

Date: Monday, May 9, 2005

Time: 9:00 a.m.

Where: Orange County Transportation Authority Headquarters
600 South Main Street, First Floor - Conference Room 154
Orange, California 92863-1584



AGENDA

Orange County Transportation Authority Board Meeting
OCTA Headquarters
First Floor - Room 154, 600 South Main Street
Orange, California
Monday, May 9, 2005, 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 Pringle

Pledge of Allegiance

Director Green

Agenda Descriptions

The agenda descriptions are intended to give notice to members of the public of 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. Retiree Recognition

Consent Calendar (Items 2 through 13)

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

2. Approval of Minutes

Of the Orange County Transportation Authority and affiliated agencies' regular meeting of April 25, 2005.

3. State Legislative Status Report

Kecia Washington/Richard J. Bacigalupo

Overview

The California Legislature is focusing on design-build legislative proposals as a means of expediting infrastructure projects.

Recommendation

Adopt proposed policy on design-build that supports legislation authorizing the use of the design-build process without limiting the type of funding that can be used on the project.

4. Reports on the Annual Transportation Development Act Audits for Fiscal Year 2003-04

Robert A. Duffy/Richard J. Bacigalupo

Overview

Pursuant to Sections 6663 and 6751 of the California Code of Regulations, the audits for Article 3, Pedestrian and Bicycle Facilities Program were conducted for the fiscal year ending June 30, 2004, and the audits for Articles 4 and 4.5 Funds for the Transit and Paratransit Operating and Capital Programs were conducted for the fiscal year ending June 30, 2004, by Conrad and Associates, L.L.P.



AGENDA

ACTIONS

4. (Continued)

Recommendation

Receive and file the Transportation Development Act Audit Reports for the Fiscal Year 2003-04.

5. **Fund Transfer Agreement with the California Department of Transportation for the Fiscal Year 2004-05 Planning, Programming, and Monitoring Program**

Jennifer Bergener/Paul C. Taylor

Overview

The California Department of Transportation requires authorization of the Chief Executive Officer to execute an agreement to use State funds for the Planning, Programming, and Monitoring Program. The Orange County Transportation Authority Board of Directors previously approved the 2004 Orange County Regional State Transportation Improvement Program, which included the use of State funds for the Planning, Programming, and Monitoring Program.

Recommendation

Authorize the Chief Executive Officer to execute the Fund Transfer Agreement, Agreement PPM05-6071(024), with the California Department of Transportation for the use of State Transportation Improvement Program funds for the fiscal year 2004-05 Planning, Programming, and Monitoring Program.

6. **Option Renewal to Agreement for 91 Express Lanes Program Management Consultant Services**

Paul C. Taylor

Overview

On June 28, 2005, the Board of Directors approved an agreement for one year, with two option years, with LMS Consulting, in the amount of \$150,000, to provide program management support for the 91 Express Lanes. LMS Consulting was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional/technical services.



AGENDA

ACTIONS

6. (Continued)

Recommendation

Authorize the Chief Executive Officer to execute a one-year option renewal to Agreement No. C-4-0250 between the Orange County Transportation Authority and LMS Consulting, in an amount not to exceed \$150,000, for program management consulting services for the 91 Express Lanes.

7. **Metrolink Commuter Rail Service Semi-Annual Update**

Shohreh Dupuis/Paul C. Taylor

Overview

This semi-annual report provides an update on the Metrolink Commuter Rail program and seeks allocation of funds for improvements and a new summer service.

Recommendations

- A. Amend the fiscal year 2004-05 budget to allocate \$5.3 million of Commuter Urban Rail Endowment funds to the Santa Ana Second Main Track Project and \$30,000 to the Laguna Niguel/Mission Viejo station improvements.
- B. Approve the expenditure of \$150,000 from the fiscal year 2003-04 Metrolink operating surplus for the proposed summer service on the Inland Empire Orange County Line.
- C. Direct staff to return with a Metrolink Commuter Rail semi-annual update in November 2005.



AGENDA

ACTIONS

8. Award of Construction Contract for Roof Reconstruction at the Anaheim Bus Base

James J. Kramer/Stanley G. Phernambucq

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved Roof Reconstruction at the Anaheim Base. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-0492, between the Orange County Transportation Authority and Best Roofing & Waterproofing, Inc., dba Best Construction Services, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$352,519, for Roof Reconstruction at the Anaheim Base.

9. Measure M Quarterly Report

Norbert Lippert/Stanley G. Phernambucq

Overview

Staff has prepared a Measure M progress report for the first quarter of 2005. This is a regular report that highlights the Measure M projects and programs currently under development.

Recommendation

Receive and file as an information item.



AGENDA

ACTIONS

10. Agreement for Exhaust and Gas Detection System at Laguna Hills Transportation Center

James J. Kramer/Stanley G. Phernambucq

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved construction of an exhaust and gas system detection at the Laguna Hills Transportation Center. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-4-1112, between the Orange County Transportation Authority and Allied Industrial Systems, Inc. the lowest responsive, responsible bidder, in the amount of \$298,000, for an exhaust and gas detection system at the Laguna Hills Transportation Center.

11. Medicare Participation for Employees Hired Before April 1, 1986

Debbie Christensen/James S. Kenan

Overview

Employees hired before April 1, 1986, are exempt from mandatory Medicare Hospital Insurance coverage. Orange County Transportation Authority may voluntarily provide Medicare Hospital Insurance coverage to such employees under Section 218 of the Social Security Act.

Recommendation

Authorize the Chairman of the Board of Directors to approve Resolution Nos. 2005-89 and 2005-90 to request permission from the State Social Security Administrator to conduct a referendum among the eligible employees.



AGENDA

ACTIONS

Orange County Transit District Consent Calendar Matters

12. **Amendment to Agreement for Vehicle Retrieval Service**
Al Pierce/William L. Foster

Overview

On July 28, 2003, the Board of Directors approved an agreement with Ben Warner's Garage, Inc., in the amount of \$150,000, to provide retrieval of disabled buses and service vehicles. Ben Warner's Garage, Inc., was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0513 between the Orange County Transportation Authority and Ben Warner's Garage, Inc., in an amount not to exceed \$110,000, for retrieval of disabled buses and service vehicles.

13. **Agreement for Landscaping Services**
Al Pierce/William L. Foster

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved the contracting of Landscaping Services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-0114 between the Orange County Transportation Authority and Toyo Landscaping, in an amount not to exceed \$63,250, for landscaping services for one year with four one-year options.



AGENDA

ACTIONS

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

14. Resources for Rapid Transit Development

Jose Martinez/Paul C. Taylor

Overview

On April 14, 2005, the Transit Planning and Operations Committee met to consider sample packages of possible combinations of projects that could potentially substitute for the current project, the 9.3-mile light rail starter system. Staff was directed to perform additional specific analysis for consideration. The current project management consultant contract or other consultant agreements can be amended to perform this additional analysis. Consultant and staff resources to fully develop the selected rapid transit program will be proposed for the fiscal year 2005-06 budget.

Recommendation (by Committee)

Authorize the Chief Executive Officer to extend the current work programs of Carter & Burgess, Inc. and Parsons Brinckerhoff Quade & Douglas, Inc., for continued support in the analysis of selected rapid transit options into the months of May and June, 2005, and to execute Amendment No. 9 to Agreement C-2-0611 between the Orange County Transportation Authority and Carter & Burgess, Inc., in an amount not to exceed \$155,000.

15. Garden Grove Freeway (State Route 22) Design-Build Project Scope Change – Continuation Item 6.B from the April 4, 2005, Committee Meeting

T. Rick Grebner/Stanley G. Phernambucq

Overview

On August 23, 2004, the Board awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View east to the Costa Mesa (State Route 55) interchange. Additions of aesthetic enhancements removed during the bid period are proposed for Board consideration



AGENDA

ACTIONS

15. (Continued)

Recommendations

- A. Amend the Garden Grove Freeway (State Route 22) project budget from \$490,000,000 to \$495,000,000, using Federal Regional Surface Transportation Program Funds.
- B. Authorize staff to process and execute any necessary amendments to the State Transportation Improvement Program, Federal Transportation Improvement Program, or cooperative agreements with the California Department of Transportation, to facilitate this action.
- C. Authorize the Chief Executive Officer to add Scope to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$5,000,000, for additional aesthetic enhancements.
- D. Direct staff to continue to work with the project Aesthetics Steering Committee in order to provide review, oversight, and approval of the added components to ensure the spirit and intent of the SR-22 Project Aesthetic Theme and Concepts report is met.

Other Matters

16. **State Route 74 Safety Project Program** Director Cindy Quon

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

18. **Directors' Reports**

19. **Public Comments**

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



AGENDA

ACTIONS

20. Closed Session

None scheduled.

21. Orange County Transportation Authority Fiscal Year 2005-06 Budget Workshop

Andrew Oftelie/James S. Kenan

The Orange County Transportation Authority is developing the fiscal year 2005-06 budget which identifies available revenues and the costs associated with providing transportation services and programs for Orange County commuters. Following the May 9, 2005, Orange County Transportation Authority Board of Directors meeting, the proposed budget will be reviewed in detail in a two-hour informal workshop.

This portion of the meeting will be held in Conference Room #103/104. The Board meeting will adjourn from that location.

22. Adjournment

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSSAAV Committee will be held at **9:00 a.m. on May 23, 2005**, at OCTA Headquarters at 600 South Main Street First Floor - Room 154 Orange, California.

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
April 25, 2005

Call to Order

The April 25, 2005, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order at 9:03 a.m. at the Orange County Transportation Authority Headquarters, Orange, California; Vice Chairman Brown presided over the meeting.

Roll Call

Directors Present:

Arthur C. Brown, Vice Chairman
Marilyn Brewer
Carolyn Cavecche
Lou Correa
Richard Dixon
Michael Duvall
Cathy Green
Gary Monahan
Chris Norby
Curt Pringle
Miguel Pulido
Susan Ritschel
Mark Rosen
James W. Silva
Thomas W. Wilson
Gregory T. Winterbottom
Cindy Quon, Governor's Ex-Officio Member

Also Present:

Arthur T. Leahy, Chief Executive Officer
Richard J. Bacigalupo, Deputy Chief Executive Officer
Kennard R. Smart, Jr., General Counsel
Wendy Knowles, Clerk of the Board
Members of the Press and the General Public

Directors Absent:

Bill Campbell, Chairman

Invocation

Director Ritschel gave the invocation.

Pledge of Allegiance

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

Public Comments on Agenda Items

Vice 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. Presentation of Resolutions of Appreciation for Employees of the Month for April 2005

Vice Chairman Brown presented Orange County Transportation Authority Resolutions of Appreciation Nos. 2005-86, 2005-87, 2005-88, respectively, to Coach Operator John Raith, Carlos Perez of Maintenance, and Jeffrey Tatro of Administration, as Employees of the Month for April 2005.

Mr. Raith also received a commendation from the Orange County Sheriff's Department and City of Lake Forest for identifying and helping to effect an arrest of an escaped criminal whom he recognized riding on his bus.

Consent Calendar (Items 2 through 29)

Vice Chairman Brown announced that all matters on the consent calendar were to be approved in one motion unless a Board Member or a member of the public requested separate action on a specific item. The Chairman asked if there were any requests to pull any of the Consent Calendar items for consideration.

Director Wilson stated he would abstain on Item 2, having not been present at the April 11 meeting.

Director Pringle pulled item 4 for discussion, and Director Ritschel pulled item 5 for discussion.

Speaker's Cards had been received by members of the public for items 6, 30, and 34.

2. Approval of Minutes

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of April 11, 2005.

Director Wilson abstained from voting on this item.

3. Approval of Resolutions of Appreciation for Employees of the Month of April 2005

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to approve Orange County Transportation Authority Resolutions of Appreciation Nos. 2005-86, 2005-87, 2005-88, respectively, to Coach Operator John Raith, Carlos Perez of Maintenance, and Jeffrey Tatro of Administration, as Employees of the Month for April 2005.

4. State and Federal Legislative Status Report

Director Curt Pringle pulled this item for discussion and stated he had concern regarding AB 1118, which deals with "pocket bikes".

After a brief discussion, a motion was made by Director Green, seconded by Director Ritschel, and declared passed by those present, to adopt both positions as recommended by the Committee.

Director Pringle stated that he wished to be recorded as opposing this item.

Director Norby asked for clarification of 'state highways' and was advised that state highways are defined within the County as such. It does not include all public streets.

At this time, Director Dixon moved to re-open discussion on this item; motion was seconded by Director Green.

Director Brewer stated that the Board needs to focus on transportation issues, and Director Ritschel offered that this bill was brought to the attention of OCTA by the City of Santa Ana.

Following further discussion, a motion was made by Director Norby, seconded by Director Brewer, and declared passed unanimously by those present, to adopt a Watch position on AB 1118 and a Support position on SB 275.

5. Policy Position on Transportation Public-Private Partnerships

Director Ritschel pulled this item for discussion and stated that Committee's recommendation was to support Recommendation A (below) and watch AB 850.

Motion was made by Director Brewer, seconded by Director Ritschel, and declared passed by those present to:

- A. Adopt a policy position supporting the use of public-private partnerships that increase highway capacity without limiting the ability to improve public facilities.
- B. Agreed to continue to watch AB 850 (Canciamilla, D Pittsburg).

6. Limited Scope Review of Stops and Zones Maintenance

Vice Chairman Brown received public comment from Judy Edge, Santa Ana, regarding this issue and offering pictures of a location at Sunflower and Bristol which demonstrates her concerns for the maintenance of bus stops and shelters.

Motion was made by Director Winterbottom, seconded by Director Green, and declared passed unanimously by those present, to receive and file the Limited Scope Review of Stops and Zones Maintenance, Internal Audit Report No. 05.001.

Director Brewer requested that the corner of Bristol and McArthur be checked into for maintenance issues, and Director Correa asked that staff review the cleaning schedule and policy on maintenance.

Vice Chairman Brown suggested that Ms. Edge contact the City Manager's office for Santa Ana and ask them to contact the City Manager in Buena Park, where an effective ordinance is in place to deal with the shopping cart issue.

7. Review of Investment Activities for October through December 2004

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file the Review of Investment Activities for October through December 2004 Internal Audit Report No. 05.026.

8. Third Quarter Payroll Distribution Review

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file the Third Quarter Payroll Distribution Review, Internal Audit Report No. 05 022.

9. Fiscal Year 2003-04 Annual Financial Reports

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file the fiscal year 2003-04 annual financial reports as information items.

10. Audit Report on Third Quarter Parts Inventory Cycle Count

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file the Third Quarter Parts Inventory Cycle Count, Internal Audit Report No. 05-021.

11. 91 Express Lanes February 2005 Status Report

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file the 91 Express Lanes Status Report for the period ending February 28, 2005.

12. 91 Express Lanes Toll Violations Judgment Process Overview

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file as an information item.

13. 91 Express Lanes Cash Flow Analysis

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to receive and file as an information item.

14. Section 5310 Grant Program Recommendations for Fiscal Year 2005-2006

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to:

- A. Approve the scores recommended by the Regional Evaluation Committee and authorize staff to include the recommendations for funding in the Fiscal Year 2005-2006 Regional Transportation Improvement Program.
- B. Authorize the Chief Executive Officer to submit the required Certification and Assurances to the California Department of Transportation.

14. (Continued)

- C. Adopt Resolution No. 2005-85 authorizing the Chief Executive Officer to transmit the Section 5310 Regional Priority List to the California Department of Transportation.

15. Award of Construction Contract for Americans with Disabilities Act Bus Stop Modifications (Phase 3, Construction Package 3)

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-5-0469, between the Orange County Transportation Authority and Olivas Valdez, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$670,820, for Americans with Disabilities Act Bus Stop Modifications in the City of Fullerton.

16. Excess Land Policy Regarding Bundling Multiple Parcels for Sale to a City

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to:

- A. Bundle all excess parcels within a city and allow staff to negotiate a sale price based on appraised values, as well as value to the Orange County Transportation Authority of eliminating responsibility for maintenance, liability and long-term management, subject to approval by Board of Directors.
- B. Accept payment over time for bundled parcels, not to exceed five years, subject to payment of interest equal to the Orange County Transportation Authority's return on its short-term investment pool.

17. Amendment to Agreement for Orange County Rideshare Program Software and Database Services

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to, contingent on approval of the Orange County Transportation Authority's Fiscal Year 2005/2006 Budget, authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-4-0329 with the Riverside County Transportation Commission in an amount not to exceed \$84,000, for regional rideshare database and support services. The first option term would commence July 1, 2005, and continue through June 30, 2006. The total maximum cumulative obligation is \$154,000.

18. Amendment to Agreement for Graphic Design Services for Bus Public Information

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to, contingent on approval of the Orange County Transportation Authority Fiscal Year 2005/2006 Budget, authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-4-0521 with Interactive Publications and Graphics in an amount not to exceed \$150,000, for graphic design services. The first option term period would commence July 1, 2005, and continue through June 30, 2006. The total maximum cumulative obligation is \$450,000.

19. Amendment to Agreement for Bus Book Printing

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to, contingent on approval of the Orange County Transportation Authority Fiscal Year 2005/2006 Budget, authorize the Chief Executive Officer to execute the first option term of Agreement C-4-0520 with Clearwater Graphics in an amount not to exceed \$400,000, for printing, packaging and delivery of bus books for the period July 1, 2005, to June 30, 2006. The total maximum cumulative obligation is \$820,000.

20. Commercial Banking Services Contract Extension

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-1-1675 between the Orange County Transportation Authority and Bank of the West, in an amount not to exceed \$120,000, to exercise the second option year from September 1, 2005, to August 31, 2006.

21. Amendment to Agreement for the Lease of Digital Copiers

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-2-1265 between the Orange County Transportation Authority and Minolta Business Solutions, in an amount not to exceed \$200,500, to exercise the Agreement's second option year for the lease of digital copiers.

22. First Quarter 2005 Debt and Investment Report

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to:

- A. Authorize the Treasurer to invest, reinvest, purchase, exchange, sell, and manage Orange County Transportation Authority funds during fiscal year 2005-06.
- B. Receive and file the Quarterly Investment Report prepared by the Treasurer as an information item.

23. Amendment to Agreement for Medical Clinic Services with Golden West Medical Center

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 3 to Agreement C-1-1549 between the Orange County Transportation Authority and Golden West Medical Center, in an amount not to exceed \$105,000, for medical clinic services.

24. Amendment to Cooperative Agreement with the Office on Aging

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Amendment No. 2 to Cooperative Agreement C-2-0617 with the Office on Aging, in an amount not to exceed \$5,000, as part of the local match for a California Department of Transportation Environmental Justice Planning Grant.
- B. Authorize allocation of an amount not to exceed \$50,000, to reimburse the Office on Aging for senior non-emergency medical transportation trips provided to individuals with ACCESS eligibility beginning April 1, 2005, and continuing until Same-Day Taxi Service is implemented.

25. Amendment to Agreement for ACCESS Eligibility Determination Services

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-2-0040 between the Orange County Transportation Authority and Magnolia Physical Therapy, in an amount not to exceed \$710,000, for the evaluation of ACCESS applications through June 30, 2006.

26. Amendment to Agreement for Coach Operator Uniforms

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-3-1326 between the Orange County Transportation Authority and Gall's Incorporated, in an amount not to exceed \$339,594, for coach operator uniforms.

27. Agreement for Leased Tires and Full Tire Maintenance Service

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Agreement C-4-1065 between the Orange County Transportation Authority and Bridgestone/Firestone North American Tire, LLC, in an amount not to exceed \$10,238,647, for leasing of tires and full service tire maintenance for a five year term.

28. Amendment to Agreement for Provisions of Adult Day Healthcare Transportation

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-2-0306 between the Orange County Transportation Authority and South County Senior Services, in an amount not to exceed \$236,086, for the provision of adult day healthcare transportation through June 30, 2006.

29. Amendment to Agreement with City of Laguna Beach for Provision of ACCESS Services

Motion was made by Director Winterbottom, seconded by Director Cavecche, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-3-0198 between the Orange County Transportation Authority and the City of Laguna Beach, to increase the maximum obligation in an amount not to exceed \$63,400.
- B. Modify the Same Day Non-ADA Taxi Operating Plan, approved by the Board of Directors on November 24, 2005, to increase the maximum number of daily trips by six to allow the City of Laguna Beach to participate in this demonstration program under Agreement C-3-0198.

Regular Calendar

30. Central County Corridor Study Findings and Recommendations

Paul Taylor, Executive Director, Planning, Development, and Commuter Services, went through a PowerPoint presentation for the Board regarding this study and the Committee's recommendations. Mr. Taylor provided an overview of polling data, and support/opposition information.

Public comment was heard from Judy Edge of Santa Ana. The Board advised her that they would look into her concerns regarding bus stops.

Director Brewer inquired as to who has responsibility for establishing the location of bus stops, and was advised that this is a joint effort between OCTA and the individual cities.

Directors Brewer and Correa asked that the left turn into the Hutton Center be assessed as well as bus stop locations, and Director Pulido offered that the City of Santa Ana would assist in this, as well.

Director Monahan provided Members with a copy of a resolution passed by the City of Costa Mesa which expressed support for the extension of the State Route (SR) 57 Freeway south to Interstate 405.

Director Cavecche, who chairs the Central County Corridor Study Committee, summarized the outreach that was performed regarding the SR-57 extension.

Director Pringle added that the area involved is a densely populated area and needs to be carefully studied. He also confirmed with staff that \$1 million is the total cost for this analysis.

Motion was made by Director Winterbottom, seconded by Director Norby, and declared passed by those present, to approve staff findings and recommendations as presented without the Orange Freeway (State Route 57) extension south of the San Diego Freeway (Interstate 405) to Pacific Coast Highway and prioritize the State Route 57 for an early decision. Motion included direction from the Board to proceed with a Major Investment Study.

Directors Correa, Green, Silva, and Pulido voted in opposition of this recommendation.

31. Rapid Transit Options Selection

Chief Executive Officer (CEO), Arthur T. Leahy, gave opening comments regarding the effort staff has put into these options coming before the Board at this time and the attempt to incorporate the Committee's direction with other Members' requests for further information.

Vice Chairman Brown indicated this item would be for information only today, and no action would be taken. The item will be referred back to the Transit Planning and Operations Committee for future action. Vice Chairman Brown invited Members to discuss and offer their opinions and comments to staff.

Paul Taylor, Executive Director, Planning, Development, and Commuter Services, recapped for the Board what the rapid transit options are and the work by the Transit Planning and Operations Committee. He further outlined the aspects of each option presented.

Public comment was heard from Hamid Bahadori, representing the Automobile Club of Southern California, who stated their organization supports the Transit Planning and Operations Committee recommendations with some exceptions.

Public comment was heard from Roy Shahbazian, of Orange, who stated that travel times should be reduced, and perhaps this study will assist.

Director Pulido requested that staff analyze the residual value for the various options, as he feels it is important to have lasting value put on these potential choices.

Director Cavecche requested that staff look at the bus turn-out program for the County and signal synchronization.

Discussion followed; no action was taken at this time, and the item was referred back to the Transit Planning and Operations Committee for any future action.

Other Matters

32. Chief Executive Officer's Report

CEO, Arthur T. Leahy, informed Members:

- √ That he is traveling to Sacramento later today to meet with Caltrans Director, Will Kempton.
- √ The Metrolink Birthday Event is Saturday, April 30, and encouraged them to attend.
- √ The State Route 22 project is on-schedule and on-budget.

33. Directors' Reports

Director Norby expressed his appreciation to his Executive Assistant, Jessica Cawthron, for her work getting the orange M candy samples (as a reminder of the efforts underway for Measure M extension) ordered and prepared for today's meeting.

Director Dixon inquired if Robert's Rules were going to be adopted for the protocol for OCTA Committee and Board meetings. General Counsel, Kennard R. Smart, Jr., stated that they will be used as a guideline. He added that the Administrative Code, approved by the Board at the April 11, 2005, Board meeting did not include the adoption of these rules of order.

Director Ritschel advised that two of OCTA's bills were passed out of Legislative Committees in Sacramento last week.

Vice Chairman Brown asked staff to analyze assuming responsibility for State Route 39 from Caltrans.

34. Public Comments

At this time, Vice Chairman Brown inquired if any members of the public wished to address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors.

No requests to address the Board were received.

35. Closed Session

A Closed Session was held pursuant to Government Code Section 54956.8 to discuss the sale of real property interests to the City of Anaheim. The negotiator for OCTA was Min Saysay, and the negotiator for the City of Anaheim was Clare Fletcher.

Directors Brewer, Norby, and Silva did not participate in the Closed Session.

36. Adjournment

The meeting was adjourned at 12:20 p.m. Vice Chairman Brown announced that the next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSAAV Board will be held at **9:00 a.m. on May 9, 2005**, 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 Vice Chairman

BOARD COMMITTEE TRANSMITTAL



May 9, 2005

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

This item will be considered by the Legislative and Government Affairs/Public Communications Committee on May 5, 2005. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

Please call me if you have any comments or questions concerning this correspondence. I can be reached at (714) 560-5676.



May 5, 2005

To: Legislative and Government Affairs/Public Communications Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: State Legislative Status Report

Overview

The California Legislature is focusing on design-build legislative proposals as a means of expediting infrastructure projects.

Recommendation

Adopt proposed policy on design-build that supports legislation authorizing the use of the design-build process without limiting the type of funding that can be used on the project.

Discussion

Sloat Higgins Jensen and Associates' Sacramento Report

Chris Kahn's monthly report from the State Capitol (Attachment A) provides an overview of design-build legislation, an update on the Bay Bridge, a recap of the Orange County Transportation Authority (OCTA) legislative day in Sacramento, and a status report on OCTA sponsor legislation.

Proposed Policy on Design-Build Legislation

The California Legislature is currently considering several pieces of legislation that would authorize various local, regional, and state entities to construct infrastructure projects and public facilities using the design-build process. Under design-build, a single contract is let for the design and construction of a project. This process often results in significant timesavings due to increased coordination between the design and construction aspects of the project and the ability to begin construction as phases of the design are complete.

OCTA currently has authority to use design-build on transit systems and facilities including transitways. This authority is being used on the Garden Grove Freeway (State Route 22) project. Pending legislative proposals could authorize OCTA to use design-build procurement on highway projects; however, this authority could not be used absent additional statutory authority to permit OCTA to work on state highways. This authority to work on state highways is available to other regional transportation agencies including the Santa Clara Valley Transportation Authority.

The OCTA Board of Directors has taken a support position on SB 705 (Runner, R-Palmdale) (Attachment B), a measure that would authorize the California Department of Transportation (Caltrans) to use design-build on highway construction projects. There are at least two measures that provide similar authority for local and regional transportation agencies. One measure is SB 371 (Torlakson, D-Antioch) (Attachment C) which would authorize local and regional transportation agencies to use design-build for highway, bridge, tunnel, and public transit projects. SB 371 would also authorize Caltrans to use design-build for highway, bridge, and tunnel projects. The design-build authority under SB 371 would expire January 1, 2011.

SB 705 has been held in the Senate Transportation Committee. Senators Torlakson and Runner have agreed to jointly author a comprehensive design-build proposal using SB 371 as the vehicle. SB 371 was amended on April 26, 2005, adding Senator Runner as co-author.

Another measure is AB 1699 (Frommer, D-Glendale) (Attachment D). This measure would enact a demonstration project to permit Caltrans and local and regional transportation agencies with a locally enacted sales tax, commonly referred to as self-help agencies, to use design-build on eight high occupancy toll (HOT) lane highway projects throughout the state. Each HOT lane project must have a minimum cost of \$25 million. The design-build authority under AB 1699 would expire January 1, 2015.

A controversial provision being considered for inclusion in these design-build legislative proposals is language requiring the transportation agency to implement a labor compliance program or enter into a collective bargaining agreement that bind all of the contractors working on the project, known as a project labor agreement (PLA). The labor compliance program would require, among other things, a prejob bid conference to discuss applicable federal and state labor requirements, maintaining and furnishing certified weekly payroll, and auditing payroll records.

This labor compliance program option so often involves additional layers of bureaucracy and cost such that it can be less onerous to use a PLA. The use of a PLA, however, comes with its own set of problems. The most serious of which is the loss of federal funds for projects that require a PLA. Executive Order 13202 (Attachment E), signed by President George W. Bush on February 17, 2001, denies federal funds to awarding bodies that either require or prohibit contractors from entering into PLAs.

Design-build can provide regional transportation agencies with the flexibility required to expedite project delivery. Current legislative proposals, however, may significantly decrease funding for this procurement method because of the PLA provisions. Staff recommends the OCTA Board of Directors adopt a policy position that supports design-build legislative proposals that do not limit the type of funding that can be used on the project.

Per the request of the Committee, the Legislative Matrix (Attachment F) has been updated to include priority bills being monitored by staff.

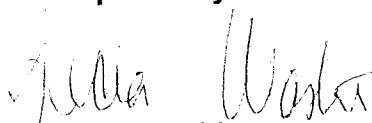
Summary

Design-build is a procurement method that can be extremely beneficial for infrastructure projects as long as the design-build contract provisions do not limit the type of funding that can be used on the project.

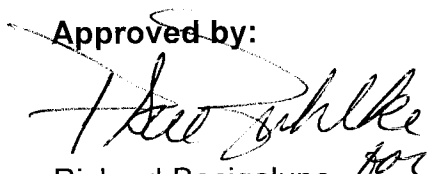
Attachments

- A. Sloat Higgins Jensen and Associates' Sacramento Report
- B. SB 705 (Runner, R-Palmdale)
- C. SB 371 (Torlakson, D-Antioch)
- D. AB 1699 (Frommer, D-Glendale)
- E. Executive Order 13202
- F. Legislative Matrix

Prepared by:


Kecia Washington
Senior Government Relations
Representative
(714) 560-5595

Approved by:


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



MEMORANDUM

TO: OCTA Board of Directors

FROM: Kevin Sloat
Chris Kahn
Sloat Higgins Jensen & Associates

RE: Sacramento Report

DATE: April 25, 2005

Design Build Legislation

Last week, the Senate Transportation Committee moved a vehicle forward aimed at authorizing Caltrans or a local or regional transportation agency to use design-build contracts. As you know, OCTA has an approved support position on SB 705 (Runner, R-Palmdale). Senator Torlakson and Senator Runner agreed to amend SB 371 to an intent bill, add Runner as a dual author, and keep SB 705 in Committee. Some Committee members expressed interest in limiting the amount of projects that could go forward as design-build projects. Other members expressed both support and opposition to mandating a labor compliance program in any design-build project. OCTA continues to express concern with this requirement, given the fact such a requirement could jeopardize federal funds. We expect to be involved with the language as the bill continues through the legislative process.

Bay Bridge

State Senate Leader Don Perata (D-San Francisco) announced plans for a \$7.7 billion bond measure to pay for Bay Bridge cost overruns, as well as pay outstanding transportation fund loans and provide funding for port projects and levees. Perata's proposal would provide \$2.3 billion to repay transportation loans, \$1 billion for levee projects, and \$2.5 billion for the ports. The port money would be divided with \$2 billion going to goods movement, \$400 million to reduce air pollution, and \$100 million for port security.

Plans were also announced for legislation by Senator Tom Torlakson (D-Antioch) that authorizes a one dollar toll increase to pay for Bay Bridge cost overruns. According to recent conversations with Caltrans Director Will Kempton, Bay Bridge cost overruns are growing by \$400,000 per day.

OCTA Legislative Day:

Design-build legislation and cost overruns on the Bay Bridge were major topics of discussion for our annual legislative days held earlier this month. We met with the Governor's office; Speaker Nunez; Republican leaders Ackerman and McCarthy; Senator Perata's lead negotiator on the Bay Bridge; the Chair and Vice Chair of the Assembly Budget Committee; the Chair of the Assembly Transportation Committee; and the Secretary of the Labor and Workforce Development Agency. We also had a productive reception and dinner with most of the members of the Orange County delegation.

The feedback we have received is that the meetings were very productive in highlighting the SR-22 project. It was clear to those we met with that the project has the potential to be a demonstration project for what design-build can accomplish. The Governor's office is using our legislative days as a model for other transportation agencies as a productive way to lobby on issues like design-build and bolster Southern California's position on the Bay Bridge issue.

Sponsored Legislation

Two of our sponsored bills passed the Assembly Transportation Committee last week.

AB 267 (Daucher): would clarify Legislature's intent to provide full reimbursement to agencies that use local funds to advance STIP projects without time limits.

AB 462 (Tran): authorizes Caltrans to review and approve disability accessibility standards for projects located in the state highway system rights-of-way.

Our third sponsored bill is scheduled to be heard today in the Assembly Transportation Committee.

AB 1173 (Tran): extends the initial operating segment of the California high-speed train to Anaheim.

Budget

The Governor's May Revise will be released on May 13. Based on numerous discussions with the Administration, we hope to see dramatic improvements for transportation funding from the Governor's January budget. It is clear that Legislators from both sides of the aisle would like to avert or minimize a Proposition 42 suspension as well.

SENATE BILL

No. 705

Introduced by Senator Runner

(Coauthors: Assembly Members Benoit and Sharon Runner)

February 22, 2005

An act to add Article 8 (commencing with Section 228) to Chapter 1 of Division 1 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 705, as introduced, Runner. Design-build contracts.

Existing law makes the Department of Transportation responsible for improving and maintaining the state highway system. Under existing law, until January 1, 2010, the department is authorized to utilize design-sequencing as an alternative contracting method for the design and construction of not more than 12 transportation projects, as defined.

This bill would authorize the department to contract using the design-build process, as defined, for the design and construction of transportation projects. The bill would require the director of the department to establish a prequalification and selection process. Because the bill would make it a crime for a person to certify as true any fact on the declaration known by him or her to be false, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares the
2 following:

3 (a) Various public agencies throughout the country have been
4 considering, and in some cases experimenting with, innovative
5 contracting practices for public works with the goal of improving
6 and reducing the cost of the public works contract process and
7 reducing highway user delays, to the benefit of the public
8 interest.

9 (b) The Federal Highway Administration has established an
10 experimental project for the purpose of evaluating certain
11 innovative contracting practices, including the use of
12 design-build contracts, and has provided funding for the
13 documentation, evaluation, and reporting of these activities.

14 SEC. 2. Article 8 (commencing with Section 228) is added to
15 Chapter 1 of Division 1 of the Streets and Highways Code, to
16 read:

17

18 Article 8. Design-Build Contracting Program

19

20 228. Notwithstanding any provision of the Public Contract
21 Code or any other provision of law, the department may let
22 design-build contracts for the design and construction of
23 transportation projects selected by the director. For the purpose
24 of this article, these projects shall be deemed public works.

25 228.1. The following definitions apply for purposes of this
26 article:

27 (a) "Best value" means a value determined by objective
28 criteria and may include, but is not limited to, price, features,
29 functions, life-cycle costs, and other criteria deemed appropriate
30 by the department.

31 (b) "Design-build" means a procurement process in which
32 both the design and construction of a project are procured from a
33 single entity.

34 (c) "Design-build entity" means a partnership, corporation, or
35 other legal entity that is able to provide appropriately licensed
36 contracting, architectural, and engineering services as needed.

1 228.2. Prior to contracting for the procurement of state
2 transportation projects, the director shall take all of the following
3 actions:

4 (a) Prepare a program setting forth the scope of the project that
5 may include, but is not limited to, the size, type, and desired
6 design character of the transportation project and site and
7 performance specifications covering the quality of materials,
8 equipment, and workmanship, or any other information deemed
9 necessary to describe adequately the state's needs. The
10 performance specifications shall be prepared by a design
11 professional licensed and registered in the State of California.

12 (b) (1) Establish a competitive prequalification and selection
13 process for design-build entities, including any subcontractors
14 listed at the time of bid, that clearly specifies the prequalification
15 criteria and the manner in which the winning entity will be
16 selected.

17 (2) Prequalification shall be limited to the following criteria:

18 (A) Possession of all required licenses, registration, and
19 credentials in good standing that are required to design and
20 construct the project.

21 (B) Submission of evidence that establishes that the
22 design-build entity members have completed, or demonstrated
23 the capability to complete, projects of similar size, scope, or
24 complexity and that proposed key personnel have sufficient
25 experience and training to competently manage and complete the
26 design and construction of the project.

27 (C) Submission of a proposed project management plan that
28 establishes that the design-build entity has the experience,
29 competence, and capacity needed to effectively complete the
30 project.

31 (D) Submission of evidence that establishes that the
32 design-build entity has the capacity to obtain all required
33 payment and performance bonding, liability insurance, and errors
34 and omissions insurance.

35 (E) Submission of a financial statement that assures the
36 department that the design-build entity has the capacity to
37 complete the project.

38 (F) Provision of a declaration certifying that the design-build
39 entity members have not had a surety company finish work on
40 any project within the last five years.

1 (G) Provision of information and a declaration providing
2 details concerning all of the following:

3 (i) Any settlement or judgment in a construction or design
4 claim or litigation totaling more than five hundred thousand
5 dollars (\$500,000) or 5 percent of the annual value of work
6 performed, whichever is less, against any member of the
7 design-build entity within the last five years.

8 (ii) Any serious violation of the Occupational Safety and
9 Health Act, as provided in Part 1 (commencing with Section
10 6300) of Division 5 of the Labor Code, committed by any
11 member of the design-build entity.

12 (iii) Any violation of federal or state law, including, but not
13 limited to, those laws governing the payment of wages or
14 benefits or personal income tax, Federal Insurance Contributions
15 Act withholding, or state disability insurance withholding or
16 unemployment insurance payment requirements against any
17 member of the design-build entity within the last five years. For
18 the purposes of this clause, only violations committed by a
19 design-build member as an employer shall be included in the
20 declaration. A violation by a subcontractor of the provisions of
21 subdivision (b) of Section 1775 of the Labor Code shall be
22 included in the declaration if the design-build member had
23 knowledge of the violation.

24 (iv) Any violations of the Contractors' State License Law
25 (Chapter 9 (commencing with Section 7000) of Division 3 of the
26 Business and Professions Code), excluding complaints the
27 registrar found unsubstantiated.

28 (v) Any conviction of any member of the design-build entity
29 for submitting a false or fraudulent claim to a public agency over
30 the last five years.

31 (H) Submission of the questionnaire required by Section
32 10162 of the Public Contract Code under penalty of perjury.

33 (I) Provision of a declaration that the design-build entity will
34 comply with all other provisions of law applicable to the project,
35 including, but not limited to, the requirements of Chapter 1
36 (commencing with Section 1720) of Part 7 of Division 2 of the
37 Labor Code.

38 (3) Any declaration required under paragraph (2) shall state
39 that reasonable diligence has been used in its preparation and that
40 it is true and complete to the best of the signer's knowledge. A

1 person who certifies as true any material matter that he or she
2 knows to be false is guilty of a misdemeanor and shall be
3 punished by not more than one year in a county jail, by a fine of
4 not more than five thousand dollars (\$5,000), or by both the fine
5 and imprisonment.

6 228.3. (a) The department, in each design-build request for
7 proposal, may identify types of subcontractors by subcontractor
8 license classification, that will be listed by the design-build entity
9 at the time of the bid. In selecting the subcontractors that will be
10 listed by the design-build entity, the department shall limit the
11 identification to only those license classifications deemed
12 essential for proper completion of the project. The department
13 shall not specify more than five licensed subcontractor
14 classifications.

15 (b) At its discretion, the design-build entity may list an
16 additional two subcontractors, identified by subcontractor license
17 classification, that will perform design or construction work, or
18 both, on the project. The design-build entity shall not list at the
19 time of bid, a total of more than seven subcontractor license
20 classifications on a project.

21 (c) All subcontractors that are listed at the time of bid shall be
22 afforded all of the protection contained in Chapter 4
23 (commencing with Section 4100) of Part 1 of Division 2 of the
24 Public Contract Code.

25 228.4. (a) All subcontracts that are not to be performed by the
26 design-build entity shall be competitively bid and awarded by the
27 design-build entity, in accordance with the design-build process
28 set forth by the department in the design-build package.

29 (b) The design-build entity shall do all of the following in
30 bidding and awarding the subcontractors:

31 (1) Provide public notice of the availability of work to be
32 subcontracted in accordance with Section 10140 of the Public
33 Contract Code.

34 (2) Provide a fixed date and time at which the subcontracted
35 work will be awarded in accordance with Section 10141 of the
36 Public Contract Code.

37 (3) As authorized by the department, establish reasonable
38 prequalification criteria and standards, limited in scope to those
39 described in Section 228.2.

1 (4) Provide that the subcontracted work shall be awarded to
2 the lowest responsible bidder.

3 228.5. The department shall establish technical criteria and
4 methodology, including price, to evaluate proposals and shall
5 describe the criteria and methodology in the request for
6 design-build proposals. The award shall be made to the
7 design-build entity whose proposal is judged as providing the
8 best value in meeting the interest of the department and meeting
9 the objectives of the project.

10 228.6. (a) Any design-build entity that is selected to design
11 and build a project pursuant to this section shall possess or obtain
12 sufficient bonding as required by applicable provisions of the
13 Public Contract Code or the California Toll Bridge Authority Act
14 (Chapter 1 (commencing with Section 30000) of Division 17).
15 Nothing in this section shall prohibit a general or engineering
16 contractor from being designated the lead entity on a
17 design-build entity for the purposes of purchasing necessary
18 bonding to cover the activities of the design-build entity.

19 (b) Any payment or performance bond written for the
20 purposes of this section shall use a bond form developed by the
21 Department of General Services. In developing the bond form,
22 the department shall consult with the surety industry to achieve a
23 bond form that is consistent with surety industry standards, while
24 protecting the interests of the state.

25 SEC. 3. No reimbursement is required by this act pursuant to
26 Section 6 of Article XIII B of the California Constitution because
27 the only costs that may be incurred by a local agency or school
28 district will be incurred because this act creates a new crime or
29 infraction, eliminates a crime or infraction, or changes the
30 penalty for a crime or infraction, within the meaning of Section
31 17556 of the Government Code, or changes the definition of a
32 crime within the meaning of Section 6 of Article XIII B of the
33 California Constitution.

O

AMENDED IN SENATE APRIL 26, 2005

AMENDED IN SENATE MARCH 29, 2005

SENATE BILL

No. 371

Introduced by ~~Senator Torlakson~~ *Senators Torlakson and Runner*

February 17, 2005

An act to add and repeal Article 6.9 (commencing with Section 20209.20) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 371, as amended, Torlakson. Public contracts: design-build contracting: transportation entities.

(1) Existing law sets forth requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law also authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis. Existing law, until January 1, 2007, authorizes transit operators to enter into a design-build contract, as defined, according to specified procedures.

This bill would authorize, until January 1, 2011, certain state and local transportation entities to use a design-build process for bidding on highway construction projects, as specified. This bill would establish a procedure for submitting bids that includes a requirement that design-build entity bidders provide certain information in a questionnaire submitted to the transportation entity that is verified under oath. Because a verification under oath is made under penalty of perjury, the bill would, by requiring a verification, create a new crime and thereby impose a state-mandated local program. The bill would

require these transportation entities to report to the Legislature regarding implementation of the design-build process. *This bill would also state the intent of the Legislature that a transportation entity implement a labor compliance program for design-build projects.*

(2) This bill would require the Legislative Analyst to conduct a preproject and postproject audit of each project and to compare them to similar design-bid-build or design sequencing projects and report the results to the Legislature, as provided.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Article 6.9 (commencing with Section
2 20209.20) is added to Chapter 1 of Part 3 of Division 2 of the
3 Public Contract Code, to read:

4

5 Article 6.9. Transportation Design-Build Contracts

6

7 20209.20. The Legislature finds and declares all of the
8 following:

9 (a) It is the intent of the Legislature, in enacting this article, to:

10 (1) Demonstrate an alternative and optional procedure for
11 bidding on highway, bridge, tunnel, or public transit construction
12 projects in the jurisdiction of any county, any local transportation
13 authority designated pursuant to Division 19 (commencing with
14 Section 180000) of the Public Utilities Code, or any local or
15 regional transportation entity that is designated by statute as a
16 regional transportation agency.

17 (2) Authorize the Department of Transportation to
18 demonstrate an alternative bidding procedure for highway,
19 bridge, or tunnel projects on the state highway system.

20 (b) (1) Transportation entities should be able to utilize
21 cost-effective options for delivery of highway projects, in

1 accordance with the national trend, that includes authorizing
2 public entities to utilize design-build contracts as a project
3 delivery method.

4 (2) Utilizing a design-build contract requires a clear
5 understanding of the roles and responsibilities of each participant
6 in the design-build process. The benefits of a design-build
7 contract project delivery system include an accelerated
8 completion of the projects, cost containment, reduction of
9 construction complexity, and reduced exposure to risk for the
10 transportation entity.

11 (3) This approach toward the design-build project delivery
12 method should be evaluated for the purposes of exploring the
13 potential for reduced project costs, expedited project completion,
14 or design features not achievable through the design-bid-build
15 method.

16 (c) For the purposes of this demonstration, it is important to
17 select projects for which funding has been identified or
18 programmed and are ready or are near ready for construction. It
19 is also important to select projects that range in cost for the
20 demonstration program.

21 (d) These projects are subject to the existing process under the
22 state transportation improvement program (Chapter 2
23 (commencing with Section 14520) of Part 5.3 of Division 3 of
24 the Government Code) for planning, programming,
25 environmental clearance, and funding. Projects that are
26 ultimately chosen for demonstration of the design-build
27 collaboration project delivery method under this article shall
28 comply with all existing requirements under the state
29 transportation improvement program for project development
30 and funding. This article does not confer any type of competitive
31 advantage upon the projects in this article, relative to other
32 projects subject to the state transportation improvement program,
33 during other phases of project development.

34 20209.22. For the purposes of this article, the following
35 definitions apply:

36 (a) "Best value" means a value determined by objective
37 criteria, including, but not limited to, price, features, functions,
38 life cycle costs, and other criteria deemed appropriate by the
39 transportation entity.

1 (b) “Design-build” means a procurement process in which
2 both the design and construction of a project are procured from a
3 single entity.

4 (c) “Design-build entity” means a partnership, corporation, or
5 other legal entity that is able to provide appropriately licensed
6 contracting, architectural, and engineering services as needed
7 pursuant to a design-build contract.

8 (d) “Department” means the Department of Transportation as
9 established under Part 5 (commencing with Section 14000) of
10 Division 3 of the Government Code.

11 (e) “Local transportation entity” means a transportation
12 authority designated pursuant to Division 19 (commencing with
13 Section 180000) of the Public Utilities Code and any other local
14 or regional transportation entity that is designated by statute as a
15 regional transportation agency.

16 (f) “Transportation entity” means the department and a local
17 transportation entity.

18 20209.23. (a) A local transportation entity may utilize the
19 design-build method of procurement for highway, bridge, tunnel,
20 or public transit projects within the jurisdiction of the entity.

21 (b) The department may utilize the design-build method of
22 procurement for highway, bridge, or tunnel projects.

23 ~~20209.24. A transportation entity shall implement for
24 design-build projects a labor compliance program as described in
25 Section 1771.5 of the Labor Code, or it shall contract with a third
26 party to implement on the entity’s behalf a labor compliance
27 program described in that statute. This requirement does not
28 apply to any project where the transportation entity or the
29 design-build entity has entered into any collective bargaining
30 agreement or agreements that bind all of the contractors
31 performing work on the projects.~~

32 *20209.24. It is the intent of the Legislature that a
33 transportation entity shall establish a labor compliance program
34 for design-build projects.*

35 20209.26. Bidding for design-build projects shall progress as
36 follows:

37 (a) The transportation entity shall prepare a set of documents
38 setting forth the scope of the project. The documents may
39 include, but need not be limited to, the size, type, and desired
40 design character of the project, performance specifications

1 covering the quality of materials, equipment, and workmanship,
2 preliminary plans, and any other information deemed necessary
3 to describe adequately the transportation entity's needs. The
4 performance specifications and any plans shall be prepared by a
5 design professional who is duly licensed and registered in
6 California.

7 (b) Based on the documents prepared under subdivision (a),
8 the transportation entity shall prepare a request for proposals that
9 invites interested parties to submit competitive sealed proposals
10 in the manner prescribed by the transportation entity. The request
11 for proposals shall include, but need not be limited to, the
12 following elements:

13 (1) Identification of the basic scope and needs of the project or
14 contract, the expected cost range, the methodology that will be
15 used by the transportation entity to evaluate proposals, whether
16 the contract will be awarded to the lowest responsible bidder, and
17 any other information deemed necessary by the transportation
18 entity to inform interested parties of the contracting opportunity.

19 (2) Significant factors that the transportation entity reasonably
20 expects to consider in evaluating proposals, including, but not
21 limited to, cost or price and all nonprice related factors.

22 (3) The relative importance of the weight assigned to each of
23 the factors identified in the request for proposals.

24 (4) If a nonweighted system is used, the transportation entity
25 shall specifically disclose whether all evaluation factors other
26 than cost or price when combined are any of the following:

27 (A) Significantly more important than cost or price.

28 (B) Approximately equal in importance to cost or price.

29 (C) Significantly less important than cost or price.

30 (5) If the transportation entity reserves the right to hold
31 discussions or negotiations with responsive bidders, it shall so
32 specify in the request for proposals and shall publish separately
33 or incorporate into the request for proposals applicable rules and
34 procedures to be observed by the transportation entity to ensure
35 that any discussions or negotiations are conducted in good faith.

36 (c) (1) The transportation entity shall establish a procedure to
37 prequalify design-build entities using a standard questionnaire
38 prepared by the transportation entity. In preparing the
39 questionnaire, the transportation entity shall consult with the
40 construction industry, including, but not limited to,

1 representatives of the building trades and surety industry. This
2 questionnaire shall require information including, but not limited
3 to, all of the following:

4 (A) If the design-build entity is a partnership, limited
5 partnership, or other association, a listing of all of the partners,
6 general partners, or association members known at the time of
7 bid submission who will participate in the design-build contract.

8 (B) (i) Evidence that the lead member of the design-build
9 entity has completed a state highway project in California with a
10 value of at least fifty million dollars (\$50,000,000) in the past 10
11 years.

12 (ii) Evidence that the members of the design-build entity have
13 completed, or demonstrated the experience, competency,
14 capability, and capacity to complete projects of similar size,
15 scope, or complexity, and that proposed key personnel have
16 sufficient experience and training to competently manage and
17 complete the design and construction of the project, and a
18 financial statement that assures the transportation entity that the
19 design-build entity has the capacity to complete the project.

20 (C) The licenses, registration, and credentials required to
21 design and construct the project, including, but not limited to,
22 information on the revocation or suspension of any license,
23 credential, or registration.

24 (D) Evidence that establishes that the design-build entity has
25 the capacity to obtain all required payment and performance
26 bonding, liability insurance, and errors and omissions insurance.

27 (E) Information concerning workers' compensation experience
28 history and a worker safety program.

29 (F) A full disclosure regarding all of the following that are
30 applicable:

31 (i) Any serious or willful violation of Part 1 (commencing
32 with Section 6300) of Division 5 of the Labor Code or the federal
33 Occupational Safety and Health Act of 1970 (Public Law
34 91-596), settled against any member of the design-build entity.

35 (ii) Any debarment, disqualification, or removal from a
36 federal, state, or local government public works project.

37 (iii) Any instance where the design-build entity, or its owners,
38 officers, or managing employees submitted a bid on a public
39 works project and were found to be nonresponsive, or were found
40 by an awarding body not to be a responsible bidder.

1 (iv) Any instance where the design-build entity, or its owners,
2 officers, or managing employees defaulted on a construction
3 contract.

4 (v) Any violations of the Contractors' State License Law, as
5 described in Chapter 9 (commencing with Section 7000) of
6 Division 3 of the Business and Professions Code, excluding
7 alleged violations of federal or state law regarding the payment
8 of wages, benefits, apprenticeship requirements, or personal
9 income tax withholding, or Federal Insurance Contribution Act
10 (FICA) withholding requirements settled against any member of
11 the design-build entity.

12 (vi) Any bankruptcy or receivership of any member of the
13 design-build entity, including, but not limited to, information
14 concerning any work completed by a surety.

15 (vii) Any settled adverse claims, disputes, or lawsuits between
16 the owner of a public works project and any member of the
17 design-build entity during the five years preceding submission of
18 a bid under this article, in which the claim, settlement, or
19 judgment exceeds fifty thousand dollars (\$50,000). Information
20 shall also be provided concerning any work completed by a
21 surety during this five-year period.

22 (G) In the case of a partnership or any association that is not a
23 legal entity, a copy of the agreement creating the partnership or
24 association that specifies that all partners or association members
25 agree to be fully liable for the performance under the
26 design-build contract.

27 (2) The information required under this subdivision shall be
28 verified under oath by the design-build entity and its members in
29 the manner in which civil pleadings in civil actions are verified.
30 Information required under this subdivision that is not a public
31 record under the California Public Records Act, as described in
32 Chapter 3.5 (commencing with Section 6250) of Division 7 of
33 Title 1 of the Government Code, shall not be open to public
34 inspection.

35 (d) The transportation entity shall establish a procedure for
36 final selection of the design-build entity. Selection shall be based
37 on either of the following criteria:

38 (1) A competitive bidding process resulting in lump-sum bids
39 by the prequalified design-build entities. Awards shall be made
40 to the lowest responsible bidder.

1 (2) A design-build competition based upon best value and
2 other criteria set forth in subdivision (b). The design-build
3 competition shall include the following elements:

4 (A) Competitive proposals shall be evaluated by using only
5 the criteria and selection procedures specifically identified in the
6 request for proposal. However, the following minimum factors
7 shall each represent at least 10 percent of the total weight of
8 consideration given to all criteria factors:

9 (i) Price.

10 (ii) Technical design and construction expertise.

11 (iii) Life cycle costs over 15 years or more.

12 ~~(iv) Skilled labor force availability, determined by the~~
13 ~~existence of an agreement with a registered apprenticeship~~
14 ~~program, which program has been approved by the California~~
15 ~~Apprenticeship Council.~~

16 ~~(v)~~

17 (iv) An acceptable safety record. A bidder's safety record shall
18 be deemed acceptable if its experience modification rate for the
19 most recent three-year period is an average of 1.00 or less, and its
20 average total recordable injury/illness rate and average lost work
21 rate for the most recent three-year period does not exceed the
22 applicable statistical standards for its business category or if the
23 bidder is a party to an alternative dispute resolution system as
24 provided for in Section 3201.5 of the Labor Code.

25 (B) When the evaluation is complete, the top three responsive
26 bidders shall be ranked sequentially from the most advantageous
27 to the least advantageous.

28 (C) The award of the contract shall be made to the responsible
29 bidder whose proposal is determined to be the most
30 advantageous.

31 (D) Notwithstanding any other provision of this code, upon
32 issuance of a contract award, the transportation entity shall
33 publicly announce its award, identifying the contractor to whom
34 the award is made, along with a written decision supporting its
35 contract award and stating the basis of the award. The notice of
36 award shall also include the transportation entity's second and
37 third ranked design-build entities.

38 (E) The written decision supporting the transportation entity's
39 contract award, described in subparagraph (D), and the contract

1 file shall provide sufficient information to satisfy an external
2 audit.

3 20209.27. (a) A firm that is hired or paid by a transportation
4 entity to perform prebid services for a project shall not bid or join
5 with another company to bid for that project's design-build
6 contract.

7 (b) For purposes of this article, prebid services include
8 preliminary engineering studies and other activities that lead to
9 the selection of a project alternative. These activities include, but
10 are not limited to, the following:

- 11 (1) Project geometric design.
- 12 (2) Earthwork calculations.
- 13 (3) Preparation of cross sections.
- 14 (4) Drainage design.
- 15 (5) Construction staging design.

16 20209.28. (a) Any design-build entity that is selected to
17 design and build a project under this article shall possess or
18 obtain sufficient bonding to cover the contract amount for
19 nondesign services, and errors and omission insurance coverage
20 sufficient to cover all design, engineering, and architectural
21 services provided in the contract. This section does not prohibit a
22 general or engineering contractor from being designated the lead
23 entity on a design-build project for the purposes of purchasing
24 necessary bonding to cover the activities of the design-build
25 entity.

26 (b) Any payment or performance bond written for the
27 purposes of this article shall be written using a bond form
28 developed by the Department of General Services under
29 subdivision (g) of Section 14661 of the Government Code.

30 20209.30. All bids by subcontractors bidding on contracts
31 under this article shall be subject to Chapter 4 (commencing with
32 Section 4100) of Part 1 of Division 2. The design-build entity
33 shall do both of the following:

34 (a) Provide public notice of the availability of work to be
35 subcontracted in accordance with the publication requirements
36 applicable to the competitive bidding process of the
37 transportation entity.

38 (b) Provide a fixed date and time on which the subcontracted
39 work will be awarded, which awards shall be made in accordance

1 with the procedure established under this article for awarding a
2 design-build contract.

3 20209.32. A deviation from the performance criteria and
4 standards established under subdivision (a) of Section 20209.26
5 shall not be authorized except by written consent of the
6 transportation entity.

7 20209.34. (a) A local transportation entity shall consult with
8 the department in identifying projects to be performed on the
9 state highway system.

10 (b) The department shall establish the parameters for the
11 extent of the participation of its employees under this article.

12 20209.36. Quality control inspection for the construction of
13 any project utilizing the design-build method of procurement
14 authorized by this article may not be performed by the
15 design-build contractor for the project.

16 20209.38. Nothing in this article affects, expands, alters, or
17 limits any rights or remedies otherwise available at law.

18 20209.40. (a) The retention proceeds withheld by a
19 transportation entity from a design-build entity shall not exceed 5
20 percent.

21 (b) The transportation entity shall not withhold retention from
22 payments to a design-build entity for actual costs incurred and
23 billed or design services, construction management services, or
24 where applicable, for completed operations and maintenance
25 services.

26 (c) In a contract between a design-build entity and a
27 subcontractor, and in a contract between a subcontractor and any
28 subcontractor thereunder, the percentage of the retention
29 proceeds withheld shall not exceed the percentage specified in
30 the contract between the transportation entity and the
31 design-build entity. If the design-build entity provides written
32 notice to any subcontractor who is not a member of the
33 design-build entity, prior to or at the time that the bid is
34 requested, that a bond may be required and the subcontractor
35 subsequently is unable or refuses to furnish a bond to the
36 design-build entity, then the design-build entity may withhold
37 retention proceeds in excess of the percentage specified in the
38 contract between the transportation entity and the design-build
39 entity from any payment made by the design-build entity to the
40 subcontractor.

1 (d) In accordance with applicable state law, the design-build
2 entity may be permitted to substitute securities in lieu of the
3 withholding from progress payments specified in subdivision (b).
4 These substitutions shall be made in accordance with Section
5 22300.

6 20209.42. Not later than three years after the design-build
7 contract is awarded, the transportation entity shall submit a
8 progress report to the Senate Committee on Transportation; and
9 the Assembly Committee on Transportation. The progress report
10 shall include, but shall not be limited to, all of the following
11 information:

12 (a) A description of the project.

13 (b) The estimated and actual project costs.

14 (c) The design-build entity that was awarded the project.

15 (d) A description of any written protests concerning any aspect
16 of the solicitation, bid, proposal, or award of the design-build
17 project, including, but not limited to, the resolution of the
18 protests.

19 (e) An assessment of the prequalification process and criteria.

20 (f) An assessment of the impact of limiting retention to 5
21 percent on the project, as required under Section 20209.40.

22 (g) A description of the labor compliance program required
23 under Section 20209.24 and an assessment of the impact of this
24 requirement on a project.

25 (h) A description of the method used to award the contract. If
26 best value was the method, the factors used to evaluate the bid
27 shall be described, including the weighting of each factor and an
28 assessment of the effectiveness of the methodology.

29 (i) An assessment of the impact that the “skilled labor force
30 availability” requirement imposed under clause (iv) of
31 subparagraph (A) of paragraph (2) of subdivision (d) of Section
32 20209.26 has had on the project.

33 (j) Recommendations regarding the most appropriate uses for
34 the design-build method of procurement.

35 20209.44. This article shall remain in effect only until
36 January 1, 2011, and as of that date is repealed.

37 SEC. 2. The Legislative Analyst shall conduct a preproject
38 and postproject audit of each project and compare them to similar
39 design-bid-build or design sequencing projects and report the
40 results to the Legislature. The Legislative Analyst shall deliver

1 each final report on a project to the Legislature after the project
2 has been in operation for five years.

3 SEC. 3. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIII B of the California Constitution because
5 the only costs that may be incurred by a local agency or school
6 district will be incurred because this act creates a new crime or
7 infraction, eliminates a crime or infraction, or changes the
8 penalty for a crime or infraction, within the meaning of Section
9 17556 of the Government Code, or changes the definition of a
10 crime within the meaning of Section 6 of Article XIII B of the
11 California Constitution.

O

AMENDED IN ASSEMBLY APRIL 21, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

ASSEMBLY BILL

No. 1699

Introduced by Assembly Member Frommer

February 22, 2005

An act to add *and repeal* Article 6.9 (commencing with Section 20209.20) ~~to~~ of Chapter 1 of Part 3 of Division 2 of the Public Contract Code, *and to add Section 149.7 to the Streets and Highways Code*, relating to ~~public contracts~~ *transportation*.

LEGISLATIVE COUNSEL'S DIGEST

AB 1699, as amended, Frommer. ~~Highway—Transportation:~~ *highway construction contracts: design-build projects: HOT lanes.*

(1) Existing law sets forth requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law also authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis.

~~This bill would state the intent of the Legislature to authorize certain transportation authorities to use a design-build process for bidding on one highway construction project within the jurisdiction of the applicable transportation authority.~~

This bill would authorize, until January 1, 2015, transportation agencies administering local voter-approved transportation sales tax measures to use a specified design-build process for bidding on a maximum of 8 state highway construction projects with a total cost of \$25,000,000 or more, with the projects to be selected by the California Transportation Commission.

The bill would require design-build entity bidders to provide certain information in a questionnaire submitted to the transportation agency that is verified under oath. Because a verification under oath is made under penalty of perjury, the bill would create a new crime and impose a state-mandated local program. The bill would require a report to the Legislature regarding implementation of the design-build process.

This bill would require the Bureau of State Audits to conduct a preproject and postproject audit of each project and to compare them to similar design-bid-build or design sequencing projects and report the results to the Legislature.

(2) Existing law authorizes the Department of Transportation or local agencies with respect to highways under their respective jurisdictions to designate certain lanes for exclusive use by high-occupancy vehicles (HOVs). Existing law also authorizes specified local agencies to conduct, administer, and operate a value pricing demonstration program in certain corridors, subject to various conditions and requirements, under which single-occupant vehicles may use designated HOV lanes at certain times of day upon obtaining a permit and paying a fee, otherwise known as a "high-occupancy toll (HOT) lane." Revenues from the fees are used for various transportation purposes.

This bill would authorize any transportation planning agency, or in counties with a county transportation commission or authority, that entity, to conduct a value pricing demonstration program in any state highway corridor with a HOV lane, subject to similar conditions and requirements.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

*Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.*

The people of the State of California do enact as follows:

1 ~~SECTION 1. Article 6.9 (commencing with Section~~
2 ~~20209.20) is added to Chapter 1 of Part 3 of Division 2 of the~~
3 ~~Public Contract Code, to read:~~

4 ~~SECTION 1. Article 6.9 (commencing with Section 20209.20)~~
5 ~~is added to Chapter 1 of Part 3 of Division 2 of the Public~~
6 ~~Contract Code, to read:~~

7
8 *Article 6.9. Transportation Design-Build Collaboration*
9 *Contracts*

10
11 ~~20209.20. The Legislature finds and declares all of the~~
12 ~~following:~~

13 ~~(a) It is the intent of the Legislature, in enacting this article, to~~
14 ~~demonstrate an alternative and optional procedure for bidding~~
15 ~~on eight state highway construction projects, each valued at~~
16 ~~more than twenty-five million dollars (\$25,000,000), to be~~
17 ~~nominated by self-help transportation agencies in counties where~~
18 ~~voters have approved increases in local sales taxes through local~~
19 ~~ballot measures focused on improving, among other things, the~~
20 ~~state highway system in those counties.~~

21 ~~(b) (1) Self-help transportation agencies should be able to~~
22 ~~utilize cost-effective options for delivery of highway projects, in~~
23 ~~accordance with the national trend, that includes authorizing~~
24 ~~public entities to utilize design-build contracts as a project~~
25 ~~delivery method.~~

26 ~~(2) Utilizing a design-build contract requires a clear~~
27 ~~understanding of the roles and responsibilities of each~~
28 ~~participant in the design-build process. The benefits of a~~
29 ~~design-build contract project delivery system include an~~
30 ~~accelerated completion of the projects, cost containment,~~
31 ~~reduction of construction complexity, and reduced exposure to~~
32 ~~risk for the transportation authority.~~

33 ~~(3) This approach toward the design-build project delivery~~
34 ~~method should be evaluated for the purposes of exploring the~~
35 ~~potential for reduced project costs, expedited project completion,~~
36 ~~or design features not achievable through the design-bid-build~~
37 ~~method. A pilot program will allow counties with voter-approved~~
38 ~~local transportation sales taxes to carefully examine the benefits~~

1 *and problems of design-build contracting on a limited number of*
2 *projects.*

3 *(c) For the purposes of this pilot program, project sponsors*
4 *will be required to provide at least 50 percent of funding from*
5 *local transportation sales tax measures, and to consult with the*
6 *Department of Transportation and receive approval of the*
7 *California Transportation Commission for the use of the*
8 *design-build procurement method. To preserve competition and*
9 *objectivity in transportation contracting, a competitive bid*
10 *process will be required.*

11 *(d) These projects are subject to the existing process under the*
12 *state transportation improvement program (Chapter 2*
13 *(commencing with Section 14520) of Part 5.3 of Division 3 of the*
14 *Government Code) for planning, programming, environmental*
15 *clearance, and funding. Projects that are either identified in this*
16 *article or ultimately chosen for demonstration of the design-build*
17 *collaboration project delivery method under this article must*
18 *comply with all existing requirements under the state*
19 *transportation improvement program for project development*
20 *and funding. This article shall not confer any type of competitive*
21 *advantage upon the projects in this article, relative to other*
22 *projects subject to the state transportation improvement*
23 *program, during other phases of project development.*

24 *20209.22. For the purposes of this article, the following*
25 *definitions apply:*

26 *(a) "Best value" means a value determined by objective*
27 *criteria, including, but not limited to, price, features, functions,*
28 *life cycle costs, and other criteria deemed appropriate by the*
29 *self-help transportation agency.*

30 *(b) "Design-build" means a procurement process in which*
31 *both the design and construction of a project are procured from*
32 *a single entity.*

33 *(c) "Design-build entity" means a partnership, corporation,*
34 *or other legal entity that is able to provide appropriately licensed*
35 *contracting, architectural, and engineering services as needed*
36 *pursuant to a design-build contract.*

37 *(d) "Self-help transportation agency" or "agency" means a*
38 *transportation agency that administers a transportation*
39 *transactions and use tax in a county where the tax has been*
40 *approved by the voters.*

1 (e) "Department" means the Department of Transportation.

2 20209.23. For the purposes of demonstrating the design-build
3 approach, self-help transportation state agencies may utilize the
4 design-build procurement method for a maximum of eight
5 highway construction projects, provided that each project has a
6 total cost of more than twenty-five million dollars (\$25,000,000).
7 Projects may be nominated by self-help transportation agencies
8 and the California Transportation Commission shall select not
9 more than eight projects from those nominated by the agencies.

10 20209.24. A self-help transportation agency shall implement
11 for design-build projects a labor compliance program as
12 described in Section 1771.5 of the Labor Code, or it shall
13 contract with a third party to implement on the agency's behalf a
14 labor compliance program subject to that statute. This
15 requirement does not apply to any project where the agency or
16 the design-build entity has entered into any collective bargaining
17 agreement or agreements that bind all of the contractors
18 performing work on the projects.

19 20209.26. Bidding for design-build highway projects shall
20 progress as follows:

21 (a) A self-help transportation agency shall prepare or cause to
22 be prepared, a set of documents setting forth the scope of the
23 project, as set forth in this subdivision. The documents may
24 include, but need not be limited to, the size, type, and desired
25 design character of the project, performance specifications
26 covering the quality of materials, equipment, and workmanship,
27 preliminary plans, and any other information deemed necessary
28 to describe adequately the agency's needs. The performance
29 specifications and any plans shall be prepared by any design
30 professional who is duly licensed and registered in California.
31 However, any preliminary engineering or project reports shall be
32 performed by professional engineers employed by the
33 department.

34 (b) Based on the documents prepared under subdivision (a),
35 the self-help transportation agency shall prepare a request for
36 qualifications that invites interested parties to submit
37 qualifications in the manner prescribed by the agency. The
38 request for qualifications shall include, but need not be limited
39 to, the following elements:

1 *(1) Identification of the basic scope and needs of the project or*
2 *contract, the expected cost range, the methodology that will be*
3 *used by the agency to evaluate qualifications, the process for*
4 *selecting from among prequalified parties the lowest responsible*
5 *bidder, and any other information deemed necessary by the*
6 *agency to inform interested parties of the contracting*
7 *opportunity.*

8 *(2) Significant factors that the agency reasonably expects to*
9 *consider in evaluating qualifications, including cost or price*
10 *lifecycle costs over 15 years or more, technical design and*
11 *construction expertise, skilled labor force availability, and all*
12 *other nonprice related factors. As used in this paragraph,*
13 *“skilled labor force availability” shall be determined by the*
14 *existence of an agreement with a registered apprenticeship*
15 *program, approved by the California Apprenticeship Council,*
16 *that has graduated at least one apprentice in each of the*
17 *preceding five years. This graduation requirement shall not*
18 *apply to programs providing apprenticeship training for any*
19 *craft that was first deemed by the Department of Labor and the*
20 *Department of Industrial Relations to be an apprenticeable craft*
21 *within the five years prior to the effective date of this article.*

22 *(3) The relative importance of the weight assigned to each of*
23 *the factors identified in the request for qualifications.*

24 *(4) If the agency reserves the right to hold discussions with*
25 *prequalified bidders, it shall so specify in the request for*
26 *qualifications and shall publish separately or incorporate into*
27 *the request for qualifications applicable rules and procedures to*
28 *be observed by the agency to ensure that any discussions or*
29 *negotiations are conducted in good faith.*

30 *(c) (1) In establishing the procedure to prequalify*
31 *design-build entities, the agency shall use a standard*
32 *questionnaire prepared by the agency. In preparing the*
33 *questionnaire, the agency shall consult with the construction*
34 *industry, including, but not limited to, representatives of the*
35 *building trades and surety industry. This questionnaire shall*
36 *require information including, but not limited to, all of the*
37 *following:*

38 *(A) If the design-build entity is a partnership, limited*
39 *partnership, or other association, a listing of all of the partners,*

1 *general partners, or association members known at the time of*
2 *bid submission who will participate in the design-build contract.*

3 *(B) (i) Evidence that the lead member of the design-build*
4 *entity has completed a state highway project in California with a*
5 *value of at least twenty-five million dollars (\$25,000,000) in the*
6 *past 10 years.*

7 *(ii) Evidence that the members of the design-build entity have*
8 *completed, or demonstrated the experience, competency,*
9 *capability, and capacity to complete projects of similar size,*
10 *scope, or complexity, and that proposed key personnel have*
11 *sufficient experience and training to competently manage and*
12 *complete the design and construction of the project, as well as a*
13 *financial statement that assures the agency that the design-build*
14 *entity has the capacity to complete the project.*

15 *(C) The licenses, registration, and credentials required to*
16 *design and construct the project, including, but not limited to,*
17 *information on the revocation or suspension of any license,*
18 *credential, or registration.*

19 *(D) Evidence that establishes that the design-build entity has*
20 *the capacity to obtain all required payment and performance*
21 *bonding, liability insurance, and errors and omissions insurance.*

22 *(E) Information concerning workers' compensation*
23 *experience history and a worker safety program.*

24 *(F) A full disclosure regarding all of the following that are*
25 *applicable:*

26 *(i) Any serious or willful violation of Part 1 (commencing with*
27 *Section 6300) of Division 5 of the Labor Code or the federal*
28 *Occupational Safety and Health Act of 1970 (Public Law*
29 *91-596), settled against any member of the design-build entity.*

30 *(ii) Any debarment, disqualification, or removal from a*
31 *federal, state, or local government public works project.*

32 *(iii) Any instance where the design-build entity, or its owners,*
33 *officers, or managing employees submitted a bid on a public*
34 *works project and were found to be nonresponsive, or were found*
35 *by an awarding body not to be a responsible bidder.*

36 *(iv) Any instance where the design-build entity, or its owners,*
37 *officers, or managing employees defaulted on a construction*
38 *contract.*

39 *(v) Any violations of the Contractors' State License Law, as*
40 *described in Chapter 9 (commencing with Section 7000) of*

1 *Division 3 of the Business and Professions Code, excluding*
2 *alleged violations of federal or state law regarding the payment*
3 *of wages, benefits, apprenticeship requirements, or personal*
4 *income tax withholding, or Federal Insurance Contribution Act*
5 *(FICA) withholding requirements settled against any member of*
6 *the design-build entity.*

7 *(vi) Any bankruptcy or receivership of any member of the*
8 *design-build entity, including, but not limited to, information*
9 *concerning any work completed by a surety.*

10 *(vii) Any settled adverse claims, disputes, or lawsuits between*
11 *the owner of a public works project and any member of the*
12 *design-build entity during the five years preceding submission of*
13 *a bid under this article, in which the claim, settlement, or*
14 *judgment exceeds fifty thousand dollars (\$50,000). Information*
15 *shall also be provided concerning any work completed by a*
16 *surety during this period.*

17 *(G) In the case of a partnership or any association that is not*
18 *a legal entity, a copy of the agreement creating the partnership*
19 *or association and specifying that all partners or association*
20 *members agree to be fully liable for the performance under the*
21 *design-build contract.*

22 *(H) Acceptable safety record. A bidder's safety record shall be*
23 *deemed acceptable if its experience modification rate for the*
24 *most recent three-year period is an average of 1.00 or less, and*
25 *its average total recordable injury/illness rate and average lost*
26 *work rate for the most recent three-year period does not exceed*
27 *the applicable statistical standards for its business category or if*
28 *the bidder is a party to an alternative dispute resolution system*
29 *as provided for in Section 3201.5 of the Labor Code.*

30 *(2) The information required under this subdivision shall be*
31 *verified under oath by the entity and its members in the manner*
32 *in which civil pleadings in civil actions are verified. Information*
33 *required under this subdivision that is not a public record under*
34 *the California Public Records Act, as described in Chapter 3.5*
35 *(commencing with Section 6250) of Division 7 of Title 1 of the*
36 *Government Code, shall not be open to public inspection.*

37 *(d) The agency shall establish a procedure for final selection*
38 *of the design-build entity in which selection shall be based upon*
39 *a competitive bidding process resulting in lump-sum bids by the*

1 *prequalified design-build entities. Awards shall be made to the*
2 *lowest responsible bidder.*

3 *(e) (1) Notwithstanding any other provision of this code, upon*
4 *issuance of a contract award, the agency shall publicly announce*
5 *its award, identifying the contractor to whom the award is made,*
6 *along with a written decision supporting its contract award and*
7 *stating the basis of the award. The notice of award shall also*
8 *include all prequalified design-build entities.*

9 *(2) The written decision supporting the agency's contract*
10 *award, described in paragraph (1), and the contract file shall*
11 *provide sufficient information to satisfy an external audit.*

12 *20209.27. (a) No firm that is hired or paid by the self-help*
13 *transportation agency to perform pre-bid services may bid or*
14 *join with another company to bid for the design-build contract.*

15 *(b) For purposes of this article, prebid services include*
16 *preliminary engineering studies and another other activities that*
17 *lead to the selection of a project alternative. These activities*
18 *encompass a variety of tasks, including, but not limited to, the*
19 *following activities:*

20 *(1) Project geometric design.*

21 *(2) Earthwork calculations.*

22 *(3) Preparation of cross sections.*

23 *(4) Drainage design.*

24 *(5) Construction staging design.*

25 *20209.28. (a) Any design-build entity that is selected to*
26 *design and build a project under this article shall possess or*
27 *obtain sufficient bonding to cover the contract amount for*
28 *nondesign services, and errors and omission insurance coverage*
29 *sufficient to cover all design, engineering, and architectural*
30 *services provided in the contract. This section does not prohibit a*
31 *general or engineering contractor from being designated the*
32 *lead entity on a design-build project for the purposes of*
33 *purchasing necessary bonding to cover the activities of the*
34 *design-build entity.*

35 *(b) Any payment or performance bond written for the purposes*
36 *of this article shall be written using a bond form developed by*
37 *the Department of General Services under subdivision (i) of*
38 *Section 14661 of the Government Code.*

39 *20209.30. All bids by subcontractors that were not listed by*
40 *the design-build entity in accordance with subparagraph (A) of*

1 *paragraph (1) of subdivision (c) of Section 20209.26 shall be*
2 *considered by the design-build entity in accordance with the*
3 *design-build process set forth by the self-help transportation*
4 *agency in the design-build package. All bids by subcontractors*
5 *bidding on contracts under this article shall be subject to*
6 *Chapter 4 (commencing with Section 4100) of Part 1 of Division*
7 *2. The design-build entity shall do both of the following:*

8 *(a) Provide public notice of the availability of work to be*
9 *subcontracted in accordance with the publication requirements*
10 *applicable to the competitive bidding process of the*
11 *transportation authority.*

12 *(b) Provide a fixed date and time on which the subcontracted*
13 *work will be awarded in accordance with the procedure*
14 *established under this article.*

15 *20209.32. A deviation from the performance criteria and*
16 *standards established under subdivision (a) of Section 20209.26*
17 *may not be authorized except by written consent of the self-help*
18 *transportation agency.*

19 *20209.34. (a) A self-help transportation agency shall consult*
20 *with the department in identifying appropriate design-build*
21 *demonstration projects to be constructed on the state highway*
22 *system that are described in this article.*

23 *(b) The department shall establish the parameters for the*
24 *extent of the participation of its employees in this demonstration*
25 *program.*

26 *(c) The department shall perform the construction inspection*
27 *for projects constructed under this article, including surveying*
28 *and testing the materials for each of the projects. All design*
29 *related documents shall be public records.*

30 *20209.36. Quality control inspection for the construction of*
31 *any project utilizing the design-build collaboration approach*
32 *authorized by this article shall be performed by employees of the*
33 *department.*

34 *20209.38. Nothing in this article affects, expands, alters, or*
35 *limits any rights or remedies otherwise available at law.*

36 *20209.40. (a) The retention proceeds withheld by a self-help*
37 *transportation agency from a design-build entity shall not exceed*
38 *5 percent.*

39 *(b) The self-help transportation agency shall not withhold*
40 *retention from payments to a design-build entity for actual costs*

1 incurred and billed or design services, construction management
2 services, or where applicable, for completed operations and
3 maintenance services.

4 (c) In a contract between a design-build entity and a
5 subcontractor, and in a contract between a subcontractor and
6 any subcontractor thereunder, the percentage of the retention
7 proceeds withheld may not exceed the percentage specified in the
8 contract between the self-help transportation agency and the
9 design-build entity. If the design-build entity provides written
10 notice to any subcontractor who is not a member of the
11 design-build entity, prior to or at the time that the bid is
12 requested, that a bond may be required and the subcontractor
13 subsequently is unable or refuses to furnish a bond to the
14 design-build entity, then the design-build entity may withhold
15 retention proceeds in excess of the percentage specified in the
16 contract between the self-help transportation agency and the
17 design-build entity from any payment made by the design-build
18 entity to the subcontractor.

19 (d) In accordance with the provisions of applicable state law,
20 the design-build entity may be permitted to substitute securities
21 in lieu of the withholding from progress payments specified in
22 subdivision (b). Substitutions shall be made in accordance with
23 Section 22300.

24 20209.42. Not later than three years after a design-build
25 contract is awarded, the self-help transportation agency shall
26 submit a progress report to the Senate Committee on
27 Transportation and Housing and the Assembly Committee on
28 Transportation. The progress report shall include, but shall not
29 be limited to, all of the following information:

30 (a) A description of the project.

31 (b) The estimated and actual project costs.

32 (c) The design-build entity that was awarded the project.

33 (d) A description of any written protests concerning any
34 aspect of the solicitation, bid, proposal, or award of the
35 design-build project, including, but not limited to, the resolution
36 of the protests.

37 (e) An assessment of the prequalification process and criteria.

38 (f) An assessment of the impact of limiting retention to 5
39 percent on the project, as required under Section 20209.40.

1 (g) A description of the labor force compliance program
2 required under Section 20209.24, and an assessment of the
3 impact on a project where compliance with that program is
4 required.

5 (h) A description of the method used to award the contract. If
6 best value was the method, the factors used to evaluate the bid
7 shall be described, including the weighting of each factor and an
8 assessment of the effectiveness of the methodology.

9 (i) An assessment of the project impact of the “skilled labor
10 force availability” requirement imposed under paragraph (2) of
11 subdivision (b) of Section 20209.26.

12 (j) Recommendations regarding the most appropriate uses for
13 the design-build collaborative approach.

14 20209.44. This article shall remain in effect only until
15 January 1, 2015, and as of that date is repealed, unless a later
16 enacted statute, that is enacted before January 1, 2015, deletes
17 or extends that date.

18 SEC. 2. Section 149.7 is added to the Streets and Highways
19 Code, to read:

20 149.7. (a) (1) Notwithstanding Sections 149 and 30800, and
21 Section 21655.5 of the Vehicle Code, a transportation planning
22 agency, or, in counties with a county transportation commission
23 or authority pursuant to Division 12 (commencing with Section
24 130000) of the Public Utilities Code, a county transportation
25 commission or authority, may conduct, administer, and operate a
26 value pricing program on any state highway corridor in its
27 jurisdiction with a high-occupancy vehicle lane, consistent with
28 this section and Section 21655.6 of the Vehicle Code. As used in
29 this section, “implementing entity” shall mean the transportation
30 planning agency or county transportation commission or
31 authority implementing the value pricing program.

32 (2) The implementing entity, under the circumstances
33 described in subdivision (b), may direct and authorize the entry
34 and use of those high-occupancy vehicle lanes by
35 single-occupant vehicles for a fee. The fee structure shall be
36 established from time to time by the implementing entity. The fee
37 shall be collected in a manner determined by the implementing
38 entity. A high-occupancy vehicle lane may only be operated as a
39 high-occupancy toll (HOT) lane during the hours that the lane is
40 otherwise restricted to use by high-occupancy vehicles.

1 **(b)** *Implementation of the program shall ensure that Level of*
2 *Service C, as measured by the most recent issue of the Highway*
3 *Capacity Manual, as adopted by the Transportation Research*
4 *Board, is maintained at all times in the high-occupancy vehicle*
5 *lanes, except that subject to a written agreement between the*
6 *department and the implementing entity that is based on*
7 *operating conditions of the high-occupancy vehicle lanes, Level*
8 *of Service D shall be permitted on the high-occupancy vehicle*
9 *lanes. If Level of Service D is permitted, the department and the*
10 *implementing entity shall evaluate the impacts of these levels of*
11 *service of the high-occupancy vehicle lanes, and indicate any*
12 *effects on the mixed-flow lanes. Continuance of Level of Service*
13 *D operating conditions shall be subject to the written agreement*
14 *between the department and the implementing entity.*
15 *Unrestricted access to the lanes by high-occupancy vehicles shall*
16 *be available at all times. At least annually, the department shall*
17 *audit the level of service during peak traffic hours and report the*
18 *results of that audit at meetings of the program management*
19 *team.*

20 **(c)** *Single-occupant vehicles that are certified or authorized by*
21 *the authority for entry into, and use of, the high-occupancy*
22 *vehicle lanes are exempt from Section 21655.5 of the Vehicle*
23 *Code, and the driver shall not be in violation of the Vehicle Code*
24 *because of that entry and use.*

25 **(d)** *The implementing entity shall carry out the program in*
26 *cooperation with the department pursuant to a cooperative*
27 *agreement that addresses all matters related to design,*
28 *construction, maintenance, and operation of state highway*
29 *system facilities in connection with the value pricing program.*
30 *With the assistance of the department, the implementing entity*
31 *shall establish appropriate traffic flow guidelines for the purpose*
32 *of ensuring optimal use of the express lanes by high-occupancy*
33 *vehicles without adversely affecting other traffic on the state*
34 *highway system.*

35 **(e)** *(1) Agreements between the implementing entity, the*
36 *department, and the Department of the California Highway*
37 *Patrol shall identify the respective obligations and liabilities of*
38 *those entities and assign them responsibilities relating to the*
39 *program. The agreements entered into pursuant to this section*
40 *shall be consistent with agreements between the department and*

1 *the United States Department of Transportation relating to this*
2 *program. The agreements shall include clear and concise*
3 *procedures for enforcement by the Department of the California*
4 *Highway Patrol of laws prohibiting the unauthorized use of the*
5 *high-occupancy vehicle lanes, which may include the use of*
6 *video enforcement. The agreements shall provide for*
7 *reimbursement of state agencies, from revenues generated by the*
8 *program, federal funds specifically allocated to the authority for*
9 *the program by the federal government, or other funding sources*
10 *that are not otherwise available to state agencies for*
11 *transportation-related projects, for costs incurred in connection*
12 *with the implementation or operation of the program.*

13 *(2) The revenues generated by the program shall be available*
14 *to the implementing entity for the direct expenses related to the*
15 *operation (including collection and enforcement), maintenance,*
16 *and administration of the program. The administrative costs of*
17 *the implementing entity, commission, or authority in the*
18 *operation of the program shall not exceed 3 percent of the*
19 *revenues.*

20 *(3) All remaining revenue generated by the demonstration*
21 *program shall be allocated pursuant to an expenditure plan*
22 *adopted biennially by the implementing entity for transportation*
23 *operations and capital purposes within the program area.*

24 *(f) Not later than three years after the implementing entity first*
25 *collects revenues from any project conducted in its jurisdiction*
26 *pursuant to this section, it shall submit a report to the*
27 *Legislature on its findings, conclusions, and recommendations*
28 *concerning the demonstration program. The report shall include*
29 *an analysis of the effect of the HOT lanes on adjacent mixed-flow*
30 *lanes and any comments submitted by the department and the*
31 *Department of the California Highway Patrol regarding*
32 *operation of the lanes.*

33 *(g) The authority of an implementing entity to conduct,*
34 *administer, and operate a value pricing high-occupancy vehicle*
35 *program on a transportation corridor pursuant to this section*
36 *shall terminate on that corridor 10 years after the implementing*
37 *entity first collects revenues from the HOT lane project on that*
38 *corridor. The implementing entity shall notify the department by*
39 *letter of the date that revenues are first collected on that*
40 *corridor.*

1 SEC. 3. *The Bureau of State Audits shall conduct a*
2 *pre-project and post-project audit of each design-build project*
3 *authorized pursuant to Article 6.9 (commencing with Section*
4 *20209.20) of Chapter 1 of Part 3 of Division 2 of the Public*
5 *Contracts Code and compare them to similar design-bid-build or*
6 *design sequencing projects and report the results to the*
7 *Legislature. The bureau's final report shall be delivered to the*
8 *Legislature after each of the projects has been complete for five*
9 *years.*

10 SEC. 4. *No reimbursement is required by this act pursuant to*
11 *Section 6 of Article XIII B of the California Constitution because*
12 *the only costs that may be incurred by a local agency or school*
13 *district will be incurred because this act creates a new crime or*
14 *infraction, eliminates a crime or infraction, or changes the*
15 *penalty for a crime or infraction, within the meaning of Section*
16 *17556 of the Government Code, or changes the definition of a*
17 *crime within the meaning of Section 6 of Article XIII B of the*
18 *California Constitution.*

19 ~~Article 6.9. Transportation Authority Design-Build~~
20 ~~Collaboration Contracts~~

21
22 ~~20209.20. The Legislature finds and declares all of the~~
23 ~~following:~~

24 ~~(a) It is the intent of the Legislature, in enacting this article, to~~
25 ~~demonstrate an alternative and optional procedure for bidding on~~
26 ~~one highway construction project each in the jurisdiction of any~~
27 ~~transportation authority established in the County of San Diego~~
28 ~~under Chapter 2 (commencing with Section 132000) of Division~~
29 ~~12.7 of the Public Utilities Code, the Santa Clara Valley~~
30 ~~Transportation Authority established under Part 12 (commencing~~
31 ~~with Section 100000) of the Public Utilities Code, the Los~~
32 ~~Angeles County Metropolitan Transportation Authority~~
33 ~~established under Section 130050.2 of the Public Utilities Code,~~
34 ~~the Santa Cruz County Regional Transportation Commission~~
35 ~~established under Title 7.94 (commencing with Section 67940) of~~
36 ~~the Government Code, and the Transportation Agency of~~
37 ~~Monterey County established under Title 7.92 (commencing with~~
38 ~~Section 67920) of the Government Code.~~

39 ~~(b) (1) These transportation authorities should be able to~~
40 ~~utilize cost-effective options for delivery of highway projects, in~~

1 accordance with the national trend, that includes authorizing
2 public entities to utilize design-build contracts as a project
3 delivery method while collaborating with employees from the
4 Department of Transportation.

5 (2) Utilizing a design-build contract requires a clear
6 understanding of the roles and responsibilities of each participant
7 in the design-build process. The benefits of a design-build
8 contract project delivery system include an accelerated
9 completion of the projects, cost containment, reduction of
10 construction complexity, and reduced exposure to risk for the
11 transportation authority.

12 (3) This collaborative approach toward the design-build
13 project delivery method should be evaluated for the purposes of
14 exploring the potential for reduced project costs, expedited
15 project completion, or design features not achievable through the
16 design-bid-build method.

17 (e) These projects are subject to the existing process under the
18 state transportation improvement program (Chapter 2
19 (commencing with Section 14520) of Part 5.3 of Division 3 of
20 the Government Code) for planning, programming,
21 environmental clearance, and funding. It is the intent of the
22 Legislature that projects that are either identified in this article or
23 ultimately chosen for demonstration of the design-build
24 collaboration project delivery method under this article would
25 comply with all existing requirements under the state
26 transportation improvement program for project development
27 and funding. It is the intent of the Legislature that this article
28 would not confer any type of competitive advantage upon the
29 projects in this article, relative to other projects subject to the
30 state transportation improvement program, during other phases of
31 project development.



For Immediate Release
Office of the Press Secretary
February 17, 2001

Executive Order

**Preservation of Open Competition and Government
Neutrality Towards Government Contractors' Labor
Relations on Federal and Federally Funded Construction Projects**

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Property and Administrative Services Act, 40 U.S.C. 471 et seq., and in order to (1) promote and ensure open competition on Federal and federally funded or assisted construction projects; (2) maintain Government neutrality towards Government contractors' labor relations on Federal and federally funded or assisted construction projects; (3) reduce construction costs to the Federal Government and to the taxpayers; (4) expand job opportunities, especially for small and disadvantaged businesses; and (5) prevent discrimination against Government contractors or their employees based upon labor affiliation or lack thereof; thereby promoting the economical, nondiscriminatory, and efficient administration and completion of Federal and federally funded or assisted construction projects, it is hereby ordered that:

Section 1. To the extent permitted by law, any executive agency awarding any construction contract after the date of this order, or obligating funds pursuant to such a contract, shall ensure that neither the awarding Government authority nor any construction manager acting on behalf of the Government shall, in its bid specifications, project agreements, or other controlling documents:

(a) Require or prohibit bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations, on the same or other related construction project(s); or

(b) Otherwise discriminate against bidders, offerors, contractors, or subcontractors for becoming or refusing to become or remain signatories or otherwise to adhere to agreements with one or more labor organizations, on the same or other related construction project(s).

(c) Nothing in this section shall prohibit contractors or subcontractors from voluntarily entering into agreements described in subsection (a).

Sec. 2. Contracts awarded before the date of this order, and subcontracts awarded pursuant to such contracts, whenever awarded, shall not be governed by this order.

Sec. 3. To the extent permitted by law, any executive agency issuing grants, providing financial assistance, or entering into cooperative agreements for construction projects, shall ensure that neither the bid specifications, project agreements, nor other controlling documents for construction contracts awarded after the date of this order by recipients of grants or financial assistance or by parties to cooperative agreements, nor those of any construction manager acting on their behalf, shall contain any of the requirements or prohibitions set forth in section 1(a) or (b) of this order.

Sec. 4. In the event that an awarding authority, a recipient of grants or financial assistance, a party to a cooperative agreement, or a construction manager acting on behalf of the foregoing, performs in a manner contrary to the provisions of sections 1 or 3 of this order, the executive agency awarding the contract, grant, or assistance shall take such action, consistent with law and regulation, as the agency determines may be appropriate.

Sec. 5. (a) The head of an executive agency may exempt a particular project, contract, subcontract, grant, or cooperative agreement from the requirements of any or all of the provisions of sections 1 and 3 of this order, if the agency head finds that special circumstances require an exemption in order to avert an imminent threat to public health or safety or to serve the national security.

(b) A finding of "special circumstances" under section 5(a) may not be based on the possibility or presence of a labor dispute concerning the use of contractors or subcontractors who are nonsignatories to, or otherwise do not adhere to, agreements with one or more labor organizations, or concerning employees on the project who are not members of or affiliated with a labor organization.

Sec. 6. (a) The term "construction contract" as used in this order means any contract for the construction, rehabilitation, alteration, conversion, extension, or repair of buildings, highways, or other improvements to real property.

(b) The term "executive agency" as used in this order shall have the same meaning it has in 5 U.S.C. 105, excluding the General Accounting Office.

(c) The term "labor organization" as used in this order shall have the same meaning it has in 42 U.S.C. 2000e(d).

Sec. 7. With respect to Federal contracts, within 60 days of the issuance of this order, the Federal Acquisition Regulatory Council shall take whatever action is required to amend the Federal Acquisition Regulation in order to implement the provisions of this order.

Sec. 8. As it relates to project agreements, Executive Order 12836 of February 1, 1993, which, among other things, revoked Executive Order 12818 of October 23, 1992, is revoked.

Sec. 9. The Presidential Memorandum of June 5, 1997, entitled "Use of Project Labor Agreements for Federal Construction Projects" (the "Memorandum"), is also revoked.

Sec. 10. The heads of executive departments and agencies shall revoke expeditiously any orders, rules, regulations, guidelines, or policies implementing or enforcing the Memorandum or Executive Order 12836 of February 1, 1993, as it relates to project agreements, to the extent consistent with law.

Sec. 11. This order is intended only to improve the internal management of the executive branch and is not intended to, nor does it, create any right to administrative or judicial review, or any right, whether substantive or procedural, enforce-able by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH

THE WHITE HOUSE, February 17, 2001.

###

Orange County Transportation Authority Legislative Matrix**OCTA Sponsor Legislation**

CA AB 267	<p>AUTHOR: Daucher [R] TITLE: Transportation Projects LAST AMEND: 04/12/2005 COMMITTEE: Assembly Appropriations Committee HEARING: 04/27/2005 9:00 am STATUS: 04/18/2005 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS. LP Sec. IV(f) Repayment of local funds NOTES: 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</p>
CA AB 462	<p>AUTHOR: Tran [R] TITLE: Disability Access LOCATION: Assembly Appropriations Committee STATUS: 04/18/2005 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS. LP Sec. VI(j) - ADA accessibility standards NOTES: COMMENTARY: Sponsor bill to codify 34-year practice of Caltrans certifying accessibility standards for projects within the state highway system right-of-way. Relevance to OCTA: Eliminates potential project delays due to duplicative reviews and eliminates added costs of fees and delays. POSITION: Co-Sponsor</p>
CA AB 1173	<p>AUTHOR: Tran [R] TITLE: Safe, Reliable High-Speed Passenger Train Bond Act LOCATION: Assembly Appropriations Committee STATUS: 04/25/2005 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS. LP Sec. VII(d) High speed rail line NOTES: COMMENTARY: Sponsor bill to extend the terminus of the initial high-speed rail line from Los Angeles to Anaheim. Relevance to OCTA: Ensures that the high speed train provides service to Orange County and improves safety at 10 grade crossings. POSITION: Co-Sponsor</p>

Bills with Official Positions

- CA AB 697 **AUTHOR:** Oropeza [D]
 TITLE: Highway Users Tax Account: Appropriation of Funds
 LOCATION: Assembly Appropriations Committee
 STATUS:
 04/13/2005 In ASSEMBLY Committee on APPROPRIATIONS: To
 Suspense File.
 NOTES: LP Sec. IV(h) removing funding barriers
 COMMENTARY:
 Allows fuel taxes to be continuously appropriated from the previous year
 should a budget not be passed by July 1. Relevance to OCTA: Ensures
 that unnecessary costs are not incurred due to projects being stopped
 and restarted when a state budget is not enacted on time.
 POSITION: Support
- CA AB 1067 **AUTHOR:** Frommer [D]
 TITLE: Railroads
 LAST AMEND: 04/11/2005
 LOCATION: Assembly Second Reading File
 STATUS:
 04/26/2005 From ASSEMBLY Committee on PUBLIC SAFETY: Do
 pass as amended to Committee on
 APPROPRIATIONS.
 NOTES: LP Sec. VII(c) rail improvement
 COMMENTARY:
 Metrolink bill that increases penalties for obstructing trains and provides
 additional funding for rail grade crossings. Relevance to OCTA:
 Provides additional funds to OCTA for rail safety education and grade
 crossing safety projects.
 POSITION: Support
- CA AB 1118 **AUTHOR:** Umberg [D]
 TITLE: Nonhighway Vehicles: Disclosure
 LAST AMEND: 04/19/2005
 LOCATION: Assembly Appropriations Committee
 STATUS:
 04/25/2005 From ASSEMBLY Committee on TRANSPORTATION:
 Do pass to Committee on APPROPRIATIONS.
 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

CA ACA 4 **AUTHOR:** Plescia [R]
TITLE: Transportation Investment Fund
LOCATION: Assembly Transportation Committee
STATUS:
04/14/2005 To ASSEMBLY Committees on TRANSPORTATION and APPROPRIATIONS.
NOTES: LP Sec. I(j) Protect 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

CA ACA 11 **AUTHOR:** Oropeza [D]
TITLE: Transportation Funds: Loans
LOCATION: Assembly Transportation Committee
STATUS:
04/21/2005 To ASSEMBLY Committee on TRANSPORTATION.
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 be 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

CA SB 208 **AUTHOR:** Alquist [D]
TITLE: Transportation Projects: Electronic Fund Transfers
LAST AMEND: 04/11/2005
LOCATION: Senate Appropriations Committee
STATUS:
04/25/2005 In SENATE Committee on APPROPRIATIONS: To Suspense File.
NOTES: LP Sec. IV(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

CA SB 275 **AUTHOR:** Torlakson [D]
TITLE: Transportation Needs Assessment
LAST AMEND: 04/12/2005
LOCATION: Senate Appropriations Committee
STATUS:
04/25/2005 In SENATE Committee on APPROPRIATIONS: To Suspense File.
NOTES: Not addressed in platform.
COMMENTARY:
Requires Caltrans to submit 10-year transportation needs assessment by June 20, 2006. Relevance to OCTA: Provides additional justification for the need to fully fund transportation accounts.
POSITION: Support

CA SB 705 **AUTHOR:** Runner [R]
TITLE: Design-Build Contracts
LOCATION: Senate Transportation and Housing Committee
STATUS:
04/19/2005 In SENATE Committee on TRANSPORTATION AND HOUSING: Not heard.
NOTES: LP Sec. VI(d) Design-build
COMMENTARY:
Authorizes Caltrans to use design-build. Part of the GoCalifornia. Bill was held in Senate Transportation. Issue will be addressed in SB 371.
Relevance to OCTA: Provides an additional delivery mechanism that can save time and open transportation projects early.
POSITION: Support

CA SCA 7 **AUTHOR:** Torlakson [D]
TITLE: Loans of Transportation Revenues and Funds
COMMITTEE: Senate Elections, Reapportionment and Constitutional Amendments Committee
HEARING: 04/27/2005 9:30 am
STATUS:
04/05/2005 From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on ELECTIONS, REAPPORTIONMENT AND CONST. AMENDMENTS
NOTES: LP Sec. I(j) Repay transportation loans with interest
COMMENTARY:
Requires that any loan from a transportation fund not repaid 30 days after passage of the budget bill be paid back with interest. Relevance to OCTA: Ensures that transportation funds are paid interest, ultimately increasing the amount of funds distributed to OCTA through the STIP.
POSITION: Support

Bills being Monitored

CA AB 189 **AUTHOR:** Horton S [R]
TITLE: Highway Capacity Enhancement Demonstration Projects
LAST AMEND: 04/11/2005
LOCATION: Assembly Appropriations Committee
STATUS:
04/25/2005 From ASSEMBLY Committee on TRANSPORTATION: Do pass to Committee on APPROPRIATIONS.
COMMENTARY:
Establishes the Highway Capacity Project Delivery Demonstration Act that requires Caltrans to identify and the CTC to approve three highway capacity enhancement projects to be delivered using coordinated environmental review process.
POSITION: Monitor

CA AB 236 **AUTHOR:** Bermudez [D]
TITLE: Sales and Use Taxes: Exemptions: Fuel and
 Petroleum
LAST AMEND: 04/13/2005
COMMITTEE: Assembly Revenue and Taxation Committee
HEARING: 05/02/2005 1:30 pm
STATUS:
04/13/2005 From ASSEMBLY Committee on REVENUE AND
 TAXATION with author's amendments.
04/13/2005 In ASSEMBLY. Read second time and amended.
 Re-referred to Committee on REVENUE AND
 TAXATION.

COMMENTARY:
Restores partial state sales tax exemption for aviation fuel. Aviation fuel
sales tax exemption was eliminated in 1991.
POSITION: Monitor

CA AB 426 **AUTHOR:** Bogh [R]
TITLE: HOV Lanes
LAST AMEND: 04/20/2005
LOCATION: Assembly Appropriations Committee
STATUS:
04/20/2005 In ASSEMBLY. Read second time and amended.
 Re-referred to Committee on APPROPRIATIONS.

COMMENTARY:
Requires Caltrans to convert all HOV lanes in Riverside County to mixed
flow lanes except during peak hours.
Position: Monitor

CA AB 453 **AUTHOR:** Benoit [R]
TITLE: Grade Separation Projects
LAST AMEND: 03/29/2005
LOCATION: Assembly Appropriations Committee
STATUS:
04/20/2005 In ASSEMBLY Committee on APPROPRIATIONS: To
 Suspense File.

COMMENTARY:
Increases from 1 year to 2 years after the allocation of funds that a local
agency must begin construction on a grade separation project.
POSITION: Monitor

CA AB 713 **AUTHOR:** Torrico [D]
TITLE: High-Speed Passenger Train Bond Act
LOCATION: Assembly Appropriations Committee
STATUS:
04/20/2005 In ASSEMBLY Committee on APPROPRIATIONS: Not
 heard.

COMMENTARY:
Puts the \$9.95 billion High Speed Rail Bond Act on the Nov. 8, 2008
ballot.
POSITION: Monitor

CA AB 850 **AUTHOR:** Canciamilla [D]
TITLE: Toll Road Agreements
LAST AMEND: 04/18/2005
LOCATION: Assembly Appropriations Committee
STATUS:
04/25/2005 From ASSEMBLY Committee on TRANSPORTATION:
Do pass to Committee on APPROPRIATIONS.

COMMENTARY:
Authorizes Caltrans to enter into toll agreements with public and private entities. Part of GoCalifornia.

POSITION: Monitor

CA AB 948 **AUTHOR:** Oropeza [D]
TITLE: Design-Build and Transit Operators
LAST AMEND: 04/13/2005
COMMITTEE: Assembly Business and Professions Committee
HEARING: 05/03/2005 9:00 am
STATUS:
04/13/2005 In ASSEMBLY. Read second time and amended.
Re-referred to Committee on BUSINESS AND
PROFESSIONS.

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

CA AB 1010 **AUTHOR:** Oropeza [D]
TITLE: Rail Transit
LAST AMEND: 04/06/2005
LOCATION: Assembly Appropriations Committee
STATUS:
04/20/2005 In ASSEMBLY Committee on APPROPRIATIONS: To
Suspense File.

COMMENTARY:
Transfers responsibility for rail grade crossing safety from PUC to Caltrans.

POSITION: Monitor

CA AB 1112 **AUTHOR:** Cohn [D]
TITLE: Loitering: Transit Facilities
LAST AMEND: 04/04/2005
LOCATION: Assembly Public Safety Committee
STATUS:
04/26/2005 In ASSEMBLY Committee on PUBLIC SAFETY: Not
heard.

COMMENTARY:
Makes loitering in a transit facility misdemeanor. This bill may have constitutional issues.

POSITION: Monitor

CA AB 1157 **AUTHOR:** Frommer [D]
TITLE: State Highways: Performance Measures
LAST AMEND: 04/11/2005
COMMITTEE: Assembly Appropriations Committee
HEARING: 04/27/2005 9:00 am
STATUS:
04/18/2005 From ASSEMBLY Committee on TRANSPORTATION:
Do pass to Committee on APPROPRIATIONS.

COMMENTARY:
Requires Caltrans to work with regional transportation agencies to develop highway performance measures. Requires an annual report to Legislature regarding highway performance.

POSITION: Monitor

CA AB 1169 **AUTHOR:** Torrico [D]
TITLE: Transit District Operators: Assault and Battery
LOCATION: Assembly Second Reading File
STATUS:
04/26/2005 From ASSEMBLY Committee on PUBLIC SAFETY: Do pass as amended to Committee on APPROPRIATIONS.

COMMENTARY:
Increases penalty for assault against an operator of a transit district's vehicle.

POSITION: Monitor

CA AB 1203 **AUTHOR:** Mullin [D]
TITLE: Housing: Regional Job Growth
LOCATION: ASSEMBLY
STATUS:
02/22/2005 INTRODUCED.

COMMENTARY:
Requires the creation of Greyfield housing and investment zones in areas where job growth and high-density housing is desired. Uses tax incentives and infrastructure funds to promote transportation, air quality, and other regional priorities.

POSITION: Monitor

CA AB 1234 **AUTHOR:** Salinas [D]
TITLE: Local Agencies: Compensation and Ethics
LAST AMEND: 04/05/2005
LOCATION: SENATE
STATUS:
04/21/2005 In ASSEMBLY. Read third time. Passed ASSEMBLY.
*****To SENATE.

COMMENTARY:
Requires local agencies to establish written policy for compensating board members. Imposes an ethics training requirement for board members of a local agency that provides reimbursement for expenses.

POSITION: Monitor

CA AB 1266 **AUTHOR:** Niello [R]
TITLE: State Highways: Design-Sequencing Contracts
LOCATION: Assembly Second Reading File
STATUS:
04/25/2005 From ASSEMBLY Committee on TRANSPORTATION:
Do pass as amended to Committee on
APPROPRIATIONS.

COMMENTARY:
Part of GoCalifornia package, this measure would allow Caltrans to award contracts utilizing design sequencing, if certain requirements are met.

POSITION: Monitor

CA AB 1276 **AUTHOR:** Oropeza [D]
TITLE: Intermodal Corridors of Economic Significance
LOCATION: Assembly Transportation Committee
STATUS:
03/10/2005 To ASSEMBLY Committee on TRANSPORTATION.

COMMENTARY:
Requires Caltrans and regional transportation agencies to develop plans to reduce freight related congestion along intermodal corridors.

Position: Monitor

CA AB 1283 **AUTHOR:** DeVore [R]
TITLE: State Highway: Reversible Lanes
LAST AMEND: 04/19/2005
LOCATION: Assembly Transportation Committee
STATUS:
04/25/2005 In ASSEMBLY Committee on TRANSPORTATION:
Failed passage.

COMMENTARY:
Requires Caltrans to study the feasibility of adding reversible lanes before adding conventional lanes.

POSITION: Monitor

CA AB 1520 **AUTHOR:** Niello [R]
TITLE: Public Works Contracts: Infrastructure Projects
LAST AMEND: 04/05/2005
LOCATION: Assembly Business and Professions Committee
STATUS:
04/26/2005 In ASSEMBLY Committee on BUSINESS AND
PROFESSIONS: Failed passage.
04/26/2005 In ASSEMBLY Committee on BUSINESS AND
PROFESSIONS: Reconsideration granted.

COMMENTARY:
Authorizes state agencies to enter into public private partnerships to design, build, and operate public infrastructure projects.

POSITION: Monitor

CA AB 1699 **AUTHOR:** Frommer [D]
TITLE: Transportation: Highway Construction: HOT Lanes
LAST AMEND: 04/21/2005
LOCATION: Assembly Second Reading File
STATUS:
04/25/2005 From ASSEMBLY Committee on TRANSPORTATION:
Do pass as amended to Committee on
APPROPRIATIONS.

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

CA AB 1702 **AUTHOR:** Frommer [D]
TITLE: State Finances: Economic Recovery/Transportation
LAST AMEND: 04/07/2005
LOCATION: Assembly Appropriations Committee
STATUS:
04/25/2005 From ASSEMBLY Committee on TRANSPORTATION:
Do pass to Committee on APPROPRIATIONS.

COMMENTARY:

This bill would appropriate from the General Fund, from the amount transferred to that fund from the Economic Recovery Fund, \$500,000,000 to the Controller for deposit in the Traffic Congestion Relief Fund

POSITION: Monitor

CA AB 1714 **AUTHOR:** Plescia [R]
TITLE: Bay Area State-Owned Toll Bridges: Financing
LAST AMEND: 04/19/2005
LOCATION: Assembly Second Reading File
STATUS:
04/25/2005 From ASSEMBLY Committee on TRANSPORTATION:
Do pass as amended to Committee on
APPROPRIATIONS.

COMMENTARY:

Administration spot bill to address funding of Bay Bridge cost overruns.

POSITION: Monitor

CA ACA 5 **AUTHOR:** Richman [R]
TITLE: Public Retirement Systems
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 public employees, hired after July 1, 2007, from participating in a defined benefit plan. These employees would be limited to a defined contribution plan or a retirement system.

POSITION: Monitor

CA ACA 7 **AUTHOR:** Nation [D]
TITLE: Local Governmental Taxation
COMMITTEE: Assembly Local Government Committee
HEARING: 05/04/2005 1:30 pm
STATUS:
04/14/2005 To ASSEMBLY Committees on LOCAL GOVERNMENT
and APPROPRIATION.
COMMENTARY:
Lowers voter threshold to 55% for special tax measures.
POSITION: Monitor

CA ACA 9 **AUTHOR:** Bogh [R]
TITLE: Motor Vehicle Fuel Sales Tax Revenue
LOCATION: Assembly Transportation Committee
STATUS:
04/21/2005 To ASSEMBLY Committees on TRANSPORTATION and
APPROPRIATION.
COMMENTARY:
Would amend Prop 42 to require 4/5ths of the legislature to suspend
transfer instead of the current 2/3rds.
POSITION: Monitor

CA SB 172 **AUTHOR:** Torlakson [D]
TITLE: Seismic Retrofit Projects
LAST AMEND: 03/29/2005
LOCATION: Senate Appropriations Committee
STATUS:
04/05/2005 From SENATE Committee on TRANSPORTATION AND
HOUSING: Do pass to Committee on
APPROPRIATIONS.
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

CA SB 371 **AUTHOR:** Torlakson [D]
TITLE: Public Contracts: Design-Build: Transportation
LAST AMEND: 04/26/2005
LOCATION: Senate Appropriations Committee
STATUS:
04/26/2005 In SENATE. Read second time and amended.
Re-referred to Committee on APPROPRIATIONS.
COMMENTARY:
Design-build spot bill to be jointly authored by Senators Torlakson and
Runner.
POSITION: Monitor

CA SB 427 **AUTHOR:** Hollingsworth [R]
TITLE: California Environmental Quality Act: Exemption
LAST AMEND: 04/25/2005
LOCATION: Senate Environmental Quality Committee
STATUS:
04/25/2005 From SENATE Committee on ENVIRONMENTAL
 QUALITY with author's amendments.
04/25/2005 In SENATE. Read second time and amended.
 Re-referred to Committee on ENVIRONMENTAL
 QUALITY.
04/25/2005 In SENATE Committee on ENVIRONMENTAL
 QUALITY: Heard, remains in Committee.

COMMENTARY:
Exempts from CEQA the expansion of any overpass, on-ramp, or
off-ramp that is built on a right-of-way under the control of state or local
transportation agency, city, county, or city and county.

POSITION: Monitor

CA SB 459 **AUTHOR:** Romero [D]
TITLE: Air Pollution: South Coast District: Locomotives
LAST AMEND: 04/12/2005
FILE: 22
LOCATION: Senate Second Reading File
STATUS:
04/25/2005 In SENATE Committee on APPROPRIATIONS: To
 Suspense File.

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

CA SB 601 **AUTHOR:** Soto [D]
TITLE: Build California Bond Act of 2006
LAST AMEND: 04/12/2005
LOCATION: Senate Transportation and Housing Committee
STATUS:
04/12/2005 From SENATE Committee on TRANSPORTATION AND
 HOUSING with author's amendments.
04/12/2005 In SENATE. Read second time and amended.
 Re-referred to Committee on TRANSPORTATION AND
 HOUSING.

COMMENTARY:
Would place a \$3 billion bond before voters to funds goods movement
and other transportation projects.

POSITION: Monitor

CA SB 760 **AUTHOR:** Lowenthal [D]
TITLE: Ports: Congestion Relief: Security Enhancement
FILE: 42
LOCATION: Senate Second Reading File
STATUS:
04/18/2005 From SENATE Committee on ENVIRONMENTAL
 QUALITY: Do pass as amended 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

CA SB 1020 **AUTHOR:** Migden [D]
TITLE: County Sales and Use Taxes: Rate Increase
LOCATION: Senate Revenue and Taxation Committee
STATUS:
04/13/2005 In SENATE Committee on REVENUE AND TAXATION:
 To Suspense File.

COMMENTARY:
Authorizes a county or a city and county to impose, with voter approval, an additional quarter cent sales tax for transit operations.

POSITION: Monitor

CA SB 1024 **AUTHOR:** Perata [D]
TITLE: Public Works and Improvements: Bond Measure
LAST AMEND: 04/26/2005
COMMITTEE: Senate Transportation and Housing Committee
HEARING: 05/03/2005 1:30 pm
STATUS:
04/26/2005 From SENATE Committee on TRANSPORTATION AND
 HOUSING with author's amendments.
04/26/2005 In SENATE. Read second time and amended.
 Re-referred to Committee on TRANSPORTATION AND
 HOUSING.

COMMENTARY:
Enacts the Essential Facilities Seismic Retrofit Bond Act of 2005 to place a \$7.688 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



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Reports on the Annual Transportation Development Act Audits for Fiscal Year 2003-04

Finance and Administration Committee

April 27, 2005

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Receive and file the Transportation Development Act Audit Reports for the Fiscal Year 2003-04.



April 27, 2005

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{AL} Chief Executive Officer
Subject: Reports on the Annual Transportation Development Act Audits for Fiscal Year 2003-04

Overview

Pursuant to Sections 6663 and 6751 of the California Code of Regulations, the audits for Article 3, Pedestrian and Bicycle Facilities Program were conducted for the fiscal year ending June 30, 2004, and the audits for Articles 4 and 4.5, Funds for the Transit and Paratransit Operating and Capital Programs were conducted for the fiscal year ending June 30, 2004, by Conrad and Associates, L.L.P.

Recommendation

Receive and file the Transportation Development Act Audit Reports for the Fiscal Year 2003-04.

Background

The Transportation Development Act (TDA) provides, as a source of funding for public transportation, the Local Transportation Fund (LTF) which came into existence in 1972. The LTF revenues are derived from one-quarter cent of the retail sales tax. The one-quarter cent is returned by the State Board of Equalization to each county according to the amount of tax collected in that county.

Since July 1, 1988, the Orange County Transportation Authority (OCTA) has assumed responsibility for administering the TDA's various components under the LTF, which includes: Article 3, Bicycle and Pedestrian Facilities program; Article 4, Operating and Capital program; and Article 4.5, Paratransit Operating and Capital program, under Chapter 4 of the State of California's Public Utilities Code (PUC). An important aspect of this responsibility is to ensure that the LTF allocated and dispersed funds were used in accordance with applicable TDA rules and regulations and OCTA policies and procedures.

Discussion

A total of twenty-two entities in Orange County, including the County of Orange and OCTA, received a TDA audit of one or more articles referenced above. Please see the attached Listing of Transportation Development Act Audits Performed for FY 2003-04. Twelve of the thirty-four cities in Orange County did not receive any TDA funding and did not have any activity related to TDA funding in fiscal year 2003-04.

In general, the audits found that the entities used the LTF funds allocated and dispersed to them in accordance with applicable TDA rules and regulations, and OCTA policies and procedures. There were instances of non-compliance with a specific TDA regulation, and Conrad and Associates, L.L.P., made recommendations for improvement in internal controls to ensure that TDA funds are expended in accordance with TDA rules and regulations, and OCTA policies and procedures. Please see the attached Summary of Audit Findings – Transportation Development Act Audits for FY 2003-04. Additionally, the audit results are detailed in the individual audit reports which are on file in the Clerk of the Board's office. OCTA staff is working with the entities with reported findings to ensure adequate corrective actions are implemented.

Summary

The audits for Article 3, Pedestrian and Bicycle Facilities Program were conducted for the fiscal year ending June 30, 2004, and the audits for Articles 4 and 4.5, Funds for the Transit and Paratransit Operating and Capital Programs were conducted for the fiscal year ending June 30, 2004, by Conrad and Associates, L.L.P. The individual Audit Reports for Fiscal Year 2003-04 are on file in the Clerk of the Board's office.


Attachments

- A. Listing of Transportation Development Act Audits Performed for FY 2003-04
- B. Summary of Audit Findings – Transportation Development Act Audits for Fiscal Year 2003-2004

Prepared by:


Robert A. Duffy
Manager, Internal Audit
(714) 560-5669

Approved by:


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

Listing of Transportation Development Act Audits Performed for FY 2003-04

Cities	Articles
County of Orange (1)	3
Fullerton	3
Orange	3
Orange County Transportation Authority	3
Placentia	3

Cities	Articles
Costa Mesa	3 & 4.5
Newport Beach	3 & 4.5
San Clemente	3 & 4.5
Santa Ana	3 & 4.5
Westminster	3 & 4.5

Cities	Articles
Anaheim	4.5
Brea	4.5
Buena Park	4.5
Huntington Beach	4.5
Irvine	4.5
Korean-American Senior Center (passed through Garden Grove)	4.5
La Habra	4.5
Laguna Niguel	4.5
Laguna Woods	4.5
Lake Forest	4.5
Rancho Santa Margarita	4.5
Seal Beach	4.5
VNCOC/Asian Center (passed through Santa Ana)	4.5
Yorba Linda	4.5

Cities	Articles
Laguna Beach Municipal Transit Lines	4

(1) – Audit performed for FY 02/03 & 03/04

SUMMARY OF AUDIT FINDINGS				
TRANSPORTATION DEVELOPMENT ACT AUDITS FOR FISCAL YEAR 2003-2004				
AGENCY	PASS-THRU AGENCY	ARTICLE	FINDINGS	AGENCY RESPONSE
City of Placentia	n/a	Article 3	1	Concurrence; will correct deficiencies and working on implementing improvements for the future.
City of Santa Ana	n/a	Article 3	3	Concurrence; will correct deficiencies and working on implementing improvements for the future.
Korean American Association of Orange County	City of Garden Grove	Article 4.5	1, 2, 6	Concurrence; will correct deficiencies and OCTA staff is working with the Korean American Association of Orange County on implementing future improvements.
Vietnamese Community of Orange County	City of Santa Ana	Article 4.5	2, 5	Concurrence; will correct deficiencies and working on implementing improvements for the future.
City of Laguna Woods	n/a	Article 4.5	4	Concurrence; will correct deficiencies and working on implementing improvements for the future.
City of San Clemente	n/a	Article 4.5	1	Concurrence; will correct deficiencies and working on implementing improvements for the future.
FINDINGS:				
1.) Noncompliance - Interest income was not allocated to TDA funds.				
2.) Noncompliance - Required local match of 20% was not met.				
3.) Reportable Condition - TDA funds were not accounted for either in a separate fund or segregated within a fund that accounts for other monies as well.				
4.) Reportable Condition - The agency needs to maintain adequate documentation for taxi vouchers.				
5.) Reportable Condition - The agency needs to ensure expenditures are adequately supported.				
6.) The audit of Article 4.5 funds at the Korean American Association of Orange County (passed thru the City of Garden Grove) also reported the following findings:				
a. Noncompliance/Reportable Condition/Material Weakness - The Association did not maintain records for in-kind contributions.				
b. Reportable Condition/Material Weakness - The Association does not have documentation to support related party loans.				
c. Reportable Condition/Material Weakness - The Association needs to segregate incompatible duties.				
d. Reportable Condition/Material Weakness - The Association needs to strengthen its cash disbursement procedures.				



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: Wendy Knowles^{WK}, Clerk of the Board
Subject Fund Transfer Agreement with the California Department of Transportation for the Fiscal Year 2004-05 Planning, Programming, and Monitoring Program

Regional Planning and Highways Committee

May 2, 2005

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

Committee Vote

This item was passed by all Committee Members present.


Committee Recommendation

Authorize the Chief Executive Officer to execute the Fund Transfer Agreement, Agreement PPM05-6071(024), with the California Department of Transportation for the use of State Transportation Improvement Program funds for the fiscal year 2004-05 Planning, Programming, and Monitoring Program.



May 2, 2005

To: Regional Planning and Highways Committee

From:  Arthur T. Leahy, Chief Executive Officer

Subject: Fund Transfer Agreement with the California Department of Transportation for the Fiscal Year 2004-05 Planning, Programming, and Monitoring Program

Overview

The California Department of Transportation requires authorization of the Chief Executive Officer to execute an agreement to use State funds for the Planning, Programming, and Monitoring Program. The Orange County Transportation Authority Board of Directors previously approved the 2004 Orange County Regional State Transportation Improvement Program, which included the use of State funds for the Planning, Programming, and Monitoring Program.

Recommendation

Authorize the Chief Executive Officer to execute the Fund Transfer Agreement, Agreement PPM05-6071(024), with the California Department of Transportation for the use of State Transportation Improvement Program funds for the fiscal year 2004-05 Planning, Programming, and Monitoring Program.

Background

The State Transportation Improvement Program (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. The STIP is divided into two major funding categories. Seventy-five percent goes to the Regional Transportation Improvement Program (RTIP), allocated to regional agencies, such as the Orange County Transportation Authority (OCTA). The remaining 25 percent is the Interregional Transportation Improvement Program (ITIP), allocated to the California Department of Transportation (Caltrans) for projects of interregional significance, including intercity and commuter rail projects.

Every two years, new revenues are programmed for the next five-year period. On February 9, 2004, the Board of Directors approved the 2004 Orange County STIP. Included in the approved STIP is the Planning, Programming, and Monitoring Program (PPM). The PPM program provides funding for activities related to the development of the RTIP, STIP, and for the monitoring of project implementation for projects programmed against the PPM funding. The fiscal year 2004-05 PPM work plan has been included in Attachment A. This work plan lists eligible projects that OCTA can seek reimbursement for over a three-year time frame. These projects are to be implemented with the PPM program funds and other Board approved OCTA funds.

Discussion

As step one of OCTA's approval process of programming STIP funding, the PPM program has been previously approved by Board action in February 2004. The next step in this process is to authorize the Chief Executive Officer to execute the Fund Transfer Agreement PPM05-6071(024). The execution of the Fund Transfer Agreement, Agreement PPM05-6071(024), is necessary in order to access the STIP PPM funding. This agreement must be accompanied by specific Board authorization for the Chief Executive Officer (CEO) to execute the agreement. Staff is seeking Board approval for the CEO to execute this agreement with Caltrans. This agreement is consistent with previous Board action approving the 2004 STIP.

Summary

On February 9, 2004, the Board of Directors approved the 2004 STIP for Orange County which included the PPM program. In order to access this funding, a fund transfer agreement must be executed between OCTA and Caltrans.

**Fund Transfer Agreement with the California
Department of Transportation for the Fiscal Year
2004-05 Planning, Programming, and Monitoring
Program**

Page 3

Attachment

- A. Planning, Programming, and Monitoring Fiscal Year 2004-05
Allocation & Three-Year Work Program

Prepared by:



Jennifer Bergener
Senior Transportation Analyst
Capital Programs
(714) 560-5462

Approved by:



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

**Planning, Programming, and Monitoring
Fiscal Year 2004-05 Allocation &
Three-Year Work Program**

Technical Studies/Planning Technical Support - In December 2002, the OCTA Board of Directors approved Directions 2030, OCTA's long range plan. These funds would be used for technical feasibility studies to implement the associated action plan. This will include traffic studies and general planning support. Specifically, this will include, but not be limited to, consultant services for high speed rail, MagLev, transportation conformity, High Occupancy Vehicle lane policies, goods movement, etc.

Transportation Master Plan - OCTA is the regional planning agency for Orange County and must maintain a long range transportation plan. The current plan was adopted in December of 2002 and is due for an update in 2005. The funds would be used to assist in the development and preparation of master plans as input to the next Orange County 30-year comprehensive transportation plan. The master plan will focus on primary transportation systems including freeways, arterials, and transit.

Toll Road Capacity Options - This project was listed under the short-term action plan adopted as part of the 2002 OCTA long range plan, Directions 2030. The goal of this project is to quantify costs and benefits of various toll road options, as well as the identification of other ways to maximize toll road use and spread demand on existing capacity as an alternative to major south Orange County freeway expansion.

San Diego Freeway (Interstate 5) Major Investment Study (MIS) - The OCTA long range plan calls for a comprehensive evaluation of solutions along key Orange County travel corridors, including the Interstate 5 (I-5). The MIS will develop, evaluate, and recommend transportation improvements to the I-5 corridor between the El Toro "Y" and the San Diego County Line. This analysis will evaluate improvements to the I-5, local streets, transit services including bus and rail, and other alternatives.

- **Outreach** - Consultant assistance will be used to provide outreach support as needed on various planning and project development activities. Work may involve, but is not limited to, outreach in support of the various project study reports to alleviate freeway bottlenecks, retrofit soundwall studies, and other project development and planning work.

Riverside Freeway (State Route 91) / Costa Mesa Freeway (State Route 55) Interchange Project Definition Study (PDS) - The OCTA Ten-Year Strategic Plan includes an initiative to eliminate freeway bottlenecks. The preparation of this report is a Caltrans requirement and necessary to qualify for State and/or Federal funding. This project will develop, assess feasibility and viability of potential solutions to alleviate congestion at the State Route 91 (SR 91)/State Route 55 (SR 55) Interchange. The

work entails preparation of a PDS. The PDS is a scoping document that identifies options, costs, benefits, and general project impacts.

Noise Studies - OCTA has a soundwall retrofit program. As part of this program, OCTA funds an initial assessment of potential noise locations and develops the necessary documentation to prioritize the area for future soundwall construction. Funds will be used to perform technical work to support the OCTA Board approved Freeway Retrofit Soundwall Program. Work entails preparation of noise studies to determine whether there may be a feasible solution to the noise complaint and scoping documents that assess whether the proposed solution can be reasonably constructed given environmental and engineering considerations. These reports are prerequisites to a decision to build a soundwall.

Chokepoint Program Oversight and Support - The OCTA Ten-Year Strategic Plan includes an initiative to eliminate freeway chokepoints. Presently, over 30 projects are in various stages of development by either Caltrans or OCTA. This work element will utilize consultant services to assist in coordination and tracking of OCTA chokepoint projects with Caltrans.

Congestion Management Plan Counts (CMP) - The CMP is updated every three-years in accordance with the Measure M ordinance and state law. This work element will utilize consultant services to collect intersection traffic data for the update.

Staffing - Funding will be used for OCTA staffing related to the overall management of the State Transportation Improvement Program (STIP) and project development activities for future year STIP projects.



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Option Renewal to Agreement for 91 Express Lanes Program Management Consultant Services

Finance and Administration Committee

April 27, 2005

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

Committee Vote

This item was passed by all Committee Members present.

Committee Member Correa was not present to vote on this item.

Committee Recommendation

Authorize the Chief Executive Officer to execute a one-year option renewal to Agreement No. C-4-0250 between the Orange County Transportation Authority and LMS Consulting, in an amount not to exceed \$150,000, for program management consulting services for the 91 Express Lanes.



April 27, 2005

To: Finance and Administration Committee
AM

From: Arthur T. Leahy, Chief Executive Officer

Subject: Option Renewal to Agreement for 91 Express Lanes Program Management Consultant Services

Overview

On June 28, 2004, the Board of Directors approved an agreement for one year, with two option years, with LMS Consulting, in the amount of \$150,000, to provide program management support for the 91 Express Lanes. LMS Consulting 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 a one-year option renewal to Agreement No. C-4-0250 between the Orange County Transportation Authority and LMS Consulting, in an amount not to exceed \$150,000, for program management consulting services for the 91 Express Lanes.

Background

Since January 2003, the Orange County Transportation Authority (Authority) has operated the 91 Express Lanes toll facility. Most day-to-day activities are outsourced to Cofiroute Global Mobility (Cofiroute), and internally the Authority has a small staff dedicated to 91 Express Lanes management. Consultant support has been used to augment this team.

Discussion

The 91 Express Lanes program continues to exceed projections in the areas of traffic volume and revenue. The day-to-day operations are contracted to Cofiroute Global Mobility and the Authority maintains a small staff dedicated to management of the toll roads. LMS Consulting provides additional professional

expertise in the area of operation management. In fiscal year 2005-06, assistance of LMS Consulting is anticipated in these areas:

- Management of upgrade to 91 Express Lanes' Anaheim office
- Support in evaluation of proposals for operations contractor selection
- Support in transition to new operations contract
- Benchmarking of operations contractor performance against standards
- Support in consideration of pilot project for monitoring of State Route 91 mainlanes and 91 Express Lanes traffic performance.

This procurement was originally handled in accordance with the Authority's procedures for professional/technical services. The original agreement was awarded on a competitive basis and included two, one-year option renewals (Attachment A). The original agreement awarded on June 28, 2004, was in the amount of \$150,000 and the option year is proposed at \$150,000.

Fiscal Impact

The renewal of this one-year option Agreement No. C-4-0250 is included in the proposed Authority's Fiscal Year 2005-06 Budget, 91 Express Lanes Budget, Account 0036-7519, and is funded through toll revenues.

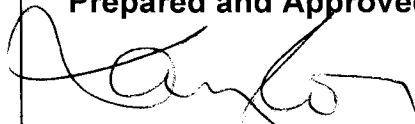
Summary

Based on the material provided, staff recommends authority to exercise a one year option to Agreement No. C-4-0250, in the amount of \$150,000 with LMS Consulting for professional services related to management of the 91 Express Lanes.

Attachment

- A. Agreement No. C-4-0250 Fact Sheet

Prepared and Approved by:



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

ATTACHMENT A

Agreement No. C-4-0250 Fact Sheet

1. On June 28, 2004, Agreement No. C-4-0250, \$150,000, approved by Board of Directors.
 - Project Management consultant support to Authority staff for a term of one year with two, one-year options to renew.



Item 7.

BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Metrolink Commuter Rail Service Semi-Annual Update

Transit Planning and Operations Committee

April 28, 2005

Present: Directors Winterbottom, Brown, Pulido, Duvall, and Green
Absent: Directors Silva and Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Green was not present for this vote.

Committee Recommendations

- A. Amend the fiscal year 2004-05 budget to allocate \$5.3 million of Commuter Urban Rail Endowment funds to the Santa Ana Second Main Track Project and \$30,000 to the Laguna Niguel/Mission Viejo station improvements.
- B. Approve the expenditure of \$150,000 from the fiscal year 2003-04 Metrolink operating surplus for the proposed summer service on the Inland Empire Orange County Line.
- C. Direct staff to return with a Metrolink Commuter Rail semi-annual update in November 2005.



April 28, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Metrolink Commuter Rail Service Semi-Annual Update

Overview

This semi-annual report provides an update on the Metrolink Commuter Rail program and seeks allocation of funds for improvements and a new summer service.

Recommendations

- A. Amend the fiscal year 2004-05 budget to allocate \$5.3 million of Commuter Urban Rail Endowment funds to the Santa Ana Second Main Track Project and \$30,000 to the Laguna Niguel/Mission Viejo station improvements.
- B. Approve the expenditure of \$150,000 from the fiscal year 2003-04 Metrolink operating surplus for the proposed summer service on the Inland Empire Orange County Line.
- C. Direct staff to return with a Metrolink Commuter Rail semi-annual update in November 2005.

Background

Metrolink is the regional commuter rail system operated by the Southern California Regional Rail Authority (SCRRA). The SCRRA is a joint powers authority of five member agencies representing the five Southern California counties of Ventura, Los Angeles, San Bernardino, Riverside, and Orange that was formed in 1991.

Currently, Metrolink service in the region includes seven rail lines, with 142 daily trains operated throughout the 400-mile Metrolink system, serving 53 stations, carrying nearly 43,000 riders each weekday. Presently, Orange County is home to ten Metrolink stations with three routes serving them, the

Orange County Line, the Inland Empire – Orange County Line (IEOC), and the 91 Line. About 13,000 Orange County commuters use these three lines, with 40 trains running in Orange County each weekday.

The Orange County's commuter rail program was made possible by rapid implementation of a comprehensive capital improvement plan made up of Measure M, Proposition 108, and Proposition 116 funds. Operation of commuter rail services in Orange County is funded by a Commuter and Urban Rail Endowment Fund (CURE) that was established in 1991 with Measure M funds. Financing for capital projects are mostly made available through federal and state grants with CURE providing the necessary local match.

Discussion

Ridership Trends

During the last six months, ridership on all three lines serving Orange County continued to grow compared to the same period in 2004 (8 percent increase on Orange County Line, 3 percent increase on IEOC Line, and 10 percent increase on the 91 Line). Each weekday in March 2005, the Orange County Line, including Metrolink riders on Amtrak trains, served an average of 7,200 riders, the IEOC Line carried 3,800 passengers, and the 91 Line served 1,900 riders. For fiscal year (FY) 2004-05, the combined ridership on all three lines serving Orange County is estimated at 3.4 million passengers, which is 12 percent higher than FY 2003-04. Attachment A provides a historical perspective on the ridership growth on Metrolink in Orange County. Attachment B summarizes the findings of the most recent customer satisfaction survey.

Future Plans

Capital Project: Santa Ana Second Main Track Project

SCRRA is planning to release the construction bids for the installation of a second main track along a 1.8-mile stretch of Lincoln Avenue in the City of Santa Ana in June 2004. Adding the second track in this area will improve the efficiency of train movement for existing train traffic and will eliminate the idling of the trains at either end of the single-track section between the Orange and Santa Ana stations.

OCTA has previously secured \$17.7 million, including \$8.6 million of State Public Transportation Account funds and \$8.8 million of Highway Account

Funds from the California Department of Transportation, (Caltrans) for the design, engineering, and construction of this project. This project cannot be constructed without additional funding. The current engineer's estimate for this project is over \$23 million, \$5.3 million higher than the 2002 estimates. OCTA engineering staff undertook an independent analysis of various line items of the estimate to determine its reasonableness. Staff has concluded that several factors, such as, a worldwide shortage of concrete and steel, have resulted in the higher estimated cost, and additional funds should be programmed for this project. The additional funding of \$5.3 million may be provided from the CURE fund and will allow SCRRA to move forward on the release of construction documents. The other option is to defer or delay the project until other funds can be secured. Staff is seeking Board approval of the allocation of \$5.3 million of CURE funds to bring this project to a successful conclusion due to the importance of this project to the overall MetroLink service expansion program.

Capital Project: Laguna Niguel/Mission Viejo Station Improvements

Currently the cities of Laguna Niguel and Mission Viejo jointly maintain a MetroLink train station. The cities were successful in securing \$50,000 of Growth Management Area funds for the addition of six shelters (three on each platform) to provide relief to riders from all weather conditions. However, this project cannot be constructed without additional funding. The current construction estimate is \$80,000, which is \$30,000 over the allocated funding. The City of Laguna Niguel has submitted a letter to OCTA seeking these funds (Attachment C). Staff is seeking Board approval to provide \$30,000 of CURE funds for the station improvements.

Other future plans for the expansion of MetroLink service do not need any Board approval at this time and are provided in Attachment D of this report.

Service Expansion

IEOC Summer Service

Since 1996, Riverside County Transportation Commission (RCTC) has chartered Beach Trains via the IEOC route on alternate weekends between the months of June and October with the total patronage over the last nine years exceeding 89,000 passengers (over 178,000 trips). The service primarily consists of one round trip on various weekends.

The growing traffic congestion on the Riverside Freeway (State Route 91) corridor continues to escalate and is particularly stressful on weekends during the summer months. Therefore, staff has been exploring the possibility of expanding the Beach Train in partnership with RCTC and San Bernardino Associated Governments (SANBAG) to the IEOC summer service to ease the corridor congestion. This expanded service will serve both recreational users and regular commuters who could use their monthly pass to commute to work on weekends as well.

The current proposal will increase the summer weekend level of service to a minimum of three round trips between Rialto/San Bernardino and Oceanside with all intermediate stops in Orange County including the San Clemente Pier Station. Under this proposal, the administration of the summer service would become a Metrolink responsibility. This includes, ticket sales, revenue tracking, and communications. OCTA, SANBAG, and RCTC will provide local marketing and operating funds for the service. The implementation of this service is contingent upon the availability of two weekend crews from SCRRA's new operating contractor. Currently, the operating cost of this service is estimated at \$394,000. Based on a conservative revenue projection, the net operating cost will be \$270,000.

Staff is seeking Board approval of the summer service concept and the authority to negotiate with RCTC and SANBAG on a cost-sharing arrangement. Preliminary estimates show that OCTA's share of the operating cost could range from \$120,000 to \$150,000. Staff is seeking Board approval of expenditure of previous-year surplus operating funds for this service.

Fiscal Year 2005-06 Budget

Although no new service had been planned for next year, the FY 2005-06 Metrolink budget will reflect an increase of 7.6 percent in the system-wide operating cost of \$119.6 million. The cost increases are due to a significant increase in the price of fuel and increases in the cost of insurance. This increase will not require an increase in the OCTA operating subsidy. In fact, the OCTA operating subsidy requested for FY 2005-06 is estimated at \$7.8 million (a decrease of \$800,000 or 9 percent from current FY). This is due to a new operating cost-sharing formula, which for the first time requires other member agencies to share the cost of maintenance of OCTA-owned operating rail right-of-way.

Fiscal Impact

The proposed funding for the Santa Ana Second Main Track Project and Laguna Niguel/Mission Viejo station improvements were not included in the FY 2004-05 budget. The approval requires an amendment to the Strategic Planning Division/Commuter Rail Services section Account No. 0093-7831 to allow the expenditure of \$5.33 million for these projects from the CURE fund, which could result in shortening the life of CURE capital funds by one year. The impact on the CURE funds may change based upon the rapid transit program.

Summary

This semi-annual report provides an update on the Metrolink Commuter Rail Service program and seeks the allocation of \$5.3 million of CURE funds to the Santa Ana Second Main Track Project, \$30,000 to Laguna Niguel/Mission Viejo station improvements, and allocation of \$150,000 for operation of the proposed Inland Empire Orange County Line summer service.

Attachments

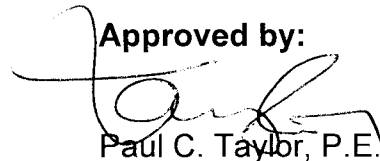
- A. Metrolink Ridership Growth in Orange County
- B. June 2004 Metrolink On-Board Survey Findings
- C. City of Laguna Niguel Letter
- D. Other Future Plans

Prepared by:



Shohreh Dupuis
Acting Manager,
Local Programs and
Commuter Rail Services
(714) 560-5673

Approved by:



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

Metrolink Ridership Growth in Orange County

Table 1

Metrolink Ridership Trends Annual Ridership				
Fiscal Year	Orange County Line	Inland Empire – Orange County Line	91 Line	Total Ridership
1994	143,623	-	-	143,623
1995	679,491	-	-	679,491
1996	1,003,490	157,926	-	1,161,416
1997	1,199,358	250,685	-	1,450,043
1998	1,206,318	375,902	-	1,582,228
1999	1,293,088	441,158	-	1,734,246
2000	1,387,075	504,776	-	1,891,851
2001	1,450,499	690,072	-	2,149,571
2002	1,427,202	717,208	41,940	2,186,350
2003	1,526,894	815,511	391,078	2,733,483
2004	1,695,275	915,727	428,766	3,039,768

June 2004 Metrolink On-Board Survey Findings

Recently, Metrolink made available the result of the June 2004 Metrolink on-board survey. The survey is conducted every two years to measure overall customer satisfaction and identify who is riding the train and more importantly, why. Key findings of the 2004 survey included:

- Metrolink is continuing to expand its ridership base and is attracting an increasingly diverse rider market.
- Metrolink patrons are riding Metrolink more often.
- Satisfaction levels with Metrolink continue to be very strong overall.

Overall, a majority of Metrolink commuters are remarkably satisfied with the service they received. The highest levels of satisfaction are found in service characteristics such as safety, security and the courtesy of the conductors. Each year, Metrolink attracts 34 percent new riders to try the system, with an overall annual retention rate of 74 percent. Metrolink is very well received and used by its customer base, with over 73 percent of riders indicating they were very likely to continue taking the train and an additional 20 percent indicating likely continued use. Additionally, 81 percent of riders stated that they were very likely or likely to recommend Metrolink to others. The service characteristics that most greatly influence satisfaction, the likelihood of recommending the service to others, and the likelihood of continuing to ride include: more relaxing than driving, on-time arrivals, frequency of trains, communication of delays, courtesy, seating availability on the train, and the cost of the ride.

The typical Metrolink customer varies by route – which reflects the demographics of the areas served. Equal number of women than men ride the 91 Line (50 percent female, 50 percent male), conversely, more men than women ride the Orange County and the IEOC Lines (59 percent male, 41 percent female; 52 percent male, 48 percent female consecutively). The annual median household income of an Orange County Line rider is in the range of \$75,000-\$99,000, where as the IEOC and 91 Line customers have a median household income range of \$60,000-\$74,999.

The Inland Empire Orange County route has a greater than average frequency of use: the system average is 4.3 days per week, with the Inland Empire/ Orange County Line rider at 4.5 days per week, and the Orange County and 91 Lines rider at 4.2 and 4.3 days each week.

Overall, the Metrolink customers on the three routes serving Orange County are riding to and from work. Eighty-six percent of Orange County Line riders, 92 percent of the IEOC Line riders, and 82 percent of 91 Line riders are employed full-time. Correspondingly, going to and from work is the primary trip purpose for these customers (91 percent Orange County Line and 94 percent IEOC Line and 85 percent 91 Line).

One of the most significant findings of the survey revealed that over 82 percent of Orange County Line, IEOC, and 91 Lines riders have a car available for the Metrolink trip they take. Metrolink riders use the system largely by choice, indicating that Metrolink is an attractive alternative to the automobile, particularly for commuters.



CITY of LAGUNA NIGUEL

Public Works/Engineering
27791 La Paz Road • Laguna Niguel, California 92677
Phone/949•362•4337 Fax/949•362•4385

ATTACHMENT C

CITY COUNCIL

RECEIVED
EXECUTIVE OFFICE

APR 14 2005

Paul Taylor

Joe Brown
Gary G. Capata
Cathryn DeYoung
Paul G. Glaab
Mike Whipple

April 13, 2005

Arthur T. Leahy
Chief Executive Officer
Orange County Transportation Authority
550 South Main Street
Orange, CA 92863

Dear Mr. Leahy:

The City of Laguna Niguel seeks to build 6 shelters on the Laguna Niguel/Metrolink Station platforms to provide shelter for waiting passengers. The project will cost \$80,000. GMA 10 has approved an allocation of \$50,000 for this project. The City had applied for the remaining \$30,000 under the Transportation Demand Program (TDM). OCTA Staff has determined that this application does not meet the eligibility requirements of the TDM program and is thus not eligible for funding under this program.

The City of Laguna Niguel respectfully requests that OCTA fund the final \$30,000 of this project from Commuter Rail Funds. The City would like to have these shelters installed later this year, prior to the next rainy season, if at all possible.

Thank you for your consideration.

Sincerely,

Ken Montgomery

Ken Montgomery
Director of Public Works/City Engineer
City of Laguna Niguel
949-362-4339

cc: Shohreh Dupuis, OCTA
Shirley Land, City of Mission Viejo

Other Future Plans

New Stations and Rolling Stock

The continued growth of the Metrolink customer base has strained the existing system infrastructure. Parking lots at stations are full and train cars are packed. Fortunately, plans are underway to build more stations, modify current stations, and add more train cars to help ease the overcrowding and efficiency.

In the next two years, an additional station in Buena Park is scheduled to open. In addition, a multi-year, two-phased parking expansion project at the Fullerton station is planned in the next two to three years. Phase 1 will acquire five parcels, relocate the existing tenants, and construct 200 surface parking spaces. Phase 2 will construct a 500-space parking structure on a portion of the property acquired in Phase 1. A new 500-space parking structure is also in design for the Irvine Transportation Center. Staff is working with the City to develop a similar phasing plan at this site.

To address overcrowding and expand the existing service, Metrolink will release a request for bids to purchase 43 new rail cars in the next few months. It is anticipated that the first set of new rail cars will be available for service in mid-2007, which limits the ability of adding any new peak service until then.

Long-Range Plan

The Commuter Rail Strategic Assessment Study was completed in 2004 and was adopted by OCTA Board of Directors. An implementation plan is currently in process to develop a detailed phasing and funding program for the adopted future service levels. This Metrolink service expansion is being considered as part of OCTA's rapid transit program. The implementation plan will be presented to the Board of Directors in July 2005. In addition, SCRRA is currently in the process of completing a strategic assessment for the four Metrolink lines that are not in Orange County. SCRRA will combine this assessment and the OCTA Strategic Assessment into a system-wide strategic assessment in 2005.



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Award of Construction Contract for Roof Reconstruction at the Anaheim Bus Base

Transit Planning and Operations Committee

April 28, 2005

Present: Directors Winterbottom, Brown, Pulido, Duvall, and Green
Absent: Directors Silva and Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Green was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-0492, between the Orange County Transportation Authority and Best Roofing & Waterproofing, Inc., dba Best Construction Services, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$352,519, for Roof Reconstruction at the Anaheim Base.



April 28, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Award of Construction Contract for Roof Reconstruction at the Anaheim Base

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved Roof Reconstruction at the Anaheim Base. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-0492, between the Orange County Transportation Authority and Best Roofing & Waterproofing, Inc., dba Best Construction Services, Inc., the lowest responsive, responsible bidder, in an amount not to exceed \$352,519, for Roof Reconstruction at the Anaheim Base.

Background

The Orange County Transportation Authority (Authority), acting on behalf of the Orange County Transit District, completed construction of the Anaheim Base in 1983. The roofs were constructed in 1983 during construction of the bus base. In December 2004, the Authority executed a Contract Task Order with ABS Consulting to provide design and construction support services for the roof reconstruction at the Anaheim Base. Roof reconstruction is required to maintain a watertight environment and to prevent damage to the building's structure and interior space.

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.

On March 8, 2005, Invitation for Bid 5-0492 was released and posted on CAMMNET, and an electronic notification was sent to 211 firms. The project was advertised on March 10, and March 14, 2005, in a newspaper of general circulation. A pre-bid conference was held on March 15, 2005, and was attended by six firms. Addendums No.1, and 2, were issued on March 16, and March 30, 2005, respectively, to address administrative issues, respond to questions, and provide clarifications to the plans and specifications. On April 12, 2005, three bids were received. All offers were reviewed by the staff from Construction and Engineering, and Contracts Administration and Materials Management Departments to ensure compliance with the terms and conditions, specifications, and drawings. Listed below are the three bids received. State law requires award to the lowest responsive, responsible bidder. FC & Sons Roofing, Inc. failed to submit a bid bond and is therefore considered non responsive. Letner Roofing Co. failed to acknowledge Addendum No. 2 which identified specification changes, and is therefore considered non responsive.

<u>Firm and Location</u>	<u>Bid Price</u>
Best Roofing & Waterproofing, Inc. dba Best Contracting Services, Inc. Gardena, California	\$352,519
FC & Sons Roofing, Inc. Bell Gardens, California	\$355,282
Letner Roofing, Co. Orange, California	\$483,000

Fiscal Impact

This project was approved in the Authority's fiscal year 2004-2005 Construction and Engineering Division/Construction & Engineering Budget, Account 9022, and is funded with local transportation funds.

Summary

Staff is requesting approval of Agreement C-5-0492 in the amount of \$352,519 with Best Roofing & Waterproofing, Inc., dba Best Construction Services, Inc., the lowest responsive, responsible bidder, for Roof Reconstruction at the Anaheim Base.

Attachment

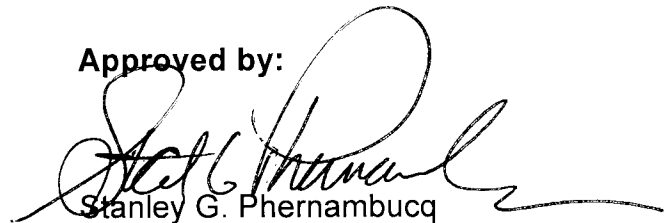
None.

Prepared by:

for 

James J. Kramer
Principal Civil Engineer
(714) 560-5866

Approved by:



Stanley G. Phernambucq
Executive Director, Construction and
Engineering
(714) 560-5440



May 9, 2005

To: Members of the Board of Directors
From: Arthur T. Leahy, Chief Executive Officer
Subject: Measure M Quarterly Progress Report

Overview

Staff has prepared a Measure M progress report for the first quarter of 2005. This is a regular report that highlights the Measure M projects and programs currently under development.

Recommendation

Receive and file as an information item.

Background

Measure M Ordinance No. 2 requires quarterly reports to the Orange County Transportation Authority's Board, which present the progress of implementing the Measure M Expenditure Plan. The first quarterly report was presented to the Board on October 26, 1992. Quarterly reports highlight accomplishments for the freeway, streets and roads, and transit programs within Measure M. Reports also include summary financial information for the period and total program to date.

Discussion

This quarterly report updates progress in implementing the Measure M Expenditure Plan during the first quarter of 2005 (January through March). Highlights and accomplishments of work-in-progress for freeway, streets and roads, and transit programs along with expenditure information are presented for Board review.

Freeway Program

Prior Measure M construction projects along the Santa Ana Freeway (Interstate 5), Costa Mesa Freeway (State Route 55), and the Riverside Freeway

(State Route 91) are essentially complete with the California Department of Transportation (Caltrans) continuing to negotiate final change orders and claims. The Orange County Transportation Authority (OCTA) continued full-scale implementation of the Garden Grove Freeway (State Route 22) design-build project as well as the design activities on the Interstate 5 (I-5) Far North Project from the I-5/State Route 91 (SR-91) Interchange north to the Los Angeles County line. The following are highlights and major accomplishments along each of the freeway corridors:

I-5, South Projects

Measure M provided funding for several High Occupancy Vehicle (HOV) lane and related improvement projects along I-5 between El Toro Road and Pacific Coast Highway. These projects included soundwalls for noise mitigation and were completed some time ago. Because of certain physical constraints, some areas did not receive a soundwall under the original construction contract. Two of those areas specifically are the Aegean Hills community in Mission Viejo and the Aliso Creek community in Laguna Hills.

In September 2003, the Board approved funding the new Aegean Hills soundwall project. The City of Mission Viejo awarded the construction contract, and the work began in December 2003. Construction is now substantially complete. Originally, the final completion date was anticipated to be March 2005. However, due to the excessive rains over the last quarter, the completion has been delayed. Currently, only minor landscaping work is on-going, and the project completion is now expected to be May 2005.

Earlier in the development stages is the Aliso Creek soundwall project, approved by the Board on October 17, 2002. This project is being jointly developed by OCTA and the City of Laguna Hills. The project would involve the construction of approximately 2,000 lineal feet of soundwalls. This would be constructed in three separate sections along the southbound I-5 between Los Alisos Boulevard and Alicia Parkway. A feasibility study developed three different construction alternatives, each with a cost of approximately \$1,300,000. As the wall will be constructed on private property, all homeowners benefiting from the proposed soundwalls must agree on the soundwall type, as well as agree to pay for any maintenance costs that will arise throughout its lifespan. This approval must be received prior to the project moving forward into the final design stage. Currently, the City of Laguna Hills is taking the lead on gathering this approval, with the vast majority of residents approving the soundwall as it is proposed. Two residents at the northwestern limits of the project have objected to the proposed location of one of the three walls. The City of Laguna Hills is anticipating making a decision on whether to proceed with the project, excluding the approximately 230 lineal

feet of soundwall that is the source of the objections. The city is anticipated to make its decision on April 12, 2005. As resident approval is still pending, the project has not yet been included in the Measure M freeway program budget or estimate-at-completion.

I-5, North Projects

Construction on the 13 I-5 projects from State Route 22 (SR-22) to just north of the I-5/SR-91 Interchange originally began in December 1996, and were substantially completed by the end of December 2000, as scheduled. Caltrans is currently in the process of negotiating final construction quantities and change orders/claims for several projects.

Construction funding for the I-5 North projects include State Transportation Improvement Program funds, Measure M freeway, and local city contributions. Measure M construction/claim payments during the first quarter were very limited at \$64,000 with \$229.1 million paid to date. Total anticipated Measure M construction payments are currently estimated at \$235.6 million. The remaining balance is comprised of approximately \$1.4 million in Caltrans State Furnished Materials, and an allowance of \$5.1 million to settle outstanding change orders and construction claims.

I-5, Far North Project

The two-mile stretch of I-5, from just north of the I-5/SR-91 Interchange to the Los Angeles County line, is the only portion of the I-5 in Orange County yet to be improved. The total project cost was originally estimated at \$205 million with \$133 million funded through Measure M. However, on March 21, 2005, the Regional Planning and Highways Committee received an updated cost estimate for the project. The estimate at completion was increased by \$46.25 million, which now brings the total cost estimate to \$251 million.

The original cost estimate was prepared in 2001. It has been updated, in part, to reflect the escalation in the cost of construction materials, the relocation of the Union Pacific Railroad (UPRR) storage tracks, and various utility relocations. Some of the cost increase is also due to the need to include a unique seal slab/retaining wall design around Beach Boulevard. For some time, OCTA has been working with Caltrans to determine the best solution for the high ground water issue. After a detailed risk analysis was performed, the seal slab structure was determined to be the only feasible option. Also impacting the cost estimate is a change in the requirements to remove all the soil that is contaminated by aerial-deposited lead. Previously, such soils were allowed to

be buried on-site. Requirements now dictate that the excavated soils be removed and disposed of, at a significant cost increase.

OCTA has identified three potential funding sources that are eligible for use on the I-5 Far North Project. Efforts towards receiving these funds will continue. However, to allow the project to continue forward fully funded, an increase in the Measure M portion of the funding will be necessary. On April 11, 2005, staff will be seeking authorization from the Board, to increase the Measure M funding from \$133 million to \$179 million, to cover the \$46.25 million dollar cost estimate increase.

Overall design progress by OCTA's consultant remains at 95 percent complete. The roadway and bridge structure design plans were updated to incorporate the seal slab design and other changes. The plans were resubmitted to the Caltrans District Office Engineer for review on March 18, 2005. The final District review and approval process for both roadway and structures plans is scheduled to be complete in May 2005. Once this review of the resubmitted plans is complete, the final plans and specifications package will be forwarded to Caltrans' Sacramento office for preparation of the bid packages.

With transportation funding shortfalls, virtually all right-of-way (ROW) activities related to the I-5 Far North had ceased during the 2003-04 fiscal year. However, with the execution of the cooperative agreement between OCTA and Caltrans to implement ROW acquisition, finalized in December 2004, property acquisition is now in process. The project requires an estimated 58 property acquisitions and temporary construction easements. Currently, at the end of the report period, all 58 parcels have been appraised, with the initial purchase offers made to all property owners. The total number of escrows closed remains at 23. Caltrans continues to meet with utility companies to determine conflicts and execute the necessary utility relocation agreements. While the ROW acquisition process has been significantly delayed, OCTA and Caltrans are still attempting to deliver the required properties and certify ROW by June 2005. This June 2005, certification date is necessary in order to meet the currently scheduled construction advertisement date of August 2005.

SR-22

On August 23, 2004, the Board approved awarding the SR-22 Design-Build contract to Granite-Meyers-Rados, a joint venture, at a cost of \$390,379,000. Notice-to-Proceed was issued September 22, 2004, and construction activities began October 5, 2004. The contract requires substantial completion within 800 calendar days after the Notice-to-Proceed, or November 30, 2006. Final project completion is required within 90 days after substantial completion.

Significant construction activities occurred during the report period. The clearing and grubbing work in the areas adjacent to the freeway continued. The Metropolitan Drive utility relocation effort also continued. Pile-driving for the bridge structures began at three locations. Additionally, the construction of the cast-in-place wall structures is now underway. Overall, at the end of this report period, the Design-Build contract was 18.9 percent complete, with 191 contract days elapsed, and 609 days remaining.

The Board approved overall project budget for the SR-22 project is \$490 million. This includes the \$390 million Design-Build contract and \$100 million in other program costs including project management support, legal services, ROW, Caltrans oversight, other construction costs, and a \$16 million construction contingency allocation.

To provide sufficient funding for the overall project, the Board approved amending the Measure M Expenditure Plan to increase the SR-22 funding by \$123.7 million to a total of \$327 million. The additional Measure M funding commitment is required as future State Transportation Congestion Relief Program (TCRP) allocation requests are currently on hold, with no funds programmed for the TCRP in the fiscal year 2005-06 state budget. The possibility exists that the program may be restored in future fiscal years, and that option will continue to be pursued.

OCTA is continuing to actively seek reimbursement of the current TCRP allocation, with a commensurate reduction in the use of Measure M funds for any amount received. In total, the TCRP allocations to OCTA for the SR-22 project amount to \$56.4 million, including \$4.2 million payable to Caltrans for project oversight. TCRP billings through March 31, 2005, total \$46.7 million with \$46.2 million reimbursable to Measure M. The balance has been reimbursed to OCTA's Capital Projects fund for expenses incurred prior to the addition of the SR-22 project to the Measure M Ordinance.

To secure the required ROW for the SR-22 project, OCTA will need to obtain an interest in an estimated 58 individual parcels, comprised of two full-take and 56 partial-take acquisitions. ROW appraisals and appraisal reviews have been completed for all of the required parcels, with the acquisition process itself nearly complete. A total of 36 parcels have been acquired, three are in escrow, six have been verbally accepted, and the remaining 13 are in varying stages of negotiation. On September 27, 2004, the Board authorized the use of eminent domain to ensure critical parcels are acquired in support of the contractor's schedule, and currently, OCTA does have legal possession of all 58 parcels required for the project. This allows work to continue while staff pursues

negotiations and works with property owners to purchase the land throughout these eminent domain proceedings.

SR-91

In October 2003, the Board approved the use of Measure M funds to complete the design and construction of the new Peralta Hills soundwall project located on eastbound SR-91, between State Route 55 (SR-55) and Lakeview Avenue. The cooperative agreement with Caltrans for construction and construction management services was approved by the Board on September 27, 2004. The overall project is budgeted at \$2.8 million.

Caltrans is acting as the lead agency for the project. Construction activities began March 10, 2005. The work effort is currently progressing well, and construction is scheduled to be complete in August, 2005.

Street and Roads Programs

Substantial additional funding to cities and the county is provided by the various programs within the Measure M Local and Regional Streets and Roads Programs through OCTA's Combined Transportation Funding Program (CTFP). The CTFP encompasses Measure M streets and roads competitive programs, as well as federal sources such as the Regional Surface Transportation Program (RSTP). Funds are awarded on a competitive basis within the guidelines of each program and are used to fund a wide range of transportation projects.

During the first quarter, the CTFP contributed approximately \$2.8 million for streets and roads improvements. Significant payments include \$719,000 to the City of Buena Park for various corridor projects that integrate freeway and surface street operation through advanced surveillance and traffic control techniques; \$606,000 to the City of Los Alamitos for intersection widening, bus turn-outs, and lane restriping; \$395,000 to the County of Orange for the addition of a passing lane in Santiago Canyon, and \$193,000 to the City of Aliso Viejo for three projects that will construct additional turn lanes and install two on-street master controllers to coordinate traffic signals.

In response to the 2004 CTFP Call for Projects issued in November 2004, OCTA received 642 applications, requesting \$318 million funding for streets and roads improvement projects over the next five years from local jurisdictions. The Technical Advisory Committee is undertaking a review of all applications and final approval is expected by the Board in June 2005. As this allocation covers the period from fiscal years 2005 through 2010, this will be the last major call for projects and CTFP allocation before Measure M sunsets in 2011.

Transit Programs

Commuter Rail

Orange County's commuter rail service is provided by Metrolink (under contract with OCTA). Metrolink is the service operated by the Southern California Regional Rail Authority (SCRRA). Formed in 1991, the SCRRA is a joint powers authority of five member agencies, representing the five Southern California counties of Ventura, Los Angeles, San Bernardino, Riverside, and Orange.

Commuter rail service in Orange County includes three routes: the Orange County Line operating from Oceanside to downtown Los Angeles, the Inland Empire – Orange County Line (IEOC), serving passengers going from San Bernardino and Riverside to Orange County, and the 91 Line operating from Riverside to downtown Los Angeles via Fullerton. The Orange County Line provides 19 weekday trips between Orange County and Los Angeles, including two reverse-commute roundtrips that offer service from Los Angeles to employment centers in Orange County. The IEOC service provides 12 weekday trips and the 91 Line provides nine weekday trips. In addition, under the Rail 2 Rail program, monthly pass holders are allowed to ride Amtrak trains providing up to 22 weekend trains for Orange County riders at no additional charge.

The expansion of this Rail 2 Rail program continues. Through the combined efforts of OCTA, Caltrans, Metrolink, and Amtrak, the Metrolink service area will be making a number of improvements to it. Currently, this program allows only those with a monthly Metrolink Pass to ride Amtrak trains within the service area at no additional fee. However, OCTA has worked with the stakeholders to expand this program to a new ten-trip ticket program. This new ten-trip ticket will be usable on both Amtrak and Metrolink Trains in the Service area and should be available sometime in 2005. Additionally, effective November 2004, certain Amtrak Trains have added stops in Orange and Laguna Niguel to provide some mid day train schedule opportunities to Orange County patrons.

Other improvements to commuter rail service in Orange County are both planned and in process. Passenger improvements to the Santa Ana Station were placed under contract in late 2004. A pedestrian overpass and improved platforms will begin construction over the next several months. Also, the Ticket Vending Machine (TVM) upgrades have been completed. New, improved TVM's have been installed at all stations in the OCTA service area. These TVM's are faster, easier to use, and give OCTA better use and financial data to help meet the needs of our train customers. Additionally, there is a railroad bridge upgrading project underway to replace some older bridges and upgrade others to meet the

future needs of Metrolink service in Orange County. Soon, the Santa Ana double track project will begin. This project will improve on-time performance of our trains and allows for additional service in the future.

In the first quarter of 2005, Metrolink ridership in Orange County experienced continued growth on all three lines. The Orange County Line, including the Metrolink Riders on Amtrak trains under the Rail 2 Rail program, averaged 6,954 average daily passengers, which represents a 4.5 percent increase over the first quarter of 2004. The daily number of Metrolink monthly pass holders riding Amtrak via the Rail 2 Rail program averaged 1,235 during the quarter. This was a 12.9 percent increase over the first quarter of 2004. The IEOC Line averaged 3,833 daily riders, a 5.8 percent increase over the first quarter of 2004. The 91 Line averaged 1,787 riders, a 7.7 percent increase over the first quarter of 2004.

The commuter rail program was made possible by the rapid implementation of a comprehensive capital improvement plan made up of 36 percent Measure M funds. Also helping the commuter rail program is \$115 million in the long-term rail operating fund, the Commuter Rail Endowment, established in 1992, and funded by Measure M.

The CenterLine Project

Due to federal funding issues related to the light rail project, on February 14, 2005, the OCTA Board of Directors voted to pause work on The CenterLine Project (CenterLine) and directed staff to begin exploring alternatives for other rapid transit options. Prior to this decision, efforts for this quarter for the CenterLine focused on coordination of utility relocation issues with the affected public utilities, analysis of responses received by OCTA for the industry review of the light rail vehicle, and preparation of documents required by the Federal Transit Administration (FTA). Since the Board of Directors decision efforts have focused on the development and analysis of other rapid transit options.

The Preliminary Engineering (PE) consultant, Parsons Brinckerhoff Quade and Douglas, Inc. provided technical support at stakeholder meetings, refined the PE cost estimate as appropriate, revised the light rail vehicle specifications based on the industry review, provided technical support in meetings with utilities, completed exhibits for specific utility relocation agreements, and refined mapping of specific locations along the light rail alignment. The Board of Directors approved an extension of the PE consultant's agreement from March 2005 through June 2005. Work performed during this additional

timeframe will focus on exploration of issues and costs for converting the light rail project to a bus rapid transit project, as directed by the Board of Directors.

The Project Management Consultant (PMC), Carter & Burgess, Inc., provides management, administrative and technical support to CenterLine staff. The PMC team assisted in analysis of the industry review for the CenterLine's proposed dual-power light rail vehicle and risk assessment for the light rail vehicle, including review of documents submitted by the PE consultant. PMC assisted in meetings with the "dry" utilities, including cable and telecommunications providers. Conflicts and technical issues were discussed with the utilities and potential locations of rearrangements were identified. PMC assisted in the preparation and submittal of documents required by the FTA, and participated in meetings with the FTA Project Management Oversight Consultant (PMOC) on February 23 through 25, 2005.

As directed by the Board of Directors, PMC also assisted in analysis of rapid transit options. Rapid transit options to be studied include a bus rapid transit (BRT) system in a dedicated lane on all or part of the existing CenterLine route, accelerating the planned expansion of the Metrolink commuter-rail service, implementing a new comprehensive mixed-flow BRT system serving key destinations within Orange County, exploring other light rail lines and forms of high speed rail, and reallocating Measure M funds to approved freeway and/or local street projects.

The environmental consultant, Jones and Stokes, has finalized the Final Environmental Impact Statement/Final Environmental Impact Report. Its release is on hold pending approval by the OCTA Board of Directors.

The ROW Consultant, Overland, Pacific & Cutler, Inc.'s, has finalized the Real Estate Acquisition and Management Plan (RAMP), which includes the Relocation Plan. It is on hold pending approval by the OCTA Board of Directors.

OCTA continued public outreach this quarter with project briefings to a number of communication organizations, neighborhood groups, and one-on-one meetings with community leaders. Speaking engagements included the Construction Management Association, the Floral Park Neighborhood Association, and the Riverview Neighborhood Association in Santa Ana. In January 2005, letters were mailed to over 900 constituencies informing them of the newly-elected OCTA Board of Directors and the status of the Supplemental Draft Environmental Impact Statement/Environmental Impact Report. In February a second letter was mailed to the same constituencies informing them of the OCTA Board action to pause the environmental and engineering

work on the CenterLine project and study other methods of mass transit for the county.

San Diego Freeway (Interstate 405)/SR-55 Interchange and Transitway

Since the discovery of damage to the Interstate 405 (I-405)/SR-55 South Transitway structure, OCTA has been working closely with all parties to expedite repairs and resolve the cost responsibility. Construction repairs began on September 2, 2003, and were finally completed during this quarter. The northbound portion of the transitway was opened for traffic on December 30, 2004. The southbound portion of the transitway, linking the southbound SR-55 to the southbound I-405 opened for traffic on January 28, 2005. With the transitway now open in both directions, the link provides a seamless carpool connection between the two freeways and has greatly improved traffic flow. Minor signage items are all that remain to be completed on the project.

Construction on the much larger second phase of the I-405/SR-55 Interchange project began in February 2001. Currently, the construction cost is estimated at \$61.1 million. Construction progress increased 4 percent during the quarter to 94 percent overall completion.

Overall construction has been insufficient to meet the previous contract completion date. Caltrans and OCTA continue to work with the contractor to mitigate delays. Currently the transitway structure is scheduled to be open for traffic in the beginning of May 2005, with the balance of the project to be completed over the summer.

As with the first phase, this project includes a freeway-to-freeway transitway connector linking southbound SR-55 HOV lanes to the northbound I-405 HOV lanes and the reverse movement. Other significant improvements are being made to reduce traffic and weaving on the northbound I-405 in the South Coast Metro area. Significant problems were encountered in the past as traffic entering the northbound I-405 from the SR-55 encountered traffic attempting to exit at Bristol Street. The new braided off-ramp to Bristol Street and Avenue of the Arts, helps alleviate those issues.

Financial Status

As required in Measure M, all Orange County eligible jurisdictions receive 14.6 percent of the sales tax revenue based on population ratio, Master Plan of Arterial Highways miles, and total taxable sales. There are no competitive criteria to meet, but there are administrative requirements, such as having a Growth

Management Plan. This money can be used for local projects as well as ongoing maintenance of local streets and roads. The total amount of Measure M turnback funds distributed since program implementation is \$361.7 million. Distributions to individual agencies to-date and for the period are detailed in Attachment A.

Net Measure M expenditures through March 31, 2005, total \$2.383 billion. Net expenditures include project specific reimbursements to Measure M from cities, local agencies, and Caltrans. Total Net Tax Revenues consist primarily of Measure M sales tax revenues and non-bond interest minus estimated administrative expenses through 2011. Net revenues, expenditures, estimates-at-completion, and summary project budgets, per the Measure M Expenditure Plan, are presented in Attachment B. The basis for project budgets within each of the Expenditure Plan programs is identified in the notes accompanying Attachment B.

Budget Variances

Project budget verses estimate-at-completion variances generally relate to freeway and transitway elements as these programs have existing defined projects. Other programs, such as regional and local streets and roads, assume all net tax revenues will be spent on existing and yet to be defined future projects.

The freeway estimate-at-completion for the "I-5 between I-405 and I-605" was increased by \$46.25 million. The increase is associated with the I-5 Far North project and includes the escalation in the cost of construction materials, the relocation of the UPRR storage tracks, various utility relocations, and the unique seal slab/retaining wall design around Beach Boulevard. The freeway project budget for the "I-5 between I-405 and I-605" remains the same.

Additionally, the freeway project budget for "S.R. 22 between S.R. 55 and Valley View Street" was reduced by \$5.6 million. The previous project budget reflected the Board approved amended Measure M Expenditure Plan funding limit. The reduction now brings the project budget in line with the overall project budget approved by the board in August 2004.

Summary

As required in Measure M Ordinance No. 2, a quarterly report is provided to update progress in implementing the Measure M Expenditure Plan. This report covers freeways, streets and roads, transit program highlights, and accomplishments from January through March 2005.

Attachments

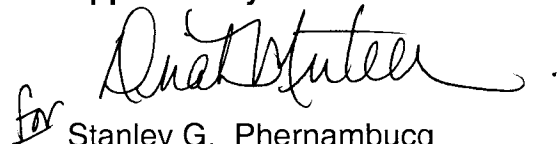
- A. Measure M Local Turnback Payments
- B. Measure M Revenue and Expenditure Summary as of March 31, 2005

Prepared by:



Norbert Lippert
Project Controls Manager
(714) 560-5733

Approved by:



for Stanley G. Phernambucq
Executive Director, Construction &
Engineering
(714) 560-5440

ATTACHMENT A**MEASURE M LOCAL TURNBACK PAYMENTS**

Agency	First Quarter 2005	Total Apportionment as of 3/31/05
Aliso Viejo	\$ 148,831	\$ 1,482,977
Anaheim	1,376,842	39,783,211
Brea	221,314	6,528,627
Buena Park	332,119	9,729,113
Costa Mesa	586,732	17,251,472
Cypress	221,255	6,374,357
Dana Point	136,447	4,118,729
Fountain Valley	256,273	7,963,951
Fullerton	523,198	15,819,005
Garden Grove	614,055	17,868,926
Huntington Beach	781,532	23,636,502
Irvine	958,455	24,471,367
Laguna Beach	112,691	3,038,254
Laguna Hills	155,950	4,260,324
Laguna Niguel	285,379	7,595,048
Laguna Woods	54,184	884,560
La Habra	217,157	6,034,733
Lake Forest	322,068	7,502,898
La Palma	75,330	1,991,617
Los Alamitos	54,106	1,759,056
Mission Viejo	399,570	11,243,388
Newport Beach	406,063	10,878,665
Orange	650,275	18,812,853
Placentia	195,217	5,649,592
Rancho Santa Margarita	186,798	2,105,473
San Clemente	220,540	5,443,602
San Juan Capistrano	165,494	4,418,188
Santa Ana	1,206,250	36,159,821
Seal Beach	98,560	2,864,356
Stanton	123,059	3,584,752
Tustin	336,168	9,865,397
Villa Park	21,984	661,566
Westminster	368,005	10,794,460
Yorba Linda	246,115	6,680,488
County Unincorporated	652,022	24,430,061
Total County:	\$ 12,710,037	\$ 361,687,391

**Measure M Revenue and Expenditure Summary
As of March 31, 2005**

<u>Project Description</u> <i>(\$ in thousands, escalated to year of expenditure/revenue</i>	Total Net Tax Revenues	Project Budget	Estimate at Completion	Variance Total Net Tax Revenues to Est at Completion	Variance Project Budget to Est at Completion	To Date Net Project Cost	Percent Budget Expended	Notes
	A	B	C	(A - C)	(B - C)	D	(D / B)	
Freeways (43%)								
I-5 between I-405 (San Diego Fwy) and I-605	\$ 1,028,763	\$ 810,010	\$ 797,106	\$ 231,657	\$ 12,904	\$ 629,573	77.7%	1,6
I-5 between I-5/I-405 Interchange and San Clemente	71,328	55,390	57,418	13,910	(2,028)	56,933	102.8%	1
I-5/I-405 Interchange	90,531	72,802	72,946	17,585	(144)	72,824	100.0%	1
S.R. 55 between I-5 and S.R. 91	60,354	44,511	48,932	11,422	(4,421)	47,663	107.1%	1
S.R. 57 between I-5 and Lambert Road	30,177	24,128	24,243	5,934	(115)	22,719	94.2%	1
S.R. 91 between Riverside Co. line & Los Angeles Co. line	130,310	116,136	105,079	25,231	11,057	102,159	88.0%	1
S.R. 22 between S.R. 55 and Valley View St.	406,019	321,408	321,408	84,611	-	34,118	10.6%	2, 5
Subtotal Projects	\$ 1,817,482	\$ 1,444,385	\$ 1,427,132	\$ 390,350	\$ 17,253	\$ 965,989	66.9%	
Net (Bond Revenue)/Debt Service		353,438	353,438	(353,438)	-	262,009		
Total Freeways	\$ 1,817,482	\$ 1,797,823	\$ 1,780,570	\$ 36,912	\$ 17,253	\$ 1,227,998	68.3%	
Expenditures as a Percent of Total Program						51.5%		
Regional Street and Road Projects (11%)								
Smart Streets	\$ 159,407	\$ 156,677	\$ 156,677	\$ 2,730	\$ -	\$ 112,863	72.0%	3
Regionally Significant Interchagnes	\$ 92,988	92,988	92,988	-	-	29,242	31.4%	3
Intersection Improvement Program	\$ 132,839	132,839	132,839	-	-	46,891	35.3%	3
Traffic Signal Coordination	\$ 66,420	66,420	66,420	-	-	25,635	38.6%	3
Transportation Systems and Transporation Demand Mgmt	\$ 13,284	13,284	13,284	-	-	5,765	43.4%	3
Subtotal Projects	\$ 464,938	\$ 462,208	\$ 462,208	\$ 2,730	\$ -	\$ 220,396	47.7%	
Net (Bond Revenue)/Debt Service		2,730	2,730	(2,730)	-	2,024		
Total Regional Street and Road Projects	\$ 464,938	\$ 464,938	\$ 464,938	\$ -	\$ -	\$ 222,420	47.8%	3
Expenditures as a Percent of Total Program						9.3%		

Measure M Revenue and Expenditure Summary
As of March 31, 2005

<u>Project Description</u> <i>(\$ in thousands, escalated to year of expenditure/revenue)</i>	Total Net Tax Revenues A	Project Budget B	Estimate at Completion C	Variance Total Net Tax Revenues to Est at Completion (A - C)	Variance Project Budget to Est at Completion (B - C)	To Date Net Project Cost D	Percent Budget Expended (D / B)	Notes
Local Street and Road Projects (21%)								
Master Plan of Arterial Highway Improvements	\$ 173,110	\$ 173,110	\$ 173,110	\$ -	\$ -	\$ 52,243	30.2%	3
Streets and Roads Maintenance and Road Improvements	614,498	614,498	614,498	-	-	361,735	58.9%	3
Growth Management Area Improvements	100,000	100,000	100,000	-	-	49,842	49.8%	3
Subtotal Projects	\$ 887,608	\$ 887,608	\$ 887,608	\$ -	\$ -	\$ 463,820	52.3%	
Net (Bond Revenue)/Debt Service						-		
Total Local Street and Road Projects	\$ 887,608	\$ 887,608	\$ 887,608	\$ -	\$ -	\$ 463,820	52.3%	
Expenditures as a Percent of Total Program						19.5%		
Transit Projects (25%)								
Pacific Electric Right-of-Way	\$ 20,452	\$ 15,000	\$ 13,100	\$ 7,352	\$ 1,900	\$ 13,296	88.6%	4
Commuter Rail	374,950	374,950	374,950	-	-	258,485	68.9%	3
High-Technology Advanced Rail Transit	463,574	463,574	463,574	-	-	24,909	5.4%	3
Elderly and Handicapped Fare Stabilization	27,269	20,000	20,000	7,269	-	9,017	45.1%	4
Transitways	170,432	146,381	121,003	49,429	25,378	115,833	79.1%	1
Subtotal Projects	\$ 1,056,677	\$ 1,019,905	\$ 992,627	\$ 64,050	\$ 27,278	\$ 421,540	41.3%	
Net (Bond Revenue)/Debt Service		63,841	63,841	(63,841)	-	47,327		
Total Transit Projects	\$ 1,056,677	\$ 1,083,746	\$ 1,056,468	\$ 209	\$ 27,278	\$ 468,867	43.3%	
Expenditures as a Percent of Total Program						19.7%		
Total Measure M Program	\$ 4,226,705	\$ 4,234,115	\$ 4,189,584	\$ 37,121	\$ 44,531	\$ 2,383,105	56.3%	

Notes:

1. Project Budget based on escalated value of 1996 Freeway Strategic Plan plus subsequent Board approved project funding plan adjustments.
2. Project Budget and funding based on September 13, 2004 Measure M Expenditure Plan amendment.
3. Project Budget and Estimate at Completion equal to Total Net Tax Revenues as all funds collected will be expended on future projects.
4. Project Budget based on Expenditure Plan.
5. Project Budget reduced by \$5.6 million to reflect overall project budget approved by the Board on August 23, 2004. Previous value of \$327 million reflected the total approved funding for the project.
6. Estimate at Completion increased by \$46 million to account for increased construction and design costs.



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: Wendy Knowles, ^{WK} Clerk of the Board
Subject Agreement for Exhaust and Gas Detection System at Laguna Hills Transportation Center

Transit Planning and Operations Committee

April 28, 2005

Present: Directors Winterbottom, Brown, Pulido, Duvall, and Green
Absent: Directors Silva and Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Green was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-4-1112, between the Orange County Transportation Authority and Allied Industrial Systems, Inc. the lowest responsive, responsible bidder, in the amount of \$298,000, for an exhaust and gas detection system at the Laguna Hills Transportation Center.



April 28, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, ^{ATL} Chief Executive Officer
Subject: Agreement for Exhaust and Gas Detection System at Laguna Hills Transportation Center

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved construction of an exhaust and gas system detection at the Laguna Hills Transportation Center. 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-4-1112, between the Orange County Transportation Authority and Allied Industrial Systems, Inc. the lowest responsive, responsible bidder, in the amount of \$298,000, for an exhaust and gas detection system at the Laguna Hills Transportation Center.

Background

The Orange County Transportation Authority (Authority), acting on behalf of the Orange County Transit District, completed construction of the Laguna Hills Transportation Center in 1985. Americans with Disabilities Act modifications and installation of bus barriers were constructed in year 2000. In January 2004, the Authority executed Contract Task Order C-2-0547-02 with ABS Consulting to provide design and construction support services for the construction of an exhaust and gas detection system at the Laguna Hills Transportation Center. Liquefied Natural Gas (LNG) fuel is lighter than air. At the covered transportation center, the natural gas will rise to the top of building structure and become a possible source for ignition. In the event of a LNG leak on the bus, the gas detection system will detect the presence of natural gas within the bus transportation center, sound an alarm to notify employees and passengers of

the potential danger, and the exhaust system will mechanically exhaust the natural gas to the environment outside the building structure.

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.

On November 15, 2004, IFB 4-1112 was released and posted on CAMMNET, and an electronic notification was sent to 318 firms. The project was advertised on December 8 and December 14, 2004, in a newspaper of general circulation. A pre-bid conference was held on December 15, 2004, and was attended by two firms. Addendum No.1, 2, and 3 were issued on December 29, 2004, January 6, 2005, and February 23, 2005, respectively, to address administrative issues, respond to questions, and provide clarifications to the plans and specifications. On February 28, 2005, two bids were received. All offers were reviewed by the staff from Construction and Engineering, and Contracts Administration and Materials Management Departments to ensure compliance with the terms and conditions, specifications, and drawings. Listed below are the two bids received. State law requires award to the lowest responsive, responsible bidder.

<u>Firm and Location</u>	<u>Bid Price</u>
Allied Industrial Systems, Inc. Anaheim, California	\$298,000
Weaver, Inc. Anaheim, California	\$497,464

Fiscal Impact

This project was approved in the Authority's fiscal year 2004-05 Transportation Systems Development Division/Project Development Budget, Account 9022, and is funded with Local Funds.

Summary

Staff is recommending to the Transit Planning and Operations Committee approval of Agreement C-4-1112 in the amount of \$298,000 with Allied

Industrial Systems, the lowest responsive, responsible bidder, for the exhaust and gas detection system at Laguna Hills Transportation Center.

Attachment

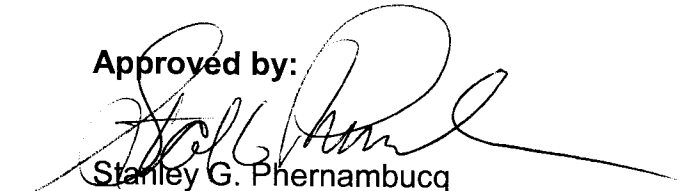
None.

Prepared by:

For Roger Sanchez

James J. Kramer
Project Manager, Facilities
(714) 560-5866

Approved by:



Stanley G. Phernambucq
Executive Director, Construction and
Engineering
(714) 560-5440



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Medicare Participation for Employees Hired Before April 1, 1986

Finance and Administration Committee

April 27, 2005

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

Committee Vote

This item was passed by all Committee Members present.

Committee Member Correa was not present to vote on this item.

Committee Recommendation

Authorize the Chairman of the Board of Directors to approve Resolution Nos. 2005-89 and 2005-90 to request permission from the State Social Security Administrator to conduct a referendum among the eligible employees.



April 27, 2005

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Medicare Participation for Employees Hired Before April 1, 1986

Overview

Employees hired before April 1, 1986, are exempt from mandatory Medicare Hospital Insurance coverage. Orange County Transportation Authority may voluntarily provide Medicare Hospital Insurance coverage to such employees under Section 218 of the Social Security Act.

Recommendation

Authorize the Chairman of the Board of Directors to approve Resolution Nos. 2005-89 and 2005-90 to request permission from the State Social Security Administrator to conduct a referendum among the eligible employees.

Background

States may enter into voluntary agreements with the federal government to provide federal Social Security benefits or Medicare Hospital Insurance (Medicare) coverage to certain groups of public employees. These agreements are called "Section 218 Agreements", because they are authorized by Section 218 of the Social Security Act. Each state is required to designate a State Social Security Administrator (State Administrator) to interact with the Social Security Administration and maintain the Federal-State Section 218 Agreement. The California Public Employees Retirement System (PERS) is the State Administrator for California.

Prior to April 1, 1986, public employees were not able to be covered for Medicare if they had membership in a retirement system unless the government agency had voluntarily requested to participate in the Section 218 Agreement between the state and the federal government. The Consolidated Omnibus Budget Reconciliation Act of 1985 mandated that public employees

hired or rehired after March 31, 1986, must be covered for the Federal Medicare Hospital Insurance and pay Medicare taxes regardless of their membership in a retirement system. Orange County Transportation Authority (OCTA) has employees that were hired before April 1, 1986, that participate in either the Orange County Employees Retirement System or the California Public Employees Retirement System.

Discussion

OCTA employees hired or rehired after April 1, 1986, currently contribute to the Medicare program, paying a tax of 1.45 percent of salary. OCTA also pays a tax of 1.45 percent of salary for these employees. Employees hired before April 1, 1986, cannot currently contribute to the Medicare program. The bargaining agreement between OCTA and the coach operator group requires OCTA and the coach operators to equally contribute into Medicare coverage effective April 1, 2006. It is anticipated that the bargaining agreements with the maintenance employees and parts and revenue employees will also have language requiring Medicare coverage for those employees hired before April 1, 1986. The State Administrator has indicated that all eligible employees of the same retirement system must be included in the referendum and effective at the same time.

The current number of OCTA employees hired before April 1, 1986, is shown below along with the estimated annual cost to OCTA to provide Medicare coverage.

Employee Group	Number	OCTA's Annual Cost
Teamsters (Coach Operators)	143	\$88,191
Teamsters (Maintenance)	41	27,846
Transportation Communications Union (Parts/Revenue Clerks)	6	3,702
Administrative	88	86,149
Total	278	\$205,888

Many of these employees will have no insurance upon attaining the age of 65 because of never contributing to Medicare nor being able to draw on a spouse's Medicare account. Health plans for people over age 65, who do not have coverage through an employer, require the individual to have Medicare

coverage or an increased premium is charged. By allowing these employees to contribute to Medicare while working, many will be eligible for insurance that they might not be able to purchase after retirement.

There are several steps required to voluntarily implement the Medicare program for employees hired before April 1, 1986. The procedures are based on Section 22300 through 22307 of the California Government Code, Sections 593 through 598.1 of the California Administrative Code, and Section 218(d) of the Social Security Act. To begin the process, the Board of Directors must adopt a resolution requesting authorization from the State Administrator to conduct a Referendum. The State Administrator must approve the Notice of Referendum, Statement of Information and Plan of Procedure provided by OCTA. The date on which the Referendum will be held is established, which cannot be earlier than 90 days after the date the Notice of Referendum is distributed to eligible employees. If a majority of the eligible members of the retirement system vote in favor of Medicare coverage, a resolution and coverage agreement to formally request coverage are provided to the State Administrator. Health plans for people over age 65 require the individual to assign Medicare Hospital and Medical Insurance to the health plan or an increased premium is charged by the health plan. If an individual, or his spouse, has contributed to Medicare for at least 10 years in Medicare-covered employment, then the person is eligible for Medicare Hospital Insurance at no cost and would only need to purchase Medicare Medical Insurance which most individuals purchase. By allowing these employees to contribute to Medicare while working, many will be eligible for insurance that they might not be able to purchase after retirement.

Adoption of Resolution to Request Authorization to Conduct Referendum	May 9, 2005
Referendum	December 1, 2005
Adoption of Resolution to Formally Request Coverage	January 23, 2006
Effective Date of Contract Amendment	April 1, 2006

Fiscal Impact

Employees and OCTA will contribute 1.45 percent of the employee's salary. OCTA's annual cost is estimated to be \$205,888, for the employees hired before April 1, 1986. This cost will increase slightly on an annual basis due to adjustments to salary that may occur.

Summary

Staff recommends approving the resolutions to request permission from the State Social Security Administrator to conduct a referendum among the employees hired before April 1, 1986.

Attachments

- A. OCTA Resolution No. 2005-89, Referendum Resolution (Medicare).
- B. OCTA Resolution No. 2005-90, Referendum Resolution (Medicare).

Prepared by:

Debbie Christensen

Debbie Christensen
Section Manager,
Human Resources
(714) 560-5811

Approved by:

James S. Kenan

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

Return to: California Public Employees' Retirement System
Actuarial & Employer Services Division
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709

RESOLUTION

WHEREAS, Orange County Transportation Authority,
(Official Name of Public Agency)

hereinafter designated as "Public Agency", desires to include services performed by its employees in positions covered by Orange County Retirement System
(Retirement System)

in the California State Social Security Agreement of March 9, 1951, providing for the coverage of public employees under the insurance system established by the Federal Social Security Act, as amended; and

WHEREAS, State and Federal laws require, as a condition of such coverage, that a referendum first be authorized by the Board of Administration, California Public Employees' Retirement System, and conducted among the "eligible employees" (as defined in Section 218(d)(3) of the Social Security Act) of the Public Agency; and

WHEREAS, it is necessary that the "Public Agency" now designate any classes of positions covered by said retirement system which it desires to exclude from "Medicare-Only" coverage under said insurance system;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Administration, California Public Employees' Retirement System be, and hereby is requested to authorize the foregoing referendum; and

BE IT FURTHER RESOLVED, that upon receipt of authorization from the Board of Administration, a referendum shall be conducted in accordance with the requirements of Section 218(d) of the Social Security Act, and applicable State and Federal laws and regulations; that such referendum shall be held on the question of whether service in positions covered by said retirement system should be excluded from or included under an agreement under the insurance system established under the Social Security Act, as hereinbefore provided, with such "Medicare Only" coverage effective as to services performed on and after April 1, 2006; and
(Date)

BE IT FURTHER RESOLVED, that the following classes of positions covered by said retirement system of the "Public Agency" shall be excluded from coverage under said agreement:

1. All services excluded from coverage under the agreement by Section 218 of the Social Security Act, and
2. Services excluded by option of the Public Agency (Check only one; fill in part b. if checked):
 - a. No optional exclusions desired.
 - b. Service performed:

BE IT FURTHER RESOLVED, that not less than ninety days' notice of such referendum be given to all "eligible employees" as hereinabove provided; and that James S. Kenan, Executive Director is hereby
(Name and Title of Local Officer)

designated and appointed to conduct such referendum on behalf of the "Public Agency" in accordance with law, regulations, and this resolution, including the giving of proper notice thereof to all such "eligible employees"; and

BE IT FURTHER RESOLVED, that with respect to eligible members thereof, the benefits and contributions of the said retirement system shall not be modified in any way; and

BE IT FURTHER RESOLVED, that the Public Agency will pay and reimburse the State at such time and in such amounts as may be determined by the State the approximate cost of any and all work and services relating to such referendum.

Presiding Officer Bill Campbell, Chairman

Orange County Transportation Authority

Official Name of Public Agency

Return to: California Public Employees' Retirement System
Actuarial & Employer Services Division
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709

ATTACHMENT B

RESOLUTION

WHEREAS, Orange County Transportation Authority,
(Official Name of Public Agency)

hereinafter designated as "Public Agency", desires to include services performed by its employees in positions covered by Public Employees Retirement System
(Retirement System)

in the California State Social Security Agreement of March 9, 1951, providing for the coverage of public employees under the insurance system established by the Federal Social Security Act, as amended; and

WHEREAS, State and Federal laws require, as a condition of such coverage, that a referendum first be authorized by the Board of Administration, California Public Employees' Retirement System, and conducted among the "eligible employees" (as defined in Section 218(d)(3) of the Social Security Act) of the Public Agency; and

WHEREAS, it is necessary that the "Public Agency" now designate any classes of positions covered by said retirement system which it desires to exclude from "Medicare-Only" coverage under said insurance system;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Administration, California Public Employees' Retirement System be, and hereby is requested to authorize the foregoing referendum; and

BE IT FURTHER RESOLVED, that upon receipt of authorization from the Board of Administration, a referendum shall be conducted in accordance with the requirements of Section 218(d) of the Social Security Act, and applicable State and Federal laws and regulations; that such referendum shall be held on the question of whether service in positions covered by said retirement system should be excluded from or included under an agreement under the insurance system established under the Social Security Act, as hereinbefore provided, with such "Medicare Only" coverage effective as to services performed on and after April 1, 2006; and
(Date)

BE IT FURTHER RESOLVED, that the following classes of positions covered by said retirement system of the "Public Agency" shall be excluded from coverage under said agreement:

1. All services excluded from coverage under the agreement by Section 218 of the Social Security Act, and
2. Services excluded by option of the Public Agency (Check only one; fill in part b. if checked):
 - a. No optional exclusions desired.
 - b. Service performed:

BE IT FURTHER RESOLVED, that not less than ninety days' notice of such referendum be given to all "eligible employees" as hereinabove provided; and that James S. Kenan, Executive Director is hereby
Name and Title of Local Officer)

designated and appointed to conduct such referendum on behalf of the "Public Agency" in accordance with law, regulations, and this resolution, including the giving of proper notice thereof to all such "eligible employees"; and

BE IT FURTHER RESOLVED, that with respect to eligible members thereof, the benefits and contributions of the said retirement system shall not be modified in any way; and

BE IT FURTHER RESOLVED, that the Public Agency will pay and reimburse the State at such time and in such amounts as may be determined by the State the approximate cost of any and all work and services relating to such referendum.

Presiding Officer Bill Campbell, Chairman

Orange County Transportation Authority
Official Name of Public Agency

I, _____, _____,
(Name) (Title)

of the _____, State of California,
do hereby certify the foregoing to be a full, true, and correct copy of Resolution No.
_____ adopted by the _____ of the
_____ at the regular/special meeting
held on the _____ day of _____, _____, as the same
appears of record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of
said _____, at my office this
_____ day of _____, _____.

Signature

Title



Item 12.

BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors

From: Wendy Knowles, Clerk of the Board
WK

Subject Amendment to Agreement for Vehicle Retrieval Service

Transit Planning and Operations Committee

April 28, 2005

Present: Directors Winterbottom, Brown, Pulido, Duvall, and Green

Absent: Directors Silva and Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Green was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0513 between the Orange County Transportation Authority and Ben Warner's Garage, Inc., in an amount not to exceed \$110,000, for retrieval of disabled buses and service vehicles.



April 28, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Amendment to Agreement for Vehicle Retrieval Service

Overview

On July 28, 2003, the Board of Directors approved an agreement with Ben Warner's Garage, Inc., in the amount of \$150,000, to provide retrieval of disabled buses and service vehicles. Ben Warner's Garage, Inc., was retained in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-3-0513 between the Orange County Transportation Authority and Ben Warner's Garage, Inc., in an amount not to exceed \$110,000, for retrieval of disabled buses and service vehicles.

Background

The Orange County Transportation Authority (Authority) has an agreement with Ben Warner's Garage, Inc., to provide retrieval of disabled buses and service vehicles. This towing service is needed to have specially trained persons and equipment available around the clock to cover Orange County on an as-needed basis.

Discussion

This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. The original agreement was awarded on a single source basis following a review by Internal Audit on prices proposed. It has become necessary to amend the agreement to exercise the option year.

The original agreement awarded on July 28, 2003, was in the amount of \$150,000. This agreement has been amended previously (Attachment A). The total amount after approval of Amendment No. 2 is \$410,000.

Fiscal Impact

The work described in Amendment No. 2 to Agreement C-3-0513 is pending approval in the Authority's Fiscal Year 2005-06 Budget, Operations Division, Maintenance Department, Accounts 7613 and 7614, and funded through the Local Transportation Funds.

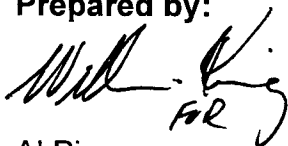
Summary

Staff recommends approval of Amendment No. 2, in the amount of \$110,000, to Agreement C-3-0513 with Ben Warner's Garage, Inc.

Attachment

- A. Ben Warner's Garage, Inc., Agreement C-3-0513 Fact Sheet

Prepared by:



Al Pierce
Manager, Maintenance
714-560-5975

Approved by:



for William L. Foster
Executive Director, Bus Operations
714-560-5842

ATTACHMENT A

**BEN WARNER'S GARAGE, INC.
Agreement C-3-0513 Fact Sheet**

1. July 28, 2003, Agreement C-3-0513, \$150,000, approved by Board of Directors.
 - Retrieval of disabled buses and service vehicles.
2. May 10, 2004, Amendment No. 1 to Agreement C-3-0513, \$150,000, approved by Board of Directors.
 - First option year for the period of July 1, 2004, through June 30, 2005.
3. May 9, 2005, Amendment No. 2 to Agreement C-3-0513, \$110,000, pending approval by Board of Directors.
 - Second option year for the period of July 1, 2005, through June 30, 2006.

Total committed to Ben Warner's Garage Inc., Agreement C-3-0513: \$410,000.



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Agreement for Landscaping Services

Transit Planning and Operations Committee

April 28, 2005

Present: Directors Winterbottom, Brown, Pulido, Duvall, and Green
Absent: Directors Silva and Dixon

Committee Vote

This item was passed by all Committee Members present.

Director Green was not present for this vote.

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-0114 between the Orange County Transportation Authority and Toyo Landscaping, in an amount not to exceed \$63,250, for landscaping services for one year with four one-year options.



April 28, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Agreement for Landscaping Services

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2004-05 Budget, the Board approved the contracting of Landscaping Services.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-0114 between the Orange County Transportation Authority and Toyo Landscaping, in an amount not to exceed \$63,250, for landscaping services for one year with four one-year options.

Background

The Orange County Transportation Authority (Authority) requires landscape and irrigation maintenance services for its facilities on a weekly basis. Professional landscaping services include, but are not limited to, mowing, trimming, pruning, watering, fertilizing, weed control, cultivation, pest control, and cleanup. Irrigation services include the maintenance of the operation systems, adjustments, and minor repairs.

Agreement C-5-0114 is recommended to provide weekly landscaping and irrigation maintenance services for the Authority's bases, transportation centers, and park and ride facilities. Toyo Landscaping has provided landscaping services to the Authority for the past three years with acceptable results. The current agreement will expire on April 30, 2005; a new agreement is required to continue landscape maintenance for the Authority's facilities.

Discussion

This procurement was handled in accordance with the Authority's procedures for professional and technical services.

The project was advertised on January 28, 2005, and February 24, 2005 in a newspaper of general circulation. Electronic notifications were sent to 45 firms on January 26, 2005. On February 28, 2005, two offers were received, however only one was responsive. The Authority's Internal Audit department reviewed the one proposal and found it to be fair and reasonable. Based on the findings, the following firm is recommended for consideration of the award:

Firm and Location

Toyo Landscaping

Orange, California

Fiscal Impact

This project was approved in the Authority's Fiscal Year 2004-05 Budget, Operations Division/Maintenance Department, Account 7629, and is funded through Local Transportation Funds.

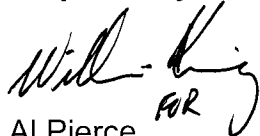
Summary

Staff recommends award of Agreement C-5-0114 to Toyo Landscaping, in an amount not to exceed \$63,250, for landscaping services.

Attachment


None.

Prepared by:



Al Pierce
Manager, Maintenance
714-560-5975

Approved by:



William L. Foster
Executive Director, Bus Operations
714-560-5842



Item 14.

BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Resources for Rapid Transit Development

Transit Planning and Operations Committee

April 28, 2005

Present: Directors Winterbottom, Brown, Pulido, Duvall, and Green
Absent: Directors Silva and Dixon

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to extend the current work programs of Carter & Burgess, Inc. and Parsons Brinckerhoff Quade & Douglas, Inc., for continued support in the analysis of selected rapid transit options into the months of May and June, 2005, and to execute Amendment No. 9 to Agreement C-2-0611 between the Orange County Transportation Authority and Carter & Burgess, Inc., in an amount not to exceed \$155,000.



April 28, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Resources for Rapid Transit Development

Overview

On April 14, 2005, the Transit Planning and Operations Committee met to consider sample packages of possible combinations of projects that could potentially substitute for the current project, the 9.3-mile light rail starter system. Staff was directed to perform additional specific analysis for consideration. The current project management consultant contract or other consultant agreements can be amended to perform this additional analysis. Consultant and staff resources to fully develop the selected rapid transit program will be proposed for the fiscal year 2005-06 budget.

Recommendation

Authorize the Chief Executive Officer to execute Amendment No. 9 to Agreement C-2-0611 between the Orange County Transportation Authority and Carter & Burgess, Inc., in an amount not to exceed \$155,000, for continued support in the analysis of selected rapid transit options into the months of May and June.

Background

Progress to date on the comprehensive study of rapid transit options includes the development of a preliminary list of potential projects along with corresponding evaluation issues and considerations. On March 31, 2005, at a special meeting Transit Planning and Operations Committee (Committee), staff presented the information available to date. The analysis has been focused on the following factors; the completion by the year 2010, ability to meet the Orange County Transportation Authority's (Authority) 2010 regional air quality commitments, and the use of funding committed to the current light rail transit (LRT) project. Leading up to the Committee meeting of April 14, 2005, staff provided e-mail updates to the Committee on April 5, April 8, and April 12, 2005.

At the April 14, 2005, Committee meeting, staff presented six sample packages for comparison purposes, encompassing the current LRT project and five sample packages that could potentially substitute for the current project. Information in the sample package for each project was focused on capital costs, along with operation and maintenance (O&M) costs, the potential to get people out of their cars, and the emission benefit. The emission benefit was estimated as a percentage, with the assumption that the current project provided 100 percent towards meeting the 2010 air conformity goal for the region.

The Committee directed staff to focus study on sample package 5 and add three other projects from the list of potential projects. The projects that were added included: 1) G1-California High Speed Rail (Anaheim or Irvine to Los Angeles) environmental and preliminary engineering; 2) G3-California to Nevada Maglev (Anaheim to Ontario segment) environmental and preliminary engineering, and 3) pursue air conformity credit for T4-State Route 91 Express Lanes, 3+ Free. Attachment A summarizes the resultant sample package 5 after the additions by the Committee; now labeled as sample package 5A.

At this same meeting, the Committee directed staff to pursue further analysis on the following list of items:

- Provide phasing based on a minimum of 100 percent emission benefit by 2010, and subsequent implementation of the remaining projects.
- Identify cost, including capital and O&M, to implement a phased approach.
- Investigate adding to project B-11, 28-Mile Mixed Flow BRT (Brea Mall to Irvine Transportation Center), the Costa Mesa routing proposal to Interstate 405 (I-405) via Bristol Street, Sunflower Avenue, and Bear Street, including drop ramps to the I-405 high-occupancy-vehicle (HOV) lanes at Bear Street and Von Karman Avenue, including capital and O&M costs.
- Meet and provide necessary information to cities to identify the potential location for a demonstration project for running BRT in dedicated lanes with an initial emphasis on Beach Boulevard.
- Explore transit signal priority with all cities included in sample package 5A to allow BRT to work more effectively.
- Keep the Citizens Oversight Committee apprised of progress of the selected package and seek the required approvals.

Discussion

As Program Management Consultant (PMC) to the Authority, Carter & Burgess Inc., (CB) has been providing support to the Authority with the analysis of the rapid transit options. The further analysis and development requested by the Committee will require additional technical resources for a period of analysis and discussion during May and June 2005. The CB work effort through June 30, 2005, will be performed on a task order reimbursable basis, as requested by staff. The PMC work to be performed by CB includes extension of staff and support services sufficient to meet requirements for the additional analysis requested, focused on the following:

- Prepare a phasing approach for the selected projects including capital and O&M costs, while maintaining the goal of meeting the 2010 air conformity goal for the region.
- Analyze the Costa Mesa BRT routing proposal and the associated HOV drop ramps, including capital and O&M costs.
- Assist in the preparation of information for the western cities to identify the potential location for a demonstration project for BRT-dedicated lanes.
- Prepare a summary of the opportunities and challenges for implementing transit signal priority for the arterial BRT corridors.

The CB procurement was originally handled in accordance with the Authority's procedures for Architectural & Engineering services and was awarded on a competitive basis. It has become necessary to amend the agreement to undertake a study program of all rapid transit options. Staff requested a price proposal from CB to perform this additional work. The proposal was submitted for an amount not to exceed \$155,000. After a thorough review of the proposal, staff finds the cost to be fair and reasonable for the work to be performed. Expenditures against this amount will be authorized by staff.

The original agreement was approved by the Board on August 26, 2002, in the amount of \$2,999,580. This agreement has been amended previously, as summarized in Attachment B. The total contract amount after approval of Amendment No. 9 will be \$4,854,580. This funding request for CB is being made to provide further analysis requested by the Committee of the rapid transit options as identified above during the months of May and June 2005.

It is possible that the Board, on April 25, 2005, will request additional or alternative work involving either CB or Parsons Brinckerhoff Quade and Douglas, Inc. Requirements for that work will be discussed with the Committee on April 28, 2005. In May 2005, staff will prepare an outline of potential

procurement packages for consultant services for management and technical support to implement the selected package of projects beginning in fiscal year 2005-06.

Fiscal Impact

The costs associated with the additional work described in the proposed Amendment No. 9, to Agreement C-2-0611, were not included in the fiscal year 2004-05 budget. Funds for this item will be accomplished via an internal budget transfer. Funds may be transferred from Account No. 0053-7514, CenterLine Right-of-Way Professional Services, to Account No. 0053-7519, CenterLine Project Management.

The staff necessary to implement the selected package of projects will be proposed for the fiscal year 2005-06 budget.

Summary

Consultant services during May and June 2005 are necessary to prepare focused additional analysis of rapid transit options, as requested by the Committee on April 14, 2005. Based on material provided, staff recommends approval of Amendment No. 9, in an amount not to exceed \$155,000, to Agreement No. C-2-0611 with Carter & Burgess, Inc.

Attachments

- A. Rapid Transit Options, Sample Package 5A
- B. Carter & Burgess, Inc., Agreement No. C-2-0611 Fact Sheet

Prepared by:



Jose de Jesus Martinez, P.E.
Senior Civil Engineer
(714) 560-5755

Approved by:



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



RAPID TRANSIT OPTIONS

Sample Package 5A

On April 14, 2005, the TP&O Committee added the grey projects to Sample Package 5.

Number	OPTIONS Description	OPEN BY 2010?	EFFICIENT USE OF RESOURCES		TRANSPORTATION BENEFITS	
			Capital Cost (to 2015, Millions)	O&M Cost (to 2015, Millions)	Potential to Get People Out of Their Cars (Net New Daily Riders)	Emission Benefits
BUS RAPID TRANSIT (BRT)						
B1	Harbor Blvd. Mixed-Flow BRT - 22 Miles (Phase 1 - Fullerton to Costa Mesa)	Yes	\$21.4	\$92	12,200	Already Counted
B2	Westminster/17th Mixed-Flow BRT - 19 Miles (Santa Ana to Long Beach)	Yes	\$18.7	\$72	8,900	Already Counted
B3	Katella Mixed-Flow BRT - 21 Miles (Orange to Los Alamitos)	Yes	\$17.1	\$43	4,800	30%
B4	La Palma Mixed-Flow BRT - 11 Miles (Buena Park to Anaheim)	Yes	\$9.6	\$25	2,400	15%
B5	Beach Mixed-Flow BRT - 20 Miles (Buena Park to Huntington Beach)	Yes	\$16.6	\$53	6,400	41%
B6	Edinger Mixed-Flow BRT - 11 Miles (Huntington Beach to Tustin)	Yes	\$9.6	\$27	3,000	19%
B7	Countywide Express BRT on HOV/Freeway(s) (HOV I-405, I-5, SR-57, SR-55, SR-22, SR-91) (TCA Toll Roads SR-241, SR-261, SR-133)	Yes	\$24.3	\$43	2,000	13%
B11	28-Mile Mixed-Flow BRT (Brea Mall to Irvine Transportation Center)	Yes	\$26.8	\$71	13,200	84%
COMMUTER RAIL						
R1	Metrolink Service Expansion - Phase 2 (Peak North to South Commute)	Yes	\$82	\$32	4,000	Already Counted
R2	Metrolink Service Expansion - Phase 3 (Intra County Service - 30 min service Fullerton to Laguna Niguel & Inter County - additional trains on IEOC & 91 lines)	Yes	\$115	\$19	9,600	Already Counted
or						
R3	Metrolink Service Expansion - Phase 3.1 (Intra County Service - 30 min Service Fullerton to Laguna Niguel & enhanced Inland Empire-Orange County and 91 Lines Service)	Yes	\$115	\$25	10,200	6%
GATEWAYS TO REGIONAL RAIL						
G1	California High Speed Rail Authority, CHSRA (Anaheim or Irvine to Los Angeles)	No	\$20 Anaheim to LA (Env & PE) \$32 Irvine to LA (Env & PE)	N/A	6,900 (Anaheim) 3,100 (Irvine)	Post 2010
G3	California-Nevada Maglev (Anaheim to Ontario Segment)	No	\$22 (Env. & PE)	N/A	TBD	Post 2010
OTHER TRANSIT PROJECTS						
T4	State Route 91 - Express Lanes, 3+ Free	Completed	N/A	N/A	2,000	23%
COMPLETED & UNDERWAY PROJECTS						
T6	Vanpool Program	Yes	\$1	\$13	300	14%
T7	State Route 22 - Accelerated HOV Lanes (I-405 to SR-55)	Underway	N/A	N/A	N/A	Already Counted
TOTAL SAMPLE PACKAGE 5A			\$511	\$515		244%

**Carter & Burgess, Inc.
Agreement C-2-0611 Fact Sheet**

1. On August 26, 2002: Agreement C-2-0611 was approved by the Board of Directors with a not-to-exceed amount of \$2,999,580.
 - Provide Project Management Consulting Services for The CenterLine Project.
2. On June 25, 2003, Amendment No. 1 was approved by Procurement Administrator to add a specialty subcontractor with no change to the contract amount.
 - Add TEC Management Consultants, Inc. as a subconsultant to provide utility coordination services. This work is within the current scope of work and no costs were added.
3. On August 18, 2003, Amendment No. 2 was approved by the Procurement Administrator to modify Key Personnel under the contract with no change to the contract amount.
4. On December 8, 2003, Amendment No. 3 was approved by the Board of Directors to increase the cumulative maximum obligation by \$300,000.
 - Add project management scope of work required to oversee extended preliminary engineering.
5. On June 14, 2004, Amendment No. 4 was approved by the Board of Directors, to exercise Option Term for the period July 1, 2004 to June 30, 2005, and increase the cumulative maximum obligation by \$500,000.
 - Add term to cover the implementation of the final design phase.
6. On October 25, 2004, Amendment No. 5 was approved by the Board of Directors to increase the cumulative maximum obligation by \$900,000.
 - Add funding for project management scope of work required to provide management, administrative and technical support for preparing readiness documents for the final design phase.
7. On January 17, 2005, Amendment No. 6 was approved by the Manager of Contracts Administration and Materials Management, to add specialty subconsultant Bond & Kennedy, with no change in the cumulative maximum obligation.
8. On March 28, 2005, Amendment No. 7 was approved by the Manager of Contracts Administration and Materials Management to modify Key Personnel and accept revised hourly rates effective January 2005 in accordance with the terms of the agreement with no change in the cumulative maximum obligation.



BOARD COMMITTEE TRANSMITTAL

May 9, 2005

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 Scope Change – Continuation Item 6.B from the April 4, 2005, Committee Meeting

Regional Planning and Highways Committee

May 2, 2005

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Amend the Garden Grove Freeway (State Route 22) project budget from \$490,000,000 to \$495,000,000, using Federal Regional Surface Transportation Program Funds.
- B. Authorize staff to process and execute any necessary amendments to the State Transportation Improvement Program, Federal Transportation Improvement Program, or cooperative agreements with the California Department of Transportation, to facilitate this action.
- C. Authorize the Chief Executive Officer to add Scope to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$5,000,000, for additional aesthetic enhancements.
- D. Direct staff to continue to work with the project Aesthetics Steering Committee in order to provide review, oversight, and approval of the added components to ensure the spirit and intent of the SR-22 Project Aesthetic Theme and Concepts report is met.

Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project

STATUS OF CONTRACT CHANGE ORDERS (REVISED)

Approved Contingency: \$16,000,000

CCO Number	CCO Amount	Description	Contract Reference	Approval Date	Total Changes To Date	Total Contingency Used	Contingency Balance	% Contingency Used
1	\$ 145,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	1/11/2005	\$ 145,000	\$ 145,000	\$15,855,000	0.91%
2	\$ 855,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	4/18/2005	\$ 1,000,000	\$ 1,000,000	\$15,000,000	6.25%
*3	\$ 5,000,000	Addition of enhanced project aesthetics including soundwall pilasters and landscaping removed during the BAFO process.	Contract Section 13	Pending	\$ 6,000,000	\$ 1,000,000	\$15,000,000	6.25%
		*CCO #3 in the amount for \$5,000,000 will be funded with Regional Surface Transportation Program money. Board approved contingency is unaffected.						



May 2, 2005

To: Regional Planning and Highways Committee

From: Arthur T. Leahy, Chief Executive Officer

Subject: Garden Grove Freeway (State Route 22) Design-Build Project Scope Change – Continuation Item 6.B from the April 4, 2005, Committee Meeting

Overview

On August 23, 2004, the Board awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View east to the Costa Mesa (State Route 55) interchange. Additions of aesthetic enhancements removed during the bid period are proposed for Board consideration.

Recommendations

- A. Amend the Garden Grove Freeway (State Route 22) project budget from \$490,000,000 to \$495,000,000, using Federal Regional Surface Transportation Program Funds.
- B. Authorize staff to process and execute any necessary amendments to the State Transportation Improvement Program, Federal Transportation Improvement Program, or cooperative agreements with the California Department of Transportation to facilitate this action.
- C. Authorize the Chief Executive Officer to add Scope to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$5,000,000, for additional aesthetic enhancements.
- D. Direct staff to continue to work with the project Aesthetics Steering Committee in order to provide review, oversight, and approval of the added components to ensure the spirit and intent of the SR-22 Project Aesthetic Theme and Concepts report is met.

Background

On August 23, 2004, the Board approved a project budget for the Garden Grove Freeway (State Route 22) in the amount \$490 million. The budget includes \$390 million for the design-build contract and \$100 million in other program costs

including project management support, legal services, right-of-way, California Department of Transportation (Caltrans) oversight, other construction related costs, and \$16 million for a construction contingency allocation. The present funding consists of a combination of Measure M freeway funds, State Traffic Congestion Relief Program (TCRP), Congestion Mitigation and Air Quality (CMAQ), and city contributions. The funding sources are provided in the following chart:

Funding Source	Contribution
Measure M	\$321,408,000
CMAQ	\$101,276,000
TCRP	\$56,316,000
Cities	\$11,000,000
Total	\$490,000,000

The initial design-build bid pricing submitted in March 2004, was significantly higher than the available funding, which necessitated the issuance of a request for a Best and Final Offer (BAFO). The initial bid prices were greatly affected by the dramatic increase in construction costs, particularly steel, concrete, and fuel. The request for BAFOs included various items to reduce cost and risk to the bidders. One of the cost item reductions was the elimination of the pilaster treatment on existing and new soundwalls and a reduction in landscape enhancements.

The Orange County Transportation Authority (Authority) staff is concerned about the appearance and aesthetics of both the freeway and street interchanges. Therefore, after contract award an evaluation was performed on the removed aesthetic components. The project team also evaluated the project contingency and determined that approximately \$1 million could be set aside for additional project aesthetics.

The project team worked with the Aesthetics Steering Committee, which is made up of the project technical team as well as representatives from the impacted cities and Caltrans, to develop an acceptable strategy to incorporate project aesthetics using the additional funds. A consensus was reached to add the pilasters back into the project in an amount equal to the value of the available funding.

On April 4, 2005, proposed Contract Change Order No. 3 in an amount not to exceed \$1 million, was submitted to the Regional Planning and Highways Committee for consideration. The proposed change order was for the addition of a portion of the soundwall pilasters removed during the BAFO process.

Discussion

At the April 4, 2005, Committee meeting, staff was directed to re-evaluate the aesthetic portion of the project. In addition to the soundwall pilasters, some concern

was also voiced regarding the landscape component. The landscape component is an integral part of the structural element in order to ensure continuity of the corridor theme. Accordingly, the project team reviewed both the structural and landscape requirements of the SR-22 Project Aesthetic Theme and Concepts report. The project team believes additional funding in the amount of \$5 million, would be necessary to meet the spirit and intent of the report. This additional funding would include both structural and landscape components.

The additional enhanced aesthetics in an amount not to exceed \$5 million, can now be funded by Federal Regional Surface Transportation Program (RSTP) funds. These RSTP funds are available due to local agency project cost savings and cancellations. However, due to the nature of the aesthetic enhancements, staff is also pursuing Federal Transportation Enhancements (TE) funds that may be available in other regions of the State and could be made available on a statewide basis for eligible projects. If TE funds are determined to be available, staff will return to the Board with a request to exchange the RSTP funds with TE funds.

On April 27, 2005, the Aesthetics Steering Committee reviewed various aesthetic proposals utilizing the anticipated additional funding. The goal of the discussion was to gain consensus the additional funding would result in an overall aesthetic component meeting the spirit and intent of the SR-22 Project Aesthetic Theme and Concepts report. The Steering Committee concluded the additional \$5 million, designated for both soundwall pilasters and additional landscaping would provide the desired aesthetic product and achieve the goals of increased pilasters, complete green coverage and increase plant size.

Development of the SR-22 Project Aesthetic Theme and Concepts report was a collaborative effort of transportation agencies, municipalities, and consultants who contributed ideas and community concerns to the design process. Specific design elements were provided that incorporated the historical influences or opportunities for community expression (community graphics at bridge pilasters, etc). In accordance with the principles of context sensitive design that provides for a collaborative, interdisciplinary approach that involves all stakeholders, the project Aesthetics Steering Committee requested the funding allocation be designated as general project aesthetic enhancement. The review and approval process of the final plans by the Aesthetics Steering Committee will ensure that the corridor theme is integrated with the landscape design, and that all structural elements receive the specified aesthetic treatments described in the SR-22 Project Aesthetic Theme and Concepts report.

The Contract Change Order Status Report for this project is included as Attachment A.

Fiscal Impact

Initial costs associated with the not to exceed Scope change, Contract Change Order No. 3 can be accommodated within the Authority's fiscal year 2004-05 budget, Construction & Engineering, account 0010-9017, Local Transportation Authority. The full value of the contract change order, and the associated revenue from RSTP have been added to the Authority's fiscal year 2005-06 budget.

The added aesthetics enhancements will be fully funded by the additional RSTP funds. The existing contract contingency is unaffected by this change.

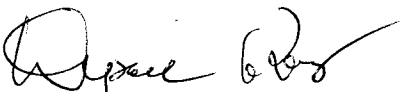
Summary

The Authority continues to advance the first project to be constructed in the State of California on an active freeway using the innovative design-build delivery method. Staff recommends Board approval of Scope change, Contract Change Order No. 3, to Agreement C-3-0663 with Granite-Myers-Rados for enhanced project aesthetics.

Attachment

- A. Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project, Status of Contract Change Orders
- B. Staff Report dated April 4, 2004 entitled "Garden Grove Freeway (State Route 22) Design-Build Project - Construction Contract Change Orders"

Prepared by:


for T. Rick Grebner, P.E.
Program Manager
(714) 560-5729

Approved by:


Stanley G. Phernambucq
Executive Director
Construction and Engineering
(714) 560-5440

Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project

STATUS OF CONTRACT CHANGE ORDERS

Approved Contingency: \$16,000,000

CCO Number	CCO Amount	Description	Contract Reference	Approval Date	Total Changes To Date	Total Contingency Used	Contingency Balance	% Contingency Used
1	\$ 145,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	1/11/2005	\$ 145,000	\$ 145,000	\$15,855,000	0.91%
2	\$ 855,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	4/18/2005	\$ 1,000,000	\$ 1,000,000	\$15,000,000	6.25%
3	\$ 5,000,000	Addition of enhanced project aesthetics including soundwall pilasters and landscaping removed during the BAFO process.	Contract Section 13	Pending	\$ 6,000,000	\$ 1,000,000	\$15,000,000	6.25%



April 4, 2005

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, ^{AM} Chief Executive Officer
Subject: Garden Grove Freeway (State Route 22) Design-Build Project - Construction Contract Change Orders

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 east to the Costa Mesa Freeway (State Route 55) interchange. Construction contingency has been budgeted to account for planned but unquantifiable items plus items of work not anticipated during time of bid. Two such items are presented for Board consideration.

Recommendations

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 2 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$855,000 for contractually defined extra maintenance work.
- B. Authorize the Chief Executive Officer to execute Contract Change Order No. 3 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$1,000,000 for soundwall aesthetic enhancements.

Background

On October 11, 2001, the Orange County Transportation Authority (Authority) Board of Directors (Board) approved the implementation of Garden Grove Freeway (State Route 22) improvements using the design-build approach. Design-build is an innovative system of contracting under which one entity performs both final engineering design and construction under one contract. In a traditional delivery scenario, these two elements are performed consecutively. In a design-build project, they are performed concurrently resulting in significant time savings.

**Garden Grove Freeway (State Route 22)
Design-Build Project - Construction Contract
Change Orders**

The State Route 22 (SR-22) High Occupancy Vehicle (HOV) project is a partnership between the Authority, the California Department of Transportation (Caltrans), the Federal Highway Administration, the joint venture design builder, Granite-Myers-Rados (GMR) and the Cities of Orange, Santa Ana, Garden Grove, Westminster, Seal Beach, and Los Alamitos. The SR-22 project begins just east of the Valley View interchange in Garden Grove/Westminster, and continues east to the Costa Mesa Freeway (State Route 55) Interchange. This 12 mile stretch of freeway includes the following major improvements:

- HOV lanes in each direction between Valley View Street and State Route 55 (SR-55)
- Auxiliary lanes between interchanges at various locations and a continuous auxiliary lane in each direction between Santa Ana Freeway (Interstate 5) and Beach Boulevard
- A braid between the southbound Orange Freeway (State Route 57) connector and the City Drive ramps on westbound SR-22 to eliminate the existing weave.
- A collector-distributor road on eastbound SR-22 between City Drive and the Interstate 5 /SR-22/State Route-57 Interchange
- Various interchange improvements, construction of additional soundwalls, replacement landscaping and aesthetic enhancements.

On August 23, 2004, the Board approved a project budget of \$490 million. This includes \$390 million for the design-build contract and \$100 million in other program costs including project management support, legal services, right-of-way, Caltrans oversight, other construction related costs, and \$16 million for a construction contingency allocation. The funding consists of a combination of Measure M freeway funds, State Traffic Congestion Relief Program (TCRP), Congestion Mitigation and Air Quality (CMAQ), and city contributions. The funding sources are provided in the following chart:

Funding Source	Contribution
Measure M	\$321,408,000
CMAQ	\$101,276,000
TCRP	\$56,316,000
Cities	\$11,000,000
Total	\$490,000,000

Discussion

The Board approved construction contingency is \$16 million or approximately 4 percent of the total construction bid amount. Three of the 4 percent is for unforeseen work not anticipated in the original scope of work. The remaining 1 percent is for items known to exist but which could not be quantified at the time of bid submittal. These items include steel and asphalt material cost fluctuations, maintenance for contractually defined work items and the required Dispute Review Board.

The Authority determined that it was in the Authority's financial interest to account for the non-quantified items in the construction contingency. Proposed Contract Change Order No. 2 is for extra maintenance work that was anticipated but could not be quantified at the time of bid submittal. The contract requires the design-build contractor to perform certain maintenance activities and include the price in the contract amount. The contract also identifies other items as extra maintenance work. These items are to be performed by the design-build contractor at the direction of the Authority. Payment would be made on a time and materials basis. This extra maintenance work only includes those maintenance activities required as the result of events beyond the control of the design-build contractor, such as repair and replacement work due to damage caused by the traveling public, and graffiti abatement. Any repair or replacement due to events caused by the design-build contractor or other maintenance that is within the contractors control are not considered extra maintenance work items.

The approved project contingency contains an allocation of \$1,000,000 for maintenance work. Contract Change Order No. 1 in the amount of \$145,000 for extra maintenance work was executed by the Chief Executive Officer in accordance with the current procurement policies and procedures. The requested amount of \$845,000 for Contract Change Order No. 2 is for the balance of the budgeted allocation. Contract defined extra work items will be performed and paid on a time and expense basis.

Proposed Contract Change Order No. 3 is for aesthetic enhancements to the proposed block soundwalls. The design-build bid pricing that was submitted in March 2004, was significantly higher than the available funding, which necessitated the issuance of a request for a Best and Final Offer (BAFO). The initial bid prices were greatly affected by the dramatic increase in construction costs, particularly steel, concrete, and fuel. The request for BAFOs included various items to reduce cost and risk to the bidders. One of the cost item reductions was the elimination of the pilaster treatment on existing and new soundwalls. The balance of the project hardscape remained, including all

aesthetic treatment at the bridges. Despite the obstacles faced in funding and awarding the project, much of the aesthetic treatment remains, including the landscaping at the interchanges and plantings along the freeway in available areas.

The Authority is concerned about the appearance and aesthetics of both the freeway and street interchanges. Therefore, after contract award an evaluation was performed on the cost of the pilasters. It was determined that the value of the eliminated pilasters was approximately \$4 million. The project team evaluated the project contingency and determined approximately \$1 million could be set aside for additional project aesthetics. The project team worked with the previously established Aesthetic Steering Committee, which is made up of the project technical team as well as representatives from the impacted cities, to develop an acceptable strategy to incorporate the additional funds. A consensus was reached to add the pilasters back into the project in an amount equal to the value of the available funding. The Contract Change Order Status Report for this project is included as Attachment A.

All Contract Change Orders, 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 so as to verify the reasonableness of the contractor's proposed price. The Contract Change Order is then reviewed by the Authority's Program Manager, the Manager of the Contract and Materials Management, and the Executive Director of Construction and Engineering before being presented for execution.

Fiscal Impact

Construction costs and contingency associated with the SR-22 design-build project are included in the Authority's fiscal year 2004-05 budget in account 0010-9017, Local Transportation Authority.

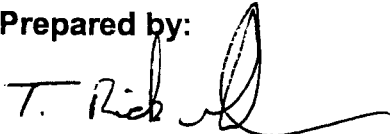
Summary

The Authority continues to advance the first project to be constructed in the State of California on an active freeway using the innovative design-build delivery method. Staff recommends Board approval of Contract Change Orders No. 2 and No. 3, to Agreement C-3-0663 with GMR.

Attachment

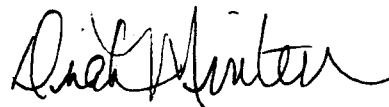
- A. Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane
Design-Build Project, Status of Contract Change Orders

Prepared by:



T. Rick Grebner, P.E.
Program Manager
(714) 560-5729

Approved by:



for Stanley G. Phernambucq
Executive Director
Construction and Engineering
(714) 560-5440

Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project

STATUS OF CONTRACT CHANGE ORDERS

Approved Contingency: \$16,000,000

CCO Number	CCO Amount	Description	Contract Reference	Approval Date	Total Changes To Date	Contingency Balance	% Contingency Used
1	\$ 145,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	1/11/2005	\$ 145,000	\$15,855,000	0.91%
2	\$ 855,000	Contract defined extra maintenance work. \$1,000,000 budgeted in project contingency for this anticipated, but unquantifiable work.	TP Section 5.28.6	Pending	\$ 1,000,000	\$15,000,000	6.25%
3	\$ 1,000,000	Addition of a portion of the aesthetic treatment (pilasters) along the soundwalls removed during the BAFO process.	Contract Section 13	Pending	\$ 2,000,000	\$14,000,000	12.50%



BOARD COMMITTEE TRANSMITTAL

April 11, 2005

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board
Subject: Garden Grove Freeway (State Route 22) Design-Build Project
- Construction Contract Change Orders

Regional Planning and Highways Committee

April 4, 2005

Present: Directors Norby, Cavecche, Rosen, Dixon, Brown, Green, Monahan,
Pringle, and Ritschel
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Authorize the Chief Executive Officer to execute Contract Change Order No. 2 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$855,000 for contractually defined extra maintenance work.

Committee Discussion

Recommendation B was voted unanimously to be continued.



Item 21.

BOARD COMMITTEE TRANSMITTAL

May 9, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Orange County Transportation Authority Fiscal Year 2005-06 Budget Workshop

Finance and Administration Committee

April 27, 2005

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation

Review the fiscal year 2005-06 budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors meeting on May 9, 2005.



April 27, 2005

To: Finance and Administration Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Orange County Transportation Authority Fiscal Year 2005-06 Budget Workshop

Overview

The Orange County Transportation Authority is developing the fiscal year 2005-06 budget which identifies available revenues and the costs associated with providing transportation services and programs for Orange County commuters. Following the May 9, 2005, Orange County Transportation Authority Board of Directors meeting, the proposed budget will be reviewed in detail in a two-hour informal workshop.

Recommendation

Review the fiscal year 2005-06 budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors meeting on May 9, 2005.

Background

The preparation of Orange County Transportation Authority's (OCTA) annual budget began in January 2005 with the development of a service plan and program goals and objectives for the upcoming fiscal year (FY). Revenue forecasts and an expenditure plan were developed and submitted by OCTA executive directors in January and February.

The revenue and expenditure plans underwent successive reviews, with results presented to executive management. The proposed budget has since been subject to continuous revision to ensure a fiscally responsible and balanced financial plan.

Discussion

Staff will be presenting the FY 2005-06 budget in detail in an informal workshop setting on May 9, 2005. The presentation will include a discussion of program goals and objectives, a proposed staffing plan, and the sources of revenue and the uses of funds planned to meet program goals.

Summary

Staff will conduct a budget workshop for the Orange County Transportation Authority Board of Directors following the conclusion of the May 9, 2005, Board meeting.

Attachment

None.

Prepared by:



Andrew Offelie
Manager, Financial Planning & Analysis
(714) 560-5649

Approved by:



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