review their safety standards for cab cars
- 6) Increase state funding to critical grade separations and rail safety improvements
- 7) Work with the federal government on centralizing rail safety enforcement and greater funding for rail safety

At the same time, the FRA began a process of re-examining the safety of push-pull operations following the Glendale crash.

This updated study released on July 1, 2005, re-affirmed the push mode as an acceptable method of transport and named other more influential factors that affect the severity and frequency of rail accidents. Additionally, a simulation of the Glendale crash created by the United States Department of Transportation's Volpe Research Center shows that the incident would have been as bad, if not worse, had the locomotive been in front. In other incidents with the locomotive forward, the diesel fuel in the engine can create an explosion, also increasing the severity of the accident.

When comparing the proportion of derailments in the push mode of operation against those in the pull mode, the FRA found a difference of only 1.5 percent between push mode derailment rates and pull mode derailment rates, which was not found to be statistically significant.

Additionally the FRA compared the average annual fatality rates per billion passenger miles of both push and pull modes to other modes of transportation. Those rates are shown below.

Fatalities Per Billion Passenger Miles

(From 1997 to 2002)

Passenger autos	8.283
Buses	0.367
Scheduled Airlines	0.155

(From 1997 to 2005)

Commuter Push	0.552*
Commuter Pull	0.136

* Without the Glendale accident, commuter push fatality rates would be 0.184 over the same time period.

Completely banning the push mode would require that the locomotive be transferred from one end of the train to the other at every turn. "Wye" tracks and loops, which are required for this purpose, are rare on commuter lines. Additional such facilities would have to be built along commuter lines to accommodate these turns. Often in the dense areas that commuter rail lines serve, land is not readily available for the installation of these facilities. At a minimum, Metrolink estimates that it would cost approximately \$100 million to create these facilities, not including compensation to residents and businesses that would have to be relocated.

Additionally, it would take approximately 15-30 minutes each time the train had to turn around, resulting in reduced frequency of service and higher passenger loads. In some cases, longer trains could be put into place to accommodate more riders. However, many station platforms simply cannot accommodate the longer trains and would have to be reconfigured. Metrolink estimates that it would cost approximately \$20 million to reconfigure stations and an additional \$94 million to purchase additional cars.

Lastly, Amtrak trains would not be subject to the same ban, as the state does not have regulatory authority over those trains. Thus on the same tracks through the same corridors, passengers would be subject to two different standards of "safety." In fact, no other train operation in the world bans this practice.

The case just has not been made to prove that the push mode of operation is unsafe. The 2005 FRA report states that "placement of conventional locomotives in the consist [back] is not only not the most influential factor in risk, in some cases it is completely irrelevant." It goes on to say that "severity outcomes in high-energy events, such as the Glendale intentional derailment, are more likely to be influenced by chance circumstances rather than by the placement of a locomotive in the consist."

Instead of banning the push mode of operation, Metrolink and the FRA propose the following measures that would have a greater impact on the safety of rail passengers:

- 1) Corridor improvements such as flashing lights, median barriers and four quad gates at all public crossings, increased law enforcement, fencing rights-of-way and grade separations
- 2) Prohibit passenger seating in the forward mezzanine portion of cab cars
- 3) Incorporate new crash technologies into new car purchases

Metrolink has already implemented the second recommendation, has applied nearly \$70 million alone on the types of corridor improvements mentioned in the first recommendation, and recently placed an order to buy new crash energy management cab cars to replace its current cab car fleet, implementing (over the next three to four years) the third recommendation.

It is the primary responsibility of any public transportation agency to ensure the safety of the public. Investments in improving the safety of rail lines should be best targeted at those improvements that most influence risk. Increased funding for corridor safety improvements to prevent future accidents will go a lot further to protect passengers rather than requiring system changes that have not been statistically proven to enhance safety. Staff recommends: OPPOSE.

Summary

Members of the legislature are proposing to eliminate the use of "push" mode for commuter rail service. The Board of Directors is requested to oppose this proposal.

Attachment

- A. Legislative Matrix

Prepared by:



Wendy Villa
Principal Government Relations
Representative
(714) 560-5595

Approved by:



Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901

Orange County Transportation Authority Legislative Matrix

(▶ Denotes changes from the last report)

OCTA Sponsor Legislation

- AB 267 **AUTHOR:** Daucher [R]
TITLE: Transportation Projects
LAST AMEND: 08/15/2005
LOCATION: Senate Appropriations Committee
STATUS:
08/25/2005 In SENATE Committee on APPROPRIATIONS: Not heard.
NOTES: LP Sec. III (a) Repayment of local funds
COMMENTARY:
Sponsor bill clarifying Legislature's intent to fully reimburse, without time limits, local agencies that use local funds to advance projects in the STIP. Relevance to OCTA: Ensures reimbursement of local funds expended on STIP projects.
Position: Sponsor
- ▶ AB 2538 **AUTHOR:** Wolk [D]
TITLE: Transportation Funds
LAST AMEND: 05/26/2006
LOCATION: SENATE
STATUS:
05/31/2006 In ASSEMBLY. Read third time. Passed ASSEMBLY.
 *****To SENATE.
COMMENTARY:
Authorizes each transportation planning agency or county transportation commission to request and receive up to 5% of federal metropolitan planning funds for the purposes of project planning, programming, and monitoring. Establishes a minimum amount allocated for this purpose.
Position: Co-Sponsor

Bills with Official Positions

- AB 372 **AUTHOR:** Nation [D]
TITLE: Public Contracts: Transit Design-Build Contracts
LAST AMEND: 01/11/2006
LOCATION: Senate Transportation and Housing Committee
STATUS:
01/26/2006 To SENATE Committee on TRANSPORTATION AND HOUSING.
COMMENTARY:
Authorizes Transit Operators to enter into a design-build contracts.
Position: Support
- AB 1118 **AUTHOR:** Umberg [D]
TITLE: Nonhighway Vehicles: Disclosure
LAST AMEND: 04/19/2005
LOCATION: Senate Transportation and Housing Committee
STATUS:
06/02/2005 To SENATE Committee on TRANSPORTATION AND HOUSING.
COMMENTARY:
Requires manufacturers of non-highway vehicles, including but not limited to pocketbikes, place a notice on the vehicles that they cannot be operated on highways.
Position: Watch
- ▶ AB 2361 **AUTHOR:** Huff [R]
TITLE: Transportation: Federal Funds: Border Infrastructure
LAST AMEND: 03/28/2006
LOCATION: Assembly Appropriations Committee
STATUS:
04/17/2006 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS.
COMMENTARY:
Exempts federal funds derived from apportionments made to the state under the coordinated border infrastructure program from being subject to the funding distribution and fair share formulas. Requires these funds to be programmed by the Transportation Commission through a competitive grant program separate from the state transportation improvement program in a manner consistent with federal law. Author has decided to support SB 1282 in lieu of this bill.
Position: Support
- ACA 4 **AUTHOR:** Plescia [R]
TITLE: Transportation Investment Fund
LAST AMEND: 05/09/2005
LOCATION: Assembly Appropriations Committee
STATUS:
01/09/2006 From ASSEMBLY Committee on TRANSPORTATION: Be adopted to Committee on APPROPRIATIONS.
NOTES: LP Proposition 42
COMMENTARY:
Deletes Proposition 42 suspension provisions. Relevance to OCTA: Ensures that OCTA, Orange County, and cities receive their share of Proposition 42 annually allowing for better project planning and delivery.
Position: Support

- ACA 11 **AUTHOR:** Oropeza [D]
TITLE: Transportation Funds: Loans
LOCATION: Assembly Appropriations Committee
STATUS:
01/09/2006 From ASSEMBLY Committee on TRANSPORTATION: Do
pass to Committee on APPROPRIATIONS.
- COMMENTARY:**
Deletes Proposition 42 suspension provisions. Permits up to 2 loans of Proposition
42 funds to the General Fund or to any other state fund or account in a 10 year
period provided the first loan is repaid in full prior to permitting a second loan.
Relevance to OCTA: Provides better protection of Proposition 42 allowing for
better project planning and delivery.
Position: Watch
- SB 208 **AUTHOR:** Alquist [D]
TITLE: Transportation Projects: Electronic Fund Transfers
LAST AMEND: 05/31/2005
LOCATION: Assembly Transportation Committee
STATUS:
06/27/2005 In ASSEMBLY Committee on TRANSPORTATION: Not
heard.
NOTES: LP Sec. III (h) Removing funding barriers
- COMMENTARY:**
Requires Caltrans to implement a rapid electronic funds transfer system by June
30, 2006. Relevance to OCTA: Expedites the reimbursement of local funds
expended on STIP projects.
Position: Support
- SB 1726 **AUTHOR:** Lowenthal [D]
TITLE: Vehicles: Commercial and Common Carriers: Lamps
LAST AMEND: 04/19/2006
LOCATION: Assembly Transportation Committee
STATUS:
05/30/2006 To ASSEMBLY Committee on TRANSPORTATION.
- COMMENTARY:**
This bill would authorize buses, operated by a publicly owned transit system on
regularly scheduled service, to be equipped with certain illuminated signs, as
specified. The bill would require that the illuminated signs adhere to certain
specifications.
Position: Support
- SB 1812 **AUTHOR:** Runner G [R]
TITLE: Department of Transportation: Surface Transportation
LAST AMEND: 05/02/2006
LOCATION: Senate Appropriations Committee
STATUS:
05/25/2006 In SENATE Committee on APPROPRIATIONS: Not heard.
- COMMENTARY:**
Authorizes the Director of Transportation to consent to the jurisdiction of the federal
courts with regard to the compliance, discharge, or enforcement of the
responsibilities assumed pursuant to the surface transportation project delivery
pilot program. Requires the department to submit a specified report relating to the
program. *This language was included in AB 1039 as part of the infrastructure bond
package.*
Position: Support

► SCA 7

AUTHOR: Torlakson [D]
TITLE: Loans of Transportation Revenues and Funds
ADOPTED: 05/06/2006
LOCATION: Chaptered

STATUS:
05/09/2006 Chaptered by Secretary of State.
05/09/2006 Resolution Chapter No. 49

COMMENTARY:
This will be "Proposition 1A" on the November 2006 ballot. This bill protects Proposition 42 from further state diversions by limiting loans to the General Fund to twice in a 10-year period. In addition, loans must be repaid with interest within 3 years.

Position: Support

Bills being Monitored

- AB 143 **AUTHOR:** Assembly Budget Committee
TITLE: Highway Construction: Design-Build Program
LAST AMEND: 05/04/2006
LOCATION: Assembly Unfinished Business - Reconsideration
STATUS:
05/04/2006 In SENATE. From Inactive File. To third reading.
05/04/2006 In SENATE. Read third time and amended. Senate Rule
29.3 suspended. To third reading.
05/04/2006 In SENATE. Read third time. Passed SENATE. *****In
ASSEMBLY for concurrence.
05/04/2006 In ASSEMBLY. ASSEMBLY refused to concur in SENATE
amendments.
05/04/2006 In ASSEMBLY. Motion to reconsider.
COMMENTARY:
Authorizes certain state and local transportation entities to use a design-build
process for contracting transportation projects. Authorizes transportation projects,
to be selected by the state Transportation Commission. Establishes a procedure
for submitting bids that include a requirement that design builders provide a
statement of qualifications submitted to the transportation entity that is verified
under oath. This bill was intended to be part of the infrastructure bond package.
Position: Monitor
- AB 713 **AUTHOR:** Torrico [D]
TITLE: High-Speed Passenger Train Bond Act
LAST AMEND: 05/18/2006
LOCATION: Senate Appropriations Committee
STATUS:
05/18/2006 In SENATE. Read second time and amended. Re-referred
to Committee on APPROPRIATIONS.
COMMENTARY:
Puts the \$9.95 billion High Speed Rail Bond Act on the Nov. 8, 2008 ballot.
Position: Monitor
- AB 948 **AUTHOR:** Oropeza [D]
TITLE: Design-Build and Transit Operators
LAST AMEND: 04/13/2005
FILE: A-17
LOCATION: Senate Inactive File
STATUS:
07/11/2005 In SENATE. To Inactive File.
COMMENTARY:
Metrolink sponsored bill that would lower the threshold for design build from \$50
million to \$25 million. Would also require a labor compliance program if there is no
collective bargaining agreement.
Position: Monitor
- AB 1010 **AUTHOR:** Oropeza [D]
TITLE: Rail Transit
LAST AMEND: 04/06/2005
LOCATION: Senate Energy, Utilities and Communications Committee
STATUS:
06/09/2005 To SENATE Committee on ENERGY, UTILITIES AND
COMMUNICATIONS.
COMMENTARY:
Transfers responsibility for rail grade crossing safety from PUC to Caltrans.
Position: Monitor

AB 1039 **AUTHOR:** Nunez [D]
TITLE: Government: Environment: Bonds: Transportation
ADOPTED: 05/19/2006
LOCATION: Chaptered
STATUS:
05/19/2006 Signed by Governor.
05/19/2006 Chaptered by Secretary of State. Chapter No. 31.
COMMENTARY:
Exempts specified levee, highway and bridge retrofit projects from the California Environmental Quality Act. Provides for a master environmental impact report for a plan adopted by the Department of Transportation for improvements to segments of Highway 99 funded by specified bond funds. Consents the jurisdiction of federal courts to the surface transportation project delivery pilot program. Provides for a consolidated permit or approval for urgent levee repairs funded by specified bond funds. Part of the infrastructure bond package.
Position: Monitor

AB 1157 **AUTHOR:** Frommer [D]
TITLE: Rail Safety and Traffic Mitigation Bond Act of 2006
LAST AMEND: 02/08/2006
LOCATION: Senate Transportation and Housing Committee
STATUS:
02/08/2006 From SENATE Committee on TRANSPORTATION AND HOUSING with author's amendments.
02/08/2006 In SENATE. Read second time and amended. Re-referred to Committee on TRANSPORTATION AND HOUSING.
COMMENTARY:
States the intent of the Legislature to enact legislation providing for a general obligation bond act to be submitted to the voters for approval in order to provide funding for a program to eliminate the most dangerous railroad-highway grade crossings in the state, as identified by the Public Utilities Commission, with funds to be allocated by the Transportation Commission.
Position: Monitor

AB 1467 **AUTHOR:** Nunez [D]
TITLE: Transportation Projects: Facilities: Partnerships
ADOPTED: 05/19/2006
LOCATION: Chaptered
STATUS:
05/19/2006 Signed by Governor.
05/19/2006 Chaptered by Secretary of State. Chapter No. 32.
COMMENTARY:
Authorizes the Department of Transportation and regional transportation agencies to enter into comprehensive development lease agreements with public and private entities, or consortia of those entities, for certain transportation projects that may charge certain users of those projects tolls and user fees, subject to various terms and requirements. Authorizes regional transportation agencies to apply to develop and operate high-occupancy toll lanes. Limits the number of such projects. Part of the infrastructure bond package.
Position: Monitor

AB 1699 **AUTHOR:** Frommer [D]
TITLE: Transportation: Highway Construction
LAST AMEND: 05/27/2005
LOCATION: Senate Transportation and Housing Committee
STATUS:
06/15/2005 To SENATE Committee on TRANSPORTATION AND HOUSING.

COMMENTARY:
Authorizes Caltrans or self help counties to construct up to 8 toll road HOT lane projects using design build. Contains a labor compliance component.
Position: Monitor

AB 1783 **AUTHOR:** Nunez [D]
TITLE: Infrastructure Financing
INTRODUCED: 01/04/2006
LOCATION: ASSEMBLY
STATUS:
01/04/2006 INTRODUCED
COMMENTARY:
This bill would provide for the financing of state and local government infrastructure through various funding sources. This is Assembly Democrats Infrastructure Bond Proposal.
Position: Monitor

AB 1838 **AUTHOR:** Oropeza [D]
TITLE: Transportation Bond Acts of 2006, 2008, and 2012
INTRODUCED: 01/10/2006
LOCATION: ASSEMBLY
STATUS:
01/10/2006 INTRODUCED
COMMENTARY:
This bill would authorize general obligation bonds for various transportation purposes, pledges a percentage of existing fuel excise taxes and truck weight fees to offset the cost of the bond debt service, and authorizes transportation entities to use a design-build process for contracting on transportation projects. This is the Administrations Infrastructure Bond Proposal. Identical to SB 1165.
Position: Monitor

AB 1974 **AUTHOR:** Walters [R]
TITLE: High Occupancy Vehicle Lanes
INTRODUCED: 02/09/2006
LOCATION: Assembly Transportation Committee
STATUS:
04/24/2006 In ASSEMBLY Committee on TRANSPORTATION: Not heard.

COMMENTARY:
Authorizes any county board of supervisors to authorize the use of high occupancy vehicle lanes on the state highway system within the county by any highway vehicle, providing that this use is consistent with federal law.
Position: Monitor

AB 1990 **AUTHOR:** Walters [R]
TITLE: Eminent Domain
LAST AMEND: 04/03/2006
LOCATION: Assembly Housing and Community Development Committee
STATUS:
04/26/2006 In ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT: Failed passage.
04/26/2006 In ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT: Reconsideration granted.

COMMENTARY:
Prohibits a city, county, special district, school district, community redevelopment agency, or community development commission or joint powers agency from exercising the power of eminent domain to acquire any real property if ownership of the property will be transferred to a private party or private entity. Provides exceptions.

Position: Monitor

AB 2025 **AUTHOR:** Niello [R]
TITLE: Design Build Contracts
INTRODUCED: 02/14/2006
LOCATION: Assembly Transportation Committee
STATUS:
04/17/2006 In ASSEMBLY Committee on TRANSPORTATION: Heard, remains in Committee.

COMMENTARY:
Authorizes the Department of Transportation to contract using the design-build process for the design and construction of transportation projects. Requires the director of the department to establish a prequalification and selection process.

Position: Monitor

AB 2028 **AUTHOR:** Huff [R]
TITLE: Transportation Funding
INTRODUCED: 02/14/2006
LOCATION: ASSEMBLY
STATUS:
02/14/2006 INTRODUCED

COMMENTARY:
States the intent of the Legislature to provide an appropriation in the Budget Act of 2007 or in related legislation during the 2007-08 fiscal year to repay fully all funds that would have been transferred to the Transportation Investment Fund in previous fiscal years, but for the enactment of statutes providing for the suspension of those transfers.

Position: Monitor

AB 2128 **AUTHOR:** Torrico [D]
TITLE: Tax: Credits: Commuter Benefits
LAST AMEND: 05/03/2006
LOCATION: Assembly Revenue and Taxation Committee
STATUS:
05/08/2006 In ASSEMBLY Committee on REVENUE AND TAXATION: Failed passage

COMMENTARY:
Relates to the Personal Income Tax and Corporation Tax laws. Authorizes a credit against those taxes for the costs incurred by a qualified taxpayer to provide commuter benefits to its employees.

Position: Monitor

- ▶ AB 2210 **AUTHOR:** Goldberg [D]
TITLE: Tow Trucks: Regulating
LAST AMEND: 05/26/2006
LOCATION: SENATE
STATUS:
05/30/2006 *In ASSEMBLY. Read third time. Passed ASSEMBLY.
*****To SENATE.*
- COMMENTARY:**
Allows local authorities to license and regulate tow truck service companies and their operators. Requires a towing company to provide a photo copy of the written authorization to a vehicle owner or an agent of that owner.
Position: Monitor
- ▶ AB 2286 **AUTHOR:** Torrico [D]
TITLE: Infrastructure Financing Districts in Housing Zones
LAST AMEND: 05/16/2006
LOCATION: SENATE
STATUS:
05/31/2006 *In ASSEMBLY. Read third time. Passed ASSEMBLY.
*****To SENATE.*
- COMMENTARY:**
Authorizes the legislative body of a city or county to designate one or more proposed infrastructure financing districts in housing opportunity zones to be financed by tax increment financing.
Position: Monitor
- AB 2290 **AUTHOR:** DeVore [R]
TITLE: State Highway Facilities Designated for Trucks: Fees
LAST AMEND: 04/04/2006
LOCATION: ASSEMBLY
STATUS:
05/17/2006 From ASSEMBLY Committee on TRANSPORTATION
without further action pursuant to JR 62 (a).
- COMMENTARY:**
Authorizes the Department of Transportation or regional transportation agencies to enter into comprehensive development franchise agreements with public and private entities for the construction of transportation projects on state highways designated for exclusive use of commercial trucks. Authorizes user fees to be collected during the franchise agreement period, and authorizes the Transportation Commission to approve continuation of those fees after termination of the agreement.
Position: Monitor
- AB 2295 **AUTHOR:** Arambula [D]
TITLE: Transportation Capital Improvement Projects
INTRODUCED: 02/22/2006
LOCATION: Senate Transportation and Housing Committee
STATUS:
05/04/2006 To SENATE Committee on TRANSPORTATION AND
HOUSING.
- COMMENTARY:**
States that local road rehabilitation projects are eligible for funds allocated for transportation capital improvement funds.
Position: Monitor

- AB 3047 **AUTHOR:** Canciamilla [D]
TITLE: Toll Road Agreements
LAST AMEND: 05/30/2006
LOCATION: SENATE
STATUS:
05/31/2006 *In ASSEMBLY. Read third time. Passed ASSEMBLY.
*****To SENATE.*
- COMMENTARY:**
Authorize the Department of Transportation to enter into no more than 20 comprehensive toll road development franchise agreements with public and private entities for specified types of transportation projects. Authorizes tolls to be collected after the termination of a franchise agreement period. Requires a franchise agreement to allow the department to open a competitive state facility in the same corridor and to construct and operate high-occupancy vehicle and other preferential lanes as toll facilities.
Position: Monitor
- ACA X1 4 **AUTHOR:** Keene [R]
TITLE: State Finances
LAST AMEND: 04/11/2005
LOCATION: Assembly Budget Process Committee
STATUS:
04/11/2005 From ASSEMBLY Committee on BUDGET PROCESS with author's amendments.
04/11/2005 In ASSEMBLY. Read second time and amended.
Re-referred to ASSEMBLY Committee on BUDGET PROCESS.
- COMMENTARY:**
Administration's budget report proposal which includes Proposition 98 reform and Proposition 42 protections.
Position: Monitor
- ACA 5 **AUTHOR:** Richman [R]
TITLE: Public Retirement Systems
INTRODUCED: 12/06/2004
LOCATION: Assembly Public Employees, Retirement and Social Security Committee
STATUS:
04/14/2005 To ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT, AND SOCIAL SECURITY
- COMMENTARY:**
Proposes a constitutional amendment that would prohibit new employees, hired after July 1, 2007, from participating in a defined benefit plan. These employees would be limited to a defined contribution plan or retirement system.
Position: Monitor
- ACA 7 **AUTHOR:** Nation [D]
TITLE: Local Governmental Taxation
LOCATION: Assembly Appropriations Committee
STATUS:
05/25/2005 In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.
- COMMENTARY:**
Lowers voter threshold to 55% for special tax measures.
Position: Monitor

ACA 9 **AUTHOR:** Bogh [R]
TITLE: Motor Vehicle Fuel Sales Tax Revenue
LOCATION: Assembly Appropriations Committee
STATUS:
01/09/2006 From ASSEMBLY Committees on TRANSPORTATION: Be
adopted to the Committee on APPROPRIATIONS.

COMMENTARY:
Would amend Prop 42 to require 4/5ths of the legislature to suspend transfer
instead of the current 2/3rds.
Position: Monitor

ACA 22 **AUTHOR:** La Malfa [R]
TITLE: Eminent Domain: Condemnation Proceedings
LAST AMEND: 01/26/2006
LOCATION: Assembly Housing and Community Development Committee
STATUS:
05/10/2006 In ASSEMBLY Committees on HOUSING AND
COMMUNITY DEVELOPMENT: Failed passage.

COMMENTARY:
Amends existing eminent domain law to only allow for private property to be taken
when it is for a stated public use.
Position: Monitor

ACA 27 **AUTHOR:** McCarthy [R]
TITLE: State Budget: Capital Outlay
LOCATION: ASSEMBLY
STATUS:
01/25/2006 INTRODUCED

COMMENTARY:
Requires that the budget submitted to the Legislature by the Governor allocate,
and that the Budget Bill as passed by the Legislature and as signed by the
Governor appropriate, General Fund revenues to fund capital outlay projects of
statewide significance and interest in an annual amount determined pursuant to a
specified schedule.
Position: Monitor

SB 53 **AUTHOR:** Kehoe [D]
TITLE: Redevelopment
LAST AMEND: 08/15/2005
LOCATION: Assembly Local Government Committee
STATUS:
08/15/2005 From ASSEMBLY Committee on LOCAL GOVERNMENT
with author's amendments.
08/15/2005 In ASSEMBLY. Read second time and amended. Re-
referred to Committee on LOCAL GOVERNMENT.

COMMENTARY:
Requires redevelopment plans to contain a description of the agency's program to
acquire real property by eminent domain, including prohibitions, if any, on the use
of eminent domain, and a time limit for the commencement of eminent domain
proceedings.
Position: Monitor

SB 153 **AUTHOR:** Chesbro [D]
TITLE: Clean Water, Safe Parks, Coastal Protection
LAST AMEND: 09/02/2005
LOCATION: Assembly Appropriations Committee
STATUS:
09/02/2005 From ASSEMBLY Committee on APPROPRIATIONS with author's amendments.
09/02/2005 In ASSEMBLY. Read second time and amended. Referred to Committee on APPROPRIATIONS.

COMMENTARY:
General Obligation Bond for water, parks and open space.
Position: Monitor

SB 172 **AUTHOR:** Torlakson [D]
TITLE: Bay Area State-Owned Toll Bridge: Financing
LAST AMEND: 05/27/2005
LOCATION: Assembly Transportation Committee
STATUS:
06/13/2005 To ASSEMBLY Committee on TRANSPORTATION.

COMMENTARY:
Gives the Bay Area Toll Authority more control over Caltrans construction of toll bridge seismic retrofits in the Bay Area. Requires quarterly reports by Caltrans the projects.
Position: Monitor

SB 371 **AUTHOR:** Torlakson [D]
TITLE: Public Contracts: Design-Build: Transportation
LAST AMEND: 01/23/2006
LOCATION: ASSEMBLY
STATUS:
01/30/2006 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY.

COMMENTARY:
Design-build spot bill to be jointly authored by Senators Torlakson and Runner.
Position: Monitor

SB 427 **AUTHOR:** Hollingsworth [R]
TITLE: Environmental Quality Act: Scoping Meetings
LAST AMEND: 01/04/2006
LOCATION: Assembly Natural Resources Committee
STATUS:
02/16/2006 To ASSEMBLY Committee on NATURAL RESOURCES

COMMENTARY:
Requires at least one scoping meeting for a project and requires the lead agency to consult with transportation planning agencies that could be affect by a project. Requires notice of at least one scoping meeting be provided to those agencies required to be consulted concerning the project and to require, in the consultation, the project's effect on overpasses, on-ramps, and off-ramps.
Position: Monitor

SB 459 **AUTHOR:** Romero [D]
TITLE: Air Pollution: South Coast District: Locomotives
LAST AMEND: 04/12/2005
LOCATION: Assembly Transportation Committee
STATUS:
06/27/2005 In ASSEMBLY Committee on TRANSPORTATION: Heard,
remains in Committee.
COMMENTARY:
Authorizes SCAQMD to collect a fee associated with locomotive air pollution and to
expend it for specified mitigation purposes including railroad grade crossings.
Position: Monitor

SB 760 **AUTHOR:** Lowenthal [D]
TITLE: Ports: Congestion Relief: Security Enhancement
LAST AMEND: 05/27/2005
LOCATION: Assembly Appropriations Committee
STATUS:
06/27/2005 From ASSEMBLY Committee on NATURAL RESOURCES:
Do pass to Committee on APPROPRIATIONS.
COMMENTARY:
Authorizes the Ports of Los Angeles and Long Beach to impose a \$30 fee on each
Twenty foot Equivalent Unit (TEU). The Port would retain \$10 for improvements
and would forward \$10 to AQMD for air quality mitigation, and \$10 to the CTC to
use on railroad improvement projects in Orange and other counties.
Position: Monitor

SB 832 **AUTHOR:** Perata [D]
TITLE: CEQA: Infill Development
LAST AMEND: 05/04/2005
LOCATION: Assembly Inactive File
STATUS:
03/02/2006 In ASSEMBLY. To Inactive File.
COMMENTARY:
Relates to infill development under the California Environmental Quality Act.
Provides an alternative to infill criteria if the site is located in a city with a population
of more than 200,000 persons, the site is not more than 10 acres, and the project
does not have less than 200 or more than 300 residential units, as adopted by a
resolution of the city council. Bill intended to be linked to SB 1024 Infrastructure
Bond.
Position: Monitor

SB 1024 **AUTHOR:** Perata [D]
TITLE: Public Works and Improvements: Bond Measure
LAST AMEND: 01/26/2006
LOCATION: ASSEMBLY
STATUS:
01/30/2006 In SENATE. Read third time. Passed SENATE. *****To
ASSEMBLY.
COMMENTARY:
Enacts the Essential Facilities Seismic Retrofit Bond Act of 2005 to place a \$10.3
billion general obligation bond before voters to funds seismic retrofit of essential
facilities, including the Bay Bridge, repay Proposition 42 loans, and to facilitate
goods movement.
Position: Monitor

- SB 1161 **AUTHOR:** Alarcon [D]
TITLE: State Highways: Design-Sequencing Contracts
LAST AMEND: 05/26/2006
LOCATION: ASSEMBLY
STATUS:
05/30/2006 *In SENATE. Read third time. Passed SENATE.*
 *****To ASSEMBLY.*
- COMMENTARY:**
Relates to existing law authorizing the Department of Transportation, to conduct a pilot project to award design-sequencing contracts for the design and construction of not more than 12 transportation projects. Authorizes the department to award contracts for projects using the design-sequencing contract method, certain requirements are met.
Position: Monitor
- SB 1165 **AUTHOR:** Dutton [R]
TITLE: Transportation Bond Acts of 2006, 2008, and 2012
INTRODUCED: 01/10/2006
LOCATION: Senate Transportation and Housing Committee
STATUS:
01/19/2006 To SENATE Committees on TRANSPORTATION AND HOUSING and ENVIRONMENTAL QUALITY.
- COMMENTARY:**
This bill would authorize general obligation bonds for various transportation purposes, pledges a percentage of existing fuel excise taxes and truck weight fees to offset the cost of the bond debt service, and authorizes transportation entities to use a design-build process for contracting on transportation projects. This is the Administrations Infrastructure Bond Proposal. Identical to AB 1838.
Position: Monitor
- SB 1266 **AUTHOR:** Perata [D]
TITLE: Highway Safety, Traffic Reduction, Air Quality
ADOPTED: 05/16/2006
LOCATION: Chaptered
STATUS:
05/16/2006 Signed by GOVERNOR.
05/16/2006 Chaptered by Secretary of State. Chapter No. 25.
- COMMENTARY:**
Enacts the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Authorizes a specified amount of general obligation bonds for transportation corridor improvements, trade infrastructure and port security projects, transit security, local bridge retrofit, highway-railroad grade and crossing projects, highway rehabilitation, local street and road improvements. Part of the infrastructure bond package.
Position: Monitor

SB 1282 **AUTHOR:** Ducheny [D]
TITLE: Transportation: Federal Funds: Border Infrastructure
LAST AMEND: 05/02/2006
LOCATION: Assembly Transportation Committee
STATUS:
05/15/2006 To ASSEMBLY Committee on TRANSPORTATION

COMMENTARY:
Requires federal funds apportioned to the state under the coordinated border infrastructure program of the Safe, Accountable Flexible, Efficient Transportation Equity act: a Legacy for Users (SAFETEA-LU) to be programmed, allocated and expended in the same manner as other federal transportation capital funds in the state transportation improvement program. Authorizes use of funds for projects in Mexico.

Position: Monitor

► SB 1431 **AUTHOR:** Cox [R]
TITLE: Public Contracts: Design-Build Contracting: Cities
LAST AMEND: 04/18/2006
LOCATION: Senate Appropriations Committee
STATUS:
05/25/2006 *In SENATE Committee on APPROPRIATIONS: Not heard.*

COMMENTARY:
Permits any city with the approval of the city council, county boards of supervisors, and special districts to enter into specified design-build contracts in accordance with specified provisions. Requires that contracts costing more than a specified amount by those cities, counties or districts to be awarded to the lowest responsible bidder. Requires the Legislative Analyst's Office to report to the Legislature regarding the effectiveness of the design-build program.

Position: Monitor

► SB 1593 **AUTHOR:** Runner G [R]
TITLE: Vehicles: Removal: Storage
LAST AMEND: 05/22/2006
LOCATION: ASSEMBLY
STATUS:
05/25/2006 *In SENATE. Read third time. Passed SENATE.
*****In ASSEMBLY.*

COMMENTARY:
Revises provisions of existing law that requires as part of the conditions under which a vehicle may be removed from private property that a sign of specified dimensions and specified size for lettering conveying specified information be posted on the property. Also requires a towing company to post a \$25,000 bond, to hold a valid motor carrier permit, and to provide copies of the bond and permit to the owner, owner's agent, or person in lawful possession of the private property. Provides for tow company liability.

Position: Monitor

SCA 15 **AUTHOR:** McClintock [R]
TITLE: Eminent Domain: Condemnation Proceedings
LAST AMEND: 08/23/2005
LOCATION: Senate Judiciary Committee
STATUS:
08/30/2005 In SENATE Committee on JUDICIARY: Failed passage.
08/30/2005 In SENATE Committee on JUDICIARY: Reconsideration
granted.

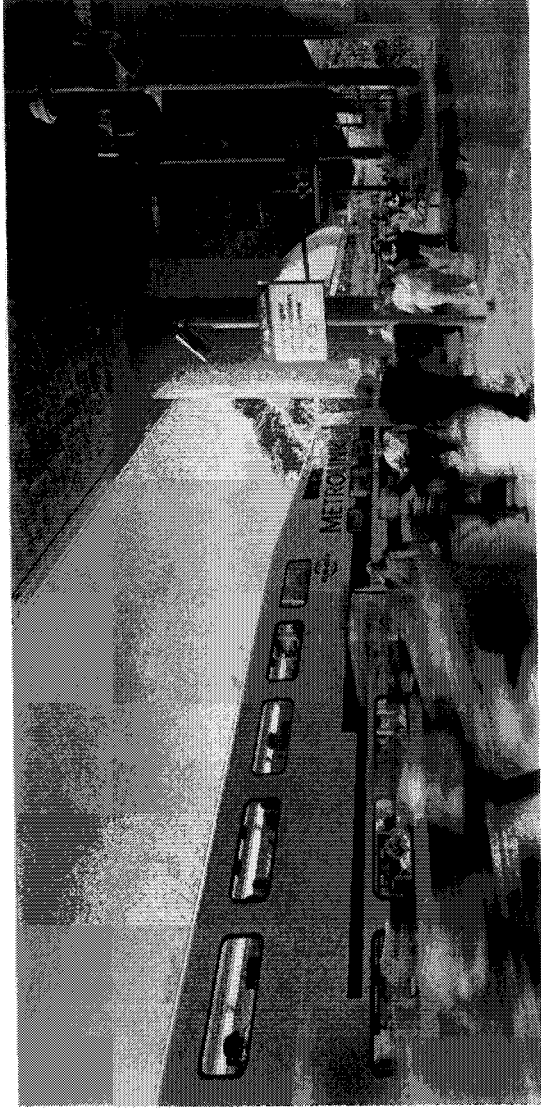
COMMENTARY:
Amends existing eminent domain law to only allow for private property to be taken
when it is for a stated public use.
Position: Monitor

SCA 20 **AUTHOR:** McClintock [R]
TITLE: Eminent Domain: Condemnation Proceedings
INTRODUCED: 01/11/2006
LOCATION: Senate Judiciary Committee
STATUS:
04/25/2006 In SENATE Committee on JUDICIARY: Failed passage.
04/25/2006 In SENATE Committee on JUDICIARY: Reconsideration
granted.

COMMENTARY:
Amends existing eminent domain law to only allow for private property to be taken
when it is for a stated public use.
Position: Monitor

SCA 21 **AUTHOR:** Runner G [R]
TITLE: State Budget
INTRODUCED: 01/11/2006
LOCATION: Senate Budget and Fiscal Review Committee
STATUS:
03/02/2006 In SENATE Committee on BUDGET AND FISCAL REVIEW:
Heard, remains in Committee

COMMENTARY:
Administration's General Fund GO Bond 6% Debt Cap Proposal
Position: Monitor

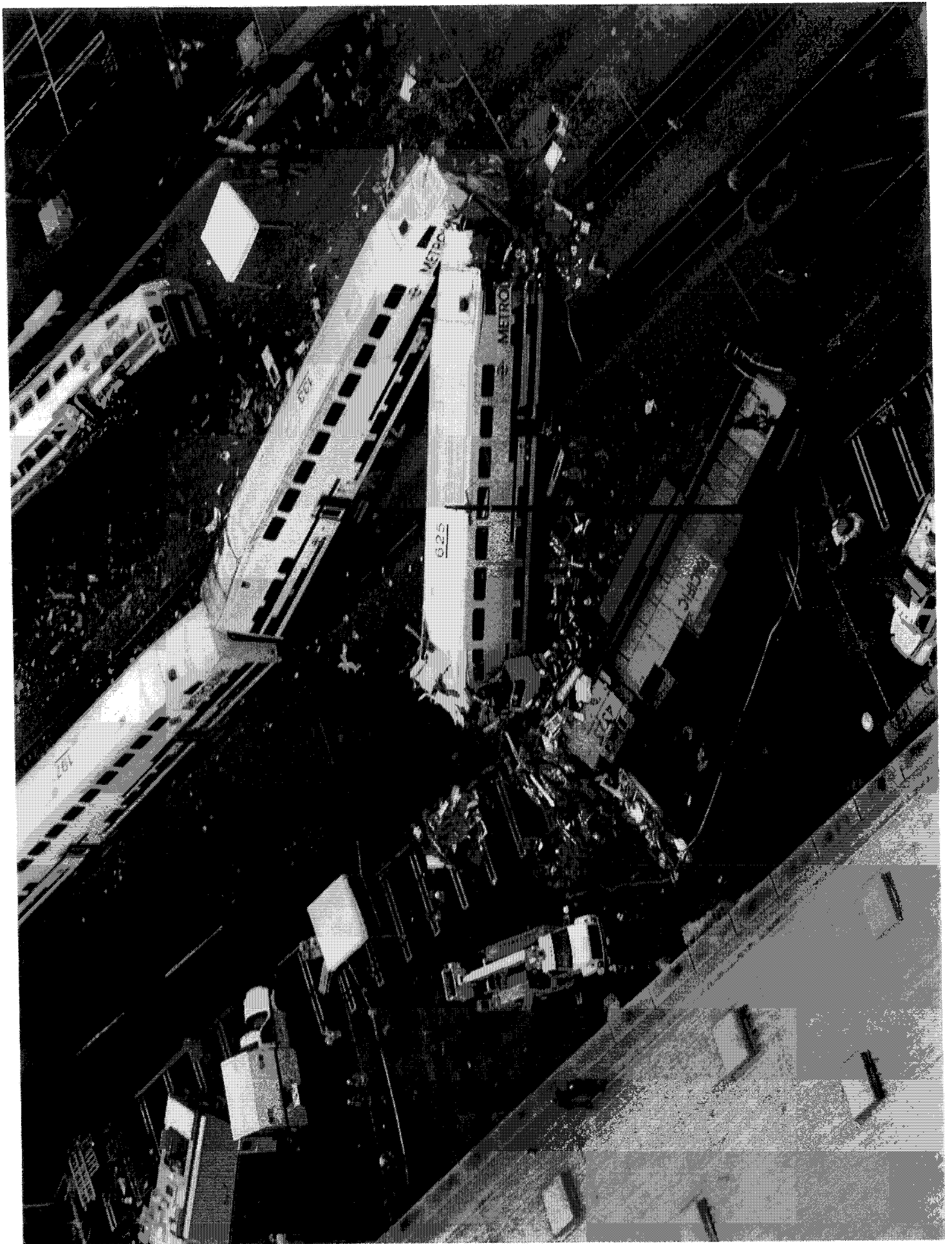


**PRESENTATION TO
OCTA's Legislative and Government
Affairs/Public Communications Committee**

**By David Solow
Chief Executive Officer**

June 15, 2006





Re-Cap of Rail Safety Initiatives Since Glendale Incident in 2005

- January 2005: Metrolink restricts occupancy of mezzanine level in cab cars and initiates Sealed Corridor project
- July 2005:
 - FRA's interim study on push-pull shows no statistically significant difference in fatalities between modes
 - US DOT's Volpe Center simulation of Glendale incident shows locomotive forward would have been as serious an incident as cab car forward
 - Assembly Special Committee on Passenger Rail Safety holds hearing, focusing on Glendale incident



Re-Cap of Rail Safety Initiatives Continued

- October 2005: Metrolink receives \$3 million in federal earmarks for Sealed Corridor project
- January 2006: Special Committee releases its report, calling for eliminating the push mode starting in 2010
- March 2006:
 - Metrolink signs contract ordering new Crash Energy Management equipped (CEM) cars
 - Successful test of CEM equipment at Pueblo site
- June 2006: Commuter rail industry continues to wait for Assemblymember Frommer to introduce bill expected to ban push mode consistent with report



*Fundamental flaw in Assembly report is
that locomotive forward is inherently
safer.*

Show Glendale simulation video



Two Regional Strategies to Reduce Risk

- Crash Avoidance – Grade crossing improvements in a Sealed Corridor is the primary strategy
- Crashworthiness – Already ordered equipment with Crash Energy Management technologies

Metrolink's Challenges

- Geographic scale/multiple ownership
 - 787 grade crossings of all types in the Metrolink system
 - 443 at-grade crossings in the Metrolink system (11,000 statewide)
- Intensity of corridor usage
 - Over 250 daily Metrolink, Amtrak and freight trains operate daily
- Competing priorities for funding
- Mobilization of support



Metrolink's \$70 Million Investment in Safety Improvements Since 1992

- Upgraded railroad signal system and enhanced control circuits
- Crossing related safety enhancements
- Closure of 7 public and 22 private crossings
- Construction of 12 grade separations
- Ongoing rail safety public education programs



Sealed Corridor Safety Enhancements

- Four-quadrant gates
- Median separators or raised islands
- New signs and pavement markings
- Crossing signal “health monitoring” systems
- Locked gates and fencing
- Crossing geometry improvements
- Grade separation or closing of crossings

OCTA's Grade Crossing Safety Enhancement Program

- Program is based on 2003 Orange County Grade Crossing Study
 - Assessed safety of all 64 highway-rail crossings in Orange County
- The \$20 mil program funds 55 of the 64 crossings
 - Outstanding 9 crossings will be enhanced as part of the City of Placentia led program
- Eligible expenditures substantially similar to Sealed Corridor treatments
- Local jurisdictions participate and provide 12% match
- OCTA oversees the project, Metrolink serves as project manager
 - Project scoping and design underway

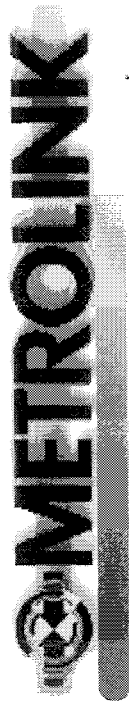


Avoiding the crash is only part of the strategy.
Once an incident occurs, what are we doing to
reduce the potential impact on passengers?

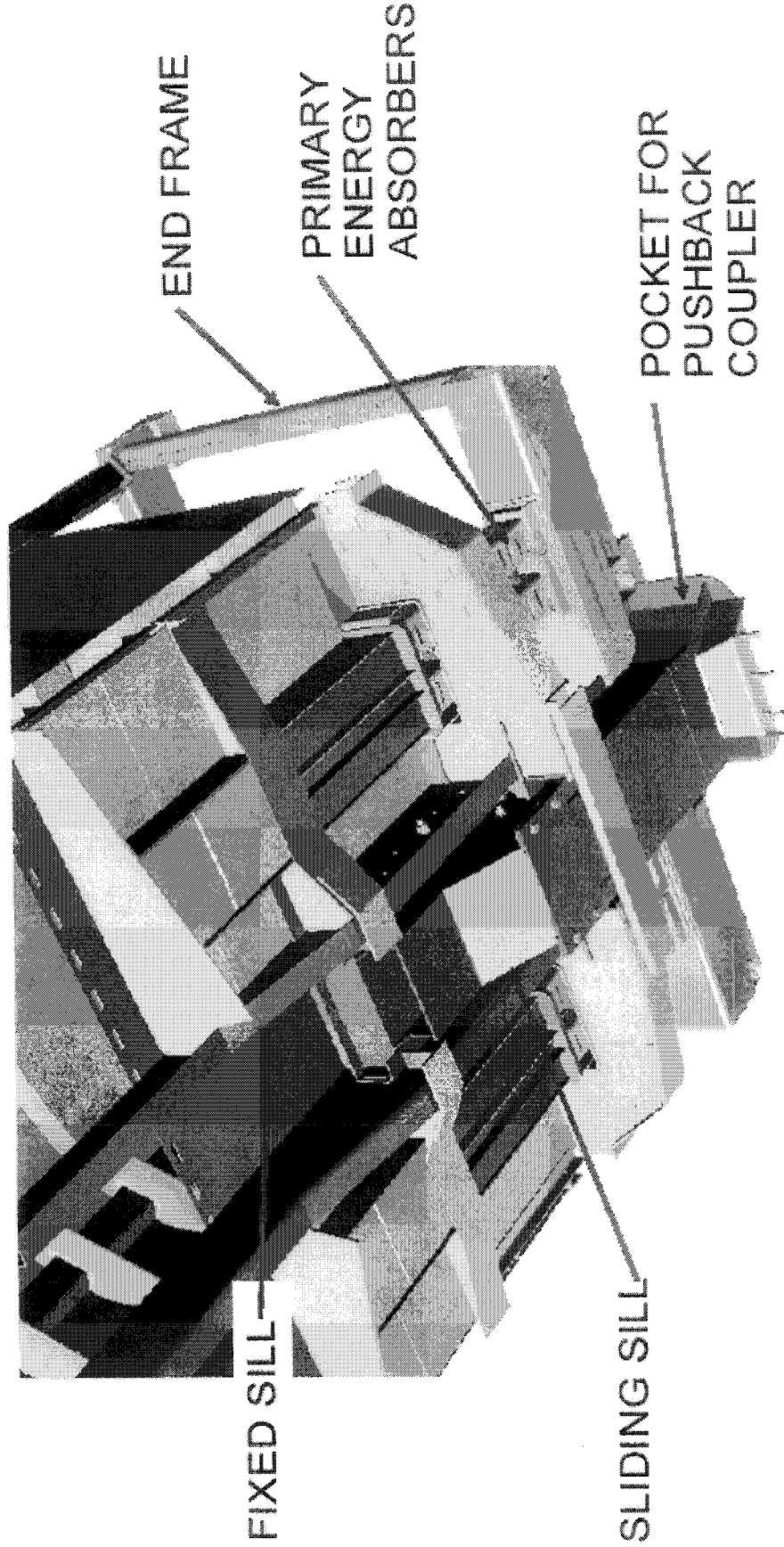
We are pursuing a crash management strategy.



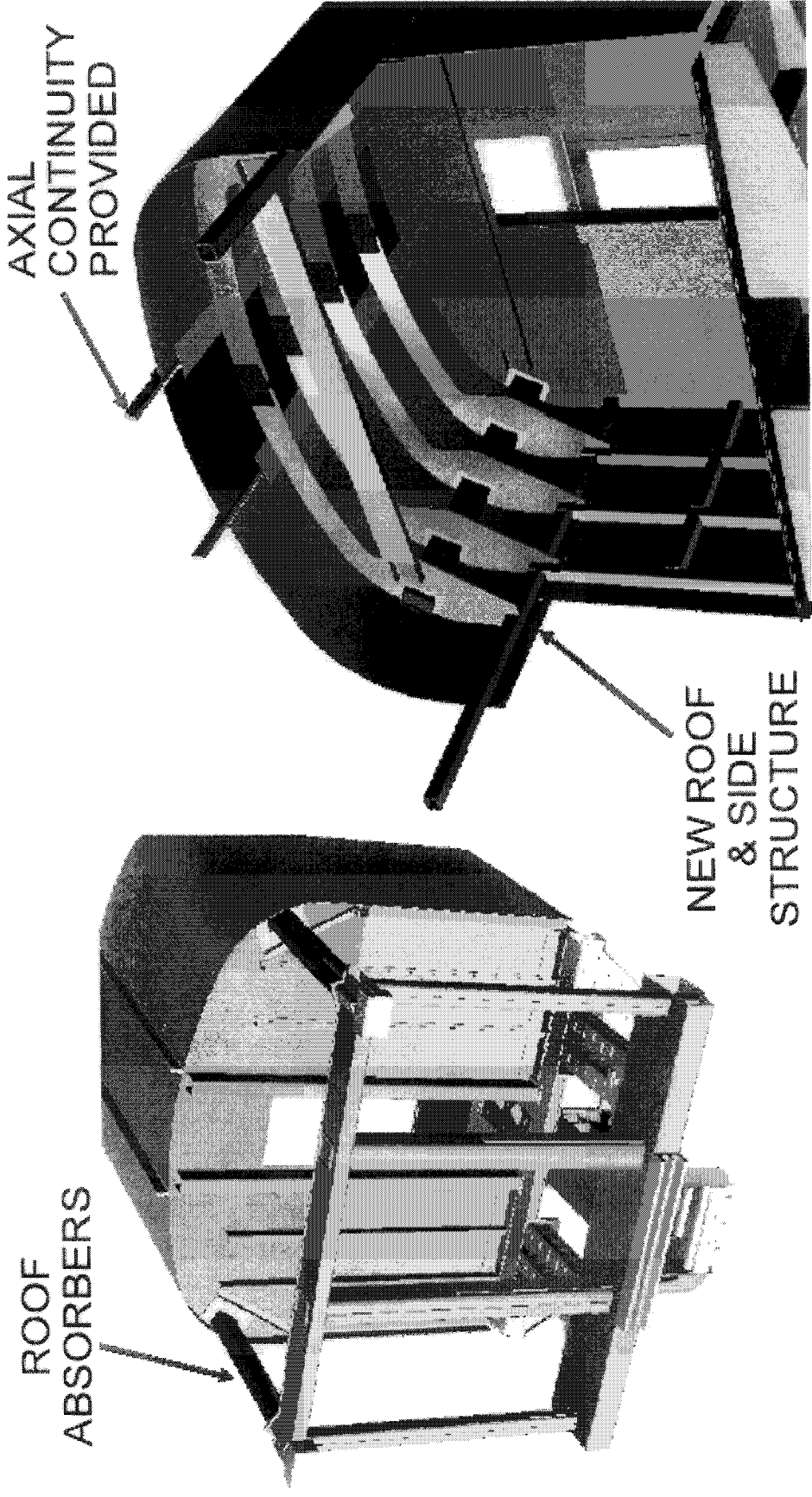
Show Pueblo Tests 2002 v. 2006 Here



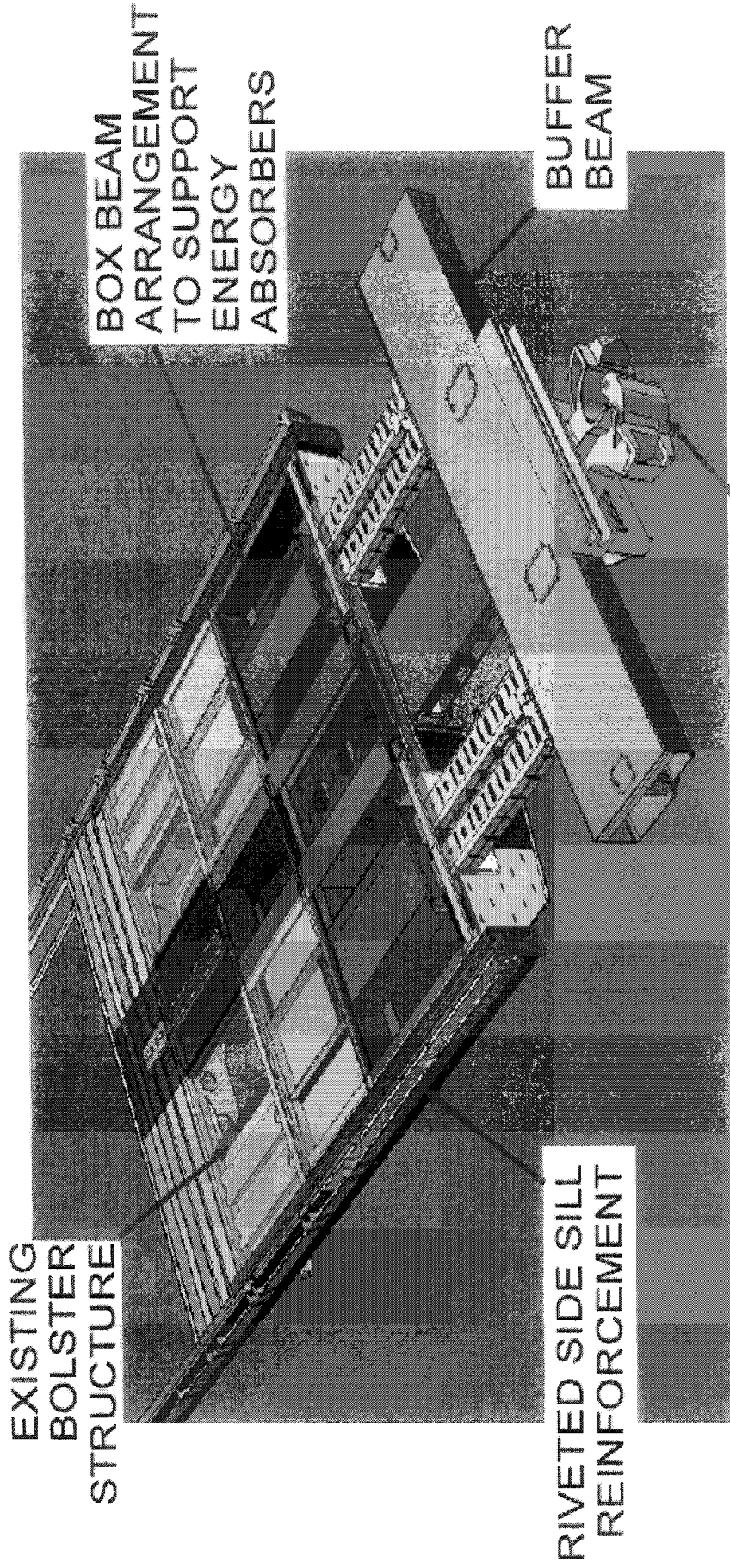
CEM: Under Carriage View



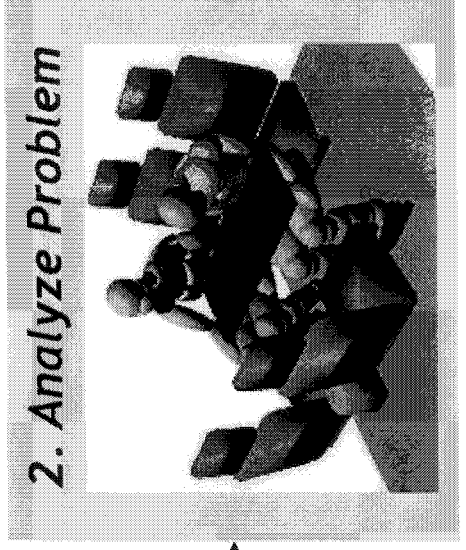
CEM: Side View



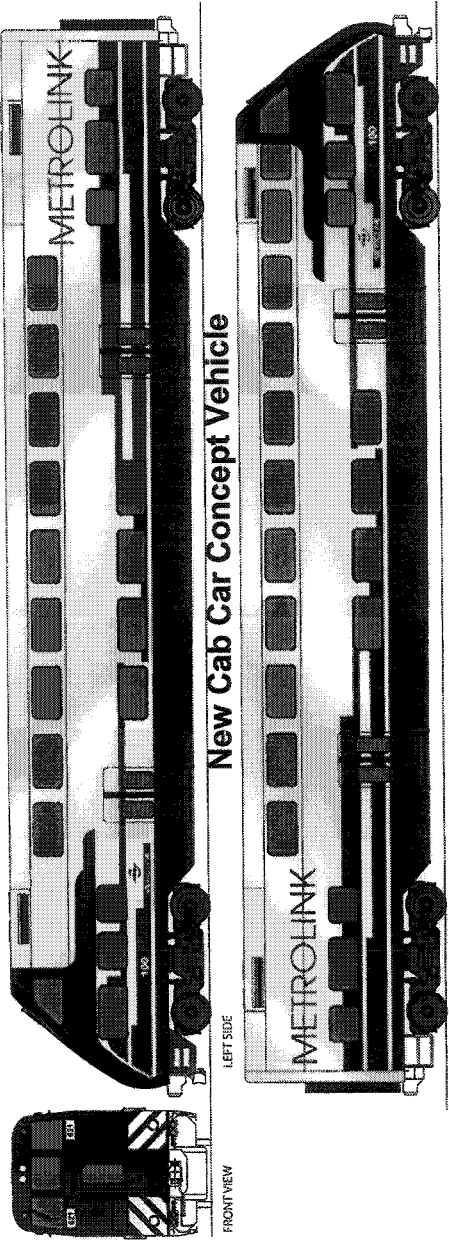
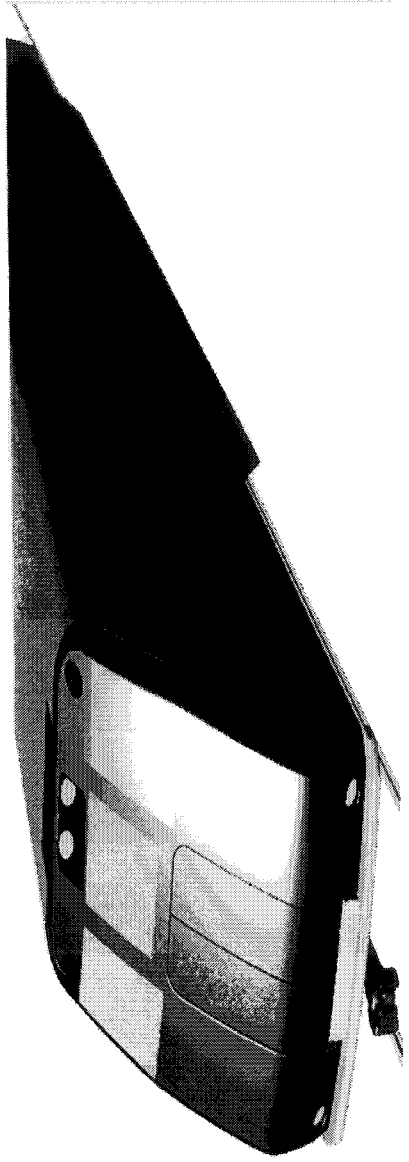
CEM: Under Frame View



CEM: Combined Interior Seat & Table Modification Strategy



Design Images of Our Newly Ordered Cab Car CEM Equipment to Start Arriving in Q4 '07



New Cab Car Concept Vehicle



What Can You Do to Help?

- Support staff recommendation to oppose expected legislation to ban push mode in 2010
- Continue to support the Sealed Corridor project as a Crash Avoidance Strategy and CEM as a Crash Management Strategy



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Federal Legislative Status Report

Legislative and Government Affairs/Public Communications
Committee

June 15, 2006

Present: Directors Buffa, Campbell, Cavecche, Ritschel, Rosen, Silva,
and Wilson
Absent: Director Correa

Committee Vote

No action was taken.

Committee Recommendation

Receive and file as an information item.



June 15, 2006

To: Legislative and Government Affairs/Public Communications
Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Federal Legislative Status Report

Overview

The Federal Legislative Status Report includes a summary of the fiscal year 2007 federal transportation appropriations bill, as well as a status of the Orange County Transportation Authority appropriations requests.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) submitted 14 transportation project requests totaling \$97,180,000 to the Orange County Congressional Delegation for consideration in the Fiscal Year 2007 Transportation Appropriations Bill. Attachment A is a summary of the OCTA project requests, including a notation of which projects were submitted by member office to the appropriations committee.

Of the 14 project requests that were approved by the OCTA Board of Directors and submitted to the County's Congressional Delegation, six were formally submitted by the delegation members to the Appropriations Committee. The Orange County Congressional Delegation sent a bipartisan letter of support for those six projects to United States Representative Joe Knollenberg (R-MI), Chairman of the House Transportation Appropriations Subcommittee (Attachment B).

On Tuesday, June 6, the House Committee on Appropriations completed a mark-up of its fiscal year (FY) 2007 appropriations bill for Transportation, Treasury, and Housing and Urban Development (HUD) programs.

The House bill funds the federal-aid highways program at \$39.1 billion, as set by the recently enacted surface transportation authorization legislation, Safe Accountable Flexible Efficient Transportation Equity Act a Legacy for Users (SAFETEA-LU). This is equal to the President's request and \$3.5 billion more than the FY 2006 enacted level, excluding emergency supplemental funding. The Federal Transit Administration was also funded at the levels set by the guarantees in SAFETEA-LU.

The transportation authorization bill, SAFETEA-LU, passed by Congress last year established guaranteed levels of discretionary transportation spending, which limits the ability of House appropriators to fund surface transportation programs without also providing increased levels of discretionary spending for certain transportation programs. As such, total levels for project earmarks added during the mark-up of the bill were down by over two-thirds nationwide from last year's levels. With regard to project funding, the bill provided \$895 million for Congressional Member projects. By comparison, last year's conference report included approximately \$3 billion total in member project funding.

Included in the full committee mark-up of the House appropriations bill were the following project earmarks for Orange County:

Anaheim Regional Transportation Intermodal Corridor (ARTIC) - \$400,000
Bristol Street Widening - \$350,000
Interstate 5 and Ortega Highway Interchange - \$750,000
Interstate 405 Widening - \$250,000
Edinger Corridor Improvements, Huntington Beach - \$250,000

A county-by-county summary of Southern California surface transportation project earmarks in the fiscal year 2007 House transportation appropriations bill is included with the staff report as Attachment C.

The Senate has not released a schedule for consideration of its appropriations bills at this time. However, discussions with Senate staff indicate that the Senate appropriations committees may begin marking up their bills in July. Once the Senate passes its companion appropriations bill, the House-Senate conference will convene to reconcile the two measures and send one bill for final passage to both houses and then to the President for signature.

Summary

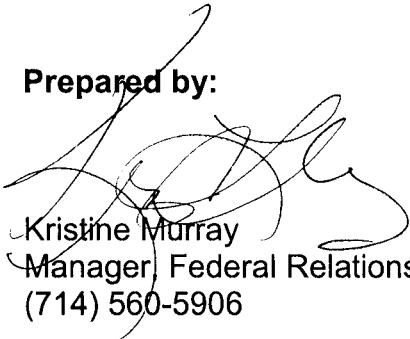
The FY 2007 federal appropriations process was limited this year by obligation authority funding levels approved by SAFETEA-LU. As such, discretionary

funding for transportation programs was significantly reduced in the annual appropriations bill. Members of the County's Congressional Delegation are continuing efforts to secure additional funding in the bill. However, at this time Orange County's total funding level in the House FY 2007 Transportation, Treasury, and Housing and Urban Development (HUD) bill is \$2,000,000 for five projects.

Attachments


- A. Summary of OCTA Federal Transportation Appropriations Project List
- B. Orange County Congressional Delegation letter to Chairman Joe Knollenberg (R-MI)
- C. FY 2007 Federal Appropriations – House TTHUD Bill, Southern California Earmarks

Prepared by:



Kristine Murray
Manager, Federal Relations
(714) 560-5906

Approved by:



Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901

Summary of OCTA Federal Transportation Appropriations Project List

Project Name	FY07 House Appropriations Bill	OCTA FY07 Request	Previous Appropriation/FY	Submitted to Appropriations	Congressional District
HIGHWAYS					
State Route 91 Widening*		\$ 7,500,000	\$ 1,000,000 /06	Y	40,42,44
SR-91 Truck Storage Lane		\$ 1,000,000		Y	42,44
I-405 Widening & Improvements	\$250,000	\$ 1,500,000	\$ 1,500,000 /05	Y	46,48
			\$ 1,000,000 /06		
I-5 & Ortega Highway Interchange Chokepoint	\$750,000	\$ 5,600,000	\$ 800,000 /04	Y	44,48
I-5 & SR-55 Chokepoint		\$ 5,000,000		N	48
I-5 South HOV Lane - Phase I		\$ 12,000,000	\$ 5,000,000 /05	N	44
STREETS AND ROADS					
Bristol Street Widening	\$350,000	\$ 25,000,000	\$ 750,000 /05	Y	47
			\$ 600,000 /06		
I-5/Gene Autry Way - HOV Ramps		\$ 10,700,000		N	40,47
TRANSIT & GRADE SEPARATIONS					
Grade Separations - Orangethorpe Corridor		\$ 10,000,000		N	40
OC Rapid Transit Project**			\$ 2,184,466 /04	N	
1. Bus Rapid Transit		\$ 5,000,000	\$ 1,500,000 /06	N	40,42,47
2. Metrolink Track Capacity Improvements		\$ 5,000,000		N	
Inter-County Express Bus		\$ 3,380,000	\$ 1,080,486 /04	N	42,44
ARTIC	\$400,000	\$ 5,000,000		Y	40,42,47
INTELLIGENT TRANSPORTATION SYSTEMS (ITS)					
South County Demo/Signal Synch		\$ 500,000		N	44,48
OTHER COUNTY PROJECTS					
Edinger Corridor Improvements	\$250,000				
Total	\$2,000,000	\$ 97,180,000			46

*SR-91 FY07 request includes widening and chokepoint relief from SR-241 to the SR-71

**OC Rapid Transit Project FY07 request includes Bus Rapid Transit and Metrolink Improvements

Congressional Districts:

CA-40 U.S. Representative Ed Royce
CA-42 U.S. Representative Gary Miller
CA-44 U.S. Representative Ken Calvert
CA-46 U.S. Representative Dana Rohrabacher
CA-47 U.S. Representative Loretta Sanchez
CA-48 U.S. Representative John Campbell

**Congress of the United States
Washington, DC 20515**

May 12, 2006

The Honorable Joe Knollenberg
Chairman
House Appropriations Subcommittee on Transportation, Treasury,
and Housing and Urban Development, Judiciary, District of Columbia
2358 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Knollenberg:

As you review the numerous requests that you received for inclusion in the Fiscal Year 2007 Transportation Appropriations bill, we respectfully request your consideration of the high priority transportation projects in Orange County, California that have regional and countywide significance. Each of these projects was submitted to your Subcommittee prior to the March 16, 2006 project request deadline. The requests enumerated below are vital to the communities we represent, as well as the greater Southern California region. We would appreciate the opportunity to work with you and the subcommittee to secure funding for these requests in this year's transportation appropriations bill.

With more than three million people, Orange County is the fifth largest county in the nation. While Orange County encompasses nearly 800 square miles, some 300 square miles are in the Cleveland National Forest, making the remaining 500 square miles one of the most densely populated areas in the United States. In addition, Orange County's population is expected to climb by approximately 15 percent in the next 25 years, resulting in increased congestion on existing roadways.

As you know, Orange County's highways and rail corridors provide a critical economic link for the transport of goods and services between the United States and markets in Asia. The ports of Los Angeles and Long Beach represent the largest port complex in the United States and together facilitate 40 percent of all waterborne trade entering the country, which provides more than \$200 billion in trade revenue annually. The scope of these facilities, coupled with continued regional development, contribute to a transportation crisis in which regional growth continues to outpace transportation infrastructure improvements. Funding provided for the projects listed below will result in significant improvement to traffic congestion and freight movement in all of Southern California. The importance of these projects to our nation's mobility, economy, and overall livelihood is indisputable.

It is important to note that Orange County does not rely solely on state and federal resources to fund new infrastructure development. In November 1990, Orange County voters passed a half-cent local transportation sales tax, and the county is planning to proceed with a 30-year renewal measure this November to continue this dedicated funding source. The projects below have been budgeted with a consideration of what can be feasibly expended in Fiscal Year 2007 and with a commitment of local matching funds that meets or exceeds federal guidelines. As the county's Congressional delegation, we are working to ensure that the federal investment is achieved to compensate for the impacts of international trade on regional infrastructure and to improve the quality of life and economic vitality of the communities we represent.

Orange County's transportation priorities for fiscal year 2007 include the following:

State Route 91 (SR-91) Freeway Improvement Project

Both Orange and Riverside Counties, working with the California Department of Transportation, are responsible for improvements along SR-91 within their borders. Orange County has completed a westbound auxiliary lane between SR-71 and SR-241, which improved traffic flows. Orange County must now complete a complimentary eastbound auxiliary lane from SR-241 to SR-71. In addition, Orange County must construct a truck storage lane to relieve traffic on the eastbound side close to a truck weigh station near SR-90. Riverside County is investing in ramp improvements, lane re-configurations and widening in both directions to match the work being done in Orange County. Riverside is making these improvements between SR-71 and the Pierce St. exit. Funds would be split evenly between Orange and Riverside Counties to complete these improvements.

Interstate 405 (I-405) Widening and Improvements

The Orange County Transportation Authority (OCTA) has recently completed a Major Investment Study (MIS) on I-405 between SR-73 and I-605. The Fiscal Year 2007 request would provide funding for preliminary engineering (Project Study Report) for the project.

Interstate 5 and Ortega Highway (State Route-74) Interchange

This project proposes to reconstruct the existing San Diego Freeway (I-5) / Ortega Highway (SR-74) interchange in San Juan Capistrano. Constructing this project will facilitate traffic flows and ease congestion along Ortega Highway and the I-5 on/off ramps to accommodate an expected increase in traffic between Riverside and Orange Counties generated by significant economic and residential development. The Fiscal Year 2007 request would provide funds for the design phase.

Bristol Street Widening

Bristol Street is a major north/south arterial street through the heart of Orange County from the Garden Grove Freeway (State Route 22) on the north to South Coast Plaza at the City of Santa Ana's southern city limit. The project includes completion of the widening between 17th Street and Warner Avenue. The street will be widened from two to three lanes in each direction and includes landscaped median and parkways/greenbelts, improved intersections, undergrounding of utilities, storm drain improvements, upgraded street lighting, and soundwalls. The Fiscal Year 2007 request would provide funding for right-of-way acquisition from McFadden Avenue to Pine Street.

Anaheim Regional Transportation Intermodal Center (ARTIC)


The ARTIC is an intermodal transportation center located in the City of Anaheim, along the Los Angeles to San Diego (LOSSAN) rail line. The project is bounded by State Route 57, the Santa Ana River, and Katella Avenue, and in close proximity to I-5. ARTIC will serve as a hub for many transit modes providing everything from conventional bus service to planned regional high technology transportation systems. In addition, ARTIC will strategically facilitate the proposed California High Speed Rail alignment, as well as the Anaheim to Ontario International Airport segment of the California-Nevada Interstate Maglev project. This project expands existing transportation infrastructure for Amtrak intercity rail, Metrolink commuter rail, Orange County rapid transit systems, and Anaheim Resort shuttles. OCTA and the City of Anaheim are cooperating on acquiring necessary property with local funds. In Fiscal Year 2007, OCTA and the City of Anaheim will commence preliminary design.

The Honorable Joe Knollenberg
May 12, 2006
Page 3 of 3


Mr. Chairman, we understand the fiscal pressures and political realities that you and your colleagues face in preparation of the Fiscal Year 2007 Transportation Appropriations bill, and we applaud your efforts to fund cost-effective programs. The projects formally submitted to the Appropriations Committee are recommended above are crucial components to the countywide and regional infrastructure goals that address goods movement and congestion on our roadways. We hope that you will support their inclusion in the 2007 bill at the levels suggested.


Thank you for your cooperation in this effort.


Sincerely,



GARY G. MILLER
Member of Congress


KEN CALVERT
Member of Congress


JOHN CAMPBELL
Member of Congress


DANA ROHRABACHER
Member of Congress


ED ROYCE
Member of Congress


LORETTA SANCHEZ
Member of Congress

FY 2007 Federal Appropriations - House TTHUD Bill
Southern California Earmarks

County	Project	Funding	Funding Source
Los Angeles	Alameda Corridor East - San Gabriel Valley	\$1,500,000	TCSP
Los Angeles	Ave P Rancho Vista Boulevard	\$500,000	TCSP
Los Angeles	Echo Park Streetscape and Safety Improvements - Los Angeles	\$250,000	TCSP
Los Angeles	Exposition Line Crenshaw Crossing	\$400,000	TCSP
Los Angeles	Figuroa Blvd Streetscape	\$200,000	TCSP
Los Angeles	Soundwall, La Canada Flintridge	\$500,000	TCSP
Los Angeles	I-5 Consortium Cities JPA	\$750,000	TCSP
Los Angeles	I-710 Corridor/Gerald Desmond Bridge	\$750,000	TCSP
Los Angeles	Park Place Extension Grade Separation	\$500,000	TCSP
Los Angeles	North Hollywood Streetscape Enhancements	\$300,000	TCSP
Los Angeles	Chinatown Streetscape	\$200,000	TCSP
Los Angeles	Santa Anita and Fern-Elliott Signal Improvements	\$160,000	TCSP
Los Angeles	Pico Rivera SR-19/Slausen Intersection	\$400,000	TCSP
Los Angeles	San Fernando Valley Streetlight Enhancements	\$500,000	TCSP
Los Angeles	San Gabriel Valley Gold Line Extension	\$500,000	TCSP
Los Angeles	Santa Clarita Cross Valley Connector	\$500,000	TCSP
Los Angeles	Signal Improvements, Huntington Park	\$200,000	TCSP
Los Angeles	Soundwall Improvements, Rosemead	\$100,000	TCSP
Los Angeles	South LaBrea Ave/Imperial Hwy Roadway	\$300,000	TCSP
Los Angeles	Agoura Road Widening, Agoura Hills	\$400,000	TCSP
Los Angeles	Traffic Signal Modernization, Lakewood	\$250,000	TCSP
Los Angeles	Clean Air Buses for Cerritos	\$300,000	BUS
Los Angeles	East LA College Busway, Monterey Park	\$150,000	BUS
Los Angeles	Foothill Transit, San Gabriel Valley	\$2,000,000	BUS
Los Angeles	LACMTA La Cienega Intermodal Facility	\$400,000	BUS
Los Angeles	LAMTA Paratransit Services	\$250,000	BUS
Los Angeles	LA Southwest College Bus Shelter	\$450,000	BUS
Los Angeles	Monrovia Transit Village	\$1,000,000	BUS
Los Angeles	Northridge Transit Center	\$100,000	BUS
Los Angeles	Orange Line Safety Improvements	\$500,000	BUS
Los Angeles	Senior Transit Bus, South El Monte	\$80,000	BUS
Los Angeles	Street Shuttle for Artesia	\$200,000	BUS

FY 2007 Federal Appropriations - House TTHUD Bill
 Southern California Earmarks

Los Angeles	Rio Hondo College Public Transit System	\$200,000	BUS
Los Angeles	Beach Cities Transit Coastal Shuttle	\$500,000	BUS
Los Angeles	Transit Center Parking, Baldwin Park	\$150,000	BUS
Los Angeles	Metro Gold Line Eastside Light Rail Extension	\$100,000,000	New Starts
	Subtotal	\$115,440,000	\$15,440 w/o New Starts *
Orange	Bristol Street Multi-modal corridor	\$350,000	TCSP
Orange	Anaheim Regional Transportation Intermodal Corridor	\$400,000	BUS
Orange	I-405 Widening	\$250,000	TCSP
Orange	I-5 South/Ortega Highway Improvements	\$750,000	IM
Orange	Edinger Corridor Improvements	\$250,000	TCSP
	Subtotal	\$2,000,000	
Riverside	I-10 Ramon Road/Bob Hope Interchange	\$500,000	TCSP
Riverside	Grade Separations in Riverside	\$500,000	TCSP
Riverside	SR-60/Potrero Road Interchange, Beaumont	\$500,000	TCSP
Riverside	Riverside and Corona Transit Centers	\$1,250,000	BUS
Riverside	Sunline Transit Agency Bus Replacement	\$500,000	BUS
Riverside	Riverside Transit Agency Bus Stop Upgrades	\$250,000	BUS
	Subtotal	\$3,500,000	
San Bernardino	I-10 Grove Avenue, Ontario	\$750,000	IM
San Bernardino	Needles Highway Improvements	\$1,000,000	Federal Lands
San Bernardino	I-15 Baseline Road Interchange, Rancho Cucamonga	\$750,000	IM
San Bernardino	I-215/University Interchange	\$500,000	TCSP
San Bernardino	Ranchero Road Underpass	\$1,250,000	TCSP
San Bernardino	Yucca Loma Bridge/I-15 Congestion Relief	\$750,000	TCSP
	Subtotal	\$5,000,000	
Ventura	Ventura County Farm Crossings	\$500,000	TCSP
	Subtotal	\$500,000	

FY 2007 Federal Appropriations - House TTHUD Bill
 Southern California Earmarks

San Diego	Otay Mesa Port of Entry	\$150,000	TCSP
San Diego	SR-52 East/West Improvements	\$500,000	TCSP
San Diego	SR-76 San Diego	\$500,000	TCSP
San Diego	Imperial Avenue Corridor Master Plan	\$300,000	TCSP
San Diego	Regional Bus Replacement	\$450,000	BUS
San Diego	East County Bus Maintenance Facility	\$1,500,000	BUS
	Subtotal	\$3,400,000	

*Los Angeles was only county with a New Starts Full Funding Grant Agreement.

BUS	Buses and Bus Facilities
Federal Lands	Federal Lands
IM	Interstate Maintenance
TCSP	Transportation and Community and System Preservation Program



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
WK
From: Wendy Knowles, Clerk of the Board
Subject Triennial Performance Audit

Finance and Administration Committee

May 24, 2006

Present: Directors Campbell, Cavecche, Correa, Duvall, and Wilson
Absent: Director Pringle

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Direct staff to implement the recommendations in the Triennial Performance Audit of the Orange County Transportation Authority and Orange County Transit District, for fiscal years 2000-01 through 2002 03, specifically to:
 - 1. Improve and update policies and procedures related to the Transportation Development Act to ensure compliance with claims for funding, record retention, identifying, and monitoring productivity improvements for transit operators, and oversight of senior mobility programs;
 - 2. Ensure that the Transportation Development Act annual fiscal and compliance audits and triennial performance audits are completed in a timely manner and are submitted by the required due dates; and
 - 3. Implement procedures to monitor and follow up on prior triennial performance audit recommendations.

- B. Direct staff to implement procedures to monitor and follow up on the recommendations included in the Laguna Beach Municipal Transit Lines, Triennial Performance Audit, For the Fiscal Years 2000-01 through 2002-03.



May 24, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer *AW*
Subject: Triennial Performance Audit

Overview

A triennial performance audit was conducted for the Orange County Transportation Authority, the Orange County Transit District, and the Laguna Beach Municipal Transit Lines for the fiscal years 2000-01 through 2002-03. These triennial performance audits are required per California Public Utilities Code §99246.

Recommendations

- A. Direct staff to implement the recommendations in the Triennial Performance Audit of the Orange County Transportation Authority and Orange County Transit District, for fiscal years 2000-01 through 2002-03, specifically to:
 - 1. Ensure that the Transportation Development Act annual fiscal and compliance audits and triennial performance audits are completed in a timely manner and are submitted by the required due dates; and
 - 2. Implement procedures to monitor and follow up on prior triennial performance audit recommendations.

- B. Direct staff to implement procedures to monitor and follow up on the recommendations included in the Laguna Beach Municipal Transit Lines, Triennial Performance Audit, For the Fiscal Years 2000-01 through 2002-03.

Background

The California Public Utilities Code requires that all transit operators and Regional Transportation Planning Entities (RTPE) have a triennial performance audit conducted of their activities. These reports document the results of the triennial performance audits of the Orange County Transportation Authority

(OCTA) as the RTPE for the County of Orange, the Orange County Transit District (OCTD) as a transit operator, and the Laguna Beach Municipal Transit Lines (LBMTL) as a transit operator for the fiscal years 2000-01 through 2002-03. LBMTL management is responsible for implementing the recommendations in their report, and OCTA management, as the RTPE for the County of Orange, is responsible for monitoring and following up on their recommendations. The audit reports were filed with the State of California Controller's Office as required per California Public Utilities Code §99246. However, the audit report was filed late and has not been brought to the Finance and Administration Committee in a timely manner. The Internal Audit Department will ensure that the next triennial performance audit is completed and filed with the State of California in a timely manner.

The triennial performance audits provide OCTA, OCTD and LBMTL with an opportunity for an independent, objective, and comprehensive review of the economy, efficiency, and effectiveness of their organizations. Other benefits of a triennial performance audit include:

- Providing management with useful information to assess past activities and provide insight for future planning effort;
- Providing management with a review and evaluation of the organization and its operations; and
- Assuring public accountability for the use of public funds.

The audits were conducted by the firm formerly known as Conrad and Associates, L.L.P., now doing business as Mayer Hoffman McCann P.C. The audits were conducted in accordance with the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities, January 1998 (second edition)* published by the California Department of Transportation.

Discussion

The triennial performance audits for OCTA and OCTD disclosed that the organization is generally operating in an efficient and effective manner. Certain issues were identified that are in need of improvement, specifically:

- Need to revise and update the Local Transportation Fund Guidelines to include or clarify requirements concerning the Transportation Development Act (TDA) claims and take steps to ensure requirements are addressed;
- Need to develop procedures for recommending potential productivity improvements to the TDA claimants and for reporting results;
- Need to expand OCTA's reporting requirements and oversight for the senior mobility programs;

- Need to continue efforts to improve monitoring and implementation of prior audit recommendations;
- Need to improve policies and procedures relating to record retention; and
- Need to submit annual fiscal and compliance audits to the State Controller within 180 days after the fiscal year-end.

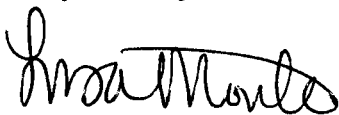
Summary

Triennial performance audits were conducted for OCTA as the RTPE for the County of Orange, for OCTD as a transit operator, and for LBMTL as a transit operator, for the fiscal years 2000-01 through 2002-03. These triennial performance audits are required per California Public Utilities Code §99246.

Attachments

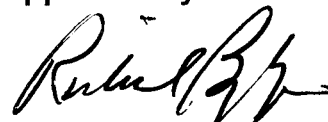
- A. Orange County Transportation Authority and Orange County Transit District, Triennial Performance Audit, For the Fiscal Years 2000-01 through 2002-03
- B. Laguna Beach Municipal Transit Lines, Triennial Performance Audit, For the Fiscal Years 2000-01 through 2002-03

Prepared by:



Lisa Monteiro
Acting Manager, Internal Audit
(714) 560-5591

Approved by:



Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND
ORANGE COUNTY TRANSIT DISTRICT**

Triennial Performance Audit

For the Fiscal Years
2000-01 through 2002-03

Prepared By:
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**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ORANGE COUNTY TRANSIT DISTRICT**

Triennial Performance Audit

For the Fiscal Years
2000-01 through 2002-03

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**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ORANGE COUNTY TRANSIT DISTRICT**

Triennial Performance Audit

For The Fiscal Years
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EXECUTIVE SUMMARY

This report documents the results of the triennial performance audits of the Orange County Transportation Authority (OCTA) as the Regional Transportation Planning Entity (RTPE) for the County of Orange, and the Orange County Transit District (OCTD) as a transit operator for the fiscal years 2000-01 through 2002-03. This triennial performance audit is required per Public Utilities Code (PUC) §99246. The triennial performance audit provides OCTA/OCTD with an opportunity for an independent, objective and comprehensive review of the economy, efficiency and effectiveness of the organization. Other benefits of the triennial performance audit include:

- Providing OCTA/OCTD management with useful information to assess past activities and provide insight for future planning efforts;
- Providing OCTA/OCTD management with a review and evaluation of the organization and its operation; and
- Assuring public accountability regarding the use of public funds.

Our review of OCTA/OCTD disclosed that the organization is generally operating in an efficient and effective manner. We did, however, identify specific issues that are in need of improvement. These issues include:

- Need to Revise and Update LTF Guidelines to Include or Clarify Requirements Concerning TDA Claims and Take Steps to Ensure Requirements are Addressed
- Need to Develop Procedures for Recommending Potential Productivity Improvements to TDA Claimants and for Reporting Results
- Need to Expand OCTA's Reporting Requirements and Oversight for the Senior Pilot Programs
- Need to Continue Efforts to Improve Monitoring and Implementation of Prior Audit Recommendations
- Need to Improve Policies and Procedures Relating to Record Retention
- Need to Submit Annual Fiscal and Compliance Audits to the State Controller Within 180 days after the Fiscal Year-end

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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Triennial Performance Audit

For The Fiscal Years
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EXECUTIVE SUMMARY (CONTINUED)

- Need to Ensure that Required Triennial Performance Audits are Completed Within One Year Following the End of the Triennium

Each of these findings is discussed in detail in the Findings and Recommendations section of this report.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ORANGE COUNTY TRANSIT DISTRICT**

Triennial Performance Audit

For The Fiscal Years
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INTRODUCTION

Background

The Orange County Transportation Authority (OCTA) was created in June 1991. The purpose of the OCTA is to provide a coordinated, efficient effort and accountable transportation planning services within the County of Orange. The OCTA was formed from a number of former agencies and funds, including the Orange County Transportation Commission, the Orange County Transit District, the Consolidated Transportation Services Agency, the Orange County Local Transportation Authority, the Orange County Service Authority for Freeway Emergencies, the Orange County Congestion Management Agency, the Orange County Service Authority for Abandoned Vehicles, the State Transit Assistance Fund, the Local Transportation Fund, the Orange County Unified Transportation Trust and the Transit Development Reserve.

OCTA serves as the Regional Transportation Planning Entity for the County of Orange. As such, it coordinates efforts of cities and assists and distributes grant funds to local jurisdictions for transportation enhancement efforts. It also ensures that transportation funds allocated to various agencies are spent in accordance with the rules and guidelines established by the State of California or the federal government. The RTPE is a long-range planning agency in which the future of transportation is planned in a 25 to 30 year horizon. OCTA spends considerable time and effort in long-range planning.

The OCTA is responsible for a variety of consolidated programs which benefit commuters in Orange County. The services provided include: abandoned vehicles program; bikeways; bus service; call boxes; carpool lanes; commuter rail service; construction management; freeway construction; freeway service patrol; growth management planning; intelligent vehicle highway systems; paratransit services; park and ride lots; signal coordination; smart streets program; transit center; and TIP (travel tip).

Scope of Audit

This triennial performance audit has been conducted in accordance with the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities, January 1998 (second edition)*. The performance audit is a systematic process for evaluating an organization's effectiveness, efficiency and economy of operation under management control. In order to complete the performance audit of the OCTA/OCTD, our procedures included the following:

- A review of compliance requirements
- A follow-up review of prior performance audit recommendations
- An overview of RTPE functions
- A detailed review of RTPE functions

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ORANGE COUNTY TRANSIT DISTRICT**

Triennial Performance Audit

For The Fiscal Years
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INTRODUCTION (CONTINUED)

- An overview of transit operator functions
- A detailed review of transit operator functions
- A verification of transit operator performance indicators

Recommendations are based upon findings and conclusions developed through OCTA/OCTD personnel interviews, observations, walkthroughs, sampling and analysis of performance indicator trends.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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Triennial Performance Audit

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AUDIT RESULTS

Compliance Review

OCTA is generally in compliance with the applicable sections of the Public Utilities Code (PUC), except as noted below. See finding numbers 2, 3, 5 and 6 in the Findings and Recommendations section of this report.

<u>PUC Section</u>	<u>RTPE Compliance Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99231	All transportation operators and city or county governments, which have responsibility for serving a given area, in total, claim no more than the Local Transportation Funds apportioned to that area.	Compliance	A comparison of allocation to apportionments indicates compliance in the programming of funds.
99233 and 99234	The RTPE has adopted rules and regulations delineating procedures for the exclusive use of pedestrians and bicycles.	Compliance	Procedures for submitting claims for bicycle and pedestrian facilities are included in OCTA's <i>Guidelines for Preparation of Local Transportation Fund Claims</i> .
99238 and 99238.5	The RTPE has established a social services transportation advisory council. The RTPE must ensure that there is a citizen participation process, which includes at least an annual public hearing.	Not applicable	OCTA is exempt from this requirement since it is subject to the apportionment restriction established in PUC §99232. However, OCTA has a Special Needs Transit Advisory Committee that provides for public participation.
99244	The RTPE has annually identified, analyzed, and recommended potential productivity improvements, which could lower the cost of those operators which operate at least 50% of their vehicle service miles within the RTPE's jurisdiction.	Partial Compliance	OCTA continuously identifies and recommends productivity improvements for OCTA, but has not done so for the Laguna Beach Municipal Transit Lines, its other operator.
99245	The RTPE has ensured that all claimants to whom it allocates Transportation Development Act funds submit to it and the State Controller an annual certified fiscal and compliance audit within 180 days following the end of the fiscal year.	Partial Compliance	Audit Completion Dates: FY00-01 2/20/02 (non-compliance) FY01-02 5/30/03 (non-compliance) FY02-03 12/29/03 (compliance)

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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Triennial Performance Audit

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AUDIT RESULTS (CONTINUED)

Compliance Review (Continued)

<u>PUC Section</u>	<u>RTPE Compliance Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99246 & 99248	The RTPE has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennia).	Compliance	OCTA complied by contracting the required triennial performance audit of itself and its operators for the current and previous triennia.
99246(c)	The RTPE submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPE has certified to the Director that the performance audits of operators located within its jurisdiction have been completed.	Partial Compliance	OCTA submitted the triennial performance audits of itself and its operators to the Director of the California Department of Transportation. However, the audits were not completed within one year following the end of the triennium.
99246(d)	The performance audit of transit operators should include a verification of the operator's cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile and vehicle service hours per employee. The performance audit should also include consideration of the needs and types of passengers being served, employment of part-time drivers and contracting with common carriers.	Compliance	The performance audits of the operators included the required performance indicators, as well as a review of passenger needs, use of part-time drivers and contracting with common carriers.
99270.1 & 99270.2	The RTPE has established rules and regulations regarding revenue ratios for transportation operators providing services in areas that are both urbanized and non-urbanized, and new urbanized areas.	Compliance	Farebox recovery requirements and consequences of not meeting the requirements are included in OCTA's <i>Guidelines for Preparation of Local Transportation Fund Claims</i> .
99275.5	The RTPE has adopted criteria, rules and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.	Non-compliance	OCTA has not implemented any rules or criteria for determining the cost effectiveness of proposed community transit services.
99310.5, 99313.3 & Prop 116	State Transit Assistance (STA) funds received by the RTPE are allocated only for transportation planning and mass transportation purposes.	Compliance	OCTA allocates STA funds exclusively for transit operations.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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Triennial Performance Audit

For The Fiscal Years
2000-01 Through 2002-03

AUDIT RESULTS (CONTINUED)

Compliance Review (Continued)

<u>PUC Section</u>	<u>Operator Compliance Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99314.3	The STA funds received are allocated to operators with the RTPE's jurisdiction.	Compliance	OCTA allocates the STA funds received to the OCTD which serves the entire County.

The OCTD is generally in compliance with the applicable sections of the Public Utilities Code (PUC) as noted below. See finding numbers 1 and 5 in the Findings and Recommendations section of this report.

<u>PUC Section</u>	<u>Operator Compliance Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99243	The operator submitted annual reports to the RTPE based on the Uniform System of Accounts and Records.	Compliance	State Controllers Report Audit Completion Dates: FY00-01 12/21/01 FY01-02 12/19/02 FY02-30 11/20/03 Although each report was submitted after the required date, OCTD had approval from the State for late report submittal for all audit years.
99245	The operator submitted annual fiscal and compliance audits to RTPE and State Controller within 180 days after fiscal year end.	Partial Compliance	Audit Completion Dates: FY00-01 2/20/02 (non-compliance) FY01-02 5/30/03 (non-compliance) FY02-03 12/29/03 (compliance)
99251	The CHP has, within 13 months prior to each TDA claim submitted, certified the operator's compliance with Vehicle Code §1808.1 following CHP inspection of the operator's terminal.	Compliance	Annual CHP certificates were on file and submitted with OCTA's TDA claims.
99261	The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPE for such claims.	Partial Compliance	OCTD TDA claims do not include required performance data per OCTA's <i>Guidelines for Preparation of Local Transportation Fund Claims</i> .
99264	The operator does not routinely staff with two or more persons, public transportation vehicles that are designed to be operated by one person.	Compliance	OCTD does not staff transit vehicles with more than one person.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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Triennial Performance Audit

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AUDIT RESULTS (CONTINUED)

Compliance Review (Continued)

<u>PUC Section</u>	<u>Operator Compliance Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99266	The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Compliance	Percent change in operating budget: FY00-01 to FY01-02 17.34% FY01-02 to FY02-03 18.0% Justification statements were properly prepared by management and included in the annual TDA claim.
99268	Operator funding provided through TDA makes up no more than 50% of operating, maintenance, capital and debt service requirements.	Not applicable	OCTD complies under the revenue ratio for older operators, which requires OCTD to achieve a farebox recovery ratio of 24.42%.
99268.2 99268.3 99268.12	The operator has maintained a ratio of fare revenue to operating costs equal to at least 20% if he operator provides service in an urbanized area, or a ratio of fare revenues to operating costs equal to or exceeding the ratio it had during 1978-79 fiscal year, whichever is greater. OCTD achieved a farebox recovery ratio of 24.42% for FY78-79.	Compliance	Farebox recovery ratio (goal 24.42%) FY00-01 35.02 % FY01-02 34.58 % FY02-03 26.22%
99268.2 99238.4 99268.5	If the operator serves a rural area, the fare revenues to operating costs must be at least equal to 10%.	Not applicable	N/A – OCTD does not operate in a rural area.
99271	The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPE which will fully fund the retirement system within 40 years.	Compliance	Per documentation from the Chief Financial Officer for the Orange County Employees Retirement System, the current retirement system for OCTD is fully funded.
99314.5(c)	If the operator receives STA funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers	Compliance	OCTD is not precluded by contract from employing part-time drivers and contracts with Laidlaw for paratransit and selected fixed route services.
CA Code of Regs §6754(a)(3)	If the operator receives STA funds, the operator makes full use of funds available from the FTA before TDA claims are made.	Compliance	During the audit period, OCTD made full use of FTA funding prior to utilizing TDA funds.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
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Triennial Performance Audit

For The Fiscal Years
2000-01 Through 2002-03

AUDIT RESULTS (CONTINUED)

Status of Prior Performance Audit Recommendations

The prior triennial performance audit identified eight recommendations for improvement. Recommendations 1 through 5 relate to the performance of OCTA as the RTPE, and recommendations 6 through 8 refer to the performance of the OCTD. During our performance audit, we reviewed documents and discussed the implementation of the prior recommendations with OCTA's/OCTD's management. As a result of our review, we have determined the status of the prior triennial performance audit recommendations as identified below.

- (1) Need to revise and update LTF Guidelines to include or clarify requirements concerning TDA claims and take steps to ensure requirements are addressed. OCTA has indicated that the LTF guidelines are updated periodically as needed. However, specific recommendations made in the previous triennial performance audit are currently being reviewed by Financial Planning & Analysis personnel. Therefore, this finding remains open and has been repeated as finding number 1 in the Findings and Recommendations section of this report.
- (2) Need to develop procedures for recommending potential productivity improvements to TDA claimants and for reporting results. OCTA has indicated that it has made considerable progress in this area and now has an excellent performance reporting system in place. OCTA has been implementing performance and productivity improvement reporting methods for several years now. Additionally, Laguna Beach Municipal Transit Lines (LBMTL) provides OCTA with annual reports on their productivity. However, the specific recommendations made as part of the prior triennial performance audit are currently being reviewed by Financial Planning & Analysis personnel. Therefore, this finding remains open and has been repeated as finding number 2 in the Findings and Recommendations section of this report.
- (3) Need to expand OCTA's reporting requirements and oversight for the senior pilot programs. OCTA has been receiving monthly reports of ridership, miles, hours, and expenses from Senior Mobility Program (SMP) cities since the program's inception. To assure consistency in reporting, OCTA provided definitions for transit reporting terminology to all SMP cities in November 2003. These data definitions are based on the National Transit Database (NTD).

Although this finding has been resolved as of the date of our fieldwork, it remained open for the entire triennial audit period. As such, it has been repeated as finding number 3 in the Findings and Recommendations section of this report.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
AND ORANGE COUNTY TRANSIT DISTRICT**

Triennial Performance Audit

For The Fiscal Years
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AUDIT RESULTS (CONTINUED)

Status of Prior Performance Audit Recommendations (Continued)

- (4) Need to begin reporting to the public on transportation performance, accomplishments, and challenges. Per discussions with personnel in Marketing, OCTA has published numerous pamphlets, brochures and posters to inform the public about current performance and accomplishments. The publications also document OCTA's plans for the future and the impact on the community. We reviewed the documents and found them to adequately address the prior audit recommendation. As such, this finding has been resolved.
- (5) Need to continue efforts to improve monitoring and implementation of prior audit recommendations. As of the beginning of our fieldwork, OCTA's Internal Audit Department had not yet followed up on prior performance audit recommendations. This follow-up process began during the course of our fieldwork. In the future, the Internal Audit Department has stated it will ensure that appropriate management is informed about the triennial performance audit recommendations. Additionally, they will obtain updates from management on the progress of implementing the recommendations on an annual basis. Therefore, this finding remains open and has been repeated as finding number 4 in the Findings and Recommendations section of this report.
- (6) Need to closely monitor and evaluate the impacts of recent service changes to fixed-route services. Effective July 1, 2000, OCTD has implemented a new Transit Services Monthly Performance Measurements Report that tracks various performance measurements and how well OCTD is meeting budgeted targets. Staff meets monthly with the management team to discuss the results and address any deficiencies. OCTD has also implemented a "Customer First" initiative throughout the entire agency. This initiative tracks riders' comments, which has made the agency and staff more responsive to riders' needs. Every service change is monitored to determine how OCTD is meeting targets in terms of ridership gains and losses. As such, this finding has been resolved.
- (7) Need to pursue actions and plans to enhance efficiency and effectiveness for demand response services. Since the last performance audit, OCTD has consolidated its demand response services with one contractor. Daily trip sheet data is compiled by the contractor and submitted to OCTD for analysis to help improve efficiency and effectiveness. Secret riders are also employed by OCTD to utilize the service and document the contractor's performance. Evaluation reports from the secret riders are also analyzed to determine if services are efficient and effective. Demand response service performance data has been

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Status of Prior Performance Audit Recommendations (Continued)

- (7) incorporated into OCTD's regular performance monitoring reports to senior management and the Board of Directors. As such, this finding has been resolved.
- (8) Need to continue to improve fixed route and demand response data collection and reporting. Effective July 1, 2001, OCTA has required its demand response contractor to summarize daily trip sheet data and submit the data with the physical trip sheets to OCTD on a monthly basis. All data information and reporting for demand response and purchased fixed route is centralized within the Community Transportation Services (CTS) department. Information gathered by the CTS department is used to compile the National Transportation Database (NTD) report. As such, this finding has been resolved.

Functional Review

The RTPE and operator functions of OCTA and OCTD operate under the same Board of Directors and management. Many of the divisions within the organization perform dual roles in the RTPE and operations functions. The operation of the OCTA/OCTD has been divided into seven major areas for purposes of our functional review. Specifics regarding OCTA's role as the RTPE have been included in these major areas. Those major areas include:

- General Management and Organization
- Service Planning
- Scheduling, Dispatch and Operations
- Personnel Management and Training
- Administration
- Marketing and Public Information
- Maintenance

Each of the major areas is discussed in detail in the sections that follow.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

General Management and Organization

Administrative Oversight and Organizational Structure and Reporting

The OCTA was established through legislation by the State of California in June of 1991. This legislation created the OCTA as the planning agency for the County of Orange by consolidating a number of governmental and non-profit agencies under one large planning agency.

The OCTA is governed by a 12-member Board of Directors consisting of four members of the Orange County Board of Supervisors, six city council members selected by all the cities within the County, one public member selected by the other 10 Board members, and a non-voting representative appointed by the Governor of the State of California. The Board has three alternates, consisting of the fifth Orange County Supervisor, a city council member and a public member. OCTA/OCTD is managed by a Chief Executive Officer (CEO) in accordance with directions, goals and policies approved by the Board.

The Board of Directors is responsible for all policy decisions affecting the organization, including approval of the annual operating and capital budget, as well as fare policy. The organizational structure is approved by the Board of Directors.

The OCTA is organized into functional divisions. Each division is responsible for specific tasks within the organization. Over the three years under review, OCTA has realigned reporting responsibilities and functions between divisions. During the triennial period, the organizational structure has changed three times. These organizational changes have all resulted in well-defined divisions with specific duties and responsibilities.

Between fiscal years 1999-00 and 2000-01, the following organizational changes were made:

- The Assistant CEO was named as the Interim CEO and had direct reporting from six divisions. In addition, the Clerk of the Board was transferred from the Division of Government Affairs to the CEO.
- A new Transportation Systems Development Division was created.
- The Public Communications Department was transferred from the Division of Government Affairs to the Division of Planning and Development.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

General Management and Organization (Continued)

Administrative Oversight and Organizational Structure and Reporting (Continued)

- The Project Development and Urban Rail Department was transferred from the Division of Planning and Development to the Transportation Systems Development Division.

Between fiscal years 2000-01 and 2001-02, the following organizational changes were made:

- The direct reporting to the CEO increased from two individuals to eleven divisions;
- The Rail Activation and Operations Division, and the Marketing and Public Communications Division were new Divisions that were added to the responsibilities of the CEO.
- The direct reporting to the Assistant CEO decreased from six divisions to zero.
- Several functions were moved between divisions and additional duties were added to some divisions.
- The organization experienced turnover in two management positions.

Between fiscal years 2001-02 and 2002-03, the following organizational changes were made:

- The 91 Express Lane Division was added.
- Created a second Executive Office Division to serve as Executive Chief to Staff.
- The organization experienced turnover in another four management positions.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

General Management and Organization (Continued)

Technical and Managerial Assistance to Operators

There are two transit operators that operate within the jurisdiction of OCTA, OCTD and LBMTL. Since OCTA and OCTD are so closely related, all technical and managerial assistance is provided to OCTD by OCTA. LBMTL has indicated through interviews that they have not had a need nor asked for technical assistance on a formal basis. However, they stated that OCTA staff has always been helpful in answering questions or assisting as requested.

Communication of TDA Reporting and Information

The RTPE is to ensure that all of its jurisdictions have been provided the regional planning documents which are prepared by OCTA. OCTA's regional plans are public documents which are available to the public and have been distributed to all local agencies in the County.

Service Planning

Short Range Planning, Strategic Planning and Regional Transportation Plan

OCTA has a Division of Strategic Planning whose function is to develop and prepare long-range plans for the OCTA. During the planning process, OCTA has an outreach program to obtain input from various stakeholders in the County, which include: cities; elected officials; business owners; land developers; and the general public.

The OCTA maintains a 30-year long-range strategic plan which guides the organization's goals and objectives. In addition, OCTA is required to participate in the regional planning efforts of the Southern California Association of Governments (SCAG). A 25-year Regional Transportation Plan (RTP) is developed with the six southern California counties' input. The development of the RTP is the responsibility of SCAG, and not a responsibility of the OCTA. This plan is updated every three years. The OCTA plan is updated in the off year from the SCAG Regional Transportation Plan.

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Functional Review (Continued)

Service Planning (Continued)

Short Range Planning, Strategic Planning and Regional Transportation Plan (Continued)

In September 2001, in an effort to develop its planning strategies, the OCTA Board of Directors adopted a program known as 10 Initiatives in 10 Years, which focuses OCTA on projects of importance to the organization. With the focus defined, OCTA then developed a Comprehensive Business Plan, which is designed to move the agency forward with its established goals and objectives. This Comprehensive Business Plan is updated annually.

OCTA has a well-defined and established strategic planning program and continues to develop and refine its planning to ensure that goals and objectives are set and achieved.

Evaluation of Existing Fixed Routes and Surveys of Riders and Non-Riders

OCTA Marketing and Public Communications Department contracted with an outside consultant in 2001 to complete an on-board bus survey. Additionally, the Department contracted with an outside consultant in 2002 to prepare a study entitled "Orange County Market Profile: Hispanic and Senior Communities. Surveys and studies like these are shared with the Transit Services Division, who evaluates the results and determines what changes to fixed route services are needed, if any, and whether the changes can be accommodated with existing budget and equipment resources.

Planning for and Servicing Special Transportation Needs

The OCTA/OCTD has contracted with Laidlaw Transit Services, Inc. (Laidlaw) to provide for management, operations, training and maintenance services for the Americans with Disabilities Act (ADA), ACCESS paratransit services, special agency transportation and contracted fixed route services. The various services offered through this contract include:

- Curb to curb service for riders certified by ACCESS;
- A door-to-door escorted service for ACCESS-certified riders can be used for an additional cost;
- A subscription service allows riders to receive service without the need to call and request a trip; and
- Back-up service for non-emergency, unplanned medical appointments available to ADA-certified riders.

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Functional Review (Continued)

Service Planning (Continued)

In addition, OCTD offers reduced rates for seniors, youth and the disabled.

Public Participation/Hearings

The OCTA Board of Directors meets on the second and fourth Mondays each month to discuss policy issues that affect the organization. These meetings are open to the public and they are publicized to allow anyone the opportunity to address the Board of Directors, as required by the Brown Act. All routine Board of Directors' meetings are held at the Planning Commission Hearing Room at the Orange County Hall of Administration located in Santa Ana, California. The Board of Directors conducts public hearings prior to adopting any route changes, service hour changes, fare increases or other changes of public concern. In addition the Board of Directors will address all issues related to its role as the RTPE in these public meetings.

Scheduling, Dispatch and Operations

OCTD and Laidlaw provide separate scheduling, dispatch and operations services based on the services provided to the public. Each section below will discuss OCTD and Laidlaw separately by topic.

Assignment of Drivers to Routes

OCTD drivers bid on routes established by the Transit Operations Division, Transit Service Planning Department on a quarterly basis. Each driver will select the route(s) they would like to operate. Routes will then be assigned to drivers based on seniority in accordance with their union contract. Route assignments will last for a period of three months. A driver can continue to bid on the same route, if it is available. There is no requirement for a driver to rotate or be assigned different routes.

Laidlaw operates on a seniority system for all services provided. Coach operators bid on routes on a quarterly basis or when a vacancy occurs that requires a route to be assigned a driver.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Scheduling, Dispatch and Operations (Continued)

Vacation, Absences and Sick Leave

OCTD requires the vacations of its operations personnel to be scheduled in advance to ensure that all of the routes have adequate coverage. Each driver earns vacation leave in accordance with their union contract. Based upon the length of service with the organization, drivers can accumulate and carry over vacation time ranging from 160 to 240 hours per year. Once the driver reaches the maximum vacation hour accrual, vacation time will stop accumulating until the driver takes a vacation. Sick leave and all other absences require the employee to provide an eight-hour advanced notice.

Extra boards are utilized to fill in for sick or vacationing drivers. Extra boards are made up from new employees who do not yet have a scheduled route, or full-time employees desiring additional work. Extra boards report to the assigned bases and may be designated a route to operate or placed on standby until needed. Drivers may also participate in a voluntary call back program, whereby drivers may be called in to work on their day off. If a driver is called in, he/she receives pay at time and one-half of their hourly rate.

At Laidlaw, all vacations by coach operators are scheduled in advance to ensure that all routes have adequate coverage. Part-time employees and overtime may be used to fill in for vacations, absences and sick leave if necessary.

Assignment of Passengers to Demand Responsive Routes

Passengers requiring demand responsive services must demonstrate physical disability in order to qualify for the service. Potential passengers must come to OCTA and complete an application and pass a physical inspection to qualify for the program. Once qualified, the passenger may utilize the demand responsive service for up to five years. If the passenger wants to continue using the service after the five-year period, they must complete another application and pass another physical inspection.

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Functional Review (Continued)

Scheduling, Dispatch and Operations (Continued)

Assignment of Passengers to Demand Responsive Routes (Continued)

OCTA contracts with Laidlaw to provide demand responsive service. In order to provide this service, Laidlaw has a call center which is staffed from 7:00 a.m. to 5:00 p.m., 365 days per year. A customer can place a reservation up to 7 days in advance. When a reservation agent receives a request for service, the agent will schedule the client at the time of the call. If for some reason the reservation cannot be placed at the time of the call, the computer system will attempt to get the person scheduled for the requested trip. Drivers are provided new routes daily due to the nature of the demand responsive service. Demand responsive service operates Monday through Friday from 4:15 a.m. to 12:15 a.m., and Saturdays, Sundays and Holidays from 5:00 a.m. to 11:00 p.m.

OCTD operates a "Night Owl" service by offering two bus routes 24-hours per day, 7 days per week. In addition, OCTD contracts with a taxi cab company that will provide pickup and drop-off services, by appointment, within $\frac{3}{4}$ of a mile of each of the two bus routes.

Assignment of Vehicles to Routes

At the end of the day, all vehicles return to the maintenance facility for routine inspection. Each vehicle is inspected to ensure a safe ride for the next morning. Vehicles identified as needing repair or normal maintenance are taken out of service by the maintenance supervisor. Only after the necessary repairs have been completed and the work inspected by a supervisor, can the vehicle be placed back into service. During the time the vehicle is in repair, the vehicle is "locked" and placed on a hold list, which prevents dispatch from assigning the vehicle to any drivers. Maintenance supervisors are the only personnel authorized to "unlock" a vehicle from the hold list.

Part-time Drivers

Both OCTD and Laidlaw use part-time drivers on a regular basis. These part-time employees at OCTD and Laidlaw are part-time by choice.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Personnel Management and Training

In our functional review of personnel management and training, we noted that the OCTA/OCTD has established policies for recruitment, motivation, training and safety, and discipline. In addition we reviewed the policies, procedures and practices of Laidlaw, as they provide all paratransit services for the OCTA/OCTD and 20 fixed routes within the OCTD system. The discussions in the sections that follow are separated into OCTA/OCTD and Laidlaw by topic.

Recruiting

OCTA/OCTD recruits for coach operators through a continuous recruitment process to ensure that there are always enough operators to run the bus operations. Advertising is done through various local newspapers and the application process is always open. OCTD hires both experienced and inexperienced drivers. They have an extensive training program which prospective drivers must pass prior to hiring on as a full-time permanent employee. OCTD has an effective affirmative action plan.

Laidlaw manages its recruiting based upon forecasts of employee terminations. Laidlaw tracks employee terminations and then recruits and advertises in the local newspapers and works with the State of California Employment Development Department to hire coach operators. Although Laidlaw does not have a formal affirmative action plan, its workforce is very diverse.

Motivation

The OCTA/OCTD does not have any specific motivation policies and/or programs in place. However, there is an incentive program at OCTA/OCTD that allows employees to cash out unused accumulated sick time in excess of 120 hours per year. This incentive program encourages employees to only use sick leave for a bona fide illness. According to the requirements of the union contract, job performance evaluations are not regularly given to coach operators. OCTD's driver turnover rate is very low, at approximately 6 to 8 drivers per month.

Laidlaw does not have any motivation or incentive policies in place. All Laidlaw employees receive annual performance evaluations. According to Laidlaw, their turnover rate is approximately 56% during the first 90 days of employment. They attribute this high turnover rate to their current system of scheduling based upon seniority. New drivers are given the least desirable shifts. Laidlaw is always recruiting drivers so that this turnover rate does not affect service.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Personnel Management and Training (Continued)

Training and Safety

OCTA/OCTD has an extensive coach operator and bus training program, which is in compliance with the Department of Transportation guidelines, for both new and experienced coach operators. Initial training consists of 120 hours of classroom and driving instruction. Subjects covered include: driving instruction, customer service training, safety procedures, assisting the disabled, bus familiarization, medical certifications and OCTD policies and procedures.

Laidlaw provides 64 hours of training for all new hires, whether experienced or not, which is provided by a Department of Transportation certified full-time employee. Laidlaw will train inexperienced coach operators and assist them in getting the proper licenses and certifications. In addition, federally required training is provided annually to all coach operators.

All buses, whether operated by Laidlaw or OCTD, are owned by OCTA and are equipped with various safety equipment including fire extinguishers, emergency exits, safety brakes and bells for reverse.

Discipline

OCTA/OCTD has a progressive disciplinary process and procedure which is clearly communicated to all employees. This process is defined in the union contract between OCTA and the union.

Laidlaw has a progressive disciplinary process and procedure as well. All employees are given a copy of the policy their first day of employment and are asked to sign that they have received the policy.

Both OCTA/OCTD and Laidlaw have drug and alcohol policies that clearly define processes and procedures should an employee fail a random drug test or otherwise be suspected of abusing alcohol or drugs.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Personnel Management and Training (Continued)

Benefits

Full-time drivers of OCTA/OCTD and Laidlaw are offered benefits. These benefits include: medical; dental; vacation; sick leave; retirement; and 401K plans. At OCTA/OCTD part-time employees are offered benefits at half the rate of full-time employees. Laidlaw part-time employees are not offered benefits. Benefits are communicated through written form and annual open enrollment periods and for all new hires.

Administration

Budgeting and Management Information Systems

OCTA utilizes the Budget Activity Reporting System (BARS) as its online budget system. This system is an access-based system that is internally supported. It is used for creating and tracking the annual budget. The annual budget requests are submitted from the various functional groups within OCTA along with written line item justifications. The Financial Planning and Analysis (F/P&A) Department review budget requests and justifications. They work with the divisions and departments if any modifications or changes are needed. Revenue estimates are developed by F/P&A and reviewed and adjusted as appropriate by F/P&A. Once the process with the divisions and departments is completed, the annual budget is presented to management and to the Board of Directors for approval. All budget amendments, regardless of dollar amount or the affected line item, must be approved by the Board of Directors.

Throughout the course of the triennial period, there has been an increased emphasis from OCTA management to evaluate performance and make operating decisions based upon data. Therefore, the BARS system is heavily relied upon to generate information that will support this requirement. The BARS system is updated biweekly with data from the Integrated Financial Accounting System (IFAS), which provides line item detail for monthly financial reporting. Financial reports tracking a variety of performance indicators are provided to OCTA management and to the Board of Directors on a monthly basis. These reports are used as a management tool to identify areas for improvement and to analyze favorable or unfavorable trends.

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Functional Review (Continued)

Administration (Continued)

Budgeting and Management Information Systems (Continued)

The Technical Services Department within OCTA manages and oversees the management information systems. They are responsible for installing all computer equipment, as well as being the central help line for employees who have trouble with their computer systems. All employees are required to login to the system with a password to gain access to OCTA's network. Passwords are required to be changed every 120 days. Additional passwords are required to gain access to certain programs within OCTA.

Access to programs (BARS, IFAS, etc.) is limited to employees assigned to a department requiring access to the specific program. Department supervisors must complete a request form to add an employee to the list of approved operators of a particular program.

All OCTA data is backed up daily and stored off site with an independent third party. Copies of the original program software are also stored off site. However, program software is only backed-up if there has been a modification or source code update. On an annual basis, OCTA tests their Disaster Recovery Plan, which simulates a systems failure, and the Technical Services Department attempts to bring OCTA's network back on-line.

Financial and Grants Management

The OCTA is responsible for managing all Local Transportation Funds that are allocated from the State of California. Local jurisdictions can request Local Transportation Funds from OCTA through a grant application process. Payment is based on a claims process in which the jurisdiction must provide adequate justification and support for the request for funds.

In order to assist local jurisdictions with this process, OCTA has prepared a document entitled *Guidelines for Preparation of Local Transportation Fund Claims*. This document is intended to assist the local jurisdictions with the preparation of the claim forms. However, our review of these guidelines determined that the procedures could be improved upon to provide more detailed information. This condition was reported as a finding in the prior triennial audit, and has been repeated as Finding Number 1 in the Findings and Recommendations section of this report.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Administration (Continued)

Financial and Grants Management (Continued)

OCTA is responsible for assisting other transit operators within its jurisdiction to ensure they are as productive as possible. Within OCTA's jurisdiction, the only transit line other than OCTD is LBMTL, operated by the City of Laguna Beach. This is a very small 3-bus operation. OCTA identifies and analyzes productivity improvements on a quarterly basis for OCTD. However, it has not offered any technical or managerial assistance to LBMTL. It is the responsibility of OCTA, as the RTPE to provide this assistance to all operators within their jurisdiction, regardless. This condition was reported as a finding in the prior audit, and has been repeated as Finding Number 2 in the Findings and Recommendations section of this report.

The F/P&A Department coordinates grant applications and manages grant compliance. The Manager, Grant Applications identifies available grants and ensures a smooth transition from the application process to the implementation of the grant. For each year of the triennial period, OCTA received in excess of \$400 million of grants from federal and state agencies, as well as local governments and special districts.

The Comprehensive Business Plan (CBP) developed by F/P&A is used to create OCTA's annual budget requirements and grant money is utilized based upon this plan. It is the Manager, F/P&A responsibility to manage the grant budget and ensure that grant funds are used in accordance with the various rules and regulations. Additionally, the Board of Directors receives a quarterly update on the status of existing grants and future grant applications.

OCTA, acting as the RTPE, is responsible for managing Transportation Development Act (TDA) funds. TDA Article 4.5 funds are designated for paratransit operating and capital purposes. OCTA uses these funds for its senior mobility program. This program is operated by various cities and non-profit organizations within OCTA's jurisdiction on a voluntary basis. During the prior triennial performance audit, it was recommended that OCTA improve its reporting requirements and better define data requirements and how they should be collected by local jurisdictions. During the triennial period under audit, OCTA did not amend its guidelines to address the weaknesses previously identified. As such, this condition has been reported as Finding Number 3 in the Findings and Recommendations section of this report.

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Functional Review (Continued)

Administration (Continued)

Risk Management and Insurance

The OCTA/OCTD has an extensive risk management and insurance program. These programs are designed to minimize the exposure to loss. The OCTA is insured for its risk to loss related to: per occurrence, buses, EDP, extra expenses, off premises service interruption – direct property damage excluding overhead transmission lines, accounts receivable, valuable papers, fine art unnamed locations, pollution clean up and removal, newly acquired property and building ordinance. OCTA is self-insured for liability and has a second excess policy for additional liability coverage. Insurance coverage is adjusted every year based on the needs of the agency. Every two years, OCTA contracts with an outside firm to complete an actuarial and funding study of their self-insurance program. This study is conducted to compare the estimated outstanding losses with the projected available funds in order to evaluate whether OCTA has adequate funds to remain self-insured. In addition to liability insurance, OCTA carries two types of property insurance for general property owned and leased by OCTA, and 91 Express Lanes property insurance for coverage of the 91 Express Lanes, which was purchased by OCTA in January 2003.

In addition to the insurance policies carried by OCTA, there is an accident loss and control section within the Risk Management Department which reviews and determines the cause of accidents involving OCTD. This function is responsible for determining the reasons for an accident and providing feedback to prevent such accidents in the future.

Contracts Management

Contracts management responsibilities are clearly defined within the organization. Contracts Administration and Materials Management is a department within the Finance Administration & Human Resources Division. This Department is responsible for ensuring that all contracts are bid within the guidelines established by the OCTA. OCTA has a policies and procedures manual that documents procurement policies and procedures. All contracts clearly identify the scope of work, the time frame in which the work is to be completed and a stated price. The responsibility for contracts belongs to the Contracts Administration and Materials Management Department until such time as the contract is awarded either internally or by the Board of Directors depending on the dollar limits and type of contract awarded. At the time of contract award, the responsibility for managing the contract and paying the contractor belongs to the project manager for the contract.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Administration (Continued)

Contracts Management (Continued)

Payments are monitored by both the project manager and the Finance and Administration Division.

Should a change order be necessary, the purchasing policies and procedures clearly identify the approval process and lines of authorization based on specific dollar thresholds.

Facility Management

Based upon our observations, it appears that facility management responsibilities for leased and owned facilities are clearly assigned within OCTA. Janitorial services, groundskeeping, and building maintenance and repair are all included in OCTA's lease agreement for office space. OCTA performs day-to-day maintenance for owned facilities and uses a Maintenance Accounting and Purchasing System (MAPS) to keep track of all pre-planned work orders. MAPS is also used as a management tool for workload allocation for the maintenance staffing.

Laidlaw provides its own facility management. The facility is clean and well organized.

Revenue Collection and Cash Management

OCTA uses the General Farebox Incorporated (GFI) farebox recovery system. The initial implementation of this system was in March 2002, and the system went live in July 2002. This new technology dramatically enhanced OCTA's ability to track actual fare revenue and related statistics. This system enables OCTA to track actual revenue and report it by passenger boardings, fare type, farecard or currency, day and route. Prior to this technology, farebox revenue was collected manually by the bus operators. This new technology enables OCTA to more accurately validate farebox revenues. Each day, maintenance employees are responsible for downloading the fare data from the fareboxes and collecting the revenue from the farebox. A receiver box is located at each base that is used to transfer the currency from the farebox without the maintenance employee having access to the currency. The currency is collected by an armored truck service and transported for deposit to OCTA's bank account.

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Functional Review (Continued)

Administration (Continued)

Security provided for this system includes silent alarms, cameras, and computer records. The controls in place appear adequate.

Revenue Collection and Cash Management (Continued)

OCTA operates only one bank account for daily cash activity, although they do have other concentration accounts for payroll and other special uses. The daily activity account is downloaded from the bank and reconciled each day to the daily deposit report from the GFI system. The bank account is traditionally reconciled on a monthly basis.

An investment policy is created annually and sets the parameters for all investment strategies for the year. Initially, the investment policy is presented to the Finance and Administration Subcommittee of the Board of Directors. Once it has been approved by the Subcommittee, it is presented to the full Board of Directors for approval. Oversight to ensure adherence to the investment policy is performed by internal and external auditors. Internal auditors perform quarterly reviews to ensure that securities purchased meet the minimum requirements and that the Accounting Department makes the appropriate entries. They also review and verify balances on the monthly and quarterly statements that are received from the securities dealers and/or banks holding the investments. External auditors annually review transactions and investment holdings for compliance with the investment policy and the California Government Code. The Finance and Administration Committee review monthly reports and the Board of Directors review quarterly reports provided by the Treasury/Public Finance Department.

Payroll

OCTA uses the Fastfile System to process payroll, which is an integrated Personnel and Payroll system. This consists of a secured database that is used for employee records, pay rates, benefit selections and other key employee data. There are three methods used for collecting payroll: Automated Coach Operator Reporting System (ACORS); Electronic Timesheets System (ETS); and manual timesheets. ACORS, which is used by the coach operators, is password protected and contains a listing of all coach operators' bid schedules and fixed hours. Maintenance personnel use ETS, which is also preloaded with all of the employee schedules. Employees are only required to input exceptions into this system. All other employees prepare traditional manual timesheets. These timesheets are approved by management and submitted to payroll.

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Functional Review (Continued)

Administration (Continued)

Payroll (Continued)

Fastfile is used by Human Resources to change/update personnel records and payroll data. This system is monitored by payroll personnel to ensure that only authorized users gain access. This system records tracks access activity. If unauthorized personnel attempt to gain access, the system denies access and the attempt would be logged. It is up to the department with primary responsibility for the software application to ensure that unauthorized users do not have access.

Accounts Payable

OCTA utilizes MAPS for all goods purchased. The purchasing function is decentralized and performed at the department level. The receiving function is performed by the Contracts Administration and Materials Management Department. The actual items received are verified to the purchase orders to ensure the correct quantity and the correct merchandise/equipment, etc. was received. The receiving entity enters the information into MAPS where all purchasing and inventory is entered and tracked.

Payment of all invoices for purchased goods and services is processed by accounts payable. Accounts payable has access to MAPS to view the receiving screen that would support an invoice prior to authorizing disbursement. Accounts payable verifies through MAPS that the goods or services have been received. They attach a printout from MAPS to the invoice/contract as support. Controls and segregation of duties for accounts payable appear adequate.

Petty cash is issued by the Accounting Department based upon a manager's request. There is approximately \$4,050 in petty cash issued to various managers. Replenishment is based upon receipts submitted to the Accounting and Financial Reporting Department. All receipts submitted must be signed by a manager and contain a stamp that authorizes payment. OCTA has started issuing purchasing credit cards in lieu of petty cash in an effort to reduce the amount of petty cash issued. The purchasing credit card is limited to designated employees for purchases under \$2,500. The card can only be used for specific items and many items are restricted by the credit card company to ensure that the card cannot be misused.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Administration (Continued)

Procurement

The OCTA has a formal set of policies and procedures for purchasing goods and services. These policies and procedures have been distributed to all divisions within the organization. All purchase requisitions are sent to the Contracts Administration and Materials Management Department for review of budget availability and proper account information. Once this information has been verified, the requisition is bid and a purchase order created.

The OCTA has an online system known as CAMMNet, which allows vendors to register by commodity code and to bid for many OCTA requested purchases and projects online. CAMMNet went live in 1999. This system has helped to streamline the procurement process by creating templates for bids and enables OCTA to send instantaneous proposals to all vendors who have signed up, thus reducing the amount of time from proposal to award. OCTA/OCTD competitively bid for all major purchases greater than \$25,000.

Internal Audit

The Internal Audit Department coordinates the annual financial audits and performs various operational, financial and compliance audits on behalf of departments and functions. The Internal Audit Department focuses on preventive measures to stop or prevent fraud or misuse of funds, and identification of opportunities for improving and/or monitoring compliance with regulations. This Department functions independently to provide OCTA management with information and analysis to ensure OCTA's assets are used efficiently, effectively and are protected. During the triennial performance audit period, the Internal Audit Department reported directly to the CEO and to the Board of Directors. Beginning in July 2004, the department began reporting to the Deputy CEO. The Department does, however, still have the ability to report directly to the CEO or to the Board if an issue arises that would warrant such action.

The annual audit plan/schedule is based on input from OCTA management staff. Audits are performed for various reasons such as; compliance, cost avoidance, cost recovery, internal control, mandatory, monitoring, and operational improvement. Effective July 1, 2004, all audit reports are sent to the Board of Directors for review.

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Functional Review (Continued)

Administration (Continued)

Internal Audit (Continued)

Internal Audit also performs on-site observations (ride-alongs) of bus operators to ensure protection of funds. In addition, the new GFI farebox technology enables OCTA to drill down to levels that enhance their ability to compile information. The Internal Audit Department uses this data to compare past and current usage/revenue to determine whether any potential fraud or theft is occurring.

The prior triennial performance audit report recommended that the Internal Audit Department be charged with monitoring and tracking progress on the implementation of prior performance audit recommendations. During the current triennial period, no such monitoring and tracking was performed. As such, this recommendation has been repeated. See Finding Number 4 in the Findings and Recommendations section of this report.

Marketing and Public Information

Marketing and Public Information, Media Relations and Customer Service Center are consolidated in the Public Communications and Marketing Division, which is responsible for providing both regional and operator information to the general public. This coordinated effort complements the RTPE efforts along with operations improvements with regards to informing the public of regional transportation concerns as well as bus operations.

In fiscal year 2002, the marketing and public information function for OCTA was moved from the oversight of the Assistant CEO and a separate Marketing and Public Communications Division was created. This Division now reports directly to the CEO. The Division is responsible for providing and printing all bus schedules for the public, as well as promoting OCTA services and communicating information to the public.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Marketing and Public Information (Continued)

Public Information

The importance of public information to the OCTA is reflected in the newly created Public Communications and Marketing Division to provide clear communication with the public. The primary responsibility of this Division is to prepare informational brochures on services provided by the OCTA, and to work with neighborhoods and local jurisdictions to inform them of upcoming construction projects and how the project will affect their neighborhood. In addition, the OCTA sponsors a Speakers Bureau where an OCTA employee will talk with any group about any project the OCTA is involved with. This program is targeted to the specific needs of the group requesting the speaker.

Marketing

The Marketing and Customer Relations Department is responsible for providing advertising information to the public regarding programs and projects of the OCTA. These marketing materials are to inform and communicate the mission and purpose of OCTA, as well as increase ridership on OCTD bus lines. Marketing promotes various programs and projects and holds a number of special events to inform the public about the services provided by OCTA. Examples of the marketing programs include:

- The Employer Pass Program – encourages corporations to offer bus passes to its employees.
- Metrolink Rail Service – promotes train ridership within Orange County and the surrounding five counties.
- The University Pass Program – encourages college students to utilize bus service.
- New Resident Program – offering free rail and commuter passes to new residents to introduce them to OCTD services.
- Orange County Fair – presence at the Orange County Fair to inform the public of OCTA bus programs.
- Centerline – promotes the future Centerline light rail project.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Marketing and Public Information (Continued)

Marketing (Continued)

- Measure M – promotes the uses of the Measure M one-half cent sales tax projects.

As OCTA is not only a bus service provider, the Marketing Department devotes efforts to the regional components of OCTA services, which include the building of transportation facilities.

OCTA/OCTD has mechanisms in place to receive complaints and compliments via mail, telephone and email. The Department is responsible for tracking all inquires of OCTA/OCTD and responding within a 15-day time frame.

In July 2002, OCTA hired a frequent rider to serve as a customer advocate and to provide recommendations on methods to improve the quality of new and existing customers' experiences with OCTD. The program includes fixed route, station link and access services. Recommendations were developed and presented to the Board of Directors in January and September 2003. Staff is currently working on implementing the recommendations.

Maintenance

OCTD and Laidlaw have separate facilities and for performing preventative maintenance on vehicles. As such, this functional review will discuss each entity's maintenance efforts separately.

Preventive Maintenance

OCTA has three maintenance facilities that are operated 24 hours a day, 7 days a week with three shifts of mechanics. These facilities are located in Garden Grove, Irvine and Anaheim. Repairs and maintenance of vehicles are predetermined based upon a schedule of mileage driven. Policies and procedures have been established by OCTD indicating when each vehicle is required to be inspected (every 6,000 miles) and repaired, if necessary. The preventive maintenance schedule conforms to the manufacturer's recommended schedule. On a daily basis, a report is generated indicating the direct hours spent and parts used at each facility. The report is reviewed and compared to established tolerances levels. Any large increases in hours or parts are proactively investigated to determine if a larger maintenance problem or issue exists.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Maintenance (Continued)

Preventive Maintenance (Continued)

Laidlaw provides paratransit services and 20 fixed route bus lines under contract with OCTA. This contract has been in effect since November 1999. All buses operated by Laidlaw are owned by OCTA, but are required to be maintained by Laidlaw. The preventive maintenance schedule is defined by the contract and all vehicles are on a 6,000-mile maintenance schedule. The contract outlines fines that could be imposed should Laidlaw not comply with the preventive maintenance requirements. Laidlaw and OCTA have agreed to a 10% spare ratio for the vehicles that Laidlaw operates for OCTD.

Sufficiency of Facility

Each of the three maintenance facilities is capable of handling a majority of all maintenance and repairs. The Irvine maintenance base is the only facility with the capacity to perform engine rebuilds. Each of the maintenance facilities has approximately 18 service bays with lifts to perform the necessary repairs. A small administrative staff, which oversees all operation functions, is located at each maintenance facility. A Maintenance Supervisor assigns and monitors all work orders to ensure maintenance and repairs are completed in a timely manner.

Laidlaw has a separate maintenance facility from OCTA. Their facility is located in Irvine and has sufficient capacity for the current workload. Excess capacity exists should additional work be required or requested of Laidlaw.

Vehicle Condition

The average age of the vehicles maintained by OCTD is approximately 4 years. On average, buses have a life expectancy of 12 years and/or 500,000 miles. OCTD has established a Master Fleet Plan, which documents when and how many buses will be needed to maintain an up-to-date fleet. A sinking fund has been established to help fund 20% of the costs to replace the buses. The remaining 80% is generated from grants obtained from the Federal government.

The average age of the fleet operated by Laidlaw is four years. The buses have an average use of 150,000 miles.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Maintenance (Continued)

Repair Prioritization and Scheduling

At the end of each day, OCTD inspects all vehicles before they are placed into service the next day. If a problem requiring repair is noted during the inspection, a work order is generated and the bus is placed on a hold list waiting for repair. In addition to repairs noted during inspection, each bus is required to have preventive maintenance work performed every 6,000 miles. Maintenance Supervisors will review the work orders, prioritize the repairs and delegate the work orders to the mechanics. The Supervisor is responsible to review the work orders and determine which repairs can be completed in such a manner so as to not hold up bus operations.

Laidlaw has a prioritization and scheduling process that ensures that no unsafe vehicles are placed into service. All buses are inspected by the coach operators prior to departing from the maintenance facility. As of June 30, 2003, Laidlaw operated 325 vehicles. Three hundred of the vehicles are smaller buses used for paratransit service. There are 25 buses used to run the fixed routes. These 25 are a priority as there are fewer buses and it is imperative that these are available for daily use.

Parts Procurement and Management

Each maintenance facility maintains a parts department to minimize the amount of vehicle downtime. A centralized, computerized inventory system is used to track the quantity of parts at all three maintenance facilities. Clerks are stationed at the parts window to distribute only parts requested on work orders. Clerks are not allowed to release parts without a work order, as the work order will indicate to which bus the part should be charged. On a daily basis, a report is generated to indicate the dollar amount of parts used during the previous day. Reorder levels and quantities have been established for high usage items.

Laidlaw maintains and operates its own inventory system. All parts are bar coded and as the fleet is consistent with make and model, high usage parts are kept in inventory that will minimize downtime of the vehicles. Laidlaw also maintains several transmissions on site in case of emergency. The inventory is located at their facility in Irvine. The inventory is monitored by inventory employees during the day, and by supervisors at night. The inventory is physically counted on a quarterly basis.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Maintenance (Continued)

Communication With Dispatch

Drivers are in direct contact with dispatch using their onboard communication systems. Dispatch monitors all radio calls and will contact maintenance if a bus breaks down during a route. Maintenance directly contacts the driver via the communication system, determines what the problem is and sends a replacement bus, if necessary. If a bus is in need of a repair that requires downtime from service, maintenance places the bus on the hold list in the scheduling system. Any bus on the hold list prevents the computer system from assigning the bus to a route. Only Maintenance Supervisors have the authority to release a bus from the hold list. Once off the hold list, dispatch can assign the bus to a route.

Laidlaw communicates with its dispatchers through an onboard radio system. The dispatchers also have access to viewing the maintenance computer system, which allows the dispatchers to know which vehicles are not in service. Vehicles that are not in service cannot be driven until they are released by an authorized mechanic. Dispatch is immediately notified when a vehicle is released and ready for service.

Contracting Out

OCTD employees perform most of the vehicle maintenance and repair work. Only major projects, such as changing the exhaust unit on all buses to comply with air standards, would be contracted out. Major projects would be subject to a Request for Proposal (RFP) process, which involves maintenance, finance, contracting, and fixed route operations and logistics. Once awarded, the Maintenance Department has the responsibility to oversee the contractor to ensure the work performed is in accordance with the terms of the contract. OCTD currently does not provide maintenance services to other organizations.

Laidlaw is a contractor of OCTA and has OCTA as its only client at the Irvine facility. Laidlaw has no plans to utilize its staff for any purpose other than to service the contract with OCTA.

Providing Maintenance to Other Organizations

Both OCTD and Laidlaw currently do not provide maintenance services to other organizations.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators

Section 99246(d) of the PUC requires that the following five performance indicators are to be calculated:

- Operating cost per passenger;
- Operating cost per vehicle service hour;
- Passengers per vehicle service hour;
- Passengers per vehicle service mile; and
- Vehicle service hours per employee.

The data required to calculate these performance indicators is described below. We reviewed both OCTD's and Laidlaw's data gathering methodology and found them to be adequate.

- Operating Costs – The annual operating costs for OCTA (including purchased transportation services), excluding depreciation, capital expenditures, vehicle lease costs, and direct costs of providing charter service.
- Unlinked Passengers – Total annual unlinked trips. An unlinked passenger is considered to be a passenger boarding, whether revenue producing or not.
- Vehicle Service Hours – Total annual hours calculated by using scheduled service hours as the baseline. Hours relating to roadcalls, missed and added trips, deadhead and recovery time are excluded.
- Vehicle Service Miles – Total annual miles are calculated by adjusting scheduled miles by the same proportion as actual hours/scheduled hours, to account for deviations. Deadhead miles are excluded.
- Employee Full-Time Equivalents – Total annual employee regular and overtime pay hours (including contractor pay hours for purchased transportation services, but excluding volunteer hours) divided by 2,000 hours, equals one full-time equivalent.

OCTD is in full compliance for each of the years under audit in their reporting of operating costs, unlinked passengers, vehicle service hours and miles, and full-time equivalents. OCTD's source documentation and data gathering methodology is described as follows.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

- Operating Costs – OCTD undergoes a financial audit each fiscal year in conjunction with OCTA. The data for operating costs was obtained from the audited financial statements. The operating costs used to assess functional area performance, i.e. transportation, maintenance and administration, are taken from the FTA National Transit Database (NTD). NTD information has been used for this analysis as the audited financial statements do not provide operating costs at a sufficient level of detail. Operating costs reported on the NTD are obtained from the same trial balance used to prepare the audited financial statements, thus the data is the same.
- Unlinked Passengers – Unlinked passenger trips are recorded through the GFI Farebox technology and a manual tabulation from Laidlaw.
- Vehicle Service Hours and Vehicle Service Miles – OCTA uses HASTUS , a transportation software program for fixed routes, to create scheduled service hours and miles as a baseline for weekdays, weekends and holidays. Deviations from the schedule (e.g., roadcalls, missed and added trips as reported by radio dispatch) are factored in for annual reporting. Deadhead time and recovery time are excluded from revenue hours. Manual trip sheet are used for determining vehicle service hours and miles for demand response services.
- Employee Full-Time Equivalents (FTEs) – Information is obtained from the State Controller’s Report for OCTD and the NTD for Laidlaw.

The following tables document the statistics from which the required performance indicators are calculated.

<u>System Total</u>	<u>Fiscal Year</u>			<u>Percentage Change from 2000-01 to 2002-03</u>
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	
<u>Verified TDA Statistics</u>				
Operating costs	\$140,597,849	\$151,832,012	\$173,153,285	23.16%
Unlinked passengers	59,004,661	64,803,120	66,034,770	11.91%
Vehicle service hours	1,964,603	2,098,244	2,250,500	14.55%
Vehicle service miles	26,547,417	28,767,937	29,979,357	12.93%
Employee FTEs	2,089	2,274	2,460	17.76%

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

<u>Fixed Route</u>	Fiscal Year			Percentage Change from 2000-01 to 2002-03
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	
<u>Verified TDA Statistics</u>				
Operating costs	\$121,828,786	\$132,150,974	\$150,217,079	23.30%
Unlinked passengers	58,291,441	64,024,829	65,125,614	11.72%
Vehicle service hours	1,571,195	1,673,827	1,759,039	11.96%
Vehicle service miles	21,695,604	23,065,402	22,848,216	5.31%
Employee FTEs	1,653	1,810	1,786	8.05%

<u>Demand Response</u>	Fiscal Year			Percentage Change from 2000-01 to 2002-03
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	
<u>Verified TDA Statistics</u>				
Operating costs	\$18,769,063	\$19,681,038	\$22,936,206	22.20%
Unlinked passengers	713,220	778,291	909,156	27.47%
Vehicle service hours	393,408	424,417	491,461	24.92%
Vehicle service miles	4,851,813	5,702,535	7,131,141	46.98%
Employee FTEs	436	464	674	54.59%

The following tables document the required performance indicators.

<u>System Total</u>	Fiscal Year			Percentage Change from 2000-01 to 2002-03
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	
<u>Performance Indicators</u>				
Operating costs per passenger	\$2.38	\$2.34	\$2.62	10.08%
Operating costs per vehicle service hour	\$71.57	\$72.36	\$76.94	7.50%
Passengers per vehicle service hour	30.03	30.88	29.34	-2.30%
Passengers per vehicle service mile	2.22	2.25	2.20	-0.90%
Vehicle service hours per employee	940.45	922.71	914.84	-2.72%

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

<u>Fixed Route</u>	<u>Fiscal Year</u>			Percentage Change from 2000-01 to 2002-03
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	
<u>Performance Indicators</u>				
Operating costs per passenger	\$2.09	\$2.06	\$2.31	10.53%
Operating costs per vehicle service hour	\$77.54	\$78.95	\$85.40	10.14%
Passengers per vehicle service hour	37.10	38.25	37.02	-0.22%
Passengers per vehicle service mile	2.69	2.78	2.85	5.95%
Vehicle service hours per employee	950.51	924.77	984.90	3.62%

<u>Demand Response</u>	<u>Fiscal Year</u>			Percentage Change from 2000-01 to 2002-03
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	
<u>Performance Indicators</u>				
Operating costs per passenger	\$26.32	\$25.29	\$25.23	-4.14%
Operating costs per vehicle service hour	\$47.71	\$46.37	\$46.67	-2.18%
Passengers per vehicle service hour	1.81	1.83	1.85	2.21%
Passengers per vehicle service mile	0.15	0.14	0.13	-13.33%
Vehicle service hours per employee	902.31	914.69	729.17	-19.19%

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

The performance statistics and indicators for the current triennial audit period as compared to the prior triennial audit period are as follows:

<u>Verified TDA Statistics and Performance Indicators</u>	<u>Total for Triennial Period</u>		<u>Variance</u>	
	<u>Current Audit</u>	<u>Prior Audit</u>	<u>Amount</u>	<u>Percent</u>
Operating costs	\$465,583,146	\$336,863,638	\$128,719,508	38.21%
Unlinked passengers	189,842,551	166,520,267	23,322,284	14.01%
Vehicle service hours	6,313,347	5,081,511	1,231,836	24.24%
Vehicle service miles	85,294,711	65,860,982	19,433,729	29.51%
Employee FTEs	6,823	5,581	1,242	22.25%
Operating costs per passenger	\$2.45	\$2.02	\$0.43	21.29%
Operating costs per vehicle service hour	\$73.75	\$66.29	\$7.46	11.25%
Passengers per vehicle service hour	30.07	32.77	(2.70)	-8.24%
Passengers per vehicle service mile	2.23	2.53	(0.30)	-11.86%
Vehicle service hours per employee	925.30	910.50	14.80	1.63%

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FINDINGS AND RECOMMENDATIONS

As a result of the work we performed, the following findings were noted:

(1) Need to Revise and Update LTF Guidelines to Include or Clarify Requirements Concerning TDA Claims and Take Steps to Ensure Requirements are Addressed

During our review of OCTA's compliance with the requirements of the PUC, we noted that OCTA had not revised its *Guidelines for Preparation of Local Transportation Fund Claims* to ensure it is in compliance with PUC Sections 99233.3, 99234, 99261 and 99275.5 with respect to requirements for submitting claims for Article 3, Article 4 and Article 4.5 funding. This condition was also reported in the previous triennial performance audit report.

Section 99233.3 of the California Public Utilities Code states, in part:

“Two percent of the remaining money in the fund shall be made available to counties and cities for facilities provided for the exclusive use of pedestrians and bicycles unless the transportation planning agency finds that the money could be used to better advantage for the purposes stated in Article 4 (commencing with Section 99260) and Article 4.5 (commencing with Section 99275), or for local street and road purposes in those areas where the money may be expended for such purposes, in the development of a balanced transportation system...”

Additionally, Section 99234(a) of the California Public Utilities Code states:

“Claims for facilities provided for the exclusive use of pedestrians and bicycles or for bicycle safety education programs shall be filed according to the rules and regulations adopted by the transportation planning agency”

Furthermore, Section 99261 of the California Public Utilities Code states, in part:

“The transportation planning agency may adopt rules and regulations supplemental to, and consistent with, those of the department to further delineate procedures for the submission of such claims and stating criteria by which they will be analyzed and evaluated...”

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(1) Need to Revise and Update LTF Guidelines to Include or Clarify Requirements Concerning TDA Claims and Take Steps to Ensure Requirements are Addressed (Continued)

Finally, Section 99275.5(b) of the California Public Utilities Code states:

“The transportation planning agencies shall adopt criteria, rules, and regulations for the evaluation of claims filed under this article and the determination of the cost effectiveness of the proposed community transit services to be provided under the claim.”

This finding was included in the previous triennial performance audit report. However, OCTA had not implemented the recommendation as of the time of our audit. Staff was in the process of reviewing the specific recommendations previously made. Failure to provide adequate written policies may result in incomplete TDA claims, or reporting not in compliance with PUC Sections 99233.3, 99234, 99261 and 99275.

Recommendation

We recommend that OCTA review the existing *Guidelines for Preparation of Local Transportation Fund Claims* to ensure they are in compliance with PUC Sections 99233.3, 99234, 99261 and 99275.5. We also recommended that OCTA develop an itemized checklist to verify that all documentation required for each type of claim is received to properly complete the claim.

Management Response

Prior to March 2006, OCTA will update the LTF Guidelines, and specifically the sections of the Public Utilities Code (99233.3, 99234(a) and 99275.5(b) as identified in this audit. The LTF guidelines as prepared several years ago, stressed the filing of claims against Articles 4 and 4.5 of the TDA which established the requirements for public transit operators. The guidelines will be made more comprehensive by adding sections relating to the filing of Article 3 claims for administration, planning and the bicycle and pedestrian facilities and ADA bus stop modifications programs. In addition, the update will include a section on the filing of claims against the STAF which is an integral part of the TDA.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(2) Need to Develop Procedures for Recommending Potential Productivity Operators to Lower Costs

During our review of compliance with the Public Utilities Code, we noted that OCTA has not worked with its operators to identify productivity improvements and develop a transportation performance monitoring program to measure progress against productivity recommendations. This condition was also reported in the previous triennial performance audit report.

Section 99244 of the California Public Utilities Code states, in part:

“Each transportation planning agency shall annually identify, analyze, and recommend potential productivity improvements which could lower the operating costs of those operators who operate at least 50 percent of their vehicle service miles...within the area under its jurisdiction...”

This finding was included in the previous triennial performance audit report. However, OCTA had not implemented the recommendation as of the time of our audit. Staff was in the process of reviewing the specific recommendations previously made. Failure of OCTA to annually identify, analyze and recommend potential productivity improvements to its operators to reduce operating costs results in noncompliance with PUC Section 99244.

Recommendation

We recommend that OCTA establish procedures to ensure that it works with its operators to identify productivity improvements and develop a transportation performance monitoring program to measure progress against productivity recommendations on an annual basis.

Management Response

OCTA has developed Bus Operations Monthly Performance Measurement reports to improve accountability and performance of its OCTD public transit system. These reports were designed to allow management to focus on several key operational areas, with an emphasis on safety, reliability, efficiency, and compliance with the ADA. For FY 2004-05 the key objectives being emphasized for fixed route service are as follows: reduce accidents; increase on-time performance; reduce customer complaints; obtain 100% compliance on calling out stops; increase miles between road calls; improve operator pay hour per vehicle hour; and improve

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(2) Need to Develop Procedures for Recommending Potential Productivity Operators to Lower Costs (Continued)

Management Response (Continued)

maintenance pay hour per vehicle hour. For paratransit service, the key objectives have been as follows: increase on-time performance; reduce customer complaints; increase miles between road calls; and increase boardings per vehicle service hours.

In addition, FP&A prepares and/or compiles a monthly booklet comparing the above goals, and other financial and operational goals, against targets or baselines. These reports have been reviewed with senior management and will continue to be prepared.

More effort will be needed to develop a transportation monitoring program for LBMTL. In the past this agency has been reluctant to provide more than basic operational and financial data on an ongoing basis.

(3) Need to Expand OCTA's Reporting Requirements and Oversight for the Senior Mobility Program

During our review of OCTA's progress in the implementation the prior triennial performance audit recommendations, we noted that OCTA has not updated its policies and procedures related to the Senior Mobility Program during the period July 1, 2000 through June 30, 2003. This condition was also reported in the previous triennial performance audit report.

Section 99275.5(b) of the California Public Utilities Code states:

“The transportation planning agencies shall adopt criteria, rules, and regulations for the evaluation of claims filed under this article and the determination of the cost effectiveness of the proposed community transit services to be provided under the claim.”

This finding was included in the previous triennial performance audit report. However, OCTA had not implemented the recommendation as of the time of our audit. Failure to formalize the reporting and oversight requirements may result in inconsistent data gathering and noncompliance with PUC Section 99275.5(b).

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(3) Need to Expand OCTA's Reporting Requirements and Oversight for the Senior Mobility Program (Continued)

Recommendation

We recommend that OCTA revise its procedures to expand its reporting requirements and oversight of the Senior Mobility Program to ensure compliance with the PUC. Subsequent to the period under review, OCTA did create a Senior Mobility Transportation Program Monthly Reporting Form, communicated this information through email to all TDA Article 4.5 claimants and created a policy for all agencies to follow. With the implementation of these new procedures, this finding is resolved.

Management Response

OCTA has been receiving monthly reports of ridership, miles, hours, and expenses from Senior Mobility Program (SMP) cities since the program's inception. To assure consistency in reporting, OCTA provided definitions for transit reporting terminology to all SMP cities in November 2003. These data definitions are based on the National Transit Database (NTD).

The report recommendation indicates that OCTA has not passed through any of the requirements needed to calculate the five TDA mandated performance indicators. According to CTS' understanding of the TDA regulations, PUC Section 99246(d) only applies to general public service – SMP is not a general public service.

(4) Need to Continue Efforts to Improve Monitoring and Implementation of Prior Triennial Performance Audit Recommendations

During our review of the internal audit function, we noted that the Internal Audit Department did not monitor and follow-up on efforts to implement the prior triennial audit recommendations. This condition was also reported in the prior triennial performance audit report.

Sound business practices dictate that all recommendations provided through various audit reports be assigned to the appropriate department and their progress toward implementation be monitored.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(4) Need to Continue Efforts to Improve Monitoring and Implementation of Prior Triennial Performance Audit Recommendations (Continued)

This finding was included in the previous triennial performance audit report. However, OCTA had not implemented the recommendation as of the time of our audit. During our fieldwork, the Internal Audit Department distributed the prior triennial performance audit recommendations to the appropriate divisions and inquired as to their status. Failure to monitor and track progress on the implementation of recommendations from previous performance audits can result in policies and procedures not being implemented timely in order to improve efficiency and effectiveness, or result in the organization being in noncompliance with various rules and regulations.

Recommendation

We recommend that OCTA establish procedures to ensure that the recommendations noted in the triennial performance audit are implemented. The procedures should address, at a minimum:

- Tasking the Internal Audit Department with the responsibility of monitoring the progress on the audit recommendations.
- Assigning the recommendations to the appropriate divisions within the organization.
- Developing a corrective action plan to resolve the condition noted.
- Periodic reporting to the Internal Audit Department as to the progress in implementing the recommendation.

Management Response

The Internal Audit Department has initiated a quarterly reporting process to the Finance and Administration Committee of the Board of Directors on the progress against the Annual Internal Audit Plan, including a follow-up of previously issued recommendations. The recommendations contained in this report have been assigned to the appropriate divisions for implementation. The Internal Audit Department will monitor and report on the progress on the implementation of the recommendations contained in this report on a quarterly basis to the Finance and Administration Committee of the Board of Directors.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(5) Need to Submit Annual Fiscal and Compliance Audits of TDA Claimants to the State Controller Within 180 Days After the end of the Fiscal Year

During our review of compliance with the requirements of the PUC, we noted that OCTD did not submit the annual fiscal and compliance audits of TDA claimants to the State Controller within 180 days following the end of the fiscal year. No extensions were requested. The audits were submitted to the State Controller as follows:

<u>Fiscal Year</u>	<u>Due Date</u>	<u>Date Submitted</u>	<u>Days Late</u>
2000-01	12/27/01	02/20/02	55
2001-02	12/27/02	05/30/03	154
2002-03 (1)	12/27/03	12/29/03	2

- (1) Although the annual fiscal and compliance reports of the TDA claimants were submitted on December 29, 2003, the State Transit Assistance Fund report was not submitted until May 27, 2004, 152 days following the due date.

Section 99245 of the California Public Utilities Code states, in part:

“...A report on the audit shall be submitted to the transportation planning agency...and to the Controller within 180 days after the end of the fiscal year.”

Failure to submit the annual fiscal and compliance audits of the TDA claimants to the State Controller with 180 days after the end of the fiscal year results in noncompliance with PUC Section 99245.

Recommendation

We recommend that OCTD establish procedures to ensure that the annual fiscal and compliance audits are submitted within 180 days after the end of the fiscal year as required.

Management Response

The Internal Audit Department has initiated procedures to ensure the necessary reports are submitted in a timely manner. The submission of these reports will be included in the Annual Internal Audit Plan and in the quarterly reports to the Finance and Administration Committee.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(6) Need to Ensure that Required Triennial Performance Audits are Completed Within One Year Following the End of the Triennium

During our review of compliance requirements, we noted that OCTD and LBMTL did not complete their triennial performance audits and submit them to the State Controller within the required timeframe. The triennial performance audit for each entity for the period July 1, 1997 through June 30, 2000 was required to be submitted to OCTA by June 30, 2001. OCTA contracts with an independent entity to perform the triennial audits of each operator. In June 2001, OCTA requested an extension of time to October 2001. However, the triennial performance audits of each operator were completed on:

<u>Transit Operator</u>	<u>Date of Audit Report</u>
OCTD	10/02
LBMTL	06/02

Additionally, we noted that OCTA did not withhold the allocation of TDA funds to the transit operators until such time as the triennial performance audits were submitted.

Public Utilities Code Section 99248 states, in part:

“No operator is eligible to receive an allocation under this chapter for any fiscal year until the transmittal of reports of its performance audit to the entity which determines the allocation to the operator and the transportation planning for the three-year period ending one year prior to the beginning of the fiscal year of the proposed allocation.”

The delay was caused by OCTA not entering into a contract with an independent entity to conduct the triennial performance audit in a timely manner. Failure to comply with PUC Section 99248 may result withheld or lost TDA funding.

Recommendation

We recommend that OCTA establish procedures to engage an independent entity to conduct the triennial performance audits within the first six month following the end of the triennium.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(6) Need to Ensure that Required Triennial Performance Audits are Completed Within One Year Following the End of the Triennium (Continued)

Management Response

Future Triennial Review reports will be issued by the required date and be included in the Annual Internal Audit Plan and the quarterly updates to the Finance and Administration Committee.

(7) Need to Improve Policies and Procedures Relating to Record Retention

During our review of performance indicators, we were unable to validate the accuracy of the reporting and data accumulation process for the demand response service and selected fixed route services for the fiscal year ended June 30, 2001. During fiscal year 2000-01, OCTA contracted with Laidlaw Transit Services, Inc. (Laidlaw) to provide demand response service and selected fixed route services. At the conclusion of the fiscal year, Laidlaw prepared a separate NTD report utilizing daily trip sheets completed by each driver. According to Laidlaw, the daily trip sheets and summaries used in the preparation of the NTD report were not retained.

Article 19 of Agreement Number C-9-9236 dated November 1, 1999 between OCTA and Laidlaw states, in part:

“CONTRACTOR shall maintain such records and shall clearly identify and make such items readily accessible to such parties during CONTRACTOR’s performance hereunder and for a period of four (4) years from the date of final payment by AUTHORITY hereunder.”

As Laidlaw prepared the NTD report on behalf of OCTA, they were unaware that records should be maintained for a period of time following submission of the report in the event of an audit. Failure to maintain records to support amounts reported in regulatory reports prevents auditors from satisfying themselves that reported data is accurate.

Recommendation

We recommend that Laidlaw establish procedures to ensure that all documentation related to their performance under the contract with OCTA is retained as required.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(7) Need to Improve Policies and Procedures Relating to Record Retention (Continued)

Management Response

As of Fiscal Year 2004-05, CTS has implemented a verification process to ensure the accuracy of the contractor data. This includes an item by item review of the data by two CTS staff members to verify total passengers and total miles for each sample.

With the implementation of mobile data terminals in Fiscal Year 2005-06, OCTA/CTS will electronically collect data for every trip and provide 100% reporting of passenger miles. Because all of the data will be automatically collected electronically, the data will be accurate and not susceptible to data entry and other errors.

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EXECUTIVE SUMMARY

This report documents the results of the triennial performance audit of the Laguna Beach Municipal Transit Lines (LBMTL) for the fiscal years 2000-01 through 2002-03. This triennial performance audit is required per Public Utilities Code (PUC) Section 99246. The triennial performance audit provides the LBMTL with an opportunity for an independent, objective and comprehensive review of the economy, efficiency and effectiveness of the organization. Other benefits of the triennial performance audit include:

- Providing LBMTL's management with useful information to assess past activities and provide insight for future planning efforts;
- Providing LBMTL's management with a review and evaluation of the organization and its operation; and
- Assuring public accountability regarding the use of public funds.

Our review of the LBMTL disclosed that the organization is generally operating in an efficient and effective manner. We did, however, identify specific issues that are in need of improvement. These issues include:

- Need to calculate employee full-time equivalents using 2,000 hours per year.
- Need to report to OCTA on the status of performance audit recommendations on an annual basis.
- Need to provide data consistency among external reports and retroactively file the National Transit Database (NTD) Report for fiscal year 1999-2000.
- Need to update the short-range transit plan and use it to establish performance objectives and justify future capital needs.
- Need to submit annual fiscal and compliance audits to the State Controller within 180 days after the end of the fiscal year.
- Need to submit claims for TDA funds in compliance with rules and regulations.
- Need to implement program to evaluate existing fixed route services.
- Need to follow policies and procedures relating to record retention.

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EXECUTIVE SUMMARY (CONTINUED)

- Need to compile passenger counts accurately based on source data.
- Need to track full-time equivalents by service type (i.e. fixed route and trolley).
- Need to institute an inventory value, process and procedure to ensure that there is adequate control over inventory items.

Each of these findings is discussed in detail in the Findings and Recommendations section of this report.

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INTRODUCTION

Background

Laguna Beach Municipal Transit Lines (LBMTL) was established in 1970 to provide local bus service to the residents of Laguna Beach, California. Laguna Beach is a seaside community with public beaches and steep residential hillsides. This beach community has a downtown business district with limited parking. During the summer months, the City has a large tourist population which creates traffic congestion in the City.

The transit services are operated and managed by the Public Works Department and City Council of the City of Laguna Beach, with the Deputy Public Works Director responsible for the day-to-day operation of the system. The system consists of three services: a three route main line service which operates six days per week throughout the year; a summer festival trolley service which operates 10 weeks of the year; and a charter service in which the public can rent a trolley for use within the City of Laguna Beach. Laguna Beach contracts with OCTA to provide paratransit services to the City.

Scope of Audit

This performance audit has been conducted in accordance with the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities, January 1998 (second edition)*. The performance audit is a systematic process for evaluating an organization's effectiveness, efficiency and economy of operation under management control. In order to complete the performance audit of the LBMTL, our review included the following components:

- A review of compliance requirements;
- A follow-up review of prior performance audit recommendations;
- An overview of transit operator functions;
- A verification of use of performance indicators; and
- A detailed review of transit operator functions.

Recommendations are based upon findings and conclusions developed through LBMTL personnel interviews, review of documentation and analysis of performance indicator trends.

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AUDIT RESULTS

Compliance Review

The Laguna Beach Municipal Transit Lines has a number of non-compliance issues noted during our audit. See the Findings and Recommendations section of this report for further discussion and clarification.

<u>PUC Section</u>	<u>TDA Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99243	Submit annual reports to RTPE based on Uniform System of Accounts and Records.	Compliance	State Controllers Report Audit Completion Dates: FY00-01 12/20/01 (compliance) FY01-02 12/19/02 (compliance) FY02-03 11/21/03 (compliance) – State extended deadline each year under audit.
99245	Submit annual fiscal and compliance audits to RTPE and State Controller within 180 days after fiscal year end.	Non-compliance	Audit Completion Dates: FY00-01 2/15/02 (non-compliance) FY01-02 1/15/03 (non-compliance) FY02-03 5/14/04 (non-compliance)
99251	Submit CHP certification of compliance with Vehicle Code Section 1808.1	Compliance	Annual CHP certificates were on file
99261	Submit claims for TDA funds in compliance with rules and regulations for such claims. Claims are due to RTPE by April 1 each year.	Non-Compliance	TDA Claim Submittal Dates: FY00-01 7/27/00 (non-compliance) FY01-02 5/08/01 (non-compliance) FY02-03 8/13/02 (non-compliance)
99264	The operator does not routinely staff public transportation vehicles with two or more persons that are designed to be operated by one person.	Reasonable Compliance	LBMTL mainline service staffs the busses with one employee. The trolley service employs two persons during busy times to direct traffic and assist passengers.
99266	The operating budget has not increased by more than 15% over the preceding year unless a reasonable justification has been provided.	Compliance	Percent change in operating budget per Audited Financial Statements: FY00-01 - FY01-02 16.40% FY01-02 – FY02-03 14.04% Justification for the increase was submitted and accepted by OCTA for FY01-02.

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AUDIT RESULTS (CONTINUED)

Compliance Review (Continued)

<u>PUC Section</u>	<u>TDA Requirements</u>	<u>Compliance</u>	<u>Verification Information</u>
99268	Operator funding through TDA makes up no more than 50% of operating, maintenance, capital and debt service requirements.	Not Applicable	As LBMTL maintains over 20% fare revenue recovery ratio, they are not required to maintain this 50% ratio
99268.2	Operator has maintained a ratio of fare revenues to operating costs equal to or exceeding 20% for general public service in urbanized areas.	Compliance	Fare Revenue Recovery Ratio: FY00-01 28% FY01-02 24% FY02-03 42%
99268.2 99238.4 99268.5	If the operator serves a rural area, the fare revenues to operating costs must be at least equal to 10%.	Not Applicable	The City of Laguna Beach is not a rural area.
99271	The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system.	Compliance	LBMTL's retirement system is fully funded through the City's retirement plan with Calpers.
99314.5(c)	The operator is not precluded by contract from employing part-time drivers or from contracting with common carriers	Compliance	The operator provides services with part-time employees.
CA Code of Regs §6754(a)(3)	If the operator receives state transit assistance funds, the operator makes full use of funds available from the FTA before TDA claims are made.	Not Applicable	The operator does not receive any federal funds.

Status of Prior Performance Audit Recommendations

The prior triennial performance audit identified four recommendations for improvement. During our performance audit, we reviewed documents and discussed the implementation of the prior recommendations with LBMTL management. As a result of our review, we have determined the status of the prior year recommendations as identified below.

1. TDA guidelines require that employee full-time equivalents (FTEs) are defined as the total number of annual employee pay work hours divided by 2,000 hours. LBMTL divided total annual employee work hours by 2,080 hours instead of the TDA requirement of 2,000 hours. During the triennial period under audit, LBMTL estimated the number of FTEs for reporting purposes. As such, this finding remains open and this recommendation has been repeated as finding number 1 in the Findings and Recommendations section of the report.

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AUDIT RESULTS (CONTINUED)

Status of Prior Performance Audit Recommendations (Continued)

2. Report status of performance audit recommendations to OCTA on an annual basis. The Laguna Beach Municipal Transit Lines now reports twice a year to the OCTA regarding revenue, ridership and expenses. LBMTL does not report to the OCTA on the status of performance measures. As such, this finding remains open and has been repeated as finding number 2 in the Findings and Recommendations section of this report.
3. LBMTL should ensure greater data consistency among external reports and retroactively file the NTD report for the 1999-2000 fiscal year. There are timing differences in the filing dates between the Comprehensive Annual Financial Report, the State Controller's Report and the NTD report. As such, the source financial data to prepare each of these reports was different, which resulted in data inconsistency. LBMTL still has not filed an NTD report for fiscal year 2000-01. They have begun to file NTD reports on an annual basis beginning with fiscal year 2001-02. This finding remains open and has been repeated as finding number 3 in the Findings and Recommendations section of this report.
4. LMBTL should update the short-range transit plan and use it to establish performance objectives and justify future capital needs. The LBMTL has made some progress in this area by creating a long-term financial plan and estimating equipment replacement costs for the next ten years. However, these documents do not discuss the short-range transit plans, what the goals and objectives are for the system and a plan on how to achieve these goals. As such, this finding remains open and has been repeated as finding number 4 in the Findings and Recommendations section of this report.

Functional Review

The operation of the LBMTL has been divided into seven major areas for purposes of our functional review. Those major areas include:

- General Management and Organization
- Service Planning
- Scheduling, Dispatch and Operations
- Personnel Management and Training
- Administration
- Marketing and Public Information
- Maintenance

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

The activity of the LBMTL is recorded as an enterprise fund of the City of Laguna Beach. As such, the references to the City of Laguna Beach in the sections that follow are also applicable to the LBMTL. Each of the major areas is discussed in detail in the sections that follow.

General Management and Organization

Administrative Oversight, and Organizational Structure and Reporting

Laguna Beach Municipal Transit Lines is a small operator with three (3) mainline buses supplemented by ten (10) trolleys for the summer festival event within the City. The five-member City Council is responsible for setting policy and direction for the transit operations. Oversight is managed by the Public Works Department of the City of Laguna Beach. The day-to-day transit operations are managed by the Assistant Public Works Director. The mainline and summer festival service duties are delegated to different individuals within the organization. This structure has been in place for a number of years and works well for the City and the transit operations.

Service Planning

Strategic Planning and Short Range Planning

The City of Laguna Beach and the transit operations do not have a formal strategic planning effort in place. The system is very stable and is currently meeting the needs of the City. The Public Works Department has prepared a document which identifies all transit related actions by the City Council since 1994. Included in this document is a financial plan and capital project cost analysis through fiscal year 2012-2013. However, service needs are not analyzed as part of this plan. This condition was reported in the prior triennial performance audit report, and has been repeated as finding number 4 in the Findings and Recommendations section of this report.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Evaluation of Existing Fixed Routes and Surveys of Riders and Non-Riders

During the period under review, the LBMTL did not perform an evaluation of its existing fixed routes and did not survey riders and non-riders of the fixed route mainline service. See finding number 8 in the Findings and Recommendations section of this report. An extensive survey was conducted in December 2002 of the summer trolley service by using on-board questionnaires. The results identified eight recommendations which were presented to the City Council. All eight recommendations were approved for implementation by City Council.

Planning for and Servicing Special Transportation Needs

Laguna Beach Municipal Transit Lines and the City of Laguna Beach contract with OCTA to provide transportation service for individuals with special transportation needs. In addition, the City has assisted with the purchase of a handicapped accessible van for a local non-profit organization that will also provide service to those with special needs.

Public Participation/Hearings

The Laguna Beach City Council meets on the 1st and 3rd Tuesday of each month to discuss City business. The meetings are open to the public in accordance with the Brown Act, and publicized to allow anyone the opportunity to address the City Council. The meetings are held at Laguna Beach City Hall. Transit issues are discussed as the need arises.

Scheduling, Dispatch and Operations

Assignment of Drivers to Routes

The assignment of drivers to routes differs for the mainline service and the trolley service. The mainline service has only one dedicated full-time driver. All other drivers are part-time. The schedule is created on a weekly basis based upon part-time driver availability. The trolley service assignment is made through a bid process at the beginning of the ten-week season based upon the part-time drivers' years of service.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Vacation, Absences and Sick Leave

As most of the staff of the transit system is part-time, they are not entitled to vacation time. When a full-time employee is absent due to vacation or sick leave, the leave time is backfilled with part-time employees. The LBMTL employs enough part-time staff to ensure that transit operations are always in service.

Assignment of Passengers to Demand Responsive Routes

Demand responsive routes are not provided through the LBMTL. These services are provided by OCTA's paratransit services.

Assignment of Buses to Routes

The mainline system runs three buses daily and has three spare buses. Scheduling of buses to routes is done through transit employees working with the mechanics to ensure the buses are available for the routes as scheduled.

Personnel Management and Training

In our functional review of personnel management and training, we noted that the LBMTL has established policies for recruitment, motivation, training and safety and discipline. The discussion in the sections that follow relate to both the mainline fixed routes and the summer trolley festival program.

Recruiting

Recruiting for the LBMTL is coordinated through the Personnel Division of the Administrative Services Department of the City of Laguna Beach. The City requires that all drivers have a Class B Commercial driver's license with passenger and airbrake endorsements, as well as a School Bus Certificate or VTT Transit Certificate. In addition drivers must have a minimum of one full-time year of bus driving experience with another municipal, transit or school organization.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Motivation

There are no specific motivation policies or programs in place. All full-time employees receive performance evaluations and festival employees receive evaluations at the end of the season. Full-time employees may cash out vacation or unused sick leave on an annual basis.

Training and Safety

The LBMTL has a part-time driver who provides mandatory training and ensures that all employees receive the required training on an annual basis. All buses are equipped with the required safety equipment (fire extinguishers, emergency exits, etc.).

Discipline

The City follows a progressive disciplinary process for all part-time and full-time employees. The process is governed by a memorandum of understanding between the City and the full-time employees.

Benefits

All full-time employees are offered a variety of benefits including medical and dental. Part-time employees are not eligible for benefits.

Administration

Budgeting and Management Information Systems

The transit operations budget is included as a component of the City of Laguna Beach's budget document. The transit budget is prepared by the Public Works Department and approved by the City Council. The City Council reviews financial information on a quarterly basis, or more frequently if requested by a Council member.

On a monthly basis, the departments receive a budget to actual report which compares budgeted to actual expenditures for the month and fiscal year-to-date totals. The City monitors expenditures on a division basis. The divisions can exceed their budget on a line item basis, as long as they do not exceed the budget in total. Requests for additional appropriations require City Council approval.

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AUDIT RESULTS (CONTINUED)

Functional Review (continued)

The City has an adequate financial management system which provides the required financial information for the transit system as a whole, but does not provide financial information by type of service. Based on the information required for reporting purposes, the current system is not adequate to accurately reflect employee time, full time equivalents and costs for each type of service provided by the LBMTL. As such this condition has been reported as Finding Number 12 in the Findings and Recommendations section of this report.

Financial and Grants Management

The City has a decentralized grants management system. Each department is responsible for applying and monitoring any grants they receive. The Public Works Department presents grant applications it is considering to the City Council prior to approval.

Risk Management and Insurance

The City is part of the California Insurance Pool Authority, which is a joint powers authority comprised of ten member cities and their related entities. The City has been part of this joint powers authority since 1986.

The City has an Illness, Injury and Prevention program which is designed to reduce the number of illnesses and injuries sustained by City employees.

Contracts Management

The City has a decentralized contracts management policy. It is the responsibility of each department to manage its contracts. There is no central contract administrator. All contracts are sent to Finance in the form of a purchase requisition and the Finance Officer confirms that the account number is correct and funds are available for the purchase. Once the information is validated, a purchase order is created.

Facility Management

The City of Laguna Beach contracts out for facility management of its administrative offices. The bus maintenance facility is maintained by the mechanics.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Revenue Collection and Cash Management

Each bus has a locked and sealed vault within the fare box that the bus driver cannot open. Once a week, the Transit Supervisor pulls the box out of the bus, but cannot open the locked vault. The Transit Supervisor and the City Treasurer count and verify the money. A bank deposit is prepared and armored transport picks up the deposit.

Payroll

All employees complete timesheets for actual hours worked. The Personnel Division provides payroll with a hard copy of employee changes, such as change of address, change in pay or other personal information, that need to be made. Payroll inputs the changes from the hard copies and a report is generated of all the changes made for the payroll period. Personnel and the Finance Officer review the changes for accuracy. Paychecks are signed by the City Manager and the City Treasurer.

Accounts Payable

The departments are responsible for ensuring that the goods or services have been received in a satisfactory manner prior to approving an invoice and sending it to Finance for processing. The Finance Officer matches the invoice to the purchase order prior to sending it to accounts payable for payment.

Procurement

The City has a purchasing policy in place for all City purchases. This policy outlines the rules and regulations for purchases of goods and services by the City of Laguna Beach. The policy defines policies and procedures and dollar limitations for competitive bids, quotes and contracting. Every purchase requisition is reviewed by the Finance Officer to determine if the item is budgeted, if funds are available and if the appropriate account number has been used. All capital outlay requests exceeding \$30,000, such as transit equipment, require formal bidding and must be approved by the City Council.

Internal Audit

The City does not have a separate internal audit function. However, the City hires its independent auditors to perform additional audits in various functional areas every fiscal year in conjunction with the annual audit.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Marketing and Public Information

Marketing

LBMTL has a limited marketing program which includes printing of bus schedules, preparing press releases for special fares and days, and promoting the service in the City's recreation brochures. The trolley service is marketed by signage throughout the City, schedules located in the business district and various local papers.

Public Information

The City works with the schools and businesses, the Chamber of Commerce and the Visitors Bureau to inform the public of the bus and trolley service. The City provides maps and brochures on the trolley and mainline service to local businesses, places information in the City's newsletter and has articles published in the local papers.

Maintenance

Preventive Maintenance

The transit fleet operates on a thirty-day preventive maintenance schedule. All work is completed through a work order process. When a mechanic performs service on a vehicle, a work order is completed. This work order identifies what work was required as a preventive maintenance item, any parts that were required, a listing of additional work performed if necessary, and the time spent on the vehicle.

Sufficiency of Facility

The facility has two inside bays and two outside hoists on which equipment can be repaired and maintained adequately for the size of the operation. The LBMTL cannot perform bodywork, paintwork, large replacements or rebuilds, such as transmissions, in house. These services are contracted to third party vendors. There is an administrative office above the garage in which the supervisors can observe the work in progress. The facility appears to be adequate for the needs of the transit system.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Vehicle Condition

During the triennial period, the LBMTL maintained a total of six buses, all of which were purchased in 1997. Three of those buses were replaced in July 2004, subsequent to the triennial period. The remaining three 1997 buses are scheduled to be replaced in 2005. The City has an equipment replacement program in which rent is charged to the LBMTL to cover the cost of the replacement. The rent is charged monthly to the transit operation.

Repair Prioritization and Scheduling

The LBMTL manages its workload for the transit system on a daily basis. Transit has three back up vehicles that can be used. When a bus is undergoing repairs or scheduled maintenance, the mechanics unplug the battery and place a sign on the door that the bus is out of operation. The maintenance facility operates with one shift per day during the non-summer months. During the time of the festival, the City operates with 2 shifts that work until 11:30 p.m. As such, the buses are typically repaired within 24 hours. There has not been an issue of not enough equipment for the routes.

Parts Procurement and Management

The City has a small inventory of parts consisting of items used on a regular basis for maintenance. A physical inventory of the parts has not been performed, nor has a value been placed on the inventory. See finding number 10 in the Findings and Recommendations section of this report.

Communication With Dispatch

Should a vehicle have a breakdown in the field, all bus drivers have access to a mechanic on duty during the all hours of operation. Communication is done through radio dispatch or cell phones.

Contracting Out

The City of Laguna Beach has not considered contracting out the repair of vehicles in the transit system for those things they can do in-house. They do contract with outside vendors for large repairs and bodywork.

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AUDIT RESULTS (CONTINUED)

Functional Review (Continued)

Providing Maintenance to Other Organizations

Laguna Beach does not provide maintenance to any other organizations. There are no other local transit operators in the area in which to provide bus maintenance services. In addition, when the mechanics are not working on transit buses, they provide repair service to the rest of the City organization. They do not have the capacity or the manpower to provide services to other transit operators.

Results of Performance Audit Indicators

Section 99246(d) of the PUC requires that the following five performance indicators must be calculated:

- Operating cost per passenger;
- Operating cost per vehicle service hour;
- Passengers per vehicle service hour;
- Passengers per vehicle service mile; and
- Vehicle service hours per employee.

The data required to calculate these performance indicators is described below. We reviewed the LBMTL's data gathering methodology and found it to be lacking. The operating costs of the trolley and mainline operation are not separate. The City must estimate costs for both types of services as the financial reports do not identify costs separately. We noted that although the passengers are manually counted by drivers and documented on the trip sheets, they are not reported correctly from the original trip sheets to the required reports. See Finding Number 9 in the Findings and Recommendations section of this report.

- Operating Costs – The annual cost of running the LBMTL (including purchased transportation services), excluding depreciation and amortization, capital expenditures, vehicle lease costs, and direct costs of providing charter service.
- Unlinked Passengers – Total annual unlinked trips. All passenger boardings, whether revenue producing or not.
- Vehicle Service Hours – Total annual hours in which the buses are in revenue service. Hours to and from storage facilities and other deadhead travel time are excluded.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

- Vehicle Service Miles – Total annual miles in which the buses are in revenue service. Miles to and from storage facilities and other deadhead travel miles are excluded.
- Employee Full-Time Equivalents – Total annual employee regular and overtime pay hours (including contractor pay hours for purchased transportation services, but excluding volunteer hours) divided by 2,000 hours, equals one full-time equivalent.

The LBMTL is in full compliance for each of the years under audit in their reporting of operating costs, vehicle service hours and vehicle service miles. The LBMTL did not properly calculate the passenger counts or the full-time equivalents. The following discusses the LBMTL's source data and data gathering process in more detail.

- Operating Costs – The LBMTL undergoes a financial audit each fiscal year. The data for operating costs was obtained from the audited financial statements when possible. However, the audited financial statements do not provide the level of detail required by the FTA National Transit Database (NTD). When audited financial information could not be used, the NTD information was utilized. Since no NTD report was filed for fiscal year 2000-01, we utilized data from the State Controller's Report. Operating costs reported on the NTD are obtained from the same trial balance used to prepare the audited financial statements, thus the data is the same.
- Unlinked Passengers – The LBMTL manually counts all passengers on both the mainline and trolley systems and records this information on a tripsheet. This tripsheet information, however, was not transferred accurately when externally reporting statistics. As such, this issue has been reported as Finding Number 9 in the Findings and Recommendations section of this report.
- Vehicle Service Hours – For fixed route service, vehicle service hours represent the number of hours the buses run. For trolley service, vehicle service hours are calculated from the time the trolley leaves the depot to the time the trolley returns to the depot. Lunch breaks and other downtime are excluded.
- Vehicle Service Miles – Information used to calculate the vehicle service miles is obtained from the calculation of routes prepared by LBMTL staff. For fixed routes, the vehicle service miles are calculated by multiplying the number of routes driven by the known mileage per route. The vehicle service miles for trolley service is based upon odometer readings from start to stop time.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

- Employee Full-Time Equivalent (FTEs) – Total employee hours worked are determined by compiling the hours worked by LBMTL personnel for vehicle operations. During the triennial audit period, LBMTL estimated the FTEs for both the mainline and trolley services, rather than calculating the FTEs based upon total hours worked, divided by 2,000 hours. See Finding Number 1 in the Findings and Recommendations Section of this report. Additionally, the LBMTL hours worked are not available by type of service. See Finding Number 10, in the Findings and Recommendations section of this report.

The table on the following page documents the statistics from which the required performance indicators are calculated.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

Total System

Verified TDA Statistics	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	Percent Change from 2000-01 to <u>2002-03</u>
Operating costs	\$760,180	\$962,642	\$1,137,112	49.58%
Unlinked passengers	212,970	362,649	408,262	91.70%
Vehicle service hours	12,393	13,638	15,698	26.67%
Vehicle service miles	150,918	145,988	160,221	6.16%
Employee FTEs	15.22	15.83	15.77	3.61%

Fixed Route

Verified TDA Statistics	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	Percent Change from 2000-01 to <u>2002-03</u>
Operating costs	\$494,117	\$700,821	\$682,056	38.04%
Unlinked passengers	87,358	91,366	101,078	15.71%
Vehicle service hours	8,088	8,931	9,203	13.79%
Vehicle service miles	123,448	121,905	118,221	-4.23%
Employee FTEs (1)	N/A	N/A	N/A	N/A

Trolley

Verified TDA Statistics	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	Percent Change from 2000-01 to <u>2002-03</u>
Operating costs	\$266,063	\$261,821	\$455,056	71.03%
Unlinked passengers	125,612	271,283	307,184	144.55%
Vehicle service hours	4,305	4,707	6,495	50.87%
Vehicle service miles	27,470	24,083	42,000	52.89%
Employee FTEs (1)	N/A	N/A	N/A	N/A

(1) FTE data not available by type of service.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

Using the above statistics, the following required performance indicators have been calculated for the LBMTL as a whole and by type of service.

Total System

<u>Performance Indicators</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	Percent Change from 2000-01 to <u>2002-03</u>
Operating costs per passenger	\$3.57	\$2.65	\$2.79	-28.15%
Operating costs per vehicle service hour	\$61.34	\$70.59	\$72.44	15.32%
Passengers per vehicle service hour	17,18	26.59	26.01	33.92%
Passengers per vehicle service mile	1.41	2.48	2.55	44.62%
Vehicle service hours per employee	814	862	995	18.20%

Fixed Route

<u>Performance Indicators</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	Percent Change from 2000-01 to <u>2002-03</u>
Operating costs per passenger	\$5.66	\$7.67	\$6.75	16.18%
Operating costs per vehicle service hour	\$61.09	\$78.47	\$74.11	17.57%
Passengers per vehicle service hour	10.80	10.23	10.98	1.66%
Passengers per vehicle service mile	0.71	0.75	0.85	17.23%
Vehicle service hours per employee (1)	N/A	N/A	N/A	N/A

Trolley

<u>Performance Indicators</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	Percent Change from 2000-01 to <u>2002-03</u>
Operating costs per passenger	\$2.12	\$0.97	\$1.48	-42.98%
Operating costs per vehicle service hour	\$61.80	\$55.62	\$70.06	11.79%
Passengers per vehicle service hour	29.18	57.63	47.30	38.31%
Passengers per vehicle service mile	4.57	11.26	7.31	37.48%
Vehicle service hours per employee (1)	N/A	N/A	N/A	N/A

(1) FTE data not available by type of service.

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AUDIT RESULTS (CONTINUED)

Results of Performance Audit Indicators (Continued)

The performance statistics and indicators for the current triennial audit period as compared to the prior triennial audit period are as follows:

<u>Verified TDA Statistics</u>	<u>Total for Triennial Period</u>		<u>Variance</u>	
	<u>Current Audit</u>	<u>Prior Audit</u>	<u>Amount</u>	<u>Percent</u>
Operating costs	\$2,859,934	\$2,073,723	\$786,211	27.49%
Unlinked passengers	983,881	712,652	271,229	27.57%
Vehicle service hours	41,729	41,887	(158)	-0.38%
Vehicle service miles	457,127	452,127	5,000	1.09%
Employee FTEs	47	26	21	44.47%
Operating costs per passenger	\$9.01	10.07	1.06	-11.78%
Operating costs per vehicle service hour	\$204.36	162.74	41.62	20.37%
Passengers per vehicle service hour	69.78	48.40	21.38	30.64%
Passengers per vehicle service mile	6.44	4.21	2.23	34.66%
Vehicle service hours per employee	2,671	3,015	(344)	-12.87%

The LBMTL does not track any performance statistics beyond those required per the PUC.

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FINDINGS AND RECOMMENDATIONS

As a result of the work we performed, the following findings were noted:

(1) Need to Calculate Employee Full-Time equivalents (FTE's) as the number of work hours divided by 2,000.

During our review of the calculation of FTEs for the State Controller's Report, we noted that the City of Laguna Beach Public Works Department estimated the number for FTEs for reporting purposes. As such, the number of FTEs reported on the State Controller's Report was underreported as follows.

<u>Fiscal Year</u>	<u>Number of Full-Time Equivalents</u>		<u>Variance</u>
	<u>Per Audit</u>	<u>As Reported</u>	
2000-01	15.22	14.00	1.22
2001-02	15.83	14.00	1.83
2002-03	15.77	14.00	1.77

This condition was reported as a finding in the previous triennial performance audit report.

The calculation of FTEs for the State Controller's Report requires that the total number of annual employee work hours be divided by 2,000. Failure to calculate the FTEs as required results in an understatement of the FTEs, and the LBMTL not preparing the State Controller's Report as required.

Recommendation:

We recommend that the LBMTL calculate the FTEs for the State Controller's Report using a divisor of 2,000 as required.

Management Response:

"LBMTL will implement measures to calculate the FTE's for the State Controllers Report using the 2000 hours per year."

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(2) Need to Report to OCTA on the Status of Performance audit Recommendations on an Annual Basis

During our review of LBMTL's implementation of the prior triennial performance audit recommendations, we noted that LBMTL was recommended to report the status of their efforts to implement the recommendations to OCTA on an annual basis. During the triennial period, no reporting was done. This condition was reported as a finding in the previous triennial performance audit.

Sound business practices dictate that recipients of TDA funds report their efforts to correct compliance deficiencies with the awarding agency so that the organization can continue to receive funding. Failure to communicate the efforts made to resolve audit findings can result in reduced or eliminated TDA funding.

Recommendation:

We recommend that LBMTL report annually to OCTA on the progress of its implementation of the triennial performance audit recommendations.

Management Response:

"LBMTL will implement an annual reporting process to OCTA on the progress of the implementation of the Tri-Annual Performance Audit recommendations."

(3) Need to Provide Data Consistency Among External Reports and Retroactively File the NTD Reports for Fiscal years 1999-00 and 2000-01

During our review of reporting in external reports, we noted that the certain items were reported inconsistently. No explanations or reconciliations were maintained to document why items were reported differently. Specifically, we noted:

- Passenger counts, vehicle service hours and vehicle service miles were reported differently in the NTD and State Controller's Reports for the fiscal year ended June 30, 2002.
- Passenger counts were reported differently in the NTD and State Controller's Reports for the fiscal year ended June 30, 2003.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(3) Need to Provide Data Consistency Among External Reports and Retroactively File the NTD Reports for Fiscal years 1999-00 and 2000-01 (Continued)

Additionally, we noted the following reports that were not filed:

- NTD Report for the year ended June 30, 2001.
- NTD Report for the year ended June 30, 2000.

A similar data consistency finding was reported in the previous triennial performance audit report.

Sound accounting practices require that external reporting be consistent among various external entities. Should differences exist, such as due to the requirements of the external reporting entities, explanations and references should be documented and maintained to provide a good audit trail. Failure to report financial data consistently to external entities can result in inaccurate reporting and potentially questioned or disallowed costs.

Recommendation:

We recommend that financial data be reported by the LBMTL consistently in all external reports, unless different reporting rules exist. Additionally, should different reporting rules exist, we recommend that the LBMTL maintain supporting documentation reconciling the differences for future audit purposes.

Management Response:

“LBMTL will not be able to file retroactive reports for FY 1999/2000 and 2000/2001. City staff has contacted NTD staff and we were advised these reports for the noted periods have been closed out and there was no way the City could file them retroactively. Prior to the term required for the submission of these reports, city staff contacted OCTA staff, and asked if it was necessary to continue filing reports commencing 1999/2000 because the City was no longer receiving Federal funds. The City was advised by OCTA that it was no longer necessary to submit the Federal report because we were not receiving Federal funds. This interpretation was consistent with other transit operators in urban areas. Subsequently, to that direction, OCTA staff has requested the City recommence filing the annual report. This was accomplished in FY 2001/2002.”

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(4) Need to Update the Short-Range Transit Plan and Use it to Establish Performance Objectives and Justify Future Capital Needs

During our review of LBMTL's short-range planning efforts, we noted that their Short-Range Transit Plan has not been updated since 1994. This condition was reported as a finding in the previous triennial performance audit report. The purpose of a short-range plan is to serve as a management tool for identifying unmet needs, describing future fleet management priorities, linking budgetary processes to updated performance measures, and identifying strategies to improve service. As the period for this plan is short-range, it should be periodically updated.

The City Council of the City of Laguna Beach, who oversees the LBMTL operations, has opted to not update the Short-Range Transit Plan. Failure to continually update a short-range plan results in a lack of short-range direction for the organization and no method of determining the success of the system.

Recommendation:

We recommend that LMBTL update and its short-range transit plan in conjunction with OCTA staff on an annual basis.

Management Response:

"LBMTL will include a recommendation to hire a consultant to update its short-range transit plan in future budget proposals."

(5) Need to Submit Annual Fiscal and Compliance Audits to the State Controller Within 180 Days After the End of the Fiscal Year

During our review of compliance with the requirements of the PUC, we noted that LBMTL did not submit the annual fiscal and compliance audits of its TDA allocations to OCTA within 180 days following the end of the fiscal year. OCTA contracts with an independent entity on behalf of LBMTL to conduct the audits. No extensions were requested. The audits were submitted to the OCTA as follows:

<u>Fiscal Year</u>	<u>Due Date</u>	<u>Date Submitted</u>	<u>Days Late</u>
2000-01	12/27/01	01/04/02	8
2001-02	12/27/02	02/06/03	41
2002-03	12/27/03	12/22/03	0

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(5) Need to Submit Annual Fiscal and Compliance Audits to the State Controller Within 180 Days After the End of the Fiscal Year (Continued)

Section 99245 of the California Public Utilities Code states, in part:

“...A report on the audit shall be submitted to the transportation planning agency, transit development board, county transportation commission, and to the Controller within 180 days after the end of the fiscal year...”

Failure to submit the annual TDA fiscal and compliance audit to OCTA within 180 days after the end of the fiscal year results in noncompliance with PUC Section 99245, and could result in a suspension of TDA allocations.

Recommendation:

We recommend that LBMTL establish procedures to ensure that the annual TDA fiscal and compliance audit is submitted to OCTA within 180 days after the end of the fiscal year as required.

Management Response:

“LBMTL will establish a procedure where by the annual TDA Fiscal and Compliance Audit is submitted to OCTA as required.”

(6) Need to Submit Claims for TDA Funds in Compliance with Rules and Regulations

During our review of Compliance with the Public Utilities Code, we noted that the LBMTL did not file their claim for TDA funds to OCTA by April 1 of each year as follows:

<u>Fiscal Year</u>	<u>Due Date</u>	<u>Date Submitted</u>	<u>Days Late</u>
2000-01	04/01/00	07/27/00	117
2001-02	04/01/01	05/08/01	37
2002-03	04/01/02	08/13/02	134

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(6) Need to Submit Claims for TDA Funds in Compliance with Rules and Regulations (Continued)

Section 99261 of the California Public Utilities Code states, in part:

“The transportation planning agency may adopt rules and regulations supplemental to, and consistent with, those of the department to further delineate procedures for the submission of claims and stating criteria by which they will be analyzed and evaluated...”

Additionally, OCTA’s *Guidelines for Preparation of Local Transportation Fund Claims* states, in part:

“A claimant wishing to receive an allocation from a county’s Local Transportation Fund for any transit related purpose shall file an annual claim with the transportation planning agency in accordance with the rules and regulations established by the transportation planning agency in accordance with the rules and regulations established by the transportation planning agency at least 90 days prior to the beginning of the fiscal year (this date is April 1 for agencies with a fiscal year beginning July 1 and ending June 30).”

The LBMTL was unable to explain why the TDA claims were continually submitted after the due date. Failure to provide timely submittals to OCTA is not in compliance with PUC Section 99261, as well as *Guidelines for Preparation of Local Transportation Fund Claims*, and may result in reduced or no TDA funding.

Recommendation:

We recommend that LBMTL establish procedures to ensure that TDA claims are filed within prescribed timeframes.

Management Response:

“LBMTL will initiate measures whereby the TDA claims will be filled within the prescribed time frames.”

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(7) Need to Implement Program to Evaluate Existing Fixed Route and Surveys of Riders and Non Riders

During our detailed review of transit operator functions, we noted that the LBMTL does not have a program in place to evaluate the existing fixed route services provided.

In order to determine the efficiency and effectiveness of a transit system, it is important to obtain feedback on services provided. The transit system operated by LBMTL is small and the feedback from customers has not been a priority of management. Failure to understand the needs of a transit system's passengers and potential passengers may limit opportunities for improvement and growth of the system.

Recommendation:

We recommend that the LBMTL implement a survey program to obtain feedback for its fixed route services. Both riders and non-riders should be included in the survey. The survey should be conducted at least once every three years.

Management Response:

"LBMTL will initiate measures whereby a survey of the fixed-route (Mainline) services will be conducted every three years as requested."

(8) Need to Follow Policies and Procedures Relating to Record Retention

During our review of performance indicators, we noted that the LBMTL did not retain original trip sheet information for fixed route and trolley services for fiscal years 2000-01 and 2001-02. As such, no underlying documentation was available for our review in order to determine the accuracy of the data gathering methodology.

Sound internal accounting controls dictate that accounting records and associated supporting documentation be maintained for a period of time following the end of a reporting period. This record retention is necessary to support amounts recorded in the books and/or regulatory reports in the event of an audit. Furthermore, the City has a records retention policy which requires that information on reports to outside agencies be retained for a minimum of seven years. LBMTL believed that they had retained the trip sheets. However, there has been significant moving of offices within the City transit facilities and staff could not find the trip sheets. Failure to

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(8) Need to Follow Policies and Procedures Relating to Record Retention (Continued)

maintain records to support amounts reported in regulatory reports prevents auditors from satisfying themselves that reported data is accurate.

Recommendation:

We recommend that LBMTL establish record retention procedures for transit-related records. The records retention policy should be long enough to ensure that records are available for the triennial performance audit.

Management Response:

“LBMTL staff will implement measures whereby the record retention procedures, as included in the above recommendations will be implemented.”

(9) Need to Compile Passenger Counts Correctly

During our review of the data gathering methodology associated with the performance statistics, we noted that the indicators for passenger counts are not reported as documented on the trip sheets which are prepared by the drivers on a daily basis. In order to test the accuracy of the reporting of the performance indicators for the transit operator functions, we selected a judgmental sample of trip sheets for both the mainline and trolley service and traced the passenger counts from the tripsheets to the summary sheets used for reporting purposes. Based upon the results of our testing, we noted the following discrepancies.

<u>Service</u>	<u>Audited</u>	<u>Reported</u>	<u>Variance</u>
Fixed Route	279,802	282,199	-2,397
Trolley	704,079	688,859	15,220
Total	<u>983,881</u>	<u>971,058</u>	<u>12,823</u>

In order to accurately report the performance indicators to the NTD, the State Controller and the OCTA, it is important that the information recorded by the bus drivers on the trip sheets be accurately compiled and reported on the summary sheets that are used to report passenger counts to the various reporting agencies.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(9) Need to Compile Passenger Counts Correctly (Continued)

Some of the original trip sheet information was difficult to read and/or not filled out completely. In the festival service, the recording of breaks is difficult to determine. This information is all hand written and then it is given to a clerical staff to input the data on to the summary sheets. Failure to record the passenger counts, hours and mileage correctly could impact funds available to the LMBTL.

Recommendation:

We recommend that the LBMTL establish procedures to verify trip sheets data to ensure that the original sheets and summary data match.

Management Response:

“LBMTL will initiate measures whereby a double-check system will be initiated to establish procedures to verify each individual driver trip sheet data by each supervisor.”

(10) Need to Establish Procedures for Tracking Full- Time Equivalent (FTEs) by Type of Service

During our detailed review of transit operator functions, we noted that LBMTL does not have the ability to track the number of hours by type of transit service provided (i.e. fixed route versus trolley).

For reporting purposes, the LBMTL is required to report the number of hours worked in each type of transit service provided. Without being able to identify actual hours worked by type of service, the FTE's are not being reported accurately.

Recommendation:

We recommend that the Public Works Department work with the Finance Department to establish a method to track employee hours by type of transit service provided.

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FINDINGS AND RECOMMENDATIONS (CONTINUED)

(10) Need to Establish Procedures for Tracking Full- Time Equivalent (FTEs) by Type of Service (Continued)

Management Response:

“Measures to implement the automated tracking of the full time and part time personnel by the type of service were initiated July 1, 2004.”

(11) Need to Institute an Inventory Value, Process and Procedure to Ensure that there is Adequate Control over Inventory Items

During our detailed review of transit operator functions, we noted that the LBMTL maintains an inventory of bus parts. However, the value of the inventory is not recorded in the accounting records, nor are periodic physical inventories conducted.

Generally accepted accounting principles require that inventories of material value be recorded as asset in the accounting records. Furthermore, sound internal controls dictate that inventories be physically counted on a periodic basis to ensure that inventory values per the accounting records are fairly stated.

The LBMTL currently does not have a system in place to record and track bus parts inventory items. Failure to record the bus parts inventory in the accounting records results in an understatement of assets. Additionally, failure to periodically conduct physical counts of the inventory can result in an increased likelihood of theft, loss or misuse of assets.

Recommendation:

We recommend that the LBMTL establish procedures to conduct periodic physical counts of its bus parts inventory, and record the value of the inventory in the accounting records. The physical counts should be conducted at least once each year.

Management Response:

“LBMTL does not concur with this recommendation. The transit-related inventory consists of routine, fungible maintenance items: lights, lenses, relays, filters and small items which have very little value and turn over frequently. The City does not keep a stock of the following major



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Review of Accounts Payable - Employee Expense Reports

Finance and Administration Committee

May 24, 2006

Present: Directors Campbell, Cavecche, Correa, Duvall, and Wilson
Absent: Director Pringle

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file the Review of Accounts Payable - Employee Expense Reports Internal Audit Report No. 05-035.

Staff Comments

Staff clarified that an employee will be required to submit receipts documenting each expense for OCTA travel. The expenses will have a limit per diem rates based on the published U.S. General Services Administration. Staff also clarified that the requirement to provide receipts also applies to recommendation number 6.

Committee Comments

In Attachment A under "Update of Approval Section of Travel Policy" clarify that Board Member travel outside of California needs to be approved by the Board of Directors.



May 24, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Office
Subject: Review of Accounts Payable - Employee Expense Reports

Overview

The Internal Audit Department has completed a limited review of controls over employee expense reports. Seven recommendations were made to strengthen internal controls, make operations more efficient, and ensure compliance with applicable policies. Management staff has indicated the recommendations contained in the report will be implemented or otherwise satisfactorily addressed.

Recommendation

Receive and file the Review of Accounts Payable - Employee Expense Reports Internal Audit Report No. 05-035.

Background

Orange County Transportation Authority (OCTA) has established a Travel Policy to govern all business travel for OCTA employees and members of the Board of Directors that occurs while working on behalf of OCTA.

OCTA has also established a Business Expense Policy. Business expenses include "personal expenses incurred out of the office while on Orange County Transportation Authority (OCTA) business, as well as expenditures incurred on behalf of OCTA which fall outside the formal procurement process." Under the Business Expense Policy, "expense claims for over \$25.00 must be accompanied by a receipt and/or, where possible, with a credit card receipt." Employee expense reports are reviewed by the accounts payable technician.

Discussion

The objective of the audit was to review controls over employee expense reports. The audit scope included, but was not limited to, review of employee expense reports for compliance with applicable policies and procedures.

Internal Audit made recommendations to provide employees and managers with guidance on acceptable ranges for meals and lodging, allowability of phone calls, and acceptable expense documentation. Other recommendations included updating the Travel Policy and reviewing supporting documentation more carefully. Management plans to implement all recommendations, except for the recommendation to implement a requirement for itemized receipts. Management staff has indicated that the planned use of per diem rates for reimbursement of meals and incidentals should address the recommendation on itemized receipts, and Internal Audit concurs with the response. An updated Travel Policy with per diem rates for meals and incidentals has been proposed and is currently pending executive approval.

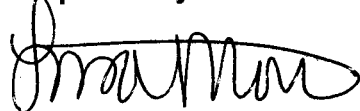
Summary

Based on the review, Internal Audit offered some recommendations, which management staff indicated would be implemented or otherwise satisfactorily addressed.

Attachments

- A. Review of Accounts Payable - Employee Expense Reports, Internal Audit Report No. 05-035
- B. Internal Audit Report No. 05-035 Response
- C. Review of Accounts Payable – Employee Expense Reports Close-out Memo
- D. Updated Internal Audit Report No. 05-035 Response

Prepared by:



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Acting Manager, Internal Audit
(714) 560-5669

Approved by:



Richard J. Bacigalupo
Deputy Chief Executive Officer
(714) 560-5901



INTEROFFICE MEMO

September 2, 2005

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

From: ^{SN} Serena Ng, Internal Auditor
Internal Audit

Subject: **Review of Accounts Payable - Employee Expense Reports
Internal Audit Report No. 05-035**

Conclusion

The Internal Audit Department has completed a limited review of controls over employee expense reports. **In Internal Audit's opinion**, the controls over the employee expense reports are, in general, adequate to ensure the safeguarding of Orange County Transportation Authority's assets. However, based on the review, Internal Audit is recommending improvements that will strengthen internal controls, make operations more efficient, and ensure compliance with applicable policies.

Background

Orange County Transportation Authority (OCTA) has established a Travel Policy to govern all business travel for OCTA employees and individuals that occurs while working on behalf of OCTA. A Business Expense Policy has been established for personal expenses incurred out of the office while on OCTA business and expenditures incurred on behalf of OCTA which fall outside the formal procurement process. Under the Business Expense Policy, all expense claims for over \$25.00 must be accompanied by a receipt and/or where possible, with a credit card receipt. The Accounts Payable Technician reviews employee expense reports.

Purpose and Scope

The objective of the audit was to review controls over employee expense reports. The audit scope included, but was not limited to, review of employee expense reports for compliance with applicable policies and procedures.

Internal Audit (IA) judgmentally made selections from a Detailed Trial Balance for calendar year 2004 for object codes 7655 (Travel), 7656 (Mileage), 7657 (Training), and 7675 (Meetings). IA reviewed 25 employee expense reports



with the travel authorization forms and supporting receipts. Additionally, IA reviewed three airfare expenses, three meeting and training registration expenses, and three food purchase expenses.

Observations and Recommendations

Lodging and Meal Rates

No standard ranges or limits for lodging and meals are established in the Travel Policy. Since specific guidelines are not established in the policy, the current manager approval process is based on each individual manager's determination of the reasonableness of claimed expenses.

Recommendation No. 1

IA recommends that consideration be given to providing employees and managers with guidance on reasonable and acceptable ranges for meals and lodging for the different geographical areas.

Phone Reimbursement on Travel

Although the Accounts Payable Technician allows all business phone calls and limited personal phone calls as a general practice, there is no formal guidance regarding the allowability of phone calls or limits on personal phone calls in the Travel Policy.

Recommendation No. 2

IA recommends that specific guidance on the allowability of phone calls during travel be incorporated in the Travel Policy. The guidance should specifically address hotel phone expenses and cell phone expenses.

Update of the Approval Section of Travel Policy

Under the 2004 revisions to Procurement Policies and Procedures, the CEO is authorized to approve all travel, ~~except for travel outside of California~~ by members of the Board of Directors. However, the Travel Policy has not been updated to reflect this change in approval level. Additionally, some of the titles of the approvers in the Travel Policy have not been updated to reflect current titles.



Recommendation No. 3

IA recommends that the Travel Policy be updated to reflect the revisions to Procurement Policies and Procedures and any other changes that have occurred since the last policy revision.

Complete Documentation on Receipts with Multiple Meal Items

IA identified some instances of employees claiming the full amount for meal receipts with multiple meal items; however, no written documentation such as names of other people present at the meal was provided.

Recommendation No. 4

On claims for the full amount of a meal with multiple meal items, **IA recommends** that the meal receipts be held for reimbursement until adequate documentation is provided. Once adequate documentation is provided, the documentation should be attached to expense reports as evidence of compliance with the policy.

Expense Reimbursement Exceptions

IA identified the following discrepancies or exceptions on two employee expense reports selected for testing:

- An employee claimed and was reimbursed for parking expenses that exceeded the actual cost on the supporting parking receipt.
- The same employee was reimbursed for a room service meal less unallowable expenses, based on an itemized room service receipt. However, the employee also claimed and was reimbursed for the total hotel bill, which included the same room service meal. The room service meal total, as itemized in the hotel bill, included unallowable expenses. Subsequently, the employee has reimbursed OCTA for the amounts.
- Another employee submitted a meal receipt that was blurry and faded. Although the itemized amounts on the receipt are not legible, it appears that the receipt included multiple unallowable expenses. OCTA has subsequently been reimbursed for the amounts.



Recommendation No. 5

IA recommends that hotel bills, meal receipts, parking receipts, and other supporting documentation be more carefully reviewed to ensure the following:

- Each expense is reimbursed only once;
- Expenses are reimbursed at actual cost; and
- Unallowable expenses are not reimbursed in full or in part.

Supporting Documentation for Expense Claims

During review of employee expense reports, IA identified some expense items that were supported with credit card payment receipts or hotel bills with no itemization of charges. The Business Expense Policy requires that expense claims over \$25.00 be accompanied by a receipt and/or, where possible, with a credit card receipt. However, the policy does not specify a requirement for itemized bills and receipts, where possible.

Recommendation No. 6

IA recommends that consideration be given to establishing a requirement for itemized bills and receipts, where possible, in the Business Expense Policy. If itemized bills and receipts are not available, the employee could be required to submit a brief, written description of the items in the bill.

Monitoring of Miles Claimed

The numbers of miles claimed on employee expense reports are not recalculated.

Recommendation No. 7

IA recommends that the number of miles for common trips, such as trips from the Orange building to the bus bases, be posted as standards and compared to employee expense reports.

Summary

Based on IA's review, the controls over employee expense reports are, in general, adequate to ensure the safeguarding of OCTA assets. IA did make some recommendations, as detailed above.



Management Response

IA requests that a written response indicating the corrective action taken or planned to address the recommendations be forwarded to Robert Duffy, Manager of Internal Audit, by September 16, 2005.

Audit performed by: Serena Ng, In-Charge Auditor
Maria Robledo


c: Rick Bacigalupo
Tom Wulf
Dale Cole
Robert Duffy



INTEROFFICE MEMO

September 22, 2005

To: Serena Ng, Internal Auditor

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

Subject: **Internal Audit Report No. 05-035 Response**

Recommendation No. 1

We concur with the recommendation that OCTA establish maximum meal limits for reimbursement of meals and incidentals with an option for being reimbursed based on actual expenses with prior approval of the CEO. We recommend that maximum meal limits be based on the adoption of the per diem rates for meals and incidentals published by the U.S. General Services Administration. These rates vary by location, based on the local cost of living in the destination.

As far as lodging rates, we recommend that OCTA continue to reimbursement travelers based on actual costs. Generally, OCTA travelers do not qualify for the negotiated lodging rate available to federal government employees, consequently the Federal per diems would be insufficient for OCTA travelers. Additionally, numerous factors will determine whether or not a room charge is reasonable, such as does it include internet service, are transportation costs reduced due to proximity to the business destination or airport, are there select hotels for a particular conference that make them a better value, etc. Therefore, we recommend that the existing procedures remain in effect for lodging.

Recommendation No. 2

We concur with the recommendation. We recommend that business calls and internet access for business purposes be reimbursed. We recommend that personal phone call reimbursements be included as part of the per diem rate for meals and incidentals (see Recommendation 1) with no reimbursement for specific personal phone calls.

Recommendation No. 3

We concur with the recommendation. The Travel and Business Expense policy is currently being revised to include the updated procedures.

Recommendation No. 4

We concur with the recommendation and it is our current policy to record the names of all people present at a meal when reimbursing for multiple entrees. This issue will no longer be applicable if OCTA adopts a per diem reimbursement policy for meals.

Recommendation No. 5

The Accounts Payable staff attempts to catch all errors. Unfortunately, given the complexity of reimbursement requests, the lack of consistency in preparation of reimbursement documentation, the frequent overlap of hotel receipts and restaurant receipts, inconsistent manager review of travel reimbursement requests and the volume of travel reimbursements, errors do sometimes occur. Our recommendation to adopt per diem reimbursements for meals and incidentals will greatly reduce the risk of error. In the mean time, the Account's Payable staff is spending more time double-checking each reimbursement request to minimize errors.

Recommendation No. 6

We disagree with the recommendation to require itemized receipts for food reimbursements. Instead, we recommend the use of per diems, which will simplify our reimbursement process and reduce errors.

Recommendation No. 7

We concur with the recommendation. The Accounts Payable section has compiled a mileage matrix that will be posted on the intranet and distributed to employees that are routinely reimbursed for mileage and managers that regularly approve mileage payments. Additionally, we will compare the mileage reimbursement requests to our standards for reasonability, keeping in mind that alternate routes are often available and that mileage may vary when efforts are taken to avoid traffic jams or due to construction detours.

Thank you for your recommendations. Your input is a greatly appreciated component of our ongoing effort to improve processes and strengthen internal controls.



INTEROFFICE MEMO

October 21, 2005

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

From: ^{SN} Serena Ng, Sr. Internal Auditor
Internal Audit

Subject: **Review of Accounts Payable Employee Expense Reports
Close-out Memo**

Internal Audit has received and concurs with management's response to the recommendations issued in the Review of Accounts Payable - Employee Expense Reports, Internal Audit Report No. 05-035. Management plans to implement the recommendations and/or other processes to address the audit observations. Internal Audit appreciates the responses and the cooperation received during the audit. A follow-up review on the status of management's planned corrective actions will be conducted in six months.

Attachment: Management Response Memo

c: Richard Bacigalupo
Tom Wulf
Dale Cole
Robert Duffy



INTEROFFICE MEMO

May 18, 2006

To: Serena Ng, Internal Auditor

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

Subject: **Updated Internal Audit Report No. 05-035 Response**

On May 8, 2006, the Orange County Transportation Authority (OCTA) Board of Directors approved a policy governing the reimbursement of expenses for board members. In light of this recent Board action, I recommend that my original response to this audit dated September 22, 2005, be amended to be consistent with the new Board policy for reimbursement of meals, lodging and travel expenses.

Recommendation No. 1

We concur with the recommendation that OCTA adopt maximum meal limits for the reimbursement of meals. Consistent with the Board policy, we recommend that those limits be the per diem rates published by the U.S. General Services Administration. Employees will also be required to submit receipts documenting each expense.

As far as lodging rates, we recommend that OCTA continue to reimbursement travelers based on actual costs that reflect prudence and good stewardship. We also recommend that lodging in connection with a conference not be allowed to exceed the maximum group rate published by the conference or activity sponsor.



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WV} Wendy Knowles, Clerk of the Board
Subject Consultant Selection for Project Study Report Services for Corridor Improvements on the San Diego Freeway (Interstate 405)

Regional Planning and Highways Committee

June 19, 2006

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

Committee Vote

This item was passed by the Committee Members present.

Director Pringle did not participate in the discussion and abstained on this matter per Government Code Section 84308.

Committee Recommendations (reflects change from staff recommendation)

- A. Select Parsons Transportation Group for the preparation of a Project Study Report/Project Development Support for the corridor improvement project on the San Diego Freeway (Interstate 405) between the San Gabriel Freeway (Interstate 605) and the San Joaquin Transportation Corridor (State Route 73).
- B. Authorize the Chief Executive Officer to negotiate and bring back the final agreement within the authorized budget of \$900,000.
- C. Form an ad hoc committee which would include Directors Correa and Norby and OCTA staff to review this procurement process and lessons for the future; as a courtesy advise the Regional Planning and Highways Committee of the meeting.



June 19, 2006

To: Regional Highways and Planning Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Consultant Selection for Project Study Report Services for Corridor Improvements on the San Diego Freeway (Interstate 405)

Overview

The next step towards implementation of the San Diego Freeway (Interstate 405) Major Investment Study – Locally Preferred Strategy is to perform further engineering assessment and refine the project scope. Proposals and statements of qualifications were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering work. These procedures are in accordance with both federal and state legal requirements.

Recommendations

- A. Select Parsons Transportation Group for the preparation of a Project Study Report/Project Development Support for the corridor improvement project on the San Diego Freeway (Interstate 405) between the San Gabriel Freeway (Interstate 605) and the San Joaquin Transportation Corridor (State Route 73).
- B. Authorize the Chief Executive Officer to execute the final agreement within the authorized budget of \$900,000.

Background

The Orange County Transportation Authority (OCTA), in its efforts to relieve existing and forecasted mobility problems along the San Diego Freeway (Interstate 405) corridor, completed a major investment study (MIS) to identify potential improvements to the 13-mile corridor. The Interstate 405 (I-405) MIS study area includes the 13.5-mile section of I-405 in Orange County between San Joaquin Transportation Corridor (State Route 73) on the south and the San Gabriel Freeway (Interstate 605) on the north. The corridor passes

through portions of Costa Mesa, Fountain Valley, Huntington Beach, Westminster, Garden Grove, and Seal Beach. The MIS concluded with the OCTA Board of Directors' (Board) adoption of the Locally Preferred Strategy (LPS) to address the mobility problems in the corridor. The LPS provides for an additional general purpose lane in each direction on the freeway between Interstate 605 (I-605) and Brookhurst Street. It also includes auxiliary lanes linking on-ramps to downstream off-ramps at numerous locations from I-605 to Harbor Boulevard. The Project Study Report/Project Development Support (PSR/PDS) phase of the project development will further refine the LPS alternative and the impacts to interchanges, undercrossings, and overcrossings. The goal is to further refine the project scope through an engineering assessment in advance of environmental impact analysis.

Discussion

This procurement was handled in accordance with OCTA's procedures for architectural and engineering services, which conform to both federal and state law. The highest ranked firm is requested to submit a cost proposal and the final agreement is negotiated. Should negotiations fail with the highest ranked firm, a cost proposal will be solicited from the second ranked firm in accordance with the procurement policies previously adopted by the Board.

The project was initially advertised on March 30 and April 4, 2006, in a newspaper of general circulation and sent electronically to 597 firms registered on CAMMNET. A pre-proposal meeting was held on April 5, 2006, and was attended by 30 firms. Based on the fact that only one proposal was received, the solicitation was canceled and reissued. The project was re-advertised on April 24 and May 1, 2006, in a newspaper of general circulation, and sent electronically to 608 firms registered on CAMMNET. No pre-proposal meeting was held.

On May 22, 2006, one proposal was received from Parsons Transportation Group. Since only one proposal was received, there was no need to have an evaluation committee for ranking purposes.

Staff reviewed the proposal and has found Parsons Transportation Group qualified to perform the work. Based upon the proposal package submitted and review by staff, staff is confident that the firm will perform in accordance with OCTA's expectations and contract requirements.

Fiscal Impact

Funding for this project is included in the OCTA Fiscal Year 2006-07 Budget, Planning, Development and Commuter Services, Account 1537-7519-A4500-BBT, and is funded through the State Transportation Improvement Program.

Summary

Based on the material provided, staff recommends the selection of Parsons Transportation Group as the qualified firm to complete the PSR/PDS on the San Diego Freeway (Interstate 405) between Interstate 605 and State Route 73.

Staff is requesting authorization to negotiate an agreement within the approved budget of \$900,000.

Attachment

None.

Prepared by:



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Section Manager, Project Development
(714) 560-5874

Approved by:



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



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Comprehensive Funding Strategy and Policy Direction Update

Regional Planning and Highways Committee

June 19, 2006

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

Committee Vote

This item was passed by all Committee Members present.

Director Pringle abstained on this matter due to a potential conflict on one of the items outside of Anaheim.

Committee Recommendations

- A. Approve the revised comprehensive local, state, and federal funding plan for \$1.6 billion from fiscal year 2005-06 through fiscal year 2010-11.
- B. Authorize staff to request State Transportation Improvement Program funding for the Jeffrey Railroad Grade Separation and the Placentia (Metrolink) transit station projects.
- C. Authorize staff to release a Request For Proposals for engineering services for the Garden Grove Freeway (State Route 22) Phase II project.
- D. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program, and execute any necessary agreements to facilitate the programming above.

Staff Comments

Correction to Attachment B (see Revised Attachment B) under New STIP – PTA Projects, Placentia Transit Station, the PA&ED phase was revised to PS&E phase (Plans, Specifications, and Estimates).

Comprehensive Funding Plan
FY 2005-06 through FY 2010-11
Revised as of May 31, 2006

Program Areas	Sources	State/Federal	State	Federal	Federal	Federal	Measure	Measure	Other	Unfunded	Total											
		STIP SHA	STIP PTA	STIP TE	RSTP	CMAQ	M Transit	M Freeway	see notes			Need										
Estimated Project Costs																						
Cost Updates to Existing STIP Projects¹¹	\$	56									\$	56										
Project contingency for projects out to bid		-										-										
I-5 @ Oso Parkway		3	3									3										
I-5 @ Culver Drive		2	2									2										
Imperial Highway Grade Separation		31	31									31										
Soundwalls - I-5 in San Clemente (2 locations)		4	4									4										
I-5 @ Jamboree		3	3									3										
I-405 Magnolia to Beach		1	1									1										
I-5 @ Pico		5	5									5										
I-5 @ Camino Capistrano		7	7									7										
Highways	\$	152										\$	152									
91 E/B Widening (Added to RCTC \$5 million for Design) ^{11&12}		3									3		3									
I-5 Ortega INTERCHANGE Improvement (Environmental phase) ¹²		2									2		2									
Ortega Highway WIDENING between I-5 and Antonio Parkway ¹²		5									5		5									
Bristol Street Widening ²		125							125				125									
Soundwalls ¹²		7									7		7									
Planning, Programming, Monitoring (PPM) activities		10	10										10									
NEW STIP - PTA Projects	\$	27										\$	27									
Jeffrey Road Grade Sep		24		24									24									
Placentia Transit Station (PS&E phase)		3		3									3									
High Occupancy Vehicle (HOV)	\$	474										\$	474									
SR-22 PHASE II 22/405 & 405/605 direct HOV connectors ³		300				185		104			11		300									
HOV drop ramps (Bear, Von Karman, and Gene Autry West) ⁴		170				30			15		125		170									
Countywide Rideshare		4				4							4									
CHANGES - Programming Updates	\$	101										\$	101									
I-5 Gateway Project Cost Increase		55	25			30							55									
SR-22 Scope Changes		46						46					46									
Local Streets & Roads	\$	115										\$	115									
2005 CTFP Call for Projects	\$	115				115							115									
Grade Crossing Program	\$	79										\$	79									
Grade Crossing Safety Enhancement ¹⁰	\$	20							20				20									
Countywide Grade Separation Program	\$	59				59							59									
Metrolink⁵	\$	434										\$	434									
Turnback Facility at Fullerton Station		4						4					4									
Additional Track, La Palma to Fullerton		29						29					29									
Relief Sidings between Anaheim Station and La Palma		3						3					3									
Pedestrian Grade Separation at Orange Station ⁶		5		5									5									
Relief Sidings between Tustin and Santa Ana Stations		2						2					2									
Turnback Facility at Laguna Niguel/ Mission Viejo Station		10						10					10									
Fullerton Transportation Center Parking Expansion ⁷		11		11									11									
Gateway to Regional Rail (Anaheim station relocation, high-speed rail work)		60						60					60									
Orange Transportation Center Parking Expansion		28						28					28									
Tustin Station Parking Expansion		7		7									7									
Laguna Niguel / Mission Viejo Station Parking Expansion		63						63					63									
Irvine Transportation Center Parking Expansion ⁸		20		20									20									
Rolling Stock		160						160					160									
Orange County Metrolink Maintenance Facility (Environmental & Design)		31		4				27					31									
Transit	\$	155										\$	155									
Bus Rapid Transit - Rolling stock, infrastructure, feeders		125		125									125									
City Studies		30						30					30									
Transportation Enhancement Activities (TE)	\$	16										\$	16									
2006 Call for Projects		8			8								8									
Future Call for Projects		8			8								8									
Total Program Costs⁹	\$	1,609	\$	91	\$	199	\$	16	\$	174	\$	249	\$	417	\$	150	\$	160	\$	153	\$	1,609

Notes

- ¹ \$3 million previously proposed to come from Interregional Transportation Improvement Program (ITIP) funds
- ² \$125 million from Gas Tax Subvention funds
- ³ This represents the estimated project cost as of June 2006 (prior to design completion).
- ⁴ \$15 estimated from Irvine Business Complex (IBC) developer fees
- ⁵ Metrolink Expansion plan has been escalated from 2005 \$ to Year of Expenditure (YOE) \$ for programming purposes
- ⁶ \$3 million is already funded with STIP funds. Total project cost is estimated at \$8 million
- ⁷ \$14.6 million is already funded with STIP and city funds. Total project cost is estimated at \$25 million
- ⁸ \$6.125 million is already funded with federal and city funds. Total project cost is estimated at \$26 million
- ⁹ Numbers may not add due to rounding
- ¹⁰ Measure M - CURE (other)
- ¹¹ Note, this represents only the cost increases to these projects from the 2004 STIP to the 2006 STIP
- ¹² This represents the costs in present day value, if these projects aren't delivered in the program year, they may require escalation.



June 19, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, ^{AW} Chief Executive Officer
Subject: Comprehensive Funding Strategy and Policy Direction Update

Overview

The Orange County Transportation Authority Board of Directors approved a comprehensive funding strategy and policy direction in November 2005. Since that time, the California Transportation Commission adopted the 2006 State Transportation Improvement Program, the Santa Ana Freeway (Interstate 5) Gateway project was awarded, and scope changes were approved on the Garden Grove Freeway (State Route 22) widening project. These changes have necessitated revisions to the adopted funding strategy and policy direction. Staff is proposing a revised funding strategy to align the available funding with eligible projects.

Recommendations

- A. Approve the revised comprehensive local, state, and federal funding plan for \$1.6 billion from fiscal year 2005-06 through fiscal year 2010-11.
- B. Authorize staff to request State Transportation Improvement Program funding for the Jeffrey Road grade separation and the Placentia (Metrolink) transit station projects.
- C. Authorize staff to release a Request For Proposals for engineering services for the Garden Grove Freeway (State Route 22) Phase II project.
- D. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program and execute any necessary agreements to facilitate the programming above.

Background

In November 2005, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the Comprehensive Funding Strategy and Policy Direction. This funding strategy and policy direction outlined the programming of five major funding sources for fiscal year (FY) 2005-06 through FY 2010-11. These funding sources and the approved policy for programming are included in Attachment A.

Discussion

Since November, three significant events have necessitated a realignment of the available funding sources and eligible projects. Those three events were: the adoption of the 2006 State Transportation Improvement Program (STIP), contract award of the Santa Ana Freeway (Interstate 5) Gateway project in excess of the programmed amount, and scope changes to the Garden Grove Freeway (State Route 22) widening project.

State Transportation Improvement Program

The STIP is a major source of funding for transportation improvements in the State of California. Revenues from federal and state sources are consolidated into the STIP. In accordance with federal and state regulations, every two years, in every even-numbered year, new revenues are estimated and programmed for the next five-year period. As part of the November 2005 Board action, STIP funds were directed to fund freeway chokepoints, Metrolink service expansion, bus rapid transit, soundwalls, and cost increases on current projects.

In April 2006, the California Transportation Commission (CTC) adopted the 2006 STIP. OCTA was able to capture \$176.7 million in new programming for transit-related projects and \$80 million to augment existing programmed freeway projects; however, due to funding constraints for highway projects, the CTC did not approve all of OCTA's proposed projects for the 2006 STIP. Those projects included the following:

Project Description	Amount
State Route 22 (SR-22) Phase II, SR-22/San Diego Freeway (Interstate 405) & Interstate 405 (I-405)/San Gabriel Freeway (Interstate 605) direct high-occupancy vehicle (HOV) connectors	\$65,000,000
Riverside Freeway (State Route 91) eastbound auxiliary lane	\$3,000,000
Interstate 5 (I-5)/ Ortega Highway (State Route 74) interchange improvement (environmental phase)	\$2,000,000
State Route 74 widening between I-5 and Antonio Parkway	\$5,000,000
Soundwalls	\$7,000,000
TOTAL	\$82,000,000

Historically, the STIP has been primarily funded with State Highway Account (SHA) revenues. The SHA funds are eligible to fund a wide range of projects on and off the state highway system; however, due to the continued state budget crisis, these funds have become increasingly difficult to predict and largely unavailable. This has led to a change in the revenue mix of the STIP. The 2006 STIP fund estimate identified that the largest revenue source for the STIP will be from the Public Transportation Account (PTA). The PTA funds are eligible to fund transit-related projects only.

The adoption of the 2006 STIP on April 27, 2006, also made available approximately \$730 million in PTA funds over five years (approximately \$70 million in FY 2006-07 and 2007-08). These funds were made available due to a shortage of proposed eligible projects in the 2006 STIP. It is important to note that programming against these funds will count against the OCTA county share.

In May 2006, the CTC requested that agencies submit requests for eligible projects. The criteria for determining which projects will be selected have not yet been finalized. In an effort to capture some of this available funding, staff proposes to submit construction of the Jeffrey Road grade separation project and the plans, specifications, and estimates (PS&E) phase of the Placentia (Metrolink) transit station project. These projects have been selected as they are of regional significance, are eligible for the PTA funds, and are ready to be delivered within the specified timeframe.

Interstate 5 Gateway Project

In February 2006, the Board approved a revised funding plan for the I-5 Gateway project to address the higher-than-anticipated bids received. This revised funding plan included the addition of \$30.3 million of Congestion Mitigation and Air Quality (CMAQ) funds and utilization of \$25 million of STIP funds previously set aside for potential cost increases to projects out to bid (as included in the November Board action). As indicated in the February Board item, the CMAQ funds were previously planned to be used on the SR-22 Phase II project. Staff is now proposing to backfill the SR-22 Phase II project with the following two years' CMAQ apportionments. This may ultimately delay the implementation of other HOV drop ramp projects; however, this delay in funding will better accommodate the development of those projects.

State Route 22 Phase II

Most notably, the SR-22 Phase II project (I-405/Interstate 605 HOV connectors), was not included in the approved STIP. This, combined with Board approval of \$46 million Measure M freeway funds for the scope changes on the current SR-22 widening project, has left an unfunded need of approximately \$111 million for the Phase II project (\$65 million of STIP, as included in the November Board item, and \$46 million of Measure M freeway funds).

In order to keep this high-priority project on track, staff proposes to restore the majority of the needed funds using \$100 million in CMAQ funds. Utilizing CMAQ funds on the SR-22 could delay the implementation of one or more of the previously programmed HOV drop ramps on I-405 at Bear Street and Von Karman Avenue, and on I-5 at Gene Autry Way west beyond 2011. This action would leave a remaining shortage of approximately \$11 million. Staff will continue to review available funding sources to fund this shortfall.

This funding plan is based on a project cost estimate of \$300 million in 2006 dollars. As with all construction projects in the early development stages, the SR-22 Phase II project cost estimate has some uncertainties. One unknown is the delivery method (design-build or design-bid-build) for the SR-22 Phase II project. Therefore, a "year of expenditure" cost estimate cannot be accurately developed. Other variables include potential right-of-way issues and the possibility of staging the project to match available revenues. The cost of the project will be updated upon completion of preliminary engineering and identification of the delivery method. If required, additional funding will need to be identified.

In order to begin implementing SR-22 Phase II improvements, staff is requesting approval to proceed with the design phase of the project. Since the funding for SR-22 Phase II engineering services is not included in the FY 2006-07 budget, staff is requesting authorization to proceed with the release of a Request for Proposals (RFP) for design and engineering services. The RFP will be for a task order-based contract to allow staff to manage the phases of the project. The first task order would be for preliminary engineering.

This will allow engineering to continue and expedite project delivery, while helping to better define project scope, refine the project estimated cost, and assist in the determination of the best delivery method. In parallel, OCTA staff will proceed with activities associated with right-of-way issues and utility relocation, both of which are long-lead time items.

The design contract is anticipated to be awarded prior to January 2007. Staff will return to the Board with necessary budgetary actions.

Summary

Staff is presenting an updated \$1.6 billion comprehensive local, state, and federal funding program for FY 2005-06 through FY 2010-11. This comprehensive funding strategy is presented in Attachment B.

Attachments

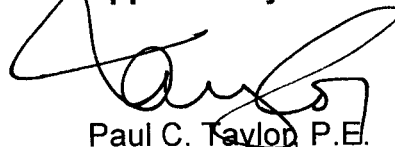
- A. Policy Direction for Programming FY 2005-06 to FY 2010-11
- B. Comprehensive Funding Plan – FY 2005-06 through FY 2010-11, Revised as of May 31, 2006

Prepared by:



Jennifer Bergener
Section Manager, Capital Programs
(714) 560-5462

Approved by:



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

Policy Direction for Programming FY 2005-06 to FY 2010-11

Funding Source	Adopted Programming Policy (FY 2005-06 to FY 2010-11)
State Transportation Improvement Program	Cost increases on current projects, Chokepoints, Metrolink Service Expansion, Bus Rapid Transit, soundwalls
Congestion Mitigation and Air Quality Program	High occupancy vehicle (HOV) connectors and drop ramps
Regional Surface Transportation Program	Competitive call to cities and County for local streets and roads and Countywide Railroad Grade Separation projects
Transportation Enhancement Activities Program	Competitive call to cities and County for bicycle and pedestrian projects
Measure M Transit	Metrolink Service Expansion
Measure M Freeway	State Route 22 – Interstate 405 HOV connectors
Orange County Gas Tax Exchange	Fund up to \$125 million for Bristol Street Widening

Comprehensive Funding Plan
 FY 2005-06 through FY 2010-11
 Revised as of May 31, 2006

Program Areas	Sources							Measure M	Other see notes	Unfunded Need	Total
	State/Federal STIP SHA	State STIP PTA	Federal STIP TE	Federal RSTP	Federal CMAQ	Measure M Transit	Freeway				
	Estimated Project Costs										
Cost Updates to Existing STIP Projects¹¹	\$ 56										\$ 56
Project contingency for projects out to bid	-	-								-	
I-5 @ Oso Parkway	3	3								3	
I-5 @ Culver Drive	2	2								2	
Imperial Highway Grade Separation	31	31								31	
Soundwalls - I-5 in San Clemente (2 locations)	4	4								4	
I-5 @ Jamboree	3	3								3	
I-405 Magnolia to Beach	1	1								1	
I-5 @ Pico	5	5								5	
I-5 @ Camino Capistrano	7	7								7	
Highways	\$ 152										\$ 152
91 E/B Widening (Added to RCTC \$5 million for Design) ^{11&12}	3								3	3	
I-5 Ortega INTERCHANGE Improvement (Environmental phase) ¹²	2								2	2	
Ortega Highway WIDENING between I-5 and Antonio Parkway ¹²	5								5	5	
Bristol Street Widening ²	125							125		125	
Soundwalls ¹²	7								7	7	
Planning, Programming, Monitoring (PPM) activities	10	10								10	
NEW STIP - PTA Projects	\$ 27										\$ 27
Jeffrey Road Grade Sep	24									24	
Placentia Transit Station (PA&ED phase)	3	3								3	
High Occupancy Vehicle (HOV)	\$ 474										\$ 474
SR-22 PHASE II 22/405 & 405/605 direct HOV connectors ³	300	-			185		104	-	11	300	
HOV drop ramps (Bear, Von Karman, and Gene Autry West) ⁴	170				30			15	125	170	
Countywide Rideshare	4				4					4	
CHANGES - Programming Updates	\$ 101										\$ 101
I-5 Gateway Project Cost Increase	55	25			30					55	
SR-22 Scope Changes	46						46			46	
Local Streets & Roads	\$ 115										\$ 115
2005 CTFP Call for Projects	115				115					115	
Grade Crossing Program	\$ 79										\$ 79
Grade Crossing Safety Enhancement ¹⁰	20							20		20	
Countywide Grade Separation Program	59				59					59	
Metrolink⁵	\$ 434										\$ 434
Turnback Facility at Fullerton Station	4						4			4	
Additional Track, La Palma to Fullerton	29						29			29	
Relief Sidings between Anaheim Station and La Palma	3						3			3	
Pedestrian Grade Separation at Orange Station ⁶	5		5							5	
Relief Sidings between Tustin and Santa Ana Stations	2						2			2	
Turnback Facility at Laguna Niguel/ Mission Viejo Station	10						10			10	
Fullerton Transportation Center Parking Expansion ⁷	11		11							11	
Gateway to Regional Rail (Anaheim station relocation, high-speed rail work)	60						60			60	
Orange Transportation Center Parking Expansion	28						28			28	
Tustin Station Parking Expansion	7		7							7	
Laguna Niguel / Mission Viejo Station Parking Expansion	63						63			63	
Irvine Transportation Center Parking Expansion ⁸	20		20							20	
Rolling Stock	160						160			160	
Orange County Metrolink Maintenance Facility (Environmental & Design)	31		4				27			31	
Transit	\$ 155										\$ 155
Bus Rapid Transit - Rolling stock, infrastructure, feeders	125		125							125	
City Studies	30						30			30	
Transportation Enhancement Activities (TE)	\$ 16										\$ 16
2006 Call for Projects	8			8						8	
Future Call for Projects	8			8						8	
Total Program Costs⁹	\$ 1,609										\$ 1,609

Notes

¹ \$3 million previously proposed to come from Interregional Transportation Improvement Program (ITIP) funds

² \$125 million from Gas Tax Subvention funds

³ This represents the estimated project cost as of June 2006 (prior to design completion).

⁴ \$15 estimated from Irvine Business Complex (IBC) developer fees

⁵ Metrolink Expansion plan has been escalated from 2005 \$ to Year of Expenditure (YOE) \$ for programming purposes

⁶ \$3 million is already funded with STIP funds. Total project cost is estimated at \$8 million

⁷ \$14.6 million is already funded with STIP and city funds. Total project cost is estimated at \$25 million

⁸ \$6.125 million is already funded with federal and city funds. Total project cost is estimated at \$26 million

⁹ Numbers may not add due to rounding

¹⁰ Measure M - CURE (other)

¹¹ Note, this represents only the cost increases to these projects from the 2004 STIP to the 2006 STIP

¹² This represents the costs in present day value, if these projects aren't delivered in the program year, they may require escalation.



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Riverside County - Orange County Major Investment Study Draft Action Plan

Regional Planning and Highways Committee

June 19, 2006

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Approve the draft action plan.



June 19, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Riverside County – Orange County Major Investment Study Draft Action Plan

Overview

A draft three-year plan for actions following the recently completed major investment study is presented for review, discussion, and potential action.

Recommendation

Approve the draft action plan.

Background

The Orange County Transportation Authority (OCTA), the Riverside County Transportation Commission (RCTC), and the Foothill Eastern Transportation Corridor Agency (TCA) have completed a major investment study (MIS) of long-term alternatives for improving travel between Riverside and Orange counties. The MIS recommends major improvements to the Riverside Freeway (State Route 91) from the Costa Mesa Freeway (State Route 55) to the Ontario Freeway (Interstate 15), a new elevated roadway (91 Viaduct) within State Route 91 (SR-91) between the Eastern Transportation Corridor (State Route 241) and Interstate 15 (I-15), and a technical study of a new corridor south of SR-91 connecting Irvine to Corona (Irvine-Corona Expressway). These efforts are collectively referred to as the Riverside County-Orange County (RC-OC) Corridor. In addition, safety/operational improvements are recommended for Ortega Highway (State Route 74) from the future State Route 241 (SR-241) extension (Foothill South) to Lake Elsinore.

Over the next three years, a series of initiatives are planned to advance RC-OC Corridor improvements. These initiatives involve follow-up on short- and long-term improvements to the SR-91, continued technical

evaluation of an Irvine-Corona Expressway, and evaluating operational improvements to State Route 74 (SR-74). The action plan was presented to the SR-91 Advisory Committee on June 2, 2006, and that committee recommended forwarding the plan to the OCTA and RCTC Boards of Directors (Boards) for approval. The draft action plan is presented below for review, discussion, and approval.

Discussion

The proposed action plan focuses on specific activities over the next three calendar years starting in January 2006. Activities include:

- Executing funding agreements between the agencies
- Developing and finalizing a joint agreement and initiating Irvine-Corona Expressway technical feasibility studies
- Updating the SR-91 Implementation Plan
- Initiating a SR-74 safety/operational study with the California Department of Transportation (Caltrans)
- Starting the 91 Viaduct conceptual engineering
- Initiating a joint toll study with the TCA
- Initiate SR-91 (from SR-241 to the Corona Expressway [State Route 71]) final design and related efforts

Each of these broad activities is further described below. A preliminary schedule is included in Attachment A.

Funding Agreements between OCTA/RCTC. Cooperative agreements between OCTA and RCTC to memorialize funding shares for SR-91 joint projects spanning the counties are needed. These agreements will also outline roles and responsibilities for design, right-of-way services, and other project development tasks as appropriate. Schedule: Finalize by September 2006.

Joint Powers Agreement and Irvine-Corona Expressway Feasibility Studies. Federal legislation (Safe Accountability Flexible Efficient Transportation Equity Act: A Legacy for Users, 2004) earmarked a total of \$15.8 million to “study and construct highway alternatives between Orange and Riverside Counties, directed by the Riverside Orange Corridor Authority working with local government agencies, local transportation authorities, and guided by the current MIS.” To secure these funds, a cooperative agreement for Riverside Orange Corridor Authority development has been approved by OCTA, RCTC, and the TCA. Water agencies have also been invited to join in the agreement. The funds will be used to initiate technical studies of the conceptual Irvine-Corona Expressway. For 2006, geotechnical investigation is

recommended. Beyond 2006, preliminary engineering and seismic evaluation may be recommended contingent on findings emerging from the geotechnical study. Schedule: Finalize agreement by June 30, 2006, and initiate geotechnical study by fall 2006.

SR-91 Implementation Plan. Assembly Bill 1010 (Chapter 688, Statutes of 2002) requires OCTA to annually issue a plan and a proposed completion schedule for SR-91 improvements from I-15 to State Route 55. This plan establishes a program of projects eligible for funding by the use of potential excess toll revenue and other funds. The plan needs to be updated to reflect recent policy direction and potential project phasing. Schedule: Finalize plan by June 30, 2006.

Ortega Highway Safety and Operational Study. The MIS recommends SR-74 operational/safety improvements. A joint study of SR-74 with Caltrans Districts 8 and 12 is recommended focusing on the segment from the future Foothill South to Lake Elsinore. This study will include an amendment to the Master Plan of Arterial Highways to reduce future capacity from four lanes to two lanes on SR-74 east of the future Foothill South. Schedule: Initiate study by fall 2006 and complete by fall 2007.

91 Viaduct Conceptual Engineering. Conceptual engineering for the 91 Viaduct concept is recommended to gain a better understanding of impacts, costs, and overall fit in the SR-91. Funding has not been identified for this effort and is an action for 2006. Schedule: Complete 91 Expressway conceptual engineering by 2007.

Joint Toll Study with Transportation Corridor Agencies. Carrying more traffic on SR-241 is a key strategy if the 91 Viaduct moves forward. Timing of planned widening and lane additions to the TCA system, along with possible adjustments in toll policies, would need to be explored. The toll study action relates to identifying the specific revenue impacts to the TCA and the 91 Express Lanes with this concept. Schedule: Complete study by first half of 2007.

Complete SR-91 Draft Environmental Impact Report (DEIR) and Initiate Final Design. OCTA will complete the SR-91 eastbound lane (SR-241 to State Route 71) draft environmental document by the end of 2006. A portion of funding for the final design of this project has been identified through Transportation Congestion Relief Program funds allocated to RCTC. In addition, RCTC plans to construct an additional lane in each direction, from Pierce Street in the City of Riverside to the Orange County line. Caltrans District 8 is in the process of completing the required Project Study

Report (PSR) for this project; availability of the document is projected for June 2006. Schedule: Complete PSR by June 2006. Complete eastbound DEIR by December 2006. Initiate eastbound lane final design in first half of 2007 contingent on available revenue.

Finally, adding staff and project management resources to support the above actions are also recommended in OCTA's Fiscal Year 2006-07 Budget. A new OCTA project manager would be supported by one new senior analyst position, one new administrative support position, and project management consulting services. Schedule: Approve budget by June 30, 2006, (not shown on Attachment A schedule).

Institutional Options by Corridor

Input from policymakers is critical in moving forward with this action plan. Specific on-going input is needed on: (1) Irvine-Corona Expressway; (2) SR-91 improvements; (3) 91 Viaduct; and (4) SR-74 safety/operational improvements. To date, the OCTA, RCTC, and TCA Boards have entered into an agreement for continued study of the Irvine-Corona Expressway. Water agencies are likely to enter into that agreement in the near future.

Many policy input options were considered for the remaining corridors including continuing to move recommendations through the SR-91 Advisory Committee, forming ad hoc subcommittees of the SR-91 Advisory Committee, executing joint agreements with the involved agencies, and other potential options. The table below presents a summary of the preferred policymaking approach for each corridor based on prior Regional Planning and Highways Committee and SR-91 Advisory Committee input.

Project/Corridor	Recommended Policy Input Options
SR-91 Improvements	SR-91 Advisory Committee
91 Viaduct (<i>elevated facility in SR-91</i>)	Ad Hoc Subcommittee of SR-91 Advisory Committee including TCAs
SR-74 Safety Improvements	Ad Hoc Joint Subcommittee (OCTA / RCTC Boards) Working with Caltrans

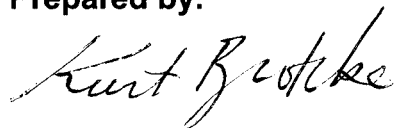
Summary

A draft action plan is presented for review and input. Institutional options are also presented, and staff is seeking input on recommended next steps by corridor.

Attachment

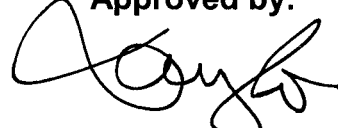
A. Preliminary Schedule

Prepared by:



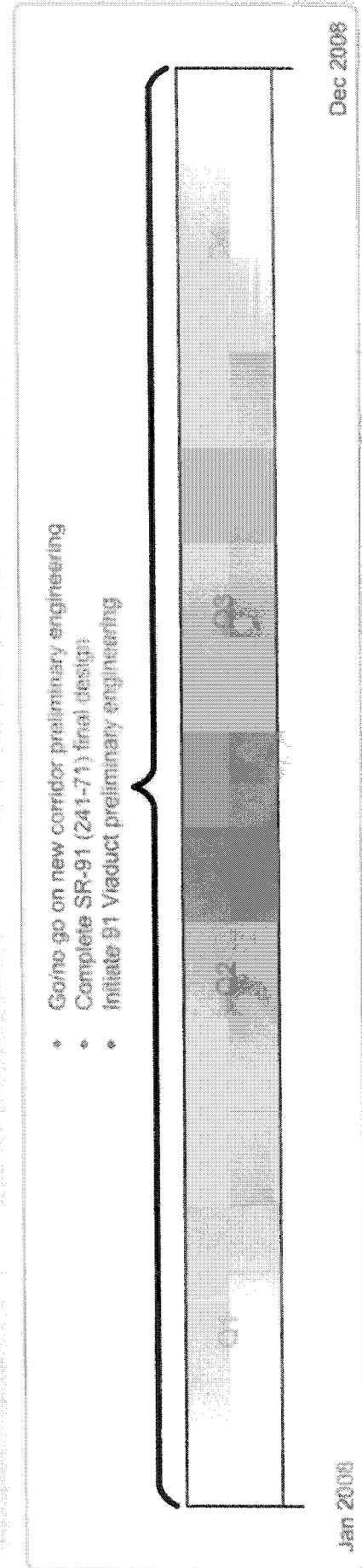
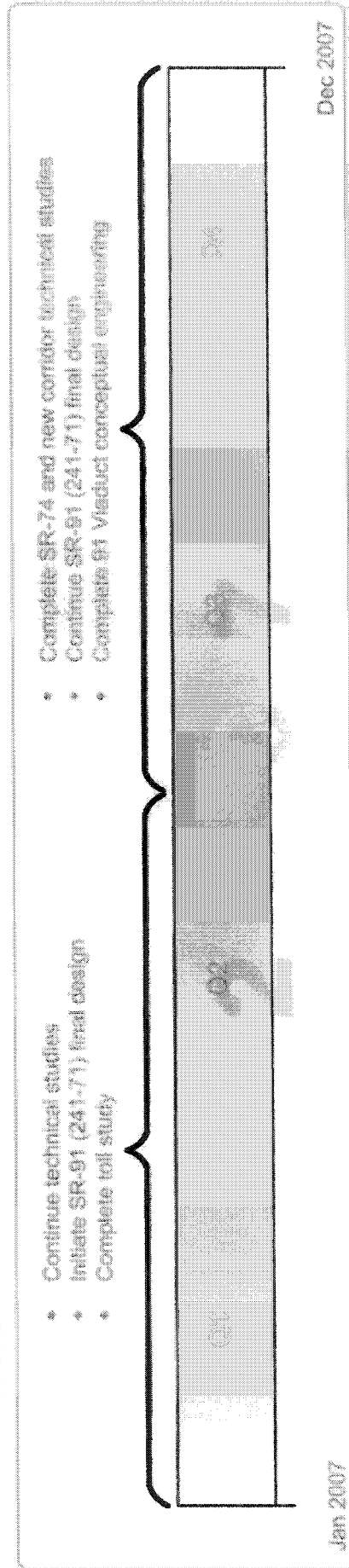
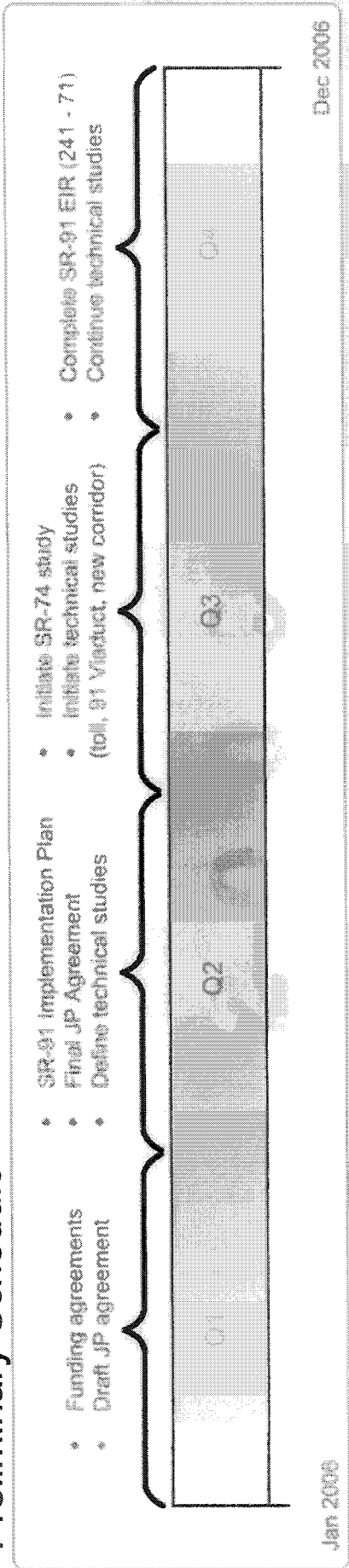
Kurt Brotcke
Manager, Planning and Analysis
(714) 560-5742

Approved by:



Paul C. Taylor, P.E.
Executive Director
Planning, Development and Commuter
Services
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Preliminary Schedule





June 26, 2006

To: Members of the Board of Directors
From: ^{ATL/EE} Arthur T. Leahy, Chief Executive Officer
Subject: Agreement for Commercial Banking Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved the contracting of commercial banking services. The current banking services agreement expires on August 31, 2006. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0172 between the Orange County Transportation Authority and Bank of the West, in an amount not to exceed \$330,000, for commercial banking services. The initial term of the contract will be three years with two one-year option periods.

Background

The Orange County Transportation Authority (Authority) utilizes a financial institution for daily commercial banking services. The commercial banking services consist primarily of a concentration account from which daily cash deposits and wire transfers are made and received and three zero balance accounts from which accounts payable, payroll and 91 Express Lanes cash deposits are made. The Authority's agreement with Bank of the West to provide commercial banking services will expire August 1, 2006. Bank of the West was awarded the current contract under the Authority's competitive procurement procedures effective September 1, 2001. The agreement was for a three-year period with two one-year options.

Discussion

This procurement was handled in accordance with the Authority's procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Therefore, the requirement was handled as a competitive negotiated procurement. Award is recommended to the firm offering the most effective overall proposal considering such factors as staffing, prior experience with similar projects, approach to the requirement, and technical expertise in the field.

The project was advertised on March 14, 2006, and March 20, 2006, in a newspaper of general circulation, and on CAMMNET. A pre-proposal meeting was held on March 28, 2006, and was attended by six firms.

On April 17, 2006, six offers were received. An evaluation committee composed of staff from the Authority's Contracts and Materials Management, Treasury/Public Finance and Accounting and Financial Reporting departments was established to review all offers submitted. The offers were evaluated on the basis of qualifications of the firm, staffing and project organization, banking services, and banking fees.

Three firms were scheduled for interviews as a result of the initial evaluations: Bank of the West, US Bank and Wells Fargo. All three firms were well prepared for the interview and are all very qualified to perform commercial banking services.

Although Wells Fargo had the lowest overall monthly fee structure, it also offered the lowest interest earnings on overnight investments. US Bank proposed the highest cost schedule but also had the highest interest earnings on overnight investments. Bank of the West was in the middle in terms of cost and investment earnings on overnight investments. An average investment earnings rate was determined for each bank by calculating their daily earnings rate over the last 6 months. Using this methodology, the difference in net earnings between Bank of the West and US Bank was \$672 per month. The evaluation team agreed that this difference was insufficient to alter the overall recommendation for Bank of the West.

Bank of the West has a proven history with the Authority, providing excellent customer service. The Bank of the West proposal eliminates the risk and transition costs associated with system modifications and staff training required by a transition to another bank. Based on the proposals, interviews and cost/earnings analysis, the evaluation committee unanimously ranked Bank of the West higher than Wells Fargo and US Bank.

Based on their findings, the evaluation committee recommends the following firm to the Finance and Administration Committee for consideration of an award:

Firm and Location

Bank of the West
Newport Beach, California

Fiscal Impact

Commercial banking services is included in the Authority's Fiscal Year 2006-07 Budget, Finance Administration and Human Resources Division/Accounting and Financial Reporting Department, Account 1240-7629, and is funded through the General Fund.

Summary

Based on the information provided, staff recommends award of Agreement C-6-0172 to Bank of the West, in an amount not to exceed \$330,000, for commercial banking services. The initial term of the contract will be three years with two one-year option periods.

Attachment

None.

Prepared by:



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(714) 560-5692

Approved by:



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



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Agreements for Medical Clinic Services

Finance and Administration Committee

June 15, 2006

Present: Directors Duvall, Cavecche, and Wilson
Absent: Directors Campbell, Correa, and Pringle

Committee Vote

Due to lack of quorum, no action was taken on this item.

Committee Recommendations

- A. Authorize the Chief Executive Officer to execute Agreement C-6-0135 between the Orange County Transportation Authority and Golden West Medical Center, in an amount not to exceed \$181,500, to perform physical examinations, alcohol testing, drug screens, medical review officer services, and vaccinations. The initial term of the agreement will be three years with two one-year option periods.

- B. Authorize the Chief Executive Officer to execute Agreement C-6-0339 between the Orange County Transportation Authority and Pacific Medical Clinic, in an amount not to exceed \$218,500, to perform Department of Motor Vehicle DL-51 recertification's. The initial term of the agreement will be three years with two one-year option periods.

Committee Discussion

The Committee Members present concurred to forward this item on to the June 26, 2006, Board of Directors' meeting.



June 15, 2006

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Agreements for Medical Clinic Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved the contracting of medical clinic services to perform physical examinations, Department of Motor Vehicle DL-51 recertification's, vaccinations, alcohol testing, drug screens, and medical review officer services. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendations

- A. Authorize the Chief Executive Officer to execute Agreement C-6-0135 between the Orange County Transportation Authority and Golden West Medical Center, in an amount not to exceed \$181,500, to perform physical examinations, alcohol testing, drug screens, medical review officer services, and vaccinations. The initial term of the agreement will be three years with two one-year option periods.
- B. Authorize the Chief Executive Officer to execute Agreement C-6-0339 between the Orange County Transportation Authority and Pacific Medical Clinic, in an amount not to exceed \$218,500, to perform Department of Motor Vehicle DL-51 recertification's. The initial term of the agreement will be three years with two one-year option periods.

Background

The Orange County Transportation Authority (Authority) has an Alcohol and Drug Policy that requires alcohol and drug testing of Authority employees for post-accident, reasonable suspicion, return-to-duty, random checks as required by the Federal Transit Administration (FTA), and recertification's as required by

the Department of Motor Vehicles (DMV). Physical examinations are also required as part of the State of California DMV recertification process.

Under California Occupational Safety and Health Administration (Cal/OSHA), Title 8 – Safety Order 5193, the Authority must provide for Hepatitis B vaccinations and post-vaccination testing for all applicable employees who have occupational exposure to blood or blood-borne pathogens.

Discussion

This procurement was handled in accordance with the Authority's procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Therefore, the requirement was handled as a competitive negotiated procurement. Award is recommended to the firms offering the most effective overall proposal considering such factors as staffing, prior experience with similar projects, approach to the requirement, and technical expertise in the field.

The project was advertised on February 22, 2006, and February 27, 2006, in a newspaper of general circulation, and on CAMMNET. A pre-proposal meeting was held on March 7, 2006, and was attended by representatives of four medical clinics. Proposals were received by the submission deadline of March 28, 2006, from Comprehensive Occupational Health Services, Concentra, Golden West Medical Center (Golden West), National Medical Insurance, Pacific Medical Clinic (Pacific), S&L Medical Group, and U.S. Health Works Medical Group.

An evaluation committee, composed of staff from Contracts Administration and Materials Management, Human Resources, Safety & Environmental Compliance, Bus Operations, and Maintenance, was established to review all offers submitted. The offers were evaluated on the basis of qualification of firm, proposed staffing, project organization, technical approach, on-site presentation, and associated fees for services.

Three firms were scheduled for site visits and interviews as a result of the evaluations: Concentra, Golden West, and Pacific. The site visits revealed that their facilities met the requirements of the Authority, Department of Transportation (DOT), and FTA. In the August 2003 FTA audit, the staff of Golden West was interviewed and required to perform mock alcohol and drug collections. The auditor found no deficiencies with the FTA requirements for alcohol and drug collection, and one deficiency was found with the medical review officer that was immediately corrected.

Concentra, Golden West, and Pacific appear to have excellent qualifications and related experience. Golden West and Pacific have provided effective and efficient service to the Authority in prior contracts. Unlike Concentra, Golden West and Pacific provide minimal "wait time" for walk-in's, and they have medical review officers on site, which may enable them to relay positive drug test results to the Authority more quickly. Pacific offered the most competitive overall pricing; Golden West ranked second and Concentra ranked third.

Golden West and Pacific proposals and interview responses demonstrated a thorough knowledge and understanding of DOT, FTA, DMV, and Authority Alcohol and Drug Policy procedures and regulations. Concentra and Pacific interview responses in the area of DMV recertifications demonstrated a particularly close alignment to the Authority's public safety philosophy.

Based on the proposals, site visits, and interviews, the evaluation committee ranked Golden West and Pacific higher than Concentra. Based on their findings, the evaluation committee recommends the following firms to the Finance and Administration Committee for consideration of an award:

Firm and Location

Golden West Medical Center
Anaheim, California

Pacific Medical Clinic
Santa Ana, California

Fiscal Impact

The project is included in the Authority's Fiscal Year 2006-07 Budget, Finance, Administration and Human Resources Division, Compensation and Benefits Section, Account 1330-7519-A2312-DWA, Professional Services.

Summary

To maintain compliance with federal and state requirements, staff recommends approval of Agreement C-6-0135 between the Orange County Transportation Authority and Golden West Medical Center, in an amount not to exceed \$181,500, to perform physical examinations, alcohol testing, drug screens, medical review officer services, and vaccinations, and Agreement C-6-0339 between the Orange County Transportation Authority and Pacific Medical Clinic, in an amount not to exceed \$218,500, to perform Department of Motor Vehicle DL-51 recertifications. The initial term of each agreement will be three years with two one-year option periods.

Attachment

None.

Prepared by:



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Approved by:



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



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, ^{WK} Clerk of the Board
Subject: Sole Source Agreement for Technology and Services to Upgrade Fixed Route Radio System Computer Sub-System

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Director Duvall was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute sole source Agreement C-6-0383 between the Orange County Transportation Authority and M/A-COM, Inc., in an amount not to exceed \$112,729, for technology and services to upgrade the Mobile Intermediary System, a sub-system of the Orange County Transportation Authority's fixed route radio communication system.



June 8, 2006

To: Transit, Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Sole Source Agreement for Technology and Services to Upgrade Fixed Route Radio System Computer Sub-System

Overview

As part of the Orange County Transportation Authority's ongoing efforts to maintain its fixed route radio communication system, it is necessary to upgrade the Mobile Intermediary System. An offer was received in accordance with the Orange County Transportation Authority's procurement and internal audit procedures for professional and technical services on a sole source basis.

Recommendation

Authorize the Chief Executive Officer to execute sole source Agreement C-6-0383 between the Orange County Transportation Authority and M/A-COM, Inc., in an amount not to exceed \$112,729, for technology and services to upgrade the Mobile Intermediary System, a sub-system of the Orange County Transportation Authority's fixed route radio communication system.

Background

The Orange County Transportation Authority's (Authority) fixed route radio communication system known as the Integrated Transportation Communication System (ITCS) consists of many computing sub-systems, each an important part of the entire system functioning as a whole. The Mobile Intermediary System (MIS) is one of the sub-systems. The MIS is critical to the function of establishing normal voice and data communications between a radio dispatcher and a coach operator.

Late February 2006, the MIS suffered from a device failure in one of the computers that comprise the MIS, resulting in approximately five hours of mildly degraded functionality of the ITCS while recovery procedures took place. This event demonstrates an increasing vulnerability of the computing

equipment in the ITCS in terms of its age. This equipment is approaching eight years of age, which far exceeds a typical lifetime in generally accepted computing hardware life cycles. In planning for the radio system's maintenance and in advance of this recent device failure, staff set an objective to address this age condition system wide through a proposed fiscal year 2007 budget request to upgrade all fixed computing assets in the ITCS.

The ITCS is a mission critical system for the Authority. Given the role of the MIS sub-system and in light of this most recent incident and the assessed risk of future similar incidents, it is important to upgrade the MIS to mitigate the risk.

The MIS sub-system was provided by M/A-COM, Inc. as a subcontractor to Orbital Sciences, Inc., in the original project to deploy the ITCS circa 1999. M/A-COM supports this sub-system today via Orbital's maintenance agreement with the Authority. The custom software that is integrated with the standard computer hardware and in turn with the rest of the ITCS, is proprietary to M/A-COM. This procurement, therefore, must be sole sourced with M/A-COM, Inc. as it is the only company in a position to provide this sub-system to the Authority for its radio system.

Discussion

This procurement is being handled in accordance with the Authority's procedures for professional and technical services on a sole source basis and the vendor's proposal has been reviewed by the Authority's Internal Audit Department.

The described device failure event demonstrated an increasing vulnerability of the ITCS computer hardware. The redundancy built into the MIS sub-system allowed for a recovery through replication of data on the ailed computer. Due to the design of the redundancy mechanism, the recovery process was not as elegant as would be ideal.

Staff considered the following options after recovering from the event to assess what, if anything, should be done in the short term with the MIS sub-system pending the system-wide upgrade project requested in the fiscal year 2007 budget. Options included:

- 1) Do nothing and wait for fiscal year 2007 budget approval and upgrade the MIS as part of the master project to upgrade all computing hardware.
- 2) Replace all existing like devices (hard disks) that failed in this incident in the MIS sub-system and mitigate the risk of another similar event until such time the MIS sub-system is upgraded in fiscal year 2007.

3) Staff could advance the upgrade of the MIS immediately.

Staff recommends option three to advance the upgrade of the MIS sub-system immediately for the following reasons.

- This option mitigates the risk of additional device failures of the current MIS, similar to option two.
- When the MIS is upgraded, the hardware is configured in a different design compared to the incumbent MIS. This design improves and adds redundancy mechanisms and improves the failure recovery process.
- By upgrading the MIS now, the cost of invoking option two is avoided and not wasted. If option two were selected, the investment made would be rendered obsolete by the upgrading of the MIS sub-system in fiscal year 2007 per the proposed master upgrade project.
- The radio dispatch operation is interrupted once versus twice for upgrades to the MIS, assuming option two was exercised this year.
- The option to do nothing and waiting is considered too risky.
- The Authority has capital funding available this fiscal year to accomplish this upgrade and the fiscal year 2007 upgrade request can be and has been reduced by an equivalent amount required for this effort.

Fiscal Impact

The project was not included in the fiscal year 2006 budget. Funds have been transferred from Account 2131-9027-G1004-AFB, ACCESS Radio Replacement Project to Account 1285-9028-IX002-3TD, Capital Expenditures for Computer Hardware.

Summary

Based on the information provided, staff recommends award of Agreement C-6-0383 to M/A-COM, Inc., in an amount not to exceed \$112,729, for technology and services to upgrade the Mobile Intermediary System of the Orange County Transportation Authority's fixed route radio communication system.

Attachment

None.

Prepared by:



Joe Tiernan
Section Manager,
Information Systems
(714) 560-5546

Approved by:



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



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Garden Grove Freeway (State Route 22) Design-Build Project Construction Contract Change Order Nos. 30, 31, and 32 to Agreement C-3-0663

Regional Planning and Highways Committee

June 19, 2006

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 30 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$252,670, for clean up and dewatering in the Santa Ana River resulting from the winter rains of 2004-05.
- B. Authorize the Chief Executive Officer to execute Contract Change Order No. 31 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$300,000, for clean up and replacement of stormwater prevention items during the winter rains of 2004-05.
- C. Authorize the Chief Executive Officer to execute Contract Change Order No. 32 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$4,491,515, for costs associated with utility work impacts.

Staff Comments

Staff corrected two typos in the staff report 1) page two under Discussion the last sentence "... No. 30 ..." was revised to No. 31 and 2) page three, first paragraph, last sentence "... No. 31 ..." was revised to No. 30.



June 19, 2006

To: Regional Planning and Highways Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Garden Grove Freeway (State Route 22) Design-Build Project Construction Contract Change Order Nos. 30, 31, and 32 to Agreement C-3-0663

Overview

On August 23, 2004, the Orange County Transportation Authority's Board of Directors awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View Street east to the Costa Mesa Freeway (State Route 55) interchange. Construction contingency has been budgeted to account for unforeseen and changed conditions that occur during construction. Contract Change Order Nos. 30, 31, and 32 are presented for Board consideration.

Recommendations

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 30 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$252,670, for clean up and dewatering in the Santa Ana River resulting from the winter rains of 2004-05.
- B. Authorize the Chief Executive Officer to execute Contract Change Order No. 31 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$300,000, for clean up and replacement of stormwater prevention items during the winter rains of 2004-05.
- C. Authorize the Chief Executive Officer to execute Contract Change Order No. 32 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$4,491,515, for costs associated with utility work impacts.

Background

On August 23, 2004, the Orange County Transportation Authority's (Authority) Board of Directors (Board) awarded a design-build contract, in the amount of \$390,379,000, to the joint venture of Granite-Meyers-Rados (GMR). The contract is for improvements of 12 miles of the Garden Grove Freeway (State Route 22) from the Costa Mesa Freeway (State Route 55) interchange west to Valley View Street. The contract is a lump-sum, design-build contract; however, it is not a fixed-fee contract.

One of the major considerations of a design-build project is risk allocation. In a traditional design-bid-build project, the owner bears the risk that the project will not perform according to the project plans and specifications. Design-build shifts risk from the owner to the contractor because the contractor warrants that the project will meet certain established criteria. If the performance is not adequate, the contractor will be liable for the cost to repair. The design-builder also bears significantly greater risk than in traditional contracting with respect to differing site conditions, worker safety, inconsistencies in the plans, inaccurate or missing quantities, and delays in obtaining permits.

To provide the best value to the Authority, not all risk was transferred to the contractor. Some of those risk items include steel escalation, asphalt escalation, sharing of utility-caused delays to the work, and Force Majeure weather events. Before the State Route 22 (SR-22) project was bid, a construction contingency was estimated and established for risk elements accepted by the Authority and minor changes in project scope. The contingency budget was set at \$16,050,000, approximately 4 percent of the contract value.

Discussion

Contract Change Order Nos. 30 and 31

Proposed Contract Change Order (CCO) Nos. 30 and 31 are for increased maintenance work required during the winter rains of 2004-05. Since the end of those winter rains, the contractor and Authority staff have been negotiating cost impacts. The results of those negotiations are brought for Board approval at this time. The 2004-05 period was one of wettest winters on record in Orange County, leading to a substantial increase in the level of effort required to place, repair, and maintain the stormwater prevention measures throughout the 12-mile corridor. Proposed CCO No. 30, in the amount of \$300,000, accounts for this additional effort.

Another weather-related project impact has been the continual release of water from upstream sources into the Santa Ana River, primarily the Prado Dam. The contractor has a limited window in which to access the river to widen the critical bridges over the Santa Ana River, typically April 15 to October 15 of each year. Due to the high volume of rain in the winter of 2004 and spring of 2005, Prado Dam was releasing water until mid-May 2005, reducing the construction window for this critical work from six to five months. The contractor incurred substantial overtime and extra material costs to recover the lost time. While acceleration costs are non-contractually recoverable, the extra maintenance cost of dewatering the river is recommended for reimbursement in CCO No. 31, in the amount of \$252,670.

Contract Change Order No. 32

Within all major construction contracts, changes in scope of work for utility companies and work-around plans are often unavoidable. Agreement C-3-0663 between the Authority and GMR shares the risk of utility schedule impacts. The contract stipulates GMR is entitled to one day of extension for every two days of delay to the construction schedule, contingent on the contractor exhausting all means of avoiding such delay.

The project schedule has been closely monitored to accomplish the goal of construction completion by November 30, 2006. The SR-22 project has had a high level of success in reducing potential major delays associated with utility relocation. At many locations, contractor and utility schedules were revised to employ work-around plans to avoid project delays. Schedule impacts were avoided at all utility relocations along the corridor; a Southern California Edison (SCE) overhead electrical facility at the Trask Avenue east bridge structure did require a change in work scope.

The SCE relocation was critical to the project schedule, however, the line also served public constituents and could not be taken out of service until the proper by-pass system was installed. Upon realization of the potential schedule impact at this location, Authority management met with representatives of SCE in order to limit the length of potential time disruptions. As a result of these meetings, resources for SCE working forces were modified, while a contractor work-around plan was instituted to reduce project schedule impacts to the greatest extent possible. The Authority portion of the additional cost incurred, as a result of the SCE relocation and associated work-around, is reflected in proposed CCO No. 32, in the amount of \$4,491,515.

All CCOs, whether Authority initiated or contractor initiated, are reviewed by the technical and contracts staff. An independent cost estimate is prepared by the project management consultant to verify the reasonableness of the contractor's proposed price. The CCO is then reviewed by the Authority's program manager, the manager of the Contracts Administration and Materials Management, and the Executive Director of Planning, Development and Commuter Services before being executed by all parties. The CCO status report is included as Attachment A.

Fiscal Impact

Costs associated with CCO Nos. 30, 31, and 32 can be accommodated within the Authority's Fiscal Year 2005-06 Budget, Construction & Engineering, Account 0010-9017, Local Transportation Authority. The project budget remains unchanged by issuance of CCO Nos. 30, 31, and 32.

Summary

The Authority continues on schedule and budget to complete the first project in the State of California to be constructed on an active freeway using the innovative design-build delivery method. Staff recommends approval of CCO Nos. 30, 31, and 32 to Agreement C-3-0663 with GMR, to be funded with budgeted project contingency funds.

Attachment

- A. Garden Grove Freeway (SR-22) HOV Lane Design-Build Project Change Order Forecast, June 19, 2006

Prepared by:


for T. Rick Grebner, P.E.
Program Manager
(714) 560-5729

Approved by:


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

**Garden Grove Freeway (SR-22) HOV Lane
Design-Build Project
CHANGE ORDER FORECAST
June 19, 2006**

Approved Contingency =
\$16,050,000

CCO Number	Description	Scope Change	CCO Amount	Funding Source			CCO Status	Board Status		Comments
				In-Scope Contingency Funded	Scope Additions			Board Status	Date	
					Other	Measure M				
1	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.		\$ 145,000	\$ 145,000	\$ -	\$ -	Executed	N/A		Budgeted in project contingency for this anticipated, but unquantifiable work.
2	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.		\$ 855,000	\$ 855,000	\$ -	\$ -	Executed	Approved	4/11/05	Budgeted in project contingency for this anticipated, but unquantifiable work.
3	Addition of enhanced project aesthetics including soundwall pilasters and landscaping removed during the BAFO process. (See Note #1)	✓	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -	Executed	Approved	5/9/05	Board added \$5M of landscaping removed during the BAFO process.
4	GMR to perform civil portion of SCE work near Yockey Street. SCE could not meet project schedule. Payments to GMR will be withheld from SCE.		\$ 21,500	\$ 21,500	\$ -	\$ -	Executed	N/A		Work to be performed by utility company on time-and-materials basis. Work transferred to GMR to facilitate project schedule.
5	GMR to perform civil portion of SCE work near Lewis Channel. SCE could not meet project schedule. Payments to GMR will be withheld from SCE.		\$ 27,784	\$ 27,784	\$ -	\$ -	Executed	N/A		Work to be performed by utility company on time-and-materials basis. Work transferred to GMR to facilitate project schedule.
6	Civil design work for SCE utility relocation at Dunklee Street.		\$ 143,098	\$ 143,098	\$ -	\$ -	Executed	N/A		Work to be performed by utility company on time-and-materials basis. Work transferred to GMR to facilitate project schedule.
7	Civil design work for SBC utility relocation at Dunklee Street.		\$ 50,093	\$ 50,093	\$ -	\$ -	Executed	N/A		Work to be performed by utility company on time-and-materials basis. Work transferred to GMR to facilitate project schedule.
8	Deductive Change Order for Caltrans provided ITS equipment. (See Note #2)		\$ (1,181,512)	\$ (1,181,512)	\$ -	\$ -	Executed	N/A		Caltrans to provide hardware. Caltrans cost estimated to be \$750k. Net savings to project of approximately \$400k.
9	Removal and placement of 66" storm sewer pipe adjacent to the County of Orange Animal shelter. (See Note 3)		\$ 1,197,462	\$ 1,197,462	\$ -	\$ -	Executed	Approved	8/22/05	Unknown 66" storm drain line owned by County of Orange. Cost to be shared with County (approx 50% reimbursement).
10	Full Replacement of Magnolia Street bridge. Funding to be provided by Garden Grove 2005 TEA funds. (See Note 4)	✓	\$ 5,830,000	\$ -	\$ 5,830,000	\$ -	Pending	Approved	4/10/06	Garden Grove received earmark in TEA reauthorization and requested full reconstruction of Magnolia bridge as part of this project.
11	2004 Caltrans Design Standard Changes	✓	\$ 5,200,000	\$ -	\$ -	\$ 5,200,000	Executed	Approved	4/10/06	Caltrans mandated safety upgrades to all overhead sign structures.
12	Revisions to City Drive under SR-22	✓	\$ 1,047,767	\$ -	\$ 200,000	\$ 847,767	Executed	Approved	4/10/06	Widening of City Drive under the SR-22 required to facilitate turning movements onto realigned Metropolitan Drive.
13	Relocation of Wall 163 due to reconfiguration of ramp.	✓	\$ 234,115	\$ -	\$ -	\$ 234,115	Executed	Approved	12/5/05	Additional wall height reduced RAW take at AmerisourceBergen property.
14	Third Lane on Tustin Ave	✓	\$ 146,890	\$ -	\$ 146,890	\$ -	Executed	Approved	4/10/06	City of Orange requested addition. CTFP Funded
15	Additional right turn lane at Town and Country	✓	\$ 225,989	\$ -	\$ -	\$ 225,989	Executed	Approved	4/10/06	Modifications required to add third lane at new signalized intersection.
16	Changes at Metropolitan	✓	\$ 1,200,222	\$ -	\$ -	\$ 1,200,222	Executed	Approved	4/10/06	Modifications to freeway ramps to facilitate 4th leg construction and wall required to reduce R/W take.

**Garden Grove Freeway (SR-22) HOV Lane
Design-Build Project**

**CHANGE ORDER FORECAST
June 19, 2006**

Approved Contingency =
\$16,050,000

CCO Number	Description	Scope Change	CCO Amount	Funding Source			CCO Status	Board Status		Comments
				In-Scope Contingency Funded	Scope Additions			Board Status	Date	
					Other	Measure M				
17	Additional EB through lane at Garden Grove Blvd	✓	\$ 572,286	\$ -	\$ 572,286	\$ -	Executed	Approved	4/10/06	City of Garden Grove requested betterment.
18	Documentation of existing route design exceptions		\$ -	\$ -	\$ -	\$ -				Caltrans required documentation and approval of existing design conditions along freeway. Incorporated into CCO #11
19	Thunderbird Sanitary Relocation		\$ 650,000	\$ 650,000	\$ -	\$ -			See Note 1	Unknown sanitary line conflict requires pump station.
20	ADA ramp reconstruction at ramps		\$ -	\$ -	\$ -	\$ -				ITEM DELETED
21	Rubberized AC along freeway (Euclid - Magnolia)	✓	\$ 2,500,000	\$ -	\$ -	\$ 2,500,000	Executed	Approved	4/10/06	Board directed scope change
22	Safety Barrier in lieu of metal rail	✓	\$ 142,411	\$ -	\$ -	\$ 142,411	Executed	Approved	4/10/06	Board directed scope change
23	Misc Soundwall and retaining additions	✓	\$ 2,500,000	\$ -	\$ -	\$ 2,500,000	Executed	Approved	4/10/06	Misc soundwalls added along the corridor. Some walls qualify as future retrofit candidates - more economical to construct now.
24	FEP for Caltrans	✓	\$ 299,602	\$ -	\$ -	\$ 299,602	Executed	Approved	4/10/06	Caltrans required upgrade to ITS system
25	Steel Escalation		\$ 5,500,000	\$ 5,500,000	\$ -	\$ -			See Note 2	Steel escalation clause added in contract to eliminate cost escalation in bid. Used as mechanism to reduce risk to bidders.
26	AC price adjustment		\$ 1,000,000	\$ 1,000,000	\$ -	\$ -			See Note 2	AC price escalation clause added in contract to eliminate cost escalation in bid. Used as mechanism to reduce risk to bidders.
27	Training / Apprenticeship		\$ 90,000	\$ 90,000	\$ -	\$ -			See Note 1	Contract requirement to reimburse contractor apprenticeship training expenses
28	Shoulder width adjustment (2.4m to 3.0m)	✓	\$ 1,734,439	\$ -	\$ -	\$ 1,734,439	Executed	Approved	4/10/06	Caltrans required change to shoulder width created more asphalt and taller retaining walls
29	HOV Demonstration project	✓	\$ -	\$ -	\$ -	\$ -				Implementation of HOV demonstration project negates need for approximately 12-18 overhead signs
30	Weather. Santa Ana river impacts		\$ 252,670	\$ 252,670	\$ -	\$ -	Negotiated		See Note 3	Winter rains of 2004 caused water releases in upstream dams into dry season. Cost is for clean-up and dewatering.
31	Weather. Additional SWPPP effort		\$ 300,000	\$ 300,000	\$ -	\$ -	Negotiated		See Note 3	Winter rains of 2004 created additional repair and replacement of storm water prevention items over and above reasonable and customary.
32	Utility schedule impacts and work arounds		\$ 4,491,515	\$ 4,491,515	\$ -	\$ -	Negotiated		See Note 3	Time impact to critical path of 14 days SCE delay for Trask Ave. Cost also accounts for additional GMR incurred costs for utility work arounds.

Garden Grove Freeway (SR-22) HOV Lane Design-Build Project

CHANGE ORDER FORECAST June 19, 2006

Approved Contingency =
\$16,050,000

CCO Number	Description	Scope Change	CCO Amount	Funding Source			CCO Status	Board Status		Comments
				In-Scope Contingency Funded	Other	Measure M		Board Status	Date	
33	Conn 3 (Horseshoe)	✓	\$ 1,261,420	-	-	\$ 1,261,420	Executed	Approved	4/10/06	Caltrans and FHWA required replacement of the bridge connecting EB SR-22 to N/B SR-57 in lieu of widening.
34	Seismic Design Change Requirements	✓	\$ 22,745,851			\$ 22,745,851	Executed	Approved	4/10/06	
35	No Cost Settlement of Outstanding Project Issues through April 10, 2006		\$ -	-	-	-	Executed	N/A		Resolution of project related cost and schedule through the Board date of April 10, 2006.
36	Added thru lane for future 4th leg at Metropolitan Dr.		\$ 53,881	-	-	-	In-process	N/A		Additional road widening to accommodate "4th leg" at Metropolitan. Most of work accounted for in CCO #16.
Totals =			\$ 64,237,483	\$ 13,596,491	\$ 11,749,176	\$ 38,891,816				

Notes: 1) Anticipated Board date in +/- next 60 days
2) Anticipated Board date near end of project
3) Anticipated Board date June 26, 2006

Approved Project Contingency = \$ 16,050,000
 Anticipated Total Contingency Changes = \$ 12,997,760 (includes 50% County reimbursement for CCO #9)
 Net change = \$ 3,052,240 -19.02%

Approved Additional Budget for Scope Additions = \$ 50,871,645
 Anticipated Total Contingency Changes = \$ 50,640,992
 Net change = \$ 230,653 -0.45%



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Revisions to Cooperative Agreement with the California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project

Regional Planning and Highways Committee

June 19, 2006

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute a revision to the Cooperative Agreement with California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project reflecting a proportional cost-sharing arrangement of 55.9 percent to the Orange County Transportation Authority and 44.1 percent to the California Department of Transportation for funding cost overruns due to change orders or claims related to construction and construction management.



June 19, 2006

To: Regional Planning and Highways Committee

From: Arthur T. Leahy, ^{AL} Chief Executive Officer

Subject: Revisions to Cooperative Agreement with the California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project

Overview

On July 27, 2005, the Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation to provide funding for Santa Ana Freeway (Interstate 5) Gateway Project. A revision is proposed for consideration.

Recommendation

Authorize the Chief Executive Officer to execute a revision to the Cooperative Agreement with California Department of Transportation for the Santa Ana Freeway (Interstate 5) Gateway Project reflecting a proportional cost-sharing arrangement of 55.9 percent to the Orange County Transportation Authority and 44.1 percent to the California Department of Transportation for funding cost overruns due to change orders or claims related to construction and construction management.

Background

The Orange County Transportation Authority (Authority) and California Department of Transportation (Caltrans) have agreed to jointly participate in the construction of the Santa Ana Freeway Interstate 5 (I-5) Gateway Project, as indicated in Cooperative Agreement C-5-2591 (Co-op). The Co-op covers construction costs, utility re-location, traffic control measures, and construction management. There are provisions in the agreement with Caltrans that outline how to resolve cost overrun funding issues that may arise during the freeway widening project. Currently, the Authority is responsible for funding cost overruns, which is the typical language included in previous cooperative agreements with Caltrans.

Discussion

In the spirit of partnering, meetings with Caltrans staff, including Will Kempton and Authority Director Cindy Quon, resulted in Caltrans and the Authority agreeing to a substantial change in the existing Co-op. Rather than the current arrangement of the Authority carrying all the expense of any cost overruns to the freeway widening construction, the Authority and Caltrans will proportionately share those costs.

The Authority has allocated \$314.3 million for the I-5 Gateway program. The freeway widening construction costs are \$206,968,000, of which the Authority is funding 55.9 percent and Caltrans is funding 44.1 percent. If there is a cost overrun on the freeway widening project, the Authority will provide 55.9 percent of necessary funding and Caltrans will provide 44.1 percent.

Summary

The Authority and Caltrans have agreed to share the costs of project overruns for the construction of the I-5 Gateway Project. Costs will be shared between the agencies based upon the proportional funding provided to the project.

Attachment

None.

Prepared by:

Charles Guess

Charles Guess, P.E.
Program Manager
714-560-5775

Approved by:

Paul C. Taylor

Paul C. Taylor, P.E.
Executive Director, Planning
Development and Commuter Services
714-560-5431



June 26, 2006

To: Members of the Board of Directors
From: Arthur T. Leahy, Chief Executive Officer
Subject: Agreement for Tile and Carpet Replacement at Garden Grove and Anaheim Bases

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2005-06 Budget, the Board approved the contracting of tile and carpet replacement at Garden Grove and Anaheim bases. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0125 between the Orange County Transportation Authority and SCS Flooring Systems, in an amount not to exceed \$201,316, for tile and carpet replacement at Garden Grove and Anaheim bases.

Background

The Orange County Transportation Authority (Authority) operates four bus bases. Two of the operating bases have tile and carpet that have been in use for over 20 years, and is no longer serviceable.

Discussion

This procurement was handled in accordance with the Authority's procedures for public works and construction projects, which conform to state requirements. Public works projects are handled as sealed bids and award is made to the lowest responsive, responsible bidder.

The project was advertised on March 22, 2006, and March 27, 2006, in a newspaper of general circulation and on CAMMNET. A pre-bid meeting was held on March 29, 2006, and was attended by two firms. Addendum No. 1 was issued

on April 11, 2006, to respond to questions and attach the pre-bid sign-in sheet. Addendum No. 2 was issued on April 25, 2006, to extend date for the submission of bids. Addendum No. 3 was issued on April 26, 2007, to provide clarifications to the specifications.

On May 4, 2006, two bids were received. The bids were reviewed by staff from the Facility Maintenance and Contracts Administration and Materials Management departments to ensure compliance with the terms and conditions, specifications, and drawings. As the lowest responsive, responsible bid, staff recommends the following firm for consideration of an award:

Firm and Location

SCS Flooring Systems
Orange, California

Fiscal Impact

The project was approved in the Authority's Fiscal Year 2005-06 Budget, Operations Division/Maintenance Department, Account 2166-9026-D3107-9LX, and is funded through the Local Transportation Fund.

Summary

Staff recommends award of Agreement C-6-0125 to SCS Flooring Systems, in an amount not to exceed \$201,316, for tile and carpet replacement at the Garden Grove and Anaheim bases.

Attachment


None.

Prepared by:



Al Pierce
Manager, Maintenance
714-560-5975

Approved by:



John D. Byrd
General Manager, Transit
714-560-5341



June 26, 2006

To: Members of the Board of Directors
From: ^{ATL/EA} Arthur T. Leahy, Chief Executive Officer
Subject: Agreement for E. J. Ward Fuel/Oil Management System Modifications

Overview

The Orange County Transportation Authority uses the E. J. Ward, Inc., fuel/oil management system at its operations bases. As part of the ACCESS and contracted fixed route service provider transition, the contracted operation is moving to the Irvine Base. Modification is required to the system to accommodate the contracted fleet. A sole source agreement is necessary to procure the equipment necessary to utilize this system.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0434 between the Orange County Transportation Authority and E.J. Ward, Inc., in an amount not to exceed \$125,850, for the purchase and installation of the CANceiver Data System.

Background

The Authority has utilized the E.J. Ward, Inc., (E. J. Ward) fuel/oil management system at all operations bases since 1999. This system tracks the usage and controls the dispensing of fuels/oils. The system utilizes vehicle information transmitters (VIT) which are mounted on the vehicle and read by an antennae located at the fueling facility. The fleet currently used for contracted services has been maintained and fueled at a contractor owned facility and therefore the fleet is not equipped with the required VIT's. In addition, the current configuration of the system at the Irvine Base was designed to accommodate 40-foot transit vehicles. In order to utilize this system, a modification of the system is necessary.

Discussion

The upgrade and modification of the current fuel/oil management system utilizes the latest technology, combining fleet fueling and vehicle diagnostic data retrieval into one operation. The VIT scans the vehicle's onboard diagnostic (OBD) and uploads selected data each time the vehicle is fueled. This process scans mileage figures from the OBD system, which reflect the same mileage sent to the dashboard odometer, and triggers the fuel pump. The Orange County Transportation Authority (Authority) provides fuel as part of the ACCESS and contracted fixed route service contract. This system provides security and control of the fuel being used.

It is necessary to handle this as a sole source agreement because this is a proprietary product of E.J. Ward, and is a modification of a product currently used by the Authority. E.J. Ward is the only company which provides this specific fuel/oil management system.

Fiscal Impact

Funds for this project are available in Account 2131-7613-D1208-8LL, Major Maintenance, Fiscal Year 2005-06 Budget.

Summary

Staff requests approval of Agreement C-6-0434 between E.J. Ward, Inc., and the Orange County Transportation Authority, in an amount not to exceed \$125,850, for the purchase of VIT units and the modification of the fuel/oil management system at the Irvine Base.

Attachment

None.

Prepared by:



Patrick Sampson
Contract Transportation Analyst
(714) 560-5425

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WC}
Subject: Amendment to Agreement with the Orange County Sheriff's Department

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Director Duvall was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to amend Agreement C-3-0656 between the Orange County Transportation Authority and the County of Orange, Orange County Sheriff's Department, in an amount not to exceed \$4,428,226, for Transit Police Services provided from July 1, 2006, through June 30, 2007.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Amendment to Agreement with the Orange County Sheriff's Department

Overview

On July 14, 2003, the Board of Directors approved a five-year agreement with the Orange County Sheriff's Department for Transit Police Services in the amount of \$3,791,712. Each year of the agreement the maximum obligation is amended to include the following fiscal year.

Recommendation

Authorize the Chief Executive Officer to amend Agreement C-3-0656 between the Orange County Transportation Authority and the County of Orange, Orange County Sheriff's Department, in an amount not to exceed \$4,428,226, for Transit Police Services provided from July 1, 2006, through June 30, 2007.

Background

The Orange County Sheriff's Department (OCSD) has provided Transit Police Services (TPS) for the Orange County Transportation Authority (Authority) patrons, employees, and properties since 1993. On July 14, 2003, the Authority's Board of Directors approved a sole source agreement for five years with the OCSD to provide TPS services. Each year of this agreement, the OCSD provides the Authority with a budget for the following fiscal year and the maximum obligation is adjusted accordingly.

A sheriff's lieutenant acts as the chief of TPS and oversees the deployment of OCSD staff dedicated to the Authority's TPS program. TPS focuses on two main areas in providing security and enforcement activities, Transit and the Authority-owned rights-of-way. Generally, services provided by TPS include:

- uniformed patrol and plainclothes enforcement at Authority-owned properties, on railroad rights-of-way, and on-board Authority's buses

-
- response to calls for service as needed
 - traffic enforcement as it relates to the operation of fixed route vehicles
 - special enforcement team for investigation and prevention of graffiti
 - taxicab applicant review
 - specialized and internal investigations conducted as needed
 - security for the revenue room
 - security at Authority Board meetings, public hearings, and special events as requested
 - coordination with other transit security, local, state, and federal law enforcement agencies
 - participation in multi-agency drills on a local and regional level

Other assistance available through this contract includes the bomb squad, Special Weapons and Tactics team (SWAT), Terrorist Early Warning Group, and the Joint Hazardous Assessment Team, to name a few.

OCSD deputies assigned to TPS carry with them full police powers allowing them to conduct investigations and make misdemeanor and felony arrests. Sheriff special officers provide a uniformed presence at fixed-post locations including revenue collection. Upon request, the OCSD has provided enhanced patrol, security, and other law enforcement services for special events.

Discussion

This procurement was handled as a sole source procurement. The agreement and cost proposal follow the County's format used for all cities contracting with the OCSD to provide local law enforcement services. Internal Audit has completed an audit on the current agreement covering the period from July 2003 through December 2005, and has determined that the rates billed are in accordance with the contract, and that they are fair and reasonable.

Fiscal Impact

Funds for Transit Police Services are included in the Authority's proposed Fiscal Year 2006-07 Budget, accounts 2118-7616-D4805-B6Q and 0093-7616-A0001-DKP, and will be funded through the Local Transportation Fund (73 percent) and the Commuter Urban Rail Endowment (27 percent).

Summary

Staff recommends that the Authority amend Agreement C-3-0656 with the Orange County Sheriff's Department, in an amount not to exceed \$4,428,226, for the provision of Transit Police Services from July 1, 2006, through June 30, 2007.

Attachment

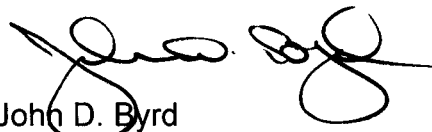
- A. County of Orange, Orange County Sheriff's Department,
Agreement C-3-0656 Fact Sheet

Prepared by:



Beth McCormick
Manager, Bus Operations
(714) 560-5964

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341

ATTACHMENT A

County of Orange Orange County Sheriff's Department Agreement C-3-0656 Fact Sheet

1. July 14, 2003, Agreement C-3-0565 in the amount of \$3,791,712, approved by Board of Directors.
 - To provide security and law enforcement services for the Orange County Transportation Authority, from July 1, 2003 to June 30, 2004
 - Following services will be provided:
 - uniformed patrol and plainclothes enforcement at Authority-owned properties, on railroad rights-of-way and on-board Authority's buses
 - response to calls for service as needed
 - traffic enforcement as it relates to the operation of fixed route vehicles
 - special enforcement team for investigation and prevention of graffiti
 - taxicab applicant review
 - specialized and internal investigations conducted as needed.
 - security for the revenue room
 - security at Authority Board meetings, public hearings and special events as requested
 - coordinate with other transit security, local, state and federal law enforcement agencies
 - participate in multi-agency drills on a local and regional level
 - Sheriff staff to be deployed includes the following:
 - 1 Lieutenant
 - 2 Sergeants
 - 20 Deputy Sheriff IIs
 - 4 Sheriff's Special Officer IIs
2. June 14, 2004, Amendment No. 1 to Agreement C-3-0656, \$3,959,076, approved by Board of Directors.
 - To amend the maximum obligation for the second year in this five-year agreement by \$3,959,076, a 4.41 percent increase over FY 2004.
 - No staffing change.
3. June 27, 2005, Amendment No. 2 to Agreement C-3-0565, \$4,251,498, approved by the Board of Directors.

- To amend the maximum obligation for the third year in this five-year agreement by \$4,251,498, a 7.39 percent increase over FY 2005.
 - No staffing change.
4. May 22, 2006, Amendment No. 3 to Agreement C-3-0656, \$4,428,226, pending approval by the Board of Directors.
- To amend the maximum obligation for the fourth year in this five-year agreement by \$4,428,226, a 4.16 percent increase over FY 2006.
 - No staffing change.

Total committed to Orange County, Orange County Sheriff's Department, Agreement C-3-0656: \$16,430,512.



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Agreement for Radio Site with the County of Orange

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0396 between the Orange County Transportation Authority and the County of Orange for the first year of a 10-year agreement, in an amount not to exceed \$100,000, for radio site space lease and shared use of microwave infrastructure.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^MChief Executive Officer
Subject: Agreement for Radio Site with the County of Orange

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved funds for continuing Orange County Transportation Authority's contractual relationship with the County of Orange for radio site lease space and subscriber use of the County's microwave infrastructure.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0396 between the Orange County Transportation Authority and the County of Orange for the first year of a 10-year agreement, in an amount not to exceed \$100,000, for radio site space lease and shared use of microwave infrastructure.

Background

The Orange County Transportation Authority's (Authority) 800 megahertz (MHz) Integrated Transportation Communications System (ITCS) providing voice and data to the fixed route buses and the 500 MHz radio system providing voice communication to the paratransit fleet relies upon a radio infrastructure of which the majority of the radio frequency equipment and antennas reside at mountaintop sites provided under contract through the County of Orange. In addition to the sites, the Authority shares the use, as a subscriber, of the microwave infrastructure to provide site to site paths linking to the County's hub at Loma Ridge. Loma Ridge is connected to the Authority's dispatch sites over the Authority's microwave.

The Authority's contract with the County for these services was last revised in 1992 and is outdated. Resulting from a variety of changes in equipment location, quantity, types of equipment and maintenance, a review of the scope was conducted and concluded with a new agreement. The new scope better

reflects the Authority's current configuration, defines a 10-year term with renewable annual options, and is itemized, lending ease for future modification.

Fiscal Impact

Funding for this contract was proposed in the Authority's Fiscal Year 2006-07 Budget, Account 2185-7612-D1111-CVS.

Discussion

The County of Orange's Sheriff Coroner's Department was contacted as the sole source provider of these services to bring the agreement current with respect to the services provided and equipment types located at each site. The County of Orange provided the lease rates for housing Authority radio equipment at each of the sites, and also provided rates for other services that will be required to support the various system activities.

An inventory was conducted at each of the sites, and it was determined that the proper equipment was accounted for and properly represented on each site lease.

The procurement was handled as a sole source, with a value over \$50,000, thereby requiring Internal Audit determination that the pricing was fair and reasonable. The Internal Audit report confirmed that the rates appeared fair and reasonable for the site leases and defined services.

Summary

Staff recommends award of Agreement C-6-0396 to the County of Orange, in an amount not to exceed \$100,000 for the first year of a 10-year contract.

Attachment

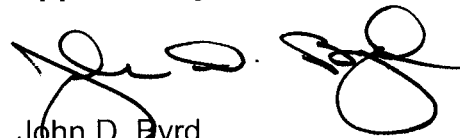
None.

Prepared by:



Al Pierce
Manager, Maintenance
(714) 560-5975

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Authorization to Proceed with Negotiation for Santa Catalina Island as a Radio Site

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize staff to proceed with negotiations with Santa Catalina Island Conservancy for site lease space and M/A-COM, Inc. for acquisition of the radio frequency equipment, installation, and maintenance. The estimated cost of this project is not to exceed \$300,000.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Authorization to Proceed with Negotiation for Santa Catalina Island as a Radio Site

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, the Board approved funds for equipping Santa Catalina Island as an additional Integrated Transportation Communications System Radio site.

Recommendation

Authorize staff to proceed with negotiations with Santa Catalina Island Conservancy for site lease space and M/A-COM, Inc. for acquisition of the radio frequency equipment, installation, and maintenance. The estimated cost of this project is not to exceed \$300,000.

Background

The Orange County Transportation Authority's (Authority) Integrated Transportation Communications System (ITCS) providing voice and data to the fixed route buses is currently serviced by four radio sites located at mountaintops provided via lease arrangements through the County of Orange. The current system has areas of poor coverage, specifically along a section of the Pacific Coast Highway (PCH) in South County. This area of coastal coverage can best be improved by locating a radio site at Santa Catalina Island.

Discussion

The Authority has an under utilized frequency necessary for this additional site and has secured re-licensing through the Federal Communications Commission (FCC). The intent is to install radio frequency (RF) equipment at Blackjack Mountain on Santa Catalina Island, including a primary and back-up radio, such that this site will be an addition to the existing four-site ITCS infrastructure. Staff's intent is to proceed with negotiations with the

Santa Catalina Island Conservancy to secure a site lease for equipment and antenna tower space and M/A-COM, the ITCS RF equipment supplier, for the RF equipment, installation, and maintenance compatible with our existing radio infrastructure.

Fiscal Impact

The estimated capital and on-going operating costs of executing this project have been proposed in the Authority's Fiscal Year 2006-07 Budget, \$250,000 in Transit/Maintenance Account 2185-9027-D1111-DQS, and \$50,000 in Transit/Maintenance Account 2185-7612-D1111-DQR.

Summary

Based on the Board's expressed desire to improve radio coverage along the coastal area, staff recommends authorization to begin the necessary negotiations with the Santa Catalina Conservancy and M/A-COM.

Attachment

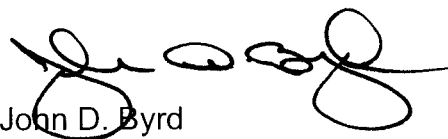
None.

Prepared by:



Al Pierce
Manager, Maintenance
(714) 560-5975

Approved by:



John D. Byrd
General Manager, Transit
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BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WK}
Subject: Agreement for Radio Frequency Engineering Consulting Services

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom,
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0223 between the Orange County Transportation Authority and Yoh Services LLC, in an amount not to exceed \$75,000, for radio frequency engineering consulting services.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^{AL} Chief Executive Officer
Subject: Agreement for Radio Frequency Engineering Consulting Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2006-07 Budget, staff requested radio frequency engineering consulting services to assist in-house radio communications maintenance team. Offers were received in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-6-0223 between the Orange County Transportation Authority and Yoh Services LLC, in an amount not to exceed \$75,000, for radio frequency engineering consulting services.

Background

The Orange County Transportation Authority (OCTA) revenue fleets rely upon radio communication between the dispatch locations and the operators of the vehicles. The OCTA radio systems are maintained by an in-house team consisting of personnel from both the Maintenance and Information Systems (IS) departments. They are assisted in this effort by outside consultants and contractors in various roles. The consultant acts as the OCTA expert in areas of radio frequency engineering and as the liaison with the County of Orange and the Federal Communications Commission (FCC) for licensing issues. This contract will result in the continuation of services provided by Gary Gray, currently providing assistance with projects such as the Integrated Transportation Communications System (ITCS) installation at Santa Catalina Island, consultant study of radio system, replacement of 500 megahertz (MHz) system, and radio elements of the Bus Rapid Transit (BRT) project.

Discussion

This procurement was handled in accordance with OCTA's procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Therefore, the requirement was handled as a competitive negotiated procurement. Award is recommended to the firm offering the most effective overall proposal considering such factors as staffing, prior experience with similar projects, approach to the requirement, and technical expertise in the field.

The project was advertised on March 24, 2006, in a newspaper of general circulation, and on CAMMNET. A pre-proposal meeting was held on March 29, 2006, and was attended by three consultants.

On April 19, 2006, Yoh Services LLC submitted the only proposal. Therefore, staff recommends the following firm for consideration of award:

Firm and Location

Yoh Services LLC
Orange, California

The OCTA is currently under contract with Yoh Services LLC to provide consulting services, and a review of their proposal indicates that they will be providing the same services as currently provided. Yoh Services have been successfully providing these specific consulting services to OCTA since April 1, 2004, at the same \$108.75 hourly rate as indicated in the proposal submitted against Request for Proposals (RFP) 6-0223. In addition, all previous attempts by the OCTA to establish competition for these services have proved unsuccessful. Since this solicitation resulted in a single proposal, and the value is over \$50,000, the proposal was forwarded to Internal Audit for review and to determine if the pricing submitted was fair and reasonable.

A request for price audit was issued to Internal Audit on April 25, 2006, and a response was issued on May 4, 2006, indicating that the price submitted was fair and reasonable.

Fiscal Impact

The project is proposed in OCTA's Fiscal Year 2006-07 Budget, Operations/Maintenance, Account 2185-7519-D111-CVA, and is funded through the Local Transportation Fund.

Summary

Staff recommends award of Agreement C-6-0223 to Yoh Services LLC, in an amount not to exceed \$75,000, for radio frequency engineering consulting services.

Attachment

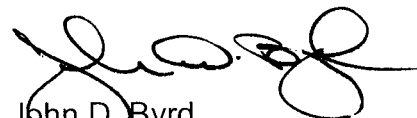
None.

Prepared by:



Al Pierce
Manager, Maintenance
(714) 560-5975

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Agreement for Transmission Dynamometer Replacement

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Director Duvall was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to issue Agreement C-6-0048 between the Orange County Transportation Authority and SuperFlow Technologies Group, in an amount not to exceed \$321,658, for the purchase and installation of a new transmission dynamometer.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^{AM} Chief Executive Officer
Subject: Agreement for Transmission Dynamometer Replacement

Overview

As part of the Orange County Transportation Authority Fiscal Year 2005-06 Budget, funding is available for the purchase of a replacement transmission dynamometer. This procurement was handled in accordance with the Orange County Transportation Authority's procedures for fixed assets which permits the use of competitive negotiated procurement.

Recommendation

Authorize the Chief Executive Officer to issue Agreement C-6-0048 between the Orange County Transportation Authority and SuperFlow Technologies Group, in an amount not to exceed \$321,658, for the purchase and installation of a new transmission dynamometer.

Background

The Orange County Transportation Authority (Authority) operates a component rebuild facility at the Santa Ana Operations and Maintenance Base which utilizes a transmission dynamometer to simulate actual load conditions for automatic transmissions after they have been rebuilt. It is important to test each rebuilt transmission to ensure correct performance prior to the transmission being installed in a vehicle. The transmission dynamometer presently being utilized was purchased in 1983, with the capability of testing two mechanical types of transmissions. In 1992, the dynamometer was modified to test three additional types of transmissions due to the advent of electronic controlled transmissions, which are standard equipment on transit buses being purchased by the Authority. The present dynamometer has exceeded its life expectancy, the operating system is obsolete, becoming increasingly unreliable and difficult to maintain.

Discussion

This procurement was handled in accordance with the Authority's procedures for fixed assets which permits the use of competitive negotiated procurement depending on the technical requirements of the item being procured.

Due to sophisticated technical requirements, the purchase of a new transmission dynamometer was handled as a competitive negotiated procurement and award is recommended to the firm which most closely meets the Authority's technical requirements at the most competitive cost. The requirement was advertised on February 20, 2006, and February 27, 2006, in a newspaper of general circulation, and on CAMMNET.

Due to the technical nature of the requirement, a pre-proposal meeting was held on February 27, 2006, and was attended by two firms.

On March 21, 2006, one offer was received. A technical review was conducted and it was determined that the offer was technically compliant with the requirements. Based on these findings, the evaluation committee recommends the following firm for consideration of an award:

Firm and Location

SuperFlow Technology Group
Des Moines, Iowa

The Authority's Internal Audit Department conducted a price review and found a reasonable need for the product provided by SuperFlow Technology Group, and that the pricing quoted by SuperFlow Technology Group needed to be reduced by \$2,789 in order to ensure fairness and reasonableness of costs.

Negotiations with SuperFlow Technology Group resulted in an overall reduction in their price by \$2,800, which meets the objective identified by the Authority's Internal Audit Department.

Fiscal Impact

The cost of the transmission dynamometer replacement has been accommodated within the Authority's Fiscal Year 2005-06 Budget, Transit/Maintenance Department, Account 9026, and is funded through the Local Transportation Fund.

Summary

Staff recommends approval of Agreement C-6-0048, in the amount of \$321,658, with SuperFlow Technologies Group, for the purchase and installation of a new transmission dynamometer.

Attachment

None.

Prepared by:



Al Pierce
Manager, Maintenance
(714) 560-5975

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Request for Public Hearing for the Proposed Bus Service Improvements

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Director Duvall was not present for this vote.

Committee Recommendations

- A. Receive and file the preliminary recommendations for the proposed bus service improvements.
- B. Set a public hearing for August 14, 2006, for the proposed bus service improvements, and direct the Clerk of the Board to publish the public hearing notice in newspapers of general circulation and notify elected officials in the County.
- C. Direct staff to initiate a comprehensive review of the existing express bus network and develop recommendations to improve customer satisfaction and service efficiency.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^{ML} Chief Executive Officer
Subject: Request for Public Hearing for the Proposed Bus Service Improvements

Overview

The Orange County Transportation Authority proposes service changes to increase and improve the Orange County Transportation Authority's bus services. If implemented, the program would require about 22,300 annual revenue vehicle hours, at a cost of approximately \$1.2 million annually. It is estimated these improvements would generate up to 453,000 additional annual boardings.

Recommendations

- A. Receive and file the preliminary recommendations for the proposed bus service improvements.
- B. Set a public hearing for August 14, 2006, for the proposed bus service improvements, and direct the Clerk of the Board to publish the public hearing notice in newspapers of general circulation and notify elected officials in the County.
- C. Direct staff to initiate a comprehensive review of the existing express bus network and develop recommendations to improve customer satisfaction and service efficiency.

Background

The proposed service improvements focus on the creation of seven new routes and modifications to two existing routes designed to improve local and regional connections and to increase ridership. In addition, in association with the introduction of several new express bus routes, it is requested that the Board direct staff to perform a comprehensive review of the Orange County Transportation Authority's (OCTA) express bus service to develop a set of

recommendations that will further improve customer satisfaction and service efficiency.

Discussion

Attachment A includes a detailed set of preliminary recommendations including a description of each route proposal, a summary of resource, ridership, and cost impacts as well as route maps. The proposals are based on publicly generated input through outreach efforts, transit studies, customer and coach operator comments, and detailed analysis by staff. The recommendations have been reviewed by the Citizens Advisory Committee, Special Needs in Transit Committee, System Improvement Team, and the Service Review Committee. The final staff recommendations will include consideration of additional public input received up to and including, the public hearing date on August 14, 2006. The recommended service improvements are subject to Board approval of the Fiscal Year 2006-07 operating budget.

A public hearing is required as the changes are considered significant per the Federal Transit Authority (FTA) (Attachment B). The recommendations will affect the following routes:

ROUTE	SERVICE TO/FROM	SUMMARY OF PRELIMINARY RECOMMENDATIONS
82	Foothill Ranch to Mission Viejo	All days of the week, extend the current routing west to Foothill Ranch via Santa Margarita and Portola and east to Saddleback College via Antonio Parkway and Crown Valley Parkway.
633	Fullerton Park and Ride to Orange County Fair	For four weekends only in July 2006, implement a new route from the Fullerton Park and Ride to the Orange County Fair. Regular fares would apply.
670	Golden West Transportation Center to Orange County Fair	For four weekends only in July 2006, implement a new route from the Golden West Transportation Center/Park and Ride to the Orange County Fair. Regular fares would apply.
686	Irvine Transportation Center to Irvine Spectrum	Weekends only, make permanent an experimental shuttle from the Irvine Transportation Center to the Irvine Spectrum timed to meet Metrolink trains. Regular fares would be charged and appropriate Metrolink fare media honored.
691	Junipero Serra Park and Ride to Orange County Fair	For four weekends only in July 2006, implement a new route from the Junipero Serra Park and Ride to the Orange County Fair. Regular fares would apply.
693	San Clemente to Talega	All days of the week, implement a new shuttle from Wal-Mart to Talega timed to meet Route 193 at Wal-Mart.

ROUTE	SERVICE TO/FROM	SUMMARY OF PRELIMINARY RECOMMENDATIONS
757	Pomona to Santa Ana Express	Weekdays only, make permanent a modified routing alignment serving Fairplex Park-and-Ride in Pomona, CHOC Hospital, St. Joseph's Hospital, MainPlace Mall, and the Santa Ana Civic Center. Adopt an introductory fare of \$1.25.
758	Chino to Irvine Express	Weekdays only, make permanent an experimental intercounty express route from the Chino Transit Center to the Irvine Transportation Center. Adopt an introductory fare of \$1.25.
794	Riverside to South Coast Metro Express	Weekdays only, implement a new intercounty express route from the Tyler Mall in Riverside to the South Coast Metro area. Adopt an introductory fare of \$2.50.
794A	Corona to South Coast Metro Express	Weekdays only, implement a new alternate intercounty express route from Corona to the South Coast Metro area. Adopt an introductory fare of \$2.50.

Implementation dates for the services described above vary. Route 686 is proposed to begin service in June 2006. Routes 633, 670, 691, 757 and 758 will be implemented on an experimental basis in July 2006. Routes 82 and 794 are proposed to begin service in September 2006. Route 693 is proposed to begin service in December 2006 or before, pending the resolution of technical issues involving specialized trip scheduling.

In addition to the changes detailed above, and in consideration of recent fuel pricing volatility and the potential for increased demand for express bus service, a comprehensive review of the existing express bus network is in order. The review would undertake an assessment of the strengths of the current network from a passenger perspective as well as identify changes that would further improve customer satisfaction. It is anticipated the review would identify opportunities to improve marketing of express bus service and provide insight into the benefits that may be realized through tailored product branding. Concurrently, opportunities to improve service efficiency and cost recovery would be identified as well by revisiting the express bus fare structure and the performance of the route network. Staff would return to the Board of Directors with a set of recommendations in early 2007.

Next Steps

Based on information received up to and through the August 14, 2006, public hearing, Authority staff will return on August 28, 2006, with final recommendations for approval of the proposed changes.

Summary

The proposed service improvements would require about 22,300 annual revenue vehicle hours at an annual cost of approximately \$1.2 million and generate up to 453,000 additional annual boardings. For the proposed bus service improvements, the Board is requested to set a public hearing for August 14, 2006. Staff will return with final recommendations for Board consideration on August 28, 2006.

Attachments

- A. Preliminary Recommendations for the Proposed Bus Service Improvements
- B. Public Hearing Requirements
- C. Notice of Public Hearing

Prepared by:


Scott Holmes
Manager, Service Planning and
Customer Advocacy
(714) 560-5975

Approved by:


John D. Byrd
General Manager, Transit
(714) 560-5341

Preliminary Recommendations for the Proposed Bus Service Improvements

Route 82 (Foothill Ranch to Mission Viejo)

Recommendation: On all days of the week, extend the current routing west to Foothill Ranch via Santa Margarita Parkway and Portola and east to Saddleback College via Antonio Parkway and Crown Valley Parkway.

- Objectives:**
- | | |
|--|--|
| <input checked="" type="checkbox"/> Increase Ridership
<input checked="" type="checkbox"/> Improve Connections
<input type="checkbox"/> Improve Frequency
<input type="checkbox"/> Reduce Overcrowding
<input type="checkbox"/> Improve Span | <input checked="" type="checkbox"/> Area Coverage
<input type="checkbox"/> Reduce Transfers
<input type="checkbox"/> Reduce Costs
<input checked="" type="checkbox"/> Improve Routing
<input type="checkbox"/> Insure Schedule Adherence |
|--|--|

Background: Route 82 operates seven days a week and provides 30-minute weekday peak service.

March 2006 – Route 82 Large Bus Local Route
Weekday Boardings 689
Weekday RVH: 31.4
Weekday B/RVH: 21.9

Route Information: Route 82 currently operates between Mission Viejo and Rancho Santa Margarita via Santa Margarita Parkway and Antonio Parkway.

Resource Impact: The recommendation will increase annual revenue vehicle hours by about 7,500.

	DAILY RVH	ANNUAL RVH	# BUSES
WEEKDAY	+24.60	+6,273	+2 Large
SATURDAY	+11.80	+614	+1 Large
SUNDAY	+11.80	+684	+1 Large
TOTAL	N/A	+7,571	N/A

March 2006 – Route 82 Large Bus Local Route
Saturday Boardings: 195
Saturday RVH: 12.5
Saturday B/RVH: 15.6

Ridership Impact: Total annual boardings are estimated to increase between 51,800 to 212,000.

	DAILY BOARDINGS	ANNUAL BOARDINGS
WEEKDAY	+180 to +770	+45,900 to +196,350
SATURDAY	+62 to +147	+3,224 to +7,644
SUNDAY	+46 to +141	+2,668 to +8,178
TOTAL	N/A	+51,792 to +212,172

March 2006 – Route 82 Large Bus Local Route
Sunday Boardings: 140
Sunday RVH: 12.0
Sunday B/RVH: 11.7

Cost Impact: The annual total cost of the service recommendation is approximately \$542,000.

	DAILY COST	ANNUAL COST
WEEKDAY	+\$1,761.36	+\$449,147
SATURDAY	+\$844.88	+\$43,934
SUNDAY	+\$844.88	+\$49,003
TOTAL	N/A	+\$542,084

Community Impact: Foothill Ranch, Ladera Ranch, Las Flores, Mission Viejo, Rancho Santa Margarita

Projected Funding Source: General Operating Budget

Route 633 (Fullerton Park and Ride to Orange County Fair)

Recommendation: For four weekends only in July 2006, implement a new route from the Fullerton Park and Ride to the Orange County Fair.

Objectives:

<input checked="" type="checkbox"/> Increase Ridership	<input checked="" type="checkbox"/> Area Coverage
<input type="checkbox"/> Improve Connections	<input type="checkbox"/> Reduce Transfers
<input type="checkbox"/> Improve Frequency	<input type="checkbox"/> Reduce Costs
<input type="checkbox"/> Reduce Overcrowding	<input type="checkbox"/> Improve Routing
<input type="checkbox"/> Improve Span	<input type="checkbox"/> Insure Schedule Adherence

Background: The route will serve residents within the northern part of the county traveling to and from the Orange County Fair.

Route Information: Route 633 will operate between the Fullerton Park and Ride and the Orange County Fair. The frequency of service will be one trip every 30 minutes for a total of 56 daily trips. The service will operate from about 10:00 a.m. to 12:30 a.m. daily.

Resource Impact: The recommendation will require three large buses and an estimated 330 revenue vehicle hours.

	DAILY RVH	TOTAL RVH	# BUSES
SATURDAY/SUNDAY	41.25	330	3 Large
TOTAL	41.25	330	3 Large

Ridership Impact: Total boardings are estimated to be between 5,800 and 13,000.

	DAILY BOARDINGS	TOTAL BOARDINGS
SATURDAY/SUNDAY	728 to 1,624	5,824 to 12,992
TOTAL	728 to 1,624	5,824 to 12,992

Cost Impact: The total cost of the service recommendation is approximately \$23,700.

	DAILY COST	TOTAL COST
SATURDAY/SUNDAY	\$2,953.50	\$23,628
TOTAL	\$2,953.50	\$23,628

Community Impact: North Orange County

Projected Funding Source: General Operating Budget

Route 670 (Golden West Transportation Center to Orange County Fair)

Recommendation: For four weekends only in July 2006, implement a new route from the Golden West Transportation Center to the Orange County Fair.

- Objectives:**
- Increase Ridership
 - Improve Connections
 - Improve Frequency
 - Reduce Overcrowding
 - Improve Span
 - Area Coverage
 - Reduce Transfers
 - Reduce Costs
 - Improve Routing
 - Insure Schedule Adherence

Background: The route will serve residents within the western part of the county traveling to and from the Orange County Fair.

Route Information: Route 670 will operate between the Golden West Transportation Center and the Orange County Fair. The frequency of service will be one trip every 30 minutes for a total of 56 daily trips. The service will operate from about 10:00 a.m. to 12:30 a.m. daily.

Resource Impact: The recommendation will require two large buses and an estimated 222 revenue vehicle hours.

	DAILY RVH	TOTAL RVH	# BUSES
SATURDAY/SUNDAY	27.7	222	2 Large
TOTAL	27.7	222	2 Large

Ridership Impact: Total boardings are estimated to be between 5,800 and 13,000.

	DAILY BOARDINGS	TOTAL BOARDINGS
SATURDAY/SUNDAY	728 to 1,624	5,824 to 12,992
TOTAL	728 to 1,624	5,824 to 12,992

Cost Impact: The total cost of the service recommendation is approximately \$15,900.

	DAILY COST	TOTAL COST
SATURDAY/SUNDAY	\$1,983.32	\$15,867
TOTAL	\$1,983.32	\$15,867

Community Impact: West Orange County

Projected Funding Source: General Operating Budget

Route 686 (Irvine Transportation Center to Irvine Spectrum)

Recommendation: Weekends only, make permanent an experimental shuttle from the Irvine Transportation Center to the Irvine Spectrum timed to meet Metrolink trains. Regular fares would be charged and appropriate Metrolink fare media honored.

Objectives:

<input checked="" type="checkbox"/> Increase Ridership	<input checked="" type="checkbox"/> Area Coverage
<input checked="" type="checkbox"/> Improve Connections	<input type="checkbox"/> Reduce Transfers
<input type="checkbox"/> Improve Frequency	<input type="checkbox"/> Reduce Costs
<input type="checkbox"/> Reduce Travel Time	<input type="checkbox"/> Improve Routing
<input type="checkbox"/> Improve Span	<input type="checkbox"/> Insure Schedule Adherence

Background: This shuttle will serve customers arriving and departing from Metrolink trains traveling to and from the Irvine Spectrum.

Route Information: Route 686 will operate between Irvine Transportation Center and the Irvine Spectrum via Alton Parkway and Irvine Center Drive. Beginning June 3, 2006, the shuttle will serve the Orange County Line only. Beginning July 15, 2006, the shuttle will serve the Orange County Line and the Inland Empire Orange County Line.

Resource Impact (Orange County Line and Inland Empire - Orange County Line):
The recommendation will add an estimated 1,000 annual revenue vehicle hours.

	DAILY RVH	ANNUAL RVH	# BUSES
SATURDAY	9.7	504	1 Large
SUNDAY	9.7	563	1 Large
TOTAL	N/A	1,067	N/A

Ridership Impact (Orange County Line and Inland Empire - Orange County Line):
Total annual boardings are estimated to be between 17,600 and 35,200.

	DAILY BOARDINGS	ANNUAL BOARDINGS
SATURDAY	160 to 320	8,320 to 16,640
SUNDAY	160 to 320	9,280 to 18,560
TOTAL	N/A	17,600 to 35,200

Cost Impact (Orange County Line and Inland Empire - Orange County Line): The annual cost of the service recommendation is approximately \$76,400.

	DAILY COST	ANNUAL COST
SATURDAY	\$694.52	\$36,115
SUNDAY	\$694.52	\$40,282
TOTAL	N/A	\$76,397

Community Impact: Irvine

Projected Funding Source: General Operating Budget

Route 691 (Junipero Serra Park and Ride to Orange County Fair)

Recommendation: For four weekends only in July 2006, implement a new route from the Junipero Serra Park and Ride to the Orange County Fair.

- Objectives:**
- Increase Ridership
 - Improve Connections
 - Improve Frequency
 - Reduce Overcrowding
 - Improve Span
 - Area Coverage
 - Reduce Transfers
 - Reduce Costs
 - Improve Routing
 - Insure Schedule Adherence

Background: The route will serve residents within the southern part of the county traveling to and from the Orange County Fair.

Route Information: Route 691 will operate between the Junipero Serra Park and Ride and the Orange County Fair. The frequency of service will be one trip every 30 minutes for a total of 54 daily trips. The service will operate from about 10:00 a.m. to 12:30 a.m. daily.

Resource Impact: The recommendation will require three large buses and an estimated 318 revenue vehicle hours.

	DAILY RVH	TOTAL RVH	# BUSES
SATURDAY/SUNDAY	39.75	318	3 Large
TOTAL	39.75	318	3 Large

Ridership Impact: Total boardings are estimated to be between 5,600 and 12,600.

	DAILY BOARDINGS	TOTAL BOARDINGS
SATURDAY/SUNDAY	702 to 1,566	5,616 to 12,528
TOTAL	702 to 1,566	5,616 to 12,528

Cost Impact: The total cost of the service recommendation is approximately \$22,800.

	DAILY COST	TOTAL COST
SATURDAY/SUNDAY	\$2,846.10	\$22,769
TOTAL	\$2,846.10	\$22,769

Community Impact: South Orange County

Projected Funding Source: General Operating Budget

Route 693 (San Clemente to Talega)

Recommendation: All days of the week, implement a new shuttle from Wal-Mart to Talega timed to meet Route 193 at Wal-Mart.

Objectives:

<input checked="" type="checkbox"/> Increase Ridership	<input checked="" type="checkbox"/> Area Coverage
<input checked="" type="checkbox"/> Improve Connections	<input type="checkbox"/> Reduce Transfers
<input type="checkbox"/> Improve Frequency	<input type="checkbox"/> Reduce Costs
<input type="checkbox"/> Reduce Overcrowding	<input type="checkbox"/> Improve Routing
<input type="checkbox"/> Improve Span	<input type="checkbox"/> Insure Schedule Adherence

Background: The shuttle will serve Talega residents traveling to and from San Clemente. Transfer connections will be timed with Route 193 at Wal-Mart. The shuttle will operate both a fixed routing and a demand response service for ACCESS eligible customers.

Route Information: Route 693 will operate between Wal-Mart in San Clemente to Talega via Avenida Pico, La Pedriza, and Vista Hermosa.

Resource Impact: The recommendation will require one small-size bus and an estimated 5,500 annual revenue vehicle hours.

	DAILY RVH	ANNUAL RVH	# BUSES
WEEKDAY	15.7	4,004	1 Small
SATURDAY	12.8	666	1 Small
SUNDAY	12.8	742	1 Small
TOTAL	N/A	5,412	N/A

Ridership Impact: Total annual boardings are estimated to be between 34,200 and 55,100.

	DAILY BOARDINGS	ANNUAL BOARDINGS
WEEKDAY	103 to 160	26,265 to 40,800
SATURDAY	87 to 130	4,524 to 6,760
SUNDAY	60 to 130	3,480 to 7,540
TOTAL	N/A	34,269 to 55,100

Cost Impact: The annual cost of the service recommendation is approximately \$245,000.

	DAILY COST	ANNUAL COST
WEEKDAY	\$710.11	\$181,078
SATURDAY	\$578.94	\$30,105
SUNDAY	\$578.94	\$33,579
TOTAL	N/A	\$244,762

Community Impact: San Clemente, Talega

Projected Funding Source: General Operating Budget

Route 757 (Pomona to Santa Ana Express)

Recommendation: Weekdays only, make permanent a modified routing alignment serving the Fairplex Park-and-Ride in Pomona, CHOC Hospital, St. Joseph’s Hospital, MainPlace Mall, and the Santa Ana Civic Center. Adopt an introductory fare of \$1.25.

- Objectives:**
- | | |
|---|---|
| <input checked="" type="checkbox"/> Increase Ridership | <input checked="" type="checkbox"/> Area Coverage |
| <input checked="" type="checkbox"/> Improve Connections | <input type="checkbox"/> Reduce Transfers |
| <input type="checkbox"/> Improve Frequency | <input checked="" type="checkbox"/> Reduce Costs |
| <input type="checkbox"/> Reduce Travel Time | <input checked="" type="checkbox"/> Improve Routing |
| <input type="checkbox"/> Improve Span | <input type="checkbox"/> Insure Schedule Adherence |

March 2006 – Route 757
 Large Bus Express Route

Weekdays Boardings: 53
 Weekdays RVH: 5.5
 Weekdays B/RVH: 9.6

Background: Route 757 currently operates from the Diamond Bar Park and Ride in Diamond Bar to the Santa Ana Transit Terminal in downtown Santa Ana via the SR-57/60 freeways weekdays only during peak hours. In the A.M. period, two southbound trips are operated. In the P.M. period, two northbound trips are operated.

Route Information: In regards to the modified routing alignment, Route 757 would be extended from the Diamond Bar Park and Ride to the Fairplex Park and Ride in Pomona and re-aligned in Orange and Santa Ana traveling on La Veta and Main St. to downtown Santa Ana. The route would no longer operate on segments of Bristol St. and Civic Center Dr. Route 757 would continue to operate two southbound trips in the A.M. period, and two northbound trips in the P.M. period.

Resource Impact: The recommendation will utilize two mid-size buses replacing two large-size buses.

	DAILY RVH	ANNUAL RVH	# BUSES
WEEKDAY	6.6	1,683	2 Mid-size
TOTAL	6.6	1,683	2 Mid-size

The net increase of the route modification will only be 280 annual revenue vehicle hours since Route 757 currently requires 1,403 annual revenue vehicle hours.

Ridership Impact: Total annual boardings are estimated to between 12,200 and 20,400.

	DAILY BOARDINGS	ANNUAL BOARDINGS
WEEKDAY	48 to 80	12,240 to 20,400
TOTAL	48 to 80	12,240 to 20,400

Cost Impact: The annual cost of the service recommendation is approximately \$76,100.

	DAILY COST	ANNUAL COST
WEEKDAY	\$298.52	\$76,123
TOTAL	\$298.52	\$76,123

The recommendation is estimated to actually decrease annual costs by approximately \$24,300 as service will be operated by OCTA’s new contract fixed route provider.

Community Impact: Orange County – Brea, Orange, Santa Ana
 Los Angeles County - Diamond Bar, Pomona

Projected Funding Source: General Operating Budget

Route 758 (Chino to Irvine Spectrum Express)

Recommendation: Weekdays only, make permanent an experimental intercounty express route from the Chino Transit Center to the Irvine Transportation Center. Adopt an introductory fare of \$1.25.

Objectives:

<input checked="" type="checkbox"/> Increase Ridership	<input checked="" type="checkbox"/> Area Coverage
<input checked="" type="checkbox"/> Improve Connections	<input type="checkbox"/> Reduce Transfers
<input type="checkbox"/> Improve Frequency	<input type="checkbox"/> Reduce Costs
<input type="checkbox"/> Reduce Travel Time	<input type="checkbox"/> Improve Routing
<input type="checkbox"/> Improve Span	<input type="checkbox"/> Insure Schedule Adherence

Background: Route 758 will operate on weekdays only during peak hours. In the A.M. period, two southbound trips will be operated. In the P.M. period, two northbound trips will be operated.

Route Information: Route 758 will operate between the Chino Transit Center in Chino to the Irvine Transportation Center in Irvine via the SR-57 freeway and I-5 freeway.

Resource Impact: The recommendation will require two mid-size buses. Annual revenue vehicle hours will be approximately 2,250 hours.

	DAILY RVH	ANNUAL RVH	# BUSES
WEEKDAY	8.8	2,244	2 Mid-size
TOTAL	8.8	2,244	2 Mid-size

Ridership Impact: Total annual boardings are estimated to be between 12,200 and 20,400.

	DAILY BOARDINGS	ANNUAL BOARDINGS
WEEKDAY	48 to 80	12,240 to 20,400
TOTAL	48 to 80	12,240 to 20,400

Cost Impact: The annual cost of the service recommendation is approximately \$101,500.

	DAILY COST	ANNUAL COST
WEEKDAY	\$398.02	\$101,495
TOTAL	\$398.02	\$101,495

Community Impact: Orange County – Brea, Irvine
 Los Angeles County - Diamond Bar, Pomona
 San Bernardino County – Chino, Chino Hills

Projected Funding Source: General Operating Budget

Route 794/794A (Riverside/Corona to South Coast Metro Express)

Recommendation: Weekdays only, implement a new intercounty express route from the Tyler Mall in Riverside to the South Coast Metro area. Implement a new intercounty express alternate routing from Corona to the South Coast Metro area in Costa Mesa. Adopt an introductory fare of \$2.50.

- Objectives:**
- Increase Ridership
 - Improve Connections
 - Improve Frequency
 - Reduce Travel Time
 - Improve Span
- Area Coverage
 - Reduce Transfers
 - Reduce Costs
 - Improve Routing
 - Insure Schedule Adherence

Background: Route 794 and 794A will operate on weekdays only during peak hours. For Route 794, in the A.M. period, five southbound trips will be operated. In the P.M. period, five northbound trips will be operated. For Route 794A, in the A.M. period, two southbound trips will be operated. In the P.M. period, two northbound trips will be operated.

Route Information: Route 794 will operate between the Tyler Mall in Riverside to Hyland and Scenic in Costa Mesa via the SR-91 and SR-55 freeways. Route 794A will operate from the Canyon Community Church Park and Ride in Corona to Hyland and Scenic in Costa Mesa via the SR-91 and SR-55 freeways.

Resource Impact: The recommendation will require six mid-size buses. Annual revenue vehicle hours will be approximately 4,800 hours.

	DAILY RVH	ANNUAL RVH	# BUSES
WEEKDAY	18.9	4,820	6 Mid-size
TOTAL	18.9	4,820	6 Mid-size

Ridership Impact: Total annual boardings are estimated to be between 42,800 and 71,400.

	DAILY BOARDINGS	ANNUAL BOARDINGS
WEEKDAY	168 to 280	42,840 to 71,400
TOTAL	168 to 280	42,840 to 71,400

Cost Impact: The annual cost of the service recommendation is approximately \$218,000.

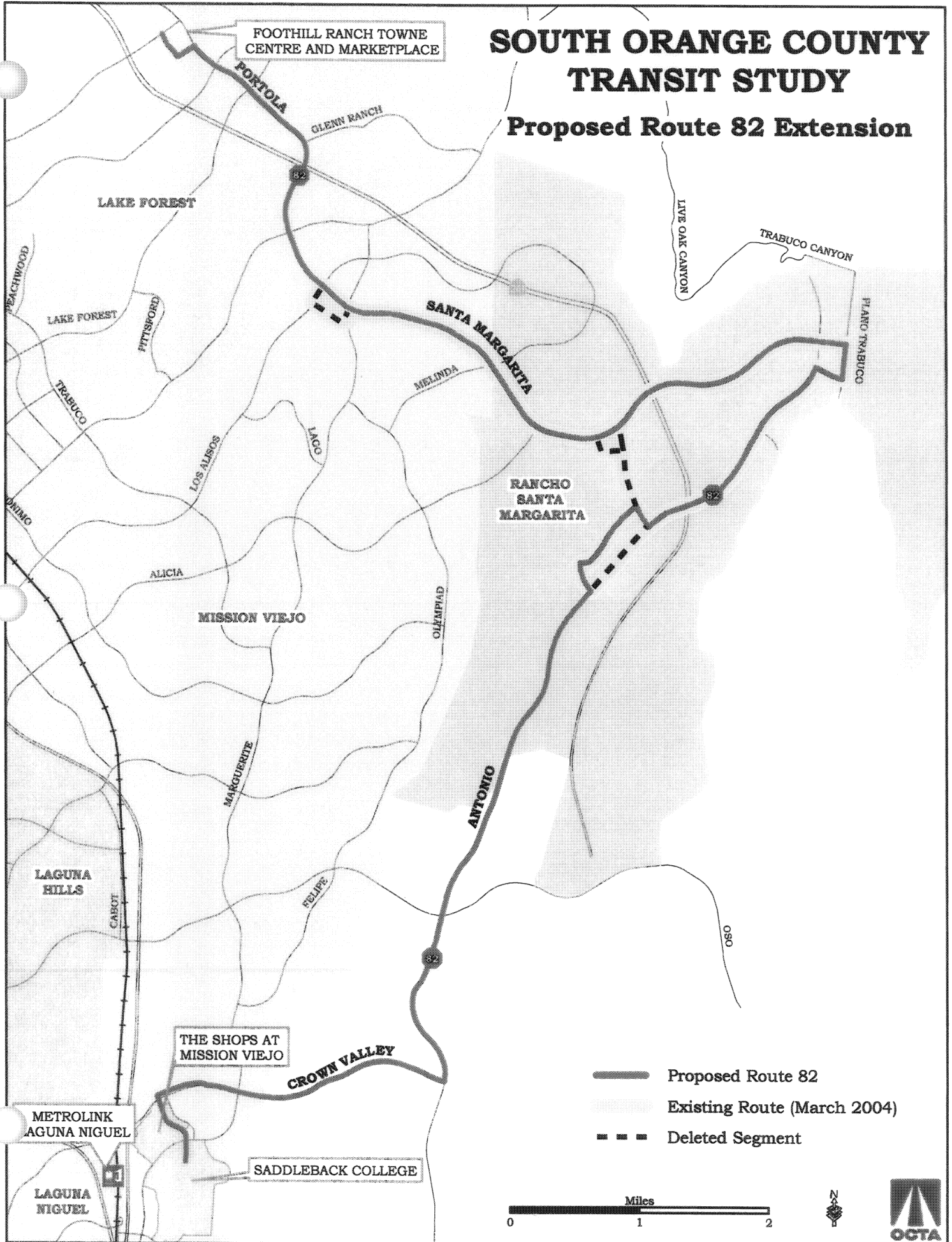
	DAILY COST	ANNUAL COST
WEEKDAY	\$854.85	\$217,987
TOTAL	\$854.85	\$217,987

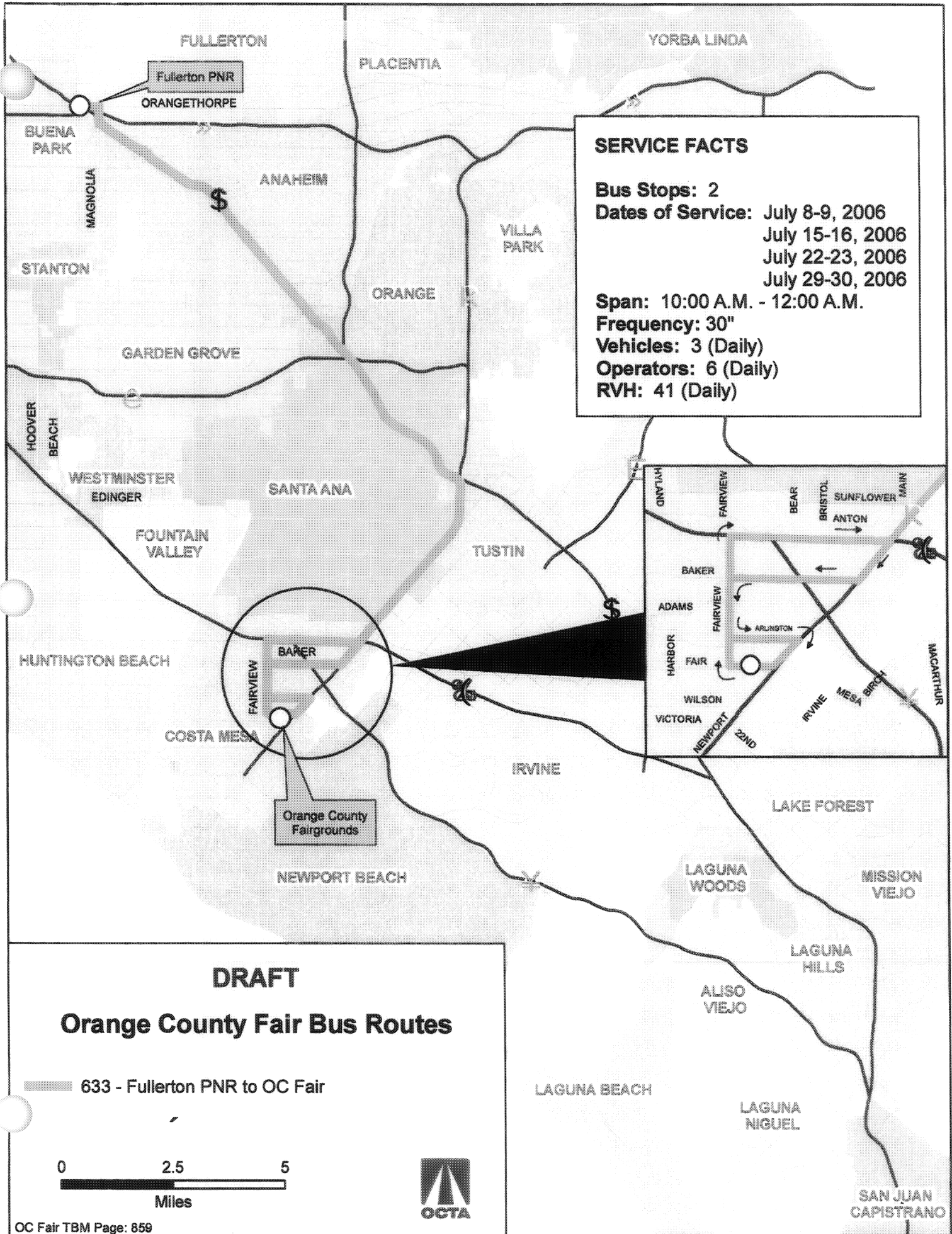
Community Impact: Orange County - Costa Mesa, Santa Ana
Riverside County - Corona, Riverside

Projected Funding Source: General Operating Budget, RCTC

SOUTH ORANGE COUNTY TRANSIT STUDY

Proposed Route 82 Extension





FULLERTON

YORBA LINDA

PLACENTIA

Fullerton PNR
ORANGETHORPE

BUENA PARK

ANAHEIM

VILLA PARK

MAGNOLIA

STANTON

ORANGE

GARDEN GROVE

HOOVER BEACH

WESTMINSTER
EDINGER

SANTA ANA

TUSTIN

FOUNTAIN VALLEY

HUNTINGTON BEACH

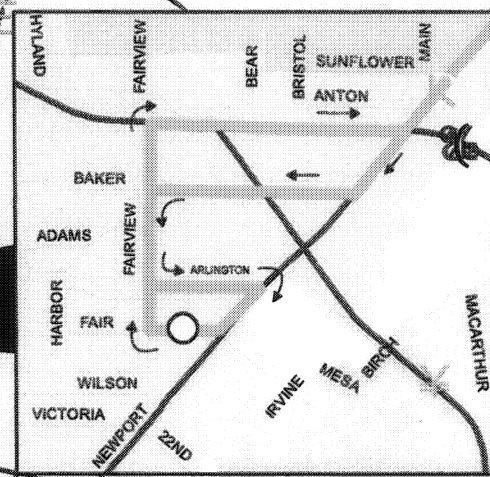
BAKER

COSTA MESA

Orange County
Fairgrounds

IRVINE

NEWPORT BEACH



LAKE FOREST

LAGUNA WOODS

MISSION VIEJO

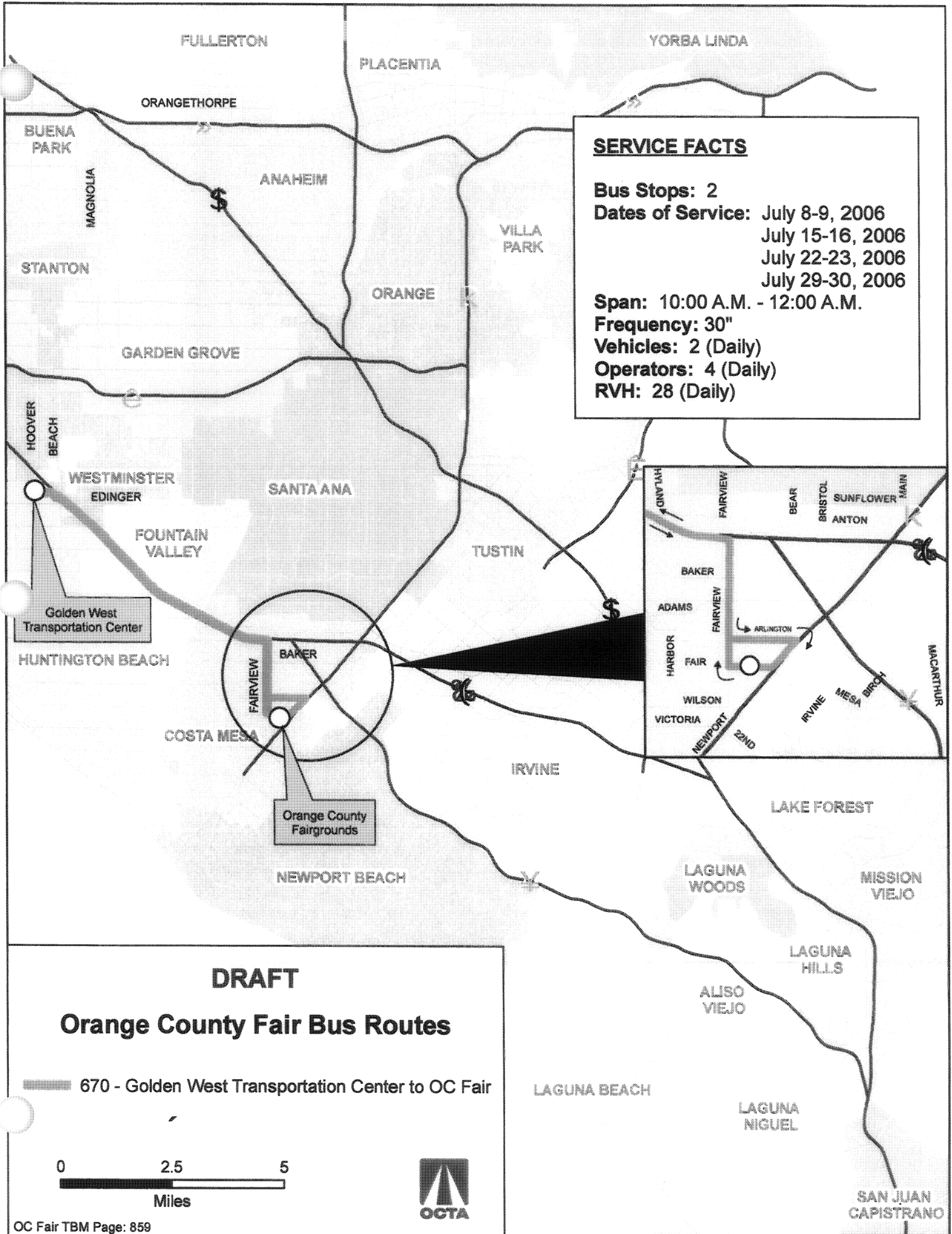
LAGUNA HILLS

ALISO VIEJO

LAGUNA BEACH

LAGUNA NIGUEL

SAN JUAN CAPISTRANO



FULLERTON

YORBA LINDA

PLACENTIA

ORANGETHORPE

BUENA PARK

ANAHEIM

VILLA PARK

MAGNOLIA

STANTON

ORANGE

GARDEN GROVE

HOOVER BEACH

WESTMINSTER
EDINGER

SANTA ANA

TUSTIN

FOUNTAIN VALLEY

Golden West
Transportation Center

HUNTINGTON BEACH

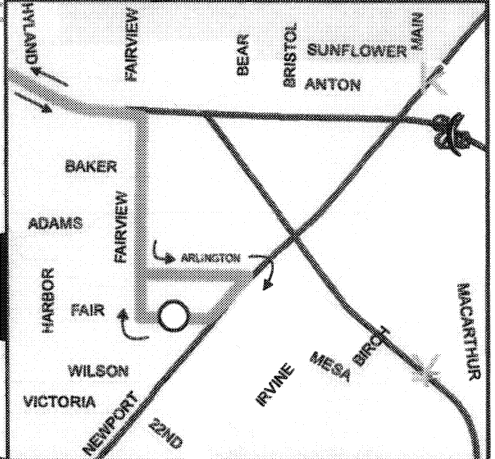
FAIRVIEW
BAKER

COSTA MESA

Orange County
Fairgrounds

NEWPORT BEACH

IRVINE



LAKE FOREST

LAGUNA WOODS

MISSION VIEJO

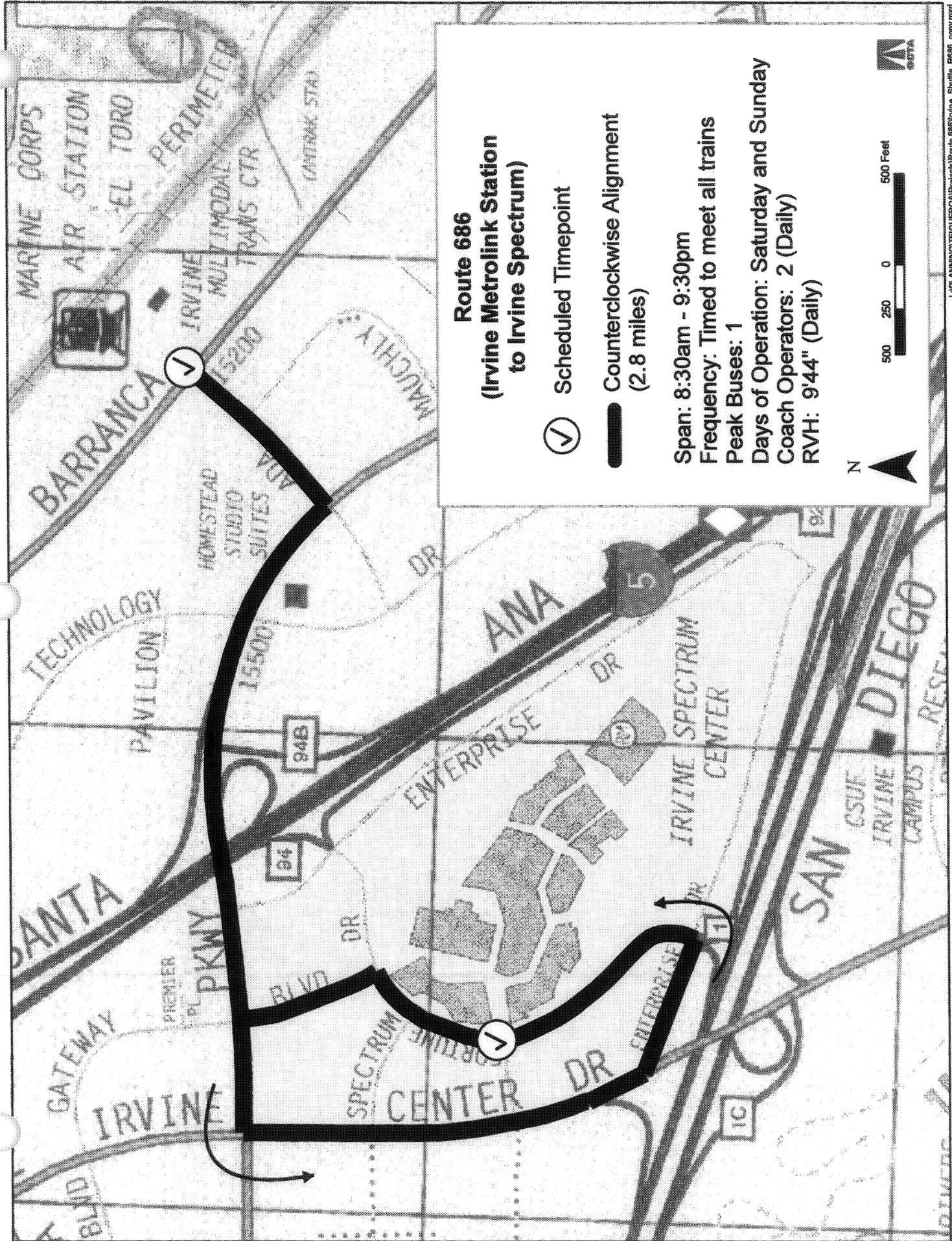
LAGUNA HILLS

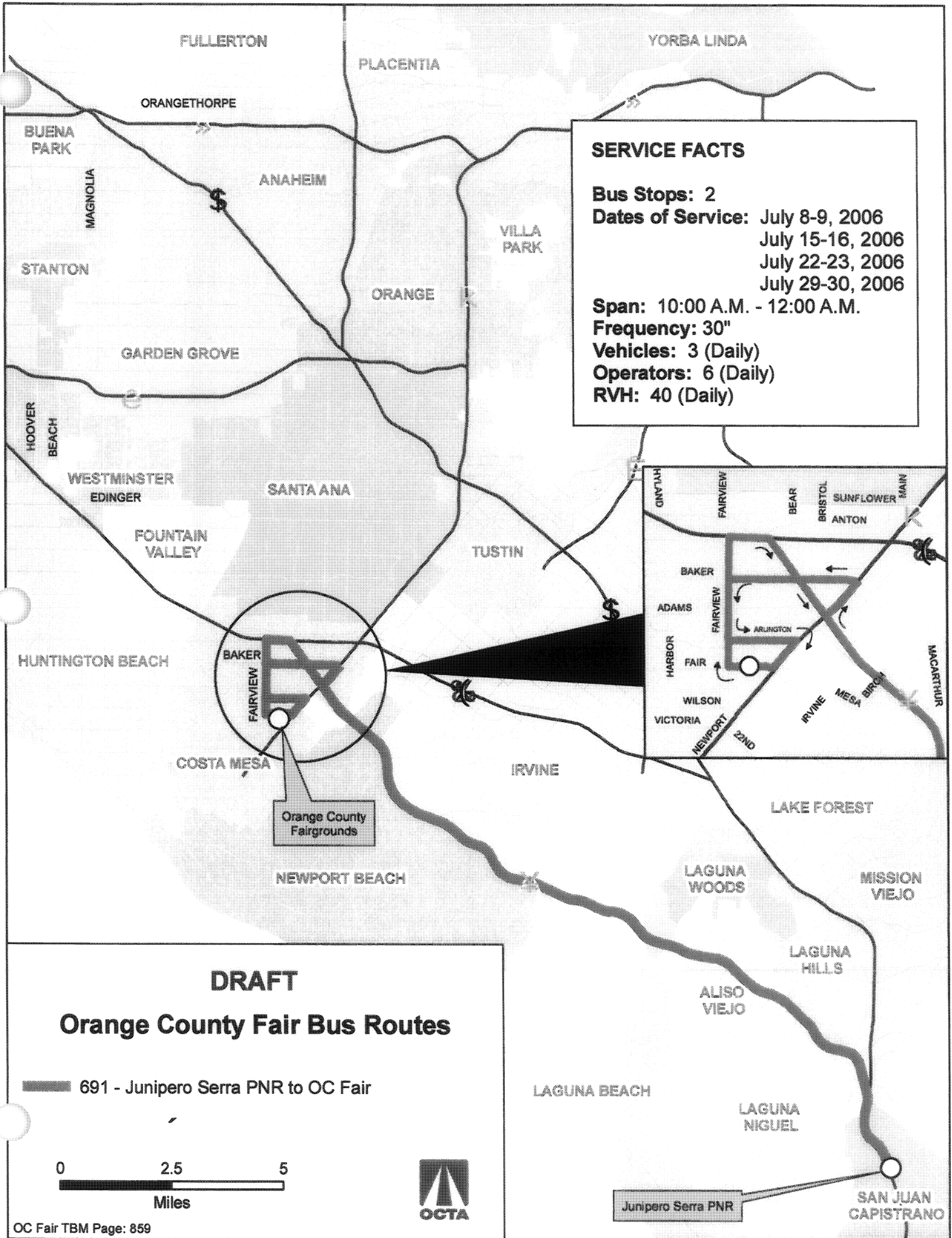
ALISO VIEJO

LAGUNA BEACH

LAGUNA NIGUEL

SAN JUAN CAPISTRANO





SERVICE FACTS

Bus Stops: 2
Dates of Service: July 8-9, 2006
 July 15-16, 2006
 July 22-23, 2006
 July 29-30, 2006
Span: 10:00 A.M. - 12:00 A.M.
Frequency: 30"
Vehicles: 3 (Daily)
Operators: 6 (Daily)
RVH: 40 (Daily)

DRAFT

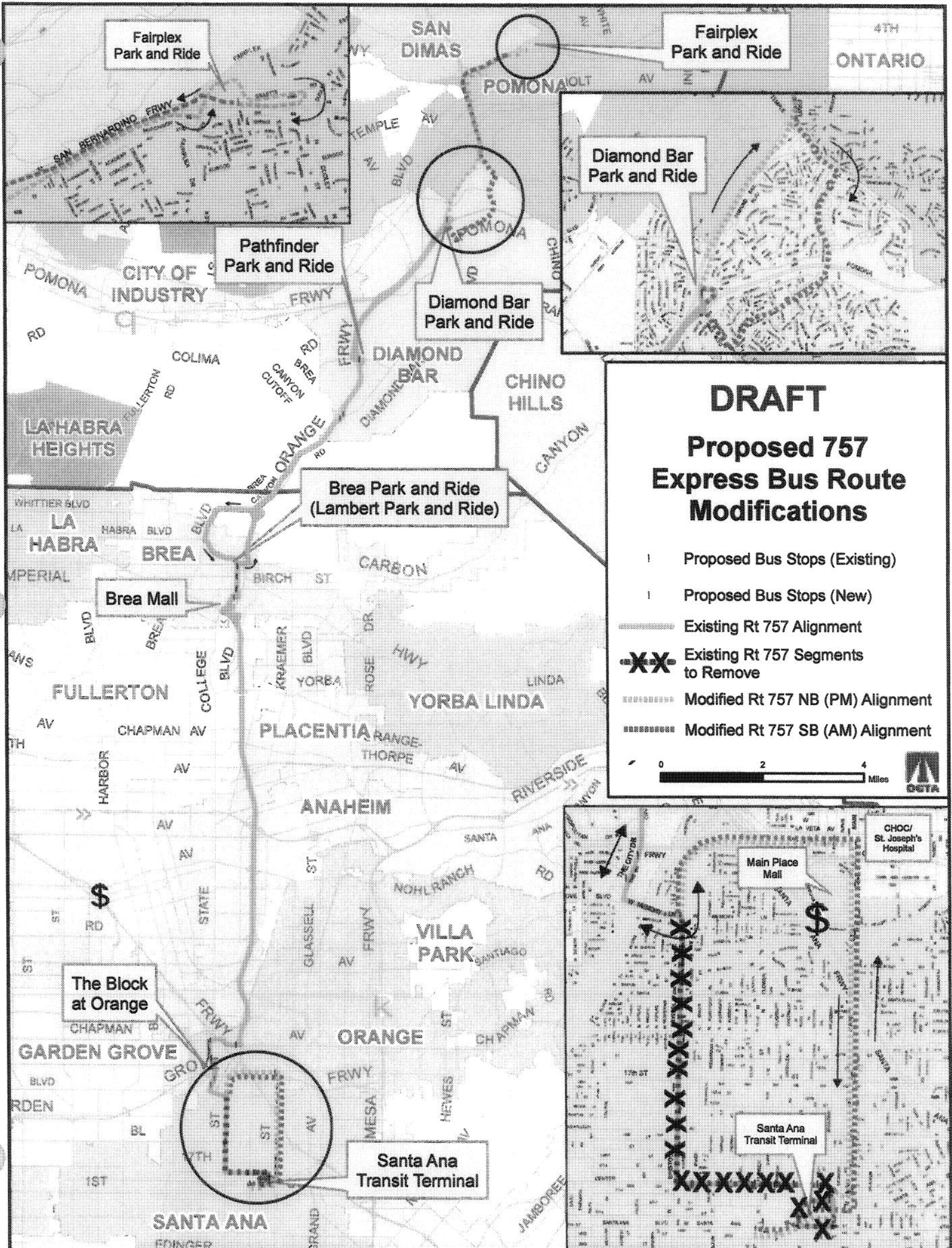
Orange County Fair Bus Routes

691 - Junipero Serra PNR to OC Fair



Junipero Serra PNR

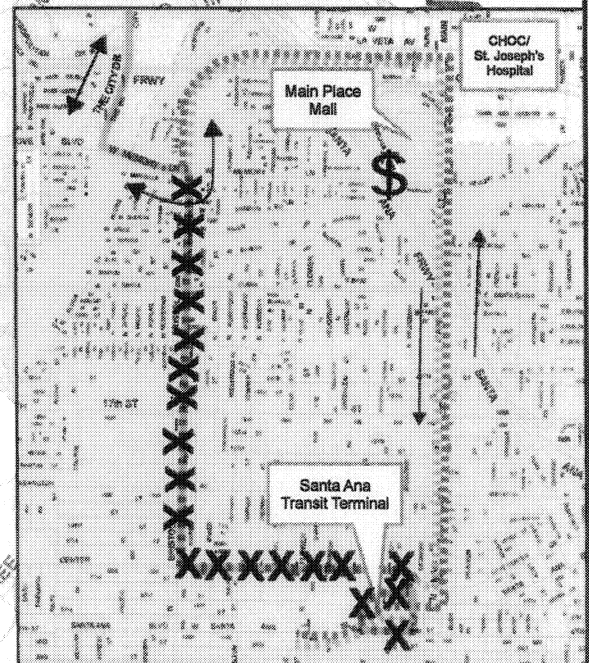
SAN JUAN CAPISTRANO



DRAFT

Proposed 757 Express Bus Route Modifications

- | Proposed Bus Stops (Existing)
- | Proposed Bus Stops (New)
- Existing Rt 757 Alignment
- XX Existing Rt 757 Segments to Remove
- Modified Rt 757 NB (PM) Alignment
- Modified Rt 757 SB (AM) Alignment



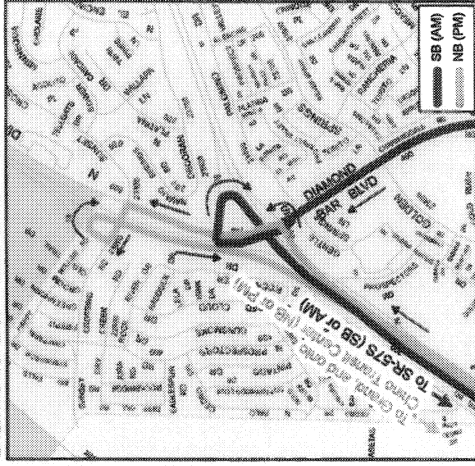
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Proposed 758 Express Bus Route

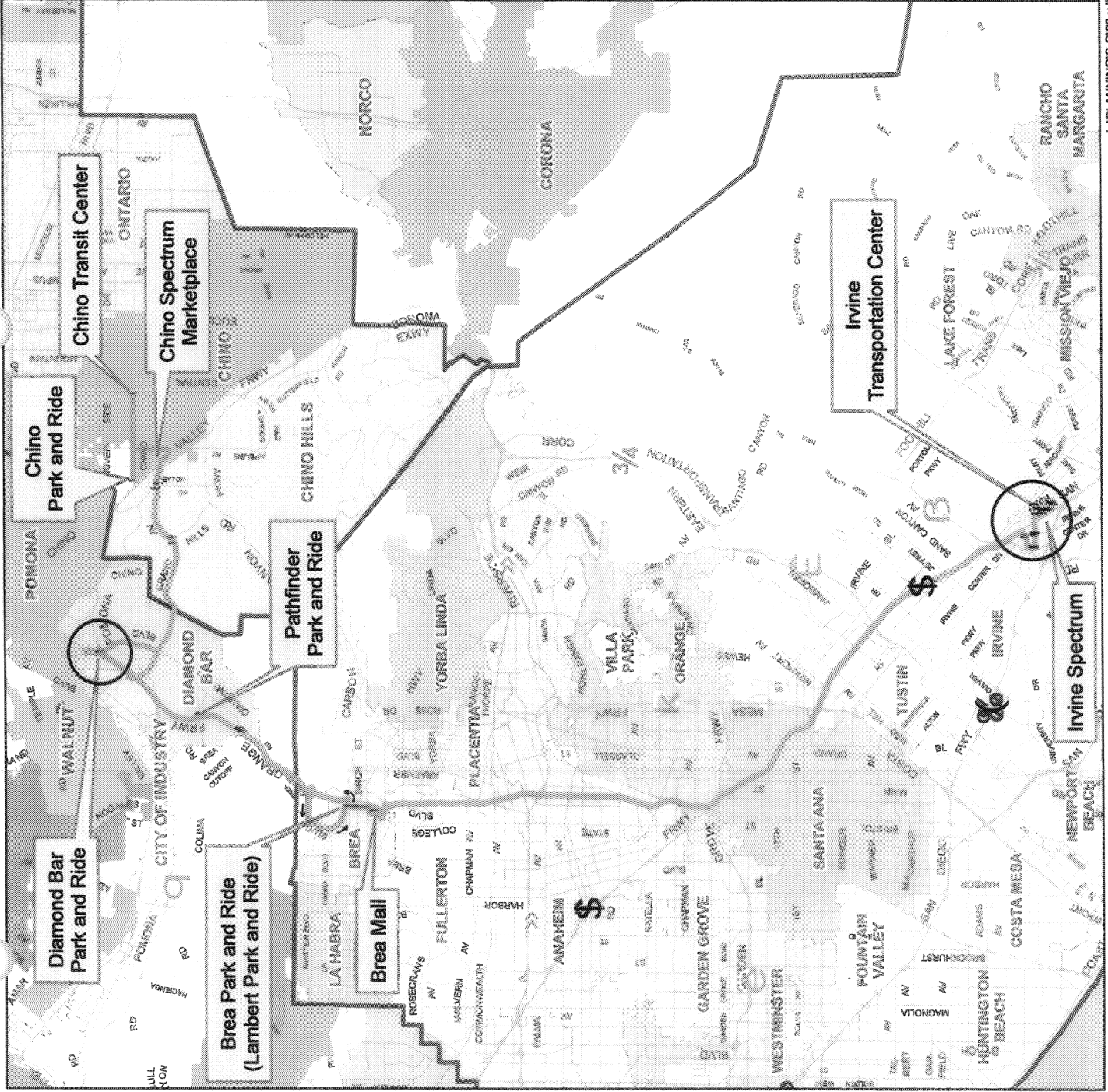
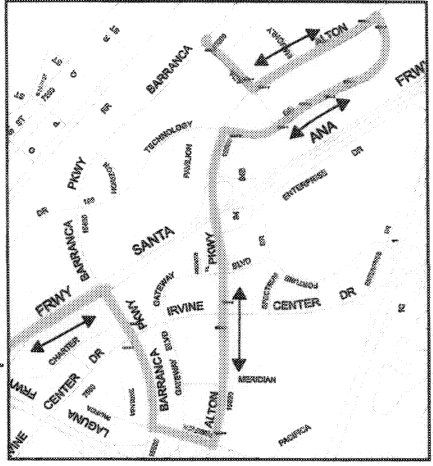
- Proposed Rt 758 Alignment
- Proposed Bus Stops (Existing)
- Proposed Bus Stops (New)

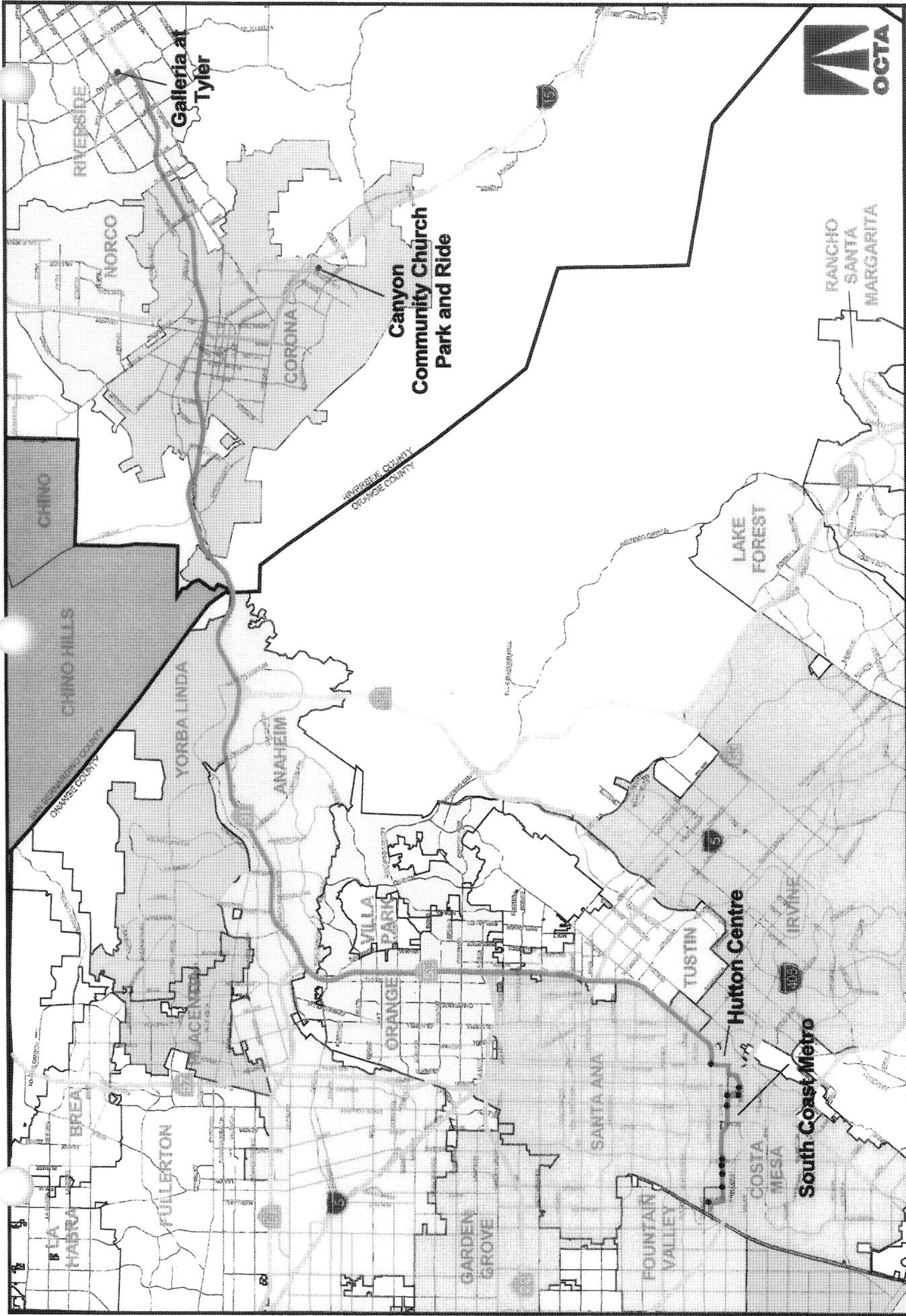


Diamond Bar Park and Ride



Irvine Spectrum





**Proposed Express
Bus Routes 794/794A**

- Proposed Bus Stops (Existing)
- Proposed Bus Stops (New)
- 794 Riverside to South Coast Metro
- 794A Corona to South Coast Metro

DRAFT

Public Hearing Requirements

The Authority's public hearing policy is derived from Section 5(i)(3) of the former Urban Mass Transportation Act of 1964 (Federal Transit Act, as amended).

- This policy requires the Authority conduct a public hearing when there is a change that affects 25 percent or more of a route's length or service mileage or modifies the fare structure.
- A public hearing is recommended since bus route changes meet these criteria. The notification of the upcoming public hearing on August 14, 2006, will be made by the Clerk of the Board.
- A copy of the Notice of Public Hearing is provided for Board review (Attachment C). Letters announcing the public hearing date will be sent to principal elected city and county officials as well as colleges in the county.
- In addition, a Notice of Intent to hold a Public Hearing will be published and placed on all Authority transit coaches on impacted routes to comply with the intent of the Authority's Notification to Patrons procedure.



Notice of Public Hearing

**Re: Orange County Transportation Authority
Proposed Bus Service Improvements
August 14, 2006**

NOTICE IS HEREBY GIVEN that the Orange County Transportation Authority (OCTA) Board of Directors will hold a public hearing at 9:00 a.m. on Monday, August 14, 2006 at the Orange County Transportation Authority, 550 South Main St., Orange, California. The public hearing shall be for the purpose of considering improvements to the County's bus system.

Description of Service Changes: The proposed service improvements focus on the creation of seven new routes, and modifications to two existing routes designed to improve local and regional connections and to increase ridership. These recommendations fall under Section 5(i)(3) of the Urban Mass Transportation Act of 1964 (Federal Transit Act, as amended) and thus require a public hearing.

Description of Service Area: The service area affected by the proposed improvements can be described as regional or intercounty including Los Angeles, Orange, Riverside and San Bernardino counties for express services and contiguous with the Orange County boundaries for local and shuttle services.

Relocation: No persons, families or businesses will be displaced by the proposed service changes.

Environment: In accordance with the California Environmental Quality Act (CEQA) of 1970, OCTA has determined that the project will have no significant effect on the environment and meets the criteria of an exemption under CEQA Reg. 15061(b)(3). OCTA will file a Notice of Exemption for the proposed bus system improvements.

Comprehensive Planning: The proposed changes conform with comprehensive land use and transportation planning in the area. The necessity

for the system improvements is the result of an evaluation of the transit needs of Orange County conducted by the OCTA.

Elderly and Persons with Disabilities: The proposed service improvements will not adversely affect public transit availability for the elderly and persons with disabilities.

Public Participation: Interested persons may submit, orally or in writing, recommendations and evidence with respect to the proposed bus system improvements. A description of the proposed service improvements will be available for public inspection between July 10, 2006 and August 14, 2006. Please contact the Clerk of the Board, Wendy Knowles, at the OCTA Administrative Offices, 550 South Main Street, P.O. Box 14184, Orange, California, 92613-1584. Telephone (714) 560-5676.

At the Public Hearing, the OCTA Board of Directors will afford interested persons or agencies an opportunity to submit, either orally or in writing, evidence and recommendations with respect to the effects of the proposed bus system improvements.

ALL INTERESTED PARTIES are invited to submit, orally or in writing, evidence and recommendations with respect to the proposed bus system improvements. Written comments may be addressed to the Clerk of the Board:

Wendy Knowles
Clerk of the Board
Orange County Transportation Authority
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Telephone (714) 560-5676



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Amendment to Agreement for Trapeze Pass Scheduling Software

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Director Duvall was not present for this vote.

Committee Recommendations

Authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$295,689, for Mobile Data Terminal mapping software, Mobile Data Terminal supervisor units, supervisor terminal licenses, implementation services and support.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Amendment to Agreement for Trapeze Pass Scheduling Software

Overview

On May 4, 1999, the Board of Directors approved an agreement with Trapeze Software Group, Inc., in the amount of \$158,930, to provide paratransit scheduling software. Trapeze Software Group, Inc. was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional/technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-9-0008 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$295,689, for Mobile Data Terminal mapping software, Mobile Data Terminal supervisor units, supervisor terminal licenses, implementation services and support.

Background

The Orange County Transportation Authority (Authority) began using the Trapeze PASS software in October 1999, replacing a previously used version of the software. Trapeze PASS is a scheduling software package that provides automated scheduling and routing for trips provided by the ACCESS service. In May 2005, the Authority began installing Mobile Data Terminal (MDT) units in the paratransit vehicle fleet to improve communications, safety and productivity. The next phase of the Mobile Data Terminal project is to add driver mapping, a program that will give drivers turn-for-turn directions to each stop, and supervisor MDT's to the Trapeze PASS software and Mobile Data Terminal software.

Discussion

This procurement was originally handled in accordance with the Orange County Transportation Authority's procedures for professional/technical services. It has become necessary to amend the agreement to add the MDT mapping and supervisor Mobile Data Terminals to the Trapeze PASS scheduling and MDT software.

Fiscal Impact

The additional work described in Amendment No. 7 to Agreement C-9-0008 was approved in the Authority's Fiscal Year 2005-06 Budget, Operations, Accounts 2131-7669 IX012-B8Y, 2131-7669 IX012-B9K, 2131-9028 D1208-AMA and is funded through Local Transportation Funds.


Summary

Based on the material provided, staff recommends approval of Amendment No. 7, in the amount of 295,689, to Agreement C-9-0008 with Trapeze Software Group, Inc.

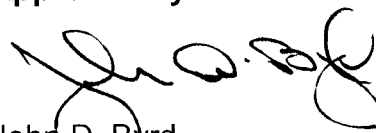
Attachment

- A. Trapeze Pass Scheduling Software Agreement C-9-0008 Fact Sheet

Prepared by:


Patrick Sampson
Senior Transportation Analyst
Community Transportation Services
(714) 560-5425

Approved by:


John D. Byrd
General Manager, Transit
(714) 560-5341

ATTACHMENT A

Trapeze Pass Scheduling Software Agreement C-9-0008 Fact Sheet

1. May 4, 1999 Agreement C-9-0008, \$158,930, approved by of Directors.
 - Trapeze PASS 4 scheduling software package that provides automated scheduling and routing for trips provided by the ACCESS service. Under this agreement, the Authority is licensed to operate up to thirty-six Trapeze workstations to schedule up to 4,000 daily trips.
2. October 7, 1999, Amendment No. 1 to Agreement C-9-0008, \$2,913, approved by Purchasing Agent.
 - To convert from DOS operating system to Windows NT operating system.
3. June 7, 2000, Amendment No. 2 to Agreement C-9-0008, pending approval by Board of Directors.
 - To extend completion date for completion of Trapeze Pass interface from April 30, 2000 to June 30, 2000. No change in the dollar value of the agreement
4. June 30, 2000, Amendment No. 3 to Agreement C-9-0008, \$3,506, approved by Purchasing Agent.
 - 7.75% California Sales Tax not included in the original firm-fixed price agreement.
5. September 22, 2003, Amendment No. 4 to Agreement C-9-0008, \$16,800, approved by Board of Directors.
 - Increase Trapeze Pass user licenses from thirty-six to forty
6. March 22, 2004, Amendment No. 5 to Agreement C-9-0008, \$25,000, approved by Board of Directors.
 - Increase maximum number of daily trips allowed from 3,999 to 4,999 trips
7. March 27, 2006 Amendment No. 6 to Agreement C-9-0008, \$22,500 approved by Board of Directors.
 - Increase Trapeze Pass user licenses from forty to forty-five.
8. June 8, 2006 Amendment No. 7 to Agreement C-9-0008, \$295,689 pending approval by Board of Directors.

- Add Mobile Data Terminal (MDT) Mapping
- Add twelve Supervisor Mobile Data Terminals and licensing to support the ACCESS program.

Total committed to Trapeze Software Group, Inc., Agreement C-9-0008: \$525,338



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Amendment to Agreement for Trapeze Software Support

Transit Planning and Operations Committee

June 8, 2006

Present: Directors Brown, Duvall, Green, Norby, Silva, and Winterbottom
Absent: Director Pulido

Committee Vote

This item was passed by all Committee Members present.

Director Duvall was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-3-1218 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$20,000, for software support services.



June 8, 2006

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Amendment to Agreement for Trapeze Software Support

Overview

On December 8, 2003, the Board of Directors approved an agreement with Trapeze Software Group, Inc., in the amount of \$20,000, to provide software support for the Trapeze PASS scheduling software package, utilized to schedule ACCESS trips. The annual maintenance agreement, which is part of the license, does not include all the support necessary to ensure that ACCESS maintains comparability with the Orange County Transportation Authority's fixed route service. Trapeze Software Group, Inc. was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional/technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-3-1218 between the Orange County Transportation Authority and Trapeze Software Group, Inc., in an amount not to exceed \$20,000, for software support services.

Background

The Orange County Transportation Authority (Authority) began using the Trapeze PASS scheduling software in October 1999, replacing a previously used version of the software. Trapeze PASS is a scheduling software package that provides automated scheduling and routing for trips provided by the Authority's ACCESS service.

The regular maintenance agreement with Trapeze Software Group, Inc. allows the Authority to receive regular upgrades, training, and on-line or telephone support. Some modifications to the software, required to support the Authority's service policies and growth management strategies, are beyond the scope of the maintenance agreement.

Discussion

This procurement was originally handled in accordance with the Authority's procedures for professional/technical services. It has become necessary to amend this agreement to add funds and increase the maximum obligation.

The original agreement awarded on December 8, 2003, was in the amount of \$20,000. This agreement has been amended previously (Attachment A) increasing the total amount approved to \$40,000. The total amount after approval of Amendment No. 3 will be \$60,000 as the amendment adds funds for next year.

Fiscal Impact

The additional work described in Amendment No. 3 to Agreement C-3-1218, was approved in the Authority's Fiscal Year 2005-06 Budget, Operations, Account 2131-7519-D1121-6W4 and is funded through Local Transportation Funds.

Summary

Based on the material provided, staff recommends approval of Amendment No. 3 to Agreement C-3-1218 with Trapeze Software Group Inc.

Attachment

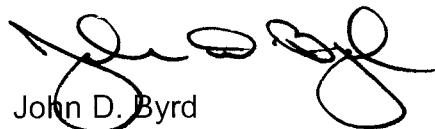
- A. Trapeze Software Group, Inc. Agreement C-3-1218 Fact Sheet

Prepared by:



Patrick Sampson
Contract Transportation Analyst
Community Transportation Services
(714) 560-5425

Approved by:



John D. Byrd
General Manager, Transit
(714) 560-5341

ATTACHMENT A

**TRAPEZE SOFTWARE GROUP, INC.
Agreement C-3-1218 Fact Sheet**

1. December 8, 2003 Agreement C-3-1218, \$20,000, approved by Board of Directors.
 - Provision of Trapeze software support
 - Initial term of agreement, January 1, 2004 through June 30, 2005
2. March 28, 2005, Amendment No. 1 to Agreement C3-1218, \$20,000, approved by Board of Directors
 - Exercise first option term, July 1, 2005 through June 30, 2006
3. April 12, 2006, Amendment No. 2 to Agreement C-3-1218, approved by the Procurement Staff.
 - Exercise second option term, July 1, 2006 through June 30, 2007
 - No additional dollars added to the value of the agreement.
4. June 26, 2006, Amendment No. 3 to Agreement C-3-1218, pending approval by Board of Directors.
 - Add \$20,000 to the second option term, July 1, 2006 through June 30, 2007, as originally awarded and budgeted.

Total committed to Trapeze Software Group, Inc., Agreement C-3-1218: \$60,000.



BOARD COMMITTEE TRANSMITTAL

June 26, 2006

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Draft 2006 State Route 91 Implementation Plan

Regional Planning and Highways Committee

June 19, 2006

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

Committee Vote

This item was passed by all Committee Members present.

Directors Dixon and Norby were not present to vote on this matter.

Committee Recommendation

Approve the draft 2006 State Route 91 Implementation Plan, and direct staff to forward copies to members of the state legislature.



June 19, 2006

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Draft 2006 State Route 91 Implementation Plan

Overview

Enabling legislation related to the 91 Express Lanes requires the Orange County Transportation Authority to annually issue a plan and proposed schedule for Riverside Freeway (State Route 91) improvements eligible for funding by potential excess toll revenue. The draft 2006 State Route 91 Implementation Plan is provided for review and approval.

Recommendation

Approve the draft 2006 State Route 91 Implementation Plan, and direct staff to forward copies to members of the state legislature.

Background

State statute enacted by Assembly Bill 1010 (Chapter 688, Statute of 2002) requires the Orange County Transportation Authority (OCTA), in consultation with the California Department of Transportation (Caltrans) and the Riverside County Transportation Commission (RCTC), to annually issue a plan and a proposed completion schedule for Riverside Freeway (State Route 91) improvements from the Ontario Freeway (Interstate 15) to the Costa Mesa Freeway (State Route 55). The intent of the plan is to establish a program of projects eligible for funding by potential excess 91 Express Lanes toll revenue.

Discussion

The last major plan update occurred in 2004, with Caltrans and RCTC input. This year, recommendations from the recently completed Riverside County-Orange County Major Investment Study (MIS) have been incorporated into the plan, as well as preliminary traffic analysis describing the general benefits of major projects. Plan details are further discussed below.

OCTA collaborated with Caltrans and RCTC to incorporate MIS recommendations. Cities along the corridor were also invited to participate in the update. OCTA retained an engineering consultant for the update, which included convening technical meetings with agencies' staff. The results of this process are included in the draft 2006 State Route 91 (SR-91) Implementation Plan (Attachment A). The plan describes projects and transportation benefits, potential implementation schedules by milestone year, and costs for major projects from now through 2030. There may be opportunities to accelerate project delivery through the use of innovative contracting methods and other strategies.

Consistent with the MIS recommendations, projects for earlier implementation include new lanes between the Foothill/Eastern Transportation Corridor (State Route 241) and the Corona Expressway (State Route 71) by 2011, continuing to Interstate 15 (I-15) by 2015, as well as new express bus and Metrolink service between Riverside and Orange counties. Other projects for implementation by 2015 are further described in Attachments A and B. All the projects are expected to cost between \$650 million and \$715 million (2006 dollars).

Projects for implementation by 2020 include new travel lanes between State Route 55 and State Route 241 (SR-241) and further expansion of Metrolink service. These projects are expected to cost approximately \$470 million (2006 dollars).

Projects for implementation by 2030 focus on longer-lead time projects that require further technical study, funding, and future policy decisions. The technical analysis for these project concepts is further described in a separate agenda item. These projects include the 91 Viaduct proposal (Corridor A from the MIS), the Irvine-Corona Expressway (Corridor B from the MIS), a new connector from SR-241 to the 91 Express Lanes and continuing to State Route 71, Anaheim to Ontario International Airport high-speed ground transportation, and other project concepts. Project costs are expected to exceed \$9 billion and are subject to further study.

New to the 2006 SR-91 Implementation Plan is the inclusion of traffic analysis for major projects. The results of this analysis indicate that improvements planned by 2015 will significantly decrease travel time and increase travel speeds eastbound in the afternoon. Peak-hour eastbound afternoon travel time could drop from about 100 minutes today to about 20 minutes in 2015. Other future improvements by 2030 could further decrease travel time.

Staff presented the draft 2006 SR-91 Implementation Plan to the SR-91 Advisory Committee on June 2, 2006, for review and feedback. Committee members

expressed support for the plan and suggested OCTA, RCTC, and Caltrans seek innovative ways to advance projects. Several OCTA initiatives, including design-build authority, could significantly advance many of the projects proposed in the draft 2006 SR-91 Implementation Plan.

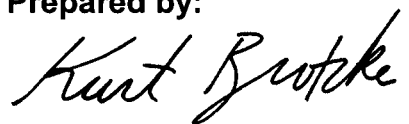
Summary

OCTA has completed the draft 2006 SR-91 Implementation Plan required by enabling toll road legislation. The draft plan is presented for review and approval, and the final document will be transmitted to appropriate members of the state legislature.

Attachments

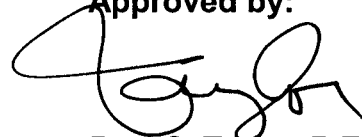
- A. 2006 –Executive Summary – State Route 91 Implementation Plan
- B. Draft 2006 SR-91 Implementation Plan Project Details

Prepared by:



Kurt Brotcke
Manager, Planning and Analysis
(714) 560-5742

Approved by:

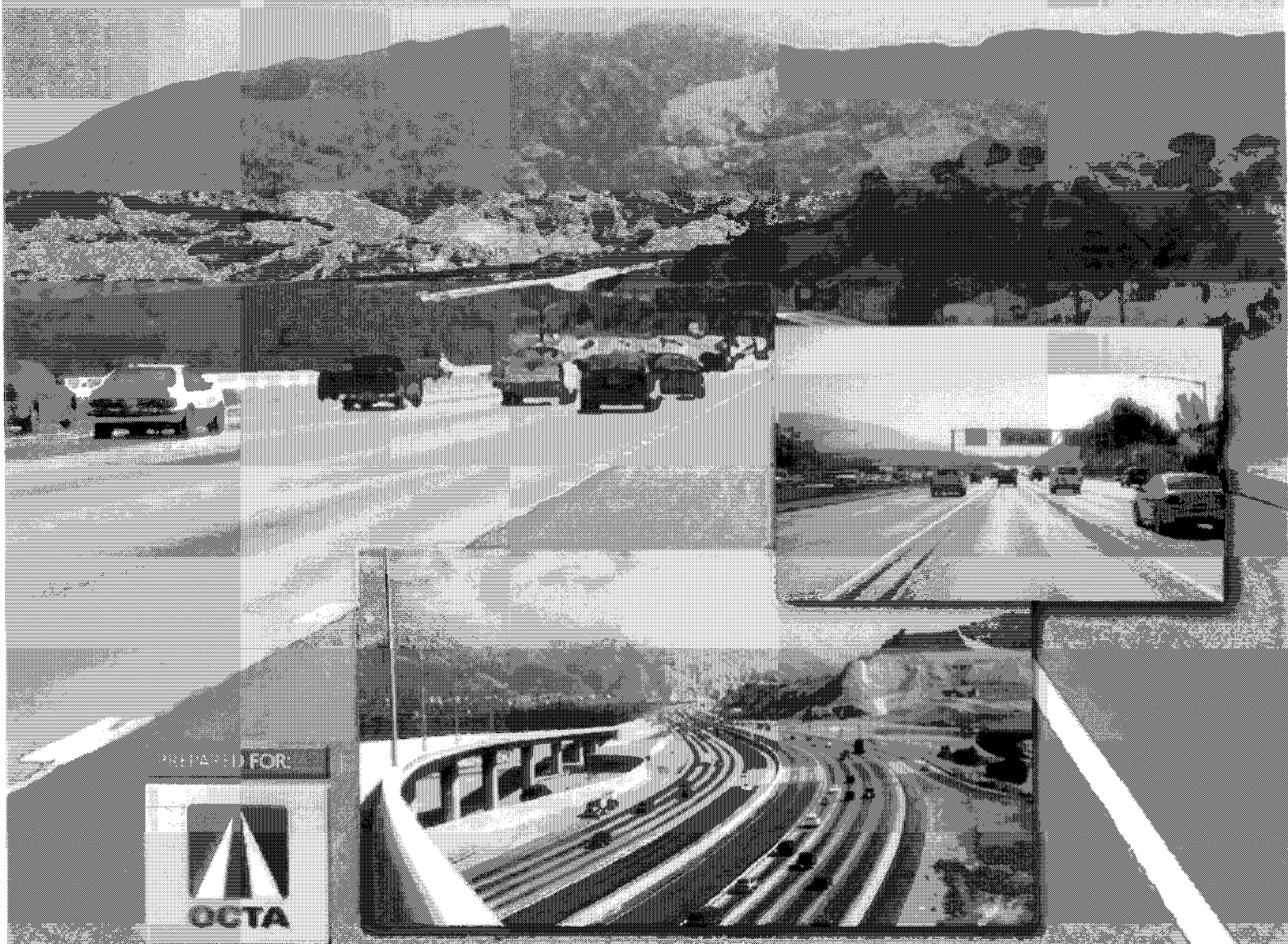


Paul C. Taylor, P.E.
Executive Director, Planning,
Development, and Commuter Services
(714) 560-5431

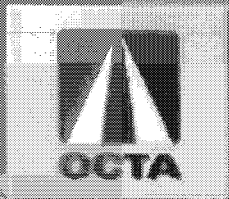
2006 - EXECUTIVE SUMMARY



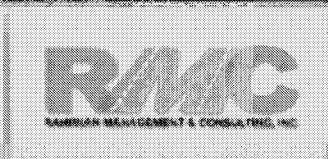
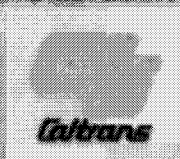
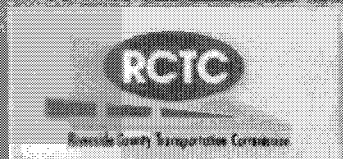
State Route 91 Implementation Plan



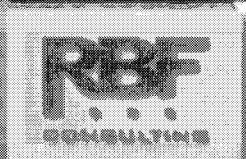
PREPARED FOR:



IN ASSOCIATION WITH:



PREPARED BY:



JUNE 2006

Previous law authorized the California Department of Transportation (Caltrans) to enter into franchise agreements with private companies to construct and operate four demonstration toll road projects in California. This resulted in the development of the 91 Express Lanes facility in Orange County. The four-lane, 10-mile toll road runs along the median of State Route 91 (SR-91) in northeast Orange County between the Orange/Riverside County line and State Route 55 (SR-55). Since the 91 Express Lanes carried its first vehicle in December 1995, the facility has saved users millions of hours of commuting time.

While the 91 Express Lanes facility has improved travel time along the SR-91 corridor, provisions in the franchise agreement between Caltrans and the private franchisee, the California Private Transportation Company (CPTC), prohibited Caltrans and county transportation agencies from adding transportation capacity or operational improvements to the SR-91 corridor from Interstate 15 (I-15) in Riverside County to the Orange/Los Angeles Counties border through the year 2030. Consequently, the public agencies were barred from adding new lanes, improving interchanges, and adding other improvements to decrease congestion on the SR-91 freeway.

Recognizing the need to eliminate the non-compete provision of the franchise agreement, Governor Gray Davis signed Assembly Bill 1010 (Lou Correa) into law in September 2002, paving the way for much-needed congestion relief for thousands of drivers who use SR-91 to travel between Riverside and Orange Counties each day. The bill allowed the Orange County Transportation Authority (OCTA) to purchase the 91 Express Lane franchise and eliminate the existing clause that prohibited any capacity-enhancing improvements from being made to SR-91 until the year 2030. The purchase agreement for the 91 Express Lanes was completed in January 2003, placing the road in public hands at a cost of \$207.5 million. With the elimination of the non-compete provision through AB 1010 and the subsequent 91 Express Lanes purchase by the OCTA, Orange County and Riverside County public officials and Caltrans Districts 8 and 12

have been working together on improvement plans for SR-91.

AB 1010 also requires OCTA, in consultation with Caltrans and the Riverside County Transportation Commission (RCTC), to annually issue a plan and a proposed completion schedule for SR-91 improvements from I-15 to SR-55. This plan establishes a program of projects eligible for funding by the use of potential excess toll revenue and other funds.

The 2006 SR-91 Implementation Plan describes projects, implementation schedules, benefits, and costs for major projects through 2030. Most of the projects identified in this Implementation Plan are based on the recently completed Riverside County – Orange County Major Investment Study (MIS). The projects are presented based on potential implementation schedules and priorities established in the MIS.

- ❖ The first set of projects will be completed by 2011 and include five improvements at a total cost of approximately \$145 million. The projects include the eastbound SR-91 lane addition from near Coal Canyon Wildlife Crossing to SR-71, the Green River Road interchange overcrossing replacement, safety improvements at the truck scales, Express Bus improvements, and Metrolink service improvements. Most of these projects are in the process of preliminary engineering, final design, construction, or procurement and implementation.
- ❖ The next set of improvements includes four projects, which would be implemented by 2015 at a total cost of approximately \$504 to \$570 million. The first of these projects includes the 5th lane project from SR-241 to Pierce Street that will add a fifth general purpose (GP) lane in each direction on SR-91, interchange improvements at SR-71/SR-91, and collector-distributor (CD) roads for eastbound (EB) SR-91 to SR-71 and in both directions at I-15. The other three projects that can be completed in this time frame include a westbound (WB) lane at Tustin Avenue, a potential new interchange at Fairmont Boulevard, and a potential reversible lane facility from the County Line to I-15. As an alternative to the reversible lane facility, restriping of SR-91 could be implemented in both directions from the end of the 2nd

HOV lane (near SR-71/SR-91) to near Pierce Street to gain an additional lane.¹

- ❖ Projects for implementation by 2020 include new travel lanes between SR-55 and SR-241 and a significant expansion of Metrolink service. OCTA, RCTC, and Caltrans have completed the preliminary planning on these projects to ensure readiness when local, state, or federal funding becomes available. Consequently, there may be opportunities to advance these projects if additional funding is made available. Projects for implementation by 2020 are expected to cost \$470 million.
- ❖ Projects for implementation by 2030 focus on longer-lead time projects. This multi-billion dollar program includes five potential projects that require a significant amount of planning, design, and future policy and public input. In some cases, these projects are alternatives to each other, and not all five projects will be implemented.

New to the 2006 SR-91 Implementation Plan is the inclusion of traffic analysis for major SR-91 capacity projects. This analysis used the latest freeway operations software model available from UC Berkeley and 2005 traffic data from Caltrans and Austin-Foust Associates.² This freeway operations model provides a better depiction of actual travel delays experienced by motorists compared to traditional travel demand models. The model can be used to analyze freeway bottlenecks sometimes neglected in traditional travel demand models. This approach is especially important given high SR-91 traffic volumes and the potential for relatively few vehicles to significantly slow down traffic. For example, a minor freeway merging area can cause many vehicles to slow, cascading delay through the traffic stream, and suddenly both speed and volume rapidly decrease for major segments of the freeway.

The operations analysis quantified travel time savings for eastbound afternoon and westbound morning conditions for the following major projects:

- ❖ Eastbound lane addition from SR-241 to SR-71 by 2011 (Project 1).
- ❖ New lanes from SR-241 to I-15 by 2015 (Project 6).

¹ This restriping project may or may not be required based on analysis of traffic operations after the 5th lane project and related interchange improvements are implemented.

² This traffic data was then adjusted to future years to account for regional population and employment growth as well as potential diversion from other transportation corridors.

Project No.	Project Summary	Cost (\$M)
By Year 2011		
1	Eastbound Lane Addition from SR-241 to SR-71	68.0
2	Green River Road Overcrossing Replacement	25.7
3	Safety Improvements at Truck Scales	2.1
4	Express Bus Improvements – Orange County to Riverside County	13.5
5	Metrolink Short-Term Expansion Plan	35.4
By Year 2015		
6	Widen SR-91 by One GP Lane in Each Direction East of SR-241, CD Roads at SR-71/SR-91 and I-15/SR-91, and System Interchange Improvements	365
7	SR-91 WB Lane at Tustin Avenue	25 – 62
8	New Interchange at Fairmont Boulevard	72 - 101
9	SR-91 Reversible Lanes from County Line to I-15	43
By Year 2020		
10	Widen SR-91 between SR-55 and SR-241 by Adding a 5 th GP lane in Each Direction	135
11	Metrolink Service and Station Improvements	335
By Year 2030 and Post-2030		
12	SR-241/SR-91 Direct Connector	240
13	I-15/SR-91 Direct Connector	162
14	Elevated 4-Lane Facility (MIS Corridor A) from SR-241 to I-15	3,200
15	4-Lane Facility (MIS Corridor B) from SR-241/SR-133 to I-15/Cajalco Road	5,700
16	Anaheim to Ontario International Airport High Speed Rail	TBD

- ❖ New lanes from SR-55 to SR-241 by 2020 (Project 10).
- ❖ New capacity provided by “Corridor A” and “Corridor B” by 2030 as suggested by the 2006 Riverside County – Orange County Major Investment Study (Projects 14 and 15).

The results indicate that improvements planned for 2015 will significantly decrease travel time eastbound in the afternoon.

These improvements, plus planned widening of SR-91 between SR-55 and SR-241 by 2020, will help manage the future growth in westbound morning travel. However, westbound morning travel time remains worse than today’s conditions even with these improvements. The current design of the 91/55 interchange limits the ability to move traffic into north and central Orange County via SR-55, and significant future vehicle delays may result without major new interchange and downstream capacity or diversion to other corridors.

The introduction of Corridors A and B by 2030 offer the potential capacity to manage future demand in both directions. While both of these corridors are still concepts, they provide significant relief to eastbound and westbound traffic congestion in the future. Further feasibility studies

will determine if one or both concepts move forward in the project development process. The charts below describe the travel time benefits by year including these various project concepts.

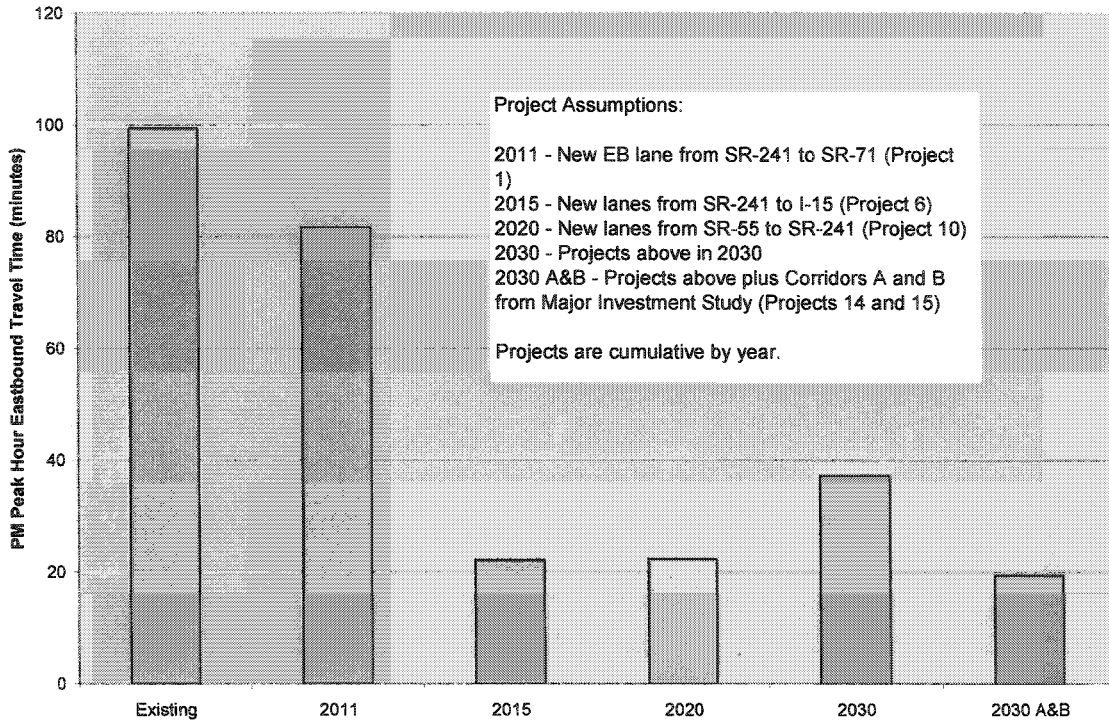


Figure ES-1 – Eastbound P.M. Peak Hour Average Corridor Travel Time (SR-55 to I-15)

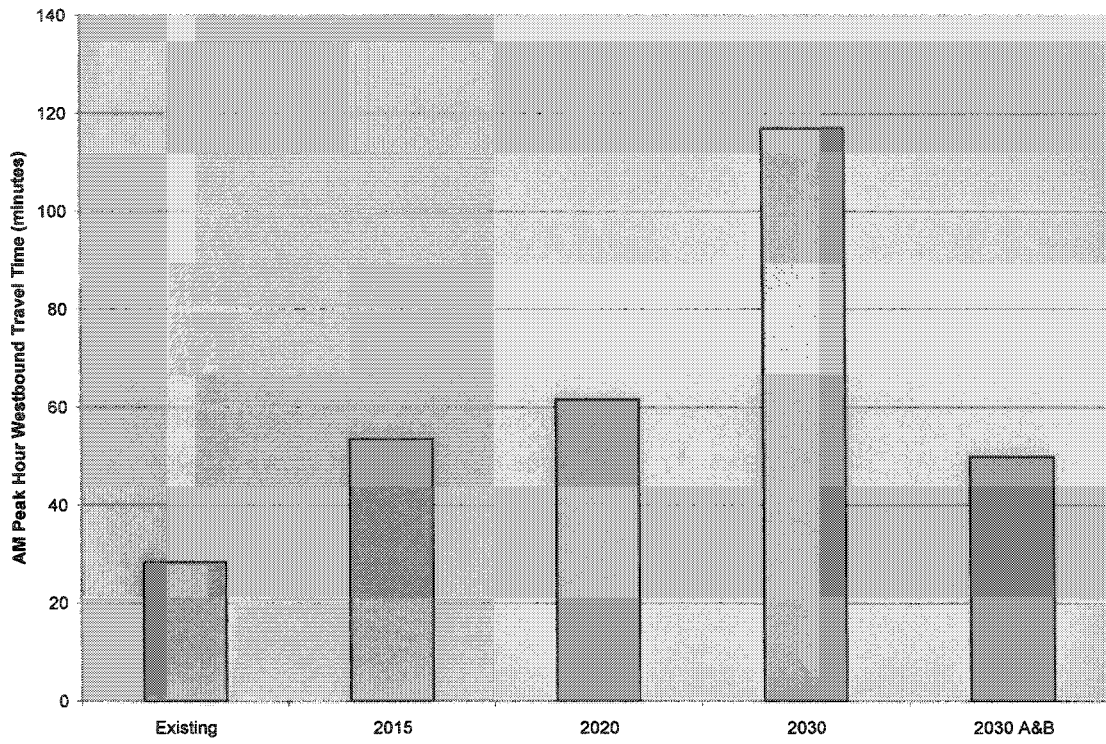


Figure ES-3 – Westbound A.M. Peak Hour Average Corridor Travel Time (SR-55 to I-15)

**DRAFT 2006 SR-91 IMPLEMENTATION PLAN
PROJECT DETAILS**

Eastbound Lane Addition from SR-241 to SR-71

Project No: 1

Anticipated Completion: 2011

Project Cost Estimate

Capital Cost	\$ 50,400,000
Support Cost (25%)	\$ 12,600,000
R/W Contingency (10%)	\$ 5,000,000
Total Project Cost	\$ 68,000,000

Project Schedule

Preliminary Engineering	Completed
Environmental	2006-2007
Design	2007-2009
Construction	2009-2011

Project Description

This project proposes capacity, operational, and safety improvements to the eastbound (EB) lanes of SR-91 between the SR-241 and SR-71. The purpose of this project is to provide an additional EB lane from SR-241 to SR-71 and to widen all EB lanes and shoulders to standard widths. It would also remove the lane drop choke point east of SR-241 at Coal Canyon.

Key Considerations

Coordination with Green River Road Overcrossing Replacement and Widening Project #2 will be required. Staged construction would be required for all ramp reconstruction and freeway widening. Freeway operations would most likely be affected by this project, however, freeway closures are not anticipated. An EB concrete shoulder will be constructed with a 12 foot width to provide for future widening as contemplated by the Project #6 EB lane addition.

Benefits

The lane addition would improve weaving between SR-241 and SR-71, as well as remove vehicles from the SR-91 mainline traffic flow that would be exiting at Green River Drive and SR-71.

Project Schedule Caltrans Equivalents:

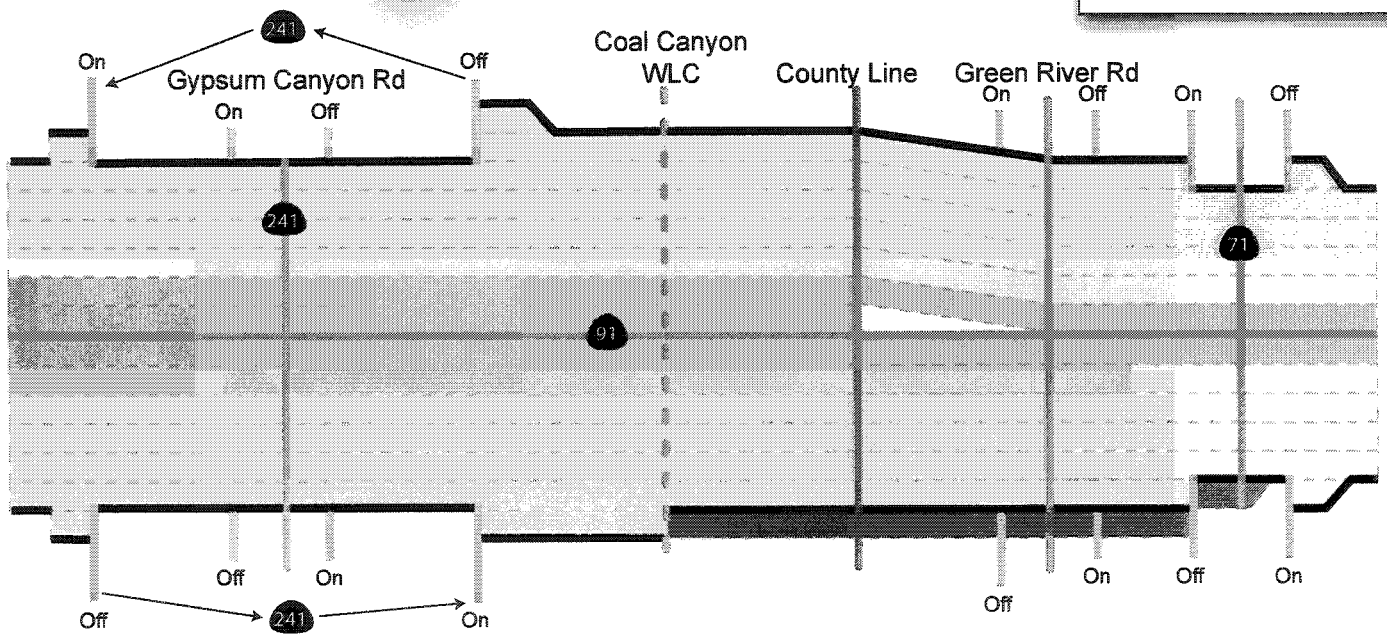
Preliminary Engineering = PID
 Environmental = PA/ED
 Design = PS&E

Current Status

Project Report and Environmental Document are currently being prepared.

LEGEND

- Existing Highway
- Interchange/Ramp
- County Line
- HOV or HOT Lane
- Existing Lane
- Project Improvement Lane
- Existing Lanes Outline



Green River Road Overcrossing Replacement

Project No: 2

Anticipated Completion: 2008

Project Cost Estimate

Capital Cost \$ 20,500,000
 Support Cost (25%) \$ 5,200,000
 Total Project Cost \$ 25,700,000

Project Schedule

Preliminary Engineering Complete
 Environmental Complete
 Design Complete
 Construction 2006-2008

Project Description

Improvements primarily consist of replacing the existing Green River Road overcrossing with a new six-lane wide, 4-span overcrossing to accommodate future widening of SR-91. The interior spans will accommodate up to eight mainline lanes in each direction including two HOV lanes. The exterior spans can accommodate two lanes, either for auxiliary lanes or collector distributor roads. Entrance and exit ramps will be realigned to accommodate the new bridge, yet the interchange will retain its current configuration. New signals will be installed at the ramp intersections. Ramp and bridge improvements will be constructed within existing right of way.

Key Considerations

Management of traffic during construction requires consideration. Coordination may be required with Projects #1, #6, and #9. Implementation of reversible lanes Project #9 may impact the project due to the overcrossing median column.

Benefits

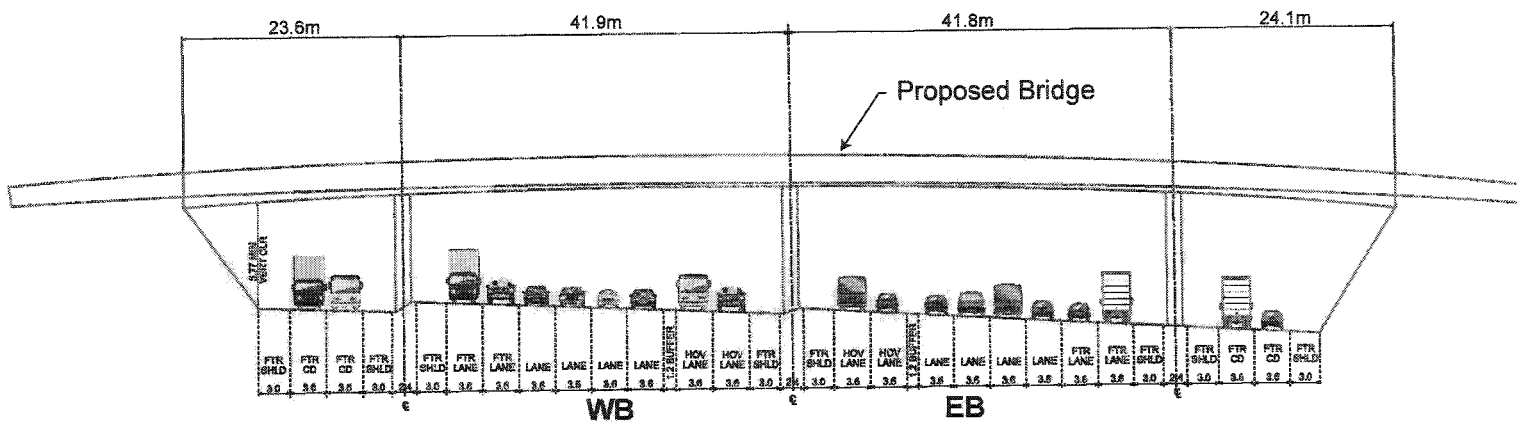
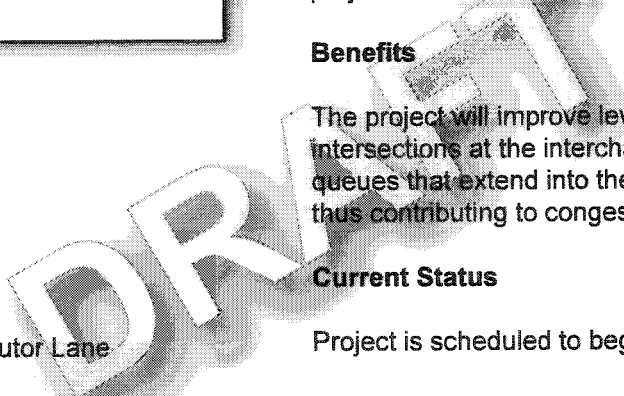
The project will improve level of service at ramp and local street intersections at the interchange. Improvements will reduce ramp queues that extend into the freeway's general purpose lanes, thus contributing to congestion relief on SR-91.

Current Status

Project is scheduled to begin construction in July/August 2006.

Abbreviations:

CD = Collector Distributor Lane
 FTR = Future
 HOV = High Occupancy Vehicle
 SHLD = Shoulder



PRELIMINARY CROSS-SECTION
 GREEN RIVER BRIDGE

NOTE: All dimensions in meters and are approximate

Safety Improvements at Truck Scales

Project No: 3

Anticipated Completion: 2006

Project Cost Estimate

Capital Cost	\$ 1,500,000
Support Cost	\$ 600,000
Total Project Cost	\$ 2,100,000

Project Schedule

Preliminary Engineering	Complete
Environmental	Complete
Design	Complete
Construction	Mid-Late 2006

Project Description

Improvements consist of improving existing shoulders, re-stripping existing lane lines, increasing illumination, and modifying signing into and out of the truck weigh stations on eastbound and westbound SR-91.

Key Considerations

City of Anaheim has requested to Caltrans that the scales be moved. This relocation is a long-term project and would require development of a new location. This proposal requires further evaluation.

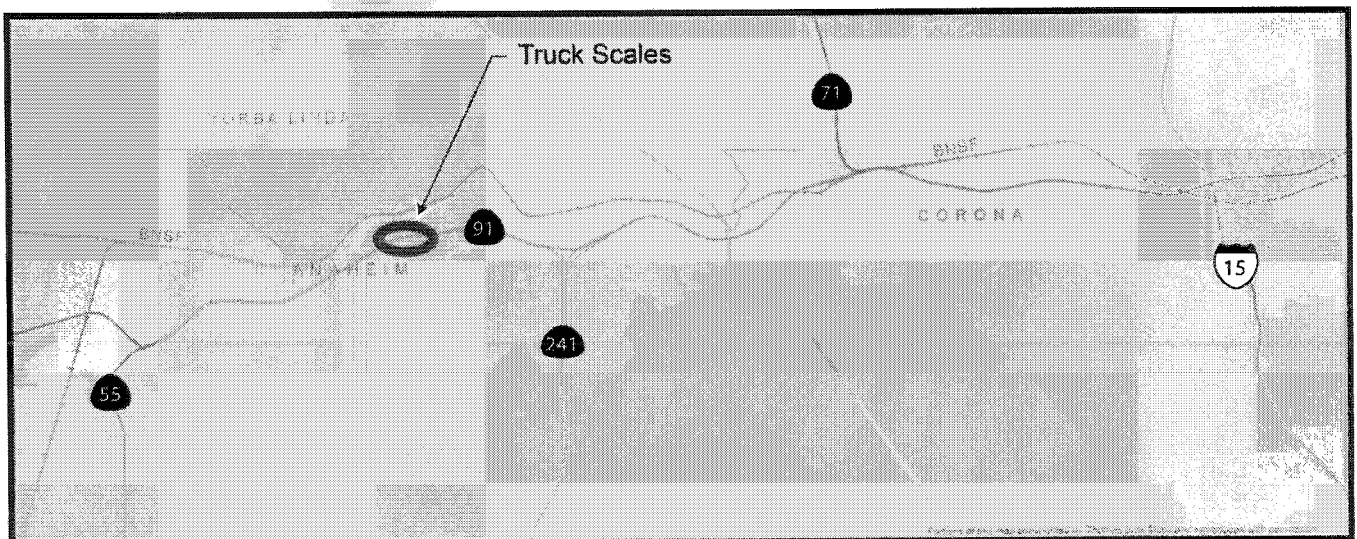
Benefits

Improvements are expected to reduce accidents.

Current Status

Caltrans has begun construction on the project and is anticipated to complete construction in late 2006.

DRAFT



Express Bus Improvements Orange County to Riverside County

Project No: 4

Anticipated Completion: 2011

Project Cost Estimate

Total Capital Cost \$ 13,500,000

Project Schedule

Galleria at Tyler to South Coast Metro
in Fall 2006

Galleria at Tyler to Irvine Business
Center/UCI in FY 2010/2011

Galleria at Tyler to North East Anaheim
and CSUF in FY 2010/2011

Galleria at Tyler to Anaheim Resort in
FY 2010/2011

Project Description

OCTA, working with the Riverside County Transportation Commission, and the Riverside Transit Agency, plans an extensive expansion of express bus service between Riverside and Orange Counties. Commuters lack direct transit connections to many Orange County employment centers, and new express bus service will provide connections to growing employment centers in Anaheim, Costa Mesa, and Irvine.

Four express bus routes are planned from Riverside County to: South Coast Plaza (54 miles); the northeast Anaheim Industrial Area and California State University Fullerton (47 miles); Anaheim Civic Center, Western Medical Center, and Disneyland Resort (53 miles); and Irvine Business Center and UCI (52 miles). Routes would run every 30 to 45 minutes in the peak period, and service will be tailored to match demand. Implementation is planned to start in Fall 2006 with the Riverside County to South Coast Plaza route. The other routes are planned for implementation by Fiscal Year 2010/2011 contingent on future budget authority.

Key Considerations

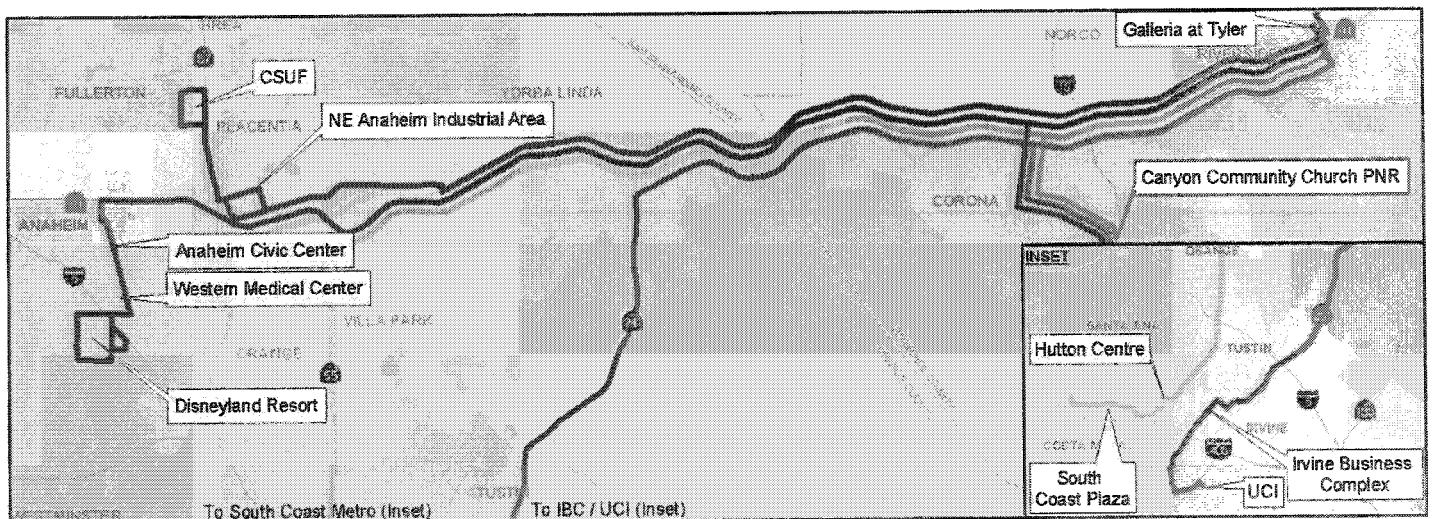
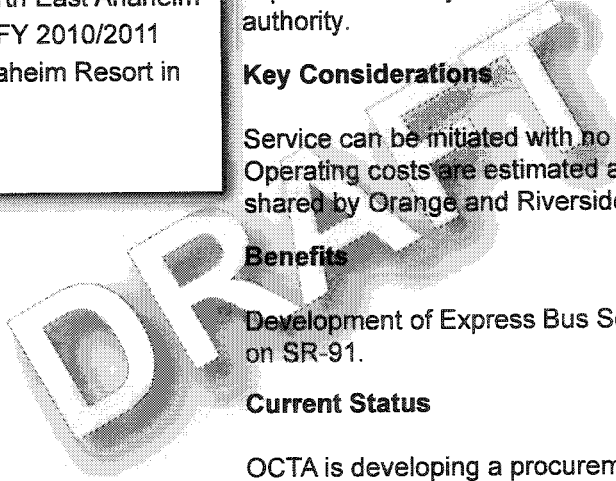
Service can be initiated with no major physical improvements required. Operating costs are estimated at \$4.5 million each year. Costs will be shared by Orange and Riverside Counties.

Benefits

Development of Express Bus Services will contribute to congestion relief on SR-91.

Current Status

OCTA is developing a procurement plan for bus purchases. Tyler and Corona to South Coast Metro buses have been ordered, and the cooperative agreement with Riverside County is being developed.



Metrolink Short-Term Expansion Plan

Project No: 5

Anticipated Completion: 2010

Project Cost Estimate

OCTA Project Cost \$ 35,400,000

Project Schedule

To be completed by 2010

Project Description

OCTA, working with the Riverside County Transportation Commission, San Bernardino Associated Governments, and the Southern California Regional Rail Authority (SCRRA), plans a short-term expansion of train service from the Inland Empire to Orange County. More trains are planned on the Inland Empire to Orange County (IEOC) line that currently runs between San Bernardino, Riverside, and Orange Counties as well as the "91 Line" that goes from the Inland Empire to Los Angeles via Orange County, paralleling SR-91.

Currently, 16 trains a day run on the IEOC line and nine trains on the 91 Line for a total of 25 daily trains. The short-term expansion adds two additional IEOC trains and four additional 91 Line trains by 2010 for a total of 31 daily trains. The planned short-term expansion is necessary to accommodate population and employment growth in the region as well as make the current service more convenient.

Key Considerations

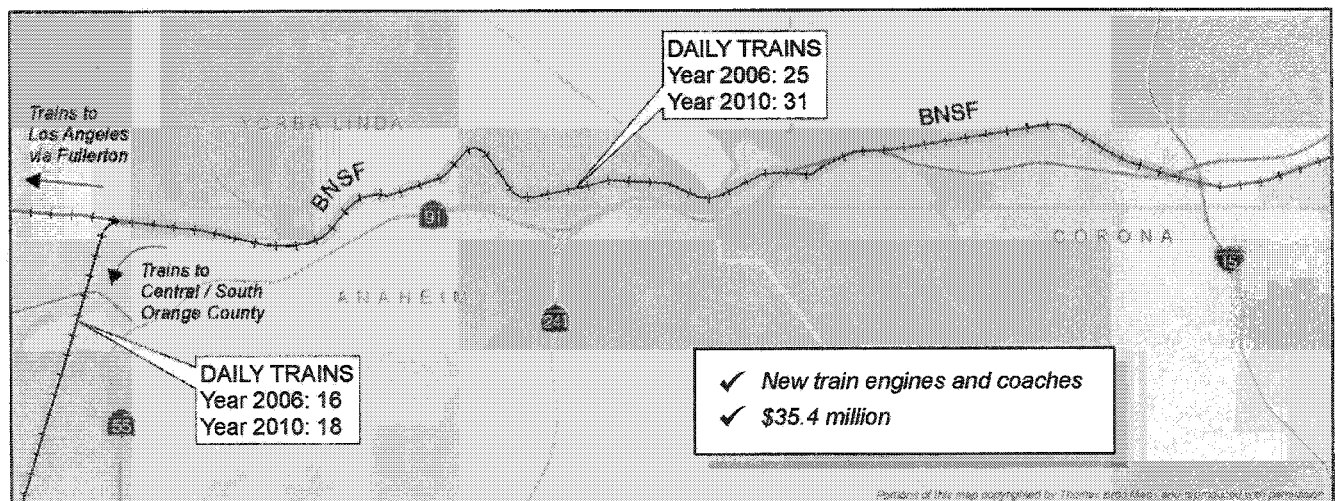
Capital costs necessary for this expansion includes the purchase of engines and coaches to operate the new service. OCTA costs are estimated at \$35.4 million. The long-term plan (by 2030) adds more service and requires a significant capital investment (see Project #11 for long-term details). Coordination has been ongoing with the Metrolink extension studies (see also Project #11).

Benefits

Enables development of expanded Metrolink Service, which will contribute to congestion relief on SR-91.

Current Status

Equipment procurement is underway.



Widen SR-91 by One GP Lane in Each Direction East of SR-241, CD Roads at SR-71/SR-91 and I-15/SR-91, and System Interchange Improvements

Project Description

The improvements primarily consist of constructing a new EB and WB 5th general purpose (GP) lane, replacing existing and adding new auxiliary lanes, and new collector-distributor (CD) roads for freeway-to-freeway connectors at SR-71 and I-15. The project is planned to include space within the median for the planned I-15 HOV direct connectors.

Key Considerations

Implementation of MIS Corridor A (Project #14) within the SR-91 median would involve the placement of columns (mainline and outriggers) and access from the SR-91 median to I-15, both of which would require space within the SR-91 median in the Project #6 vicinity. Therefore, the loss of lanes during Corridor A construction could be two to four lanes assuming that Corridor A occurred as a separate project after completion of construction for Project #6. While Project #6 accommodates a total of two HOV direct connector lanes (Project #13), the four lanes for Corridor A at I-15 would require space that will be occupied by SR-91 lanes. Project #6 improvements need to be coordinated with the Green River Road overcrossing replacement Project #2. In the future, restriping to non-standard lane and shoulder widths could be accomplished to gain a 6th lane in each direction if needed. The reversible lane Project #8 could operate on SR-91 until traffic in both directions becomes more evenly split, at which time, the possibility to restripe to a 6th lane in each direction would be beneficial.

The preferred PSR Alternative 4 includes a new direct connector flyover from EB SR-91 to NB SR-71 with modifications to the existing west to north and south to west connectors. Another alternative (Alt. 3) includes an ultimate SR-71/SR-91 interchange concept with flyover connectors for all movements. Alternative 2 modifies the existing SR-71/SR-91 connectors, most notably the SR-91 east to SR-71 north connector which is improved from a radius of 35m to 45m. The four project (built) alternatives range in cost from \$314,000,000 to \$365,000,000.

Benefits

Will reduce congestion by providing additional capacity from SR-241 to Pierce St and by eliminating weaving conflicts on SR-91 at I-15 and SR-71 by the use of CD roads.

Current Status

A PSR has been prepared by Caltrans in preparation for initiating the environmental (PAVED) phase.

Project No: 6

Anticipated Completion: 2015

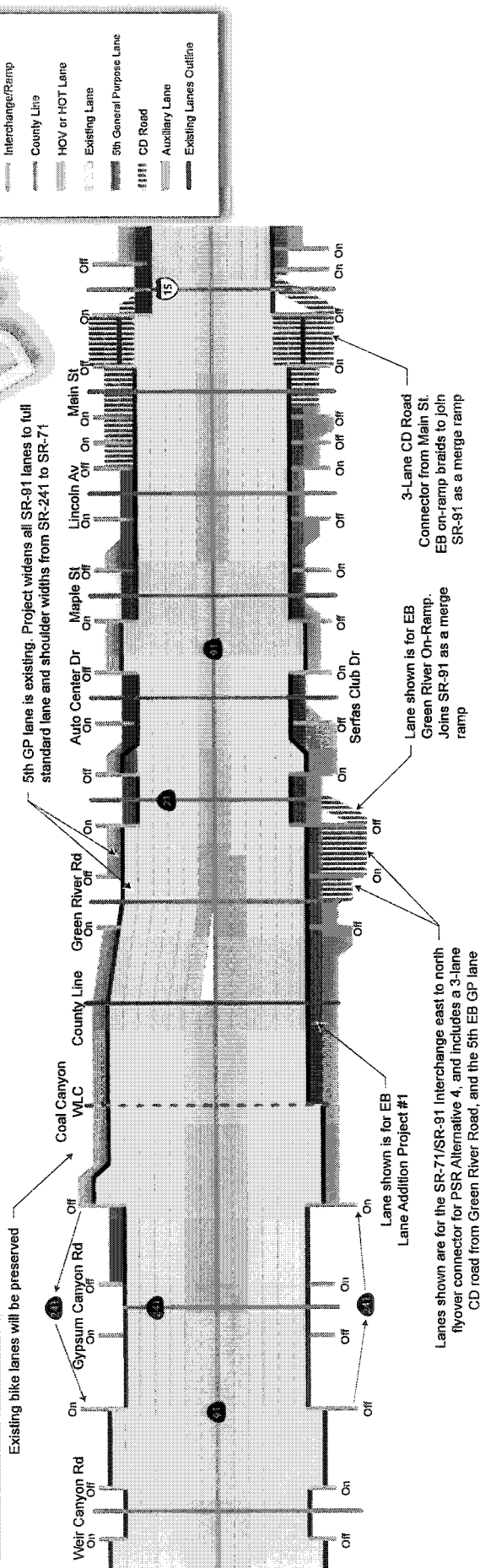
Project Cost Estimate*

Capital Cost	\$ 287,800,000
Support Cost (25%)	\$ 72,000,000
R/W Cost	\$ 5,200,000
Total Project Cost	\$ 365,000,000

Project Schedule

Preliminary Engineering	2006-2007
Environmental Design	2007-2009
Construction	2009-2011

* Costs derived from Draft PSR dated May 2006



SR-91 WB Lane at Tustin Avenue

Project No: 7

Anticipated Completion: 2015

Project Cost Estimate*

Capital Cost	\$ 19.2M - 48.0M
Support Cost (25%)	\$ 4.8M - 12.0M
R/W Cost	\$ 1.0M - 2.0M
Total Project Cost	\$ 25.0M - 62.0M

Project Schedule

Preliminary Engineering	Complete
Environmental	2009-2011
Design	2011-2013
Construction	2013-2015

* Costs are derived from the PSR dated July 2004

Project Description

Four alternatives are included with various levels of improvements in the Project Study Report (PSR), July 2004, *On Westbound (WB) SR-91 Auxiliary Lane from the Northbound (NB) SR-55/WB SR-91 Connector to the Tustin Avenue Interchange*. Replacement of the Tustin Avenue overcrossing and widening of the Santa Ana River bridge is required for all alternatives.

Improvements for PSR Alternative 2 consist of adding a WB auxiliary lane from the NB SR-55 to WB SR-91 connector to the Tustin Avenue interchange and the continuation of a fourth general purpose lane through the Tustin Avenue interchange (shown below). PSR Alternative 3 includes a WB collector-distributor (CD) road that begins east of SR-55 with a WB Tustin Avenue exit "ramp" that bypasses the SR-55/SR-91 interchange and then merges with the two lanes from NB SR-55 to form a 3-lane CD road to Tustin Avenue. Alternative 4 of the same PSR includes a CD road that begins with the NB SR-55 to WB SR-91 connector and includes an exit to Tustin Avenue. Alternative 4 also includes a two-lane braided exit from WB SR-91 to Tustin Avenue.

Key Considerations

The alternatives require additional right-of-way. City of Anaheim utilities are within close proximity of the proposed widening section.








Benefits

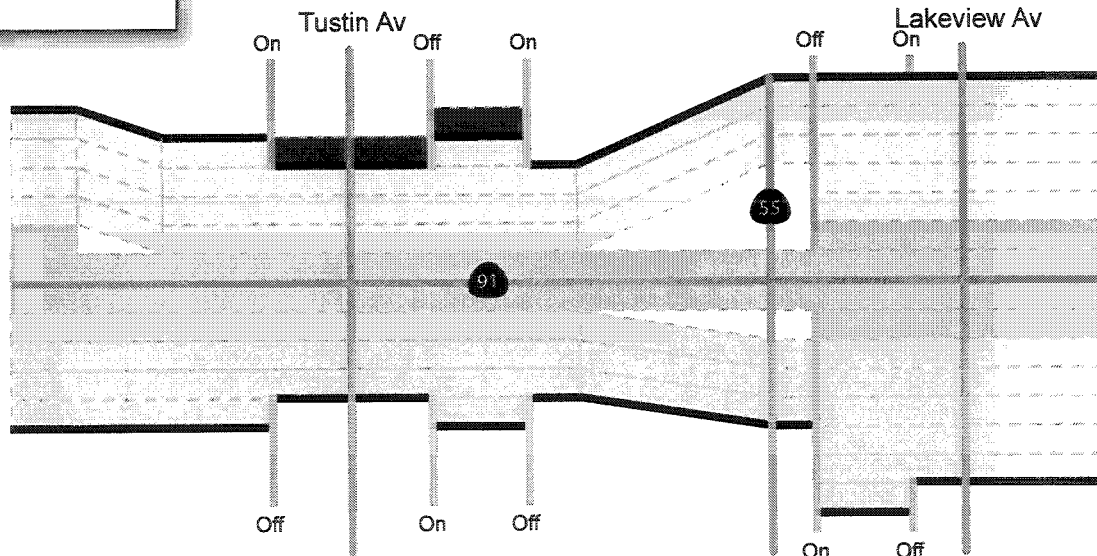
This project would reduce operational deficiencies for westbound SR-91 caused by weaving and merging between the SR-55/SR-91 connector and the Tustin Avenue off-ramp. Each alternative contributes to mainline capacity improvement through the Tustin Avenue interchange.

Current Status

The PSR was completed in July 2004.

LEGEND

-  Existing Highway
-  Interchange/Ramp
-  Existing Interchange
-  HOV or HOT Lane
-  Existing Lane
-  PSR Alt. 2 Improvement Lane
-  Existing Lanes Outline



New Interchange at Fairmont Boulevard

Project No: 8

Anticipated Completion: 2015

Project Cost Estimate (Option 1)

Capital Cost \$ 57,500,000
 Support Cost (25%) \$ 14,500,000
 Total Project Cost* \$ 72,000,000

Project Cost Estimate (Option 2)

Capital Cost \$ 80,800,000
 Support Cost (25%) \$ 20,200,000
 Total Project Cost* \$101,000,000

Project Schedule

Preliminary Engineering 2008-2009
 Environmental 2009-2011
 Design 2011-2013
 Construction 2013-2015

*R/W cost is undetermined at this time

Project Description

The project would provide a new connection to SR-91 at Fairmont Boulevard. Two options are being considered as follows:

OPTION 1 -

A new partial overcrossing at Fairmont Boulevard will provide northerly access for Yorba Linda. No connection is proposed southerly into Anaheim. On and off ramps will connect Fairmont Boulevard to eastbound (EB) and westbound (WB) SR-91, relieving the parallel arterials of Imperial Highway (SR-90) and Weir Canyon Road.

OPTION 2 -

A new partial overcrossing at Fairmont Boulevard will provide northerly access for Yorba Linda from the 91 Express Lanes. No connection is proposed southerly into Anaheim. Drop ramps on the east side of the overcrossing provide an entrance to the EB Express Lanes and an exit from the WB express lanes. Drop ramps on the west side may be considered as well to provide a WB entrance and an EB exit. Outside widening of SR-91 and re-striping of the general purpose lanes is required and contribute to higher project costs than for Option 1.

Key Considerations

Toll collection for the drop ramp Option 2, and traffic impacts to SR-91 Express Lanes needs to be considered. Coordination with SR-91 EB and WB widening project #10 is recommended. Interchange spacing and weaving (to SR-55) issues need to be evaluated for both options. Widening of mainline SR-91 is needed to accommodate Option 2 ramps.

Benefits

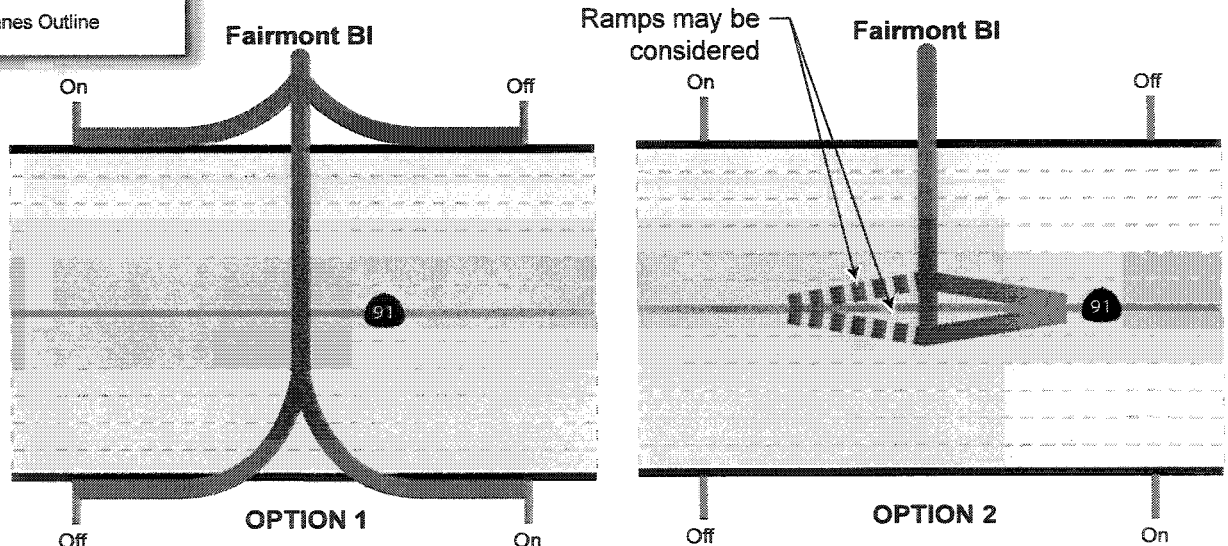
The new interchange is expected to relieve congestion at SR-90, Lakeview Avenue, and Weir Canyon Road Interchanges. Additional accessibility with Option 2 is expected to increase utilization of the SR-91 Express Lanes and reduce congestion in the general purpose lanes.

Current Status

A joint traffic study is under way between OCTA and the City of Anaheim.

LEGEND

- Existing Highway
- Proposed Interchange Ramp
- Existing Interchange
- HOV or HOT Lane
- Existing Lane
- Proposed Interchange
- Existing Lanes Outline



SR-91 Reversible Lanes from the County Line to I-15

Project No:	9
Anticipated Completion:	2015
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Project Cost Estimate*	
Capital Cost	\$ 41,600,000
Annual Maint. Cost (7 yrs)	\$ 1,400,000
Total Project Cost	\$ 43,000,000
Project Schedule	
Preliminary Engineering	2007-2008
Environmental	2008-2009
Design	2009-2011
Construction	2011-2015
*Costs derived from March 2006 report by DBR & Associates. Cost excludes project support, R/W, toll operations/equipment, and additional lane for reversible operation.	

Project Description

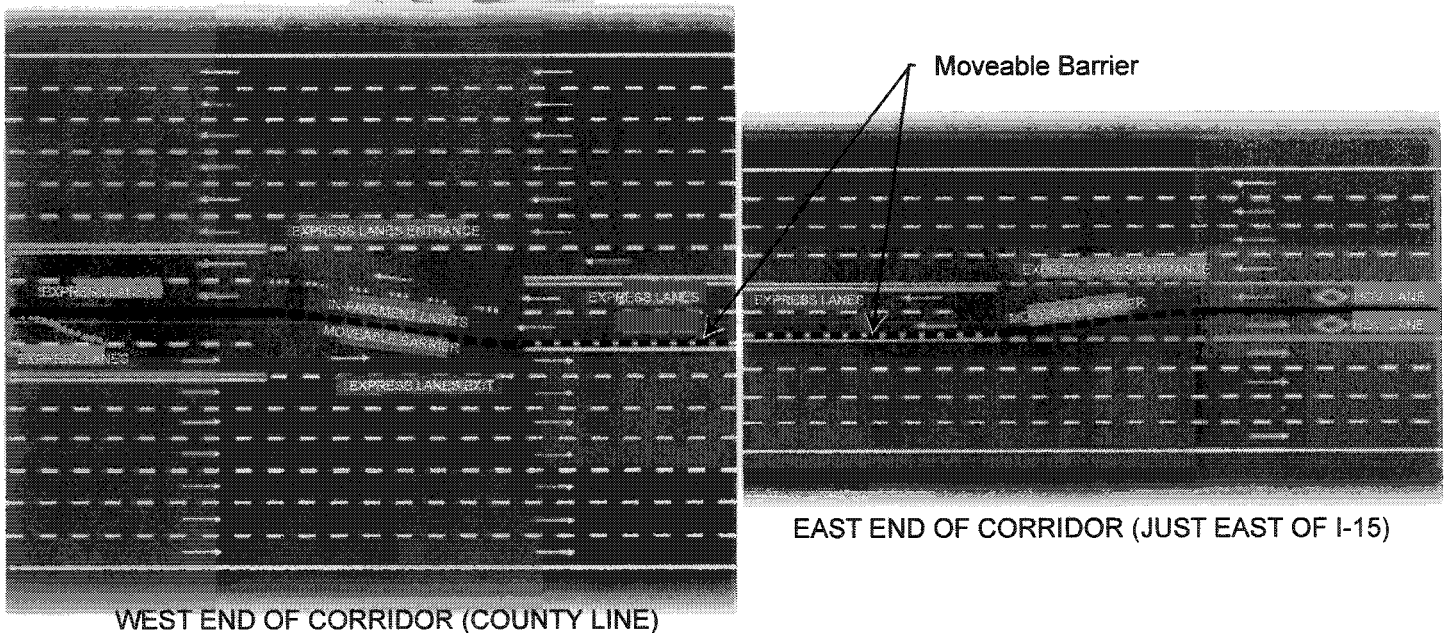
Improvements primarily consist of constructing a seven mile long reversible lane facility with a moveable barrier that would effectively add capacity between the Orange-Riverside County line and I-15. The project will effectively balance lanes during peak hours from the end of the SR-91 Express Lanes to I-15. In addition, the elimination of median columns at four overcrossing locations and construction of a direct access ramp from I-15 HOV lanes are included.

Key Considerations

Management of traffic during construction, toll collection and toll facility design needs to be considered. The moveable median barrier will need to be shifted up to four times daily. The project requires construction of an additional general purpose (GP) lane (Project #6) prior to implementation of the reversible lane concept. Costs exclude the lane addition and any required toll collection infrastructure. The type of managed lanes (HOT vs. free) needs to be determined for the reversible lanes. Coordination is needed with Project #6 and the upcoming Green River Road overcrossing replacement Project #2, and will conflict with future HOV direct connector Project #13, which could be constructed as a 2-lane connector but only utilize one lane as required by Project #9 during the life of the project. Coordination is needed with Project #12 depending upon the length of the improvements, which may extend from SR-241 to SR-71. Other design standards, structure replacement requirements, and operational characteristics will require further analysis and may significantly impact the project costs.

Benefits

The moveable median will enable the two existing Express Lanes in Orange County to continue in the peak traffic direction in both the a.m. and p.m. peak periods. Constructing reversible lanes will add capacity without widening by more than one GP lane. The project will provide a benefit for approximately 7 years until additional capacity will be needed.



REVERSIBLE LANES - AM PEAK HOUR CONFIGURATION

Widen SR-91 between SR-55 and SR-241 by Adding a 5th GP Lane in Each Direction

Project No: 10

Anticipated Completion: 2020

Project Cost Estimate

Capital Cost	\$100,000,000
Support Cost (25%)	\$ 25,000,000
R/W Contingency (10%)	\$ 10,000,000
Total Project Cost	\$135,000,000

Project Schedule

Preliminary Engineering	Complete
Environmental	2014-2016
Design	2016-2018
Construction	2018-2020

Project Description

This project proposes capacity and operational improvements to the eastbound (EB) and westbound (WB) lanes of SR-91 between SR-55 and SR-241. An additional westbound general purpose lane will be provided between SR-241 and the Imperial Highway (SR-90) interchange. An additional EB general purpose (GP) lane will be provided between SR-55 and SR-241. Existing auxiliary lanes would be replaced. Modification or reconfiguration of the WB Lakeview Avenue on ramps may also be considered to improve weaving issues to SR-55. Separating traffic is a potential solution to the Lakeview Avenue merge issue.

Key Considerations

Coordination with the Fairmont Boulevard interchange project #8 will be required. Staged construction would be required for all ramp reconstruction and freeway widening. Freeway operations would most likely be affected by this project, however, freeway closures are not anticipated. Consideration for relocating the truck scales to a location outside the SR-91 Corridor between SR-55 and I-15 is recommended, otherwise additional improvements will be required to relocate the truck scale auxiliary lanes to accommodate the widening. The project benefits should be studied in conjunction with implementation of MIS Corridors A and B.









Benefits

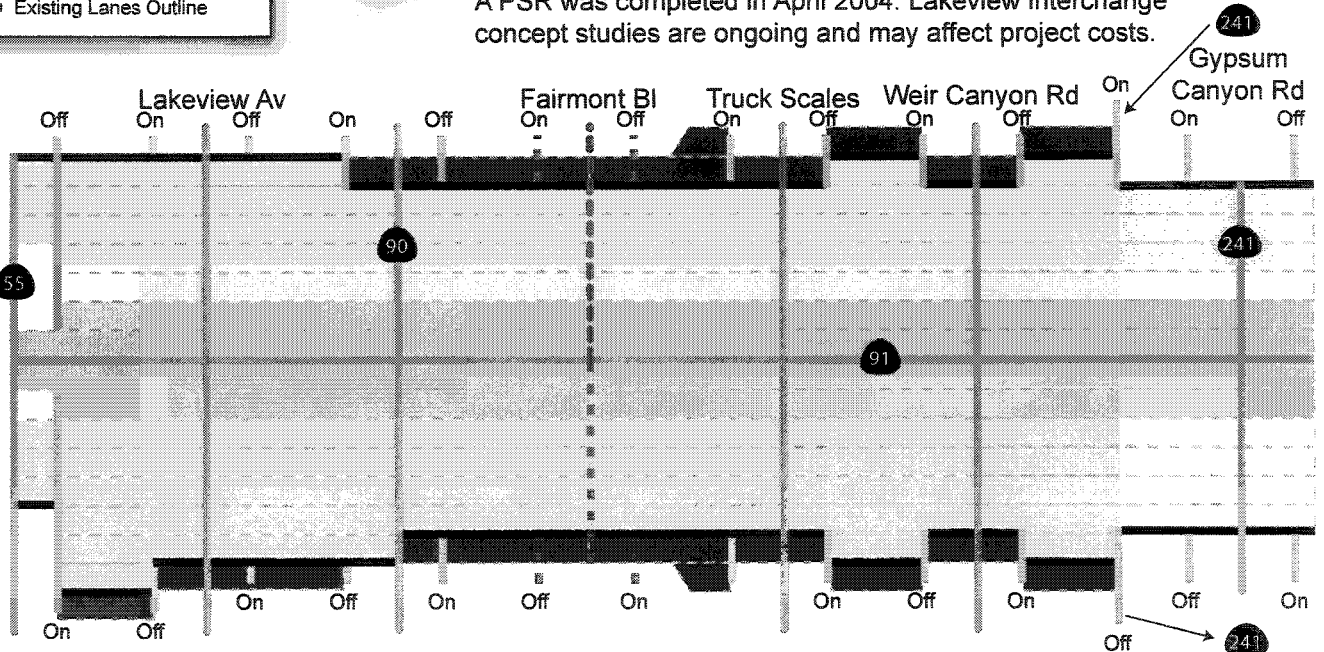
Alleviates congestion on SR-91 WB by eliminating the lane drop at the truck scales and providing a continuous GP lane to SR-90. Alleviates congestion on SR-91 EB by eliminating the lane drop for northbound SR-55 at SR-91 by providing an auxiliary lane to Lakeview Avenue, and at SR-90 by providing a continuous GP lane to Weir Canyon Road.

Current Status

A PSR was completed in April 2004. Lakeview interchange concept studies are ongoing and may affect project costs.

LEGEND

-  Existing Highway
-  Interchange/Ramp
-  Existing Interchange
-  Proposed Interchange
-  HOV or HOT Lane
-  Existing Lane
-  Project Improvement Lane
-  Existing Lanes Outline



NOTE: FAIRMONT BLVD IS CONTINGENT UPON IMPLEMENTATION OF PROJECT #8



Metrolink Service and Station Improvements

Project No:	11
Anticipated Completion:	2020
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Project Cost Estimate	
Total Cost	\$ 335,000,000
Project Schedule	
To be completed by 2020	

Project Description

OCTA, working with the Riverside County Transportation Commission, San Bernardino Associated Governments, and the Southern California Regional Rail Authority (SCRRA), plans an extensive expansion of train service from the Inland Empire to Orange County. More trains are planned on the Inland Empire to Orange County (IEOC) line that currently runs between San Bernardino, Riverside, and Orange Counties as well as the "91 Line" that goes from the Inland Empire to Los Angeles via Orange County, paralleling State Freeway 91.

Currently, 16 trains a day run on the IEOC line and nine trains on the 91 Line. The long-term expansion plan builds on service levels that will be implemented by 2010. The "2010" plan includes two additional IEOC trains and four additional 91 Line trains for a total of 31 trains a day. The long-term plan adds another 10 IEOC trains and five 91 Line trains for a total of 46 daily trains. This planned expansion is necessary to accommodate population and employment growth in the region as well as make the current service more convenient.

Benefits

Enables development of new Metrolink Services, which will contribute to congestion relief on SR-91.

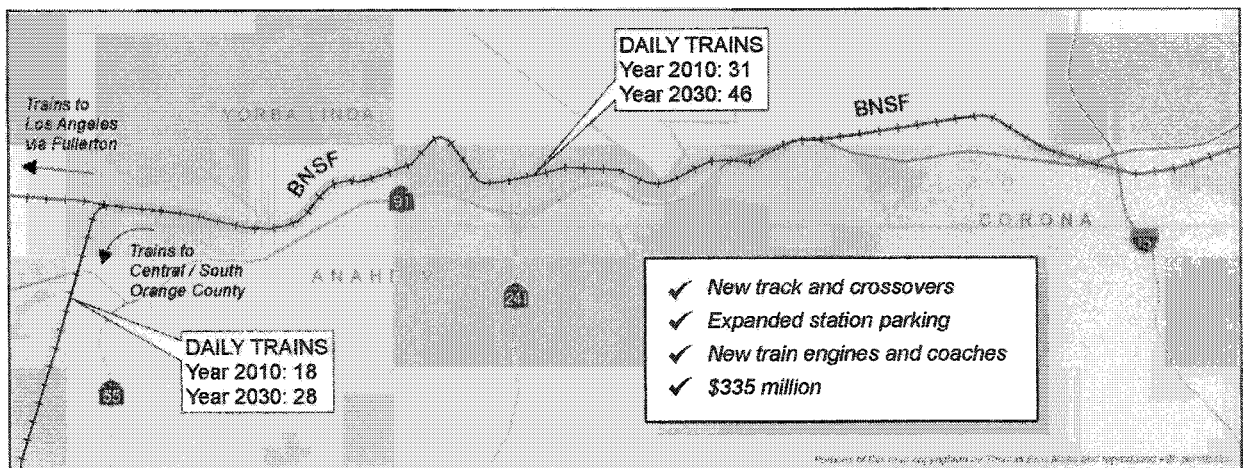
Current Status

The proposed expansion is included in the Measure M renewal.

Capital improvements necessary for this expansion include a third track on sections of the rail line in Orange, Riverside, and San Bernardino; new crossovers at critical locations to allow trains to pass one another; new storage tracks in San Bernardino; parking improvements at key stations; and purchase of engines and coaches to operate the new service.

Key Considerations

The capital program is estimated to cost \$335 million, and costs would be shared by the member agencies of SCRRA.



SR-241/SR-91 Direct Connector

Project No: 12

Anticipated Completion: 2030

Project Cost Estimate

Capital Cost	\$ 177,800,000
Support Cost (25%)	\$ 44,400,000
R/W Contingency (10%)	\$ 17,800,000
Total Project Cost*	\$ 240,000,000

Project Schedule

Preliminary Engineering	2023-2024
Environmental	2024-2026
Design	2026-2028
Construction	2028-2030

*Assumed as a 2-lane connector from SR-241 to SR-91, ending near SR-71.

Project Description

The SR-241/SR-91 direct connector will carry northbound SR-241 traffic to eastbound SR-91 Express Lanes and carry westbound SR-91 Express Lane traffic to southbound SR-241. Because the direct connector merges in the median of SR-91, outside widening of SR-91 and reorienting Gypsum Canyon interchange is required. Costs may vary significantly, depending on the implementation of earlier projects.

Key Considerations

Implementation of MIS Corridor A (Project #14) may supercede the need for the direct connector improvements. Project #12 may become the first phase of Corridor A, perhaps on a different alignment. The direct connector impact on SR-91 will depend upon whether the connectors are 4-lanes (toll-to-toll) or 2-lanes (HOV). The impact of the connector on the Express Lanes will likely require the connector lanes to be extended along SR-91 some distance, possibly to SR-71 relative to volume and capacity, that will require further evaluation. An optional project would include an extension of the direct connector to and from SR-71. Toll collection issues will need to be resolved. Widening to accommodate the direct connector would impact the connectors to SR-71 and the lanes added by Project #6. Costs are based on a 2 lane connector to SR-91 ending near SR-71 and will vary widely depending on the key considerations noted.









Benefits

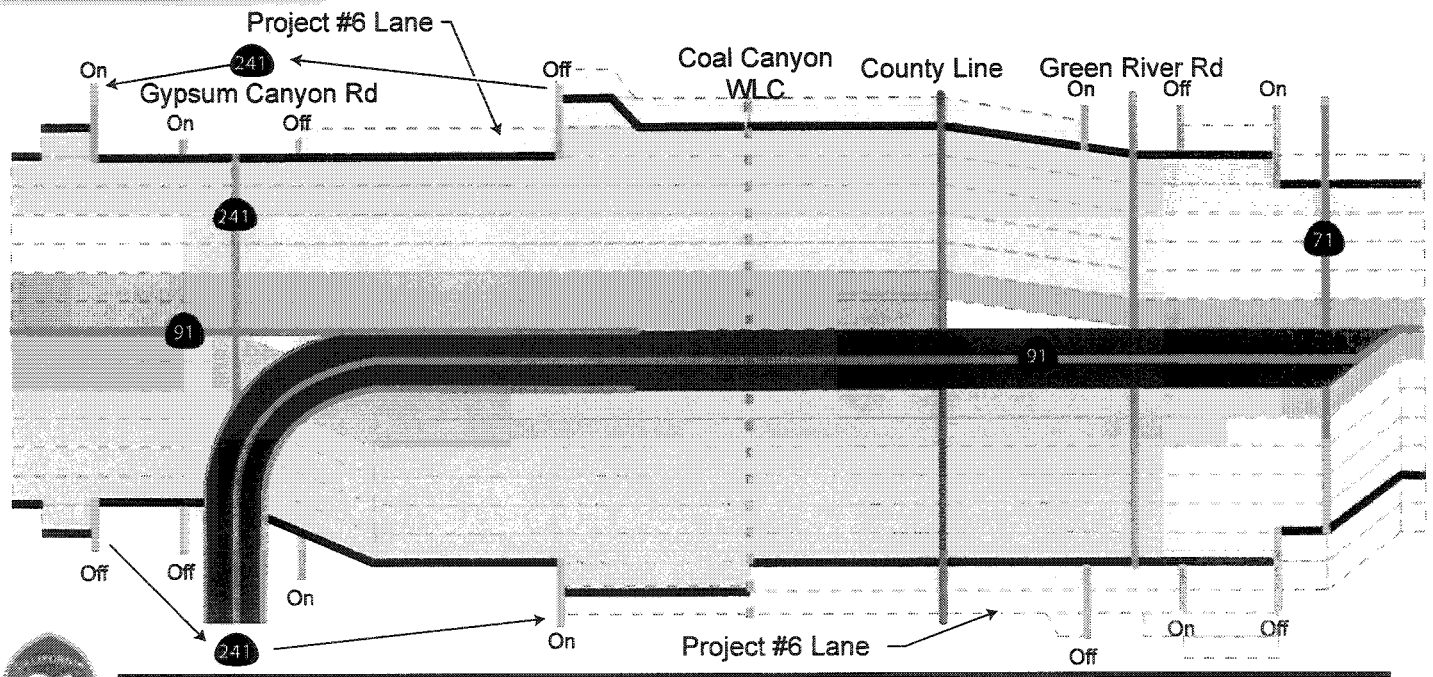
Improves access to SR-241 and South County for traffic that does not currently utilize SR-91 Express Lanes, which also improves SR-91 WB by eliminating the need for toll users to weave across four general purpose lanes to use the existing SR-241 connector. Alleviates congestion on SR-241 and EB SR-91 by allowing SR-241 toll users to bypass the general purpose EB SR-91 direct connector. In the long term, this connector would serve HOV traffic.

Current Status

Preliminary design concepts have been developed by TCA and Caltrans.

LEGEND

-  Existing Highway
-  Interchange/Ramp
-  County Line
-  HOV or HOT Lane
-  Existing Lane
-  Project Improvement Lane
-  Existing Lanes Outline
-  Project #6 Improvements



I-15/SR-91 Direct Connector

Project No: 13

Anticipated Completion: 2030

Project Cost Estimate

Capital Cost	\$ 120,000,000
Support Cost (25%)	\$ 30,000,000
R/W Contingency (10%)	\$ 12,000,000
Total Project Cost	\$ 162,000,000

Project Schedule

Preliminary Engineering	2023-2024
Environmental	2024-2026
Design	2026-2028
Construction	2028-2030

Project Description

The improvements primarily consist of constructing a new freeway-to-freeway connector. The connector will carry northbound (NB) I-15 High Occupancy Vehicle (HOV) traffic to westbound SR-91 and eastbound SR-91 HOV traffic to southbound I-15. Outside widening will be required on I-15. Project #6 is planned to include space within the median for the flyovers to avoid outside widening on the SR-91 with this project.

Key Considerations

Implementation of Major Investment Study (MIS) Corridor A (Project #14) may supercede the need for the direct connector improvements. Project #6 will be constructed with right-of-way allowance in the SR-91 median for connector columns between I-15 and Maple St. If Express Lanes are extended into Riverside County, then this project may be required due to additional weaving volumes (requires further study). The need for a NB I-15 HOV connector will also require further study.

Benefits

Will reduce congestion by providing additional capacity and eliminating weaving conflicts on SR-91 and I-15 for direct HOV access.

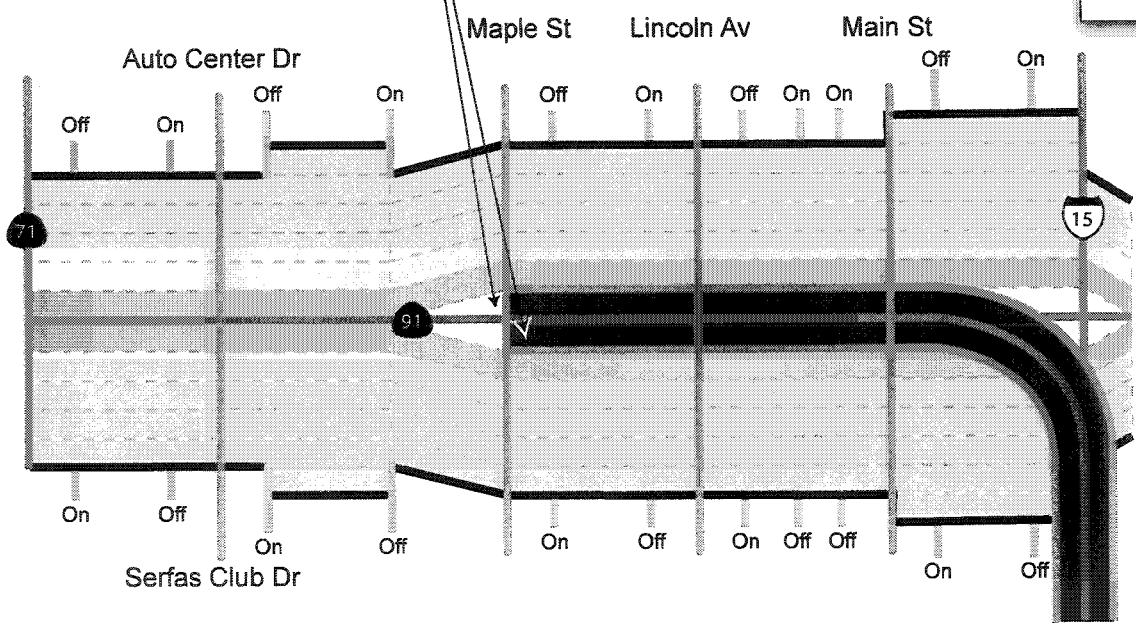
Current Status

This project is identified in the Riverside County Transportation Improvement Plan. Preliminary design concepts are being initiated by Caltrans.

Project #6 will be constructed with right-of-way allowance in the SR-91 median for connector columns between I-15 and Maple St

LEGEND

- Existing Highway
- Interchange/Ramp
- Existing Interchange
- HOV or HOT Lane
- Existing Lane
- Project Improvement Lane
- Existing Lanes Outline



Elevated 4-Lane Facility (MIS Corridor A) from SR-241 to I-15

Project No: 14

Anticipated Completion: TBD

Project Cost Estimate**

Capital Cost*	\$ 2,100,000,000
Support Cost (25%)	\$ 525,000,000
R/W Cost	\$ 575,000,000
Total Project Cost	\$ 3,200,000,000

Project Schedule

Conceptual Engineering	2006-2008
Preliminary Engineering	TBD
Environmental	TBD
Design	TBD
Construction	TBD

*Capital costs include \$165M for environmental mitigation and \$470M for mainline SR-133/SR-241 improvements

**Costs derived from Riverside County - Orange County MIS, January 2006

Project Description

The improvements primarily consist of constructing a new 4-lane elevated expressway within the Santa Ana Canyon with freeway-to-freeway connectors at SR-241, SR-71 and I-15. The facility may include managed lanes.

Key Considerations

Choice of alignment will be key to determining net capacity increase. Implementation of Corridor A may supercede the need for the direct connector improvement Projects #12 and #13. Extensive right-of-way will be required to implement the improvements. If Project #6 is constructed and a 4-lane elevated facility is proposed within the median of SR-91 through Corona, extensive freeway lane closures would be required (thus reducing SR-91 capacity).

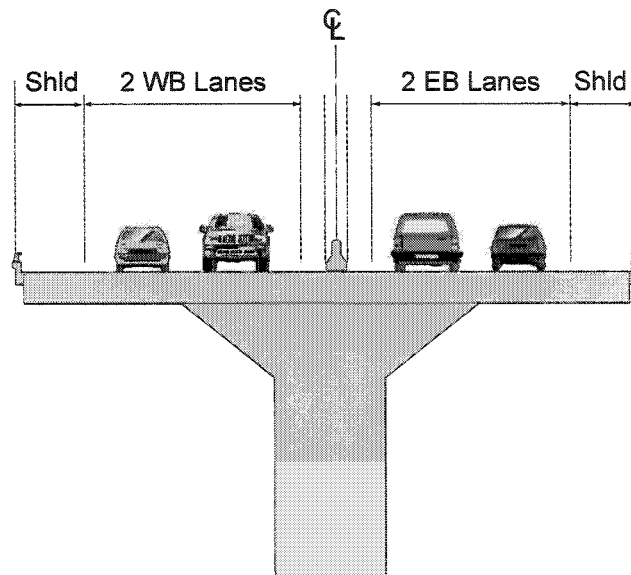
Potential considerations for co-locating the Maglev (see Project #16) adjacent to Corridor A (and also SR-91) include providing a two-column structure with a barrier between the trains and vehicles. Concepts for Corridor A and Maglev within the SR-91 median could preclude future opportunities for managed lanes within the SR-91 median, such as reversible lanes (Project #9). Also, direct connectors (such as for HOV at I-15/SR-91) to/from the median could be precluded by Maglev columns located within the same median area. Caltrans and Maglev highway R/W, maintenance, safety, and operations considerations would need to be analyzed if shared use with a Maglev facility (presumably under non-State ownership) were pursued.

Benefits

The project would provide significant congestion relief by allowing vehicles to bypass the at-grade freeway lanes and local arterial interchanges between SR-241 and I-15. Connections are provided directly between SR-91, SR-55, SR-71, and I-15.

Current Status

This project is identified in the Riverside County - Orange County MIS as part of the Locally Preferred Strategy to improve mobility between Riverside County and Orange County.



Elevated 4-Lane Facility (MIS Corridor A) Cross-Section

4-Lane Facility (MIS Corridor B) from SR-241/SR-133 to I-15/Cajalco Road

Project No: 15

Anticipated Completion: TBD

Project Cost Estimate**

Capital Cost*	\$ 4,334,400,000
Support Cost (25%)	\$ 1,083,600,000
R/W Cost	\$ 282,000,000
Total Project Cost	\$ 5,700,000,000

Project Schedule

Conceptual Engineering	2006-2008
Preliminary Engineering	TBD
Environmental	TBD
Design	TBD
Construction	TBD

*Capital costs include \$281M for environmental mitigation

**Costs derived from Riverside County - Orange County MIS, January 2006

Project Description

The improvements primarily consist of constructing a new 4-lane highway facility through the Cleveland National Forest with freeway-to-freeway connectors at SR-241/SR-133 and I-15/ Cajalco Road. The facility may include managed lanes. The 4-lane facility would essentially be a continuation of SR-133 on the west end, and Mid County Parkway on the east end.

Key Considerations

Choice of alignment type will be key in determining the cost of implementation (nearly full-length tunnel, or other facility type with less tunneling). Determining groundwater levels will be key in determining alignments and allowable depths for the tunnel portions. Cost associated with Major Investment Study (MIS) Corridor B are shown for the nearly full-length tunnel option. Extensive right-of-way will be required to implement the improvements. Toll needs will also require further study.



Benefits

The project would provide significant congestion relief by providing an alternative route between Orange and Riverside Counties and would allow vehicles to bypass SR-91 between SR-241 and I-15. The project would not disrupt SR-91 traffic during construction and would allow for additional route selection for incident management, emergency evacuation, and for continuity of the highway network by linking SR-133 and the Mid County Parkway.

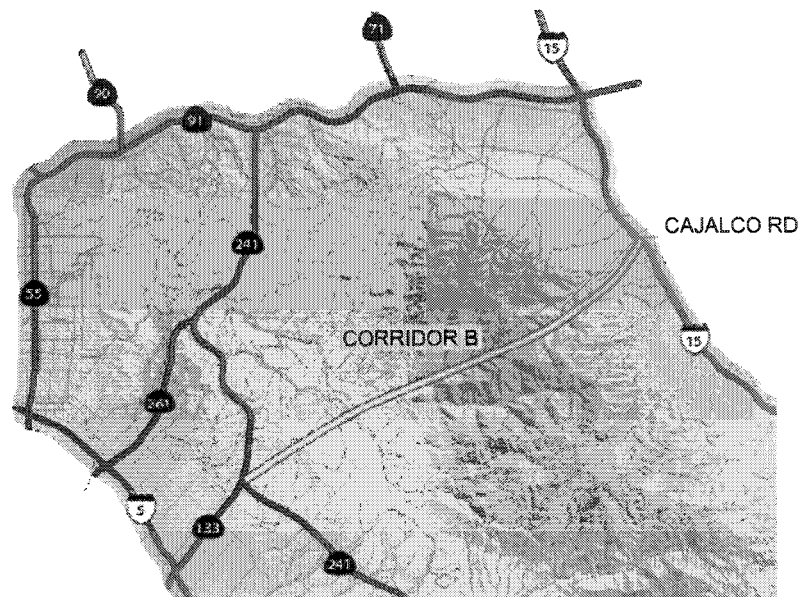
Current Status

This project is identified in the Riverside County - Orange County MIS as part of the Locally Preferred Strategy to improve mobility between Riverside County and Orange County.

LEGEND

-  Existing Highway
-  Corridor B Representative Alignment

NOTE: REPRESENTATIVE ALIGNMENT SHOWN FOR ILLUSTRATIVE PURPOSES ONLY



Anaheim to Ontario International Airport High Speed Rail

Project No:	16
Anticipated Completion:	Post-2030
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Project Cost Estimate	To Be Determined
Project Schedule	To Be Determined

Project Description

Proposals for a new high speed rail corridor from Anaheim to Ontario are included in this project. This project includes an alternative that would use SR-91 right-of-way, or would be aligned adjacent to SR-91 right-of-way, or could potentially be co-located with the Major Investment Study (MIS) Corridor A (Project #14) alignment. Another alignment opportunity is being investigated along SR-57, which is located west of SR-55.

Key Considerations



Alternative alignment impacts to SR-91 right-of-way envelope and/or Santa Ana River are undetermined. The choice of alignment will potentially impact MIS Corridor A (Project #14). Right-of-way will be required to implement the improvements. Potential considerations for co-locating the Maglev adjacent to Corridor A (and also SR-91) include providing a two-column structure with a barrier between the trains and vehicles. Caltrans and Maglev highway R/W, maintenance, safety, and operations considerations would need to be analyzed if shared use with a Maglev facility (presumably under non-State ownership) were pursued. See the MIS Corridor A Project #14 for additional considerations.

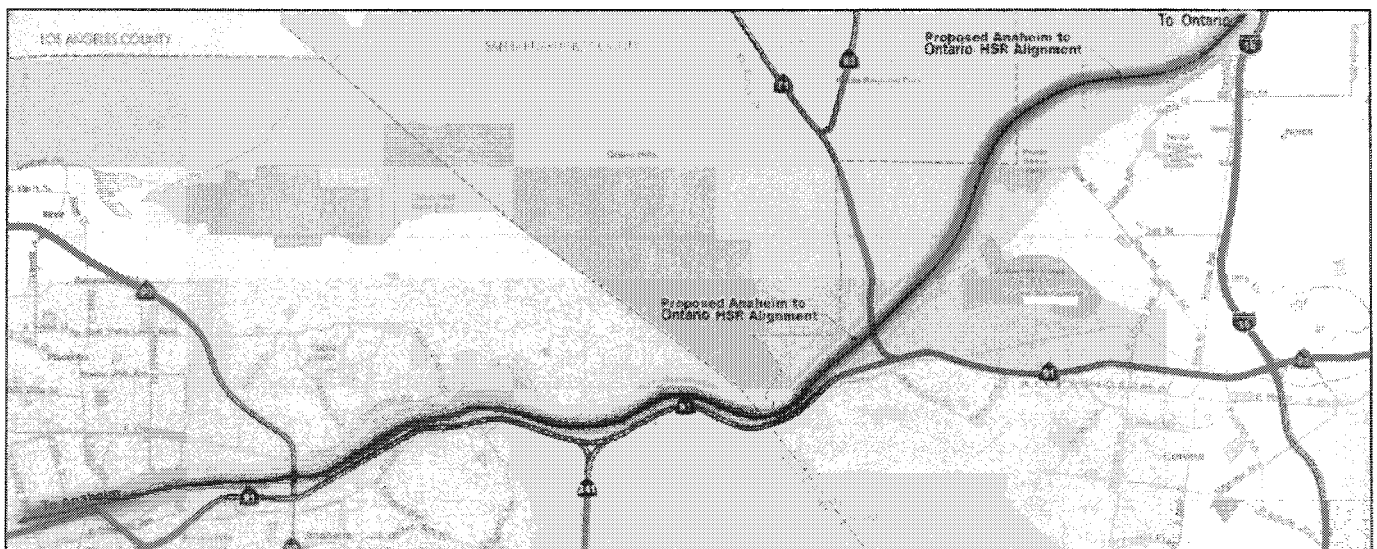
Benefits

The project would provide congestion relief by providing a direct high-speed/high-capacity connection with Ontario International Airport for Orange County air passengers and business next-day deliveries. Relieves congestion on SR-91 by providing additional capacity in the corridor.

Current Status

Concept studies are currently underway.

LEGEND	
	Existing Highway
	High Speed Rail Representative Alignment



REPRESENTATIVE ALIGNMENT SHOWN FOR ILLUSTRATIVE PURPOSES ONLY

2006 Riverside Freeway (SR-91) Draft Implementation Plan

Board of Directors Meeting
June 26, 2006

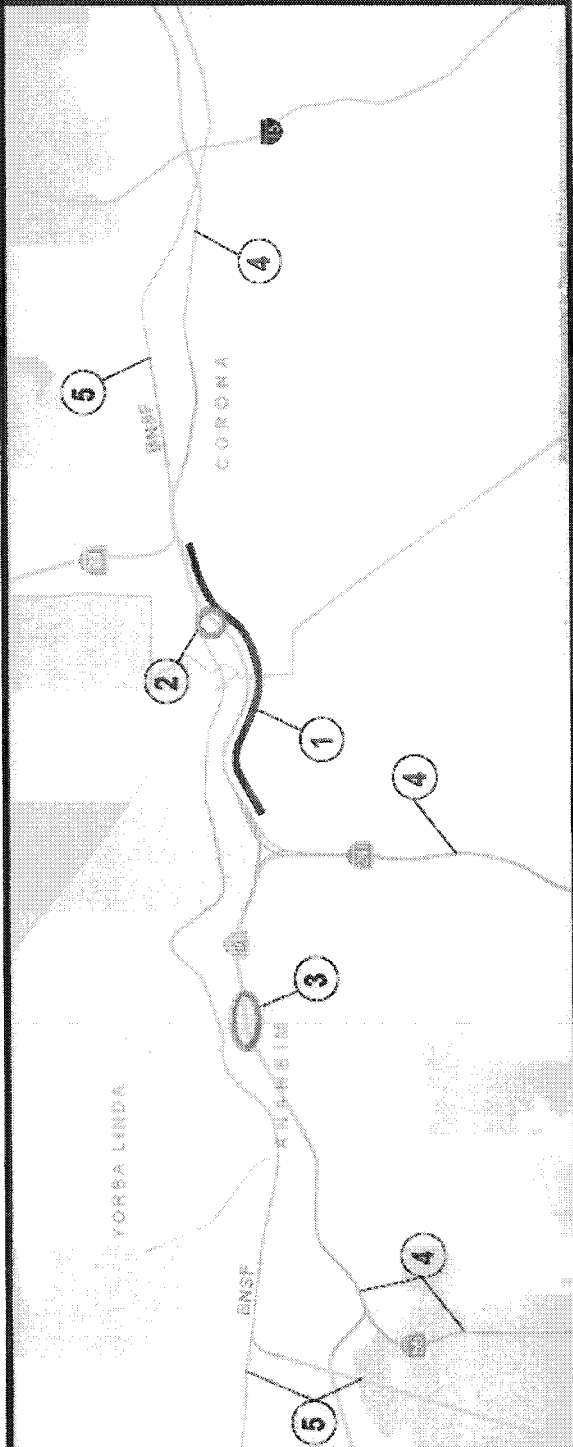


Background

- Annual plan and schedule for SR-91 improvements required by AB 1010
- 2006 plan incorporates Major Investment Study (MIS) direction plus preliminary traffic benefits
- Preliminary schedules identified for most projects
- Milestone years include 2011, 2015, 2020 and 2030
- Opportunities for project advancement

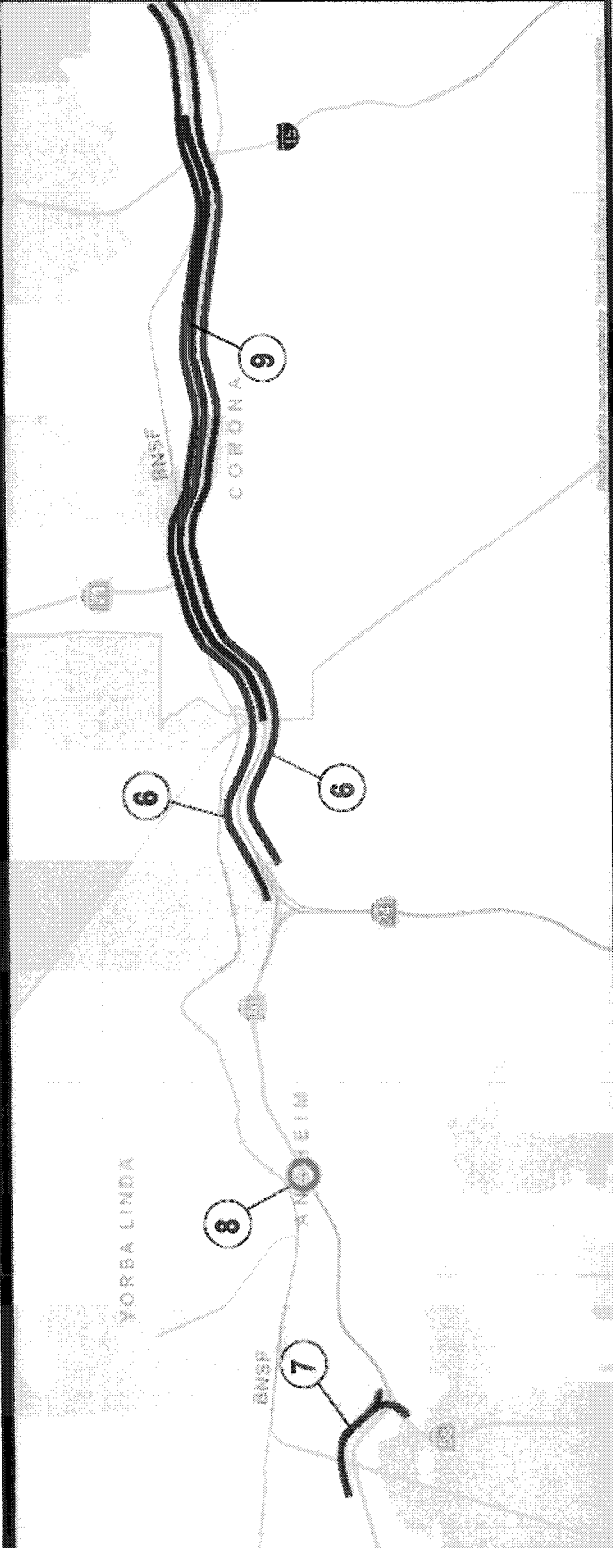
By 2011

Project No.	Project Summary	Cost (\$M)
By Year 2011		
1	Eastbound (EB) Lane Addition from Eastern Transportation Corridor (SR-241) to Chino Valley Freeway (SR-71)	\$ 68.0
2	Green River Road Overcrossing Replacement	25.7
3	Safety Improvements at Truck Scales	2.1
4	Express Bus Improvements – Orange County to Riverside County	13.5
5	Metrolink Short-Term Expansion Plan	35.4
Subtotal:		\$ 144.7



By 2015

Project No.	Project Summary	Cost (\$M)
By Year 2015		
6	Widen SR-91 by One General Purpose (GP) Lane in Each Direction East of SR-241	\$ 365.0
7	SR-91 Westbound (WB) Lane at Tusfin Avenue	25.0 - 62.0
8	New Interchange at Fairmont Boulevard	72.0 - 101.0
9	SR-91 Reversible Lanes from County Line to I-15	43.0
Subtotal:		\$505.0 - \$571.0



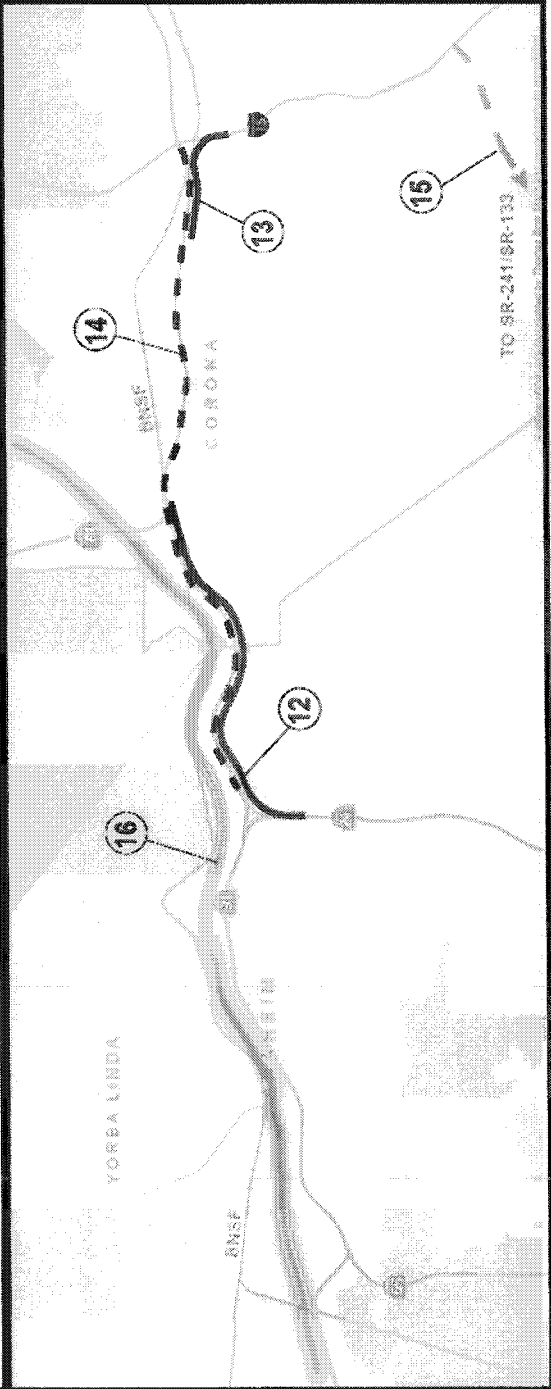
By 2020

Project No.	Project Summary	Cost (\$M)
By Year 2020		
10	Widen SR-91 between Costa Mesa Freeway (SR-55) and SR-241 by Adding a 5 th GP lane in Each Direction	\$ 135.0
11	Metrolink Service and Station Improvements	335.0
Subtotal:		\$ 470.0



By 2030

Project No.		Project Summary	Cost (\$M)
By Year 2030			
12	SR-241/SR-91 Direct Connector		\$ 240.0
13	I-15/SR-91 Direct Connector		162.0
14	Elevated 4-Lane Facility (MIS Corridor A) from SR-241 to I-15		3,200.0
15	4-Lane Facility (MIS Corridor B) from SR-241/SR-133 to I-15/Cajalco Road		5,700.0
16	Anaheim to Ontario International Airport High Speed Rail		TBD
Subtotal:			\$ 9,302.0



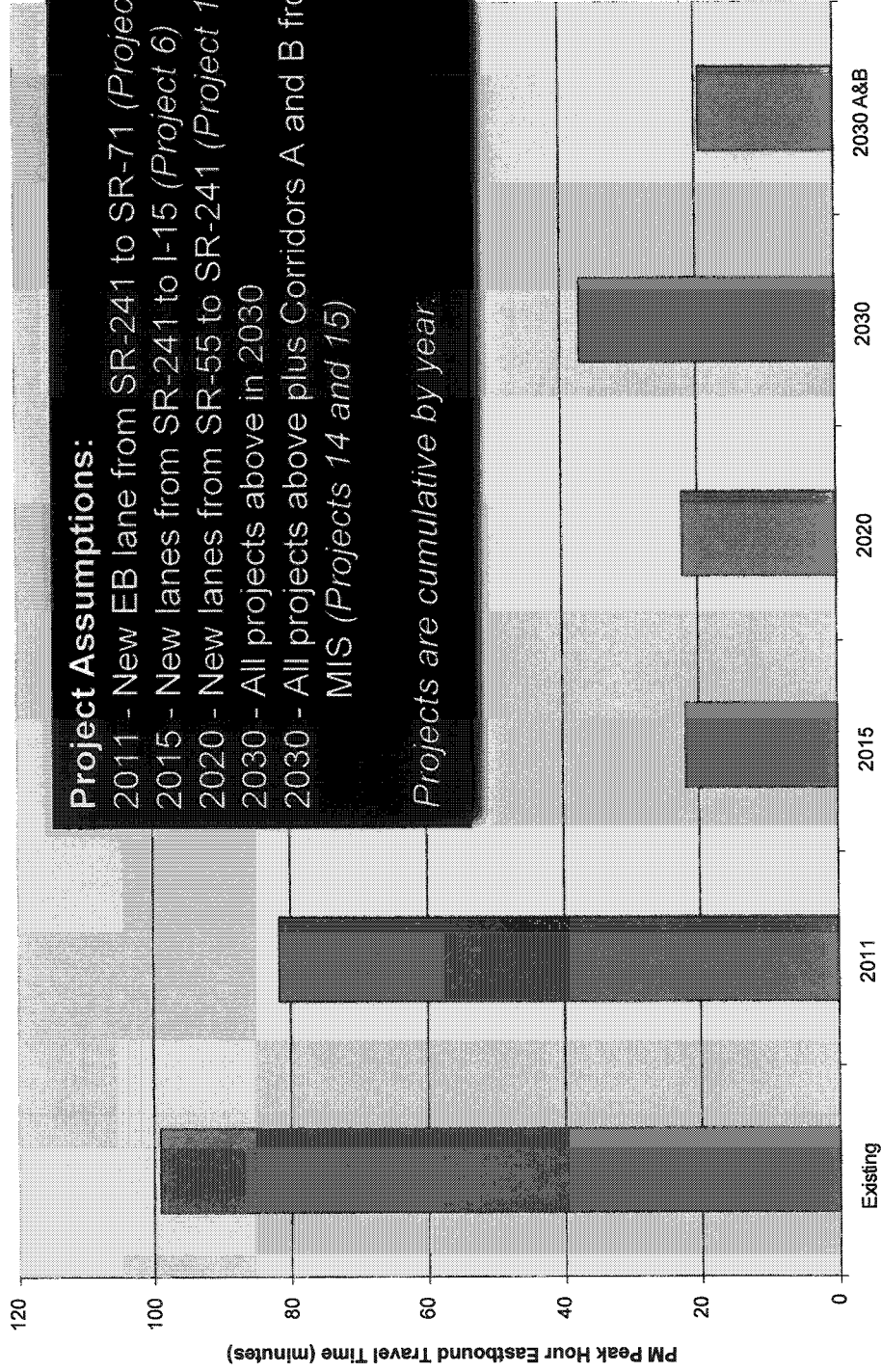
Traffic Analysis

- Operations model focused primarily on mainline traffic queuing
- Shows benefits of major projects eastbound afternoon and westbound morning
- Results presented for 2005 and interim years (2011, 2015, 2020 and 2030)

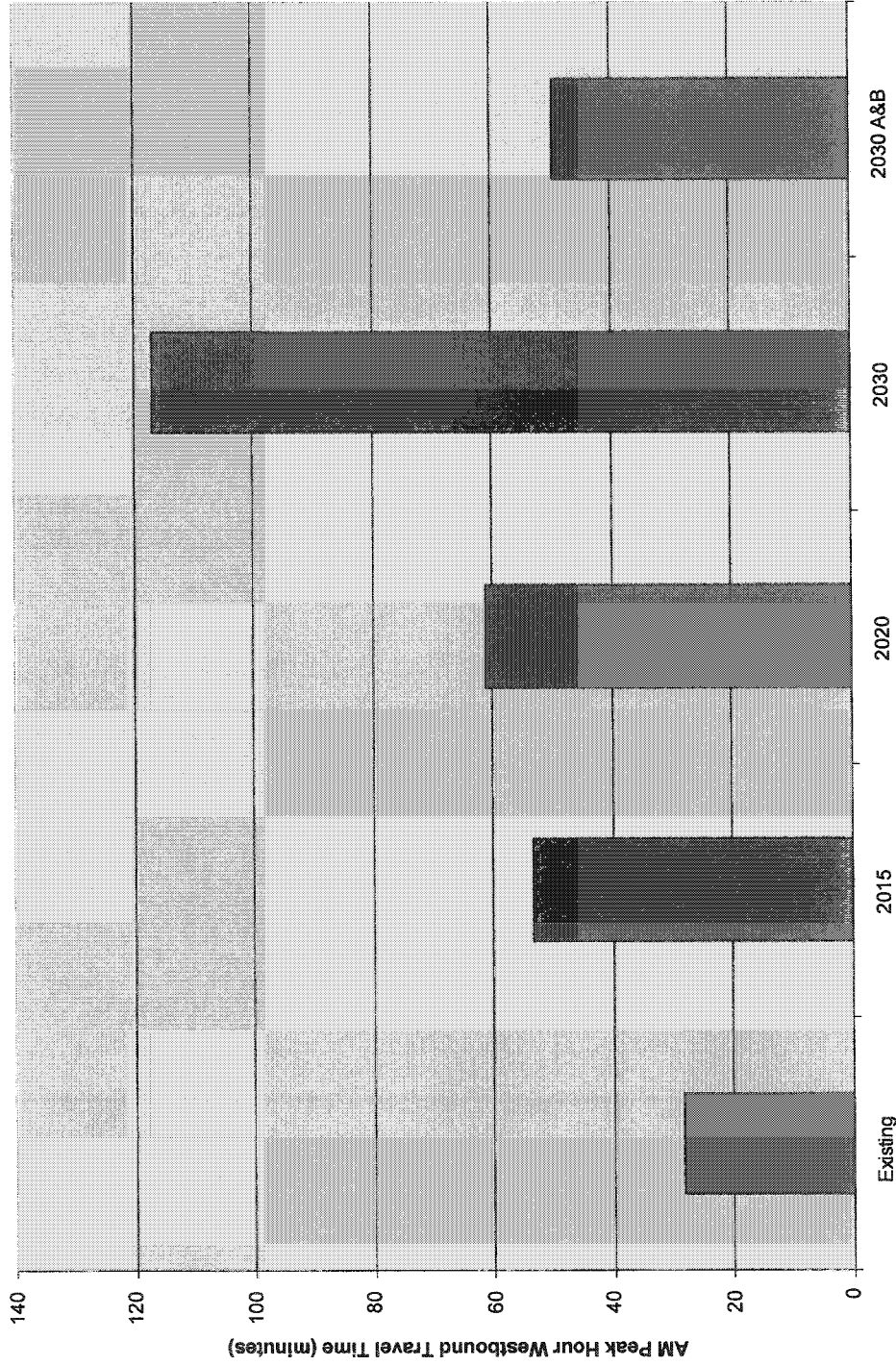
Assumptions

2011	New EB lane from the SR-241 to the SR-71
2015	New lanes east of SR-241
2020	New lanes west of SR-241
2030	All projects above
2030	All projects above plus Corridors A and B from MIS

Eastbound PM (travel time)



Westbound AM (travel time)



Next Steps

- Approve draft plan
- Direct staff to finalize plan
- Transmit final plan to key legislators



June 26, 2006

To: Members of the Board of Directors
KLW

From: Arthur T. Leahy, Chief Executive Officer

Subject: Proposed Overall Annual Race-Neutral Disadvantaged Business Enterprise Goal for Federal Fiscal Year 2006-07

Overview

An overall annual race-neutral Disadvantaged Business Enterprise goal has been developed for the Orange County Transportation Authority's contracts assisted by Federal Transit Administration funds in compliance with federal regulations set forth in 49 CFR Part 26 titled "Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs" for federal fiscal year 2006-07. The proposed overall annual DBE goal of 13 percent for federal fiscal year 2006-07 will be implemented utilizing strictly race-neutral measures based upon the Orange County Transportation Authority's historical race-neutral Disadvantaged Business Enterprise attainments and the United States Department of Transportation's recently issued race-neutral policy directives.

Recommendation

Adopt the proposed federal fiscal year 2006-07 overall annual race-neutral Disadvantaged Business Enterprise participation goal of 13 percent for contracts assisted by Federal Transit Administration funds, in accordance with 49 CFR Part 26.

Background

The Orange County Transportation Authority (Authority) is required to develop and submit a Disadvantaged Business Enterprise (DBE) overall annual goal for DBE participation as a condition of receiving federal assistance, pursuant to Section 1101 of the Transportation Equity Act for the 21st Century; 49 CFR Part 26; and the Federal Transportation Administration (FTA) Master Agreement. Furthermore, it is important to note that the Authority has received a Notice/Guidance from the Federal Transit Administration which directed all Department of Transportation (DOT) recipients in the Ninth Circuit to

implement a wholly race-neutral DBE Program, if they did not have sufficient evidence readily available to satisfy the evidentiary standards established by the Ninth Circuit Court of Appeals to request a waiver from the United States Department of Transportation to implement a race-conscious DBE Program. Pertinent aspects of the Ninth Circuit Court ruling and the FTA notice are set forth below:

Pertinent Aspects of the Guidance (NOTICE):

- If a recipient does not currently have sufficient evidence of discrimination or its effects, then the recipient would submit an all race-neutral overall DBE goal for federal fiscal year (FFY) 2006-2007.
- The recipient submission shall include a statement concerning the absence of adequate evidence of discrimination and its effects and a description of plans to either conduct a disparity/availability study or other appropriate evidence gathering process to determine the existence of discrimination or its effects on the recipient's marketplace.
- An action plan describing the study and timeline for its completion should also be included.
- Recipients will be required to continue to monitor, collect, and report participation and utilization of DBEs on federally-assisted contracts.
- All DOT federally-assisted procurements shall contain race-neutral DBE solicitation and contract language effective with FFY 2007.
- Recipients may no longer advertise and award contracts with DOT federally-assisted funds containing race-conscious DBE goals.

Additionally, on May 1, 2006, the Director of the California Department of Transportation (Caltrans) issued a letter which stated in pertinent part that effective May 1, 2006, Caltrans and its sub-recipients are required to implement a race-neutral DBE Program to ensure compliance with the Ninth Circuit Court's decision in *Western States Paving Co v. United States & Washington State Department of Transportation*.

The proposed overall annual goal reflects staff's determination of the level of DBE participation based upon DBE availability, in contrast to all firms available, to propose or bid on the list of federally funded projects as identified in the

Authority's Fiscal Year 2006-2007 Budget and in accordance with the requirements set forth in 49 CFR Part 26. The overall annual DBE goal must be submitted to the FTA in August 2006.

A DBE is a for-profit, small business concern that is at least 51 percent owned and controlled by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, is one in which 51 percent of the stock is owned and controlled by one or more socially and economically disadvantaged individuals. A socially and economically disadvantaged individual is defined by the federal regulations to be a citizen or lawfully admitted permanent resident of the United States (U.S.) who is a Black American, Hispanic American, Native American, Asian-Pacific American, Subcontinent Asian American, a woman, or a member of any additional group that can demonstrate that he/she is socially or economically disadvantaged.

Discussion

The proposed overall annual race-neutral DBE goal for FFY 2006-07 for the Authority's FTA-assisted contracts is 13 percent. The goal represents the relative availability of DBEs based upon evidence of ready, willing and able DBEs, in relationship to all comparable businesses known to be available to compete for the Authority's FTA-assisted contracts. The 2003 U.S. Census County Business Patterns data, the California Unified Certification Program (CUCP) state wide DBE database and the Authority's bidders list were utilized to calculate and determine the relative availability of DBEs within the Authority's market area in accordance with the federally prescribed goal-setting methodology, specifically Step One (I), which is designed to establish the base figure of DBE availability.

Step Two (II) of the federally prescribed goal setting methodology requires that the Authority conduct a review and analysis of other known relevant evidence available to determine what additional adjustments, if any, are needed to narrowly tailor the base figure of availability. Accordingly, the Authority considered past attainments on similar type projects, bidders list data specific to the defined contracting program, evidence from disparity studies and other agency's DBE goals in this step of the goal-setting process.

During fiscal year 2006-07, it is estimated that \$485,491 in FTA-assisted funds will be available for contract awards for Americans With Disabilities Act (ADA) bus stop modifications. This does not include federal funds amounting to approximately \$23 million dollars for transit vehicle procurements, which are

**Proposed Overall Annual Race-Neutral
Disadvantaged Business Enterprise Goal for
Federal Fiscal Year 2006-07**

Page 4

exempt from goal setting. Additionally, the overall annual DBE goal does not include federal funds for the Garden Grove Freeway (State Route 22) Design-Build Project (Phase I), as the Board adopted an independent Overall DBE project goal for this project.

In conformance with the mandatory public facilitation requirements of 49 CFR Part 26.45, this goal analysis and corresponding methodology and rationale will be reviewed with minority, women, local business chambers and community organizations. Additionally, the Authority will publish a public notice in general circulation media, minority focused media, and trade association publications announcing the Authority's proposed overall annual race-neutral DBE goal for federal fiscal year 2006-07 for FTA assisted contracts. This public notice will inform the public that the proposed goal and the rationale are available for inspection at the Authority's Headquarters during normal business hours for 30 days following the date of the public notice and that the Authority and FTA will accept comments on the goals for 45 days from the date of the public notice.

Summary

In summary, staff recommends that the Orange County Transportation Authority Board of Directors adopt the proposed federal fiscal year 2006-07 overall annual race-neutral DBE goal of 13 percent for FTA assisted contracts by the FTA in accordance with 49 CFR Part 26; titled "Participation by Disadvantaged Business Enterprises in the Department of Transportation Programs" and the department's recently released DBE race-neutral policy directives.

Attachment

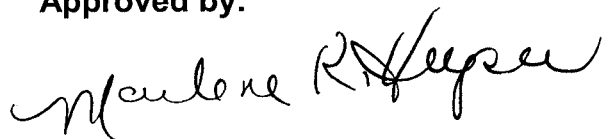
None.

Prepared by:



Tina Giles-Potter
Program Administrator
(714) 560-5620

Approved by:



Marlene K. Heyser
Executive Director
Labor/Employee Relations & Civil Rights
(714) 560-5824



June 26, 2006

To: Members of the Board of Directors
ATLIE 2
From: Arthur T. Leahy, Chief Executive Officer
Subject: City-Initiated Extensions to Metrolink Service

Overview

On February 27, 2006, the Board of Directors approved a four-step process for Orange County cities to extend transit access from Metrolink into their communities. Two workshops were conducted to obtain input from city representatives. Evaluation criteria and a revised cooperative agreement reflecting input from the workshops are offered for consideration.

Recommendations

- A. Approve the City-Initiated Transit Extensions to Metrolink cooperative agreement for execution by the cities to access the step one \$100,000 grants for development of their local transit vision and conduct initial planning.
- B. Approve evaluation criteria for cities' competitive applications for step two funding to further develop the most promising projects.
- C. Authorize the Chief Executive Officer to apply for grant resources from the Southern California Association of Governments in cooperation with the Orange County Council of Governments for city staff training and facilitation of partnerships.

Background

The Orange County Transportation Authority (OCTA) Board of Directors (Board) approved a four-step process to plan and implement city-initiated transit extensions to Metrolink (Attachment A). The four-step process utilizes \$30 million from present Measure M and proposes to utilize \$1 billion in renewed Measure M funds to implement transit connections to bring more riders to Metrolink.

To begin immediately, step one allocates a total of \$3.4 million for cities to develop a local transit vision and conduct initial planning. All cities are eligible to receive \$100,000 grants, once they execute a cooperative agreement with OCTA (Attachment B). In step two, scheduled to commence in January 2008, the remainder of \$30 million will be available on a competitive basis to further develop the most promising projects. In step three, which is planned to coincide with the availability of renewed Measure M funds, projects may move into project development and implementation, and the major projects will presumably advance into a federally funded preliminary engineering effort. In step four, resources will focus on efforts to transform the Metrolink stations into major multi-modal transportation centers.

In step one all cities with executed cooperative agreements may receive planning grants of \$100,00 to work on a variety of potential uses such as:

- Land use and transit-oriented development planning related to Metrolink stations or nearby areas;
- Assessment of needs or local travel patterns to extend the reach of Metrolink
- Transit shuttle planning or implementation

Cities will submit a report at the conclusion of step one. The results documented in this report can also serve as an application for step two funding. The local projects must adhere to the requirements of the 1990 Measure M ordinance which states:

“This 20-Year Plan element will also provide matching funds to encourage local development of extensions to major activity centers . . . provid(ing) access between the primary rail system and employment centers . . . Selection of technology, ridership estimates and system costs need further analysis and studies. . . System connectivity, ridership/performance and availability of matching funds will be used as criteria to determine the relative priority of investment . . .”

Discussion

When approving the City-Initiated Rapid Transit and Related Projects, known as Go Local, the Board directed staff to seek city comment. In order to give city staff an opportunity to react to the proposed process, two workshops were held on April 4 and 6, 2006. A report summarizing the activities and results is attached (Attachment C). Both workshops prompted similar questions from participants. Many questions were addressed during the workshop and are chronicled in Attachment D.

However, two subjects warrant analysis and direction from the Board: evaluation criteria and what resources, education, and training will be available for cities.

Evaluation Criteria

City staff wanted OCTA to more clearly define the criteria which will be used to evaluate the reports, submitted at the conclusion of step one, which constitute the application for project development funds in step two. To ensure consistency and a level playing field for entry to step two, staff is proposing the Board adopt and use evaluation criteria parallel to those included in the renewed Measure M plan. They provide cities guidance on OCTA program objectives before city efforts begin and are compatible with the Federal Transportation Administration (FTA), which is likely to be a major source of funds in the future.

Attachment E provides 12 proposed evaluation criteria and several potential performance measures associated with each, which a city may use to demonstrate the quality of its proposal to the Board. These balance some cities' concerns that it may be too early in the planning process to attract partners to formulate an operating plan against the requirements of Measure M and the need to give participants early guidance about what will be expected for future funding.

Many city staff asked for more information on how OCTA defines transit connections and transit-oriented development and how to accomplish those. They want illustrations of successes and failures, as to how they could learn more and questioned what resources OCTA could provide. As an initial step, staff has posted information to a website and informed city staffs additional links are in process.

Staff has identified the Southern California Association of Governments program, Southern California Compass 2% Strategy, as a useful tool that cities could access to help inform them about the aforementioned transit connections and transit-oriented development. The data used for this program, generated in part by OCTA and in cooperation with the Orange County Council of Governments (OCCOG), is packaged in user-friendly planning tools. In cooperation with OCCOG, OCTA could pursue such resources and make them available to support city staff and help facilitate partnerships.

In addition, staff will provide pertinent information on a project website, including answers to questions, other web-based resources, reports and data sources and available documents along with synopses of content and

encourage users to post comment. Further, staff proposes to conduct appropriate work sessions with participating cities once planning efforts are underway.

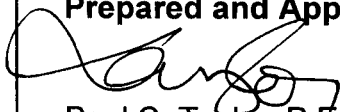
Summary

In order to accept grant applications for the Go Local program, staff recommends approval of both evaluation criteria and cooperative agreements for distribution to interested cities.

Attachments

- A. Four-Step Process for City-Initiated Rapid Transit and Related Projects
- B. Proposed cooperative Agreement for Go Local Program
- C. Report of Go Local Workshops
- D. Evaluation Criteria, Go Local Program

Prepared and Approved by:



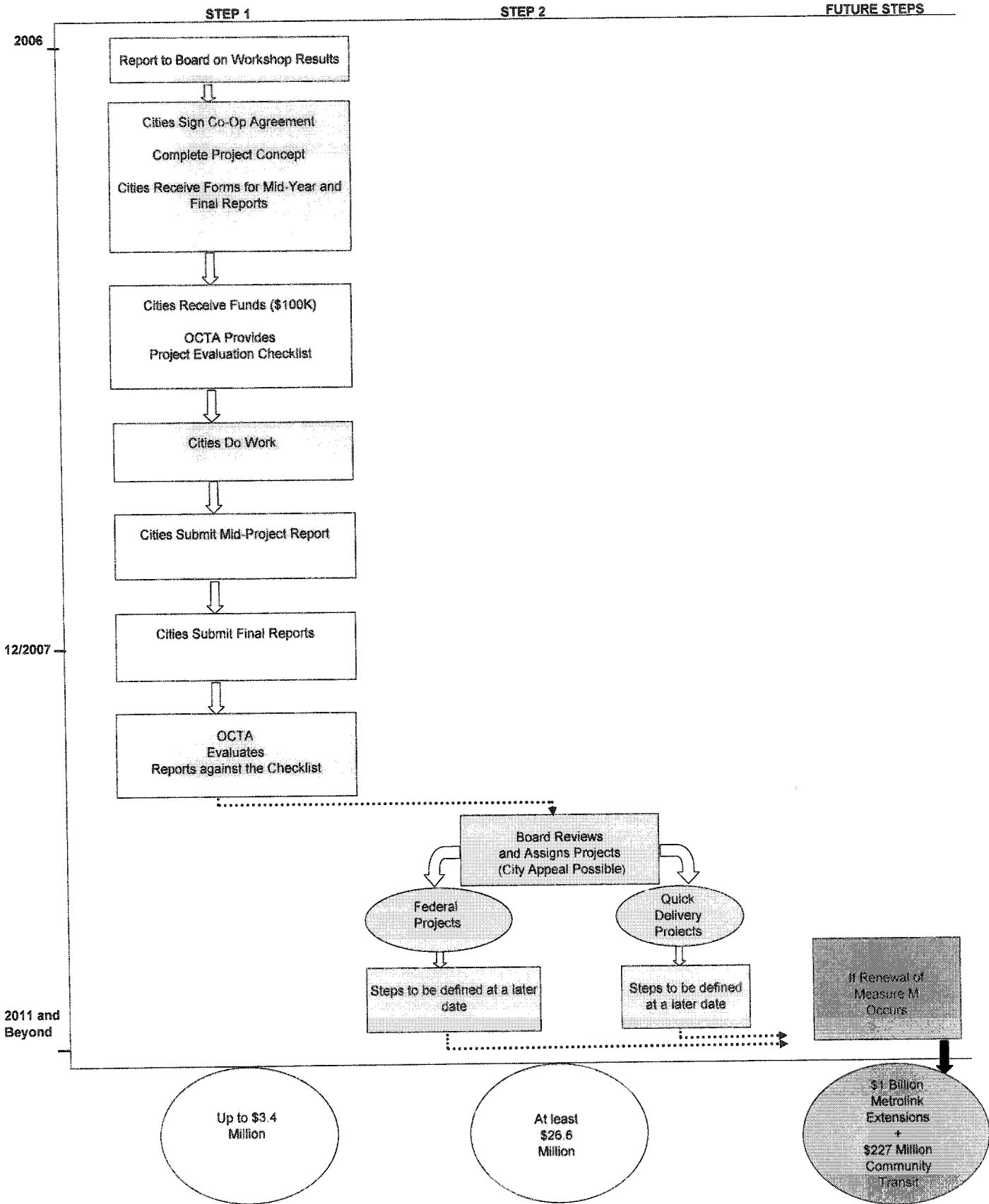
Paul C. Taylor, P.E.
Executive Director, Planning, Development
and Commuter Services
(714) 560-5431

Four-Step Process for City-Initiated Rapid Transit and Related Projects

- Step One: \$100,000 grants for initial needs assessment for interested cities to develop their own future transit vision
- Step Two: Project planning and/or alternatives analysis of the concepts emerging from Step One for interested cities, with projects qualifying through a competitive process
- Step Three: Project development/implementation (preliminary engineering through construction) of those projects from Step Two which qualify through a competitive process for continued funding
- Step Four: Additional work on the Metrolink corridor to transform stations into transportation centers

**Approved by the Orange County Transportation Authority Board of Directors
February 27, 2006**

City-Initiated Metrolink Extensions Process



Proposed Cooperative Agreement for Go Local Program

COOPERATIVE AGREEMENT NO. C- 6-XXXX

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF _____

FOR

CITY-INITIATED TRANSIT EXTENSIONS TO METROLINK

THIS AGREEMENT is made and entered into this _____ day of _____ 2006, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584, a public corporation of the State of California (hereinafter referred to as "AUTHORITY"), acting on behalf of the Orange County Local Transportation Authority, and the City of _____, **STREET ADDRESS, CITY**, California, **ZIP CODE**, a municipal corporation (hereinafter referred to as "CITY").

RECITALS:

WHEREAS, AUTHORITY considers its railroad lines linking Los Angeles and San Diego Counties and the Inland Empire to be the core of Orange County's future rail transit system; and

WHEREAS, CITY and AUTHORITY wish to work as partners to develop a community-based transit vision that increases use of Metrolink by (**CITY NAME**) residents, visitors, and/or employees; and

WHEREAS, CITY is encouraged to enter into written agreements with nearby cities to collaborate in some or all facets of a planning and needs assessment to support this vision; and

WHEREAS, Measure M funds have been designated for cities to study ways to accomplish this; and

1 **WHEREAS**, CITY will develop a proposed Project Concept (further defined hereunder) which
2 will factor in, among other elements, community interests and desires; and

3 **WHEREAS**, as required by Measure M, any proposed Project Concept to be developed and
4 pursued by CITY will address the need for and encourage the local development of transit
5 connections to major activity centers, and such extensions will provide access between the primary
6 rail system and employment centers; and

7 **WHEREAS**, the AUTHORITY's Board of Directors on February 27, 2006, allocated Measure
8 M funds to a program designed to enable cities that wish to develop a local transit vision including
9 defined enhancements and connections extensions that work best with their local community's short
10 and long-term priorities (hereinafter referred to as "GO LOCAL Step 1"); and

11 **WHEREAS**, CITY has completed the GO LOCAL Step 1 Project Concept form, and
12 AUTHORITY has found such concept acceptable; and

13 **WHEREAS**, CITY, upon execution of this Agreement, will pursue the Project Concept; and

14 **NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CITY as
15 follows:

16 **ARTICLE 1. COMPLETE AGREEMENT**

17 This Agreement, including all exhibits and documents incorporated herein and made
18 applicable by reference, constitutes the complete and exclusive statement of the terms and
19 conditions of the agreement between AUTHORITY and CITY concerning the GO LOCAL Step 1
20 work and supersedes all prior representations, understandings and communications between the
21 parties. The invalidity in whole or part of any term or condition of this Agreement shall not affect the
22 validity of the other terms or conditions.

23 **ARTICLE 2. SCOPE**

24 A. This Agreement specifies the procedures that AUTHORITY and CITY will follow in
25 connection with the GO LOCAL Step 1 work to be performed. CITY agrees to provide all services
26 identified in Exhibit A to this Agreement. Both AUTHORITY and CITY agree that each will cooperate

1 and coordinate with the other in all activities covered by this Agreement and any other supplemental
2 agreements.

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

10 **ARTICLE 3. RESPONSIBILITES OF AUTHORITY**

11 AUTHORITY agrees to the following responsibilities for the GO LOCAL Step 1 work:

12 A. Payment- AUTHORITY shall pay CITY the amount identified in Article 5. PAYMENT,
13 for the GO LOCAL Step 1 work within 30 days of execution of this Agreement. Funds will not be
14 released to CITY if Project Concept is not acceptable. CITY may resubmit an amended Project
15 Concept for review by AUTHORITY. AUTHORITY has the sole and exclusive right to accept or
16 reject any Project Concept.

17 Should CITY not complete the services identified in Exhibit A, or does not meet the terms
18 and conditions of this Agreement, the CITY will return to AUTHORITY all monies funded to the CITY
19 within sixty (60) days of AUTHORITY's written demand.

20 B. Additional Funding- Funding beyond the subject One Hundred Thousand Dollars
21 (\$100,000.00) shall be pursuant to a competitive process for projects initiated by AUTHORITY at a
22 later date. AUTHORITY does not guarantee selection of CITY to advance to the any future step in
23 the GO LOCAL process.

24 **ARTICLE 4. RESPONSIBILITIES OF CITY**

25 CITY agrees to the following responsibilities for GO LOCAL Step 1 work:

26 A. Lead Agency- CITY will be the lead agency for the GO LOCAL Step 1 work. However,

1 CITY may designate pursuant to a written partnership letter of agreement that another city participating
2 in the GO LOCAL program is serving as lead agency. AUTHORITY shall be provided a copy of this
3 letter.

4 B. Third Party Partnerships- CITY is encouraged to partner with and enter into written
5 agreements with adjacent cities to advance the project consistent with the Project Concept. CITY shall
6 deliver to AUTHORITY a copy of each executed agreement within ten (10) days after the agreement
7 has been executed.

8 C. Project Reporting- Within six (6) months of receipt of funds by CITY, CITY shall
9 submit to AUTHORITY a progress report similar to that detailed in Exhibit B, entitled "GO LOCAL
10 Six-Month Progress Report," attached to and, by this reference, incorporated in and made part of
11 this Agreement.

12 D. Final Report- CITY shall produce a written report of its findings, recommendations,
13 and next steps according to a mutually agreed upon schedule, but no later than the term of this
14 Agreement. The Final Report will include the elements described in Exhibit C, entitled "GO LOCAL
15 Project Concept Final Report Outline." Exhibit C is attached to and, by this reference, incorporated
16 in and made part of this Agreement.

17 E. Use Of Funding- CITY shall use funding provided by AUTHORITY exclusively for the
18 services identified in Exhibit A. All funding released to CITY shall be spent in accordance with Local
19 Transportation Ordinance Number 2: The Revised Orange County Traffic Improvement and Growth
20 Management Ordinance. If CITY fails to develop and/or pursue the Project Concept in accordance
21 with said Ordinance, all monies funded to the CITY shall be returned by CITY to AUTHORITY within
22 sixty (60) days of AUTHORITY's written demand. AUTHORITY shall have sole discretion in
23 determining whether the Project Concept has been developed and/or pursued in accordance with
24 said Ordinance.

25 F. Third Party Work- CITY shall deliver to AUTHORITY a copy of each executed
26 agreement and scope of work for services to be performed by third parties in fulfillment of the Project

1 Concept within thirty (30) days after the agreement has been executed.

2 G. Conduct- CITY shall conduct all of its activities in association with GO LOCAL Step 1
3 in a good and competent manner and in compliance with all applicable federal, state and local rules
4 and regulations.

5 **ARTICLE 5. PAYMENT**

6 A. For CITY's full and complete performance of its obligations under this Agreement and
7 subject to the maximum cumulative payment obligation provisions set forth in this Agreement,
8 AUTHORITY shall pay CITY the not to exceed amount of One Hundred Thousand Dollars
9 (\$100,000.00) within thirty (30) days after execution of this Agreement.

10 B. CITY shall submit to AUTHORITY a Project Expenditures Certification, as detailed in
11 Exhibit D, and as a supplement to the Final Report, for work performed under this Agreement. The
12 certification shall include, at minimum, actual expenses; classification, hours and rates of in-house
13 personnel, vendors, contractors, etc paid for work performed as related to the GO LOCAL Step 1
14 work; and the period of time the costs were incurred. Additionally, CITY may be required by
15 AUTHORITY to submit this information at any time during the performance of this Agreement. CITY
16 shall also furnish other information as may be requested by AUTHORITY. Exhibit D is attached to
17 and, by this reference, incorporated in and made part of this Agreement.

18 **ARTICLE 6. MAXIMUM OBLIGATION**

19 Notwithstanding any provisions of this Agreement to the contrary, AUTHORITY and CITY
20 agree that AUTHORITY's maximum cumulative payment obligation hereunder (including CITY's
21 direct and indirect costs) shall be One Hundred Thousand Dollars (\$100,000.00) which shall include
22 all amounts payable as incurred solely for the purposes of the GO LOCAL Step 1 work.

23 **ARTICLE 7. AUDIT AND INSPECTION**

24 CITY shall maintain a complete set of records in accordance with generally accepted
25 accounting principles and in accordance with Local Transportation Ordinance Number 2: The
26 Revised Traffic Improvement and Growth Management Ordinance. The original records shall be

1 maintained within the CITY limits. Upon reasonable notice, CITY shall permit the authorized
 2 representatives of the AUTHORITY to inspect and audit all work, materials, payroll, books, accounts
 3 and other data and records of CITY for a period of four (4) years after final payment, or until any on-
 4 going audit is completed. For purposes of audit, the date of completion of this Agreement shall be
 5 the date of AUTHORITY's payment for CITY's final billing (so noted on the invoice) under this
 6 Agreement. AUTHORITY shall also have the right to reproduce any such books, records and
 7 accounts. Contracts with CITY's contractors at any tier shall include the above provisions with
 8 respect to audits.

9 **ARTICLE 8. INDEMNIFICATION**

10 CITY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,
 11 employees and agents from and against any and all claims (including attorney's fees and reasonable
 12 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death,
 13 worker's compensation subrogation claims, damage to or loss of use of property caused by the
 14 negligent acts, omissions or willful misconduct by CITY, its officers, directors, employees or agents
 15 in connection with or arising out of the performance of this Agreement.

16 **ARTICLE 9. ADDITIONAL PROVISIONS:**

17 The AUTHORITY and CITY agree to the following mutual responsibilities:

18 A. Term of Agreement- This Agreement shall continue in full force and effect through
 19 December 31, 2007, unless terminated earlier by mutual written consent by both Parties. The term
 20 of this Agreement may only be extended upon mutual written agreement by both Parties.

21 B. Termination- This Agreement shall not be terminated without mutual written consent
 22 of the both Parties.

23 C. Modifications- This Agreement may be amended in writing at any time by the mutual
 24 consent of both Parties. No amendment shall have any force or effect unless executed in writing by
 25 both AUTHORITY and CITY.

26 D. Legal Authority- AUTHORITY and CITY hereto warrant that they are duly authorized

1 to execute this Agreement on behalf of said Parties and that, by so executing this Agreement, the
2 Parties hereto are formally bound to the provisions of this Agreement.

3 E. Notices- Any notices, requests or demands made between the parties pursuant to
4 this Agreement are to be directed as followed:

5 To CITY:	To AUTHORITY:
6 City of Name	Orange County Transportation Authority
7 Address	550 South Main Street
8 P.O. Box Number	P. O. Box 14184
9 City, CA Zip Code	Orange, CA 92863-1584
10 ATTENTION: Name	Attention: Kathleen Murphy-Perez,
11 Title	Section Manager, Capital Projects
12 Contact Information	(714/560-5643); <i>k.perez@octa.net</i>
	c: Paul Taylor, Executive Director, Planning, 14 Development and Commuter Services

15 F. Severability- If any term, provision, covenant or condition of this Agreement is held to
16 be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the
17 remainder to this Agreement shall not be affected thereby, and each term, provision, covenant or
18 condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

19 G. Counterparts of Agreement- This Agreement may be executed and delivered in any
20 number of counterparts, each of which, when executed and delivered shall be deemed an original
21 and all of which together shall constitute the same agreement. Facsimile signatures will be
22 permitted.

23 H. Force Majeure- Either Party shall be excused from performing its obligations under this
24 Agreement during the time and to the extent that it is prevented from performing by an unforeseeable
25 cause beyond its control, including but not limited to: any incidence of fire, flood; acts of God;
26 commandeering of material, products, plants or facilities by the federal, state or local government;

1 national fuel shortage; or a material act or omission by the other party; when satisfactory evidence of
2 such cause is presented to the other Party, and provided further that such nonperformance is
3 unforeseeable, beyond the control and is not due to the fault or negligence of the Party not performing.

4 I. Assignment- Neither this Agreement, nor any of a Party's rights, obligations, duties, or
5 authority hereunder may be assigned in whole or in part by either Party without the prior written consent
6 of the other Party. Any such attempt of assignment shall be deemed void and of no force and effect.
7 Consent to one assignment shall not be deemed consent to any subsequent assignment, nor the
8 waiver of any right to consent to such subsequent assignment.

9 J. Obligations Comply with Law- Nothing herein shall be deemed nor construed to
10 authorize or require any Party to issue bonds, notes or other evidences of indebtedness under terms, in
11 amounts, or for purposes other than as authorized by local, State or Federal law.

12 K. Governing Law- The laws of the State of California and applicable Federal, State, local
13 laws, regulations and guidelines shall govern hereunder.

14 This Agreement shall be made effective upon execution by both parties.

15 **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. C-6-XXXX to be
16 executed on the date first above written.

17 **CITY OF NAME**

ORANGE COUNTY TRANSPORTATION AUTHORITY

18
19 By: _____

By: _____

Arthur T. Leahy
Chief Executive Officer

20
21 **ATTEST:**

APPROVED AS TO FORM:

22
23 By: _____

By: _____

Kennard R. Smart, Jr.
General Counsel

24
25 **APPROVED AS TO FORM:**

APPROVAL RECOMMENDED:

26
By: _____

By: _____

Paul Taylor, Executive Director

Planning, Development and Commuter Services

Dated: _____

Dated: _____

DRAFT

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GO LOCAL

PROJECT CONCEPT

To qualify for funds your city project must focus on assessing ways to provide transit connections to Metrolink. Complete the Project Concept, and return with the Cooperative Agreement.

A. Study Type

Project Concept assessments can cover or study any of the following topics. Please review the descriptions below and indicate your best guess of the type of assessment work you'll be doing by placing an (x) next to one (or more) of the following:

Needs Assessments

What are the transit needs? Identify populations, congestion areas, etc.

Land Use Planning

How can a transit project support your city's land use planning policies/projects?

Route Planning

Existing data has identified activity centers, populations or congestion hot spots which warrant transit service. What are possible routes and types of transit?

Public policy /public support

Does the community support transit as evidenced by land use designations and the commitment of local stakeholders?

Project Concepts

Does the city have one or more general transit concepts which it would like to explore more fully in a detailed technical analysis?

Make your own case

Is there a concept that addresses a need in your city that you'd like the Board of Directors to consider? Is this need consistent with the Measure M requirements that funds be spent on transit-related purposes to extend the reach of Metrolink?

B. Project Overview

Please include a 50 to 100 word overview of your Project Concept.

C. Partners

Please attach any Project Concept letters of understanding or partnership agreements.

GO LOCAL

PROJECT CONCEPT SIX-MONTH PROGRESS REPORT

City/Date: _____

Prepared By _____

A. Project Overview Progress Report

Please include a 100-200 word description of progress to date. *To the extent possible*, you should describe what you are working on, your methodology, key staff and/or stakeholders, and any preliminary results.

B. Project Resources

Please indicate all that apply:

◆ We've been utilizing consultants (Name(s): _____) Yes No Unsure

◆ We've been doing some or all of the work in-house Yes No Unsure

◆ We have partnerships with: (Include if not listed in A)

C. Financial Report

Percentage of funding Committed _____ Expended _____

We foresee obstacles to completion with funding. No _____ Yes _____

Explain:

Return to: Paul Taylor, Executive Director, OCTA
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584

Prepared 4/30/06

GO LOCAL

PROJECT CONCEPT FINAL REPORT OUTLINE

At the conclusion of Project Concept work, all cities will submit a Final Report within _____ days utilizing the outline below. Sections Five and Six below will constitute your proposal for the next phase of work.

1. **Summary of Project** (1 page)
2. **Study Questions** (1 page)
3. **Methodology Used** (1 page)
4. **Results** (3-5 pages)
Report against the Evaluation Criteria, i.e. Financial Considerations, Community Factors, Transportation Benefit.
5. **Findings** (4-5 pages)
Your analysis of the results
6. **Next Steps** (5-7 pages)
Identify:
 - *what you wish to do next,*
 - *the methods you would use,*
 - *the staff, resources, and time you would need,*
 - *what you would expect to determine, and*
 - *the budget, your agency contribution, any partnerships and their contributions.*

**Return to: Paul Taylor, Executive Director, OCTA
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584**

Prepared 4/30/06

GO LOCAL

PROJECT CONCEPT
Project Expenditures Certification

SAMPLE

Consultant(s)	Contract	Cost (Column A)	In-house Labor	Total hours charged to project x fully burdened hourly rate	Cost (Column B)	TOTAL (add columns A and B)
ABC	001	25,000	Sr. Planner	500 hours x \$85/hr	42,500	
XYZ	002	30,000	Admin Asst.	100 x \$25/hr	2,500	
		55,000			45,000	100,000

I hereby certify that the above is a true and correct statement of the work performed and costs incurred on the Project Concept.

Date

Signed

Title

Return to: Paul Taylor, Executive Director, OCTA
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584

Report of Go Local Workshop

Program Overview

On February 27, 2006, the OCTA Board of Directors (Board) approved the City-Initiated Rapid Transit and Related Projects program, now known as Go Local, the goal of which is to deliver riders to an enhanced Metrolink service operating on 30-minute headways by 2009. This will be achieved through the direct hands-on leadership of the local cities, integrating both economic development and transportation planning at the local level.

The Go Local concept is to allocate \$30 million of 1990 Measure M revenues to a five-year initial planning for the Go Local program. This planning could result in either (a) small-scale, shelf-ready Go Local projects which might begin implementation by 2011 and/or (b) larger, capital intensive projects which will necessitate additional funds. The planning will identify financial needs and opportunities and could include private investments, economic development partnerships, city matching funds, state or federal programs, and/or the renewed Measure M Metrolink extensions transit program.

Workshop Summary

Two workshops were conducted on April 4 and 6, 2006, to obtain the reactions of local city staff members to the Go Local concept. City managers, public works directors, redevelopment directors, and directors of planning from all 34 cities were invited and given a choice of two workshops offering the same agenda on different days and times. Over 60 individuals representing 23 cities attended. In addition, local consultants who have relevant experience attended.

An informational packet was distributed to all attendees. City managers of those cities that did not send representatives were mailed the packets including:

- Agenda*
- Three phases of planned Metrolink expansion plan maps
- Two staff reports
- Flowchart of the Go Local process*
- Proposed Evaluation Criteria*
- Sample Cooperative Agreement
- Local newspaper articles*

The portions of the packet which were prepared solely for the workshop are marked above with an asterisk. Chairman Brown and Director Buffa each attended one workshop. Once the process was reviewed by OCTA Executive Director Paul Taylor, a question and answer (Q & A) period engaged the participants.

Findings

City staff were generally quite pleased that OCTA was conducting the workshop(s), were satisfied with the information provided about the program, and were enthusiastic about starting the planning process. They were especially satisfied to see the

streamlined, simplified application and the resources available to them. However, there was a clear distinction between cities which had an explicit idea of the project they wished to pursue and those with more conceptual approaches. Cities more removed from Metrolink stations tended to have the more conceptual projects and a more generalized idea of how a multi-jurisdictional partnership could be assembled.

City staff in attendance tended to downplay the importance of tying activity and employment centers to transit planning and focused more on the mechanics of obtaining funds than the objectives of the program.

Uncertainties about how the process was going to evolve, and what city staff were going to be asked to know or contribute dominated the discussion. During the Q/A, most stated that the workshop was addressing their concerns. Attachment D of staff report is a Q/A that answers the issues raised at the workshop.

The primary concern cities raised was a desire for OCTA to more clearly define the evaluation criteria which will be used to evaluate the reports (submitted at the conclusion of step one) which will constitute the application for the project development funds of step two. During step two the Board may award up to \$26 million to the interested competing cities. City staff members would like guidance now so that their planning efforts can be informed by an awareness of how the Board will access the projects for the step two competition before beginning their transit planning.

There was also some interest in knowing how/if the criteria were going to be weighted, or the relative importance the Board intended to assign to each of the criteria and the basis for awarding step two funds (all eligible projects receive equal funding, etc). Some representatives voiced concerns that it may be too early in the planning process to attract partners or formulate an operating plan.

Some participants suggested alternative allocation approaches to distinguish local projects from multi-jurisdictional or regional projects or to redistribute funds if all cities didn't apply.

Many city representatives wanted more *education, resources or training* in what "transit connections" and "transit-oriented development" (TOD) actually meant, or wished to learn more about how to bring these concepts into play in their communities, from both a transportation and a community development perspective. Participants even asked for samples of where—and why—TOD was successful. Third, some voiced serious reservations about their expertise, saying that they might need assistance in defining the study scope or partnering approach .

Next Steps

OCTA staff will report the results of the workshops and staff recommendations to the Board and then based on the Boards actions will inform city staff of the results prior to launch of the program. Transmittal of the proposed cooperative agreement to cities will signal the beginning of the program.

Audience Questions and Answers
Go Local Workshops

Money/Partnerships

- **Can developer-funded projects compete for Step 2 dollars?**

-----Yes

- **Please provide further explanation/examples of public/private partnerships**

-----Please see the project web site for examples. Projects that can include private sector as well as public sector funding or services include:

- private development of transit oriented development type within walking distance of station, where public sector might finance improved site access to station (e.g. ped bridge)
- private development where developer and/or tenants help subsidize shuttle service to Metrolink station or public sector buys vehicles but private sector pays operations.

- **How do you define public support ? What constitutes an outreach plan?**

-----Please see the evaluation criteria and ask the OCTA consultants and staff once you have your project concept developed.

- **Long-term sustainability is expensive. How are revenues generated?**

-----Fares, special assessment districts, Measure M funds, operating commitments from non-profit and private sector partner organizations.

- **Can cities submit more than one project and receive more than \$100,000?**

-----No

- **What types of projects are eligible for funding?**

-----See Go Local workshop packet

- **If all of step 1 dollars are not allocated, can a regional improvement project be submitted? Can the funds be put into an endowment for other multi-city effort?**

-----Any unallocated funds will be reserved for Step Two projects.

- **How are partnerships defined and created if cities don't have a Metrolink station?**

-----OCTA strongly encourages Metrolink cities to partner with interested jurisdictions and vice versa, since the purpose of **Go Local** is to provide local transit extensions to Metrolink, but a formal partnership is not mandatory now. Defining partnership is up to the parties involved; it could mean pooling monies to fund a single shared scope of work, funding independent studies which utilize common data and are then combined to complement each other, or one city agrees to provide data to others and have staff participate in meetings but not contribute any Go Local dollars. OCTA would like to receive copies of any agreements outlining the partnerships among cities or with private parties.

- **If cities are further along, can they apply for Step 2 early?**
 ----No. Every project proposal must have a chance to compete against one another for Step Two funds. This can't be accomplished until all Step One submittals are received and evaluated, likely in early 2008.
- **If multiple cities approach a Metrolink-station city, can the Metrolink-station city partner with different cities ?**
 ----Yes, but each city will receive the \$100,000 once.
- **How will the multiple agreements between cities be facilitated?**
 ----OCTA consultants and staff will help cities define possible working arrangements if desired.
- **How do the amounts of monies itemized in the Metrolink expansion plan relate to these grants?**
 ----These are separate, but related, sets of improvements, showing what will be in place within the next five years on the Metrolink system. The Go Local program is intended to provide the local transit extensions to bring riders from your communities to this considerably expanded rail service. Applicants should base their proposals on the approved Metrolink expansion plans.
- **Will federal and state money be pursued?**
 ----Yes, as part of Step Two and/or later.

Evaluation Criteria

- **Sustainable long-term operating plan is a concern. Cities don't have operating funds.**
 ----OCTA wants to see projects that are financially sustainable. That's why the proposed evaluation criteria include measures of funding commitment. The proposed Measure M Renewal Plan includes funding that could be used to operate proposed services.
- **Can cities get operating funds from a renewed Measure M?**
 ----Yes, Project S and Project V funds in the proposed Measure M Renewal Plan can be used for operating costs as well as capital costs of Metrolink extension projects.
- **How will the criteria be weighted?**
 ----The Board will review the evaluation criteria and determine how the weighting will factor into their decision to award projects for step two funding (and beyond).
- **How do you meet the criteria to demonstrate local support?**
 ----Local support can be demonstrated by City Council actions, documentation of public hearings or workshops and/or letters of support from community associations, chambers of commerce and other affected parties.
- **The evaluation criteria are too broad. Can they be better defined? When?**
 ----When the Board takes up this program for further direction to staff, refinement of the evaluation criteria will be considered.

- **What will the Board be looking for to award funding for the next phase?**

-----The Board will be assessing each step one project submittal for funding in step two based upon the evaluation criteria as shown in Attachment B. Fundamentally the Board will be looking for projects that develop cost-effective locally-oriented transit extensions to Metrolink and attract more Metrolink riders by serving local activity and employment centers.

- **The criteria should encourage collaboration.**

-----OCTA encourages collaboration among cities to maximize the effectiveness and local benefits of proposed projects.

- **Is land-use planning eligible for step one funding?**

• -----Yes, so long as the planning effort is clearly connected to the objective of increasing Metrolink ridership. OCTA firmly believes that increased transit use can arise from land use planning that is geared to achieve this. (See Criteria #5). The OCTA Board of Directors will be reviewing project concepts to ensure that the work proposed relates directly to Measure M's transit objectives, so any proposed planning work will have to be extremely focused and/or precise, clearly relating to the Metrolink station or transit planning work.

Resources

- **What technical support can be provided to cities to make sure cities are aware of previous work and issues?**

-----OCTA consultants and staff are available to answer questions; in addition, city staff will be given access to resources through a web-based portal under development by OCTA.

- **How can the cities access information to prevent duplicating services?**

-----If cities are collaborating on a Go Local effort that crosses city boundaries, they could actually divide up work rather than duplicate it. If a city has information or data which might help another's work effort and they are not working together, then it is up to the goodwill of the parties and funds may not be spent efficiently. This is one of many reasons OCTA is strongly encouraging local partnerships. If a city's project does not extend beyond its own boundaries, there should be less of a problem.

- **Cities are not equipped to deal with FTA process; will OCTA take the lead role in dealing with FTA?**

-----OCTA will play a major role with the FTA for those projects which advance to this level (not all Go Local projects will evolve in this manner). The precise relationships will be worked out at that time; OCTA intends to maintain its role as the county transit agency.

- **If a group of cities want to collaborate, will OCTA provide resources to help develop a scope of work?**

-----Yes, consultants and staff will help.

- **Is 12/07 too early to complete initial study if a project is complex?**

-----The deadline for submission will be determined based on when the Board of Directors releases the Cooperative Agreement and the process the Board approves.

- **Does OCTA have examples of successful programs and projects?**

-----Please see the web-based portal: <http://gis.octa.net/projectsonline>

- **Is there a pre-qualification list for consultants?**

-----The web-based portal: <http://gis.octa.net/projectsonline>

has a list of consultants known to have expertise in relevant fields, but these are not to be considered as "pre-qualified" by OCTA.

Access

- **OCTA is developing multiple BRT lines that connect to Metrolink. If a Go Local project connects to the BRT line before it connects to Metrolink, is it eligible for Go Local funding?**

----- At this point, OCTA expects some efforts to be quite "broad-brush" since in some instances the local planning is just beginning. The proposed project evaluation criteria should be carefully examined to determine if this type of project would be highly evaluated to move into step two of the program. Cities relying on a BRT as an interim connection may want to address early the conventional wisdom that ridership declines when an additional transfer is required or find some other way to think creatively about ways to design their step one effort.

- **Does a city's proposal have to identify which station the city intends to connect to? Can a city propose a connection station and then seek concurrence or partnership with that city in Step Two?**

-----The answer to this is similar to above, i.e.: OCTA recognizes that step one planning may be very conceptual and broad brush for some local jurisdictions. At the same time, cities must recognize that connections to Metrolink will be an ultimate important criterion for additional funding and the earlier a city can get started formulating these partnerships and doing this planning the better the picture is likely to be for future funding.

Procedures

- **What happens if overlapping proposals are developed?**

-----OCTA staff will contact the cities involved to resolve any problems.

- **What is the deadline for submitting proposal concepts? How will the cities be notified of the final program?**

-----Cities will be sent an notice that the Go Local program is underway once the Board acts, and this will include a date for when all work must be completed. Requests for the \$100,000 must be submitted to OCTA at least six months before this deadline.

Evaluation Criteria Go Local Program

These criteria will evaluate results of step one effort as documented in Final Report, which will be an applicant's request for step two funding.

Criterion	Priority	Purpose	Performance Measures
1-Local Jurisdiction Funding Commitments	High	To appropriately invest scarce Measure M resources and ensure that the project is a high priority for the host cities.	<ul style="list-style-type: none"> • Proof of local funding commitments (e.g. City council actions, city budgets, grant applications, MOUs, etc.)
2-Proven Ability to Attract Other Financial Partners	High	To ensure that Measure M dollars are being invested in areas in which others have determined warrants investment and to ensure that Measure M dollars are being leveraged to maximize their return to the public	<ul style="list-style-type: none"> • Co-op agreements, MOUs, Council Actions, Grants • Funding agreements with private parties, if any, to demonstrate private sector financial participation in the proposed project related to the area served or affected by the project • Projected increase in land values of lands affected by the proposed project • Percent of proposed project funding not from Measure M • Action Plan for obtaining commitments in Step Two
3-Proximity to Jobs and Population Centers	High	Create a larger pool of potential Metrolink riders, either by increasing the number of jobs and/or residents near a Metrolink station or by improving transit connections to Metrolink.	Increase the number of people who can get to work/home from Metrolink in 15 minutes using transit or 10 minutes walking. (Total transit travel time includes walk+wait+in-vehicle time)

Criterion	Priority	Purpose	Performance Measures
<p>4-Regional Benefits</p>	<p>High</p>	<p>Effectively deliver Metrolink riders to regional destinations utilizing convenient locally-oriented transit. Expand transit's appeal to those who own autos.</p>	<ul style="list-style-type: none"> • Number of cities served by the proposed project • Number of existing and planned "regional" activity centers within 15 minutes total transit travel time or 10 minutes walking time of the nearest Metrolink station. (<i>Definition of "regional activity center" TBD but examples are Disneyland, JWA, regional malls (e.g. South Coast Plaza), regional parks (e.g. O'Neill Park), institutions of higher learning (e.g. Orange Coast College, etc.)</i>) • Agreements regarding intent to pursue programs to develop cooperative ridership development programs (or letters of intent to pursue same in Step Two) etc with activity centers and/or employers.
<p>5-Compatible and Approved Land Uses</p>	<p>High</p>	<p>Ensure that transportation and land use are working in concert to maximize the return on transit investment and land values.</p>	<ul style="list-style-type: none"> • Qualitative assessment of the transit supportiveness of land uses served by or created by the proposed project (e.g. pedestrian friendly, integration of transit stops with development, mixed uses, etc.) • Qualitative assessment of ease of pedestrian connectivity to transit stops of proposed new service and/or to the Metrolink station. • Proof of zoning actions adopting compatible land uses or city's intent to adopt same • Letters of support from affected interests (e.g. HOAs, community associations, chambers of commerce, developers)

Criterion	Priority	Purpose	Performance Measures
6-Cost-Effectiveness	Medium	Assess the benefit for each public dollar spent	<ul style="list-style-type: none"> • Total cost per new rider • Measure M cost per new rider • Total cost per passenger-mile • Measure M cost per passenger-mile. • Private investment attracted per passenger mile. • Non-transit funding attracted per passenger mile
7-Traffic Congestion Relief	Medium	Reduce congestion so streets and freeways can work better, especially in the local community/project area.	<ul style="list-style-type: none"> • Projected number of "new" transit riders • Estimated reduction in daily vehicle miles of travel (VMT) • Projected ridership in year 2015 (or 2030?; or year of opening?) • Projected number of new pedestrian-oriented uses within ½ mile • Projected reduction in parking requirements • Projected benefits to local street network • Complementary congestion relief efforts (signal synchronization, etc.) proposed for the project are to make it work better with the transit connection in place
8-Right-of-Way Availability	Medium	To accurately assess what is needed to build a project and thereby maximize the likelihood of cost effective, timely project delivery.	<ul style="list-style-type: none"> • Proof of ROW availability (if required). • Appropriate letters of agreement, contracts or ownership records (public ROWS, easements, property donations, etc.) • Action Plan and schedule for obtaining the necessary commitments in step two

Criterion	Priority	Purpose	Performance Measures
9-Sound Long-Term Operating Plan	Medium	Experience elsewhere has shown that early operations planning can be overlooked and is a high priority. The framework of an operating plan can and must be established early to ensure public funds are invested well.	<ul style="list-style-type: none"> • 5+year operating plan • Projected farebox recovery compared with OCTA or other relevant operation's history • Qualitative assessment of the proposed funding sources • Demonstrations of partnering agreements (letters of intent, MOUs, etc) or intent to pursue same in step two for sustained cooperative agreements to utilize service as a connection to Metrolink for employees, etc.
10-Ease and Simplicity of Connections	Medium	To maximize ridership by making sure the project includes the optimum number, ease and user-friendly design considerations regarding connections between the project and Metrolink	<ul style="list-style-type: none"> • Number and clarity of transfers required to travel 15 minutes of total transit travel time to/from the nearest Metrolink station • Attention devoted to customer service planning • Ease of access from the Metrolink platform to boarding location of proposed new service or to new land uses • Amount of integration between Metrolink fares and fares of proposed project. • Apply sample trips for comparative purposes • Evaluate the amount and type of research done or proposed, and/or considerations given to site design to make connections easy.
11-Project Readiness	Low	To assess when a project could reasonably benefit a community.	<ul style="list-style-type: none"> • Ability of proposed project or concept to be implemented within 5 years of submittal of the Go Local step one final report, as documented in the proposed schedule of project development activities. • The proposed implementation schedule will be compared to existing, similar projects from Orange County or other metro areas.

Criterion	Priority	Purpose	Performance Measures
<p>12-Safe and Modern Technologies</p>	<p>Low</p>	<p>Increase the project's public appeal, increase ridership, and, reduce liability and maintenance costs</p>	<ul style="list-style-type: none"> • Actual experience from existing operations or manufacturer's data • Qualitative assessment of the safety of proposed technology, • Qualitative assessment of the reliability of the proposed technology.



June 26, 2006

To: Members of the Board of Directors
ATL / E2

From: Arthur T. Leahy, Chief Executive Officer

Subject: Selection of Project Management Consultant for Metrolink Service Expansion

Overview

On March 27, 2006, the Orange County Transportation Authority's Board of Directors approved the release of Request for Proposals for a project management consultant for the Metrolink Service Expansion, including approval of the evaluation criteria used to evaluate the proposals. Proposals and statements of qualifications were solicited in accordance with the Orange County Transportation Authority's procurement procedures for the retention of consultants to perform architectural and engineering work. These procedures are in accordance with both federal and state legal requirements.

Recommendations

- A. Select Parsons Brinckerhoff Quade & Douglas, Inc. as the top-ranked firm to provide project management consultant services for the Metrolink Service Expansion.
- B. Authorize the Chief Executive Officer to request a cost proposal from Parsons Brinckerhoff Quade & Douglas, Inc. and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement in the amount not to exceed \$5 million for a period of five years.

Background

On November 14, 2005, the Board of Directors (Board) approved implementation of Metrolink Service Expansion (Expansion) for 36 more trains serving Orange County, including trains every 30 minutes between Laguna Niguel/Mission Viejo and Fullerton by the year 2009. The Board further approved release of the Request for Proposals (RFP) for a project

management consultant (PMC) for the Expansion. Implementation of the Expansion requires project management support services to supplement the one full-time position dedicated to commuter rail development. The PMC for the Expansion requires highly specialized railroad expertise not available on staff or through other current consultants.

The PMC shall function as an extension of Orange County Transportation Authority's (Authority) staff and assist Authority's project manager by providing specialized expertise as required to effectively implement the Expansion and complete all work associated with capital improvements, station and parking expansion through construction; preparation of cost estimates and financial plans; coordination with freight railroads and utilities; preparation of cooperative agreements with cities and other agencies; development of reports, graphics, and document control; and assistance with strategic security management planning. The PMC shall provide extensive schedule and project controls, technical expertise on an as-needed basis, assistance in the oversight of project implementation, administration, and document control.

Discussion

This procurement was handled in accordance with the Authority's procedures for architectural and engineering requirements which conform to both federal and state law. Proposals are evaluated without consideration of cost and are ranked in accordance with the qualifications of the firm and the technical proposal. The highest ranked firm is requested to submit a cost proposal and the final agreement is negotiated. Should negotiations fail with the highest ranked firm, a cost proposal will be solicited from the second ranked firm in accordance with the procurement policies previously adopted by the Board.

The project was advertised on March 30 and April 4, 2006, in a newspaper of general circulation, and electronic notices were sent to 1,589 firms via CAMMNET. A pre-proposal meeting was held on April 5, 2006, and was attended by 43 firms.

On May 15, 2006, six proposals were received. An evaluation committee consisting of staff from Programming, Development & Commuter Rail, Construction and Engineering, Contracts Administration and Materials Management, the California Department of Transportation, and Metrolink met to review the proposed work plans and firm qualifications.

The evaluation committee reviewed all proposals and found four of the firms qualified for the work. The committee interviewed each of the qualified firms on June 1, 2006. The interviews consisted of a series of structured questions and a

hypothetical scenario. The following is the ranking of the firms as determined by the combined scores of the proposal evaluation and interviews consistent with the evaluation criteria approved by the Board on March 27, 2006:

Firm and Location

Parsons Brinckerhoff Quade & Douglas, Inc.
Orange, California

STV Incorporated
Rancho Cucamonga, California

Commuter Rail Group
Irvine, California

Hatch Mott MacDonald
San Diego, California

The evaluation committee unanimously recommends the selection of Parsons Brinckerhoff Quade & Douglas, Inc., to provide project management consultant services for the Expansion. Parsons Brinckerhoff Quade & Douglas, Inc., demonstrated a detailed understanding of the project and provided a comprehensive work plan.

Fiscal Impact

The project is included in the Authority's Fiscal Year (FY) 2006-07 Budget, Commuter Rail Services, Account 0093-7519-A0001-DH8, and is funded through the Commuter and Urban Rail Endowment (CURE) fund. The notice to proceed will be issued in next fiscal year upon approval of the FY 2006-07 budget. The balance of the contract value will be budgeted in subsequent fiscal years based on estimated annual expenditures and will be brought to the Board as part of the annual budget process.

Summary

The evaluation committee met and reviewed this item. Based on the material provided, the committee unanimously recommends the selection of Parsons Brinckerhoff Quade & Douglas, Inc., as the most qualified firm to provide PMC services for the Expansion.

Staff is requesting authorization to request a cost proposal from Parsons Brinckerhoff Quade & Douglas, Inc., and negotiate an agreement in an amount not to exceed \$5 million.

Attachment

None.

Prepared by:



Abbe McClenahan
Principal Transportation Analyst
Commuter Rail Services
(714) 560-5673

Approved by:



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