



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  
August 8, 2005

**Call to Order**

The August 8, 2005, regular meeting of the Orange County Transportation Authority and affiliated agencies was called to order at 9:00 a.m. at the Orange County Transportation Authority Headquarters, Orange, California; Chairman Campbell presided over the meeting.

**Roll Call**

Directors Present: Bill Campbell, Chairman  
Arthur C. Brown, Vice Chairman  
Carolyn Cavecche  
Lou Correa  
Richard Dixon  
Michael Duvall  
Cathy Green  
Gary Monahan  
Chris Norby  
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  
Wendy Knowles, Clerk of the Board  
Laurena Weinert, Assistant Clerk of the Board  
Kennard R. Smart, Jr., General Counsel  
Members of the Press and the General Public

Directors Absent: Curt Pringle  
Miguel Pulido

## **Invocation**

Director Silva gave the invocation.

## **Pledge of Allegiance**

Vice Chairman Brown led the Board and audience in the Pledge of Allegiance to the Flag of the United States of America.

## **Public Comments on Agenda Items**

Chairman Campbell 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. Special Presentation to OCTA**

On behalf of the Orange County Delegation, Assemblyman Todd Spitzer congratulated the Authority for having been recently recognized by the American Public Transportation Association as the Outstanding Transportation System of the Year.

Along with a Resolution from the Delegation, Assemblymembers Mimi Walters and Spitzer presented a plaque which held pieces of concrete from select major OCTA projects – the State Route 22, State Route 55/Interstate 405 interchange, Santa Ana Bus Base, and the State Route 91.

Chairman Campbell accepted the Resolution and plaque from the Assemblymembers, expressing his gratitude for such recognition.

### **2. Retiree Recognition**

Although not present at this meeting, Henry Bodkin, Vance Kramer, Kathy Reading, and Peggy Rodriguez were recognized by the Chairman for having retired recently from OCTA.

## **Consent Calendar (Items 3 through 10)**

Chairman Campbell stated 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.

Chairman Campbell pulled Item 5, Director Norby pulled Item 8, Director Green pulled Item 9, and Director Duvall pulled Item 10.

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

### **3. Approval of Minutes**

Motion was made by Director Wilson, seconded by Director Green, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of July 25, 2005.

### **4. Approval of Travel Authorizations**

Motion was made by Director Wilson, seconded by Director Green, and declared passed by those present, to approve of travel for Vice Chairman Arthur C. Brown to Seattle, WA., for August 10-12, 2005, to attend the 2005 Western Council of Governments (COG) Conference; for Director Mike Duvall to Dallas, TX, September 25-28, 2005 to attend the APTA Annual Meeting and Expo; and for Vice Chairman Arthur C. Brown for Salt Lake City, UT, September 7-11, 2005, to attend the RailVolution Conference.

### **5. California Department of Transportation Planning Grant Award for the Orange County Transit Planning College Intern Program**

Chairman Campbell pulled this item and inquired why Chapman University does not have anyone involved in this program and encouraged staff to develop relationships with them if possible.

Ric Teano, Grants Specialist, stated he would pursue opportunities with other universities for future internships as well as Chapman University.

Motion was made by Chairman Campbell, seconded by Director Wilson, and declared passed by those present, to authorize the Chief Executive Officer to execute a grant transfer agreement with the Southern California Association of Governments for \$50,000 and appropriate the grant funds towards the Orange County Transit Planning College Intern Program.



**6. Limited Scope Review of Parsons Brinckerhoff Quade & Douglas, Inc., - Contract Compliance and Overhead Audit**

Motion was made by Director Wilson, seconded by Director Green, and declared passed by those present, to receive and file the Limited Review of Agreement C-1-2354 between Orange County Transportation Authority and Parsons, Brinckerhoff, Quade & Douglas, Contract Compliance and Overhead Audit - Internal Audit Report No. 05-032.

**7. Fourth Quarter Payroll Distribution Review**

Motion was made by Director Wilson, seconded by Director Green, and declared passed by those present, to receive and file the Fourth Quarter Payroll Distribution Review, Internal Audit Report No. 05-028.

**8. Limited Scope Review of Farebox Revenue Collection and Reporting**

Director Norby pulled this item for comment. He stated that he considers fare evasion to be an important issue and would like it addressed by staff, then come back to the Board with the policy and information regarding what is expected by the driver when this occurs.

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to receive and file the Limited Scope Review of Farebox Revenue Collection and Reporting, Internal Audit Report No. 05-008.

**9. Preparation of the 2006 Federal Legislative Platform**

Director Green pulled this item and stated she would like the issue of Americans with Disabilities Act compliance regarding ramps to be part of the platform. Director Green also requested that certain water issues could be addressed in a broad sense, as well.

Chairman Campbell asked that Legislative and Government Affairs Committee Chair Ritschel to include this concern in the 2006 platform.

Motion was made by Director Green, seconded by Director Duvall, and declared passed by those present, to approve the preparation plan and timeline for the Federal Legislative Platform.

**10. Insurance Broker Restitution Fund**

Director Duvall pulled this item, stating that this item was vetted very well in committee, and he was today supporting of this recommendation.

Motion was made by Director Duvall, seconded by Director Wilson, and declared passed by those present, to authorize the Chief Executive Officer to endorse the Marsh Restitution Fund General Release for \$79,821.30.

## **Regular Calendar**

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

**11. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users**

Kris Murray, Federal Relations Manager, addressed the Board and advised them that the House and Senate passed the Surface Transportation Reauthorization bill, and President Bush is expected to sign it on August 10. The bill will authorize over the period of 2004 through 2009 \$286.4 billion in spending obligations. This number is slightly higher than previously agreed to by the White House through many negotiation periods.

Positive outcomes of this bill are: the donor state issue, the increase in minimum guarantee, which will increase to 92 percent by 2008. Currently, however, it does not drop below 90.5 percent, which is the current rate of return in Transportation Endowment Act 21 bill. This rate is retained for the remainder of fiscal year 2005-06; it increases to 91.5 percent for fiscal year 2007, and in 2008 and 2009, it increases to 92 percent.

There is an equity bonus adjustment for donor states, which will spread across all four programs, and OCTA may see a bump in other programs, as well. Staff is very pleased with this outcome.

Other positive outcomes include approximately \$100 million in projects for Orange County, highway and transit funding, \$55 million under high-priority projects, \$7.2 million for bus and bus facilities, which also includes \$4.5 million for increased transit security, and 38.75 percent, which was OCTA's share of the Alameda Corridor East Project, which was authorized under Projects of Regional and National Significance.

Ms. Murray stated that with regard to Alameda Corridor East, OCTA received language in the bill that would extend the authorization of this Corridor to include Orange and Riverside Counties.

**11. (Continued)**

Of significant disappointment was the fact that neither the State Route 91 project groups, chokepoint and widening projects, nor the Anaheim ARTIC project received any funding.

Director Cavecche stated that she would like to see a listing of what was asked for, what was received, and what was not received by Orange County in this bill.

No action was taken on this item. It was presented only to receive and file.

## **Other Matters**

### **12. Status on State Route 22 Freeway Project**

Stanley G. Phernambucq, Executive Director of Construction and Engineering, presented an update on the State Route 22 Freeway Project. Mr. Phernambucq stated that the project is on-schedule and moving at a rapid pace. There are approximately 770 people working on the project, working in two 10-hour shifts.

Mr. Phernambucq stated that significant accomplishments include opening the Haster off-ram, and Taft will re-open in late August. He further stated that 12 of 35 bridges planned are under construction at this time. The Outreach Program has held three open houses during July.

Mr. Phernambucq informed the Board that this project was mentioned as the top ten projects for the nation to watch in Engineering News Record, an engineering trade publication.

Mike Baginski, member of the public, addressed the Board and stated he owns commercial property at 12881 Knott Avenue in Garden Grove, which is being seriously impacted by this freeway project. Mr. Baginski stated he is requesting a wall be constructed, and landscaping provided, along one side of his property.

### **13. Chief Executive Officer's Report**

Chief Executive Officer (CEO), Arthur T. Leahy, informed the Board that complaints were lodged by an employee of one of the subcontractors that OCTA was not doing work to specifications on the State Route 22 Project. In response to these allegations, Brett Felker (former Director at Caltrans) was hired as an outside consultant to look at the project to conduct an assessment of the project. Mr. Felker has a great deal of experience with projects similar to this, and was believed to be an individual knowledgeable in this area.

**13. (Continued)**

Mr. Felker addressed the Board and stated that there has been no evidence of the concerns raised and explained the findings of his report. No evidence of problems was noted by Mr. Felker.

Various Members of the Board felt that talking to the individual who lodged the initial complaint would be worthwhile, and it was agreed that this would be pursued. Mr. Felker stated that he has made attempts to contact this individual, yet he has not returned Mr. Felker's messages.

CEO Mr. Leahy stated that on another subject, a tour is taking place with the Interstate 405 Major Investment Study Committee of rapid transit systems and invited any Members who are interested to attend.

CEO Mr. Leahy also reminded Members of the September 10 Santa Ana Bus Base opening and invited them to attend.

**14. Directors' Reports**

Director Duvall thanked staff for all their work at the Orange County Fair and making the OCTA booth successful.

Director Dixon stated that at the last meeting, he asked questions regarding the potential Joint Powers Authority (JPA) for a tunnel. He stated that Portola appears to be a potential outlet, coming in from Riverside County, and asked if the legislation granting the funds project-specific to doing geotechnical studies, and also is the JPA being formed for that purpose, as well. However, he feels that may not be entirely accurate, from what he has researched.

Director Dixon requested that he and Director Duvall be allowed to participate on the JPA, should it be formed.

Chairman Campbell noted that this was not agendaized, so the issue may not be taken up at this time, although he indicated that the legislation is actually broader than previously anticipated, and a meeting will be held on August 11 to draft language. He stated the Board of Directors will be kept informed on this issue.

CEO Mr. Leahy offered that the early reports as to the federal language was previously indicated by Members of Congress. The language came out differently than what OCTA had been told, and stated that the Metropolitan Water District's proposed language has not been agreed to.

Chairman Campbell stated that he is concerned about information received from the Committee Chairs regarding attendance at meetings. He asked that if a Member feels there is a need to withdraw from serving on a given committee, to please notify him.

**14. (Continued)**

Chairman Campbell informed the Board that Frank Michelena, a long-time resident of the County and an individual who had a major impact on the development and design of the County, passed away last week, and requested that the Board adjourn this meeting in his memory.

**15. Public Comments**

At this time, Chairman Campbell 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.

Patrick Kelly, member of the public and representing Teamsters Local 952, addressed the Board and noted the importance of the Measure M renewal effort, and stressed his support in that regard.

**16. Closed Session**

A Closed Session was not conducted at this meeting.

**17. Adjournment**

The meeting was adjourned in the memory of Mr. Michelena at 10:15 a.m. The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSSAAV Board will be held at **9:00 a.m. on August 22, 2005**, at OCTA Headquarters at 600 South Main Street First Floor - Room 154 Orange, California.

ATTEST

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Wendy Knowles  
Clerk of the Board

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Bill Campbell  
OCTA Chairman





ORANGE COUNTY  
TRANSPORTATION AUTHORITY

RESOLUTION

**RAJENDRA PATEL**

WHEREAS, the Orange County Transportation Authority recognizes and commends Rajendra Patel; and

WHEREAS, be it known that Rajendra Patel has been a principal player at the Orange County Transportation Authority and has performed his responsibilities as a Coach Operator in a professional, safe, courteous and reliable manner; and

WHEREAS, Rajendra Patel has demonstrated his integrity by maintaining perfect attendance for 25 years. His dedication exemplifies the high standards set forth for OCTA employees; and

WHEREAS, Rajendra Patel has demonstrated that safety is paramount by achieving 22 years of safe driving and that courtesy to his customers ensures continued patronage for OCTA; and

WHEREAS, Rajendra Patel's teamwork and partnership is evident by being a member of the 2005 Anaheim Base Roadeo team; and his can-do spirit allowed him to win 1<sup>st</sup> Place in the overall individual competition.

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Rajendra Patel as the Orange County Transportation Authority Coach Operator Employee of the Month for August 2005; and

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

Dated: August 22, 2005

\_\_\_\_\_  
Bill Campbell, Chairman  
Orange County Transportation Authority

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

OCTA Resolution No. 2005-106





ORANGE COUNTY  
TRANSPORTATION AUTHORITY

RESOLUTION

**ANDERS HOLST**

*WHEREAS, the Orange County Transportation Authority recognizes and commends Anders Holst; and*

*WHEREAS, be it known that Anders Holst has been a principal player in our Maintenance Department with his innovative contributions, service and commitment; and*

*WHEREAS, Andres is a strong team player who strives to provide the highest quality maintenance and continually strives to contribute to the productivity and success of the base. His commitment to teamwork, standards of excellence and organizational pride make him a strong asset to his base; and*

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

*NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Andres Holst as the Orange County Transportation Authority Maintenance Employee of the Month for August 2005; and*

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

**Dated: August 22, 2005**

\_\_\_\_\_  
Bill Campbell, Chairman  
Orange County Transportation Authority

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

OCTA Resolution No. 2005-107







ORANGE COUNTY  
TRANSPORTATION AUTHORITY

RESOLUTION

**GRACIE A. DAVIS**

*WHEREAS, the Orange County Transportation Authority recognizes and commends Gracie Davis; and*

*WHEREAS, be it known that Gracie has performed her duties as OCTA's ACCESS Eligibility Administrator for the Authority's Community Transportation Services Department, demonstrating the highest level of integrity and professionalism in working with the public to maintain compliance with the Americans with Disabilities Act through a comprehensive eligibility process and by implementing a Travel Training program; and*

*WHEREAS, Gracie's contributions demonstrate her qualifications as a professional with the ability to manage a federally-required eligibility process on behalf of the Authority and members of the public who qualify for ACCESS service and, concurrently, conduct a travel training program to teach individuals with disabilities how to use the accessible fixed route bus service; and*

*WHEREAS, in addition to these responsibilities, Gracie also successfully managed her staff, as a member of ACCESS service policies were modified during this period directly affecting the eligibility process; and*

*WHEREAS, Gracie's leadership, teamwork, positive attitude and dedication epitomize the goals of the Orange County Transportation Authority.*

*NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Gracie Davis as the Orange County Transportation Authority Administrative Employee of the Month for August 2005; and*

*BE IT FURTHER RESOLVED that the Orange County Transportation Authority Board of Directors recognizes Gracie Davis' valued service to the Authority.*

**Dated: August 22, 2005**

\_\_\_\_\_  
Bill Campbell, Chairman  
Orange County Transportation Authority

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

OCTA Resolution No. 2005-108







BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Annual Internal Audit Plan for Fiscal Year 2004-05 Fourth Quarter Update

Finance and Administration Committee

August 10, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Approve the revised Annual Internal Audit Plan for Fiscal Year 2004-05.



**August 10, 2005**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, <sup>ATL</sup> Chief Executive Officer  
**Subject:** Annual Internal Audit Plan for Fiscal Year 2004-05  
Fourth Quarter Update

**Overview**

The Orange County Transportation Authority Board of Directors adopted the Annual Internal Audit Plan for Fiscal Year 2004-05. This is the quarterly update for the fourth quarter of the fiscal year. Revisions to the plan are needed to incorporate changes to the original plan.

**Recommendation**

Approve the revised Annual Internal Audit Plan for Fiscal Year 2004-05.

**Background**

The Internal Audit Department is an independent appraisal function whose purpose is to examine and evaluate the Orange County Transportation Authority's (OCTA) operations and activities as a tool for management and to assist management in the discharge of its duties and responsibilities.

**Discussion**

The Internal Audit Department performs a wide range of auditing services that includes overseeing the annual financial audit, operational reviews, contract compliance reviews, internal control assessments, investigations, pre-award Buy America Award reviews, and pre-award price reviews. Internal Audit also monitors and provides guidance in computer software system implementation to help ensure that proper controls are built into systems prior to implementation. All audits initiated by entities outside of OCTA are coordinated through the Internal Audit Department.

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The revised Internal Audit Plan for Fiscal Year 2004-05 (Attachment A) reflects the status of each of the projects. Five projects (Santa Ana Base construction contract, Fixed Asset Inventory Observation, Human Resources Information System, Procurement and 91 Express Lanes reviews) have been incorporated into the draft Annual Audit Plan for Fiscal Year 2005-06.

The Santa Ana Base construction audit was postponed in order to perform a close-out audit of the contract. The Fixed Asset Inventory Observation was delayed to fiscal year 2005-06 so as not to coincide with the opening of the Santa Ana base and the move from the Irvine base. The Human Resources Information Systems was delayed to allow staff to work on transitional and start-up issues, and then to have several months of normal operation. The 91 Express Lanes audit has changed from an accounting review to a close-out audit.

During the fourth quarter, four audit reports (Attachment B) were completed. Of the four audit reports, three have been presented to the Committee, and one is planned to be presented in August.

**Summary**

The Internal Audit Department will complete the audits initiated during the fiscal year that were part of the Annual Internal Audit Plan for Fiscal Year 2004-05.

**Attachments**

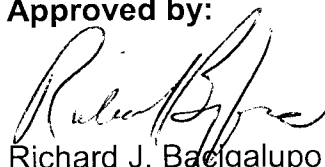
- A. Revised Internal Audit Plan for Fiscal Year 2004-05
- B. Listing of Audit Reports Issued in Fourth Quarter

**Prepared by:**



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

**Approved by:**



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

Revised Internal Audit Plan for Fiscal Year 2004-05

<u>Audits</u>	<u>Description</u>	<u>Minimum Frequency</u>	<u>Reason</u>	<u>Quarter Work Starts</u>	<u>Status</u>	<u>Planned Hours</u>	<u>Hours to Date</u>	<u>Under (over)</u>
<b>OCTA</b>								
Annual Financial Audit	Annual Financial Audit contracted to CPA firm with oversight and assistance provided by Internal Audit	Annually	Mandatory	1st	FY2004 Complete	480	558	(78)
COC	Time allowed to coordinate audit activities with the Audit Committee of the Measure M Citizen's Oversight Committee	Continually	Monitoring	All	Complete	80	84	(4)
Contract Audits	Compliance reviews of various contracts selected based on staff input during the year.	Annually	Compliance, Cost Recovery	2nd, 3rd & 4th	N/A	720	35	685
Follow-up Reviews	Reviews to ensure recommendations as agreed to, are implemented.	As needed	Compliance	All	N/A	96	44	52
LTF City Audits (Article 3.5, 4.0, 4.5)	Legally required annual audits of the recipients of LTF Funds, primarily Senior Mobility participating cities.	Annually	Mandatory	1st	Reports Issued	760	861	(101)
Payroll Distributions	Unannounced payroll distributions to ensure the accuracy of the payroll files	Random During the Year	Internal Control (I/C)	All	4th Qtr. In Process	120	219	(99)
Price Reviews	Cost and Price analysis as required per Board Policy	As needed	Cost avoidance	All	16 Completed in the Quarter	1800	1174	626
Projects - Carryover	Projects started in FY04 to be completed in FY05	N/A		1st	4 Reports Issued	200	308	(108)
Projects - Unallocated	Time allowed for requests from management	Annually		All		240	1082	(842)
<b>Finance, Administration and Human Resources</b>								
Accounts Payable/Receiving	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities make the process more efficient	Every Three Years	I/C	3rd	In-Process	200	190	10
Cycle Counts	Unannounced inventory cycle counts to ensure the accuracy of the inventory balances	Once per Quarter	I/C	All	Report Issued	320	700	(380)
Family Medical Leave Act (FMLA)	Review of the internal controls and operating practices over the Family Medical Leave Act (FMLA).	As needed	I/C and Operational Improvement (O/P)	2nd	Report Issued	280	295	(15)
Fixed Asset Inventory Observation	Observation of the annual physical inventory of fixed assets to ensure assets are physically present, properly recorded and are in working condition.	Annually	I/C	4th	Postponed to FY2006	200	4	196
General Accounting	Review of internal controls and an evaluation of operational efficiencies.	Every Three Years	I/C and O/P	3rd	In-Process	160	123	37
HRIS	Review of internal controls during the first year of implementation to ensure the proper procedures and practices are established and implemented.	During Implementation	I/C	3rd	Postponed to FY2006	240	38	202

Revised Internal Audit Plan for Fiscal Year 2004-05

<u>Audits</u>	<u>Description</u>	<u>Minimum Frequency</u>	<u>Reason</u>	<u>Quarter Work Starts</u>	<u>Status</u>	<u>Planned Hours</u>	<u>Hours to Date</u>	<u>Under (over)</u>
Information Systems	Review of internal controls and an evaluation of operational efficiencies.	Every Three Years	I/C	1st	Report Issued	160	216	(56)
MAPS	Participation during the implementation of the new inventory, maintenance and procurement system to help ensure proper internal controls are established prior to implementation.	During Implementation	Monitoring	All	Complete	160	174	(14)
Pass Sales	Review of the pass sales activities including the various programs, outside sales outlets, pass usage and front end program evaluation process.	Every Three Years	O/P, I/C, Cost Control	2nd	In-Process	240	262	(22)
Procurement	Compliance and operational review of the procurement process to ensure that Board adopted policies and procedures are being followed, and to identify opportunities to improve operational efficiencies.	Every Three Years	Compliance, O/P	2nd	Rescheduled to FY2006	240	22	218
Systems Development Reviews	Review of internal controls and an evaluation of operational efficiencies in regards to system development.	As needed	I/C	2nd	N/A	80	1	79
Third Party Administrator - Health	Compliance, internal control and operational review to identify opportunities for improved processes and reductions to costs.	Every Three Years	Compliance, I/C, O/P and cost recovery	2nd	In-Process	320	49	271
Third Party Administrator - Workers Compensation	Compliance, internal control and operational review to identify opportunities for improved processes and reductions to costs.	Every Three Years	Compliance, I/C, O/P and cost recovery	2nd	Report Issued	240	323	(83)
Treasury Reviews - Quarterly	Financial and compliance reviews of the OCTA treasury function.	Minimum Quarterly	I/C	All	In-Process	120	158	(38)
<b>Transit Operations</b>								
Bus Observations	Coach Operator observations to ensure compliance with the operating practices of OCTA.	As needed	I/C	All	In-Process	360	48	312
Buy America Pre-award Review	Pre-award review to ensure the vendor meets the 60% US cost content requirements.	As needed	Mandatory	2nd	Report Issued	120	64	56
Farebox Testing/GFI Analysis	Random testing of the accuracy of the GFI fareboxes and analysis of data contained in the database.	Continually	I/C	1st	Report Issued	280	225	55
Laidlaw Contract Audit	Contract compliance review of the ACCESS provider	Biennially	Compliance, Cost Recovery	3rd	In-Process	680	2027	(1347)
Maintenance	Operational review of the maintenance process to improve operational efficiencies.	Annually	O/P	1st	Report Issued	320	431	(111)
Operations	Operational review of bus operations to improve efficiencies and to ensure compliance with established practices.	Annually	O/P	2nd	In-Process	320	157	163

Revised Internal Audit Plan for Fiscal Year 2004-05

<u>Audits</u>	<u>Description</u>	<u>Minimum Frequency</u>	<u>Reason</u>	<u>Quarter Work Starts</u>	<u>Status</u>	<u>Planned Hours</u>	<u>Hours to Date</u>	<u>Under (over)</u>
<b>Planning, Development and Communications</b>								
CTFP	Review of project costs at time of closeout by the cities.	Annually	Compliance, Cost Recovery	1st	In-Process	400	1396	(996)
SCRRA	Time to monitor and to assist SCRRA operations	Continually	Monitoring	All	Complete	60	41	19
<b>Construction and Engineering</b>								
Centerline	Coordinating with staff to ensure Internal Audit is informed about this project.	During Final Design and Construction (if needed)	Monitoring	All	Complete	160	18	142
Centerline Audits	Compliance review of the consultants	During Final Design and Construction (if needed)	Compliance, Cost Recovery	3rd	In-Process	1000	317	683
Real Estate Administration	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities make the process more efficient. This includes contract compliance and management of the process.	Every Three Years	Compliance, O/P	2nd	In-Process	200	329	(129)
Santa Ana Base	Compliance review of the contractors during construction.	During Construction	Compliance, Cost Recovery	2nd	Rescheduled to FY2006	440	5	435
SR22	Coordinating with staff to ensure Internal Audit is informed about this project.	During Construction	Monitoring	All	Complete	120	42	78
SR22 Contract Audits	Compliance review of the consultants	During Construction	Compliance, Cost Recovery	4th	In-Process	900	15	885
<b>Labor Relations and Civil Rights</b>								
<b>Toll Road and Motorist Services</b>								
SR91 Express Lanes	Coordinating with staff to ensure Internal Audit is informed about this project.	Continually	Monitoring	All	Complete	80	39	41
SR91 Express Lanes - Accounting	Compliance review of contracted operations, determine cost recovery opportunities and evaluate operational efficiencies.	Every Three Years	Compliance, Cost Recovery, O/P	1st	Delay to FY2006	280	30	250
<b>Total Audit Hours</b>						<b>13176</b>	<b>12104</b>	<b>1072</b>



**LISTING OF AUDIT REPORTS ISSUED  
IN FOURTH QUARTER**

<i>Issue Date</i>	<i>Report No.</i>	<i>Name of Report</i>	<i>Date to Finance and Administration Committee</i>
04/01/05	n/a	Fiscal Year 2003-04 Annual Financial Reports	4/13/05
04/15/05	05-027	Audit Report on Fourth Quarter Parts Inventory Cycle Count	5/11/05
06/07/05	05-008	Limited Scope Review of Farebox Revenue Collection and Reporting	7/27/05
06/10/05	05-016	Third Party Workers' Compensation Review	8/10/05





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Annual Internal Audit Plan for Fiscal Year 2005-06

Finance and Administration Committee

August 10, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendations**

- A. Approve the Annual Internal Audit Plan for Fiscal Year 2005-06.
- B. Direct staff to report back on a quarterly basis to the Finance and Administration Committee on audit plan progress.



**August 10, 2005**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Annual Internal Audit Plan for Fiscal Year 2005-06

**Overview**

The Orange County Transportation Authority and the Board of Directors require the Internal Audit Department to conduct various operational, financial, and compliance audits and reviews of the Orange County Transportation Authority's departments and functions. The audits performed by the Internal Audit Department are performed as an essential tool in meeting its responsibilities to assist management in the discharge of their responsibilities and to protect the integrity of the Orange County Transportation Authority's operations and assets.

**Recommendations**

- A. Approve the Annual Internal Audit Plan for Fiscal Year 2005-06.
- B. Direct staff to report back on a quarterly basis to the Finance and Administration Committee on audit plan progress.

**Background**

The Internal Audit Department is an independent appraisal function whose purpose is to examine and evaluate the Orange County Transportation Authority's (OCTA's) operations and activities as a tool for management and to assist management in the discharge of their duties and responsibilities.

**Discussion**

The Internal Audit Department is presenting the proposed Annual Internal Audit Plan for Fiscal Year 2005-06 (Audit Plan) for the Board of Director's consideration. The proposed Audit Plan was developed in partnership with OCTA's management team in order to ensure that OCTA's assets are used in

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an efficient and effective manner. The Audit Plan will be implemented using the Internal Audit Department staff and through the use of contracted firms. These firms include nine on-call firms selected to provide a variety of services in support of internal audit, the audit firm selected to perform the annual financial audit for OCTA, and other firms to be contracted as needed.

The Internal Audit Department performs a wide range of auditing services that includes overseeing the annual financial audit, operational reviews, contract compliance reviews, internal control assessments, investigations, pre-award Buy America Award reviews, and pre-award price reviews. Internal Audit also monitors and provides guidance in computer software system implementation to help ensure that proper controls are built into systems prior to implementation. All audits initiated by entities outside of OCTA will be coordinated through the Internal Audit Department.

During the fiscal year, priorities and circumstances are likely to change, requiring these changes to be incorporated into the Audit Plan. This will require changing the timing of some audits, including delaying some to future periods. Therefore, the proposed Audit Plan will be an active document, updated on a regular basis with quarterly reports to the Finance and Administration Committee of the Board of Directors.

#### Fiscal Impact

The proposed Audit Plan has been developed within the resources available in the adopted budget for fiscal year 2005-06.

#### **Summary**

The Audit Plan has been developed to support the Board of Director's and OCTA's management in the discharge of their duties and responsibilities to safeguard the assets of OCTA and to use those assets in an efficient and effective manner. The Audit Plan is being presented for the Board of Director's review and approval.

**Attachment**

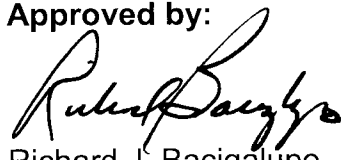
- A. Internal Audit Plan for Fiscal Year 2005-06

**Prepared by:**



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

**Approved by:**



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

<u>Audits</u>	<u>Description</u>	<u>Minimum Frequency</u>	<u>Reason</u>	<u>Quarter Work Starts</u>	<u>Estimated Hours</u>
<b>OCTA</b>					
Annual Financial Audit	Annual Financial Audit contracted to CPA firm with oversight and assistance provided by Internal Audit	Annually	Mandatory	1st	620
COC	Time allowed to coordinate audit activities with the Audit Committee of the Measure M Citizen's Oversight Committee	Continually	Monitoring	All	80
Contract Audits - Unscheduled	Compliance reviews of various contracts selected based on staff input during the year.	Annually	Compliance, Cost Recovery	2nd, 3rd & 4th	560
DMV Pull Notice Process Review	Operational review to ensure procedures are in place and operating effectively and efficiently.	As Needed	Operational Review (O/P)	1st	240
Follow-up Reviews	Reviews to ensure recommendations as agreed to, are implemented.	As Needed	Compliance	All	320
LTF City Audits (Article 3.5, 4.0, 4.5)	Legally required annual audits of the recipients of LTF Funds, primarily Senior Mobility participating cities.	Annually	Mandatory	1st	760
Payroll Distributions	Unannounced payroll distributions to ensure the accuracy of the payroll files	Random During the Year	Internal Control (I/C)	All	160
Price Reviews	Cost and Price analysis as required per Board Policy	As Needed	Cost avoidance	All	1300
Projects - Carryover	Projects started in FY04 to be completed in FY05	N/A		1st	440
Projects - Unallocated	Time allowed for requests from management	Annually		All	120
<b>Finance, Administration &amp; Human Resources</b>					
Cycle Counts	Unannounced inventory cycle counts to ensure the accuracy of the inventory balances	Once per Quarter	I/C	All	600
Fixed Asset Inventory Observation	Observation of the annual physical inventory of fixed assets to ensure assets are physically present, properly recorded and are in working condition.	Annually	I/C	4th	200
General Accounting	Review of internal controls and an evaluation of operational efficiencies.	Every Three Years	I/C and O/P	3rd	160
HRIS	Review of internal controls during the first year of implementation to ensure the proper procedures and practices are established and implemented.	During Implementation	I/C	2nd	240
Information Systems	Review of internal controls and an evaluation of operational efficiencies.	Every Three Years	I/C	4th	160
MINCOM	Participation during the implementation of the new inventory, maintenance and procurement system to help ensure proper internal controls are established prior to implementation.	During Implementation	Monitoring	All	160

<u>Audits</u>	<u>Description</u>	<u>Minimum Frequency</u>	<u>Reason</u>	<u>Quarter Work Starts</u>	<u>Estimated Hours</u>
Procurement	Compliance and operational review of the procurement process to ensure that Board adopted policies and procedures are being followed, and to identify opportunities to improve operational efficiencies.	Every Three Years	Compliance, O/P	3rd	240
Systems Development Reviews	Review of internal controls and an evaluation of operational efficiencies in regards to system development.	As Needed	I/C	2nd	80
Treasury Reviews - Quarterly	Financial and compliance reviews of the OCTA treasury function.	Minimum Quarterly	I/C	All	120
<b>Bus Operations</b>					
Bus Observations	Coach Operator observations to ensure compliance with the operating practices of OCTA.	As Needed	I/C	All	400
Buy America Pre-award Review	Pre-award review to ensure the vendor meets the 60% US cost content requirements.	As Needed	Mandatory	2nd	120
Farebox Testing/GFI Analysis	Random testing of the accuracy of the GFI fareboxes and analysis of data contained in the database.	Continually	I/C	All	280
Laidlaw Contract Closeout Audit	Contract compliance review of the ACCESS provider.	End of Contract	Compliance, Cost Recovery	3rd	720
Maintenance	Operational review of the maintenance process to improve operational efficiencies.	Annually	O/P	2nd	240
Operations	Operational review of bus operations to improve efficiencies and to ensure compliance with established practices.	Annually	O/P	3rd	280
Transit Police Services Contract Audit	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities to make the process more efficient. This includes contract compliance and management of the process.	Every Three Years	Compliance, O/P	2nd	320
<b>Planning, Development and Commuter Services</b>					
Cofiroute Contract Closeout	Compliance review of contracted operations, determine cost recovery opportunities and evaluate operational efficiencies.	Every Three Years	Compliance, Cost Recovery, O/P	3rd	240
Combined Transportation Funding Program (CTFP)	Review of project costs at time of closeout by the cities.	Annually	Compliance, Cost Recovery	3rd	1320
SCRRA	Time to monitor and to assist SCRRA operations	Continually	Monitoring	All	60
SR91 Express Lanes	Coordinating with staff to ensure Internal Audit is informed about this project.	Continually	Monitoring	All	60



<u>Audits</u>	<u>Description</u>	<u>Minimum Frequency</u>	<u>Reason</u>	<u>Quarter Work Starts</u>	<u>Estimated Hours</u>
SR91 Express Lanes - New Contract	Compliance review of contracted operations, determine cost recovery opportunities and evaluate operational efficiencies.	Every Three Years	Compliance, Cost Recovery, O/P	4th	160
<b>Construction and Engineering</b>					
Project Controls	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities to make the process more efficient.	Every Three Years	Compliance, O/P	1st	320
Santa Ana Base Construction Contract	Compliance review of the contractors during construction.	During Construction	Compliance, Cost Recovery	1st	240
SR22	Coordinating with staff to ensure Internal Audit is informed about this project.	During Construction	Monitoring	All	120
SR22 Contract Audits	Compliance review of the consultants	During Construction	Compliance, Cost Recovery	4th	720
<b>Labor Relations &amp; Civil Rights</b>					
Labor Relations & Civil Rights	Operational review of the labor relations and civil rights functions to determine that adequate policies and procedures are in place, effective and efficient, to ensure compliance with applicable laws and regulations.	As Needed	Compliance, I/C, O/P	4th	240
<b>External Affairs</b>					
Bus Advertising Contract	Compliance and operational review to ensure policies and practices are being followed and to evaluate opportunities make the process more efficient. This includes contract compliance, including the proper reporting of revenue, and management of the contract.	As Needed	Compliance, O/P	3rd	280
<b>Total Audit Hours</b>					<b>12680</b>

## **Audit Approach**

Each of the audits listed above will generally include different phases. These phases include a preliminary survey, development of an audit program, field work, analysis, development of findings and recommendations, discussions with management, reporting and follow-up. Each phase will vary in length depending on the type of assignment. Also, each assignment may be performed by Orange County Transportation Authority Internal Audit staff or may be contracted out. Internal audit will coordinate each of these assignments.

## **Description of Reason Codes**

The following descriptions of the various reasons given for performing each audit are general in nature. It should also be understood that every audit engagement will include one or more of these identifiers. Therefore, while an audit may be a compliance review, there will also be aspects of an operational , cost recovery, cost avoidance and/or internal control review included as part of the review. These reasons signify the primary reasons for performing a review of a particular area.

- **Compliance**

- These audits are performed to ensure that the terms and conditions of agreements are being followed and that there is compliance with Board adopted policies and procedures as well as Managements' policies and procedures.

- **Cost Avoidance**

- A review conducted in order to determine if the price/cost is fair, reasonable and necessary. These are generally cost and price analyses.

- **Cost Recovery**

- The purpose of these audits is to evaluate actual billings for services to ensure that the OCTA has not been overcharged for goods and services received.

- **Internal Control**

- These audits are performed to ensure that there are adequate internal controls in place to protect the assets of the OCTA. These include safeguarding of cash receipts and properly segregated functions to deter fraudulent activities.

- **Mandatory**

- These audits are required to be performed based on State and Federal statutes or other third party requirement. The annual financial audit is one of these audits.

- **Monitoring**

- These are not audits, rather these are activities engaged in to develop an understanding of the issues and to continuously be informed about significant activities of the OCTA.

- **Operational Improvement**

- An operational audit is performed to evaluate the current operating procedures and to identify if there are better ways to accomplish the goals of the organization, which might include not performing the function.





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Third Party Administration Workers' Compensation Review, Internal Audit Report No. 05-016

Finance and Administration Committee

August 10, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Receive and file the Third Party Administration Workers' Compensation Review, Internal Audit Report No. 05-016.



**August 10, 2005**

**To:** Finance and Administration Committee

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

**Subject:** Third Party Administration Workers' Compensation Review,  
Internal Audit Report No. 05-016

### **Overview**

The Internal Audit Department has completed a limited review of controls over the administration of the workers' compensation program. The controls were found to be generally adequate. Nineteen recommendations were made to strengthen internal controls, make operations more efficient, and ensure compliance with applicable laws and regulations. Management staff has indicated the recommendations contained in the report have been or are in the process of being implemented.

### **Recommendation**

Receive and file the Third Party Administration Workers' Compensation Review, Internal Audit Report No. 05-016.

### **Background**

Hazelrigg Risk Management Services, Inc. (HRMS) is the Third Party Administrator (TPA) that provides administration and management services of Orange County Transportation Authority's (OCTA) self-funded workers' compensation insurance program. HRMS represents OCTA in all matters related to the investigation, adjustment, processing, supervision, and resolution of workers' compensation claims.

### **Discussion**

The objective of the audit was to review controls over the administration of the workers' compensation program. The audit scope included review of compliance with benefit notice requirements, controls over payment of benefits, controls over the medical bill review process, and OCTA's overall monitoring of the workers' compensation program.

The audit scope did not include any review or assessment of the claim team's judgment and handling of the selected claims. At the inception of the audit, the OCTA manager of Risk Management expressed the plan to outsource an audit of open workers' compensation claims for assessment and recommendations on claims handling. Therefore, Internal Audit did not review the evaluation of individual claims to minimize duplication of effort with the planned outsourced review of claims handling.

Internal Audit made recommendations on procedures related to OCTA and procedures related to HRMS. Recommendations related to OCTA included recommendations to approve rate sheets from vendors, reconcile all payment reimbursement requests to the check register on a continuing basis, and review check registers for unusual items such as penalties. Recommendations related to HRMS included recommendations to review vendor invoices against OCTA-approved rate sheets, notify OCTA of all penalties paid and promptly reimburse OCTA for HRMS-caused penalties, periodically review benefit rates, and set up benefit notice checklists and file checklists. Management has implemented changes or is in the process of making changes in response to the recommendations.

### **Summary**

Based on the review, the controls over the administration of workers' compensation are adequate to ensure the safeguarding of OCTA assets. Internal Audit did offer some recommendations, which management staff indicated have been implemented or are in the process of being implemented.

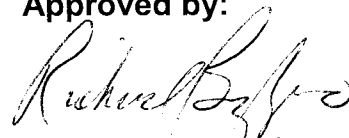
### **Attachments**

- A. Third Party Administration Workers' Compensation Review, Internal Audit Report No. 05-016
- B. Management Response to Third Party Administration Workers' Compensation Review, Internal Audit Report No. 05-016
- C. Audit Close-Out Memo For Internal Audit Report No. 05-016

#### **Prepared by:**

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

#### **Approved by:**

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



INTEROFFICE MEMO

June 10, 2005

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

From: <sup>SN</sup> Serena Ng, Internal Auditor  
Internal Audit

Subject: **Third Party Administration Workers' Compensation Review,  
Internal Audit Report No. 05-016**

***Conclusion***

The Internal Audit Department has completed a limited review of controls over the administration of the workers' compensation program. **In Internal Audit's opinion**, the controls over the administration of workers' compensation are, in general, adequate to ensure the safeguarding of Orange County Transportation Authority's assets. However, based on the review, Internal Audit is recommending improvements that will strengthen internal controls, make operations more efficient, and ensure compliance with applicable laws and regulations.

***Background***

Hazlerigg Risk Management Services, Inc. (HRMS) is the Third Party Administrator (TPA) that provides administration and management services of Orange County Transportation Authority's (OCTA) self-funded workers' compensation insurance program. Medical bill review services are provided by Medical Auditing Services (MAS), a company with the same owners as HRMS. The HRMS claims team for OCTA consists of a Claims Manager, a Claims Supervisor, a Senior Claims Examiner, and a Claims Assistant. Key OCTA personnel involved in coordinating the workers' compensation program with HRMS include the Manager of Risk Management, the Benefits Section Manager, and the Benefits Office Specialist. An OCTA Claims Manager position has recently been approved.

HRMS represents OCTA in all matters related to the investigation, adjustment, processing, supervision, and resolution of workers' compensation claims. The HRMS claims team directs and/or coordinates the work of the bill reviewers, investigators, attorneys, utilization review personnel, nurse case managers, and vocational rehabilitation counselors. HRMS also works with insurance





carriers and third party claimants on subrogated claims. HRMS processes an average of 900 checks per month. MAS reviews an average of 400 medical bills per month.

Total benefits of approximately \$5.7 million were paid for Fiscal Year (FY) 2003-04. Estimated future liability for all open claims as of the end of FY 2003-04 was approximately \$8.8 million. In FY 2003-04, there were 337 cases reported. As of January 31, 2005, there were 413 open workers' compensation claims. Approximately half of all open claims are litigated.

### ***Purpose and Scope***

The objective of the audit was to review controls over the administration of the workers' compensation program. The audit scope included, but was not limited to, review of the following:

- Compliance with benefit notice requirements;
- Controls over payment of benefits;
- Controls over the medical bill review process; and
- OCTA's overall monitoring of the workers' compensation program.

The work included interviewing key personnel, performing data analysis on the open claims file, reviewing a random sample of 25 claim files, and reviewing other documents discussed during interviews. For each of the 25 claim files selected, Internal Audit (IA) judgmentally selected payments for testing.

The audit scope did not include any review or assessment of the claim team's judgment and handling of the selected claims. At the inception of the audit, the OCTA Manager of Risk Management expressed the plan to outsource an audit of open workers' compensation claims for assessment and recommendations on claims handling. Therefore, IA did not review the handling of claims to minimize duplication of effort.

### ***Observations and Recommendations***

During the review, IA developed some recommendations that relate to procedures performed by HRMS and some recommendations that relate to procedures and overall monitoring performed by OCTA. The primary party has been identified next to each recommendation.

### **Services Not Covered by Approved Rate Sheets**

Investigative services, surveillance services, and legal services performed by other entities are not covered by any written contracts or approved rate



sheets. Although claims examiners review invoices to determine if the services were requested and if the billed hours appears appropriate, the pricing on the invoices is not reviewed.

#### **Recommendation No. 1 - OCTA**

**IA recommends** that OCTA request and approve rate sheets from any vendors that frequently perform services for workers' compensation claims as part of the OCTA approval of vendor use.

#### **Recommendation No. 2 - HRMS**

Upon approval of rate sheets, **IA recommends** that the HRMS claims examiners review invoice details to determine if the pricing is reasonable and consistent with the rate sheets before authorizing payment of invoices.

#### **Late Temporary Disability Benefit Payments and Penalties**

On selected claim #02-27758, a self-imposed penalty of 10 percent of late temporary disability benefit payment for the period of 12/19/03-1/1/04 was paid. IA determined that there were other self-imposed penalties paid around that time because HRMS was closed for the holidays when benefits were due on some claims. In response to OCTA's questions about penalties, HRMS identified a total of \$6,991.09 reimbursable penalties from November 2002, to the present; the \$6,991.09 was subsequently reimbursed to OCTA.

On selected claim #02-25968, benefit notices for two resumed temporary disability benefits were issued with the related payment. However, the notices were not sent within 14 days after the employer's date of knowledge of the additional benefits entitlement as required by California regulations.

#### **Recommendation No. 3 - HRMS**

**IA recommends** that HRMS notify OCTA of all penalties paid and promptly reimburse OCTA for HRMS-caused penalties.

#### **Recommendation No. 4 - HRMS**

**IA recommends** that the claims examiners review any Leave of Absence request forms and doctor's notices of disability that triggers the employer's knowledge of entitlement upon receipt of the forms and



notices. The claims examiners should immediately direct the Claims Assistant to set up the benefit payment in the benefit payment card.

#### **Recommendation No. 5 - HRMS**

Although the current Claim Supervisor does review payment listings prior to authorization of payments, **IA recommends** that the Claim Supervisor review all benefit payments due more consistently and carefully to further reduce or eliminate the potential for late payments and resulting penalties. If the office is scheduled to be closed down, the Claims Supervisor should review all files to determine if benefit payments need to be paid earlier than originally scheduled.

#### **Miscalculation of Average Weekly Earnings**

For selected claim #99-20226, a Notice of Change in Rate or Payment Schedule was issued to increase the benefit rate for temporary disability based upon the wage statement submitted. IA reviewed the wage statement, noting that the average weekly earnings was calculated incorrectly. Specifically, total wages for a 54-week period was divided by 52 weeks rather than 54 weeks, resulting in an overstated average weekly earnings.

#### **Recommendation No. 6 - HRMS**

**IA recommends** that the calculation of the temporary and permanent disability benefit rates, with the supporting wage statement, be reviewed periodically by the assigned claims examiner's immediate supervisor or manager.

#### **Medical Bill Underpayment**

MAS reviews medical bills and prepares a review analysis and invoice. On selected medical bills for claim #03-30574, IA noted that MAS inputted provider charges on the review analysis that were lower than the provider charges on the Health Insurance Claim Forms, resulting in underpayment to the medical provider. The underpayment was not detected by the previous claims team, who was handling the claim at the time.

#### **Recommendation No. 7 - HRMS**

**IA recommends** that prior to approval of payments, the claims examiners consistently review the MAS review analysis and invoice



against the supporting Health Insurance Claim Forms to determine if the total provider charges match.

### **Timely Payment of Medical Bills**

Two of the medical bills selected for testing were not paid or objected to within 60 days of receipt of bills. Additionally, there was no payment of self-imposed increases or interest when the late medical bills were paid.

#### **Recommendation No. 8 - HRMS**

**IA recommends** that all medical bills be paid or objected to within 60 days of receipt of bills in accordance with the California Labor Code and regulations.

### **Review of Unprocessed Payment Listing Prior to Issuance of Checks**

IA identified two mileage payments that were incorrectly paid to the vocational rehabilitation counselor instead of the claimant. Subsequently, the counselor returned the payment to HRMS, who then issued the mileage payment to the claimant in a subsequent check run. The Claims Supervisor typically reviews the Unprocessed Payment Listing against the supporting documentation prior to approval of payments; however, this error in payee was missed.

#### **Recommendation No. 9 - HRMS**

**IA recommends** that the Claims Supervisor perform the review of the Unprocessed Payment Listing more consistently and carefully with attention on the appropriateness of amount, payee, and coding.

### **Missing and/or Incorrect Benefit Notices**

IA was unable to locate the following required notices in the claim files selected for testing:

- Condition Becomes Permanent and Stationary, Causes Permanent Disability--Notice of QME Procedures for claim #99-20226;
- Notice of First Payment for Vocational Rehabilitation Allowance for claim #96-1500-0206;
- Notice that Benefits Are Ending for claim #02-25968 when temporary disability benefits ended; and



- Notice of Changed Benefit Rate or Schedule for claim #02-27758 when the benefit amount paid towards child support began to be paid to the claimant.

Additionally, there was no documentation in the claim file #02-27758 justifying the termination of child support payment, although it appeared that the claimant's child had reached legal age.

#### **Recommendation No. 10 - HRMS**

**IA recommends** that the due dates of all required benefit notices be set up in a benefit notice checklist, which should be reviewed for timeliness and appropriateness on a periodic basis.

#### **Recommendation No. 11 - HRMS**

**IA recommends** that documentation supporting changes in benefits be maintained in the claim file.

#### **Missing DLSR Form 5020 in TPA File**

For selected claim #99-20226, IA located the Employer's Report of Occupational Injury or Illness, DLSR Form 5020, in the claim file maintained by OCTA. However, the form was not included in the claim file maintained by HRMS.

#### **Recommendation No. 12 - OCTA**

**IA recommends** that OCTA Benefits send a copy of the DLSR Form 5020 for claim #99-20226 to HRMS to complete the TPA file.

#### **Recommendation No. 13 - HRMS**

**IA recommends** that a file checklist, identifying all required documents for a claim file consistent with California regulations, be set up for all claims. Additionally, a review and update of the file checklist should be performed when a new claims examiner is assigned to the claim.

#### **Bank Account**

HRMS makes payments on OCTA claims directly out of a business analyzed checking account owned by OCTA. HRMS sends a request for reimbursements to OCTA, who issues a check to HRMS for deposit. HRMS



performs the bank reconciliation on the account and provides a copy of the reconciliation to OCTA.

#### **Recommendation No. 14 - OCTA**

**IA recommends** that OCTA consider the most appropriate treatment for the bank account, with alternatives including transfer of the account to HRMS, setting up the account as an OCTA Zero Balance Account (ZBA), or maintaining the status quo.

#### **Review of Payment Requests, Check Registers, and Checks**

At the time of the initial inquiry, there was no reconciliation of the HRMS payment reimbursement requests to the related check registers. There was also no reconciliation of the check registers to the copies of checks at the time of initial inquiry. Additionally, supporting documentation is not reviewed by OCTA Benefits.

#### **Recommendation No. 15 - OCTA**

**IA recommends** that OCTA Benefits reconcile all payment reimbursement requests to the check register total on a continuing basis. IA further recommends that OCTA Benefits periodically reconcile the check register items to the check copies when they are filed to ensure that the check register contains only OCTA claim payments.

#### **Recommendation No. 16 - OCTA**

**IA recommends** that OCTA Benefits review check registers for unusual items, such as penalties, and make appropriate inquiries as needed.

#### **Recommendation No. 17 - OCTA**

**IA recommends** that OCTA Benefits periodically select payments, request supporting documentation such as invoices for services, and review the supporting documentation to determine validity and appropriateness of payment.



### Protection of Social Security Numbers

The Management Information Systems (MIS) Department at HRMS emailed IA a monthly check register, which contained claimant's social security numbers.

#### **Recommendation No. 18 - HRMS**

**IA recommends** that HRMS prohibit the sending of social security numbers by standard email for protection of confidentiality.

### Electronic Reports

HRMS mails to OCTA Benefits a hard copy of the monthly report package, which includes the listing of open claims and the check register by work group, rather than providing the information in a secure, electronic format.

#### **Recommendation No. 19 - OCTA**

**IA recommends** that OCTA consider including the TPA's provision of secure, electronic reports in the scope of work for the new contract. Secure reports in electronic format would allow performance of certain routine data analysis by OCTA.

### **Summary**

Based on Internal Audit's review, the controls and operations over the administration of workers' compensation are, in general, adequate to ensure the safeguarding of OCTA assets. Internal Audit did make some recommendations, as detailed above.

### **Management Response**

Internal Audit requests that a written response indicating the corrective action taken or planned to address the recommendations be forwarded to Robert Duffy, Manager of Internal Audit, by June 24, 2005.

Audit performed by: Serena Ng, In-Charge Auditor

c: Rick Bacigalupo  
Al Gorski  
Debbie Christensen  
Robert Duffy



INTEROFFICE MEMO

June 17, 2005

To: Robert Duffy, Manager, Internal Audit

From: James S. Kenan, Executive Director *KP*  
Finance, Administration & Human Resources

Subject: **Third Party Administration Workers' Compensation Review,  
Internal Audit Report No. 05-016**

Following is the written response indicating the corrective action taken or planned to address the recommendations provided by your department.

**Recommendation No. 1 - OCTA**

**IA recommends** that OCTA request and approve rate sheets from any vendors that frequently perform services for workers' compensation claims as part of the OCTA approval of vendor use.

**Response:** HRMS has requested and OCTA has reviewed and approved the rate sheets from the current vendors.

**Recommendation No. 2 - HRMS**

Upon approval of rate sheets, **IA recommends** that the HRMS claims examiners review invoice details to determine if the pricing is reasonable and consistent with the rate sheets before authorizing payment of invoices.

**Response:** HRMS will request that the vendors put into writing what the OCTA billing rate is and will review invoices to make sure that the billing rate is consistent with the quoted rate. HRMS will then review the invoices to make sure that the total billing is consistent with the services requested and provided.

**Recommendation No. 3 - HRMS**

**IA recommends** that HRMS notify OCTA of all penalties paid and promptly reimburse OCTA for HRMS-caused penalties.

05/15/05  
10:11 AM  
OCTA JAN 2005



**Response:** On a monthly basis the HRMS claims supervisor will submit a spread sheet to OCTA, itemizing any penalties paid. At that time the supervisor will advise OCTA as to which penalties were the responsibility of HRMS and will then request prompt reimbursement to OCTA.

#### **Recommendation No. 4 - HRMS**

**IA recommends** that the claims examiners review any Leave of Absence request forms and doctor's notices of disability that triggers the employer's knowledge of entitlement upon receipt of the forms and notices. The claims examiners should immediately direct the Claims Assistant to set up the benefit payment in the benefit payment card.

**Response:** The Labor Code requires that indemnity benefits be issued within 14 days of knowledge of lost time by either the employer or the claims administrator. It is imperative that OCTA notifies HRMS as soon as they have knowledge of any industrially related period of lost time, so indemnity benefits as per the Labor Code can be issued. OCTA will notify HRMS as soon as possible regarding an employee with lost time.

#### **Recommendation No. 5 - HRMS**

Although the current Claim Supervisor does review payment listings prior to authorization of payments, **IA recommends** that the Claim Supervisor review all benefit payments due more consistently and carefully to further reduce or eliminate the potential for late payments and resulting penalties. If the office is scheduled to be closed down, the Claims Supervisor should review all files to determine if benefit payments need to be paid earlier than originally scheduled.

**Response:** The claims supervisor and senior claims examiner will compare bi-weekly spread sheets of all OCTA employees receiving indemnity benefits and will match it to the bi-weekly payments register. This will help spot any omitted payments.

#### **Recommendation No. 6 - HRMS**

**IA recommends** that the calculation of the temporary and permanent disability benefit rates, with the supporting wage statement, be reviewed periodically by the assigned claims examiner's immediate supervisor or manager.

**Response:** Each month the claims supervisor and claims manager will review 1/3 of the active indemnity payments for the accuracy of the payment rates. This will allow for all indemnity payments to be reviewed every 90 days.

#### **Recommendation No. 7 - HRMS**

**IA recommends** that prior to approval of payments, the claims examiners consistently review the MAS review analysis and invoice against the supporting Health Insurance Claim Forms to determine if the total provider charges match.

**Response:** It is HRMS policy to match medical billings and explanation of benefit notices to the payment registers.

#### **Recommendation No. 8 - HRMS**

**IA recommends** that all medical bills be paid or objected to within 60 days of receipt of bills in accordance with the California Labor Code and regulations.

**Response:** It is HRMS policy to pay or object to all medical bills within 60 days of receipt. We strive to accomplish this within 30 days of receipt.

#### **Recommendation No. 9 - HRMS**

**IA recommends** that the Claims Supervisor perform the review of the Unprocessed Payment Listing more consistently and carefully with attention on the appropriateness of amount, payee, and coding.

**Response:** The claims supervisor and senior examiner do thoroughly review the weekly check register for any inaccuracies.

#### **Recommendation No. 10 - HRMS**

**IA recommends** that the due dates of all required benefit notices be set up in a benefit notice checklist, which should be reviewed for timeliness and appropriateness on a periodic basis.

**Response:** The claims supervisor will create a benefit notice checklist and attach this checklist to all active and future paycards. These paycards will then be reviewed on a periodic basis.

### **Recommendation No. 11 - HRMS**

**IA recommends** that documentation supporting changes in benefits be maintained in the claim file.

**Response:** All documentation (medical reports, wage statements, benefit notices) supporting changes in benefits, will be maintained in the claim files. Notes will be added to the notepad, explaining the changes.

### **Recommendation No. 12 - OCTA**

**IA recommends** that OCTA Benefits send a copy of the DLSR Form 5020 for claim #99-20226 to HRMS to complete the TPA file.

**Response:** Another copy of the 5020 for claim #99-20226 was sent to HRMS at the time IA brought this to our attention.

### **Recommendation No. 13 - HRMS**

**IA recommends** that a file checklist, identifying all required documents for a claim file consistent with California regulations, be set up for all claims. Additionally, a review and update of the file checklist should be performed when a new claims examiner is assigned to the claim.

**Response:** A checklist will be included in all open and future indemnity claims, identifying required documents, consistent with California regulations.

### **Recommendation No. 14 - OCTA**

**IA recommends** that OCTA consider the most appropriate treatment for the bank account, with alternatives including transfer of the account to HRMS, setting up the account as an OCTA Zero Balance Account (ZBA), or maintaining the status quo.

**Response:** Human Resources and Accounting met to discuss this recommendation. It was decided that the bank account maintained by HRMS would stay as is.

### **Recommendation No. 15 - OCTA**

**IA recommends** that OCTA Benefits reconcile all payment reimbursement requests to the check register total on a continuing basis. IA further recommends that OCTA Benefits periodically reconcile the

check register items to the check copies when they are filed to ensure that the check register contains only OCTA claim payments.

**Response:** OCTA Benefits is reconciling every reimbursement request to the check registers. The check copies are reconciled at the time they are placed in the claim file.

#### **Recommendation No. 16 - OCTA**

**IA recommends** that OCTA Benefits review check registers for unusual items, such as penalties, and make appropriate inquiries as needed.

**Response:** OCTA Benefits is reviewing every check register for unusual items.

#### **Recommendation No. 17 - OCTA**

**IA recommends** that OCTA Benefits periodically select payments, request supporting documentation such as invoices for services, and review the supporting documentation to determine validity and appropriateness of payment.

**Response:** OCTA Benefits will periodically select payments and request from HRMS that supporting documentation be provided for OCTA's review.

#### **Recommendation No. 18 - HRMS**

**IA recommends** that HRMS prohibit the sending of social security numbers by standard email for protection of confidentiality.

**Response:** HRMS will eliminate social security numbers from monthly OCTA check registers.

#### **Recommendation No. 19 - OCTA**

**IA recommends** that OCTA consider including the TPA's provision of secure, electronic reports in the scope of work for the new contract. Secure reports in electronic format would allow performance of certain routine data analysis by OCTA.

**Response:** OCTA will take IA's recommendation under consideration.

Cc: Rick Bacigalupo, OCTA  
Al Gorski, OCTA  
Debbie Christensen, OCTA  
Serena Ng, OCTA



INTEROFFICE MEMO

June 24, 2005

To: James S. Kenan, Executive Director  
Finance, Administration & Human Resources

From: <sup>SN</sup> Serena Ng, Internal Auditor  
Internal Audit

Subject: **Third Party Administration Workers' Compensation Review  
Close-out Memo**

Internal Audit has received and concurs with management's responses to the recommendations issued in the Third Party Administration Workers' Compensation Review – Internal Audit Report No. 05-016. The Third Party Administrator (TPA) and OCTA management have already implemented some recommendations, and are in the process of implementing some of the other recommendations. Internal Audit appreciates the responses and the cooperation received during the audit. A follow-up review on the status of management's planned corrective actions will be conducted in six months.

Attachment: Management Response Memo

c: Rick Bacigalupo  
Ken Phipps  
Al Gorski  
Debbie Christensen  
Robert Duffy





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Combined Transportation Funding Program Semi-Annual Review

Regional Planning and Highways Committee

August 15, 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 Recommendations (Reflects change from staff recommendation)**

- A. Approve the staff recommended adjustments to the Combined Transportation Funding Programs projects.
- B. Direct staff to work with the Technical Advisory Committee to revise the Combined Transportation Funding Program Guidelines to ensure a timely closeout of the Measure M program.
- C. Authorize the Chairman of the Board to correspond with all mayors and city council members, positively encouraging each city to move forward on projects and offering Orange County Transportation Authority's support in project delivery.





**August 15, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, <sup>M</sup>Chief Executive Officer  
**Subject:** Combined Transportation Funding Program Semi-Annual Review

### **Overview**

Twice each year, the Orange County Transportation Authority meets with local agencies to assess the status of projects funded as part of the Combined Transportation Funding Programs. Project change requests and current project status updates are provided. This report summarizes staff recommendations regarding adjustments to Combined Transportation Funding Programs.

### **Recommendations**

- A. Approve the staff recommended adjustments to the Combined Transportation Funding Programs projects.
- B. Direct staff to work with the Technical Advisory Committee to revise the Combined Transportation Funding Program Guidelines to ensure a timely closeout of the Measure M program.

### **Background**

The Combined Transportation Funding Programs (CTFP) contain a variety of funding programs and sources including Measure M Local and Regional Streets and Roads revenues, as well as federal transportation funds. The CTFP provides cities with a user-friendly, consistent, and comprehensive set of guidelines for transportation funding and administration. Since 1991, and prior to the 2004 Call for Projects, approximately \$615 million of Measure M funds has been awarded for streets and roads projects. The 2004 Call for Projects awarded an additional \$95 million to Orange County jurisdictions for Measure M programs. The following table provides an overall summary of completed projects by Measure M program:

Measure M Program	No. Completed Projects	Amount Completed
Growth Management Area	254	\$ 44,315,166
Intersection Improvement Program	95	\$ 43,283,240
Master Plan of Arterial Highways	40	\$ 39,852,259
Regional Interchange Program	21	\$ 25,110,329
Signal Improvement Program	132	\$ 23,876,719
Smart Street Program	22	\$ 82,414,661
Transportation Demand Program	60	\$ 5,199,438
	<b>624</b>	<b>\$ 264,051,812</b>

A list of Measure M projects that have been completed by jurisdiction is shown in Attachment A.

***Discussion***

In order to ensure that projects remain on schedule, the CTFP Guidelines require that changes to approved projects be addressed as part of the semi-annual review process. The goals of the semi-annual review process are to review project status, determine the continued viability of projects, and address local agency issues. Orange County Transportation Authority (OCTA) staff meets with local agencies twice each year to review project status and changes. Most recently, individual on-site meetings were concluded in June 2005.

During the semi-annual review, a total of 30 agencies requested various adjustments. These adjustments are listed in Attachment B and summarized below:

- Four projects are proposed for early implementation, advancing approximately \$374,986.
- Twenty-two cancellation requests, approximately \$7.3 million, will be returned to the CTFP for the next call for projects. These savings were already accounted for in future cash flow projections and will not necessarily allow for an increase in current programming.
- Seven adjustment requests required agencies to relinquish programmed funds before reapplying for a greater allocation. Approximately \$7.1 million was released to the CTFP before the 2004 Call for Projects was approved by the Board of Directors (Board).
- Thirty-four miscellaneous project adjustment requests required the transfer of funds between phases or scope modifications.

- Two new Growth Management Area (GMA) projects that have received GMA Elected Official approval, totaling \$375,000, are submitted for Board approval. Many of the adjustment requests involved projects funded through GMA districts. All requested changes to GMA-funded projects must be approved by the GMA Elected Official forums. The Regional Planning and Highways Committee and the Board are requested to conditionally approve the adjustments for GMA-funded projects, contingent upon subsequent approval by the respective GMA Elected Officials forums. During this cycle, 33 adjustment requests have been submitted without GMA Elected Official approval.
- Many projects require additional time for implementation. Sixty-eight project adjustments, totaling \$48.8 million, will require additional time for implementation on various phases. Requests for additional time comprise approximately 8 percent of the \$615 million funded through Measure M and five percent of the \$892 million funded in federal and Measure M funds combined. Some of the schedule adjustments are beyond the control of the project managers, such as delayed regulatory approvals, terminated escrows, coordination with other agencies, and other events that are not uncommon in public projects. In addition, local agencies have experienced funding constraints due to state budget issues.

Although the projects are progressing, OCTA needs to continue to closely monitor the level of schedule adjustments. Given the remaining years of Measure M, the Board approved an action plan in 2004 aimed at improving the delivery of local streets and roads projects. One element of the action plan requires OCTA to increase the effectiveness of the semi-annual review process by modifying the current extension process. The Board approved the limits to the time extensions listed below for all programs, including GMA projects. OCTA will schedule meetings with GMA Elected Officials to discuss these new requirements.

- Agencies may request a one-time delay of up to 24 months. Jurisdictions will be required to justify this request and seek approval of staff, Technical Steering Committee (TSC), and the Technical Advisory Committee (TAC) as part of the semi-annual review process.
- A second delay request may only be awarded by obtaining a city council approved revised Capital Improvement Program (CIP) that indicates the project revised program year.
- Any further delay beyond the second delay request would require a direct request for approval from the Board. The Board will have the final approval of the request.

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These limits are being implemented beginning with this semi-annual review. The TAC considered these limits and accounted for prior schedule adjustments given the transitional nature of this semi-annual review period in developing recommendations. In general, first and second delay requests were considered for approval, subject to technical justification. Any subsequent delay requests for these projects will count as a second delay request that requires a revised CIP approved by the agency's city council. If a given project has been delayed three or more times, it was considered for approval, subject to technical justification, with the understanding that any subsequent delays would require a direct request to the Board.

In July 2005, the TSC and the TAC reviewed the proposed changes and approved the adjustments as shown in Attachment B. Following Board action, these revisions will be incorporated in the OCTA/Local Agencies Master Funding Agreements. The next semi-annual review is presently scheduled for September 2005.

Another element of the action plan requires the assignment of OCTA staff to assist local jurisdictions with delay issues resulting from other agency impacts on project completions. This may involve working with regulatory agencies to obtain approval/certifications and developing consensus with other agencies when disputes arise. To accomplish this action, the Board approved on November 8, 2004, the use of Measure M funds to retain one full-time project manager and two limited-term contract personnel. Staff is currently in the process of hiring contract personnel and is reviewing applications for the project manager position. Staff expects the contract personnel and project manager to be in place by the second quarter of fiscal year 2005-06.

While there has been significant accomplishment in improving street and road conditions throughout the County, there is approximately \$446 million of Measure M funded projects underway or planned for the future between now and 2010. Given the approaching sunset of the Measure M program in 2011, it is prudent to assess the current project monitoring process and seek opportunities to strengthen the program administration and project delivery procedures to ensure timely project completion, program closeout, and accountability to Orange County voters. OCTA staff recommends that the Board direct staff to work with the TAC to revise the CTFP Guidelines to ensure the timely closeout of the Measure M program.

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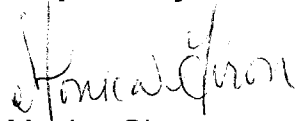
**Summary**

In July 2005, the TSC and the TAC reviewed the adjustment requests submitted as part of the March 2005 CTFP semi-annual review. Project change requests and current project status updates were submitted by 30 Orange County local agencies. The next semi-annual review is scheduled for September 2005.

**Attachments**

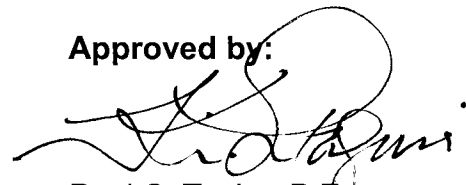
- A. Measure M Projects Completed by Agency Since 1991
- B. Combined Transportation Funding Programs March 2005 Semi-Annual Review Adjustment Requests

**Prepared by:**



Monica Giron  
Associate Transportation Analyst  
Local Programs  
(714) 560-5905

**Approved by:**



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

**Measure M Projects Completed by Agency Since 1991**

Agency	Growth Management Area		Intersection Improvement Program		Master Plan of Arterial Highways		Regional Interchange Program		Signal Improvement Program		Smart Street Program		Transportation Demand Management Program		Grand Count	Grand Total
	# of Projects	\$ Completed	# of Projects	\$ Completed	# of Projects	\$ Completed	# of Projects	\$ Completed	# of Projects	\$ Completed	# of Projects	\$ Completed	# of Projects	\$ Completed		
Anaheim	26	\$ 4,736,379	5	\$ 3,693,370	-	\$ -	2	\$ 3,563,876	17	\$ 2,727,643	4	\$ 11,846,000	14	\$ 1,246,946	68	\$ 27,814,214
Brea	2	\$ 433,000	4	\$ 880,785	-	\$ -	-	\$ -	-	\$ -	2	\$ 544,000	3	\$ 129,219	11	\$ 1,987,004
Buena Park	11	\$ 1,360,000	3	\$ 707,534	-	\$ -	-	\$ -	2	\$ 341,375	3	\$ 18,857,827	-	\$ -	19	\$ 21,266,736
Costa Mesa	2	\$ 918,000	8	\$ 5,198,560	-	\$ -	8	\$ 5,564,021	10	\$ 1,711,216	-	\$ -	5	\$ 313,612	33	\$ 13,705,409
County of Orange	37	\$ 6,082,924	16	\$ 6,354,748	7	\$ 4,765,643	4	\$ 480,400	1	\$ 150,000	1	\$ 100,000	1	\$ 100,000	66	\$ 17,933,715
Cypress	5	\$ 980,552	2	\$ 186,321	-	\$ -	-	\$ -	5	\$ 1,457,553	-	\$ -	1	\$ 13,440	13	\$ 2,637,866
Dana Point	3	\$ 143,000	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	3	\$ 143,000
Fountain Valley	7	\$ 2,318,405	12	\$ 4,984,487	4	\$ 1,190,835	2	\$ 3,783,109	10	\$ 2,459,562	-	\$ -	1	\$ 100,000	36	\$ 14,836,398
Fullerton	5	\$ 547,000	-	\$ -	-	\$ -	-	\$ -	9	\$ 1,510,194	-	\$ -	-	\$ -	14	\$ 2,057,194
Garden Grove	10	\$ 1,378,000	3	\$ 2,799,990	4	\$ 1,846,447	1	\$ 290,000	6	\$ 883,629	-	\$ -	1	\$ 15,600	25	\$ 7,213,666
Huntington Beach	7	\$ 1,120,079	2	\$ 348,075	1	\$ 73,894	-	\$ -	2	\$ 408,800	2	\$ 7,960,301	-	\$ -	14	\$ 9,911,149
Irvine	19	\$ 2,716,454	4	\$ 2,837,751	6	\$ 5,640,959	2	\$ 5,693,152	13	\$ 2,613,998	-	\$ -	7	\$ 569,240	51	\$ 20,071,554
La Habra	4	\$ 551,000	1	\$ 150,000	-	\$ -	-	\$ -	4	\$ 314,644	2	\$ 1,748,520	1	\$ 100,000	12	\$ 2,864,164
La Palma	1	\$ 25,000	-	\$ -	-	\$ -	-	\$ -	1	\$ 146,992	-	\$ -	-	\$ -	2	\$ 171,992
Laguna Beach	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	1	\$ 193,875	1	\$ 193,875
Laguna Hills	5	\$ 641,000	5	\$ 2,233,399	-	\$ -	-	\$ -	1	\$ 227,250	-	\$ -	-	\$ -	11	\$ 3,101,649
Laguna Niguel	4	\$ 1,153,998	1	\$ 67,843	-	\$ -	-	\$ -	-	\$ -	-	\$ -	1	\$ 84,160	6	\$ 1,306,001
Laguna Woods	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	1	\$ 100,000	1	\$ 100,000
Lake Forest	1	\$ 100,000	1	\$ 216,000	-	\$ -	-	\$ -	5	\$ 643,634	-	\$ -	2	\$ 106,110	9	\$ 1,065,744
Los Alamitos	5	\$ 537,000	3	\$ 183,301	-	\$ -	-	\$ -	7	\$ 516,085	-	\$ -	-	\$ -	15	\$ 1,236,386
Mission Viejo	16	\$ 3,428,978	5	\$ 1,369,962	1	\$ 1,215,400	1	\$ 814,347	5	\$ 1,112,600	-	\$ -	8	\$ 896,572	36	\$ 8,837,859
Newport Beach	5	\$ 786,085	2	\$ 1,304,960	5	\$ 7,984,112	1	\$ 1,028,546	1	\$ 983,480	1	\$ 39,000	-	\$ -	15	\$ 12,126,183
Orange	8	\$ 1,137,500	6	\$ 4,455,043	2	\$ 1,558,276	2	\$ 500,247	1	\$ 248,295	-	\$ -	3	\$ 285,000	22	\$ 8,184,361
Placentia	3	\$ 463,000	-	\$ -	-	\$ -	-	\$ -	2	\$ 579,970	-	\$ -	-	\$ -	5	\$ 1,042,970
Rancho Santa Margarita	1	\$ 250,000	-	\$ -	1	\$ 991,328	-	\$ -	1	\$ 134,000	-	\$ -	-	\$ -	3	\$ 1,375,328
San Clemente	4	\$ 685,000	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	4	\$ 685,000
San Juan Capistrano	10	\$ 975,000	1	\$ 30,000	-	\$ -	-	\$ -	1	\$ 222,888	-	\$ -	1	\$ 62,739	13	\$ 1,290,627
Santa Ana	19	\$ 5,110,643	6	\$ 3,820,031	5	\$ 11,824,612	2	\$ 3,873,031	13	\$ 2,476,457	-	\$ -	5	\$ 352,983	50	\$ 27,457,757
Seal Beach	4	\$ 815,750	1	\$ 712,000	-	\$ -	-	\$ -	2	\$ 373,062	-	\$ -	-	\$ -	7	\$ 1,900,812
Stanton	2	\$ 242,919	-	\$ -	-	\$ -	-	\$ -	2	\$ 212,500	-	\$ -	-	\$ -	4	\$ 455,419
Tustin	2	\$ 821,500	-	\$ -	-	\$ -	-	\$ -	1	\$ 119,037	3	\$ 12,442,661	2	\$ 400,000	8	\$ 13,783,198
Villa Park	1	\$ 600,000	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	1	\$ 600,000
Westminster	14	\$ 1,347,000	1	\$ 90,640	-	\$ -	-	\$ -	6	\$ 776,031	-	\$ -	2	\$ 129,942	23	\$ 2,343,613
Yorba Linda	11	\$ 1,910,000	3	\$ 658,440	4	\$ 2,760,753	-	\$ -	1	\$ 195,424	4	\$ 28,826,352	-	\$ -	23	\$ 34,350,969
<b>TOTAL</b>	<b>254</b>	<b>\$ 44,315,166</b>	<b>95</b>	<b>\$ 43,283,240</b>	<b>40</b>	<b>\$ 39,852,259</b>	<b>21</b>	<b>\$ 25,110,329</b>	<b>132</b>	<b>\$ 23,876,719</b>	<b>22</b>	<b>\$ 82,414,661</b>	<b>60</b>	<b>\$ 5,199,438</b>	<b>624</b>	<b>\$ 264,051,812</b>

**Combined Transportation Funding Program  
March 2005 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
<b>Advances</b>												
Westminster	03-WEST-SIP-1234	SIP	CCTV Bolsa/Asian Garden, Bolsa Bushard, Brookhurst	E	07/08	12	06/07	\$ 23,760	Advance	\$ 23,760	City request to advance.	Approve
Westminster	03-WEST-SIP-1234	SIP	CCTV Bolsa/Asian Garden, Bolsa Bushard, Brookhurst	C	07/08	12	06/07	\$ 208,309	Advance	\$ 201,226	City request to advance. De-escalate by 3.4%.	Approve
Westminster	03-WEST-GMA-1228	GMA #06	CCTV Westminster Bl. Phase I	C	06/07	12	05/06	\$ 50,000	Advance	\$ 50,000	Project will be ready for implementation ahead of schedule.	Refer to GMA E.O.
Westminster	03-WEST-GMA-1227	GMA #06	CCTV Westminster Bl. Phase II	C	07/08	12	06/07	\$ 50,000	Advance	\$ 50,000	Project will be ready for implementation ahead of schedule.	Refer to GMA E.O.
Westminster	03-WEST-GMA-1226	GMA #06	CCTV Bolsa/Asian Garden, Bolsa Bushard, Brookhurst	C	07/08	12	06/07	\$ 50,000	Advance	\$ 50,000	Project will be ready for implementation ahead of schedule.	Refer to GMA E.O.
<b>TOTAL ADVANCES</b>								<b>\$ 382,069</b>		<b>\$ 374,986</b>		
<b>Cancellations</b>												
Aliso Viejo	03-ALSO-GMA-1001	GMA # 10	Glenwood SR73 Interchange Phase II	E	04/05	N/A	N/A	\$ 132,000	Cancel	\$ (132,000)	City requests cancellation. Approved by GMA E.O.	Approve
Anaheim	00-ANAH-MPH-3006	MPAH	Brookhurst Street Widening (SR 91 to La Palma)	R	05/06	N/A	N/A	\$ 3,124,803	Cancel	\$ (3,124,803)	City requests cancellation due to escalation of ROW costs.	Approve
Anaheim	00-ANAH-MPH-3006	MPAH	Brookhurst Street Widening (SR 91 to La Palma)	C	05/06	N/A	N/A	\$ 978,654	Cancel	\$ (978,654)	City requests cancellation due to escalation of ROW costs.	Approve
Anaheim	00-ANAH-GMA-3000	GMA #02	Brookhurst Street Widening (SR 91 to La Palma)	E	04/05	N/A	N/A	\$ 200,000	Cancel	\$ (200,000)	City requests cancellation due to escalation of ROW costs.	Refer to GMA E.O.
Anaheim	00-ANAH-GMA-3000	GMA #02	Brookhurst Street Widening (SR 91 to La Palma)	R	05/06	N/A	N/A	\$ 300,000	Cancel	\$ (300,000)	City requests cancellation due to escalation of ROW costs.	Refer to GMA E.O.
Anaheim	03-ANAH-TDM-1028	TDM	Commuter Choice Annual E-Pass Transit Program	E	04/05	N/A	N/A	\$ 14,000	Cancel	\$ (14,000)	City requests cancellation.	Approve

**Combined Transportation Funding Program  
March 2005 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Anaheim	03-ANAH-TDM-1028	TDM	Commuter Choice Annual E-Pass Transit Program	C	04/05	N/A	N/A	\$ 80,085	Cancel	\$ (80,085)	City requests cancellation.	Approve
Anaheim	00-ANAH-GMA-3001	GMA #01	Brookhurst Street Widening (SR 91 to La Palma)	E	05/06	N/A	N/A	\$ 175,000	Cancel	\$ (175,000)	City requests cancellation. Approved by GMA E.O. 5/26/05.	Approve
County	03-ORCO-GMA-1059	GMA #02	Carbon Creek Trail	C	06/07	N/A	N/A	\$ 136,000	Cancel	\$ (136,000)	Design proves project is not feasible.	Refer to GMA E.O.
County	99-ORCO-GMA-1044	GMA #06	PCH/Golden West to Warner	E	05/06	N/A	N/A	\$ 150,000	Cancel	\$ (150,000)	County requests cancellation. GMA E.O. approved 10/14/04.	Approve
County	00-ORCO-GMA-3041	GMA #05	Santiago Canyon Rd at Modjeska Canyon Rd	C	04/05	N/A	N/A	\$ 175,500	Cancel	\$ (175,500)	Traffic signal does not meet warrants.	Refer to GMA E.O.
County	00-ORCO-GMA-3042	GMA #05	Santiago Canyon Rd at Ridgeline Rd	C	04/05	N/A	N/A	\$ 187,500	Cancel	\$ (187,500)	Traffic signal does not meet warrants.	Refer to GMA E.O.
County	97-ORCO-GMA-1058	GMA #04	Silverado Canyon Rd / Santiago Canyon Rd	C	04/05	N/A	N/A	\$ 125,000	Cancel	\$ (125,000)	Traffic signal does not meet warrants.	Refer to GMA E.O.
County	03-ORCO-TDM-1075	TDM	Carbon Creek Trail	C	06/07	N/A	N/A	\$ 100,000	Cancel	\$ (100,000)	Design proves project is not feasible.	Approve
Irvine	99-IRVN-GMA-1098	GMA #08	Laguna Canyon Road Widening	E	04/05	N/A	N/A	\$ 150,000	Cancel	\$ (150,000)	City requests cancellation.	Refer to GMA E.O.
Irvine	03-IRVN-GMA-1120	GMA #09	Irvine Center Drive/I-405 SB Ramps Project Report	E	04/05	N/A	N/A	\$ 80,000	Cancel	\$ (80,000)	Improvement is no longer necessary.	Refer to GMA E.O.
Irvine	00-IRVN-SIP-3105	SIP	Michelson Signal Coordination - MacArthur to Culver	C	04/05	24	06/07	\$ 224,100	Delay	\$ (224,100)	City requests cancellation.	Approve
San Juan Capistrano	99-SJCP-GMA-1164	GMA #09	Rancho Viejo Road/ Highland Drive	E	02/03	N/A	N/A	\$ 5,000	Cancel	\$ (5,000)	City requests cancellation.	Refer to GMA E.O.
San Juan Capistrano	99-SJCP-GMA-1164	GMA #09	Rancho Viejo Road/ Highland Drive	C	04/05	N/A	N/A	\$ 20,000	Cancel	\$ (20,000)	City requests cancellation.	Refer to GMA E.O.
Seal Beach	03-SBCH-TDM-1218	TDM	Pacific Coast Highway Regional Trail	E	03/04	N/A	N/A	\$ 75,000	Cancel	\$ (75,000)	City requests cancellation.	Approve



**Combined Transportation Funding Program  
March 2005 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Seal Beach	03-SBCH-TDM-1218	TDM	Pacific Coast Highway Regional Trail	C	04/05	N/A	N/A	\$ 425,000	Cancel	\$ (425,000)	City requests cancellation.	Approve
Seal Beach	97-SBCH-IIP-1152	IIP	Pacific Coast Hwy/ Seal Beach Blvd Intersection	C	03/04	N/A	N/A	\$ 491,816	Cancel	\$ (491,816)	City requests cancellation.	Approve
<b>TOTAL CANCELLATIONS</b>								<b>\$ 7,349,458</b>		<b>\$ (7,349,458)</b>		
<b>Withdrawn and Reprogrammed</b>												
Costa Mesa	03-CMSA-RIP-1050	RIP	Fairview Road/I-405 Interchange	C	05/06	N/A	N/A	\$ 1,242,740	Cancel	\$ (1,242,740)	Relinquished funds and reapplied.	Approve
La Habra	03-LHAB-MPH-1143	MPAH	Wideing of Lambert Rd from Euclid to Cypress	R	05/06	N/A	N/A	\$ 2,059,560	Cancel	\$ (2,059,560)	Relinquished funds and reapplied.	Approve
La Habra	03-LHAB-MPH-1143	MPAH	Wideing of Lambert Rd from Euclid to Cypress	C	06/07	N/A	N/A	\$ 300,419	Cancel	\$ (300,419)	Relinquished funds and reapplied.	Approve
Mission Viejo	95-MVJO-IIP-1130	IIP	Oso Parkway at Marguerite Parkway	C	04/05	N/A	N/A	\$ 892,615	Cancel	\$ (892,615)	Relinquished funds and reapplied.	Approve
Orange	03-ORNG-MPH-1190	MPAH	Main Street Widening (Culver to 260' N/O Palmyra)	R	06/07	N/A	N/A	\$ 888,436	Cancel	\$ (888,436)	Relinquished funds and reapplied.	Approve
Orange	03-ORNG-MPH-1190	MPAH	Main Street Widening (Culver to 260' N/O Palmyra)	C	07/08	N/A	N/A	\$ 472,784	Cancel	\$ (472,784)	Relinquished funds and reapplied.	Approve
San Juan Capistrano	03-SJCP-MPH-1201	MPAH	La Novia Bridge Widening	C	07/08	N/A	N/A	\$ 1,216,974	Cancel	\$ (1,216,974)	Relinquished funds and reapplied.	Approve
<b>TOTAL WITHDRAWN AND REPROGRAMMED</b>								<b>\$ 7,073,528</b>		<b>\$ (7,073,528)</b>		
<b>Delays</b>												
Anaheim	03-ANAH-MPH-1019	MPAH	Brookhurst St. - Katella to Ball	E	05/06	24	07/08	\$ 114,400	Delay	\$ 114,400	<b>First delay.</b> Current County funds not available. Delay will allow time for MOU compliance.	Approve

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Anaheim	03-ANAH-MPH-1019	MPAH	Brookhurst St. - Katella to Ball	R	06/07	24	08/09	\$ 6,722,425	Delay	\$ 6,722,425	<b>First delay.</b> Current County funds not available. Delay will allow time for MOU compliance.	<b>Approve</b>
Anaheim	03-ANAH-MPH-1019	MPAH	Brookhurst St. - Katella to Ball	R	07/08	24	09/10	\$ 4,633,991	Delay	\$ 4,633,991	<b>First delay.</b> Current County funds not available. Delay will allow time for MOU compliance.	<b>Approve</b>
Anaheim	03-ANAH-MPH-1019	MPAH	Brookhurst St. - Katella to Ball	C	07/08	24	09/10	\$ 1,554,986	Delay	\$ 1,554,986	<b>First delay.</b> Current County funds not available. Delay will allow time for MOU compliance.	<b>Approve</b>
Anaheim	00-ANAH-RIP-3008	RIP	East Street/SR 91 Interchange	C	04/05	24	06/07	\$ 817,036	Delay	\$ 817,036	<b>First delay.</b> The delay is to allow time to obtain approvals and permits from Caltrans.	<b>Approve</b>
Anaheim	03-ANAH-IIP-1016	IIP	Kraemer Bl./La Palma Ave Intersection	E	04/05	12	05/06	\$ 45,500	Delay	\$ 45,500	<b>First delay.</b> Delay is due to state budget impacts on Redevelopment Agency funding.	<b>Approve</b>
Anaheim	03-ANAH-IIP-1016	IIP	Kraemer Bl./La Palma Ave Intersection	R	05/06	12	06/07	\$ 1,458,054	Delay	\$ 1,458,054	<b>First delay.</b> Delay is due to state budget impacts on Redevelopment Agency funding.	<b>Approve</b>
Anaheim	03-ANAH-IIP-1016	IIP	Kraemer Bl./La Palma Ave Intersection	C	06/07	12	07/08	\$ 598,181	Delay	\$ 598,181	<b>First delay.</b> Delay is due to state budget impacts on Redevelopment Agency funding.	<b>Approve</b>
Anaheim	99-ORCO-GMA-1038	GMA #02	Brookhurst St. - Katella to Ball	E	04/05	36	07/08	\$ 250,000	Delay	\$ 250,000	<b>Third delay.</b> Current County funds not available. Delay will allow time for MOU compliance.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Anaheim	99-ORCO-GMA-1038	GMA #02	Brookhurst St. - Katella to Ball	C	06/07	36	09/10	\$ 140,000	Delay	\$ 140,000	<b>Third delay.</b> Current County funds not available. Delay will allow time for MOU compliance.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Anaheim	00-ANAH-GMA-3002	GMA #01	East Street/SR 91 Interchange	C	04/05	24	06/07	\$ 100,000	Delay	\$ 100,000	<b>First delay.</b> The delay is to allow time to obtain approvals and permits from Caltrans. Approved by GMA E.O. 5/26/05.	<b>Approve</b>
Brea	03-BREA-IIP-1031	IIP	Birch St & W. Associated Rd	C	04/05	24	06/07	\$ 679,983	Delay	\$ 679,983	<b>First Delay.</b> SCE backlog and unanticipated easement required to construct the project.	<b>Approve</b>

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Brea	99-BREA-IIP-1021	IIP	Rose Dr/Birch St & Valencia Intersection	C	04/05	24	06/07	\$ 803,303	Delay	\$ 803,303	<b>Third Delay.</b> SCE backlog and unanticipated easement required to construct the project.	<b>Approve Final Delay</b>
Buena Park	03-BPRK-IIP-1039	IIP	Beach Bl/Malvern Ave Improvement	R	04/05	24	06/07	\$ 185,822	Delay	\$ 185,822	<b>Third Delay.</b> Pending Caltrans negotiations for Design.	<b>Approve Final Delay</b>
Buena Park	03-BPRK-IIP-1039	IIP	Beach Bl/Malvern Ave Improvement	C	04/05	24	06/07	\$ 117,488	Delay	\$ 117,488	<b>Third Delay.</b> Pending Caltrans negotiations for Design.	<b>Approve Final Delay</b>
Buena Park	99-BPRK-MPH-2001	MPAH	Orangethorpe Avenue Widening	C	04/05	24	06/07	\$ 202,383	Delay	\$ 202,383	<b>Third Delay.</b> Ongoing escrow issues.	<b>Approve Final Delay</b>
Buena Park	03-BPRK-GMA-1034	GMA #01	Beach Bl/Malvern Ave Widening	R	04/05	24	06/07	\$ 50,000	Delay	\$ 50,000	<b>First Delay.</b> Originally advanced 3 years. Pending Caltrans negotiations for Design.	<b>Refer to GMA E.O.</b>
Buena Park	99-BPRK-GMA-1026	GMA #02	Orangethorpe Avenue Widening	C	04/05	24	06/07	\$ 300,000	Delay	\$ 300,000	<b>Third Delay.</b> Ongoing escrow issues.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Buena Park	95-BPRK-GMA-1030	GMA #02	Valley View Street (Orangethorpe to Lincoln)	C	04/05	24	06/07	\$ 250,000	Delay	\$ 250,000	<b>Eighth Delay.</b> Pending completion of design. No ROW involved.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Costa Mesa	03-CMSA-IIP-1048	IIP	17th Street/Santa Ana Avenue Intersection	C	04/05	12	05/06	\$ 570,309	Delay	\$ 570,309	<b>First Delay.</b> Delay will allow for coordination with rehabilitation work.	<b>Approve</b>
Costa Mesa	03-CMSA-IIP-1047	IIP	17th Street/Orange Avenue Intersection	C	04/05	12	05/06	\$ 570,224	Delay	\$ 570,224	<b>First Delay.</b> Delay will allow for coordination with rehab work.	<b>Approve</b>
Costa Mesa	99-CMSA-TDM-1035	TDM	Fairview Park Bicycle Facility and Bridge	C	04/05	12	05/06	\$ 180,000	Delay	\$ 180,000	<b>Second Delay.</b> Originally advanced 1 year. Current cost estimates exceed budget.	<b>Approve</b>
County	03-ORCO-MPH-1073	MPAH	Oso Parkway	C	04/05	24	06/07	\$ 1,153,779	Delay	\$ 1,153,779	<b>First Delay.</b> Delay is due to coordination w/ school district and Corridor Agency.	<b>Approve</b>
County	03-ORCO-GMA-1058	GMA #11	Camino Las Ramblas Alignment Study	E	06/07	48	10/11	\$ 150,000	Delay	\$ 150,000	<b>First Delay.</b> GMA E.O. approved 12/09/04.	<b>Approve</b>

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Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
County	99-ORCO-GMA-1041	GMA #10	El Toro Road @ Avenida de la Carlota	C	04/05	12	05/06	\$ 100,000	Delay	\$ 100,000	<b>Second Delay.</b> C is pending ROW negotiations.	<b>Refer to GMA E.O.</b>
Cypress	00-CYPR-IIP-3057	IIP	Intersection Improvement Valley View/Cerritos	C	04/05	24	06/07	\$ 105,052	Delay	\$ 105,052	<b>First Delay.</b> Delay is due to possible ROW issues.	<b>Approve</b>
Dana Point	00-DPNT-IIP-3059	IIP	Pacific Coast Hwy at Del Obispo	R	04/05	24	06/07	\$ 340,000	Delay	\$ 340,000	<b>Second Delay.</b> Delay is due to state budget impacts. Project pending State relinquishment of ROW.	<b>Approve</b>
Dana Point	00-DPNT-IIP-3059	IIP	Pacific Coast Hwy at Del Obispo	C	05/06	24	07/08	\$ 1,076,581	Delay	\$ 1,076,581	<b>Second Delay.</b> Delay is due to state budget impacts. Project pending State relinquishment of ROW.	<b>Approve</b>
Dana Point	00-DPNT-GMA-3058	GMA #11	Pacific Coast Highway Improvements	C	04/05	24	06/07	\$ 200,000	Delay	\$ 200,000	<b>Second Delay.</b> Concurrent request to transfer funds. GMA E.O. approved 12/09/04.	<b>Approve</b>
Fountain Valley	00-FVLY-RIP-3064	RIP	Talbert Ave Overcross at I-405 Widening Project	C	05/06	24	07/08	\$ 2,382,974	Delay	\$ 2,382,974	<b>First Delay.</b> City coordinating w/ Caltrans for cost efficiency.	<b>Approve</b>
Fullerton	03-FULL-MPH-1093	MPAH	Bastanchury Road Widening	C	04/05	24	06/07	\$ 747,461	Delay	\$ 747,461	<b>First Delay.</b> C is pending resolution of environmental and possible ROW issues.	<b>Approve</b>
Fullerton	97-FULL-SSP-2010	SSP	Imperial Highway (Harbor to SR57)	C	04/05	24	06/07	\$ 2,425,000	Delay	\$ 2,425,000	<b>Third Delay.</b> ROW in progress. Estimated completion March 2006.	<b>Approve Final Delay</b>
Garden Grove	00-GGRV-SIP-3077	SIP	CCTV Cameras	C	04/05	12	05/06	\$ 240,980	Delay	\$ 240,980	<b>First Delay.</b> C is pending authorization from Caltrans.	<b>Approve</b>
Garden Grove	00-GGRV-SIP-3078	SIP	Detection Upgrades	C	04/05	12	05/06	\$ 80,000	Delay	\$ 80,000	<b>First Delay.</b> C is pending completion of design.	<b>Approve</b>
Huntington Beach	03-HBCH-SIP-1112	SIP	Pacific Coast Highway CCTV Cameras	C	04/05	12	05/06	\$ 188,171	Delay	\$ 188,171	<b>First Delay.</b> Delay related to coordination with Caltrans.	<b>Approve</b>
Irvine	00-IRVN-RIP-3099	RIP	Alton / SR-55 Overcrossing and HOV Ramps	E	04/05	24	06/07	\$ 1,680,000	Delay	\$ 1,680,000	<b>Second Delay.</b> Delay is due to unexpected Federal Highway Administration requirements.	<b>Approve</b>

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Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Irvine	02-IRVN-GMA-1004	GMA #07	Alton / I-55 Overcrossing	R	04/05	24	06/07	\$ 200,000	Delay	\$ 200,000	<b>Second Delay.</b> Delay will align allocation w/ RIP funds. Concurrent request for transfer from R to E.	<b>Refer to GMA E.O.</b>
La Habra	00-LHAB-TDM-3115	TDM	Coyote Creek Bikeway (Imperial Hwy to South City Limit)	C	04/05	24	06/07	\$ 81,320	Delay	\$ 81,320	<b>Second Delay.</b> C is pending ROW negotiations and Flood Control authorization.	<b>Approve</b>
La Habra	03-LHAB-MPH-1142	MPAH	Lambert Rd Gap Closure - Beach to East City Limits	C	04/05	24	06/07	\$ 444,751	Delay	\$ 444,751	<b>First Delay.</b> Originally advanced 3 years. Project bids exceed budget. Delay will allow City to rebid.	<b>Approve</b>
La Habra	03-LHAB-TDM-1146	TDM	Union Pacific Rail Line Bikeway - Walnut to East City Limits	E	04/05	24	06/07	\$ 15,291	Delay	\$ 15,291	<b>First Delay.</b> Originally advanced 2 years. C is pending R negotiations with Union Pacific Railroad.	<b>Approve</b>
La Habra	03-LHAB-TDM-1146	TDM	Union Pacific Rail Line Bikeway - Walnut to East City Limits	C	04/05	24	06/07	\$ 171,660	Delay	\$ 171,660	<b>First Delay.</b> Originally advanced 2 years. C is pending R negotiations with Union Pacific Railroad.	<b>Approve</b>
La Habra	03-LHAB-TDM-1145	TDM	Union Pacific Rail Line Bikeway - West City Limits to Walnut Street	C	04/05	24	06/07	\$ 193,200	Delay	\$ 193,200	<b>First Delay.</b> Originally advanced 1 year. C is pending R negotiations with Union Pacific Railroad.	<b>Approve</b>
La Habra	97-LHAB-SSP-2012	SSP	Imperial Highway (LAC to Harbor)	C	04/05	24	06/07	\$ 1,499,000	Delay	\$ 1,499,000	<b>Third Delay.</b> C is pending completion of ROW.	<b>Approve Final Delay</b>
La Habra	03-LHAB-GMA-1138	GMA #01	Lambert Rd Gap Closure - Beach to East City Limits	C	04/05	24	06/07	\$ 275,000	Delay	\$ 275,000	<b>First Delay.</b> Originally advanced 3 years. Project bids exceed budget. Delay will allow City to rebid.	<b>Refer to GMA E.O.</b>
Laguna Hills	00-LHILL-GMA-3116	GMA #10	Moulton Parkway, Segment 2 (Santa Maria to El Pacifico)	C	04/05	24	06/07	\$ 150,000	Delay	\$ 150,000	<b>First Delay.</b> C is pending ROW acquisitions.	<b>Refer to GMA E.O.</b>
Laguna Niguel	97-LNIG-GMA-1104	GMA #10	Avery Parkway Widening	C	04/05	12	05/06	\$ 522,000	Delay	\$ 522,000	<b>Fourth Delay.</b> Pending Caltrans approval.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Laguna Woods	03-LWDS-MPH-1166	MPAH	Aliso Creek Road / El Toro Road Intersection	C	04/05	12	05/06	\$ 389,713	Delay	\$ 389,713	<b>Second Delay.</b> Cooperative project with Laguna Beach. C pending coop. approval.	<b>Approve</b>

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Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Laguna Woods	03-LWDS-GMA-1165	GMA #10	El Toro Road / Moulton Parkway	C	04/05	24	06/07	\$ 158,000	Delay	\$ 158,000	<b>First Delay.</b> Delay due to budget constraints. GMA E.O. approved 1/12/05.	<b>Approve</b>
Laguna Woods	00-LWDS-GMA-3125	GMA #10	El Toro Road / Moulton Parkway	C	04/05	24	06/07	\$ 500,000	Delay	\$ 500,000	<b>Third Delay.</b> Delay due to budget constraints. GMA E.O. approved 1/12/05.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Lake Forest	00-LFOR-GMA-3128	GMA #09	Trabuco Road Widening	E	04/05	24	06/07	\$ 100,000	Delay	\$ 100,000	<b>First Delay.</b> City Council requested ROW alternative studies.	<b>Refer to GMA E.O.</b>
Orange	00-ORNG-IIP-3141	IIP	Chapman Avenue and Prospect Street Intersection	C	04/05	12	05/06	\$ 599,415	Delay	\$ 599,415	<b>Second Delay.</b> C is pending completion of ROW.	<b>Approve</b>
Orange	00-ORNG-IIP-3142	IIP	Tustin Avenue and Chapman Avenue	R	05/06	24	07/08	\$ 1,904,635	Delay	\$ 1,904,635	<b>Second Delay.</b> CEQA is due for completion 01/06. Insufficient time for ROW acquisition.	<b>Approve</b>
Orange	00-ORNG-IIP-3142	IIP	Tustin Avenue and Chapman Avenue	C	06/07	24	08/09	\$ 595,365	Delay	\$ 595,365	<b>Second Delay.</b> CEQA is due for completion 01/06. Insufficient time for ROW acquisition.	<b>Approve</b>
Orange	00-ORNG-TDM-3148	TDM	Tustin Branch Trail	C	04/05	24	06/07	\$ 400,000	Delay	\$ 400,000	<b>Third Delay.</b> C is pending change of scope.	<b>Approve</b>
Orange	00-ORNG-GMA-3138	GMA #03	Intersection Improvements - Heim/Orange-Olive	C	04/05	12	05/06	\$ 196,000	Delay	\$ 196,000	<b>Third Delay.</b> Delay is due to change in scope.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Orange	99-ORNG-GMA-1148	GMA #03	Intersection Improvements - Heim/Orange-Olive	C	04/05	12	05/06	\$ 200,000	Delay	\$ 200,000	<b>Third Delay.</b> Delay is due to change in scope.	<b>Refer to GMA E.O. Approve for Final Delay</b>
Placentia	03-PLAC-SIP-1195	SIP	Rose Drive Signal Coordination	C	04/05	24	06/07	\$ 250,000	Delay	\$ 250,000	<b>First Delay.</b> Delay is due to staffing issues and bid package is behind schedule.	<b>Approve</b>
San Clemente	00-SCLM-GMA-3157	GMA #11	Avenida La Pata Extension	E	04/05	36	07/08	\$ 110,000	Delay	\$ 110,000	<b>First Delay.</b> GMA E.O. approved 12/09/04.	<b>Approve</b>
San Juan Capistrano	00-SJCP-RIP-3160	RIP	Interchange 5/Ortega Highway Interchange	E	04/05	24	06/07	\$ 2,500,000	Delay	\$ 2,500,000	<b>Second Delay.</b> E is pending environmental and PE. Delay in Caltrans approval of PSR.	<b>Approve</b>
San Juan Capistrano	03-SJCP-SIP-1203	SIP	Ortega Highway Signal Timing and Coordination	E	04/05	24	06/07	\$ 158,000	Delay	\$ 158,000	<b>First Delay.</b> Coordination w/ Caltrans required. Delay attributed to Caltrans contractor.	<b>Approve</b>

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San Juan Capistrano	99-SJCP-GMA-1164	GMA #09	Rancho Viejo Road / Highland Drive Intersection	C	04/05	12	05/06	\$ 20,000	Delay	\$ 20,000	<b>Second Delay.</b> Delay will align allocation with agency funds.	<b>Refer to GMA E.O.</b>
Santa Ana	99-SNTA-IIP-1174	IIP	Bristol Street/Warner Avenue Wideing	E	04/05	24	06/07	\$ 49,100	Delay	\$ 49,100	<b>Second Delay.</b> Project pending Rapid Transit project.	<b>Approve</b>
Santa Ana	99-SNTA-IIP-1174	IIP	Bristol Street/Warner Avenue Wideing	R	04/05	24	06/07	\$ 741,660	Delay	\$ 741,660	<b>Second Delay.</b> Project pending Rapid Transit project.	<b>Approve</b>
Stanton	97-STAN-SSP-2020	SSP	Katella Ave (Magnolia to Beach)	C	04/05	12	05/06	\$ 2,779,218	Delay	\$ 2,779,218	<b>Second Delay.</b> Delay is due to County storm drain construction.	<b>Approve</b>
Stanton	03-STAN-MPH-1221	MPAH	Garden Grove Blvd	C	04/05	12	05/06	\$ 310,200	Delay	\$ 310,200	<b>Second Delay.</b> Pending Garden Grove's approval of design.	<b>Approve</b>
Tustin	03-TUST-IIP-1223	IIP	Red Hill Avenue Grade Separation	E	05/06	24	07/08	\$ 1,400,000	Delay	\$ 1,400,000	<b>First Delay.</b> E is pending preliminary design.	<b>Approve</b>
Tustin	00-TUST-GMA-3189	GMA #07	Red Hill Avenue Grade Separation	E	05/06	24	07/08	\$ 175,000	Delay	\$ 175,000	<b>First Delay.</b> E is pending preliminary design.	<b>Refer to GMA E.O.</b>
Yorba Linda	03-YLND-MPH-1237	MPAH	Weir Canyon Road (SR-91 to La Palma)	C	04/05	24	06/07	\$ 507,500	Delay	\$ 507,500	<b>Second Delay.</b> E and ROW complete. Delay in agreement w/ Anaheim.	<b>Approve</b>
<b>TOTAL DELAYS</b>								<b>\$ 48,810,111</b>		<b>\$ 48,810,111</b>		
<b>Scope Changes</b>												
Orange	00-ORNG-GMA-3138	GMA # 03	Traffic Signal _ Heim/Orange-Olive	C	04/05	N/A	N/A	\$ 196,000	Scope Change	\$ 196,000	Signal not being installed. Widening the turning points.	<b>Refer to GMA E.O.</b>
Yorba Linda	03-YLND-MPH-1238	MPAH	Yorba Linda BI - ECLto fairmont & Imperial to WCL	C	03/04	N/A	N/A	\$ 62,826	Scope Change	\$ 62,826	Restriping of Imperial to WCL completed. Restriping of ECL to Fairmont will not be done. No change in allocation.	<b>Approve</b>
<b>TOTAL SCOPE CHANGES</b>								<b>\$ 258,826</b>		<b>\$ 258,826</b>		
<b>Transfers</b>												

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Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Anaheim	99-ANAH-IIP-1010	IIP	Lincoln Ave / Brookhurst Street Intersection	R	02/03	N/A	N/A	\$ 435,397	Transfer	\$ 373,891	City requested to transfer savings of \$61,506 from ROW to C.	Approve
Anaheim	99-ANAH-IIP-1010	IIP	Lincoln Ave / Brookhurst Street Intersection	C	04/05	N/A	N/A	\$ 43,562	Transfer	\$ 105,068	City requested to transfer savings of \$61,506 from ROW to C.	Approve
Anaheim	03-ANAH-TDM-1027	TDM	Station Pool Rail Feeder Service	C	04/05	N/A	N/A	\$ 70,752	Transfer	\$ -	City requested transfer of funds from C to E to align w/ allocations implemented by County.	Approve
Anaheim	03-ANAH-TDM-1027	TDM	Station Pool Rail Feeder Service	E	04/05	N/A	N/A	\$ -	Transfer	\$ 70,752	City requested transfer of funds from C to E to align w/ allocations implemented by County.	Approve
Anaheim	94-ANAH-RIP-1016	RIP	Gene Autry Way (I-5 HOV to Betmor St)	C	95/96	N/A	N/A	\$ 1,200,000	Transfer	\$ -	City requested transfer of \$1.2 million from 94-ANAH-RIP-1016 to 03-ANAH-RIP-1242 to correspond with accounting records.	Approve
Anaheim	03-ANAH-RIP-1242	RIP	Gene Autry Way / I-5 Fwy Interchange	C	06/07	N/A	N/A	\$ 3,070,500	Transfer	\$ 4,270,500	City requested transfer of \$1.2 million from 94-ANAH-RIP-1016 to 03-ANAH-RIP-1242 to correspond with accounting records.	Approve
Costa Mesa	03-CMSA-IIP-1047	IIP	17th Street/Orange Avenue Intersection	R	03/04	N/A	N/A	\$ 80,735	Transfer	\$ 52,867	City requested to transfer savings of \$27,868 from ROW to C.	Approve
Costa Mesa	03-CMSA-IIP-1047	IIP	17th Street/Orange Avenue Intersection	C	04/05	N/A	N/A	\$ 570,224	Transfer	\$ 598,092	City requested to transfer savings of \$27,868 from ROW to C.	Approve
Costa Mesa	03-CMSA-TDM-1056	TDM	Gisler Avenue Bicycle Trail	E	03/04	N/A	N/A	\$ 35,000	Transfer	\$ 32,708	City requested to transfer savings of \$2,292 from E to C.	Approve
Costa Mesa	03-CMSA-TDM-1056	TDM	Gisler Avenue Bicycle Trail	C	04/05	N/A	N/A	\$ 159,390	Transfer	\$ 161,682	City requested to transfer savings of \$2,292 from E to C.	Approve
Costa Mesa	97-CMSA-IIP-1044	IIP	Harbor Bl/Gisler Ave Improvement	R	00/01	N/A	N/A	\$ 376,698	Transfer	\$ 314,198	City requested to transfer savings of \$62,500 from ROW to C.	Approve
Costa Mesa	97-CMSA-IIP-1044	IIP	Harbor Bl/Gisler Ave Improvement	C	05/06	N/A	N/A	\$ 436,899	Transfer	\$ 499,399	City requested to transfer savings of \$62,500 from ROW to C.	Approve



**Combined Transportation Funding Program  
March 2005 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
Costa Mesa	03-CMSA-GMA-1046	GMA #08	Newport Boulevard Alternatives Analysis	E	07/08	N/A	N/A	\$ 275,000	Transfer/Increase	\$ 325,000	Allocation increased by \$50,000. GMA E.O. approved 12/01/04.	Approve
County	03-ORCO-GMA-1065	GMA #08	Irvine Avenue Widening	C	06/07	N/A	N/A	\$ 300,000	Transfer/Increase	\$ 365,000	Allocation increased by \$65,000. GMA E.O. approved 12/01/04.	Approve
County	00-ORCO-GMA-3035	GMA #11	La Pata Avenue (Ortega to San Clemente City Limits)	C	05/06	N/A	N/A	\$ 75,000	Transfer	\$ -	City requested transfer of funds from C to E. GMA E.O. approved 12/09/04.	Approve
County	00-ORCO-GMA-3035	GMA #11	La Pata Avenue (Ortega to San Clemente City Limits)	E	05/06	N/A	N/A	\$ -	Transfer	\$ 75,000	City requested transfer of funds from C to E. GMA E.O. approved 12/09/04.	Approve
Dana Point	00-DPNT-GMA-3058	GMA #11	Pacific Coast Highway Improvements	C	04/05	N/A	N/A	\$ 200,000	Transfer	\$ 125,000	Transfer \$50,000 to 04-DPNT-GMA-4194. Concurrent request to delay project. GMA E.O. approved 12/09/04.	Approve
Dana Point	04-DPNT-GMA-4194	GMA #11	Stonehill/Camino Capistrano/I-5 NB Ramp	C	04/05	N/A	N/A	\$ 130,000	Transfer	\$ 180,000	Transfer \$50,000 from 00-DPNT-GMA-3058. GMA E.O. approved 12/09/04.	Approve
Fountain Valley	03-FVLY-SIP-1084	SIP	ITS Technology Upgrade, Deployment, and Integration	E	03/04	N/A	N/A	\$ 88,891	Transfer	\$ -	City requested to transfer funds from E to C. City covered all E costs.	Approve
Fountain Valley	03-FVLY-SIP-1084	SIP	ITS Technology Upgrade, Deployment, and Integration	C	03/04	N/A	N/A	\$ 1,117,405	Transfer	\$ 1,206,296	City requested to transfer funds from E to C. City covered all E costs.	Approve
Garden Grove	03-GGRV-IIP-1106	IIP	Brookhurst / Garden Grove Boulevard	E	06/07	N/A	N/A	\$ 480,100	Transfer	\$ -	City requested to transfer funds from E to R. ROW estimated to be \$1M.	Approve
Garden Grove	03-GGRV-IIP-1106	IIP	Brookhurst / Garden Grove Boulevard	R	06/07	N/A	N/A	\$ 480,100	Transfer	\$ 960,200	City requested to transfer funds from E to R. ROW estimated to be \$1M.	Approve
Irvine	02-IRVN-GMA-1004	GMA #07	Alton / I-55 Overcrossing	R	04/05	N/A	N/A	\$ 200,000	Transfer	\$ -	City requests transfer from ROW to E. GMA E.O. approved 12/01/04. Concurrent delay request.	Approve
Irvine	02-IRVN-GMA-1004	GMA #07	Alton / I-55 Overcrossing	E	04/05	N/A	N/A	\$ -	Transfer	\$ 200,000	City requests transfer from ROW to E. GMA E.O. approved 12/01/04. Concurrent delay request.	Approve
La Habra	00-LHAB-IIP-3110	IIP	Beach Blvd at Lambert Road Intersection Improvement	R	04/05	N/A	N/A	\$ 15,460	Transfer	\$ -	City requests transfer from ROW to C.	Approve

**Combined Transportation Funding Program  
March 2005 Semi-Annual Review Adjustment Requests**

Agency	Project #	Program	Project Description	Phase	Current FY	Months	Proposed FY	Amount	Action Request	Proposed Amount	Reason	OCTA Staff Recommendations
La Habra	00-LHAB-IIP-3110	IIP	Beach Blvd at Lambert Road Intersection Improvement	C	04/05	N/A	N/A	\$ 260,180	Transfer	\$ 275,640	City requests transfer from ROW to C.	Approve
La Habra	00-LHAB-GMA-3109	GMA #01	Lambert Rd Gap Closure - Beach to East City Limits	R	05/06	N/A	N/A	\$ 65,000	Transfer	\$ -	City requests transfer from ROW to C.	Refer to GMA E.O.
La Habra	00-LHAB-GMA-3109	GMA #01	Lambert Rd Gap Closure - Beach to East City Limits	C	05/06	N/A	N/A	\$ -	Transfer	\$ 65,000	City requests transfer from ROW to C.	Refer to GMA E.O.
Santa Ana	97-SNTA-SSP-2018	SSP	Moulton (Ritchey to Redhill)	C	05/06	N/A	N/A	\$ 4,107,487	Transfer/Increase	\$ 5,107,487	Shortfall of \$3.5M. City requests increase of \$1M.	Approve
Seal Beach	03-SBCH-GMA-1214	GMA #06	Pacific Coast Hwy/ Seal Beach Blvd Intersection	C	04/05	N/A	N/A	\$ 140,850	Transfer	\$ -	City requests transfer from C to E.	Refer to GMA E.O.
Seal Beach	03-SBCH-GMA-1214	GMA #06	Pacific Coast Hwy/ Seal Beach Blvd Intersection	E	04/05	N/A	N/A	\$ -	Transfer	\$ 140,850	City requests transfer from C to E.	Refer to GMA E.O.
Seal Beach	03-SBCH-GMA-1216	GMA #06	Seal Beach Regional Trail	C	04/05	N/A	N/A	\$ 100,000	Transfer	\$ -	City requests transfer from C to E.	Refer to GMA E.O.
Seal Beach	03-SBCH-GMA-1216	GMA #06	Seal Beach Regional Trail	E	04/05	N/A	N/A	\$ 100,000	Transfer	\$ 200,000	City requests transfer from C to E.	Refer to GMA E.O.
<b>TOTAL TRANSFERS</b>								<b>\$ 14,614,630</b>		<b>\$ 15,704,630</b>		
<b>New Project</b>												
Anaheim	New Project	GMA #01	Kraemer Blvd/La Palma Avenue Intersection	E	05/06	N/A	N/A	\$ 175,000		\$ 175,000	Approved by GMA 1 E.O. 5/26/05	Approve
Dana Point	New Project	GMA #11	Traffic Signal Project	E	05/06	N/A	N/A	\$ 20,000		\$ 20,000	Approved by GMA 11 E.O.	Approve
Dana Point	New Project	GMA #11	Traffic Signal Project	C	05/06	N/A	N/A	\$ 180,000		\$ 180,000	Approved by GMA 11 E.O.	Approve
<b>TOTAL NEW PROJECT</b>								<b>\$ 375,000</b>		<b>\$ 375,000</b>		





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject:** Amendment to the Master Plan of Arterial Highways in East Orange

Regional Planning and Highways Committee

August 15, 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**

Approve amendment of the Master Plan of Arterial Highways to incorporate the changes described below, subject to amendment of the City of Orange General Plan to incorporate identified changes.



**August 15, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to the Master Plan of Arterial Highways in East Orange

**Overview**

The Orange County Transportation Authority administers the Master Plan of Arterial Highways, including the review and approval of amendments requested by local agencies. The City of Orange has requested an amendment to the Master Plan of Arterial Highways to reflect reductions in planned development levels in the East Orange area.

**Recommendation**

Approve amendment of the Master Plan of Arterial Highways to incorporate the changes described below, subject to amendment of the City of Orange General Plan to incorporate identified changes.

**Background**

The Master Plan of Arterial Highways (MPAH) serves as a long-range blueprint to ensure consistent standards and coordinated planning of arterial streets in Orange County. The MPAH was initially established in 1956 and is continuously updated to reflect changing development and traffic patterns. It is the only roadway plan of its type in southern California and provides a powerful planning tool in the form of a unified master plan crossing all jurisdictional boundaries. In 1979, the role of the MPAH was strengthened when the eligibility of local jurisdictions to participate in the Arterial Highway Financing Program (AHFP) was linked to consistency of local jurisdiction General Plans with the MPAH. In 1990, this role was further strengthened when similar requirements were required for the receipt of Measure M funding by cities and the County.

Guidelines adopted by the Orange County Transportation Authority (OCTA) Board of Directors on November 27, 1995, and amended in April 1998, include

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procedures to be followed by local agencies requesting amendments to the MPAH. These guidelines are intended to ensure consistency in planning for roads at local and countywide levels. Procedures are summarized as follows:

- The local agency submits its request to change the transportation element of their General Plan in writing to OCTA, including a detailed description of the proposed amendment and documentation to support the basis for the request.
- Upon receiving an MPAH amendment request, OCTA convenes a staff conference with the requesting agency and representatives of adjacent jurisdictions, if necessary. The conference will determine if there is mutual agreement on the proposed amendment.
- If there is mutual agreement, OCTA provides a written response to that effect and submits the request to the OCTA Board for approval. Upon OCTA Board approval, the local agency proceeds with the process of amending its General Plan to reflect the change to its Circulation Element.
- If there is no mutual agreement or more information is needed, a cooperative study is initiated with the goal of reaching consensus between OCTA, the local agency, and affected jurisdictions as appropriate.

Proposed amendments are submitted to the OCTA Board of Directors on a quarterly basis for approval. Exceptions to this schedule may be made where a compelling need can be demonstrated by the local agency for approval prior to the next scheduled quarterly approval.

***Discussion***

OCTA staff and the City of Orange have completed a cooperative study of the City's request to amend the MPAH to reflect proposed changes to the Orange General Plan Circulation Element. These changes are described below and in Attachment A. The area of the proposed changes is within the City of Orange sphere of influence and is proposed for annexation by the City. As a result, the County of Orange agreed that the City of Orange be the lead agency for the study. Others participating in the cooperative study included the cities of Anaheim, Irvine, and Tustin, the County of Orange, California Department of Transportation (Caltrans), the Transportation Corridor Agencies (TCA), and the Irvine Company.

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In November 2001, the Irvine Company dedicated approximately 11,000 acres of the Irvine Ranch as permanent open space, primarily in the East Orange and Gypsum Canyon areas. Significant portions of this area had been previously approved for development in the General Plan. The net effect of the open space dedication in the East Orange area was a 75 percent reduction in proposed residential development and elimination of nearly all commercial development.

Many of the proposed roads on the MPAH in the East Orange area were added in the late 1980's and were solely intended to support the original development proposals. With the significant reduction in development intensity, these proposed roads no longer serve a function and are recommended for deletion from the MPAH. The development reduction also has resulted in lower projected traffic volumes on other planned or existing roads, which are recommended for re-classification to a fewer number of lanes. The traffic analysis for these changes, conducted through the cooperative study process, concluded that with the future implementation of the mitigations listed in Attachment B, the proposed amendments would not adversely impact the integrity of the MPAH. The recommended changes for each facility are listed below:

- Deletion of the proposed extension of Jamboree Road between Santiago Canyon Road and Weir Canyon Road
- Deletion of realigned Santiago Canyon Road easterly of Jamboree Road
- Deletion of North Lake Road between the Eastern Transportation Corridor (State Route 241) and Santiago Canyon Road
- Deletion of Blue Diamond Haul Road between North Lake Road and Culver Drive
- Deletion of Culver Drive between Santiago Canyon Road and State Route 241 (SR-241)
- Deletion of Culver Loop between Santiago Canyon Road and Culver Drive
- Deletion of Handy Creek Road from Santiago Canyon Road to the Eastern Transportation Corridor (State Route 261)
- Downgrade Handy Creek Road from Jamboree Road to State Route 261 (SR-261) to a Collector (two-lane arterial)
- Downgrade Santiago Canyon Road from SR-241 to Jeffrey Road to a Primary (four-lane divided arterial)

- Downgrade Chapman Avenue from Cannon Street to Newport Boulevard to a Primary (four-lane divided arterial)

The northern end of the proposed extension of Jamboree Road is in the City of Anaheim. The deletion of this planned facility from the MPAH is supported by Anaheim, as well as the County of Orange and the City of Tustin. This facility would parallel SR-241 through rugged undeveloped terrain, including large sections of dedicated open space and sensitive habitat. Construction of the Jamboree Road extension is no longer necessary to support the revised land use plans based on the traffic analysis.

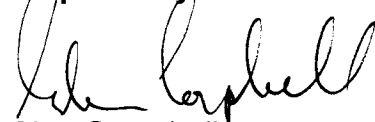
**Summary**

The City of Orange has requested amendment to the MPAH to reflect reductions in planned development levels in the East Orange area. Staff has determined that implementation of the amendment described above would not adversely impact the integrity of the MPAH. Board approval of this amendment is requested.

**Attachments**

- A. Maps of Current MPAH and Proposed MPAH Amendment Locations, and Amended MPAH
- B. Potential MPAH Amendment Mitigation Measures

**Prepared by:**



Glen Campbell  
Principal Transportation Analyst  
Planning and Analysis  
(714) 560-5712

**Approved by:**



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



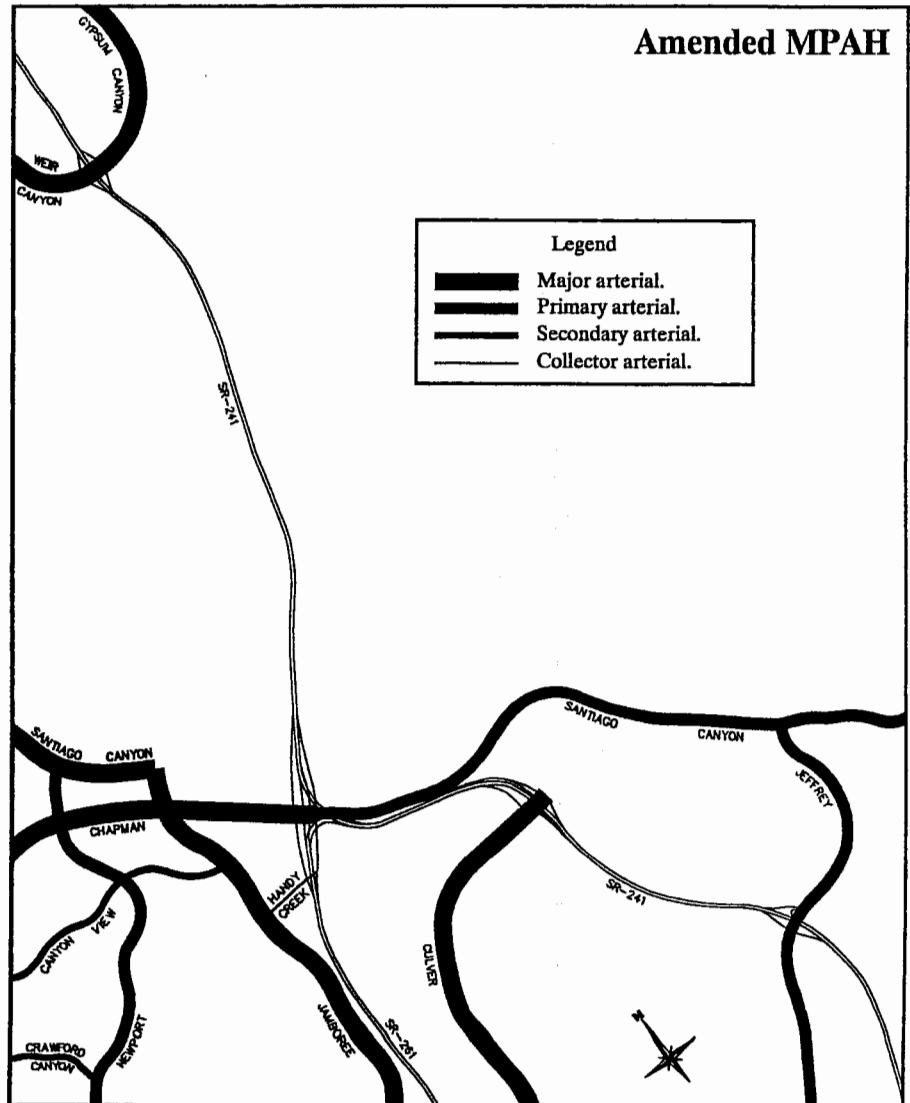
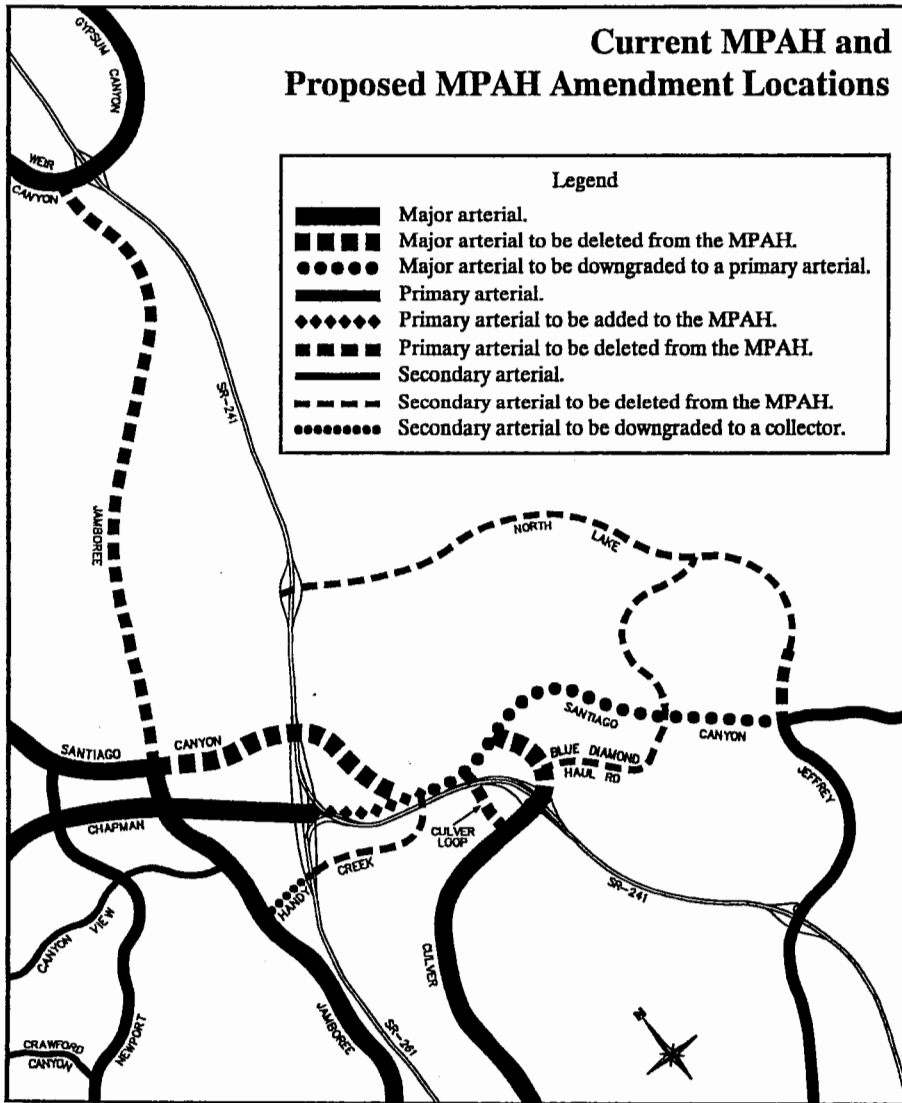


Figure ES-5  
PROPOSED MPAH AMENDMENTS

POTENTIAL MPAH AMENDMENT MITIGATION MEASURES

Intersection	Jurisdiction	Improvements	Scenario(s) in which Impact Occurs
3. Imperial Hwy & Santa Ana Canyon Rd	Anaheim	<ul style="list-style-type: none"> <li>• Mitigation measures (Option 1): add northbound right-turn lane.</li> <li>• Mitigation measures (Option 2): add fourth northbound through lane, third southbound left-turn lane and northbound right-turn lane.</li> </ul>	Proposed MPAH Amendment scenario and MPAH Amendment Alternative Scenarios 1 through 3.
28. Cannon St & Santiago Canyon Rd	Orange	<ul style="list-style-type: none"> <li>• Measure M Combined Transportation Funding Program (CTFP) improvements: improve southbound approach to provide 2.5 left-turn lanes, 0.5 through lanes and one right-turn lane, add second westbound right-turn lane or a free right-turn lane, and add second northbound through lane.</li> <li>• Unfunded General Plan improvements: add third eastbound and westbound through lanes.</li> <li>• Mitigation measures (Option 1): improve southbound approach to provide three left-turn lanes, one through lane and two right-turn lanes, add second eastbound left-turn lane, and eliminate third westbound through lane.</li> <li>• Mitigation measures (Option 2): add second southbound right-turn lane and second eastbound left-turn lane.</li> </ul>	Proposed MPAH Amendment scenario and MPAH Amendment Alternative Scenarios 1 through 3.
80. Jamboree Rd & Portola Pkwy	Tustin	<ul style="list-style-type: none"> <li>• Mitigation measures (Option 1): convert second westbound through lane to shared second through/second right-turn lane.</li> <li>• Mitigation measures (Option 2): add second westbound right-turn lane.</li> </ul>	Proposed MPAH Amendment scenario and MPAH Amendment Alternative Scenarios 2 and 3.





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Grand Jury Report on 91 Express Lanes

Regional Planning and Highways Committee

August 15, 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**

Provide comment on proposed response to the Orange County Grand Jury findings and recommendations.

**NOTE:** Attachment B, page two, bullet point three, the word "Conducted" has been re-phrased to "In process".

**Staff Comments**

Upon review with the County of Orange and other jurisdictions practices, Chief Executive Officer, Arthur T. Leahy, will sign the letter.

***PROPOSED RESPONSE TO THE ORANGE COUNTY GRAND JURY'S  
MAY 2005 91 EXPRESS LANES REPORT***

August 16, 2005

Honorable Fredrick P. Horn  
Presiding Judge of the Superior Court  
Orange County Grand Jury  
700 Civic Center Drive  
Santa Ana, CA 92701

**SUBJECT: Orange County Grand Jury Report: 91 Express Lanes  
Funding**

Dear Judge Horn:

On behalf of the Orange County Transportation Authority's (OCTA) Board of Directors, thank you for your recent report reviewing the funding and purchase of the 91 Express Lanes.

We fully appreciate the Grand Jury's oversight role in assuring that public organizations, such as the OCTA, are run efficiently and in a manner deserving of the public's trust. At OCTA, our values of integrity, teamwork, partnership, communication, customer focus and can-do spirit assure our best effort is made to deliver beyond expectations and be the best public agency we can be.

In the case of the 91 Express Lanes, these values, we believe, led to a prudent decision to acquire the 10-mile toll facility along the Riverside Freeway (SR-91) that is now benefiting the public more than ever before. During our first full year of operation high-occupancy vehicle (HOV3+) trips have increased 43.3 percent from 1.5 to 2.2 million, traffic volume increased 12.1 percent, and peak morning and evening toll lane usage also increased. In addition to these improvements since acquisition of the 91 Express Lanes, OCTA has lifted the non-compete clause that existed under the previous private owner, allowing for toll revenues in excess of those necessary to service the debt to be used on projects that improve the flow of traffic for all users of this busy corridor.

In this letter, you will find our responses to all findings and recommendations in the report. Should you have any questions or require any additional follow up, please do not hesitate to contact Dave Simpson, Local Government Relations, at (714) 560-5570.

## Findings

### **6.1 Primary goal accomplished: Purchase of the 91 Express Lanes has accomplished their primary goal of being able to make improvements to the 91 Freeway.**

**OCTA agrees with this finding.** More than improvements for 91 Express Lanes customers alone, perhaps one of the best public benefits the 91 Express Lanes acquisition secured is that toll revenue can be poured back into improvements along the Riverside Freeway (SR-91) where previously such projects were banned by a non-compete clause. Such projects benefit all motorists who use the freeway on a daily basis.

Projects since OCTA took over the Express Lanes include:

- Added: A westbound lane addition between the county line and State Route 241 (SR-241). This project eliminated the lane drop at the 91 Express Lanes and extended the existing lane from SR-241 to the county line in the westbound direction. This improvement minimizes the traffic slow-down at the lane drop area resulting in improved vehicle flow.
- Completed: Westbound restriping to extend one lane between State Route 71 (SR-71) and the county line, resulting in a new continuous lane between SR-71 and SR-241.
- In Process: The Riverside County-Orange County major investment study (MIS) to develop the long-term program to improve mobility between Riverside and Orange counties.

Completed projects have already provided enhanced freeway capacity and improved mobility in one of the most congested segments of the freeway. Some motorists have reported time savings of up to 20 minutes.

In addition to the physical improvements taking place in the corridor, several Project Study Reports (PSR's) have been completed that provide an opportunity for the project development process (environmental, then design, then construction) to continue in order to improve mobility. Completed PSR's include:

- new eastbound auxiliary lane at truck scales
- new eastbound auxiliary lane from SR-241 to SR-71
- SR-91 safety improvement project between Imperial Highway and Yorba Linda Boulevard/Weir Canyon Road
- new general purpose lane on SR-91 from State Route 55 (SR-55) to SR-241 connector

- westbound auxiliary lane from northbound SR-55/westbound SR-91 connector to Tustin Avenue interchange.

These projects are scheduled to move into the environmental phase in the short term.

**6.2 Revenue and expense projections: OCTA used optimistic revenue and expense projections to calculate the purchase price and assumed a large debt to do so. Even so, their experience to date has been in line with, or exceeded, projections.**

**OCTA disagrees partially with this finding.** OCTA went to great lengths to determine a conservative revenue and expense forecast for the 91 Express Lanes. Several independent experts representing a variety of fields were hired to verify assumptions used for the acquisition. In addition to these experts, OCTA consulted with various toll road advisors on the merits of the forecasts created and the acquisition value determined. The principal debt assumed for the acquisition was equal to OCTA's value of the road at the time of acquisition. OCTA assumed the previous private owners' (California Private Transportation Company) (CPTC) outstanding taxable bonds in the amount of \$135 million and borrowed the remaining \$66.5 million of the purchase price from internal funds.

OCTA relied upon a number of forecasts to determine the appropriate toll revenue stream for the valuation of the 91 Express Lanes. OCTA reviewed a Wilbur Smith & Associates (WSA) forecast prepared for CPTC, an internal forecast prepared by OCTA's modeling department, and a forecast prepared by Ernst & Young. The ultimate forecast utilized by OCTA was a revised version of the WSA forecast. It was revised downward by approximately five percent per year. The WSA forecast did not take into account any impacts of improvement projects along the SR-91 corridor since these projects were prohibited by the existing Franchise Agreement between the State and CPTC (a high discount rate was used by OCTA to discount the income stream which compensated for these improvement projects). At the time of the purchase, actual revenues were exceeding the WSA forecast.

OCTA also created an operating and capital expense forecast for the 91 Express Lanes by reviewing the existing CPTC forecast and modifying a few estimations. Those forecasts of expenses were being utilized by CPTC for their internal records and were used to sell CPTC's taxable bonds to the financial markets.

Subsequent to the purchase of the 91 Express Lanes, OCTA hired Vollmer Associates to generate another forecast that incorporated OCTA's toll policy and an aggressive implementation schedule of numerous improvement projects along the SR-91 corridor. These improvement projects are

contingent upon state and local funding and are located in both Orange and Riverside counties. The completion of these projects will impact the receipt of toll revenues; therefore, the most optimistic completion dates were assumed in the Vollmer report. The optimistic completion dates translate into a conservative forecast.

The Vollmer forecast was completed in October 2003. Since then, Vollmer's forecast has been exceeded by actual toll revenue values for the past two years. For fiscal year (FY) 2004, Vollmer projected toll revenues to equal \$26.4 million and actual toll revenues were recorded at \$27.0 million. For FY 2005, Vollmer projected toll revenues in the amount of \$29.1 million. It is estimated the actual value will exceed \$32 million.

### **6.3 The 91 toll road has repeated violators who use the toll road without paying.**

**OCTA agrees with the finding.** When OCTA took over the 91 Express Lanes, there was a backlog of outstanding citations for toll violation which the private owner of the toll road had failed to pursue.

OCTA has been aggressive in pursuing toll violators in the last two years. Since OCTA acquired the 91 Express Lanes, we have collected over \$400,000 in unpaid tolls and more than \$1.5 million in fines from over 40,000 violators. Currently the number of violators is between 1 percent and 2 percent of toll road users.

## **Recommendations**

### **7.1 Continue to implement proposed improvements to the SR-91 Freeway, including working with Riverside County to eliminate bottlenecks**

**OCTA agrees with this recommendation.** An implementation plan for SR-91 improvements jointly adopted with Riverside County Transportation Commission is divided into short-, mid- and long-term programs. Short- (0-5 years) and mid- (6-10 years) term projects are capable of being implemented relatively quickly through the project development process with minimal to moderate environmental constraints. These projects can be ready for design and construction in a shorter period of time. Long-term (10+ years) projects require more significant planning and environmental assessment prior to design or may not be easily constructed. The plan introduces each distinct program phase and tabulates the projects capable of being implemented during each phase. These programs include the following:

- The short-term (0-5 years) program includes six projects at a total cost of \$121 million. These projects are in the process of design and construction



or very close to that stage. The plan includes three freeway improvement projects, two transit-related projects and the MIS that will identify preferred long-term improvement strategies for the corridor.

- The mid-term (6-10 years) program includes eight projects at a cost in the range of \$551 million. All of these projects are capacity enhancements to the freeway that will require additional planning, environmental clearance along with right-of-way acquisition, and additional project development.
- The long-term program includes eleven potential projects that could cost over \$8 billion. In many cases, these projects are alternatives to each other, and not all 11 projects will be implemented. Specific alternatives will be refined through the MIS, which will conclude at the end of 2005.

**7.2 Revenue surplus: If a surplus occurs, OCTA should consider accelerating the bond payoff, allowing the toll road to revert to free lanes as soon as possible. Surplus revenues could also be used for other transportation improvements in the 91 corridor.**

**This recommendation is accepted and will be taken under advisement.** As recognized by the Grand Jury, OCTA faces the on-going choice of using toll road revenues to retire debt obligations early or using those funds for transportation improvement projects along the SR-91 corridor. The debt obligations for the 91 Express Lanes mature on December 15, 2030. The OCTA Board of Directors may choose, at any time prior to the final maturity date, to retire the debt obligations early. Once all debt obligations have been repaid, the 91 Express Lanes will be returned to the State of California. The choice between early debt retirement and improvement projects will be made over time by the Board of Directors.

**7.3 Payment Violators: Continue using aggressive efforts to collect unpaid tolls.**

**OCTA agrees with this recommendation.** Today, there is a total of \$624,823 in uncollected tolls; this figure represents much less than one percent of the total number of users of the Express Lanes and the amount collected in tolls.

The fines levied under state law on toll violators (not the unpaid tolls) total in excess of \$18 million. OCTA is pursuing aggressive measures to collect the unpaid tolls and fines, including:

- five to seven notices per violation
- skip tracing to locate the current address of a violator
- bank levies
- wage garnishments

- liens on residential property.

OCTA will continue to use these measures to collect unpaid tolls from violators.

Again, on behalf of the OCTA Board of Directors, I want to thank the Orange County Grand Jury for their report on the 91 Express Lanes. We viewed the report as an endorsement of the decision to purchase the facility which, in a short period of time, has provided broader public benefit to motorists who use the SR-91 corridor.

Sincerely,

Arthur T. Leahy  
Chief Executive Officer

ATL:dgs



**August 15, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Grand Jury Report on 91 Express Lanes

**Overview**

The Orange County Grand Jury has released a report on the funding and purchase of the 91 Express Lanes. Their report and a draft response are submitted for comment.

**Recommendation**

Provide comment on proposed response to the Orange County Grand Jury findings and recommendations.

**Background**

January 3, 2003, marked a historic moment for transportation in Orange County. This is the date when the Orange County Transportation Authority (OCTA) took public ownership of the 91 Express Lanes from the private firm that had owned and operated it since their inception in 1995. The acquisition of the facility was an arduous endeavor and one that was closely monitored by the media. This coverage prompted the Orange County Grand Jury (Grand Jury) to review the funding and purchase of the facility.

**Discussion**

The Orange County Grand Jury's Environment and Transportation Subcommittee (subcommittee) contacted OCTA in the fall of 2004, seeking a meeting to discuss the funding and purchase of the 91 Express Lanes. The subcommittee met with OCTA's Chief Executive Officer and staff on two occasions and submitted several requests for information. All requests for information were expedited in a timely manner.

The subcommittee's final report was approved by the Grand Jury and forwarded to OCTA. In accordance with state law, the OCTA Board of Directors must respond to all findings and recommendations 90 days from the public release date of the report, or by September 6, 2005.

**Summary**

Overall, the Orange County Grand Jury's report on the funding and purchase of the 91 Express Lanes was favorable and found that the facility is viable and self-supporting and has enabled OCTA to provide and fund needed improvements on the Riverside Freeway (State Route 91).

**Attachments**

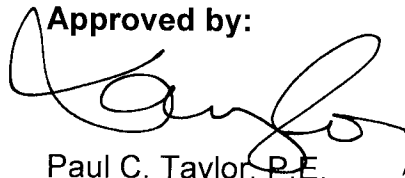
- A. Orange County Grand Jury 2004-2005: Review of 91 Toll Road Funding
- B. Proposed response to Orange County Grand Jury's May 2005 91 Express Lanes Report

**Prepared by:**



David G. Simpson  
Manager, Local Government Relations  
(714) 560-5570

**Approved by:**



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



## ORANGE COUNTY GRAND JURY

700 CIVIC CENTER DRIVE WEST • SANTA ANA, CALIFORNIA 92701 • 714/834-3320

FAX 714/834-5555

May 31, 2005

Bill Campbell, Chairman  
Board of Directors  
Orange County Transit Authority  
600 S. Main Street  
Orange, CA 92870

Dear Chairman Campbell:

Enclosed is a copy of the 2004-2005 Orange County Grand Jury report, "Review of 91 Toll Road Funding." Pursuant to *Penal Code* 933.05(f), a copy of the report is being provided to you at least two working days prior to its public release. Please note that, "No officer, agency, department, or governing body of a public agency shall disclose any contents of the report *prior to the public release of the final report.*" (Emphasis added.) It is required that the Board provide a response to each of the findings and recommendations of this report directed to your office in compliance with *Penal Code* 933.05(a) and (b), copy attached.

For each Grand Jury recommendation accepted and not implemented, provide a schedule for future implementation. In addition, by the end of March of each subsequent year, please report on the progress being made on each recommendation accepted but not completed. These annual reports should continue until all recommendations are implemented.

It is requested that the response to the recommendations be mailed to Frederick P. Horn, Presiding Judge of the Superior Court, 700 Civic Center Drive West, Santa Ana, CA 92701, with a separate copy and an electronic format (PDF preferred) mailed to the Orange County Grand Jury, 700 Civic Center Drive West, Santa Ana, CA 92701, no later than 90 days after the public release date, June 8, 2005, in compliance with *Penal Code* 933, copy attached. The due date then is September 6, 2005.

Should additional time for responding to this report be necessary for further analysis, *Penal Code* 933.05(b)(3) permits an extension of time up to six months from the public release date. Such extensions should be advised in writing, with the information required in *Penal Code* 933.05(b)(3), to the Presiding Judge of the Superior Court, with a separate copy of the request to the Grand Jury.

We tentatively plan to issue the public release on June 8. Upon public release, the report will be available on the Grand Jury web site ([www.ocgrandjury.org](http://www.ocgrandjury.org)).

Very truly yours,

B. Lewis Avera, Jr., Foreperson

2004-2005 ORANGE COUNTY GRAND JURY

BLA:dv

Enclosures

Grand Jury Report  
Penal Code 933, 933.05

## Review of 91 Toll Road Funding

### 1. Summary

The Orange County Grand Jury became interested in studying the financial feasibility of the 91 Toll Road because of newspaper articles and public interest. Our findings indicate that:

- OCTA created a substantial long-term debt.
- The revenue and the operating expense projections appear to be optimistic.
- Unpaid vehicle violations represent \$18 million in outstanding citations.

However, after analysis, the grand jury believes:

- The 91 Toll Road is financially viable and self-supporting.
- Its purchase enabled OCTA to provide and fund much-needed improvements to the 91 Freeway.

#### Some Acronyms and Abbreviations in this Report

<b>CPTC</b>	California Private Transportation Company, L.P.
<b>OCTA</b>	Orange County Transportation Authority
<b>RFP</b>	Request for Proposal

### 2. Introduction

The 91 Express Lanes Toll Road (91 Toll Road) is located in the former median of Southern California's State Route 91 (91 Freeway). The toll road is 10 miles in length and links Orange County to the Riverside County line.

The California Private Transportation Company, L.P. (CPTC), opened the 91 Toll Road to traffic in December 1995. The original agreement establishing the 91 Toll Road prohibited improvements or planning for improvements for the 91 Freeway. Increasing congestion on the 91 Freeway led Orange County Transportation Authority (OCTA) to consider purchasing the toll road in order to be able to make improvements and reduce traffic congestion.

In 2002, after completing a financial analysis of the project, OCTA purchased the toll road for \$207.5 million. They assumed the \$135 million bond debt from CPTC and borrowed the remainder from other operations. OCTA began managing the toll road in January 2003. OCTA has restructured the bond financing, has implemented traffic-sensitive pricing, and has completed several improvements to the 91 Freeway. At the end of 2030, the 91 Toll Road will revert back to the State of California.

### **3. Purpose of the 91 Toll Road Study**

The purpose of the study was to determine the financial viability of the 91 Toll Road.

### **4. Method of Study**

Grand jurors met with OCTA management and staff, reviewed financial projections used by OCTA for the acquisition and for future operations, and observed the actual operations of the toll road. The study did not include a comparison with other toll roads because the 91 Toll Road is unique:

- It is constructed in the median of a public freeway.
- It has completely automated toll collections.
- It was constructed as a profit-making enterprise by a private company.
- It uses congestion management pricing which varies the tolls to manage the traffic.

### **5. Background**

In September 2001, the OCTA Board of Directors instructed staff to explore solutions to improve traffic congestion on the 91 Freeway, such as widening entrances and exits and adding extra lanes. This study led to the decision by OCTA to purchase the 91 Toll Road from CPTC in 2002.

OCTA obtained estimates of the value of the toll road operations from two financial firms. The estimates ranged from \$202 million to \$220 million, using the income approach, with a discounted cash flow methodology. As a result, OCTA paid CPTC \$207.5 million for the 91 Toll Road assets and franchise rights, which expire December 31, 2030. OCTA assumed \$135 million in CPTC taxable bonds and paid CPTC \$72.5 million in cash. The cash amount was financed through temporary borrowing from OCTA's commuter rail fund and the bus operations fund.

OCTA began the operation of the 91 Toll Road in January 2003. In November 2003, OCTA refinanced the \$135 million of taxable bonds, which had an interest rate of 7.62%. They replaced them with tax-exempt bonds bearing an interest rate of 4.42%. The net present value of the savings was approximately \$24 million in debt service over the life of the loan.

The refinancing included repayment of \$23.5 million that OCTA borrowed internally from the bus operating fund. The commuter rail fund will be repaid over several years with interest.

Other expenses incurred for the refinancing were a prepayment penalty of \$26.4 million and financing costs of \$4 million. In addition, debt reserves of \$18.6 million were established as a conservative measure. The 91 Toll Road currently has \$191.6 million in outstanding senior debt (February 2005), plus \$56.4 million in subordinated debt.

## **5.1 Purchase Price Analysis**

OCTA management and their consultants considered several different estimating approaches. They began with the historical experience of CPTC. The cost/unit in place approach, sales comparison and income approach—all were considered as methods to arrive at a purchase price. Only the income approach was found to be viable.

### **5.1.1 Cost/Unit in Place Approach**

The cost/unit in place approach is the cost to reproduce the asset or business operation, which consists of the acquisition cost less depreciation. The acquisition cost of the right-of-way for the road is a necessary factor in this approach. However, such cost could not be determined because no comparable ten-mile toll road could be found. An estimate to construct a non-toll four-lane road came in at over \$200 million. The depreciation would be subjective and unsupported with actual market evidence. The approach did not provide a reasonable estimate of value but did serve as a reality check.

### **5.1.2 Sales Comparison/Guideline Company Approach**

In the sales comparison/guideline company approach, an appraiser estimates the value of the property by comparing it with similar, recently sold properties in surrounding or competing areas. Due to the lack of comparable sales of any other ten-mile toll road, this method could not be used in the analysis.

### **5.1.3 Income Approach**

In the income approach, projected income is converted to a value estimate through the capitalization of the income. This technique is commonly referred to as the discounted cash flow analysis. The projected income is adjusted with a discount rate from future dollars to current dollars. The riskier the future cash flows are, the higher the discount rate will be, and the less the projected income is worth today.

The toll road revenues are considered variable due to risk factors; therefore, a relatively high discount rate of 13-14% was used. The OCTA consultants pointed out the following risk factors that could materially impact revenues of the 91 Toll Road operation:

- expansion of alternate highways that could compete with the 91 Toll Road
- earthquake disrupting or destroying parts of the road
- availability and pricing of auto fuel
- technological advances
- changes in business trends
- users switching to other modes of travel

The revenues generated by CPTC were used as a basis in creating the income stream.



Operating expense projections were based on CPTC's historical statements for the years ending December 1998 through December 2001. The 2002 budget projection was also analyzed for expenses. All expenses were inflated at 2.5% per year in the estimate.

The expense categories included salaries and benefits, general and administrative, repair and maintenance, Caltrans services, California Highway Patrol services, contracted services, electronic toll collection system, finance related expenses, advertising and promotions, rent, professional fees and services, insurance, equipment rental, and miscellaneous expenses.

The income approach yielded an estimate of value for the 91 Toll Road between \$202 million and \$220 million. OCTA accepted this estimate as a basis for its negotiation with CPTC.

## **5.2 Grand Jury Analysis**

The grand jury examined the assumptions underlying the revenue, expense and debt service projections. It is the opinion of the grand jury that the revenue and expense estimates prepared by the consultants for OCTA appeared to be optimistic when all of the risk factors were taken into consideration. In addition to the risk factors identified by the consultants, the development of an industrial/commercial base in Riverside and San Bernardino Counties could reduce the need to commute to Orange and Los Angeles Counties, which would slow the increase in traffic on the 91 Freeway.

Alternative financial projections were formulated by the grand jury with more conservative assumptions to test the fiscal soundness of the consultant projections.

### **5.2.1 Revenue Analysis**

The grand jury believes OCTA's revenue projections are optimistic. Their projections are in line with respect to the current operations experience of January 2003-November 2004; however, the revenue projections continue to grow aggressively through 2029 to a high of \$77.5 million. The projection does not have a leveling off period after 2013 when OCTA will have two additional "free" lanes completed as part of their 91 Freeway Improvement Program. The revenue was inflated by 6% per year for the first nine years, 3.5-4% for the next nine years, and approximately 1.6-2.4% per year thereafter. A subsequent study included the effect of improvement projects and confirmed the essential viability of the purchase.

### **5.2.2 Expense Analysis**

Each 10 years, \$10 million are set aside for capital improvements. Also, excess dollars are put in an account for unexpected capital projects. It is assumed the electronic toll collection system would require replacement every seven years at a cost of \$3 million.

**5.2.3 Debt Service Analysis**

Debt service consists of payments on fixed and variable bonds (4.42% interest fixed and 4.06% variable) and in-house subordinated debt to the commuter rail fund. The projections appear to be on target. The refinancing transaction to replace the original bond with tax-free bonds closed in November 2003. From 2005 through 2031, OCTA will pay \$417.9 million in principal and interest for the debt of \$207.5 million in bond borrowing and \$56.4 million in subordinated debt.

Under the provisions of Assembly Bill 1010 (2002), which authorized OCTA to purchase the toll road, if the debt is paid off early, the toll lanes will revert to the state as free lanes.

**5.2.4 Grand Jury Model**

The grand jury created a model using a more conservative 2% growth factor for the revenue but continued to use the same 2.5% growth factor for operating costs. In this model, some years reflect a negative net income between revenue, operating costs and the debt repayment schedule. OCTA would have to draw on reserves to make these payments in those years. However, even with the more conservative revenue projection, the toll road appears to be self-funding.

Consultant Estimate (millions of dollars)  
(Revenue, Operations Cost, and Debt Repayment)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenue	26.4	28.1	29.8	31.6	33.6	35.7	38.0	40.4	43.0	44.6
Operations Costs	8.3	8.5	8.7	9.0	9.2	9.4	9.6	9.9	10.1	10.4
Operations Income	18.1	19.6	21.1	22.6	24.4	26.3	28.4	30.5	32.9	34.2
Debt Repayment				11.9	20.2	19.3	20.2	21.2	12.3	26.3
Net Income	18.1	19.6	21.1	10.7	4.2	7.0	8.2	9.3	20.6	7.9

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	46.3	48.0	49.9	51.7	53.7	55.7	57.9	60.1	62.3	63.9	65.4
Operations Costs	10.6	10.9	11.2	11.5	11.7	12.0	12.3	12.7	13.0	13.3	13.6
Operations Income	35.7	37.1	38.7	40.2	42.0	43.7	45.6	47.4	49.3	50.6	51.8
Debt Repayment	31.2	20.2	22.2	14.7	12.3	12.3	12.3	12.3	12.3	12.3	12.3
Net Income	4.5	16.9	16.5	25.5	29.7	31.4	33.3	35.1	37.0	38.3	39.5

	2023	2024	2025	2026	2027	2028	2029	2030	2031*	Total
Revenue	67.0	68.7	70.4	72.1	73.9	75.7	77.5	79.1	40.3	1,590.3
Operations Costs	14.0	14.3	14.6	15.0	15.4	15.8	16.2	14.4	7.3	352.5
Operations Income	53.0	54.4	55.8	57.1	58.5	59.9	61.3	64.7	33.0	1,237.8
Debt Repayment	12.3	12.3	12.4	12.4	12.5	12.5	12.5	12.6	12.6	417.9
Net Income	40.7	42.1	43.4	44.7	46.0	47.4	48.8	52.1	10.4	819.9

\* two quarters, 2030-2031

### 5.3 Automatic Toll Collection

From the beginning, the 91 Toll Road has used an automatic, transponder-based toll collection system, eliminating the need for manual toll collection. Drivers sign up to receive FasTrak transponders from OCTA, and their accounts are automatically debited when they use the toll lanes. The transponder can be used for FasTrak lanes throughout California. OCTA has expanded the ways to sign up for FasTrak accounts: They can now be obtained in person at the Corona and Orange OCTA offices, by mail or online.

When OCTA bought the 91 Toll Road, they were required to retain (for two years) the contract for FasTrak toll collection with the current contractor. The contract is currently up and a request for proposal (RFP) to obtain bids has been circulated. There are approximately 65 contractor personnel who are dedicated to the task of daily operation, repairs, towing and billing services. Last fiscal year, the expense for these services was in excess of \$5 million. In order to lower contract expenses, the RFP has been opened to other bidders.

### 5.4 Toll Violations

As of November 2004, there was a total of 292,424 outstanding citations with a value of \$18,366,542, which includes late charges and interest. When OCTA took over, there was a two-year backlog of citations. They have instituted an aggressive collection policy.

The system processes most of the vehicles automatically. However, attempts by drivers to elude tolls create the need for human intervention. Vehicles that do not trigger the transponder automatically are reviewed for matches within the system. If no account can be found, a courtesy violation notice is sent out, along with an offer to sign up for a transponder account. If there is no response to the violation notice, or if an owner cannot be readily identified from the license number, collection efforts are undertaken.

## 6. Findings

Under California Penal Code sections 933 and 933.05, responses are required to all findings. The 2004-2005 Orange County Grand Jury has arrived at the following findings:

- 6.1 Primary goal accomplished: OCTA's purchase of the 91 Toll Road has accomplished their primary goal of being able to make improvements on the 91 Freeway.
- 6.2 Revenue and expense projections: OCTA used optimistic revenue and expense projections to calculate the purchase price and assumed a large debt to do so. Even so, their experience to date has been in line with, or exceeded, projections.

- 6.3 Payment Violators: The 91 Toll Road has repeated violators who use the toll road without paying.

Responses to *Findings 6.1, 6.2, and 6.3* are required from the OCTA Board of Directors.

## 7. Recommendations

In accordance with California Penal Code sections 933 and 933.05, each recommendation will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Officer of the Superior Court. Based on the findings, the 2004-2005 Orange County Grand Jury makes the following recommendations:

- 7.1 Implement improvements: Continue to implement proposed improvements to the 91 Freeway, including working with Riverside County to eliminate bottlenecks. (See Finding 6.1.)
- 7.2 Revenue surplus: If a surplus occurs, OCTA should consider accelerating the bond payoff, allowing the toll road to revert to free lanes as soon as possible. Surplus revenues could also be used for other transportation improvements in the 91 corridor. (See Finding 6.2.)
- 7.3 Payment Violators: Continue using aggressive efforts to collect unpaid tolls. (See Finding 6.3.)

Responses to *Recommendations 7.1, 7.2, and 7.3* are required from the OCTA Board of Directors.

## 8. Sources

1. 2004-2005 OCTA Approved Budget
2. 2004 OCTA Executive Summary
3. 2004-2030 OCTA Long-Range Strategic Plan
4. 91 Express Lanes Brochure – 2003
5. Assembly Bill 1010 (2002)

***PROPOSED RESPONSE TO THE ORANGE COUNTY GRAND JURY'S  
MAY 2005 91 EXPRESS LANES REPORT***

July 20, 2005

Honorable Fredrick P. Horn  
Presiding Judge of the Superior Court  
Orange County Grand Jury  
700 Civic Center Drive  
Santa Ana, CA 92701

**SUBJECT: Orange County Grand Jury Report: 91 Express Lanes  
Funding**

Dear Judge Horn:

On behalf of the Orange County Transportation Authority's (OCTA) Board of Directors, thank you for your recent report reviewing the funding and purchase of the 91 Express Lanes.

We fully appreciate the Grand Jury's oversight role in assuring that public organizations, such as the OCTA, are run efficiently and in a manner deserving of the public's trust. At OCTA, our values of integrity, teamwork, partnership, communication, customer focus and can-do spirit assure our best effort is made to deliver beyond expectations and be the best public agency we can be.

In the case of the 91 Express Lanes, these values, we believe, led to a prudent decision to acquire the 10-mile toll facility along the Riverside Freeway (SR-91) that is now benefiting the public more than ever before. During our first full year of operation high-occupancy vehicle (HOV3+) trips have increased 43.3 percent from 1.5 to 2.2 million, traffic volume increased 12.1 percent, and peak morning and evening toll lane usage also increased. In addition to these improvements since acquisition of the 91 Express Lanes, OCTA has lifted the non-compete clause that existed under the previous private owner, allowing for toll revenues in excess of those necessary to service the debt to be used on projects that improve the flow of traffic for all users of this busy corridor.

In this letter, you will find our responses to all findings and recommendations in the report. Should you have any questions or require any additional follow up, please do not hesitate to contact Dave Simpson, Local Government Relations, at (714) 560-5570.

## Findings

### **6.1 Primary goal accomplished: Purchase of the 91 Express Lanes has accomplished their primary goal of being able to make improvements to the 91 Freeway.**

**OCTA agrees with this finding.** More than improvements for 91 Express Lanes customers alone, perhaps one of the best public benefits the 91 Express Lanes acquisition secured is that toll revenue can be poured back into improvements along the Riverside Freeway (SR-91) where previously such projects were banned by a non-compete clause. Such projects benefit all motorists who use the freeway on a daily basis.

Projects completed since OCTA took over the Express Lanes include:

- Added a westbound lane addition between the county line and State Route 241 (SR-241). This project eliminated the lane drop at the 91 Express Lanes and extended the existing lane from SR-241 to the county line in the westbound direction. This improvement minimizes the traffic slow-down at the lane drop area resulting in improved vehicle flow.
- Completed westbound restriping to extend one lane between State Route 71 (SR-71) and the county line, resulting in a new continuous lane between SR-71 and SR-241.
- Conducted the Riverside County-Orange County major investment study (MIS) to develop the long-term program to improve mobility between Riverside and Orange counties.

Completed projects have already provided enhanced freeway capacity and improved mobility in one of the most congested segments of the freeway. Some motorists have reported time savings of up to 20 minutes.

In addition to the physical improvements taking place in the corridor, several Project Study Reports (PSR's) have been completed that provide an opportunity for the project development process (environmental, then design, then construction) to continue in order to improve mobility. Completed PSR's include:

- new eastbound auxiliary lane at truck scales
- new eastbound auxiliary lane from SR-241 to SR-71
- SR-91 safety improvement project between Imperial Highway and Yorba Linda Boulevard/Weir Canyon Road
- new general purpose lane on SR-91 from State Route 55 (SR-55) to SR-241 connector

- westbound auxiliary lane from northbound SR-55/westbound SR-91 connector to Tustin Avenue interchange.

These projects are scheduled to move into the environmental phase in the short term.

**6.2 Revenue and expense projections: OCTA used optimistic revenue and expense projections to calculate the purchase price and assumed a large debt to do so. Even so, their experience to date has been in line with, or exceeded, projections.**

**OCTA disagrees partially with this finding.** OCTA went to great lengths to determine a conservative revenue and expense forecast for the 91 Express Lanes. Several independent experts representing a variety of fields were hired to verify assumptions used for the acquisition. In addition to these experts, OCTA consulted with various toll road advisors on the merits of the forecasts created and the acquisition value determined. The principal debt assumed for the acquisition was equal to OCTA's value of the road at the time of acquisition. OCTA assumed the previous private owners' (California Private Transportation Company) (CPTC) outstanding taxable bonds in the amount of \$135 million and borrowed the remaining \$66.5 million of the purchase price from internal funds.

OCTA relied upon a number of forecasts to determine the appropriate toll revenue stream for the valuation of the 91 Express Lanes. OCTA reviewed a Wilbur Smith & Associates (WSA) forecast prepared for CPTC, an internal forecast prepared by OCTA's modeling department, and a forecast prepared by Ernst & Young. The ultimate forecast utilized by OCTA was a revised version of the WSA forecast. It was revised downward by approximately five percent per year. The WSA forecast did not take into account any impacts of improvement projects along the SR-91 corridor since these projects were prohibited by the existing Franchise Agreement between the State and CPTC (a high discount rate was used by OCTA to discount the income stream which compensated for these improvement projects). At the time of the purchase, actual revenues were exceeding the WSA forecast.

OCTA also created an operating and capital expense forecast for the 91 Express Lanes by reviewing the existing CPTC forecast and modifying a few estimations. Those forecasts of expenses were being utilized by CPTC for their internal records and were used to sell CPTC's taxable bonds to the financial markets.

Subsequent to the purchase of the 91 Express Lanes, OCTA hired Vollmer Associates to generate another forecast that incorporated OCTA's toll policy and an aggressive implementation schedule of numerous improvement projects along the SR-91 corridor. These improvement projects are

contingent upon state and local funding and are located in both Orange and Riverside counties. The completion of these projects will impact the receipt of toll revenues; therefore, the most optimistic completion dates were assumed in the Vollmer report. The optimistic completion dates translate into a conservative forecast.

The Vollmer forecast was completed in October 2003. Since then, Vollmer's forecast has been exceeded by actual toll revenue values for the past two years. For fiscal year (FY) 2004, Vollmer projected toll revenues to equal \$26.4 million and actual toll revenues were recorded at \$27.0 million. For FY 2005, Vollmer projected toll revenues in the amount of \$29.1 million. It is estimated the actual value will exceed \$32 million.

### **6.3 The 91 toll road has repeated violators who use the toll road without paying.**

**OCTA agrees with the finding.** When OCTA took over the 91 Express Lanes, there was a backlog of outstanding citations for toll violation which the private owner of the toll road had failed to pursue.

OCTA has been aggressive in pursuing toll violators in the last two years. Since OCTA acquired the 91 Express Lanes, we have collected over \$400,000 in unpaid tolls and more than \$1.5 million in fines from over 40,000 violators. Currently the number of violators is between 1 percent and 2 percent of toll road users.

### **Recommendations**

#### **7.1 Continue to implement proposed improvements to the SR-91 Freeway, including working with Riverside County to eliminate bottlenecks**

**OCTA agrees with this recommendation.** An implementation plan for SR-91 improvements jointly adopted with Riverside County Transportation Commission is divided into short-, mid- and long-term programs. Short- (0-5 years) and mid- (6-10 years) term projects are capable of being implemented relatively quickly through the project development process with minimal to moderate environmental constraints. These projects can be ready for design and construction in a shorter period of time. Long-term (10+ years) projects require more significant planning and environmental assessment prior to design or may not be easily constructed. The plan introduces each distinct program phase and tabulates the projects capable of being implemented during each phase. These programs include the following:

- The short-term (0-5 years) program includes six projects at a total cost of \$121 million. These projects are in the process of design and construction



or very close to that stage. The plan includes three freeway improvement projects, two transit-related projects and the MIS that will identify preferred long-term improvement strategies for the corridor.

- The mid-term (6-10 years) program includes eight projects at a cost in the range of \$551 million. All of these projects are capacity enhancements to the freeway that will require additional planning, environmental clearance along with right-of-way acquisition, and additional project development.
- The long-term program includes eleven potential projects that could cost over \$8 billion. In many cases, these projects are alternatives to each other, and not all 11 projects will be implemented. Specific alternatives will be refined through the MIS, which will conclude at the end of 2005.

**7.2 Revenue surplus: If a surplus occurs, OCTA should consider accelerating the bond payoff, allowing the toll road to revert to free lanes as soon as possible. Surplus revenues could also be used for other transportation improvements in the 91 corridor.**

**This recommendation is accepted and will be taken under advisement.** As recognized by the Grand Jury, OCTA faces the on-going choice of using toll road revenues to retire debt obligations early or using those funds for transportation improvement projects along the SR-91 corridor. The debt obligations for the 91 Express Lanes mature on December 15, 2030. The OCTA Board of Directors may choose, at any time prior to the final maturity date, to retire the debt obligations early. Once all debt obligations have been repaid, the 91 Express Lanes will be returned to the State of California. The choice between early debt retirement and improvement projects will be made over time by the Board of Directors.

**7.3 Payment Violators: Continue using aggressive efforts to collect unpaid tolls.**

**OCTA agrees with this recommendation.** Today, there is a total of \$624,823 in uncollected tolls; this figure represents much less than one percent of the total number of users of the Express Lanes and the amount collected in tolls.

The fines levied under state law on toll violators (not the unpaid tolls) total in excess of \$18 million. OCTA is pursuing aggressive measures to collect the unpaid tolls and fines, including:

- five to seven notices per violation
- skip tracing to locate the current address of a violator
- bank levies
- wage garnishments

- liens on residential property.

OCTA will continue to use these measures to collect unpaid tolls from violators.

Again, on behalf of the OCTA Board of Directors, I want to thank the Orange County Grand Jury for their report on the 91 Express Lanes. We viewed the report as an endorsement of the decision to purchase the facility which, in a short period of time, has provided broader public benefit to motorists who use the SR-91 corridor.

Sincerely,

Bill Campbell  
Chairman

BC:dgs





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Amendment to Agreements for On-Call Commuter Rail Support Services

Transit Planning and Operations Committee

August 11, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute an amendment to Agreements C-4-0893, C-4-0894, and C-4-0552 between the Orange County Transportation Authority and Booz Allen Hamilton, IBI Group and STV Incorporated, in an amount not to exceed \$300,000, for on-call commuter rail support services.



**August 11, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, <sup>ATL</sup> Chief Executive Officer  
**Subject:** Amendment to Agreements for On-Call Commuter Rail Support Services

**Overview**

On August 23, 2004, the Board of Directors approved an agreement with three firms to provide on-call commuter rail support services to the Planning, Development and Commuter Services Division. All of the firms were 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 an amendment to Agreements C-4-0893, C-4-0894, and C-4-0552 between the Orange County Transportation Authority and Booz Allen Hamilton, IBI Group and STV Incorporated, in an amount not to exceed \$300,000, for on-call commuter rail support services.

**Background**

As part of the Commuter Rail Program, the Orange County Transportation Authority (OCTA) contracts for professional services to provide staff with on-call technical expertise in passenger railroad and commuter rail planning and programming. The scope of the work provided by the on-call technical firms includes:

- Perform, review, and provide comments on various planning studies and exercises related to the growth of commuter rail services in Orange County, including but not limited to, station and operational planning.
- Assist in evaluating commuter rail operating and capital subsidy calculations as it relates to the OCTA.

- 
- Assist in developing and evaluating recommended priorities for commuter rail operating and capital projects. This may include the development of the ridership and passenger revenue estimates.
  - Represent the OCTA's interest at Metrolink and/or Los Angeles/San Diego – San Luis Obispo Rail Corridor Agency Technical Advisory Committee and Board of Directors meetings, and other rail planning and technical meetings.
  - Assist in reviewing and developing responses to requests from other agencies or members of the public on right-of-way usage as it impacts the commuter rail operation.
  - Provide technical support in the area of commuter rail, intercity rail, high speed rail, and special trains.

***Discussion***

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

The original agreement was awarded on a competitive basis for a term of three years. It is time to amend the agreement to add the amount approved in the OCTA's Fiscal Year (FY) 2005-06 Budget.

Primary work tasks in FY 2005-06 will include assistance in the development of capital and operating subsidies and cost sharing arrangements, and representation of OCTA at Metrolink and/or Los Angeles/San Diego – San Luis Obispo Rail Corridor Agency Technical Advisory Committee and Board of Directors meetings, and other rail planning and technical meetings.

The original agreement awarded on August 23, 2004, was in the amount of \$300,000. This amendment in the amount of \$300,000, will increase the total agreement amount to \$600,000 (Attachment A).

**Fiscal Impact**

The additional work described in the amendment to Agreements C-4-0893, C-4-0894, and C-4-0552 was approved in OCTA's FY 2005-06 Budget, Planning, Development and Commuter Services Division, Account No. 0093-7519-T0004-ABE, and is funded through the Commuter and Urban Rail Endowment Fund.

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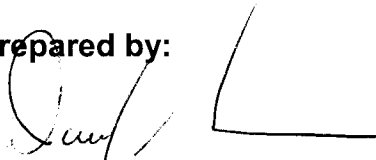
**Summary**

Based on the material provided, staff recommends approval of the amendment, in the amount of \$300,000, to Agreement C-4-0893 with Booz Allen Hamilton, Agreement C-4-0894 with IBI Group, and Agreement C-4-0552 with STV Incorporated, in an amount not to exceed \$300,000, for on-call commuter rail support services.

**Attachment**

- A. Agreements Fact Sheet

**Prepared by:**



Darrell E. Johnson  
Manager, Programming, Development  
and Commuter Rail  
(714) 560-5343

**Approved by:**



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

**Agreements Fact Sheet**

**Booz Allen Hamilton  
Agreement C-4-0893**

1. August 23, 2004, Agreement C-4-0893, \$300,000, approved by Board of Directors. One of three firms with a cumulative contract amount of \$300,000.
  - On-call commuter rail technical support services.
2. May 3, 2005, Amendment No. 1 to Agreement C-4-0893, approved by purchasing agent, to revise the schedule of fees at no increase in the maximum cumulative payment obligation.
3. August 11, 2005, Amendment No. 2 to Agreement C-4-0893, not to exceed a cumulative amount of \$300,000, pending approval by Board of Directors in conjunction with two other on-call firms.
  - On-call commuter rail technical support services to support staff.

Total committed to Booz Allen Hamilton, Agreement C-4-0893: \$600,000 in conjunction with two other on-call firms.

**IBI Group  
Agreement C-4-0894**

1. August 23, 2004, Agreement C-4-0894, \$300,000, approved by Board of Directors. One of three firms with a cumulative contract amount of \$300,000.
  - On-call commuter rail support services.
2. August 11, 2005, Amendment No. 1 to Agreement C-4-0894, not to exceed a cumulative amount of \$300,000, pending approval by Board of Directors in conjunction with two other on-call firms.
  - On-call commuter rail technical support services to support staff.

Total committed to IBI Group, Agreement C-4-0894: \$600,000 in conjunction with two other on-call firms.



**STV Incorporated**  
**Agreement C-4-0552**

1. August 23, 2004, Agreement C-4-0552, \$300,000, approved by Board of Directors. One of three firms with a cumulative contract amount of \$300,000.
  - On-call commuter rail support services.
2. August 11, 2005, Amendment No. 1 to Agreement C-4-0552, not to exceed a cumulative amount of \$300,000, pending approval by Board of Directors in conjunction with two other on-call firms.
  - On-call commuter rail technical support services to support staff.

Total committed to STV Incorporated, Agreement C-4-0552: \$600,000 in conjunction with two other on-call firms.





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Special Needs in Transit Advisory Committee

Transit Planning and Operations Committee

August 11, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Receive and file the 2005 Orange County Transportation Authority Special Needs in Transit Advisory Committee appointments and direct staff to notify all appointees.



**August 11, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, <sup>ML</sup> Chief Executive Officer  
**Subject:** Special Needs in Transit Advisory Committee

**Overview**

The recruitment process to find candidates to fill the 34-member Board appointed Orange County Transportation Authority Special Needs in Transit Advisory Committee is complete. Forty-five applications were received by the May 30, 2005, deadline and Board Members have made their appointments.

**Recommendation**

Receive and file the 2005 Orange County Transportation Authority Special Needs in Transit Advisory Committee appointments and direct staff to notify all appointees.

**Background**

Since 1998, the Special Needs in Transit Advisory Committee (Special Needs Committee) had been comprised of two appointees per Board Member, including alternates, totaling 28 committee members. Passage of Assembly Bill 710 expanded the Orange County Transportation Authority (OCTA) Board of Directors from 14 to 17 voting members. As a result, on March 28, 2005, the OCTA Board of Directors approved a new expanded 34-member committee structure for the Special Needs Committee.

The Board directed staff to solicit applications for the new Special Needs Committee from both interested prior members as well as others in the community. This was accomplished via newspaper advertisements and mailings to over 1000 individuals and agencies. Following a 60-day response period, staff returned to individual Board Members with applicants to be considered for appointment. After reviewing application materials, each Director appointed two members.

**Discussion**

During the year, committee members will volunteer to serve on ad hoc committees, the ACCESS Eligibility Appeals Board, participate in roundtable discussions, and hear and advise on various special needs transportation projects, programs and services. Each member will be selected by lottery to serve a staggered one-year, two-year, or three-year term. The committee's responsibilities are to:

- Advise the OCTA about issues that relate to OCTA transit and paratransit services;
- Recommend the appropriate mechanism for obtaining disabled and senior service users' input on issues, i.e., focus groups, surveys, public meetings, et cetera;
- Review and make recommendations about service operations;
- Communicate with care providers and agency clients regarding service-related information;
- Assist with special needs service evaluations.

**Summary**

The OCTA began the recruitment process in March 2005 for 34 vacant terms on the Special Needs in Transit Advisory Committee. Each Board Director has appointed two members to serve a one-year, two year, or three-year term on the committee.

**Attachment**

- A. 2005 Special Needs in Transit Advisory Committee Members

Prepared by:



Donna Berger  
Senior Customer Relations  
Specialist  
(714) 560-5538

Approved by:



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

## 2005 Special Needs in Transit Advisory Committee Members

<b>Board Members</b>	<b>Candidates Selected</b>	<b>Affiliation</b>
Vacant - (Marilyn Brewer Appointees)	Kimberly Beeson	Irvine Adult Day Health Services, Inc.
	Denise Larsen	North O.C. Community College District
Art Brown	Thomas Atkins	Buena Park Senior Center
	JoAnn Hill	Speech & Language Development Center
Bill Campbell	Karen Roper	Orange County Office on Aging
	Ellen Schenk	Goodwill Industries of Orange County
Carolyn Cavecche	Jay Farrell	Braille Institute
	Sue Lau	Polio Survivors Plus
Lou Correa	Francine Harris	Santa Ana Senior Center
	Gary Mudge	California Paralyzed Veterans
Richard Dixon	Roberta Menn	Saddleback Valley Unified School District
	Jerry Schmidt	Vocational Visions
Michael Duvall	Tabitha Evans	Multiple Sclerosis Society, O.C. Chapter
	William S. Larson	Orange County ARC
Cathy Green	Pethuru Lourthu	Westview Services, Inc.
	Bob Tiezzi	Orange County ARC
Gary Monahan	Madeline Rae Jensen	Senior Citizens Advisory Council (SCAC)
	Henry Michaels	California Elwyn
Chris Norby	Paul K. Miller, Ph.D.	Disabled Student Services, CSUF
	(Pending notice from	Director Norby's office)
Curt Pringle	Diana Burkhardt	Braille Institute
	Susan Ray	Council Services Coordinator – City of Anaheim
Miguel Pulido	Vera Judge	In Home Supportive Services (IHSS) Public Authority
	Lisa Murillo	Easter Seals Southern California
Susan Ritschel	Mary Pat Daly-Hiller	City of Mission Viejo
	Frederick Zepp	Capistrano Valley Community Foundation

<b>Board Members</b>	<b>Candidates Selected</b>	<b>Affiliation</b>
Mark Rosen	Joseph Pak	Asian & Pacific Islander Community Alliance – Orange County
	Mallory Vega	Acacia Adult Day Services
Jim Silva	Christy Krausman	California Elwyn
	Christina Overman	URS Corporation
Thomas Wilson	Ann McClellan	Dayle McIntosh Center
	Denise Welch	Senior Citizens Advisory Council (SCAC)
Greg Winterbottom	Douglas Miller	Regional Center of Orange County (RCOC)
	Julie Inman	Irvine Residents w/Disabilities Board

07/05







**August 22, 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 second 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 second quarter of 2005 (April through June). 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 the 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 with an overall budget of \$3,175,000. The City of Mission Viejo awarded the construction contract. The work began in December 2003 and was completed in May 2005, with a final cost of \$3,139,460.

The Aliso Creek soundwall project, approved by the Board on October 17, 2002, is in its early development stages. This project would involve the construction of approximately 2,000 lineal feet of soundwalls in three separate sections along the southbound I-5 between Los Alisos Boulevard and Alicia Parkway. The cost is estimated at \$1,300,000. As the wall will be constructed on private property, all homeowners benefiting from the proposed soundwalls must give their approval prior to the project moving forward into the final design stage.

The City of Laguna Hills is taking the lead on gathering the approval. The vast majority of residents have approved the soundwall project as proposed. The City of Laguna Hills must decide how to proceed with the project if the remainder of approvals are not received. As this decision is currently on hold, 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

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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 (STIP) funds, Measure M freeway, and local city contributions. Measure M construction/claim payments during the second quarter were very limited at \$77,500 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 last phase of the I-5 in Orange County to be improved. The updated total project cost is estimated at \$251 million with \$177.1 million funded through Measure M and \$73.9 million through STIP funds.

Overall design progress by OCTA's consultant has progressed to 98 percent complete. The roadway and bridge structure design plans are now complete. The Plans, Specifications and Estimate (PS&E) documents are to be submitted to Caltrans Headquarters in Sacramento in July 2005. Caltrans will then use the PS&E for the preparation of the construction bid package.

The cooperative agreement between OCTA and Caltrans for construction and construction management services is in process. Meanwhile, the cooperative agreement to implement right-of-way (ROW) acquisition has been in place since early December 2004, and the necessary acquisitions are underway. The project requires an estimated 57 property acquisitions and temporary construction easements. Currently, at the end of the report period, all 57 parcels have been appraised and the initial purchase offers have been made to the property owners. The total number of escrows closed is now at 26. The advance work necessary for the relocation of the various utilities is in process and coordination meetings with the utility companies involved continue.

Work also continues on agreements with various partner cities affected by the project as well as with the Union Pacific Railroad (UPRR) whose storage track will be impacted by the construction. These agreements are progressing well and the relocation of the UPRR storage track is anticipated to begin in

October 2005. In addition to the coordination meetings with the partner cities, staff continues to meet with local businesses that will be affected to varying degrees by the project, in an effort to mitigate any potential issues before they occur.

While the ROW acquisition process was previously significantly delayed by STIP funding issues, OCTA and Caltrans are still attempting to deliver the required properties and certify ROW by the end of July 2005. This certification date is necessary in order to meet the currently scheduled construction advertisement date of September 2005. The Caltrans construction contract is scheduled to be awarded in December 2005, with the actual construction to begin in January 2006.

#### 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 continued during the report period. The clearing and grubbing work is now nearly complete. The areas adjacent to the freeway are virtually clear, with most of the attention now focused on the mulching of the debris.

The wet and dry utility relocations continued to progress during the report period. Southern California Edison electrical utility relocations are currently underway at six different locations. The removal and abandonment of a the natural gas line along Metropolitan Drive has been completed. Design for the protection of the Mesa Water District waterline was also completed and the encasement and backfill is set to begin shortly. Meetings continue between staff and the various utility companies to ensure that all relocations meet the project schedule.

Work on the various bridge structures continues to gain momentum. Pile-driving for the structures continues with four pile-driving rigs in operation simultaneously at various locations. The design work for the bridge structures is nearing completion with 15 foundation designs, five substructure designs, and three superstructure designs completed and released for construction. Out of the 34 bridges, 13 are currently under construction.

Additional construction activities that occurred during the report period include: the completion of re-shoring work at both Brookhurst Street and Harbor Boulevard; the completion of the cast-in-place wall structures at five locations, with work continuing at another seven locations; asphalt paving of Haster Street began; and the erection of falsework at Newhope and Taft Avenues continued. Overall, at the end of this report period, the design-build contract was 28.9 percent complete, with 282 contract days elapsed, and 518 days remaining.

The original Board approved overall project budget for the SR-22 project was \$490 million. On May 9, 2005, the Board approved an amendment of the overall project budget, with an increase of \$5 million. The increase will be funded using Federal Regional Surface Transportation Program (RSTP) funds. These additional monies were added to include various aesthetic components that had originally been eliminated from the project to reduce costs. The Board approved overall project budget for the SR-22 project is now \$495 million. This includes the now \$395 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 was required at that time, as future State Transportation Congestion Relief Program (TCRP) allocation requests were on hold, with no funds programmed for the TCRP in the fiscal year 2005-06 state budget. On August 2, 2004, a request for the final allocation of \$123.7 million was submitted to Caltrans. During the report period, OCTA was informed of the possibility that the program would be restored for the 2005-06 fiscal year. Subsequently, on June 2, 2005, a request was made to include approval of the final allocation request on the agenda for the California Transportation Commission (CTC) meeting in July 2005. The request was granted and on July 13, 2005, the CTC approved the final allocation of \$123.7 million. As this approval took place subsequent to the reporting period, the estimate-at-completion and project budget figures do not reflect this change. These figures will be updated and presented to the Board in the Measure M Quarterly Report for the third quarter of 2005.

OCTA is continuing to actively seek reimbursement of the current TCRP allocation. In total, the current 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 June 30, 2005, total \$48.1 million with

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\$47.6 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 40 parcels have now been acquired, three are in escrow, two 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. The construction activities began March 10, 2005. The work effort has progressed extremely well, and the construction of the block wall is now complete, finishing well ahead of the original project schedule. Currently, only minor landscaping and irrigation items remain. The overall project is scheduled to be complete by the beginning of 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 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 second quarter, the CTFP contributed approximately \$4.2 million for streets and roads improvements. Significant payments include \$868,500 to the City of Anaheim for improvements related to the Katella Avenue Smart Street Project, such as the Euclid Avenue intersection widening, the addition of bus turnouts, and lane re-striping; \$678,709 to the City of Santa Ana for the widening of the intersection at Bristol and First Streets; \$233,828 to the City of Orange for the widening of the Chapman Avenue and Prospect Street Intersection; and \$430,343 to the City of Garden Grove for the addition of a right hand turn lane at Euclid Avenue and the eastbound SR-22 on-ramp.

On June 27, 2005, the Board approved the final CTFP allocation of \$208 million in Measure M and federal RSTP funds for local streets and roads improvements. The 2004 CTFP Call for Projects was a competitive process that identified 509 local projects which will receive funding over the next five years.

#### 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 (IEOC) Line, 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 Line 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.

During the Summer of 2005, from July 16 through October 9, the "Summerlink" weekend beach trains will be running on the IEOC Line. Thanks to the efforts of OCTA, Riverside County Transportation Commission, and the San Bernardino Association of Governments, three trains are running in each direction between San Bernardino and Oceanside, stopping at all Orange County Stations along the

way. This provides an excellent way to get to the beach without the hassle of the usual summer traffic and parking woes.

The expansion of the 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. 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.

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. A railroad bridge upgrade project is underway to replace some older bridges and to provide upgrades to others. This effort is being undertaken to ensure that the future needs of Metrolink service in Orange County are met. Additionally, the Santa Ana double track project is anticipated to begin soon. Once completed, the double track project will improve the on-time performance of our trains and allow for additional service expansion in the future.

Another significant improvement to Orange County's commuter rail service will be the addition of the Buena Park Intermodal Commuter Rail Facility (BPIF). The BPIF is the last station to be built in the Metrolink Orange County Line, and will provide commuters with convenient bus and rail connections. The facility encompasses a 3.5 acre site located at Lakeknoll Drive and Dale Avenue in the City of Buena Park. Facilities to be constructed include train platforms, a pedestrian overpass structure, waiting area canopies and benches, ticket vending machines, "kiss-and-ride" plaza area, restrooms, landscaping, and surface area parking for approximately 300 vehicles. On December 1, 2003, in response to the State budget crisis and subsequent shortfalls in the STIP, the Board authorized the use of Measure M funds in the construction of the facility.

The City of Buena Park is taking the lead on the project, with OCTA offering project management oversight with the goal of ensuring that Federal Transit Administration (FTA) guidelines and best practices are followed. Through these collaborative efforts, progress toward the construction of the facility has been substantial. The design effort was completed in May 2005, and the construction package was advertised that same month. The award of the construction contract is scheduled to take place in September 2005, with the completion date for construction currently scheduled to be December 2006.



In the second 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 7,444 daily passengers, which represents a 5.9 percent increase over the second quarter of 2004. The daily number of Metrolink monthly pass holders riding Amtrak via the Rail 2 Rail program averaged 1,295 during the quarter. The IEOC Line averaged 3,803 daily riders, a 2.1 percent increase over the second quarter of 2004. The 91 Line averaged 2076 riders, a 14.9 percent increase over the second 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 Light-Rail Project

Due to federal funding issues related to The CenterLine Light Rail Project (CenterLine), on February 14, 2005, the Board voted to pause work on CenterLine and directed staff to begin exploring alternatives for other rapid transit options. Since that decision, efforts for this quarter focused on the development and refinement of the various rapid transit options currently under consideration by the Board. The limited activities that were related to the CenterLine Project focused primarily on the continued coordination with the FTA, and the preparation of documents in response to their requirements.

The Preliminary Engineering (PE) consultant, Parsons Brinckerhoff Quade and Douglas, Inc. provided on-going technical support related to the Board's direction to explore other transit alternatives. Work performed by the consultant during the report period focused on the issues and costs associated with the conversion of the existing light rail project to a bus rapid transit project. The PE effort for CenterLine officially ended on June 30, 2005, as this contract expired. All work activities related to PE are now completed.

The Project Management Consultant (PMC), Carter & Burgess, Inc., provided management, administrative, and technical support to CenterLine staff. The PMC team assisted in the preparation and submittal of documents required by the FTA. As directed by the Board, the PMC also assisted in the analysis of rapid transit options. The PMC effort for CenterLine ended on June 30, 2005, as this contract expired.

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The Final Environmental Impact Statement/Final Environmental Impact Report remains on hold pending approval by the Board. However, the contract for the environmental consultant, Jones and Stokes, also expired on June 30, 2005.

The ROW consultant, Overland, Pacific & Cutler, Inc., has finalized the Real Estate Acquisition and Management Plan. This contract also expired on June 30, 2005.

In February 2005, a letter was mailed to the constituencies informing them of the Board decision to pause the work on the project. Since that time, public outreach efforts have been limited to responding to questions and concerns received via the CenterLine information line and the OCTA website.

On April 25, 2005, staff presented to the Board the preliminary information on the various rapid transit options available for selection. The Board directed further study and refinement of these options. Additional information regarding these was again presented on May 23, 2005. At the direction of the Board, staff continues to work to develop rapid transit options, which will allow the county to maintain its air quality conformity.

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

The Interstate 405 (I-405)/SR-55 South Transitway structure was completed and opened for traffic during the prior quarter. With the transitway open in both directions, commuters are now provided with a seamless carpool connection between the two freeways. Because of the link, traffic flow in the area has greatly improved. Currently, the project closeout is on-going, and OCTA continues to work closely with all parties to resolve the cost responsibilities associated with the repair of the previously damaged portion of the transitway structure.

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 \$62 million. The project is now substantially complete. On May 5, 2005, the northbound transitway structure opened for traffic. The Anton Boulevard off-ramp is anticipated to open in early July. Currently, the contractor is completing the final landscaping and punch-list items.

As with the first phase, this project included 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 were 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 \$374 million. Distributions to individual agencies, from inception to-date and for the report period, are detailed in Attachment A.

Net Measure M expenditures through June 30, 2005, total \$2.439 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 estimate-at-completion for the "S.R. 57 between I-5 and Lambert Road" was reduced by \$1,524,000. This reduction reflects the internal transfer of funds from Fund 51 (Capital Projects) to Measure M and was credited as additional revenue to the project.

The estimate-at-completion for the "Transitways" was increased by \$1,343,000. On June 27, 2005, the Board approved an additional allocation of Measure M

funds to the Cities of Costa Mesa and Santa Ana to design and install full landscaping at selected areas of the I-405/SR-55 Interchange.

**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 April through June 2005.

**Attachments**

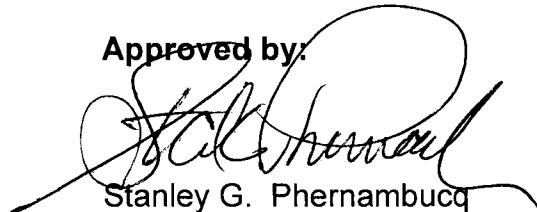
- A. Measure M Local Turnback Payments
- B. Measure M Revenue and Expenditure Summary as of June 30, 2005

**Prepared by:**



Norbert Lippert  
Project Controls Manager  
(714) 560-5733

**Approved by:**



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

## MEASURE M LOCAL TURNBACK PAYMENTS

Agency	Second Quarter 2005	Total Apportionment as of 6/30/05
Aliso Viejo	\$ 144,408	\$ 1,627,385
Anaheim	1,343,646	41,126,857
Brea	210,576	6,739,203
Buena Park	324,210	10,053,323
Costa Mesa	566,229	17,817,702
Cypress	215,791	6,590,148
Dana Point	133,057	4,251,786
Fountain Valley	248,453	8,212,404
Fullerton	507,680	16,326,686
Garden Grove	598,318	18,467,244
Huntington Beach	759,502	24,396,004
Irvine	907,563	25,378,930
Laguna Beach	106,739	3,144,994
Laguna Hills	149,465	4,409,789
Laguna Niguel	276,699	7,871,748
Laguna Woods	52,632	937,192
La Habra	211,075	6,245,808
Lake Forest	310,891	7,813,789
La Palma	72,577	2,064,194
Los Alamitos	52,716	1,811,772
Mission Viejo	385,621	11,629,009
Newport Beach	390,750	11,269,415
Orange	633,685	19,446,538
Placentia	190,443	5,840,035
Rancho Santa Margarita	173,646	2,279,119
San Clemente	212,163	5,655,765
San Juan Capistrano	162,588	4,580,776
Santa Ana	1,171,345	37,331,166
Seal Beach	95,590	2,959,946
Stanton	119,914	3,704,666
Tustin	327,539	10,192,936
Villa Park	21,410	682,976
Westminster	357,067	11,151,527
Yorba Linda	232,811	6,913,299
County Unincorporated	665,833	25,095,895
<b>Total County:</b>	<b>\$ 12,332,633</b>	<b>\$ 374,020,024</b>

**Measure M Revenue and Expenditure Summary  
As of June 30, 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)	
<b>Freeways (43%)</b>								
I-5 between I-405 (San Diego Fwy) and I-605	\$ 1,028,842	\$ 810,010	\$ 797,106	\$ 231,736	\$ 12,904	\$ 632,273	78.1%	1
I-5 between I-5/I-405 Interchange and San Clemente	71,333	55,390	57,362	13,971	(1,972)	57,302	103.5%	1
I-5/I-405 Interchange	90,538	72,802	72,946	17,592	(144)	72,886	100.1%	1
S.R. 55 between I-5 and S.R. 91	60,359	44,511	48,932	11,427	(4,421)	47,861	107.5%	1
S.R. 57 between I-5 and Lambert Road	30,179	24,128	22,719	7,460	1,409	22,719	94.2%	1,5
S.R. 91 between Riverside Co. line & Los Angeles Co. line	130,320	116,136	105,079	25,241	11,057	104,492	90.0%	1
S.R. 22 between S.R. 55 and Valley View St.	406,050	321,408	321,408	84,642	-	61,356	19.1%	2
Subtotal Projects	\$ 1,817,621	\$ 1,444,385	\$ 1,425,552	\$ 392,069	\$ 18,833	\$ 998,889	69.2%	
Net (Bond Revenue)/Debt Service		353,459	353,459	(353,459)	-	261,259		
<b>Total Freeways</b>	<b>\$ 1,817,621</b>	<b>\$ 1,797,844</b>	<b>\$ 1,779,011</b>	<b>\$ 38,610</b>	<b>\$ 18,833</b>	<b>\$ 1,260,148</b>	<b>70.1%</b>	
<b>Expenditures as a Percent of Total Program</b>						<b>51.7%</b>		
<b>Regional Street and Road Projects (11%)</b>								
Smart Streets	\$ 159,419	\$ 156,689	\$ 156,689	\$ 2,730	\$ -	\$ 113,763	72.6%	3
Regionally Significant Interchanges	\$ 92,995	92,995	92,995	-	-	30,090	32.4%	3
Intersection Improvement Program	\$ 132,849	132,849	132,849	-	-	48,706	36.7%	3
Traffic Signal Coordination	\$ 66,425	66,425	66,425	-	-	25,700	38.7%	3
Transportation Systems and Transportation Demand Mgmt	\$ 13,285	13,285	13,285	-	-	5,827	43.9%	3
Subtotal Projects	\$ 464,973	\$ 462,243	\$ 462,243	\$ 2,730	\$ -	\$ 224,086	48.5%	
Net (Bond Revenue)/Debt Service		2,730	2,730	(2,730)	-	2,018		
<b>Total Regional Street and Road Projects</b>	<b>\$ 464,973</b>	<b>\$ 464,973</b>	<b>\$ 464,973</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 226,104</b>	<b>48.6%</b>	<b>3</b>
<b>Expenditures as a Percent of Total Program</b>						<b>9.3%</b>		

**ATTACHMENT B**

**Measure M Revenue and Expenditure Summary**  
**As of June 30, 2005**

<u>Project Description</u>	<u>Total Net Tax Revenues</u>	<u>Project Budget</u>	<u>Estimate at Completion</u>	<u>Variance Total Net Tax Revenues to Est at Completion</u>	<u>Variance Project Budget to Est at Completion</u>	<u>To Date Net Project Cost</u>	<u>Percent Budget Expended</u>	<u>Notes</u>
<i>(\$ in thousands, escalated to year of expenditure/revenue)</i>	A	B	C	(A - C)	(B - C)	D	(D / B)	
<b>Local Street and Road Projects (21%)</b>								
Master Plan of Arterial Highway Improvements	\$ 173,131	\$ 173,131	\$ 173,131	\$ -	\$ -	\$ 52,985	30.6%	3
Streets and Roads Maintenance and Road Improvements	614,545	614,545	614,545	-	-	374,068	60.9%	3
Growth Management Area Improvements	100,000	100,000	100,000	-	-	50,352	50.4%	3
Subtotal Projects	\$ 887,676	\$ 887,676	\$ 887,676	\$ -	\$ -	\$ 477,405	53.8%	
Net (Bond Revenue)/Debt Service						-		
<b>Total Local Street and Road Projects</b>	<b>\$ 887,676</b>	<b>\$ 887,676</b>	<b>\$ 887,676</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 477,405</b>	<b>53.8%</b>	
<b>Expenditures as a Percent of Total Program</b>						<b>19.6%</b>		
<b>Transit Projects (25%)</b>								
Pacific Electric Right-of-Way	\$ 20,453	\$ 15,000	\$ 13,100	\$ 7,353	\$ 1,900	\$ 13,284	88.6%	4
Commuter Rail	374,978	374,476	374,476	502	-	258,059	68.9%	3
High-Technology Advanced Rail Transit	463,609	462,989	462,989	620	-	24,456	5.3%	3
Elderly and Handicapped Fare Stabilization	27,271	20,000	20,000	7,271	-	13,010	65.1%	4
Transitways	170,445	146,381	122,346	48,099	24,035	119,079	81.3%	1,6
Subtotal Projects	\$ 1,056,756	\$ 1,018,846	\$ 992,911	\$ 63,845	\$ 25,935	\$ 427,888	42.0%	
Net (Bond Revenue)/Debt Service		63,845	63,845	(63,845)	-	47,191		
<b>Total Transit Projects</b>	<b>\$ 1,056,756</b>	<b>\$ 1,082,691</b>	<b>\$ 1,056,756</b>	<b>\$ -</b>	<b>\$ 25,935</b>	<b>\$ 475,079</b>	<b>43.9%</b>	
<b>Expenditures as a Percent of Total Program</b>						<b>19.5%</b>		
<b>Total Measure M Program</b>	<b>\$ 4,227,026</b>	<b>\$ 4,233,184</b>	<b>\$ 4,188,416</b>	<b>\$ 38,610</b>	<b>\$ 44,768</b>	<b>\$ 2,438,736</b>	<b>57.6%</b>	

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. Estimate at Completion decreased by \$1,524,000 to reflect internal fund transfer from Fund 51 (Capital Projects) to Measure M and credited to the project.
6. Estimate at Completion increased by \$1,343,000 for additional landscaping. Board approved increase June 27, 2005.







BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Garden Grove Freeway (State Route 22) Design-Build Project -  
Construction Contract Change Order No. 9

Regional Planning and Highways Committee

August 15, 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 Recommendations**

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 9 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$1.2 million, for removal and relocation of a previously undisclosed storm sewer pipe.
- B. Direct staff to seek reimbursement from the County of Orange for a portion of the cost of Change Order No. 9.



**August 15, 2005**

**To:** Regional Planning and Highways Committee

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

**Subject:** Garden Grove Freeway (State Route 22) Design-Build Project - Construction Contract Change Order No. 9

### **Overview**

On August 23, 2004, the Orange County Transportation Authority's Board of Directors awarded a design-build contract to improve 12 miles of the Garden Grove Freeway (State Route 22) from Valley View Street east to the Costa Mesa Freeway (State Route 55) interchange. Construction contingency has been budgeted to account for unforeseen and changed conditions that occur during construction. Contract Change Order No. 9 is presented for Board consideration.

### **Recommendations**

- A. Authorize the Chief Executive Officer to execute Contract Change Order No. 9 to Agreement C-3-0663 with Granite-Myers-Rados, in an amount not to exceed \$1.2 million, for removal and relocation of a previously undisclosed storm sewer pipe.
- B. Direct staff to seek reimbursement from the County of Orange for a portion of the cost of Change Order No. 9.

### **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.

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 Street 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.
- Auxiliary lanes between interchanges at various locations and a continuous auxiliary lane in each direction between the San Diego 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 The City Drive and the Interstate 5/SR-22/State Route 57(SR-57) interchange.
- Various interchange improvements, construction of additional soundwalls, replacement landscaping, and aesthetic enhancements.

On August 23, 2004, the Board approved a project budget in the amount of \$490 million. On May 9, 2005, the Board amended the SR-22 project budget from \$490,000,000 to \$495,000,000, using Federal Regional Surface Transportation Program (RSTP) funds for the addition of project aesthetics previously removed during the Best and Final Offer of the procurement process. This amended budget includes \$395 million for the design-build contract and \$100 million in other program costs including project management support, legal services, right-of-way (ROW), 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), contributions from the various cities, and federal RSTP funds.

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
RSTP	\$5,000,000
Total	\$495,000,000

The \$16 million construction contingency is approximately 4 percent of the total construction bid amount. The contingency includes 3 percent for unforeseen changes. The remaining 1 percent is for known but unquantifiable items, such as steel and asphalt price adjustments, graffiti removal, and defined maintenance of existing facilities.

***Discussion***

On August 9, 2005, Authority's Chief Executive Officer and Authority project representatives met with the County's Chief Executive Officer and County project representatives. Both sides agreed that the financial culpability for the relocation would be shared. The SR-57 to SR-22 connector is on the critical path of the project, therefore the Authority must proceed in a timely fashion to resolve the issue. In order to maintain the project schedule, staff is proposing to proceed with Contract Change No. 9 to the GMR contract. An agreement between the Authority and the County will be prepared in the next 30 days outlining the terms and conditions in which the Authority will be reimbursed for a portion of total cost of Contract Change Order No. 9. The agreement will be presented to both the Authority Board and the County Board of Supervisors for approval.

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 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 Contracts Administration and Materials Management, and the executive director of Construction & Engineering before being executed by all parties. The Contract Change Order Status Report is included as Attachment A.

**Fiscal Impact**

Costs associated with Contract Change Order No. 9 can be accommodated within the Authority's Fiscal Year 2005-06 Budget, Construction & Engineering, account 0010-9017, Local Transportation Authority. A portion of the total cost of the change will be reimbursed to the Authority by the County. Funds received from the County will be used to replenish a portion of the contingency funds expended for this change. The project budget remains unchanged by issuance of Contract Change Order No. 9.

***Summary***

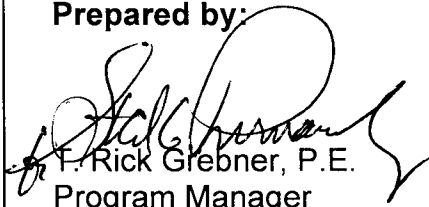
The Authority continues to advance the first project to be constructed in the State of California on an active freeway using the innovative design-build delivery

method. Staff recommends Board approval of Contract Change Order No. 9 to Agreement C-3-0663 with GMR with a portion of the cost to be reimbursed by the County of Orange.

**Attachment**

- A. Design-Build Services for Garden Grove Freeway (SR-22) HOV Lane Design-Build Project, Status of Contract Change Orders

**Prepared by:**

  
F. Rick Grebner, P.E.  
Program Manager  
(714) 560-5729

**Approved by:**

  
Stanley G. Pernambuco  
Executive Director,  
Construction & 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	6/24/2005	\$ 6,000,000	\$ 1,000,000	\$15,000,000	6.25%
4	\$ 21,500	GMR to perform civil portion of SCE work near Yockey Street. SCE could not meet project schedule. Payments to GMR will be withheld from SCE.	Contract Section 13	5/25/2005	\$ 6,021,500	\$ 1,021,500	\$14,978,500	6.38%
5	\$ 27,784	GMR to perform civil portion of SCE work near Lewis Channel. SCE could not meet project schedule. Payments to GMR will be withheld from SCE.	Contract Section 13	5/26/2005	\$ 6,049,284	\$ 1,049,284	\$14,950,716	6.56%
6	\$ 143,098	Civil design work for SCE utility relocation at Dunklee Street.	Contract Section 13	7/18/2005	\$ 6,192,382	\$ 1,192,382	\$14,807,618	7.45%
7	\$ 50,093	Civil design work for SBC utility relocation at Dunklee Street.	Contract Section 13	7/18/2005	\$ 6,242,475	\$ 1,099,377	\$14,900,623	6.87%
8	\$ (1,181,512)	Deductive Change Order for Caltrans provided ITS equipment.	Contract Section 13	8/11/2005	\$ 5,060,963	\$ (82,135)	\$16,082,135	-0.51%
9	\$ 1,200,000	Removal and placement of 66" storm sewer pipe adjacent to the County of Orange Animal shelter.	Contract Section 13	Pending	\$ 6,260,963	\$ 1,117,865	\$14,882,135	6.99%

- Notes:
- 1) Funds for CCO #3 from additional RSTP. Initial project contingency not used. Project budget increased from \$490 M to \$495M
  - 2) RE: CCO #8. Caltrans will provide deleted ITS material. Costs will be reimbursed with TCRP funds. Total cost of Caltrans provided material is approximately \$750,000. The net project budget savings is approximately \$430,000
  - 3) A portion of the cost will be reimbursed by the County of Orange





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Approval of Fiscal Year 2004-05 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

Finance and Administration Committee

August 10, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2004-05 Local Transportation Fund Claim for public transportation services in the amount of \$2,276,453, (\$926,453, claim plus \$1,350,000, payment from reserve), and authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.





**August 10, 2005**

**To:** Finance and Administration Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Approval of Fiscal Year 2004-05 Local Transportation Fund Claim for Laguna Beach Public Transportation Services

**Overview**

The Laguna Beach Municipal Transit Lines, a department within the City of Laguna Beach, is eligible to receive funding from the Local Transportation Fund in Orange County for providing public transportation services throughout the city. To receive the funds, the Laguna Beach Municipal Transit Lines must file a claim against the Local Transportation Fund with the Orange County Transportation Authority .

**Recommendation**

Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2004-05 Local Transportation Fund Claim for public transportation services in the amount of \$2,276,453, (\$926,453, claim plus \$1,350,000, payment from reserve), and authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

**Background**

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to public transit and transit-related projects. The TDA created in each county a Local Transportation Fund (LTF) for transportation purposes specified in the Act. Revenues are derived from 1/4 cent of the current 7 3/4 cent retail sales tax.

The LTF revenues are collected by the State Board of Equalization and returned to the local jurisdictions based on the volume of sales during each month. As required under provisions of the TDA, in Orange County the LTF receipts are deposited in the Orange County Local Transportation Fund (OCLTF) account

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(fund 182) in the Orange County Treasury and are administered by the Orange County Auditor-Controller.

In Orange County, the Orange County Transportation Authority (OCTA) is the transportation planning agency responsible for the allocation of the LTF within its jurisdiction. Upon instructions from OCTA, LTF receipts are distributed by the Auditor-Controller among the various administrative, planning, public transportation, bicycle, pedestrian, and bus stop facilities program apportionments as specified in the TDA. The Orange County Transit District (OCTD) and the Laguna Beach Municipal Transit Lines (LBMTL) are the only public transit operators in Orange County eligible to receive allocations from the LTF.

On March 12, 2004, the OCTA Board of Directors approved the Local Transportation Fund fiscal year (FY) 2004-05 apportionments. The total apportionment approved for LBMTL equaled \$986,971. On June 15, 2004, the Laguna Beach City Council adopted a resolution authorizing the filing of a LTF claim with OCTA for public transportation services. However, the city only submitted its FY 2004-05 claim against the LTF on July 22, 2005, and it was received by OCTA on July 25, 2005. Of the total claim amount of \$926,453, for FY 2004-05 the sum of \$852,998, is needed by the city to meet operating expenses and \$74,155, is required for capital expenditures.

In addition to the claim amount of \$926,453, the city is also requesting that payment be made from previously established reserves in the OCLTF. A total of \$450,000, for the purchase of three buses which were first reserved in FY 2002-03 has been requested. The city is also requesting payment of \$900,000, which was reserved in the OCLTF in FY 2003-04, for the construction of a corporate yard. All payments for FY 2004-05 operating expenses and capital expenditures are being made in FY 2005-06. Similarly, the drawdowns for capital purchases reserved in prior years are also being made in FY 2005-06.

### ***Discussion***

Section 6630 of the California Code of Regulations requires the City of Laguna Beach, as a public transit operator, to file a claim with OCTA in order to receive an allocation from the LTF for providing public transportation throughout the city. LBMTL, a department within the city, is a public transit operator and an eligible claimant for filing claims for public transportation services under Article 4 of the TDA. The amount being claimed for FY 2004-05 equals \$926,453. In addition, the city is requesting \$1,350,000, to be paid from reserves previously approved

and retained in the OCLTF. Payments for expenses incurred in FY 2004-05 will be made during FY 2005-06, the current fiscal year.

The OCTA, as the transportation planning agency for Orange County, is authorized to approve claims and to make payments from the LTF through written instructions to the Auditor-Controller.

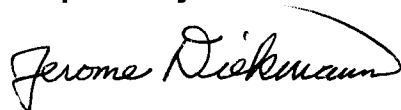
***Summary***

The Orange County Transportation Authority's approval of the City of Laguna Beach's claim against the Orange County Local Transportation Fund in the amount of \$926,453, plus \$1,350,000, payment from reserves, will provide financial support to the Laguna Beach Municipal Transit Lines for providing public transportation services throughout the City of Laguna Beach during fiscal year 2004-05.

***Attachment***

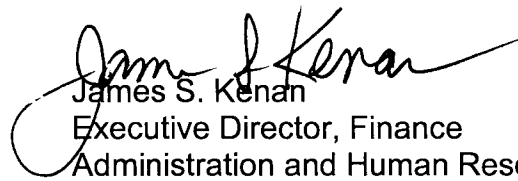
None.

**Prepared by:**



Jerome Diekmann  
Sr. Financial Analyst  
Financial Planning & Analysis  
(714) 560-5685

**Approved by:**



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





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>WK</sup> Wendy Knowles, Clerk of the Board  
**Subject** Amendment to Agreement for Provision of ACCESS and Contracted Fixed Route Service

Transit Planning and Operations Committee

August 11, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 6 to Agreement C-4-0301 between the Orange County Transportation Authority and Laidlaw Transit Services, Inc., in an amount not to exceed \$8,639,000, for provision of ACCESS and Contracted Fixed Route Services through February 28, 2005.





**August 11, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Provision of ACCESS and Contracted Fixed Route Services

**Overview**

On June 13, 2005, the Board of Directors approved a four-month extension to the agreement with Laidlaw Transit Services, Inc., to allow additional time for the evaluation of proposals for the ACCESS and Contracted Fixed Route Services. Proposals are currently being evaluated to ensure selection of the best business opportunity for the Orange County Transportation Authority. While this evaluation and selection process continues, staff requests an additional three-month extension to the current agreement with Laidlaw Transit Services, Inc.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 6 to Agreement C-4-0301 between the Orange County Transportation Authority and Laidlaw Transit Services, Inc., in an amount not to exceed \$8,639,000, for provision of ACCESS and Contracted Fixed Route Services through February 28, 2006.

**Background**

Laidlaw Transit Services, Inc. (Laidlaw) provides ACCESS and Contracted Fixed Route transportation services on behalf of the Orange County Transportation Authority (Authority) under Agreement C-4-0301. This agreement was awarded on April 12, 2004, in the amount of \$31,733,223, for service provided through June 30, 2005. This agreement was extended on two prior occasions, January 24, 2005, (Amendment No. 3) for a one-month period and June 13, 2005, (Amendment No. 5) for a four-month period, which ends on November 30, 2005.

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***Discussion***

The procurement for ACCESS and Contracted Fixed Route Services began in December 2004. An aggressive procurement schedule was developed to allow sufficient time for the contractors to complete start-up activities and begin operation by July 1, 2005. However, the procurement has been delayed on two prior occasions: a one-month period from July 1, 2005, through July 31, 2005, to allow a negotiating period for Teamsters Local 952 and Laidlaw drivers, and August 1, 2005, through November 30, 2005, due to the complexity of the procurement.

On June 29, 2005, the Authority received a solicitation phase protest from one of the short listed firms, who objected to the Best and Final Offer (BAFO). The BAFO asked the short listed firms to submit an optional proposal that combined the services of Contracted Fixed Route, Stationlink and Express Bus Service with ACCESS service. The firm protesting asked that the deadline be extended three months in order to allow sufficient time to prepare and submit a proposal. The firm did not submit a proposal originally for the ACCESS service. The Authority staff reviewed the protest and agreed that in an effort to treat all short listed firms fairly, the submittal date for the BAFO must be extended. The deadline for submitting a response to the BAFO has been extended to September 22, 2005.

The BAFO time extension has created a situation whereby the existing contractor must continue to provide the services under the current contract to allow completion of the procurement. This procurement was originally handled in accordance with the Authority's procedures for professional and technical services. It has become necessary to amend the agreement to provide additional time to complete the current procurements. Staff has estimated what the necessary adjustment to the maximum obligation will be to extend the agreement for three months.

The original agreement awarded on April 12, 2004, was in the amount of \$31,733,223. This agreement was amended previously (Attachment A). The total amount after approval of Amendment No. 6 will be \$56,083,407.

**Fiscal Impact**

The work described in Amendment No. 6 to Agreement C-4-0301 is included in the approved Authority's Fiscal Year 2005-06 Budget, Operations Division/Community Transportation Services Section, Accounts 2131-7311 and 2131-7313, and will be funded through the Local Transportation Fund.



***Summary***

Staff recommends approval of Amendment No. 6, in the amount of \$8,639,000, for a three month extension to Agreement C-4-0301 with Laidlaw Transit Services, Inc.

***Attachments***

- A. Laidlaw Transit Services, Inc., Agreement C-4-0301 Fact Sheet
- B. ACCESS and Contracted Fixed Route Procurement Schedule

**Prepared by:**



Curt Burlingame  
Section Manager II, CTS  
(714) 560-5921

**Approved by:**



William L. Foster  
General Manager, Operations  
(714) 560-5842

**LIDLAW TRANSIT SERVICES, INC.  
Agreement C-4-0301 Fact Sheet**

1. April 12, 2004, Agreement C-4-0301, \$31,733,223, approved by Board of Directors.
  - Provide ACCESS and small bus fixed route services
  - ACCESS service to be provided from 5:00 a.m. until 9:00 p.m. daily; taxi services will be procured to provide service from 9:00 p.m. until 5:00 a.m. daily
2. May 24, 2004, Amendment 1 to Agreement C-4-0301, \$1,299,550, approved by Board of Directors.
  - Purchase, install, field test and accept data communication system for 268 revenue vehicles used to provide ACCESS service (255 revenue vehicle units with 13 spares)
  - Authority will own the system upon completion of the project and acceptance by the Authority
  - Laidlaw will provide management oversight for a 3 percent fee which is included in the not to exceed amount
3. June 14, 2004, Amendment No. 2 to Agreement C-4-0301, \$79,250 approved by Board of Directors.
  - Provide late night ACCESS service from 9:00 p.m. until 5:00 a.m. daily until procurement for services to be provided using taxis has been concluded and approved by the Board
4. January 24, 2005, Amendment No. 3 to Agreement C-4-0301, \$2,992,700, pending approval by Board of Directors.
  - Extend term of agreement through July 31, 2005
  - Add 56,059 vehicle service hours to ACCESS program
  - Add 7,851 vehicle service hours to small bus fixed route program
  - Add 1,675 vehicle service hours to Stationlink
5. March 28, 2005, Amendment No. 4 to Agreement C-4-0301, \$1,414,114, pending approval by Board of Directors.
  - Add \$250,000 to maximum obligation for major maintenance expenses
  - Add \$83,000 to maximum obligation to provide ACCESS service during hours of late night ACCESS service due to inability of taxi operator to meet all demand

- Add \$1,290,000 to maximum obligation for additional 30,000 ACCESS vehicle service hours (VSH) to meet all demand for service in fiscal year 2004-05 in excess of budget authority
  - Add \$319,886 to maximum obligation to reimburse contractor for purchase of diesel fuel for revenue vehicles in excess of \$1.04 per gallon from September 2004 through January 2005
  - Add \$36,000 to maximum obligation for purchase of gasoline used in demonstration vehicle being tested in revenue service
  - Modify agreement language to reflect change in provision of diesel fuel effective January 2005; Authority provides diesel fuel to contractor and contractor now reimburses Authority for diesel fuel delivered at a set rate of \$1.04 per gallon
  - Add \$75,000 to maximum obligation to pay tax on the purchase of the Data Communication System
6. June 13, 2005, Amendment No. 5 to Agreement C-4-0301, \$1,226,374, pending approval by Board of Directors.
- Add 223,286 vehicle service hours for the operation of ACCESS service
  - Add 21,577 vehicle service hours for the operation of Contracted fixed Route service
  - Add 5,509 vehicle service hours for the operation of Stationlink service
  - Add \$62,500 to the maximum obligation for major maintenance expenses
  - Add \$5,000 to maximum obligation for purchase of gasoline used in the 2 demonstration vehicles being tested in revenue service
7. August 22, 2005, Amendment No. 6 to Agreement C-4-0301, \$8,639,000, pending approval by Board of Directors.
- Add \$7,156,400 to maximum obligation for additional 155,218 ACCESS VSH to meet all demand for service in fiscal year 2004-05 in excess of budget authority
  - Add \$1,037,728 to maximum obligation for additional 22,508 vehicle service hours for the operation of Contracted Fixed Route services
  - Add \$268,361 to maximum obligation for additional 5,440 vehicle service hours for the operation of Stationlink service
  - Add \$62,500 to maximum obligation for major maintenance expenses
  - Add \$5,000 for gasoline utilized in the demonstration vehicles

Total maximum obligation for Agreement C-4-0301 after Amendment No. 6:  
\$56,083,407

**ATTACHMENT B**

**ACCESS and Contracted Fixed Route  
Procurement Schedule**

December 2004	Initiated Procurement
January 2005	Extended One-month
April 2005	Proposals Due
April 2005	Best and Final Offers Due
May 2005	Evaluate Proposals and Options
September 2005	Extended Best and Final Period Ends; Proposals Due
November 2005	New Contract Awarded
Nov 2005 – Feb 2006	Start-up Period
March 1, 2006	New Contract Operational





*BOARD COMMITTEE TRANSMITTAL*

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles<sup>WK</sup>, Clerk of the Board  
**Subject:** Amendment to Agreement for Community Transportation Services  
Radio Maintenance

Transit Planning and Operations Committee

August 11, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-3-0025 between the Orange County Transportation Authority and Clear Path Wireless, Inc., to exercise the second option year, in an amount not to exceed \$40,000, for mobile radio maintenance.



**August 11, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Amendment to Agreement for Community Transportation Services Radio Maintenance

**Overview**

On October 27, 2003, the Board of Directors approved an agreement with Clear Path Wireless, Inc., in the amount of \$40,000, to provide mobile radio maintenance for the small bus fleet for a one-year term, with four one-year options.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-3-0025 between the Orange County Transportation Authority and Clear Path Wireless, Inc., to exercise the second option year, in an amount not to exceed \$40,000, for mobile radio maintenance.

**Background**

The Orange County Transportation Authority (Authority) provides the communication system used by the contractor operating the ACCESS and small bus fixed route services. This includes 370 mobile radio and 15 hand held units deployed in revenue vehicles and used by field personnel. Clear Path Wireless, Inc. (Clear Path), has been providing preventive maintenance and repair services for this equipment since November 3, 2003. Repairs are identified by the vehicle operators, a work order is generated by maintenance staff, and then transmitted to Clear Path to schedule the necessary repairs. Authority staff provides necessary coordination and monitors all work performed.

**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 competitive basis. It has become necessary to amend the agreement to exercise the second option year.

**Fiscal Impact**

The work described in Amendment No. 4 to Agreement C-3-0025 was approved in the Authority's Fiscal Year 2005-06 Budget, Community Transportation Services, Account 2131-7613-D1208-8LN, and is funded through the Local Transportation Fund.

**Summary**

Based on the material provided, staff recommends approval of Amendment No. 4, in the amount of \$40,000, to Agreement C-3-0025 with Clear Path Wireless, Inc., increasing the total contract commitment to \$120,000.

**Attachment**

- A. Clear Path Wireless, Inc., Agreement C-3-0025 Fact Sheet

**Prepared by:**



Dale Fuchs  
Sr. Maintenance Field Administrator, CTS  
(714) 560-5947

**Approved by:**



William L. Foster  
General Manager, Operations  
(714) 560-5842



## ATTACHMENT A

### **CLEAR PATH WIRELESS, INC. Agreement C-3-0025 Fact Sheet**

1. November 3, 2003, Agreement C-3-0025, \$40,000, approved by the Board of Directors.
  - Provide mobile radio maintenance and repair service for small bus fleet
  - Term of agreement, November 1, 2003 through October 31, 2004
2. November 3, 2004, Amendment No. 1 to Agreement C-3-0025, \$40,000, approved by the Board of Directors.
  - Exercise the first Option term of agreement, November 1, 2004 through October 31, 2005
3. December 31, 2004, Amendment No. 2 to Agreement C-3-0025 was issued to change the name of the firm from CanDou Communications to Clear Path Wireless
4. June 14, 2005, Amendment No. 3 to Agreement C-3-0025, was issued to change the vendor address and add key personnel
5. August 22, 2005, Amendment No. 4 to Agreement C-3-0025 \$40,000, pending approval by Board of Directors.
  - Extend term of agreement, November 1, 2005 through October 31, 2006

Total committed to Clear Path Wireless, Inc., Agreement C-3-0025: \$120,000.





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** Transfer of Title of Surplus Paratransit Vehicles

Transit Planning and Operations Committee

August 11, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to transfer title of 20, 17-passenger, retired paratransit vehicles to local non-profit organizations.





**August 11, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Transfer of Title of Surplus Paratransit Vehicles

### **Overview**

The Orange County Transportation Authority periodically declares revenue and service vehicles as surplus after they have reached the end of their useful service life. Non-profit and government organizations frequently request transfer of these vehicles for their use. The Board of Directors has established a policy for such transfers. Staff is requesting approval to transfer 20 retired paratransit vehicles in accordance with this policy.

### **Recommendation**

Authorize the Chief Executive Officer to transfer title of 20, 17-passenger, retired paratransit vehicles to local non-profit organizations.

### **Background**

The Orange County Transportation Authority (Authority) periodically replaces revenue and service vehicles that have reached the end of their useful service life. Although some of these vehicles could still be operated safely in a less rigorous environment, they are not economically maintainable for the Authority's transit service. As these vehicles are removed from service, they are declared surplus to the Authority's needs. In 1995, the Board of Directors approved a policy allowing the Authority to transfer retired surplus vehicles to non-profit and government agencies.

### **Discussion**

To alert area non-profit and government organizations of the surplus vehicle opportunity, Community Transportation Services (CTS) staff mailed notification letters to all Senior Mobility Program cities, more than 250 Orange County non-profit organizations, and nearly 40 organizations that had expressed interest in the program since the 2004 donation cycle. In addition, information about the program has been maintained on the OCTA website with an online registration form to enter interested organizations on the program mailing list.

To help interested organizations better understand the program and application process, an orientation meeting was conducted in June. Representatives from more than 37 organizations attended and received an overview packet with information about program eligibility, the evaluation process and criteria, and vehicle specifications. The orientation also included a display vehicle, allowing participants to see the type of vehicle available for transfer.

As a result of these efforts, a total of 30 agencies and municipalities have requested vehicles.

All requests have been evaluated in accordance with the Authority's Surplus Vehicle Transfer Program guidelines (Attachment A), and staff has determined that 28 requests meet the established criteria of the program. Based on this policy and vehicle availability, organizations were placed in three tiers with the highest priority given to those organizations that serve persons with disabilities. Fifteen organizations in tiers one and two have been identified to receive vehicles pending Board approval (Attachment B). Should any of these 15 organizations decline the vehicle(s) offered, tier three organizations will be selected in the order they are listed in Attachment B until all vehicles have been appropriately transferred.

**Summary**

The Authority transfers title of retired revenue surplus vehicles to non-profit and government organizations through its Surplus Vehicle Transfer Program. Staff is requesting approval to transfer title of 20 retired paratransit vehicles in accordance with this policy.

**Attachments**

- A. Surplus Vehicle Transfer Program
- B. 2005 Vehicle Donation Recommendation List

**Prepared by:**



Dana Wiemiller  
Community Transportation Coordinator  
(714) 560-5718

**Approved by:**



William L. Foster  
General Manager, Operations  
(714) 560-5842

## Surplus Vehicle Transfer Program

### **Program Overview**

The Orange County Transportation Authority (OCTA) is committed to providing Orange County with efficient and comprehensive transportation services. To that end, a Surplus Vehicle Transfer Program has been established to help meet the transportation needs of the community.

This program is designed to provide vehicles to local organizations serving youth, senior citizens, and persons with disabilities to support their transportation needs.

### **Eligibility**

OCTA is authorized to donate surplus vehicles to non-profit and government agencies. Organizations requesting a surplus vehicle must be:

- A non-profit or government agency; and
- Ineligible for operating and/or capital assistance under any federal or state program which may assist with the purchase or procurement of transportation vehicles.

All eligible requests will be reviewed and considered for donation approval. Requests received from government agencies must be accompanied by a letter of support from their governing Board.

### **Evaluation Process**

The Authority receives numerous requests for surplus vehicles. To facilitate processing requests, agencies are required to complete an application and return to the Authority. Information gathered from the application will be used to evaluate an agency's need and eligibility for donation of a vehicle(s). A point value will be assigned to each agency based on the following criteria:

**ATTACHMENT A**

<b>Points</b>	<b>Criteria</b>
30	Agencies serving primarily ADA/ACCESS eligible clients.
15-20	Agencies willing to discontinue receiving part or all of their current ACCESS service in exchange for a surplus vehicle. <i>The greater amount of ACCESS service relieved, the more points an agency is assigned.</i>
10-15	Agencies that serve persons with disabilities, seniors or youth. <i>The greater number of clients served, the more points an agency is assigned.</i>
7	All other non-profit agencies.
5	All other government agencies.

Donation eligibility will be based on the number of points an agency receives. The more points received the higher probability that an agency will receive a surplus vehicle. All requesting agencies will be notified whether or not they have been approved for donation once a decision has been made and approved by the OCTA Board of Directors.

Requesting agencies that previously received a surplus vehicle will incur a 10 point deduction. This will provide agencies that have not already received a vehicle with more opportunity for approval.



**2005 Vehicle Donation Recommendation List**

*Vehicle donations are recommended for Tier One and Tier Two organizations. Should any of the Tier One or Tier Two organizations decline their vehicle, Tier Three organizations will be selected by lottery.*

**Tier One**

Boys and Girls Club, Garden Grove (2)  
Disney GOALS, Anaheim (2)  
UC Irvine Parking & Transportation, Irvine (2)  
Veterans Resource Center, Santa Ana (2)  
Vocational Visions, Mission Viejo (2)

**Tier One Vehicles**

**10**

**Tier Two**

Bethel Korean Church, Irvine  
Boys & Girls Club, Anaheim  
Eli Home, Inc., Anaheim  
Fountain Spring International, Inc., Huntington Beach  
Gospel Light Church of God in Christ, Santa Ana  
John Henry Foundation, Santa Ana  
Lighthouse Christian Center, Seal Beach  
Lighthouse Ministries, Newport Beach  
Miracle Church of God in Christ, Garden Grove  
Wishland Foundation, Inc., Garden Grove

**Tier Two Vehicles**

**10**

**TOTAL VEHICLES**

**20**

**Tier Three**

Kidworks, Santa Ana  
Eastside Christian School, Fullerton  
Garden Grove United Methodist Church, Garden Grove  
Temple Beth Tikvah, Fullerton  
Victory Baptist Church, Anaheim  
Friends of Grace, Placentia  
On Eagles Wings, Orange  
Histart, Santa Ana  
Irvine Police Dept., Irvine  
All Congregations Together, San Diego  
Figueroa Church of Christ, Los Angeles  
First Evangelical Church, Cerritos  
Ramona Senior Center, Ramona





BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>Wk</sup> Wendy Knowles, Clerk of the Board  
**Subject** Amendment to Agreement for Bus Cleaning and Environmental Control Services

Transit Planning and Operations Committee

August 11, 2005

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

**Committee Vote**

This item was passed by all Committee Members present.

**Committee Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-3-0577 between the Orange County Transportation Authority and Corporate Image Maintenance, in an amount not to exceed \$500,000, for bus cleaning and environmental control services.



**August 11, 2005**

**To:** Transit Planning and Operations Committee  
**From:** Arthur T. Leahy, <sup>PL</sup> Chief Executive Officer  
**Subject:** Amendment to Agreement for Bus Cleaning and Environmental Control Services

**Overview**

On September 22, 2003, the Board of Directors approved an agreement with Corporate Image Maintenance to provide bus cleaning and environmental control services.

**Recommendation**

Authorize the Chief Executive Officer to execute Amendment No. 4 to Agreement C-3-0577 between the Orange County Transportation Authority and Corporate Image Maintenance, in an amount not to exceed \$500,000, for bus cleaning and environmental control services.

**Background**

The Orange County Transportation Authority's (Authority) interior bus cleaning and environmental control program consists of contractor services for licensed application of environmental control solutions and cleaning. This agreement provides for scheduled environmental control application four times per year including a complete interior detail cleaning. Corporate Image Maintenance provides all supervision, equipment, labor and materials to perform this service for the Authority's fixed route buses.

The agreement also provides for supplemental tasks such as exterior window hard water spot and calcium removal, applying window sealant, and removal/replacement of window protectors. The original agreement was issued for one year, with two one-year options.

***Discussion***

This procurement was handled in accordance with the Authority's procedures for procurement of professional and technical services. The original agreement was awarded on a competitive basis.

The agreement awarded on October 1, 2003, was in the amount of \$400,000. Amendment No. 4, in the amount of \$500,000, indicates a \$50,000 increase per year, this being the third year. This corresponds to a 4.5 percent increase in the per unit cleaning and environmental control application cost, per year with the remainder of the increase for additional services.

**Fiscal Impact**

This project was included in the Authority's Fiscal Year 2005-06 Budget. Funds are available in account 2166-7613-D2107-2WP.

***Summary***

Staff recommends approval of Amendment No. 4, in the amount of \$500,000, to Agreement C-3-0577 with Corporate Image Maintenance.

***Attachment***

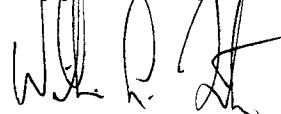
- A. Corporate Image Maintenance  
Agreement C-3-0577 Fact Sheet

**Prepared by:**



Al Pierce  
Manager, Maintenance Department  
714-560-5975

**Approved by:**



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

## ATTACHMENT A

### **Corporate Image Maintenance Agreement C-3-0577 Fact Sheet**

1. September 22, 2003, Agreement C-3-0577, \$400,000, approved by Board of Directors.
  - Bus Cleaning and Environmental Control Services.
2. May 10, 2004, Amendment No. 1 to Agreement C-3-0577, no cost increase, approved by Manager of Maintenance Procurement
  - Add additional, one-time task for cleaning and detailing of the Authority's CEA vehicles.
3. September 13, 2004, Amendment No. 2 to Agreement C-3-0577, \$450,000, approved by Board of Directors.
  - Exercise the first option year.
4. June 30, 2005, Amendment No. 3 to Agreement C-3-0577, no cost increase, approved by Manager of Maintenance Procurement
  - To add price summary for new tasks and add Santa Ana Base as a work location.
5. August 22, 2005, Amendment No. 4 to Agreement C-3-0577, \$500,000, pending approval by Board of Directors.
  - Exercise the second and final option year.

Total committed to Corporate Image Maintenance, Agreement C-3-0577: \$1,350,000.







BOARD COMMITTEE TRANSMITTAL

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board  
**Subject:** **Measure M Research: Focus Groups and Polling**

Transportation 2020 Committee

August 15, 2005

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

**Committee Vote**

The item was passed unanimously by those present.

**Committee Recommendations**

- A. Receive and file the report on Measure M focus groups from Discovery Data Inc.
- B. Receive and file the report on the Measure M voter opinion poll from J. Moore Methods.
- C. Direct the Chief Executive Officer to seek an addendum to Agreement C-5-2298 with the firm of J. Moore Methods to conduct an Orange County voter opinion poll and increase the contract by an amount not-to-exceed \$60,000 for a total not-to-exceed \$135,000.



**August 15, 2005**

**To:** Members of the Transportation 2020 Committee  
**From:** Arthur T. Leahy, Chief Executive Officer *ATL*  
**Subject:** Measure M Research: Focus Groups and Polling

**Overview**

At the direction of the Board, polling and focus group research services for a possible Measure M extension were procured through a competitive bidding process. An initial round of five focus groups and a poll of 1500 Orange County voters have been completed. Both indicate sufficient potential support to continue planning for an extension. Based on the findings from this research, it is recommended that additional polling research be done with a focus on mass transit issues. To maintain consistency in the collection and analysis of data, staff recommends that the existing contract with the polling firm J. Moore Methods be amended to conduct the additional research.

**Recommendations**

- A. Receive and file the report on Measure M focus groups from Discovery Data Inc.
- B. Receive and file the report on the Measure M voter opinion poll from J. Moore Methods.
- C. Direct the Chief Executive Officer to seek an addendum to Agreement C-5-2298 with the firm of J. Moore Methods to conduct an Orange County voter opinion poll and increase the contract by an amount not to exceed \$60,000 for a total not to exceed \$135,000.

**Background**

On February 28, 2005, the Board of Directors upon the recommendation of the Transportation 2020 Committee, authorized the Chief Executive Officer to issue Requests for Proposals (RFPs) for focus group and polling research services regarding the potential extension of Measure M. Through a competitive bidding process, the firm of Discovery Data, Inc. was selected for

focus group services, and the firm of J. Moore Methods was selected for polling services.

A series of five focus groups were conducted (one in each supervisorial district) during May and June. A voter opinion poll of 1500 likely Orange County voters was conducted in late July. The results of these research efforts are shown as Attachment A (focus groups) and Attachments B and C (voter opinion poll).

### ***Discussion***

#### **Focus Group Results**

The five supervisorial district voter focus groups were held between May 18 and June 15. The 66 participants were randomly selected using criteria to assure they were representative of the voter population. All sessions were moderated by Jan Mathews of Discovery Data Inc. and were recorded on videotape and DVD.

The objectives of the focus group discussions were to test awareness of Measure M; identify priorities and preferences for various projects; explore similarities and differences in views over the five supervisorial districts; and understand why voters would support or oppose an extension of Measure M. The focus groups were conducted in advance of the opinion polling to help shape and inform the topics covered and language used in the poll questionnaire.

The key findings of the focus group research are as follows:

- Traffic congestion is at the top of their mind
- Initial awareness of Measure M is low
- Traffic improvement priorities are viewed mainly in personal terms
- Road and highway improvements are generally most popular
- Signal synchronization is the most universally popular project
- Participants have hope for transit, but have difficulty envisioning how it will work for Orange County
- Participants have little experience with or understanding of toll roads
- Some support is evident for mitigating the effects of road runoff on beach pollution
- Support for extension of Measure M is relatively strong, driven mainly by fear of what will happen with traffic when it ends

Among the key recommendations in the consultant's report is the importance of increasing awareness of Measure M as a precondition of gaining support for an

extension; the need to develop an investment plan that can be understood on a personal and local scale; and the importance of accommodating and reflecting regional priorities within the County. With respect to transit, it is recommended that further research be done to better understand what type of transit strategy and investments might be of interest to voters.

#### Voter Opinion Polling Results

A poll of 1500 Orange County voters likely to participate in the November 2006 election was conducted at the end of July. With this sample size, the margin of error is 2.6 percent countywide, and 4.5 to 5.7 percent for supervisorial district sub areas.

The objectives of this poll were the following:

- Identify and measure any changes in attitude or awareness from earlier polling done in November 2004
- Clarify elements that might improve a Measure M extension ballot label
- Identify popular countywide traffic improvement projects
- Identify popular local traffic improvement projects

A report from pollster Jim Moore summarizing the results is included in Attachment B. It highlights the following significant findings:

1. Awareness of Measure M has increased significantly since November 2004, a rise of 13 points from 40 percent to 53 percent.
2. Voters now are more pessimistic than they were in November 2004. Those saying the State of California is on the right track are down 13 points and those feeling Orange County is on the right track are down eight points. Most significant, those who say they could afford extending Measure M are down by 17 points. The drop in optimism since November is most significant among conservative voters.
3. Support for an extension of Measure M is virtually unchanged since November. Initial disposition to support is at 58 percent, compared to 57 percent in November. Despite being otherwise more pessimistic, voters support a Measure M extension with the ballot label at 69 percent as compared to 71 percent in November, unchanged within the margin of error, and still exceeding the required two-thirds threshold.

4. Variations in the proposed duration of a Measure M extension, from 20 years to as long as 40 years, make no significant difference in voter support.
5. Two new elements – a ten-year review with voter approval to make any major changes to the Measure M investment plan; and cleaning up runoff from roads to protect beaches – have strong support and could improve the acceptability of a Measure M extension.
6. There are several projects that have strong countywide support. These include: maintaining streets, improving the Riverside Freeway (State Route 91), improving the “Orange Crush” interchange, improving the Santa Ana Freeway (Interstate 5), coordinating traffic signals, improving pedestrian walkway safety to schools and providing transit for seniors and persons with disabilities.
7. There are a handful of projects in each supervisorial district that have strong local support. These include a wide variety of freeway, interchange, and major road projects.
8. Three potentially controversial projects – paying to make toll roads free; extending the Orange Freeway (State Route 57); and building a new highway between Riverside and Orange counties – show low levels of support and could potentially depress overall support for a Measure M extension if included in the investment plan. In addition, a proposal to extend the San Joaquin Hills Toll Road (State Route 73) from where it ends at Interstate 5 (I-5) to connect with a future extension of the Foothill Toll Road (State Route 241) elicits a similar reaction among south county respondents.

By design, this poll included few questions regarding mass transit. This was due to several factors, including the low level of knowledge and understanding of the subject evidenced in the focus groups and the need to keep the telephone interviews to a suitable length. As noted above, the focus group report recommended that further specific polling research be done on transit.

Accordingly, staff recommends that a follow up poll be done with a specific focus on mass transit projects and priorities. If the Committee and the Board of Directors approve this recommendation in August, the poll could be administered in September, with results available by late September or the first week of October. This schedule would allow sufficient time for the results to be incorporated into the analysis and recommendation on a draft Measure M extension Investment Plan, scheduled for release later this fall. Results could

also be available to the Board consistent with the schedule for its consideration of options to the CenterLine project.

To ensure consistency in the research methodology and the ability to track and compare results with previous polls, it is also recommended that this polling be done by J. Moore Methods. It is estimated that the cost for a twenty-minute telephone survey of 1000 high-propensity Orange County voters, including reports and expenses, would not exceed \$60,000. This amount is consistent with the costs proposed by J. Moore Methods for the initial Measure M polling work.

***Summary***

Results of initial focus group and polling research regarding the potential extension of Measure M have been completed and are presented. Follow up polling research focused on mass transit is recommended.

***Attachments***

- A. Orange County Measure M Half-Cent Transportation Sales Tax Extension Focus Groups: Moderator's Report
- B. Orange County Measure M Extension Survey: Memorandum from Jim Moore
- C. Orange County Measure M Extension Poll: Questionnaire and Topline Results

**Prepared/Approved by:**



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Special Projects  
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Orange County  
Measure M Half-Cent Transportation  
Sales Tax Extension

Focus Groups

May-June 2005

Moderator's Report

*Conducted by Jan Mathews*

# Table of Contents

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# Project Goals

Our goals for this set of five focus groups were the following:

1. Gain a deeper understanding of why the proposed Measure M half-cent transportation sales tax extension is receiving strong voter support countywide (71% in scoping survey of registered voters conducted in November 2004);
2. Test voters' level of awareness and views of the current Measure M half-cent transportation sales tax program;
3. Identify similarities and differences in the voters' views, reactions and motivations, relative to the Measure M half-cent transportation sales tax extension proposal, in each of the five Orange County supervisorial districts;
4. Identify voters' priorities and preferences for local, regional and countywide projects to be included in the Measure M half-cent transportation sales tax extension expenditure plan;
5. Test the levels of support for expanding freeways and highways compared to expanding public transit in the new Measure M expenditure plan;
6. Gain a deeper understanding of voters' views of toll roads; and
7. Test the level of support for including some funding for environmental/quality of life and community enhancement projects in the Measure M sales tax extension plan, to mitigate the impacts of major transportation improvements.

# Project Description

Discovery Data conducted five focus groups between 18 May and 15 June 2005, with Orange County residents. We divided Orange County into five sub-areas, using the supervisorial district boundaries, for developing the Measure M sales tax extension program; each focus group was conducted with respondents selected from one of the five supervisorial district sub-areas.

We randomly selected respondents using specific criteria designed to produce a representative group of likely voters from each area, balanced by gender, age, political party, political ideology, ethnicity, household income and zip code.

A total of sixty-six respondents participated in our focus group discussions.

The discussions were conducted in the following order:

- Group 1 – Supervisorial District 4 – 18 May
- Group 2 – Supervisorial District 1 – 25 May
- Group 3 – Supervisorial District 2 – 1 June
- Group 4 – Supervisorial District 3 – 8 June
- Group 5 – Supervisorial District 5 – 15 June

# Summary of Findings

## Project Overview

While there were many similarities in the views expressed in each of the focus group discussions, the respondents from the five sub-areas also have some distinctly differing views, priorities and motivations.

The similarities that we observed across the board in all five sub-areas on major discussion points included the following:

- Traffic congestion is a top-of-the-mind, major problem facing Orange County;
- Strong support overall for extending the Measure M half-cent transportation sales tax for 30 years;
- A propensity to connect the need for the Measure M extension with the desire to solve problems they personally encounter in their own lives and travel patterns;
- The views that Orange County residents “love their cars” and the cultural and development patterns of the county have long been car-oriented;
- An inability to envision a public transportation system that will be useful to, and used by significant numbers of County residents; and
- Strong support for synchronizing traffic signals on major roads throughout the County as an effective way to relieve traffic congestion on all major freeways, highways and roads in the County.

The differing views among the five sub-areas appeared to be driven in large part by where the respondents live in the county and their own personal commuting and/or travel patterns within the county. As a result we found very few major transportation solutions that will resonate countywide, highlighting the need to identify and emphasize local transportation projects that are widely recognizable in each of the sub-areas.

Respondents from the North and West areas of Orange County clearly have stronger connections to surrounding areas of Los Angeles and Riverside/San Bernardino Counties. As a result, they place a higher priority on improvements to intercounty facilities. Respondents from the remainder of Orange County focused their priorities within County lines, but still based largely on their own individual travel patterns.

The similarities and differences in views expressed in the various sub-areas are highlighted in greater detail in subsequent sections of this report.

While each group of respondents had its own distinct “group personality,” overall the respondents in all five discussion groups were receptive to all information presented, thoughtful in their deliberations, and gave constructive feedback. Each group included a small number of respondents that were somewhat better informed on some of our topics as well as a number of respondents who were considerably less informed.

## Awareness of Current Measure M Half-Cent Sales Tax

- Very few respondents were aware that Orange County currently has a half-cent transportation sales tax in place.
- At least one respondent in each discussion mentioned Measure M, but still only a small number of respondents expressed any recognition. Almost no one connected Measure M with the half-cent sales tax.
- Virtually all awareness of Measure M among the respondents has been generated by the signs at high-visibility construction sites.
- None of the respondents could express, with any certainty, what Measure M has accomplished.
- This lack of awareness, coupled with their own observations of ever-worsening traffic congestion led most respondents to give fair to poor performance ratings to county elected officials on implementing transportation improvements with Measure M. It is important to note that later on in the discussion, after respondents had reviewed a brief summary of Measure M spending categories,

project and programs, their views on implementation appeared to grow more positive.

## Support for Measure M Half-Cent Sales Tax Extension

- Overall, our pool of respondents mirrored the quantitative results from our initial scoping poll on the proposed ballot title and summary. In the poll, 71% of the respondents indicated they would vote yes after hearing the identical ballot title and summary. We saw a similar level of support in the focus groups.
- Support for extending Measure M was driven by three main components:
  - (1) First and foremost, voter support for Measure M is project driven;
  - (2) Traffic congestion is a top-of-the-mind issue for Orange County voters; and
  - (3) Voters fear what will happen if the Measure M funding ceases.
- Clearly voter support for the Measure M extension is “project driven.” Our respondents had the opportunity to review the proposed ballot title and summary for the Measure M extension very early in the discussions. The great majority of respondents voted “yes” after this initial review, and gave very few suggestions for additions or deletions to the ballot title and summary. No changes were suggested to the list of freeway and highway projects, indicating that we hit the mark across the board in that category. A few respondents expressed concern about transit funding, on both sides of the issue: Some wanted more funding for transit, some wanted transit funding reduced. It was clear throughout the remainder of the discussions that respondents had already developed an attachment to the list of projects contained in the proposed measure.
- Support for extending Measure M was driven largely by the fear of what would happen if the current Measure M sales tax ended. In every group, respondents verbalized this fear with statements like, “If we’ve already had the half-cent sales tax for 15 years and traffic is this bad, what would happen without it?” This sentiment resonated with the vast majority of respondents.

- Traffic congestion is a top-of-the-mind issue for Orange County voters. Across the board in all 5 sub-areas respondents mentioned “traffic congestion” first when asked to identify major problems facing Orange County at the start of the discussions. Education and housing prices were the only other issues consistently mentioned as major Orange County problems.
- The Measure M extension will sink or swim based on two of the three critical components fueling its support among voters. We can be assured traffic congestion will continue to be a top-of-the-mind problem for voters—no action required. The project list will be the most critical component for voters when they decide whether to accept or reject the Measure M extension at the ballot box. Also critical: If voters have a clear understanding of how crucial the current Measure M program has been for Orange County, they tend to express fear of what will happen if the Measure M funding is ceased. An effective public information campaign to educate voters on what has been accomplished with Measure M since 1990 is a crucial first step, to build and solidify voter support for the Measure M sales tax extension before voters are asked to evaluate the Measure M extension.
- With the exception of Group 1-District 4, not one of the respondents in the other four discussion groups changed their mind on how they would vote on the Measure M extension by the end of the discussion. The vote count on the final vote was identical to the initial vote count just after the respondents read the proposed ballot language. This is a very unusual occurrence, one we’ve not previously seen in similar focus group research conducted in sales tax campaigns for other counties.
- Respondents in Group 1-District 4 supported the Measure M extension at a lower rate initially, after first reading the proposed ballot title and summary. By the end of the first discussion, we were convinced that it is critical for respondents/voters to have an understanding of the current Measure M, to provide a context for why the Measure M extension is needed. Without that context, the Group 1 respondents struggled throughout most of the discussion, and only at the end were the majority able to conclude that they would support the Measure M extension. Our assumption was confirmed when we provided respondents in the remaining groups with a brief summary of Measure M spending categories, projects and programs to evaluate, before they read the proposed ballot title and summary and voted on the Measure M extension.

- Many respondents expressed concern that a 30 year extension is too long. While this reservation didn't appear to deter respondents from voting in favor of the proposed Measure M extension, the concern was clearly deep enough to warrant further testing in subsequent polling and focus group research.

## Countywide “Star Projects”

- The concept of “synchronizing traffic signals on the main thoroughfares throughout the County” was supported across the board in all five groups. Respondents generally viewed this idea as a cost-effective way to relieve traffic congestion on all major facilities in the County, which could be fully implemented in a relatively short period of time.
- Clearly, everyone who drives has experienced the frustration of repeatedly “missing the light” and then sitting in long lines of traffic. Virtually everyone could describe what a pleasure it would be to cruise through and hit all of the lights just right. One respondent fondly described a time when he drove a long distance, all the way to the beach, hitting all the lights just right along the way. He said it was “like Christmas.” Audible sighs issued forth from many of his fellow respondents.
- While some of the other projects and proposals we tested received majority support in one or more of the discussions, signal synchronization was our only project popular enough across the board in all five groups to be highlighted in the campaign as countywide star projects.

## Support for Expanding & Improving Freeways and Highways

- The concept of “expanding and improving freeways and highways” was top-of-the-mind and popular across the board, in all five groups. Throughout the discussions, the vast majority of respondents felt that all freeways and highways in the County need improvement.
- Support for freeway/highway expansion and improvement was driven in large part by the view that Orange County residents “love their cars” and a sense that

cultural and development patterns of the county have historically been car-oriented.

- Because very few respondents could envision a public transportation system that would be user-friendly and efficient enough to get County residents out of their cars, realistically their main focus is on expanding and improving freeways and highways.
- Carpool lanes were relatively unpopular among the respondents. Many complained that carpool lanes should be open to all drivers during off-peak hours “like they are in the San Francisco Bay Area.” Many respondents feel that carpool lanes haven’t worked, and traffic flow throughout the county would markedly improve if all lanes were opened to all drivers.
- Virtually all of the respondents, whether they use it or not, recognized that the 91 needs major improvements.
- Improving the 405 and I-5 South were also high priority projects for most respondents.
- The “Orange Crush” (5/55/22) was mentioned as a major problem area in 4 of the groups.
- The 55/5 interchange was mentioned as a major problem area in 2 groups.

## Support for Public Transit Improvements and Programs

- We received thin support overall for Public Transit Improvements.
- The vast majority of our respondents have had no personal experience with public transit in Orange County. Many respondents described buses as “virtually empty,” “slow,” “scary” and “unsafe.”
- Most of the respondents can’t envision a public transit system that would entice Orange County residents out of their cars.



- At the same time, respondents in all five groups applauded the efficient, popular public transit systems they've used in other cities, including New York, San Francisco and San Diego.
- Surprisingly, even with their overall pessimistic attitudes toward public transit, respondents across the board acknowledged that freeway expansion can't go on forever, and we need to explore other alternatives—for the future. However, this sentiment didn't dampen their desire and enthusiasm to expand freeways and highways in the Measure M extension plan.
- The small number of respondents who expressed strong support for public transit based their support largely on an assumption that any public transit system will be safe and convenient with adequate parking available, and will transport riders from very near their homes to their various destinations without transfers and delays. Given this assumption, shuttle systems were considered to be an essential element of any new public transit system.

## Toll Roads

- Very few of our respondents use toll roads on a regular basis.
- For the most part, respondents who do use the toll roads regularly would not support any proposal that would increase traffic on their toll roads.
- The idea of eliminating tolls and turning the toll roads into freeways was popular among many of the respondents who don't currently use the toll roads, until they heard the price tag. The respondents recognize that there will be a limit to how far the Measure M extension funds will stretch, and the high cost of paying off the toll road bond debt was widely viewed as taking too many resources away from the major freeway and highway projects listed in the ballot title and summary. It is important to note that this once again clearly demonstrates just how "project driven" voter support is for the Measure M extension.
- Clearly, it would take a major effort to educate voters about toll roads. Very few respondents understand toll roads or toll road funding—many assuming public funding plays a major role.

- Toll roads are too confusing overall to showcase in the Measure M extension plan, but the focus group findings generally indicate that it could be worthwhile to continue to test and refine possible toll road options in future polling and focus group research.

## Environmental/Quality of Life and Community Enhancement

- We tested five optional mitigation measures for inclusion in the Measure M extension plan. “Controlling runoff from roads that eventually pollutes the beaches” was the most popular mitigation measure across the board and the only one that might merit consideration for the ballot summary.
- The second most popular mitigation measure was “preserving open space,” but it had a decidedly more mixed reception than did water quality.
- Other options, “landscaping in medians and streets,” “sound walls” and “undergrounding utilities” received mediocre support which appeared to be in large part based on whether personal benefit would be gained from a particular option.

# Recommendations

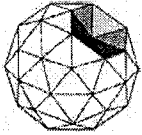
We recommend the following:

- Traffic congestion and frustration with traffic are top-of-the-mind for voters, making this an excellent time to initiate discussions about extending Measure M.
- Voter awareness of the current Measure M program is key to building and solidifying voter support for the Measure M extension. At present, voter awareness of Measure M is extremely low. Upon receiving information about the current Measure M sales tax and spending program, most voters quickly conclude that an extension of the Measure M transportation sales tax is needed. Support for the Measure M extension is rooted in a fear of how bad things would be (1) if we didn't have the current Measure M sales tax in place, and (2) if the Measure M sales tax ends. It is crucial to get the message out about the current Measure M.
- Voters view traffic and transportation issues in personal terms. They are looking for improvements that directly benefit them. It will be critical to focus the new Measure M plan and the campaign to pass the Measure M extension on a local and personal scale, keeping in mind the varying viewpoints in different areas of the County. For example, voters in the North and West areas have stronger connections to surrounding areas of Los Angeles and Riverside/San Bernardino Counties and want to see improvements to intercounty facilities, while voters in the remainder of Orange County are more focused on traffic improvements within County lines. All voters are focused first and foremost on the facilities they personally use most often.
- There is a reservoir of hope for public transit, but voters are skeptical. They don't understand public transportation and, by and large, they don't use it now and can't envision personally using it in the future. Still, the voters accept the inevitability of needing to find effective alternatives to personal auto use in the not-too-distant future. We recommend conducting a public opinion survey focused on the subject of public transportation, to identify the best ways to move forward with public transit, proceeding incrementally and maintaining flexibility.

Further, we recommend including this discussion in any follow-up focus groups conducted on the Measure M extension.

- Very few projects appeal to voters countywide. Signal coordination is a very real exception. Voters in all areas of the county believe synchronizing traffic signals on main thoroughfares countywide will provide quick and economical traffic relief on all major facilities throughout the County. Some of the County's highways also have broad voter support—most notably the 91 and the 405. The new Measure M plan should accommodate and reflect regional priorities within the county.

**J. Moore Methods, Inc.**  
Public Opinion Research



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4 August 2005

To: Monte Ward

Fr: Jim Moore

Re: Orange County Measure M Extension Survey

We conducted a 1500 interview public opinion survey of Orange County likely November 2006 voters between July 18<sup>th</sup> and 24<sup>th</sup>. The margin of error is 2.6% countywide and 4.5 to 5.7% in the sub areas (Supervisor Districts 1 through 5).

**Goal #1. Identify and measure any changes in major trend line questions from the previous survey conducted in November 2004.**

**Awareness of Measure M.** Voter awareness of the current 20 year half-cent sales tax has increased by 13 points:

- 53% aware – July 2005
- 40% aware – November 2004

**Initial support for extending Measure M.** Since last November, there has been virtually no change in the disposition to support extending Measure M to pay for additional county transportation improvements:

- 58% support – 31% oppose – July 2005
- 57% support – 32% oppose – November 2004

**Quality of life.** The July 2005 poll revealed an 8 point increase in an important trend line – the number of voters who “think improving the county transportation system will improve the quality of life in Orange County:

- 79% yes – July 2005
- 71% yes – November 2004

**Affordability.** Another major trend line change since November – a 17 point drop in the percent of voters who said they “could afford extending the Orange County sales tax by one-half cent for an additional 20+ years”:

- 64% yes/could afford – July 2005
- 81% yes/could afford – November 2004

60% of the movement on the “affordability” issue can be attributed to self-described conservative voters, who were unusually optimistic in November 2004—perhaps due to the outcome of recent elections. The July 2005 results (56% yes) are more in the typical range of conservative voters’ willingness to express support for taxing themselves:

- 56% yes/could afford – July 2005 - (conservatives)
- 78% yes/could afford - November 2004 - (conservatives)

**Ballot label vote.** Even with the increase in sensitivity to “affordability” the “ballot label” vote results for the Measure M Extension remain very strong:

- 69% yes – 25% no - July 2005
- 71% yes – 23% no – November 2004

**Recommendation.** The drop in the voters’ perception of “affordability” bears watching closely in future research efforts. We aren’t yet seeing a serious impact on support for the Measure M extension, but it’s possible.

## **Goal #2. Identify elements to improve the Measure M Extension ballot label.**

**Duration of Measure M Extension – 20, 30 or 40 years.** The survey results indicate no distinct significant difference in level of voter support for extending Measure M based on the duration – 20/30/40 years, indicating the voters are more focused on what they will get for their Measure M investment, and less focused on how long they will pay the Measure M tax.

- 69% yes – 25% no – 20 year extension
- 68% yes – 25% no – 30 year extension
- 70% yes – 24% no – 40 year extension

The survey results confirm the view widely expressed by voters in the initial focus groups—“If we’ve already had the sales tax for 15 years and traffic is this bad, what would happen without it?” This sentiment clearly indicates the voters don’t realistically expect the half-cent transportation sales tax to end anytime soon.

**10-year Review with Voter Approval of Major Changes vs. Cleaning up Oil Runoff from Roads to Protect Local Beaches.** We split the sample and tested these two elements independently, to identify if either or both elements significantly strengthen support for the Measure M extension. Both elements have strong support and appear to strengthen overall support for the Measure M extension when included in the ballot label. Voters in the poll give a higher priority to the 10-year review element:

- 75% high priority – 10-year review
- 63% high priority – beach protection

**Recommendations.** We recommend emphasizing both the “10 year review” and the “beach protection” elements in the Measure M Extension plan. To the degree possible, both elements should be included in the ballot language, to strengthen and solidify the acceptability of the Measure M Extension.

### **Goal #3. Identify countywide “star” projects.**

**Very few projects achieve countywide support.** “Star” projects need to achieve **65%+** voter support countywide. Only three projects meet this benchmark level of voter support. The six highest-scoring projects are:

- **72%** – maintain streets and filling potholes
- **70%** – relieving congestion & improving traffic flow on the 91 freeway
- **65%** – improving the “Orange Crush” interchange where 5/57/22 meet
- **64%** – relieving congestion and improving traffic flow on the 5 freeway
- **64%** – coordinating traffic signals countywide
- **63%** – improving pedestrian walkway safety to schools

**Recommendation.** The “Orange Crush” interchange improvements were very popular in both the survey and in the initial focus groups, indicating that featuring this project in the ballot label would help to build and solidify the acceptability of the Measure M extension.

### **Goal #4. Identify popular local projects.**

**Very few local projects are widely popular with voters.** The threshold for local projects is **50%** voter support district wide. A very small number of projects received this level of support. Following is a list of the top-scoring projects in each sub area. Only District 1 voters scored more than two projects at **50%+**:

#### **Supervisor District 1**

- **62%** – improving Brookhurst, Euclid, Magnolia and other congested streets where they intersect the 22 freeway
- **60%** – improving traffic flow on Harbor Boulevard in Garden Grove by widening intersections, providing more left turn lanes, removing some on-street parking and coordinating traffic signals
- **56%** – adding one lane in each direction on the 5 freeway in Santa Ana between the 55 and 57 freeways to relieve the Orange Crush
- **50%** – making the carpool lanes continuous through the interchanges where the 405/San Diego freeway intersects with the 22 freeway and the 605 freeway



## **Supervisor District 2**

- **51%** – making the carpool lanes continuous through the interchanges where the 405/San Diego freeway intersects with the 22 freeway and the 605 freeway
- **47%** – adding one lane in each direction on the 55 freeway between the 22 freeway and the 405/San Diego freeway
- **42%** – adding two lanes in each direction on the 405/San Diego freeway from Costa Mesa to Seal Beach

## **Supervisor District 3**

- **53%** – adding two lanes in each direction on the 91 freeway from the 241/Foothill Toll Road to the 71 freeway in Riverside county
- **52%** – adding one lane in each direction on the 5 freeway in Santa Ana between the 55 and 57 freeways to relieve the Orange Crush
- **48%** – adding one lane in each direction on the 55 freeway from the 405/San Diego freeway to the 91 freeway

## **Supervisor District 4**

- **56%** – adding one lane in each direction on the 5 freeway in Santa Ana between the 55 and 57 freeways to relieve the Orange Crush
- **51%** – adding one lane westbound on the 91 freeway from the 57 freeway to the 5 freeway
- **49%** – adding one lane in each direction on the 57 freeway from the “Orange Crush” north to the LA County line.

## **Supervisor District 5**

- **50%** – improving the 5 freeway interchanges at El Toro Road, Alicia, La Paz, Pico, Camino Estrella, Crown Valley Parkway and Avery Parkway
- **47%** – adding one lane in each direction to the 5 freeway from Alicia Parkway to Crown Valley Parkway
- **46%** – rebuilding the interchange where Ortega Highway meets the 5 freeway to add more capacity

The survey results confirm what voters widely expressed in the focus groups: For the most part, voters view transportation improvements based on their own experiences and travel patterns, and most improvements are too localized to receive broad voter support district wide.

Given this, we recommend testing the concept of “making sure every district/area receives their fair share of Measure M sales tax funds for local transportation improvements/traffic congestion relief, in the next round of polling and/or focus groups, to ascertain if this is a more viable way to communicate to voters that they will directly benefit from Measure M traffic congestion relief.

### **Goal #5. Measure support for controversial projects.**

The minimum “high priority” voter support threshold needed for inclusion in an expenditure plan is **40%**. The voters gave rather mediocre marks to three controversial projects:

**Toll Roads:** Use some of the Measure M sales tax funds to purchase one or more of the toll roads in the County, making them free for all drivers to use.

- **31%** – high priority

**Extend the 57 Freeway:** Use some of the Measure M sales tax funds to extend the 57 freeway, elevated above the Santa Ana River from the “Orange Crush” freeway interchange to the 405/San Diego freeway.

- **30%** – high priority

**The tunnel:** Build a new highway connecting Riverside and Orange Counties, that could include a tunnel under the Cleveland National Forest parallel to the 91 freeway between the 241 Foothill Toll Road in Orange County and the 15 Freeway in Riverside County.

- **32%** – high priority

**ATTACHMENT C**

N=1500  
(+/- 2.5%)  
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(916-444-2727)  
(FAX-444-6457)

CLUSTER POINT \_\_\_\_\_  
INTERVIEWER # \_\_\_\_\_  
TIME BEGUN: \_\_\_\_\_  
TIME ENDED: \_\_\_\_\_

Hello, may I please speak with \_\_\_\_\_?

NOTE : ONLY THE NAME ON THE SAMPLE SHEET QUALIFIES FOR THE INTERVIEW.

Hello, I'm \_\_\_\_\_ with JMM Research. We're conducting a public opinion survey among registered voters in Orange County today. The survey takes 20-22 minutes, it covers a variety of local County issues, and it's all multiple choice and very easy to participate.

Can you give me 20-22 minutes to participate in the survey?

IF NO or NOT NOW, OFFER TO MAKE AN APPOINTMENT FOR LATER :

I can call you back at a time that is better for you, if you would like to participate in the survey. ( SCHEDULE A FIRM APPOINTMENT TIME )

1. Generally speaking, do you think things \_\_\_\_ (a) \_\_\_\_ are going in the right direction or do you feel things are off on the wrong track ?

	RGHT DIRC	WRNG TRCK	DONT KNOW
a1. in the State of California. ....	44	47	9
a2. in Orange County. ....	56	33	11
a3. in your local community. ....	72	20	8

2. Generally speaking, are you satisfied or dissatisfied with how \_\_\_\_ (a) \_\_\_\_ is performing their job ?

	SATI	DIS- SATI	NO OPIN
a1. the Orange County Board of Supervisors. ....	43	27	30
a2. your local City Council. ....	64	19	17
a3. the Orange County Transportation Authority. ....	45	23	32

Let's stay on the subject of transportation.

Orange County transportation officials are currently in the process of developing a long-term transportation improvement plan for the county.

3a. In 1990, Orange County voters approved a 20 year half-cent sales tax to pay for county transportation improvements. Were you aware of this transportation sales tax ?

	7/05	11/04
YES/AWARE. ....	53	40
NO/NOT AWARE. ....	47	60

3b. This sales tax, known as Measure M, expires in 2011. Would you support or oppose extending the half-cent Orange County sales tax for 30 years to pay for additional county transportation improvements ?

	7/05	11/04
SUPPORT. ....	58	57
OPPOSE. ....	31	32
NO OPINION. ....	11	11

4. Moving on.		YES	NO	NO OPIN	
a1.	Could you afford extending the Orange County sales tax by one-half cent for an additional 20/30/40 years. ....	64 81	30 16	6 3	- 11/04
a2.	Are you satisfied with how the current Orange County transportation sales tax funds have been spent. ....	39 39	30 28	31 33	- 11/04
a3.	Do you have confidence that local elected leaders will spend the half-cent transportation sales tax funds efficiently. ....	40 44	49 46	11 10	- 11/04
a4.	Do you think building new road projects will significantly reduce traffic congestion. ....	55 59	39 33	6 8	- 11/04
a5.	Do you think building new rail and public transit projects will significantly reduce traffic congestion. ....	62 59	33 33	5 8	- 11/04
a6.	Do you think improving the county transportation system will help improve the County's economy. ....	71 72	21 23	8 5	- 11/04
a7.	Do you think improving the county transportation system will improve the quality of life in Orange County. ....	79 71	17 22	4 7	- 11/04

Next I'll read the proposed ballot question for this measure.

5. The ballot question will likely read as follows:

Measure "M", Orange County Traffic Improvement Plan.

To relieve traffic congestion and improve safety, shall the Orange County half-cent transportation sales tax be extended for 30 years to:

- relieve congestion and improve traffic flow on the 5, 91 405, 22, 55 and 57 freeways;
- maintain streets and fill potholes;
- expand Metrolink and add light rail service;
- provide transit services for seniors and disabled persons;
- co-ordinate traffic signals countywide;
- require a Citizens Oversight Committee to ensure project implementation.

---

\*\*\* READ FOR EVEN CLUSTERS ONLY \*\*\*

- update the Measure M traffic improvement plan every 10 years, with voter approval required for major changes;

---

\*\*\* READ FOR ODD CLUSTERS ONLY \*\*\*

- cleaning up oil runoff from roads to protect local beaches.
- 

5a. Will you vote "yes" or "no" on this ballot measure ?

	7-05	11-04	20yr	30yr	40yr	votr appr	clea beac
YES. ....	69	71	69	68	70	70	68
NO. ....	25	23	25	25	24	23	26
NO OPINION. ....	6	6	6	7	6	7	6

Next I'll ask your opinion of some specific transportation issues.

6a. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

	HIGH	MED	LOW	NO OPIN
a1. relieving congestion and improving traffic flow on the 5 freeway. ....	64	23	9	4
a2. relieving congestion and improving traffic flow on the 91 freeway. ....	70	16	9	5
a3. relieving congestion and improving traffic flow on the 405/San Diego freeway. ....	57	26	11	6
a4. relieving congestion and improving traffic flow on the 22 freeway. ....	53	23	14	10
a5. relieving congestion and improving traffic flow on the 55 freeway. ....	55	26	12	7
a6. relieving congestion and improving traffic flow on the 57 freeway. ....	43	31	15	11
a7. maintaining streets and filling potholes. ....	72	21	6	1
a8. expanding Metrolink and adding light rail service. ....	45	24	26	5
a9. providing transit services for seniors and disabled persons. ....	58	28	12	2
a10. co-ordinating traffic signals countywide. ....	64	22	11	3
a11. requiring a Citizens Oversight Committee to ensure voter-approved projects are implemented. ....	66	19	11	4
a12. requiring the chairman of the Citizens Over- sight Committee be elected by the voters. ....	58	22	17	3
a13. requiring members of the Citizens Oversight Committee to have transportation expertise. ....	60	24	13	3
a14. reviewing the Measure M traffic improvement plan every 10 years, and requiring voter approval of major changes. ....	75	15	8	2
a15. building new roads and freeways. ....	50	29	18	3
a16. building new toll roads. ....	18	27	52	3
a17. constructing bridges or underpasses to separate railroad tracks from streets. ....	41	30	26	3
a18. adding carpool and bus lanes on freeways. ....	45	27	26	2
a19. cleaning up oil runoff from roads to protect local beaches. ....	63	21	14	2
a20. widening existing freeways. ....	54	29	14	3
a21. improving freeway interchanges and on/off ramps..	56	30	12	2
a22. improving safety at railroad crossings. ....	51	27	21	1

6a. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

	HIGH	MED	LOW	NO OPIN
a23. increasing Metrolink commuter rail service to every 30 minutes, 18 hours a day, 7 days a week. ....	34	31	27	8
a24. providing more bus turnouts on major streets throughout the county. ....	37	33	25	5
a25. improving pedestrian walkway safety to schools. ....	63	22	13	2
a26. improving vehicle access to public schools for parents picking up or dropping off children. ....	54	26	18	2
a27. providing shuttle bus services from neighborhoods and businesses to and from Metrolink rail stations. ....	41	31	25	3
a28. providing express bus service on dedicated freeway lanes during commute hours throughout the county. ....	41	32	23	4
a29. improving major road intersections by widening turn lanes and installing co-ordinated traffic signals. ....	51	34	12	3
a30. providing discounts on toll roads for carpools and buses during peak congestion periods. ....	52	24	20	4

6b. Having heard some of the projects being considered, would you support or oppose extending the Orange County half-cent sales tax for 30 years to pay for needed county transportation system improvements?

SUPPORT. .... 68  
 OPPOSE. .... 27  
 NO OPINION. .... 5



Next I'll ask your opinion of several major freeway interchanges in the county being considered for improvements.

7. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

		ROTATE:	EVEN-DOWN.	1					NO
			ODD-UP. ...	2	HIGH	MED	LOW		OPIN
a1.	improving the "Orange Crush" interchange where the 5, the 57 and the 22 freeways meet. ....				65	19	9		7
a2.	improving the El Toro "Y" interchange where the 5 and the 405 freeways meet. ....				39	29	23		9
a3.	improving the interchange where the 5 and 55 freeways meet. ....				46	30	17		7
a4.	improving the interchange where the 91 and 55 freeways meet. ....				44	30	17		9
a5.	improve the interchange where the 91 and 57 freeways meet. ....				41	29	19		11
a6.	improve the interchange where the 73/Corona del Mar and 405 freeways meet. ....				16	28	38		18

Moving on to the subject of toll roads.

8a. Do you regularly pay to use the toll roads in Orange County ?

\* YES. .... 29 \*  
 NO. .... 71

\* IF YES, ASK:

8b. How many days a week do you use the toll roads, on average?

1 DAY - 12  
 2 DAYS - 5  
 3 DAYS - 4  
 4 DAYS - 2  
 5 DAYS - 4  
 6+ DAYS - 1

8c. Which toll roads do you use? Do you use \_\_\_(a)\_\_\_?

a1. the San Joaquin Hills/Route 73. .... 17  
 a2. the Foothill Corridor/Route 241. .... 15  
 a3. the Eastern Corridor/Route 261. .... 5  
 a4. the State Route 91 Express Lanes. .... 7

8d. Would you use toll roads more often if the price of tolls was more affordable?

YES. ....	50
NO. ....	50

8e. Would you regularly use toll roads in Orange County if tolls were reduced by up to 50% ?

YES. ....	54
NO. ....	41
NO OPINION. ....	6

8f. Some people have suggested using some of the Measure M sales tax funds to purchase one or more of the toll roads in the County, and making them free for all drivers to use.

Do you think this project should be given a high, medium or low priority in the Measure M plan ?

HIGH. ....	31
MEDIUM. ....	29
LOW. ....	36
NO OPINION. ....	4

9. Another proposed project in the Measure M plan is to provide funding to protect local beaches and waterways from pollution caused by freeway and street runoff that enters storm drains and flows to the ocean without treatment.

Do you think this project should be given a high, medium or low priority in the Measure M plan ?

HIGH. ....	56
MEDIUM. ....	28
LOW. ....	16
NO OPINION. ....	1

10. Another proposed project is to implement a countywide traffic signal co-ordination plan. All Orange County cities would participate in the traffic signal co-ordination plan.

Do you think this project should be given a high, medium or low priority in the Measure M plan ?

HIGH. ....	49
MEDIUM. ....	31
LOW. ....	16
NO OPINION. ....	4

11. Another proposed project is to extend the 57 freeway, elevated above the Santa Ana River from the "Orange Crush" freeway interchange to the 405/San Diego freeway.

Do you think this project should be given a high, medium or low priority in the Measure M plan ?

HIGH. ....	30
MEDIUM. ....	34
LOW. ....	25
NO OPINION. ....	11

12. Another proposed project is to build a new highway connecting Riverside and Orange Counties, that could include a tunnel under the Cleveland National Forest parallel to the 91 freeway between the 241 Foothill Toll Road in Orange County and the 15 freeway in Riverside County.

Do you think this project should be given a high, medium or low priority in the Measure M plan ?

HIGH. ....	32
MEDIUM. ....	23
LOW. ....	38
NO OPINION. ....	7

Next I'll ask your opinion of several possible projects in your local area.

\*\*\* ASK ONLY IF SP=1 \*\*\*

11. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

	HIGH	MED	LOW	NO OPIN
a1. adding one lane in each direction on the 5 freeway in Santa Ana between the 55 and 57 freeways to relieve the "Orange Crush". . . . .	56	23	15	6
a2. making the carpool lanes continuous through the interchanges where the 405/San Diego freeway intersects with the 22 freeway and the 605 freeway. . . . .	50	27	16	7
a3. improving Brookhurst, Euclid (YEW-clid), Magnolia (mag-NOLE-yuh) and other congested streets where they intersect the 22 freeway. . . . .	62	21	11	6
a4. adding one lane in each direction on the 55 freeway between the 22 freeway and 405/San Diego freeway. . . . .	48	27	19	6
a5. extending Alton Parkway across the 55 freeway to connect Irvine and Santa Ana and adding ramps from the 55 carpool lanes to Alton Parkway. . . . .	32	32	24	12
a6. adding two lanes in each direction on the 405/San Diego freeway from Costa Mesa to Seal Beach. . . . .	39	32	24	5
a7. adding one lane each direction on Bristol Street in Santa Ana. . . . .	43	30	23	4
a8. adding one lane in each direction on Chapman Avenue in Garden Grove. . . . .	31	31	27	11
a9. improving traffic flow on Harbor Boulevard in Garden Grove by widening intersections, providing more left turn lanes, removing some on-street parking and co-ordinating traffic signals. . . . .	60	18	15	7
a10. widening the Golden West bridge over the 405/San Diego freeway in Westminister. . . . .	34	25	32	9
a11. adding one lane each direction on Fairview from Civic Center to Trask in Santa Ana. . . . .	37	29	26	8
a12. constructing an overpass for Grand Avenue at the railroad tracks in Santa Ana. . . . .	38	35	15	12
a13. constructing an underpass for 17th street at the railroad tracks in Santa Ana. . . . .	33	38	21	8

\*\*\* ASK ONLY IF SP=2 \*\*\*

12. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

	HIGH	MED	LOW	NO OPIN
a1. improving Brookhurst, Euclid, Magnolia and other congested streets where they intersect the 22 freeway. ....	36	35	21	8
a2. making the carpool lanes continuous through the interchanges where the 405/San Diego freeway intersects with the 22 freeway and the 605 freeway. ....	51	25	18	6
a3. adding one lane in each direction on the 55 freeway between the 22 freeway and 405/San Diego freeway. ....	47	27	18	8
a4. improving the south end of the 55 freeway in Costa Mesa where it connects to Newport Boulevard by building a tunnel under Newport Boulevard from 19th street south past 17th Street. ....	21	20	48	11
a5. adding one lane each direction on the Corona Del Mar freeway from MacArthur Boulevard to the 405/San Diego freeway. ....	18	26	41	15
a6. adding two lanes in each direction on the 405/San Diego freeway from Costa Mesa to Seal Beach. ....	42	27	25	6
a7. adding carpool on and off ramps from the 405/San Diego freeway directly to Bear street at South Coast Plaza. ....	23	26	45	6
a8. making the carpool lanes continuous through the interchange where the Corona Del Mar freeway intersects with the 405/San Diego freeway in Costa Mesa. ....	30	26	34	10
a9. widening the Talbert bridge over the 405/San Diego freeway in Fountain Valley. ....	19	28	38	15
a10. widening the Pacific Coast Highway/Warner intersection in Huntington Beach. ....	27	22	44	7
a11. widening the Seal Beach Boulevard bridge over the 405/San Diego freeway in Seal Beach. ....	19	28	43	10
a12. widening the Orangethorpe/South Street intersection in La Palma. ....	10	25	33	32

\*\*\* ASK ONLY IF SP=3 \*\*\*

13. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

	HIGH	MED	LOW	NO OPIN
a1. adding one lane in each direction on the 5 freeway in Santa Ana between the 55 and 57 freeways to relieve the "Orange Crush". . . . .	52	24	20	4
a2. adding one lane each direction on the 5 freeway from Laguna Canyon Road to the 55 freeway. . . . .	29	26	38	7
a3. adding one lane each direction on the 55 freeway from the 405/San Diego freeway to the 91 freeway. . . . .	48	25	22	5
a4. adding one lane each direction on Jamboree from Edinger (ED-in-ger) to MacArthur in the city of Irvine. . . . .	24	24	43	9
a5. adding one lane each direction on the 57 freeway from the "Orange Crush" north to the LA County Line. . . . .	39	26	27	8
a6. adding a northbound truck lane on the 57 freeway between Lambert Road and the Los Angeles County Line. . . . .	33	24	30	13
a7. adding one lane each direction on the Corona Del Mar freeway from MacArthur Boulevard to the 405/San Diego freeway. . . . .	12	28	46	14
a8. adding one lane each direction on the 91 freeway from the 55 freeway to the 241/Foothill Toll Road. . . . .	46	19	25	10
a9. adding two lanes each direction on the 91 freeway from the 241/Foothill Toll Road to the 71 freeway in Riverside county. . . . .	53	17	20	10
a10. adding on and off ramps at Meats Avenue and the 55 freeway in the City of Orange. . . . .	15	25	44	16
a11. improving the traffic flow on Chapman Avenue from the 241/Foothill Toll Road to the 55 freeway in the city of Orange by widening intersections, providing more left turn lanes and coordinating signals. . . . .	26	34	29	11
a12. constructing a direct connection between the 241/Foothill Toll Road and the 91 Express Lanes. . . . .	27	29	28	16

\*\*\* ASK ONLY IF SP=3 \*\*\*

a13.	adding two lanes in each direction on the 405/San Diego freeway from Costa Mesa to Seal Beach. ....	28	32	29	11
a14.	adding carpool on and off ramps from the 405/San Diego freeway to Von Karmon near John Wayne Airport. ....	29	28	34	9
a15.	adding one lane each direction on the 405/San Diego freeway from Laguna Canyon Road to the 55 freeway. ....	26	29	38	7
a16.	constructing an overpass for Red Hill Avenue at the railroad tracks in Tustin. ....	27	26	36	11
a17.	constructing an underpass for Sand Canyon at the railroad tracks in Irvine. ....	22	26	41	11

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\*\*\* ASK ONLY IF SP=4 \*\*\*

14. Would you give a high, medium or low priority to \_\_\_(a)\_\_\_ ?

	HIGH	MED	LOW	NO OPIN
a1. adding one lane in each direction on the 5 freeway in Santa Ana between the 55 and 57 freeways to relieve the "Orange Crush". . . . .	56	19	20	5
a2. adding carpool on and off ramps from the 57 freeway to Cerritos (sir-REE-tose) Avenue in Anaheim. . . . .	29	19	37	15
a3. adding one lane each direction on the 57 freeway from the "Orange Crush" north to the LA County Line. . . . .	49	27	18	6
a4. adding a northbound truck lane on the 57 freeway between Lambert Road and the Los Angeles County Line. . . . .	45	23	20	12
a5. adding one lane each direction on the 91 freeway from the 55 freeway to the 241/Foothill Toll Road. . . . .	39	30	18	13
a6. adding two lanes each direction on the 91 freeway from the 241/Foothill Toll Road to the 71 freeway in Riverside county. . . . .	36	31	21	12
a7. adding one lane westbound on the 91 freeway from the 57 freeway to the 5 freeway. . . . .	51	28	15	6
a8. constructing a direct connection between the 241/Foothill Toll Road and the 91 Express Lanes. . . . .	21	32	30	17
a9. widening the Valley View/Lincoln interchange in Buena Park. . . . .	25	29	28	18
a10. improving traffic flow on Orangethorpe St. in Fullerton by widening intersections, providing more left turn lanes, removing some on-street parking, and co-ordinating traffic signals. . . . .	42	28	23	7
a11. extending Gene Autry Way from the Anaheim Stadium to connect to the Disneyland area. . . . .	22	28	40	10
a12. adding one lane in each direction on Brookhurst street in Anaheim. . . . .	27	27	37	9
a13. widening the Harbor/Lambert intersection in La Habra. . . . .	17	30	36	17



\*\*\* ASK ONLY IF SP=4 \*\*\*

a14.	widen the Orangethrope/Ridgefield intersection in Placentia (plu-SENT-yuh). . . . .	18	27	39	16
a15.	constructing an overpass for State College Boulevard at the railroad tracks in Fullerton. ....	42	25	26	7
a16.	constructing an underpass for Ball Road at the railroad tracks in Anaheim. . . . .	34	24	32	10

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\*\*\* ASK ONLY IF SP=5 \*\*\*

15. Would you give a high, medium or low priority to ___(a)___ ?		HIGH	MED	LOW	NO OPIN
a1.	adding one lane each direction to the 5 freeway from Alicia Parkway to Crown Valley Parkway. ....	47	22	27	4
a2.	completing the carpool lanes on the 5 freeway by adding one lane each direction from the Pacific Coast Highway to Pico. ....	37	20	31	12
a3.	adding one lane each direction on the 5 freeway from Laguna Canyon Road to the 55 freeway. ....	39	26	30	5
a4.	adding a new interchange to connect Marguerite (mar-ger-REET) Parkway and the 5 freeway near Saddleback College. ....	35	22	34	9
a5.	adding new freeway ramps to the 5 freeway near Los Alisos (uh-LEE-rose). ....	32	22	33	13
a6.	adding southbound freeway access ramps to the 5 freeway at Stonehill Drive. ....	19	18	35	28
a7.	rebuilding the interchange where Ortega Highway meets the 5 freeway to add more capacity. ....	46	25	21	8
a8.	improving the 5 freeway interchanges at El Toro Road, Alicia (uh-LEESH-uh), La Paz (lah-PAHZ), Pico (PEE-co), Camino Estrella (cuh-ME-no eh-STRAY-uh), Crown Valley Parkway and Avery Parkway. ....	50	28	18	4
a9.	adding one lane each direction on the Corona Del Mar freeway from MacArthur Boulevard to the 405/San Diego freeway. ....	17	26	41	16
a10.	constructing a new road from the interchange of the San Joaquin Hills Toll Road and the 5 freeway, south through Mission Viejo (vee-YAY-ho) to connect to the future 241/Foothill Toll Road near Antonio Parkway. ....	31	26	34	9
a11.	adding one lane each direction on the 405/San Diego freeway from Laguna Canyon Road to the 55 freeway. ....	32	29	31	8
a12.	improving the interchange of the 5 freeway and Pico in San Clemente. ....	25	26	34	15
a13.	re-aligning and adding one lane in each direction to Ortega Highway from Antonio to the Riverside County line. ....	38	23	28	11

\*\*\* ASK ONLY IF SP=5 \*\*\*

a14.	re-aligning and adding one lane in each direction to Ortega Highway from Antonio to Lake Elsinore (EL-seh-nore) in Riverside County. ....	38	22	29	11
a15.	completing the missing link of Alton Parkway between Irvine Boulevard and the 241/Foothill Toll Road in Irvine and Lake Forest. ....	37	32	21	10
a16.	widening Oso (OH-so) Parkway in Mission Viejo . ....	24	27	43	6
a17.	completing the missing link of La Pata (lah-PAH-tuh) between San Clemente (cleh-MEN-tay) and San Juan Capistrano (san-wahn-cap-es-STRAH-no) near Antonia Parkway. ....	28	24	30	18
a18.	widening the intersection of El Toro Road and Aliso (uh-LEE-so) Creek Road in Laguna Woods. ....	23	28	38	11
a19.	widening Ortega Highway from 2 to 4 lanes in San Juan Capistrano. ....	38	25	30	7

16. Having heard some of the local projects being considered, would you support or oppose extending the Orange County half cent sales tax for 30 years to pay for county transportation system improvements?

SUPPORT. .... 68  
 OPPOSE. .... 27  
 NO OPINION. .... 5

And now just a few confidential questions for classification purposes. Your name and number are not attached to your answers. This information is kept strictly confidential and used only to classify your opinions.

d1. May I ask what your age is ?

18-29 .....	7
30-39 .....	13
40-49 .....	23
50-60 .....	28
60+ .....	29

d2. Do you live in a single-family home, apartment, condominium, mobile home or other living arrangement ?

SINGLE-FAMILY HOME. ....	77
APARTMENT. ....	8
CONDOMINIUM. ....	11
MOBILE HOME. ....	3
OTHER. ....	2

d3. Are you a member of any of the following ethnic or minority groups ? (READ LIST - CIRCLE ALL THEY SAY)

Are you ... ?	YES
... hispanic or latino. ....	7
asian. ....	4
black/african-american. ....	1
handi-capped or disabled. ....	5
or none of the above. ....	82

d4. For statistical purposes only : What was the approximate total income of your household last year. Was it ....

\$ 30,000 or less .....	11
\$ 30,000 - 60,000 .....	19
\$ 60,000 - 90,000 .....	18
or \$ 90,000 or more.....	38
( REFUSED ).....	13

d5. In terms of your political outlook, do you consider yourself a Conservative, a Moderate or a Liberal ?

CONSERVATIVE .....	43
MODERATE .....	25
LIBERAL .....	18
DON'T KNOW .....	4

d6. How long have you lived in Orange County ?

less than 5 yrs. ....	6
5 - 10 yrs .....	10
10 - 20 yrs .....	20
more than 20 yrs .....	64

d7. If you commute to work each day, do you MOST OFTEN take transit, drive mostly on freeways, or drive mostly on local streets and roads ?

TAKE TRANSIT. ....	1
FREEWAYS. ....	37
LOCAL STREETS/ROADS. ....	37
DON'T COMMUTE. ....	24

d8. Do you consider yourself to be an environmentalist ?

YES .....	66	... Are you a strong or a moderate environmentalist ?
NO .....	34	
		STRONG. .... 20
		MODERATE. .... 44

d9. What is your current employment status ? Are you ... ? (READ LIST)

.. employed full-time. ....	50
employed part-time. ....	11
retired. ....	26
a student. ....	2
or a homemaker. ....	6
OTHER/NO OPINION. ....	4

d10. Are you currently employed by, or retired from, the Federal, State or local government, or a public school district?

YES/FEDERAL. ....	3
YES/STATE. ....	3
YES/LOCAL. ....	5
YES/PUBLIC SCHOOL. ....	11
NO. ....	78

-----  
Thank you very much, goodday / goodnight .  
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DEMO = 31  
REPB = 54  
OTHR = 15

MALE = 48  
FEML = 52





**BOARD COMMITTEE TRANSMITTAL**

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** <sup>Wk</sup> Wendy Knowles, Clerk of the Board  
**Subject** 2006 Long-Range Transportation Plan Revised Environmental Impact Report Alternatives

Regional Planning and Highways Committee

August 15, 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 Member Pringle was not present to vote.

**Committee Recommendation (Reflects change in Attachment A of alternatives)**

Approve the revised Long-Range Transportation Plan alternatives to be analyzed for inclusion in the Draft Program Environmental Impact Report.

**Committee Comments**

On August 15, 2005, the Regional Planning and Highways Committee received a report on the preliminary alternatives for the 2006 Long-Range Transportation Plan Environmental Impact Report. During the discussion of the alternatives, the Committee suggested several changes to the project list for the alternatives (Attachment A to the staff report). The suggestions can be summarized as follows:



*BOARD COMMITTEE TRANSMITTAL*

*2006 Long-Range Transportation Plan Revised  
Environmental Impact Report Alternatives  
Page Two*

- Adding an expansion of the Smart Street and Grade Separation programs to Tier III (Arterial Program).
- Adding an expansion of transit extensions to Metrolink and improvements to the LOSSAN Corridor south of Laguna Niguel to Tier III (Transit Program).
- Adding the extension of freeway improvements into adjacent counties to Tier III (Freeway Program).
- Notation that the toll corridor buildout improvements are TCA projects.

In addition, staff requested a correction in the project list to add the development of transportation centers to connect Metrolink with High Speed Rail to Tier I (Transit Program).

A revised version of Attachment A, reflecting the Committee's suggestions, is attached for Board approval.



**REVISED LONG-RANGE TRANSPORTATION PLAN CANDIDATE PROJECT LIST & ALTERNATIVES**

Mode/Description	<i>Tier I - Low Investment - Existing State &amp; Federal Resources (For Projects Funded By CMAQ, STIP, RSTP, LTF)</i>	<i>- Tier II - Moderate Investment - With Additional Local Resources (Projects Beyond Constrained Plan)</i>	<i>- Tier III Higher Investment - (Projects Beyond Currently Foreseeable Funding)</i>
<i>All alternatives include projects in the approved six-year Regional Transportation Improvement Program such as the SR-22 widening, I-5 north improvement project, the SR-241 extension (Foothill South), and completion of Measure M Street &amp; Road projects.</i>			
I-5	Widening of I-5 to I-605 in LA Co. (funded by LA Co.)  Improve Interchanges to reduce congestion Improve Barranca Parkway interchange Add lanes from SR-57 to LA County Construct new interchanges	Add lanes between Pico to Coast Highway  Add lanes from SR-73 to El Toro "Y" Add lanes from SR-133 to SR-55 Improve I-5/SR-55 interchange Add lanes between SR-55 and SR-57 to relieve the "Crush" Improve Interchanges to reduce congestion e.g. I-5/SR-74	Extend I-5 improvements into San Diego County in conjunction with San Diego
I-405	Construct Bear Street HOV drop ramps Construct Von Karmon HOV drop ramps  Construct I-405/SR-73 HOV direct connector Construct I-405/I-605 HOV direct connector Fix chokepoints between SR-73 and I-605	Add one lane in each direction from I-5 to SR-55 Add one lane in each direction from SR-73 to I-605  Add 2nd NB truck lane from Lake Forest to Irvine Center Add auxiliary lanes from I-5 to SR-55	Add 2nd lane in each direction from SR-73 to I-605 Extend I-405 improvements into LA County (funded by LA County)
SR-22	SR-22/I-405 HOV connector	Upgrade SR-22 interchanges	
SR-55	Construct Alton overcrossing and HOV drop ramps	Add lanes and auxiliary lanes between I-405 and I-5 Add lanes from I-5 to SR-22 Construct Meats interchange	Complete highway/expressway (tunnel) in Costa Mesa Add lanes from 19th Street to I-405 Add lanes from SR-22 to SR-91 (pending RC-OC MIS outcome)
SR-57	Planned interchanges such as drop ramps in Anaheim	Add lanes from I-5 to SR-91 Add lanes from SR-91 to LA Co. Add northbound truck lane from Lambert to LA County Improve Lambert interchange	Extend to I-405 along Santa Ana River Add lanes up to SR-60 in LA Co. (funded by LA Co.)
SR-91	Add eastbound lane between SR-241 and SR-71	Add westbound lane from I-5 to SR-57 Add westbound auxiliary lane from SR-55 to Tustin Avenue  Add lanes from SR-55 to SR-241 Construct collector-distributor road from SR-241 to SR-71 Improve SR-91/SR-55 interchange Improve Lakeview interchange Construct new Fairmont interchange	Add lanes from I-5 to LA County Implement OC portion of a new corridor from Riverside Co., in conjunction with Riverside Co.  Build SR-241/SR-91/SR-71 express lane connectors and extend lane
SR-73	Add HOV lanes between I-405 and Jamboree	Complete planned interchanges e.g. Glenwood	Build connection between SR-73 and future SR-241
Freeway Chokepoints	Fix future major freeway chokepoints	Fix additional future major freeway chokepoints	
Toll Corridors	Complete to ultimate planned width (TCA projects)	Construct new interchanges to improve circulation Accelerated capacity for carpools & transit	
Freeway maintenance & operations	Maintain and operate freeways using State and Federal resources  Freeway service patrol with existing revenues (thru 2010)	Maintain and operate freeways using State and Federal resources  Continue Freeway Service Patrol to remove stalled cars	Maintain and operate freeways using State and Federal resources

**REVISED ATTACHMENT A**

Mode/Description	<i>Tier I - Low Investment - Existing State &amp; Federal Resources (For Projects Funded By CMAQ, STIP, RSTP, LTF)</i>	<i>- Tier II - Moderate Investment - With Additional Local Resources (Projects Beyond Constrained Plan)</i>	<i>- Tier III Higher Investment - (Projects Beyond Currently Foreseeable Funding)</i>
<b>Arterials &amp; Grade Crossings</b>			
Street maintenance & operations	Continue non-Measure M investment	Invest more in street maintenance  Invest more in residential street maintenance Invest in transportation related school safety programs Enhance landscaping	
Signal coordination	Pilot signal coordination projects	Regional signal coordination/improvements and smart streets	Expand signal coordination grid and smart street network
MPAH	Improve arterial street capacity Construct first phase of Bristol Street widening Construct bike trails with existing revenues	Refine and complete Master Plan of Arterial Highways Complete Bristol Street widening	Build new MPAH links based on need
Grade Crossings		Northeast county (BNSF) grade separated rail corridor Construct railroad grade separations at other BNSF arterial crossings	Expand grade separation program
<b>Transit</b>			
Local Bus	Increase countywide bus service to keep pace with growth Implement Rapid Bus on arterials Implement express bus services on freeways Provide mandated service levels	Deploy community based shuttles/circulators Provide high capacity transit extensions to Metrolink corridor Expand transit choices for senior & disabled community Provide enhanced information and passenger amenities at high volume bus stops	Expand transit extensions to the Metrolink corridor
Rail	Expand Metrolink service	Implement all-day high frequency Metrolink service, including expansion of stations, parking and shuttles Provide high capacity transit extensions to Metrolink corridor Construct railroad grade separations at high priority Metrolink arterial crossings at Sand Canyon, Redhill, State College (Anaheim), 17th, Grand, Santa Ana, and Ball Construct other Metrolink grade separations/quiet zones Implement station car program	Improve the LOSSAN corridor south of Laguna Niguel consistent with the South County Corridor Study
High Speed Rail	Develop Transit Centers to connect Metrolink and regional high speed rail systems	Connect Metrolink to regional high speed rail systems	Provide funding for high-speed rail/Maglev systems
<b>Supporting Programs</b>			
		Consolidated environmental mitigation program(s) e.g. Urban runoff	



**August 15, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, <sup>AL</sup> Chief Executive Officer  
**Subject:** 2006 Long-Range Transportation Plan Revised Environmental Impact Report Alternatives

**Overview**

The Orange County Transportation Authority is currently updating the Long-Range Transportation Plan. Revised alternatives for the Program Environmental Impact Report analysis are provided for review and discussion.

**Recommendation**

Approve the revised Long-Range Transportation Plan alternatives to be analyzed for inclusion in the Draft Program Environmental Impact Report.

**Background**

As part of the 2006 Long-Range Transportation Plan (LRTP) effort, the Orange County Transportation Authority (OCTA) is conducting a Program Environmental Impact Report (PEIR) of the improvements proposed in the plan. The PEIR provides a generalized analysis and is intended to evaluate the broad scale potential impacts of an entire plan or policy. The California Environmental Quality Act (CEQA) requires that the PEIR identify and assess the overall environmental impacts of a proposed program or policy and include a comparison to a "No Project" alternative.

Long-range improvement options were grouped into a preliminary set of alternatives for the PEIR process to compare the benefits and potential impacts of a variety of transportation solutions including freeway, transit, and system operational improvement strategies. This preliminary set of alternatives for the PEIR was presented to the Regional Planning and Highways Committee (Committee) on June 20, 2005. Since then, OCTA has received comments from the California Department of Transportation (Caltrans), Orange County cities, and the public regarding potential projects.

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***Discussion***

Attachment A provides a revised list of projects included in each alternative. Based on technical studies conducted with public and local jurisdiction input provided to date, the following alternatives are recommended to be included in the PEIR.

**No Build/Baseline (No Project)**

This alternative consists of the existing transportation system in Orange County, plus projects that have been approved for funding through the approved six-year Regional Transportation Improvement Program. The majority of the additional projects consist of local street and road projects. The current Garden Grove Freeway (State Route 22) widening, the Santa Ana Freeway (Interstate 5) far north widening, the Foothill Transportation Corridor (State Route 241), and additional Metrolink service, plus the set of rapid transit projects that result from current consideration by the Board of Directors, are examples of projects included in the Baseline alternative.

**Low Investment (Constrained to Existing State and Federal Resources Only)**

The Low Investment alternative assumes the continuation of current annual levels of state, federal, and local transportation funding, and includes moderate levels of highway, street, and transit improvements. In this alternative, Measure M and associated funds are assumed to cease by 2011. Types of projects include improvements to the existing system by completing planned freeway-to-freeway carpool/transit connectors, reducing congestion at previously approved freeway chokepoints, improving signal coordination on arterial streets, improving transit services, and providing more frequent local bus and commuter rail service. However, due to limited financial resources and restrictions on these sources, major transportation projects to address congestion and future mobility needs cannot be considered to a significant degree in this alternative.

**Moderate Investment (Balanced - With Additional Local Resources)**

This alternative includes significant transportation improvements that would measurably address future congestion and mobility needs, but would require supplemental local funding to bring costs and revenues into balance. Proposed supplemental funding includes a continuation of Orange County's transportation sales tax beyond its current expiration in 2011, in addition to the traditional revenues assumed in the Low Investment alternative.

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The Moderate Investment alternative focuses on a multi-modal strategy, including the completion of major chokepoint projects and includes the addition of more lanes on freeways, particularly in areas where the number of lanes are currently not balanced. The new lanes are intended to improve the effectiveness and efficiency of the freeway system, with consideration to maximizing the use of existing right-of-way. Transit improvements include a significant expansion of rapid transit services utilizing the Metrolink corridor and transitway lanes, and implementation of higher frequency complimentary bus service.

The Moderate Investment alternative arterial projects are intended to improve the operational efficiency of roads, such as advanced signal systems to improve traffic flow, as well as completing major portions of the street system to planned levels. A goal of these projects is air quality improvement.

#### High Investment (Unconstrained Resources)

This alternative includes projects that are perceived to address future demand and congestion regardless of potential environmental impacts. It could include major re-construction of freeways, as well as future transit guideway systems. In addition, this alternative includes proposed new corridors being studied as part of major investment studies (MIS's), such as a new corridor linking Riverside and Orange counties. However, the scope of these projects is beyond existing or foreseeable funding levels.

#### Next Steps

Over the summer, staff will conduct modeling analyses of the PEIR alternatives. This, plus additional public input available by September 2005 and the results of the MIS efforts, may help guide subsequent refinements to the alternatives. In fall 2005 and winter 2006, the environmental technical work will be completed and a draft PEIR prepared for public review.

#### **Summary**

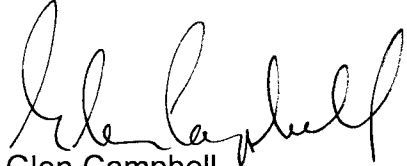
Alternative concepts and revised projects to be included in the PEIR are presented for Committee review. They include No Build, Low Investment, Moderate Investment, and High Investment alternatives.

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**Attachment**

- A. Revised Long-Range Transportation Plan Candidate Project List & Alternatives

**Prepared by:**



Glen Campbell  
Principal Transportation Analyst  
(714) 560-5712

**Approved by:**



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

**REVISED LONG-RANGE TRANSPORTATION PLAN CANDIDATE PROJECT LIST & ALTERNATIVES**

Mode/Description	- Low Investment Plan - Existing State & Federal Resources (For Projects Funded By CMAQ, STIP, RSTP)	- Moderate Investment Plan - With Additional Local Resources (Projects Beyond Constrained Plan)	- High Investment Plan - (Projects Beyond Currently Foreseeable Funding)
<i>All alternatives include projects in the approved six-year Regional Transportation Improvement Program such as the SR-22 widening, I-5 north improvement project, future Centerline replacement, and the SR-241 extension (Foothill South).</i>			
I-5	Improve Barranca Parkway interchange Widening of I-5 to I-605 in LA Co. (funded by LA Co.) Construct new interchanges Add lanes from SR-57 to LA County Improve Interchanges to reduce congestion	Add lanes from SR-133 to SR-55 Add lanes from El Toro "Y" to SR-73 Improve Interchanges to reduce congestion Improve I-5/SR-55 interchange Add lanes between SR-55 and SR-57 Add lanes between Coast Highway and Pico	Improve Interchanges to reduce congestion
I-405	Construct Bear Street HOV drop ramps Construct Von Karmon HOV drop ramps Construct I-405/SR-73 HOV direct connector Construct I-405/I-605 HOV direct connector Fix chokepoints between SR-73 and I-605	Add one lane in each direction from SR-73 to I-605 Add 2nd NB truck lane from Lake Forest to Irvine Center Add auxiliary lanes from I-5 to SR-55 Add an additional lane in each direction from I-5 to SR-55	Add 2nd lane in each direction from SR-73 to I-605
SR-22	SR-22/I-405 HOV connector	Upgrade SR-22 interchanges	
SR-55	Construct Alton overcrossing and HOV drop ramps	Add lanes and auxiliary lanes between I-5 and I-405 Add lanes from SR-22 to I-5 Construct planned interchange(s)	Complete highway/expressway (tunnel) in Costa Mesa Add lanes from I-405 to 19th Street Add lanes from SR-91 to SR-22 (pending RC-OC MIS outcome)
SR-57	Planned interchanges such as drop ramps in Anaheim	Add lanes from LA Co. to SR-91 Add lanes from SR-91 to I-5 Improve Lambert interchange Add northbound truck lane from Lambert to LA County	Extend to I-405 along Santa Ana River Add lanes in LA Co. (funded by LA Co.)
SR-91	Add eastbound lane between SR-241 and SR-71	Add westbound lane from SR-57 to I-5 Add westbound auxiliary lane from SR-55 to Tustin Avenue  Add lanes from SR-55 to Weir Canyon Improve Lakeview interchange Construct new Fairmont interchange Construct collector-distributor road from SR-241 to SR-71 Improve SR-91/SR-55 interchange	Add lanes from SR-55 to LA County Implement OC portion of a new corridor from Riverside Co., in conjunction with Riverside Co. Build SR-241/SR-91/SR-71 express lane connectors
SR-73	Add HOV lanes between I-405 and Jamboree	Complete planned interchanges	Build connection between SR-73 and future SR-241
Freeway Chokepoints	Fix future major freeway chokepoints	Fix additional future major freeway chokepoints	
Toll Corridors	Complete to ultimate planned width	Construct new interchanges to improve circulation Add capacity and reduce tolls for carpools & transit	

Mode/Description	- Low Investment Plan - Existing State & Federal Resources (For Projects Funded By CMAQ, STIP, RSTP)	- Moderate Investment Plan - With Additional Local Resources (Projects Beyond Constrained Plan)	- High Investment Plan - (Projects Beyond Currently Foreseeable Funding)
<b>Arterials &amp; Grade Crossings</b>			
Street maintenance	Continue non-Measure M investment	Invest more in street maintenance Invest more in residential street maintenance	
Signal coordination		Synchronize & maintain traffic signals across jurisdictions	
MPAH	Improve arterial street capacity Construct first phase of Bristol Stree widening	Complete Master Plan of Arterial Highways Complete Bristol Street widening	
Grade Crossings		Northeast county (BNSF) grade separated rail corridor Construct railroad grade separations at other BNSF arterial crossings	
<b>Transit</b>			
Local Bus	Expand countywide bus service to keep pace with growth	Provide enhanced information and passenger amenities at high volume bus stops	
Bus Rapid Transit (BRT)	Implement Rapid Bus on arterials		
Express Bus	Implement express bus services on freeways		
Community Bus		Deploy community based shuttles/circulators	
Commuter Rail	Expand Metrolink service	Implement all-day high frequency Metrolink service, including expansion of stations, parking and shuttles Provide high capacity transit extensions to Metrolink Implement station car program Construct railroad grade separations at high priority Metrolink arterial crossings at Sand Canyon, Redhill, State College (Anaheim), 17th, Grand, Santa Ana, and Ball Construct other Metrolink grade separations/quiet zones	
Paratransit	Provide mandated service levels	Expand transit choices for senior & disabled community	
High Speed Rail	Develop intermodal centers	Connect Metrolink to regional high speed rail systems	Provide funding for high-speed rail/Maglev systems
<b>Supporting Programs</b>			
		Continue Freeway Service Patrol to remove stalled cars Invest in transportation related school safety programs Construct additional freeway sound walls Enhance landscaping on transportation corridors Invest in urban water runoff programs Invest in open space protection Invest in habitat protection and restoration Construct more bike trails	







**BOARD COMMITTEE TRANSMITTAL**

**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Wendy Knowles, Clerk of the Board <sup>WK</sup>  
**Subject** Riverside County-Orange County Major Investment Study Reduced Set of Alternatives

Regional Planning and Highways Committee

August 15, 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 Members Green, Pringle, and Ritschel were not present to vote.

**Committee Recommendations**

- A. Direct staff to proceed with detailed analysis of the three build alternatives and work with the consulting team to address the follow-up issues identified.
- B. Direct staff to withdraw surface-only alignments for Corridor B-Corona to Irvine from further consideration.
- C. Direct staff to withdraw Corridor C-Lake Elsinore to Irvine alignments from further consideration.



**August 15, 2005**

**To:** Regional Planning and Highways Committee  
**From:** Arthur T. Leahy, Chief Executive Officer  
**Subject:** Riverside County-Orange County Major Investment Study  
Reduced Set of Alternatives

**Overview**

Solutions to improve mobility between Riverside and Orange counties are under development. A status report focusing on major build alternatives is presented for Board of Director's review and action.

**Recommendations**

- A. Direct staff to proceed with detailed analysis of the three build alternatives and work with the consulting team to address the follow-up issues identified.
- B. Direct staff to withdraw surface-only alignments for Corridor B-Corona to Irvine from further consideration.
- C. Direct staff to withdraw Corridor C-Lake Elsinore to Irvine alignments from further consideration.

**Background**

The Orange County Transportation Authority (OCTA) and the Riverside County Transportation Commission (RCTC) have embarked on a study in partnership with the Foothill/Eastern Transportation Corridor Agency (F/E TCA) to evaluate proposed long-term projects for improving traffic congestion along the Riverside Freeway (State Route 91) corridor. The Riverside County-Orange County Major Investment Study (MIS) is an 18-month study looking at various types of multimodal alternatives between the two counties.

In March 2005, a series of public open houses were convened in Riverside and Orange counties to solicit public feedback on 12 "build" alternatives. These alternatives mixed various improvements along five corridors (Attachment A).

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These corridors include: State Route 91 (SR-91); Corridor A-Santa Ana Canyon (primarily along freight railroad right-of-way); Corridor B-Corona to Irvine; Corridor C-Lake Elsinore to Irvine; and Corridor D (primarily Ortega Highway [State Route 74]).

To move forward in the study process, the 12 alternatives have been reviewed by the technical team and the Riverside County-Orange County MIS Policy Committee (Policy Committee). On July 15, 2005, the Policy Committee recommended a reduced set of three alternatives for further technical study through fall 2005. These recommendations, as well as additional recommendations by staff, are presented below.

### ***Discussion***

Three strategic, build alternatives (Attachment B, C, and D) are recommended for further evaluation at this stage in the MIS process. These include:

1. Widening the SR-91 to add one or two lanes in each direction (primarily within existing right-of-way) between the Costa Mesa Freeway (State Route 55) and the Corona Freeway (Interstate 15); plus making State Route 74 (SR-74) a four-lane road; plus building a new six-lane facility above or next to the railroad right-of-way that parallels SR-91 from the Eastern Transportation Corridor (State Route 241) to the Interstate 15 (I-15) Freeway.
2. Widening SR-91 to add one or two lanes in each direction (primarily within existing right-of-way) between State Route 55 (SR-55) and I-15; plus building a new six-lane facility, major portions in tunnels, from the intersection of the State Route 241 (SR-241) toll road with the Laguna Canyon Road (State Route 133) toll road to I-15 in the vicinity of Cajalco Road in Corona.
3. Widening SR-91 to add one or two lanes in each direction (primarily within existing right-of-way) between SR-55 and I-15; plus building a new four-lane facility parallel to SR-91 from the SR-241 toll road to I-15; plus building a new four-lane facility, major portions in tunnels, from the intersection of the SR-241 toll road with the State Route 133 (SR-133) toll road to I-15 in the vicinity of Cajalco Road; plus making Ortega Highway a four-lane road.

These alternatives will be evaluated in detail this summer with environmental impacts, conceptual engineering layouts, and benefit and cost information available for public review and policy direction in fall 2005. As the consultant team evaluates these alternatives over the next several months, staff recommends the consultant team follow-up on the specific issues listed in

Attachment E. These issues were developed based on comments provided by the Policy Committee, cities, and OCTA staff.

Related to moving forward with a more detailed study of the three alternatives above, staff also recommends eliminating Corridor B surface-only alignments from further study due to high potential environmental impacts and costs. Large cut and fill sections with surface-only alignments in Corridor B translate into high costs and high impacts through environmentally-sensitive areas. A combination of tunnel and surface alignments in Corridor B appear to be more cost effective and have less impacts based on the consultant's evaluation. In addition, Corridor C-Lake Elsinore to Irvine is not recommended for further study due to high costs and impacts compared to Corridor B.

Copies of the draft Screening Report documenting the consultant's work to date and a summary of recent public outreach activities are available upon request through the Clerk of the Board's office.

**Summary**

Three alternatives plus related issues are recommended for further study over the next several months. Corridor C-Lake Elsinore to Irvine is not recommended for further study, nor are surface-only options in Corridor B-Corona to Irvine.

**Attachments**

- A. Major Investment Study Corridors
- B. Strategic Alternative I
- C. Strategic Alternative II
- D. Strategic Alternative III
- E. Specific Issues Recommended for More Detailed Analysis (Now to Fall 2005)

**Prepared by:**



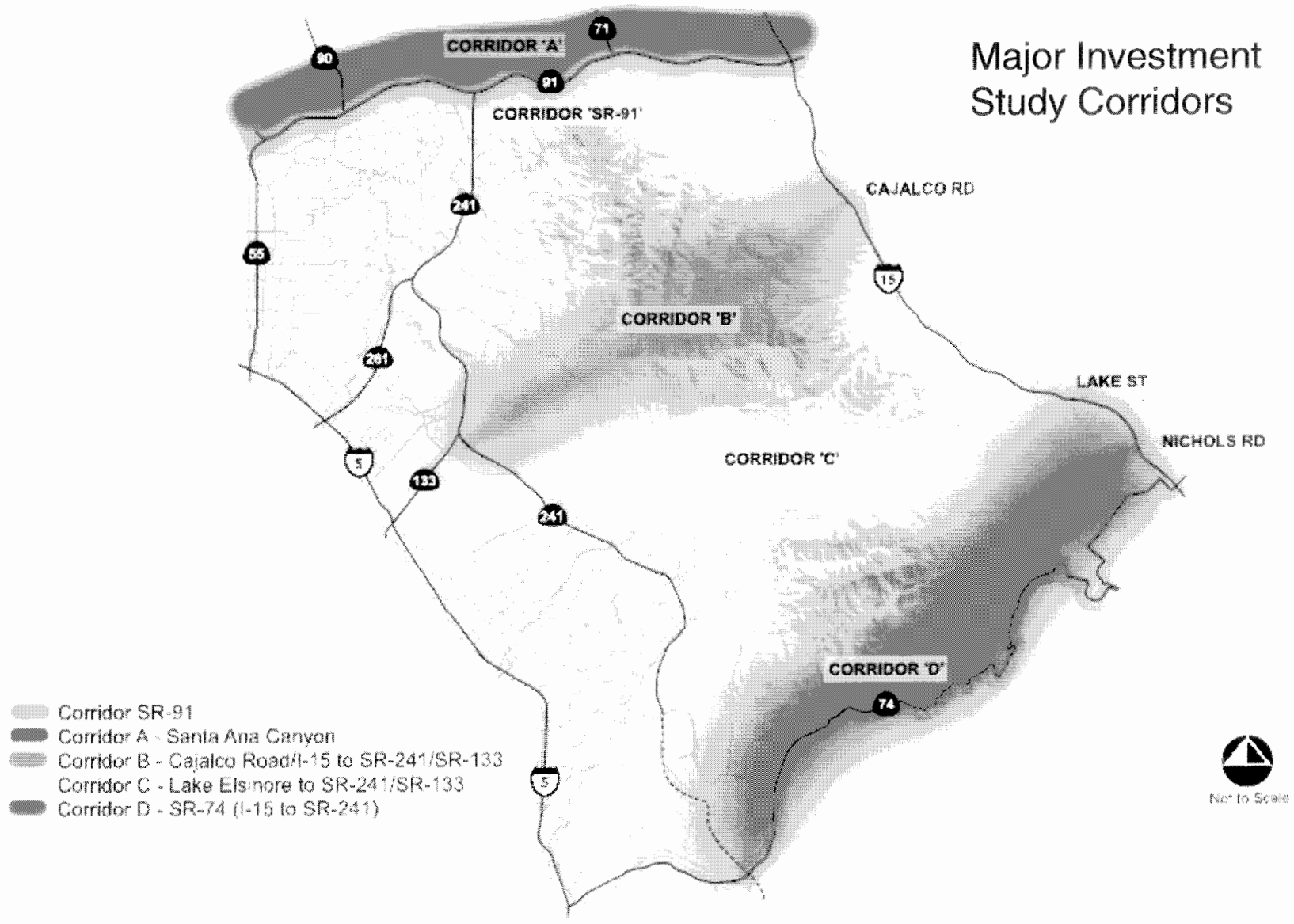
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Department Manager  
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**Approved by:**



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

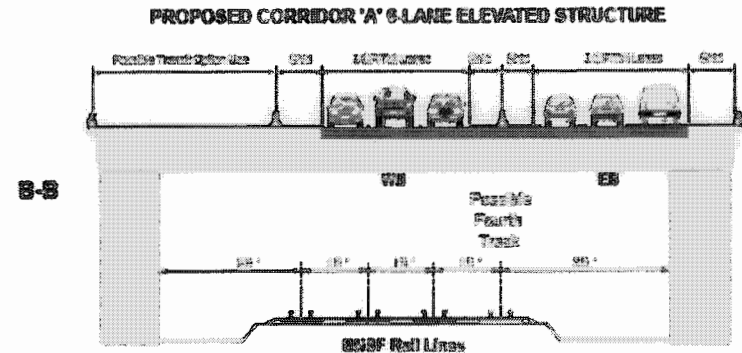
# Major Investment Study Corridors



RIVERSIDE COUNTY - ORANGE COUNTY MIS

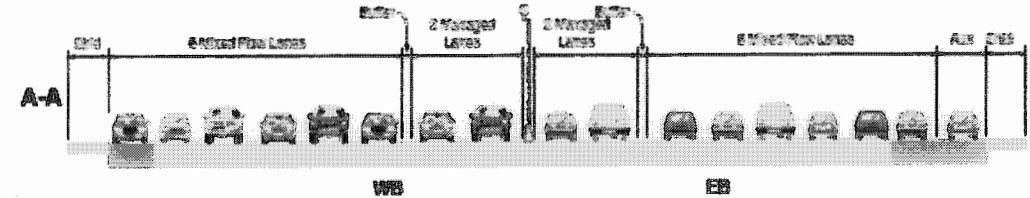
# Strategic Alternative I

- Maximize transit system
- Maximum widening to SR-91
- Possible managed lane changes for SR-91
- Six lanes elevated structure in Corridor A
- Widening of SR-74 to four lanes
- Goods movement
- Reimburse TCA for loss of toll revenues on SR-241 (option)

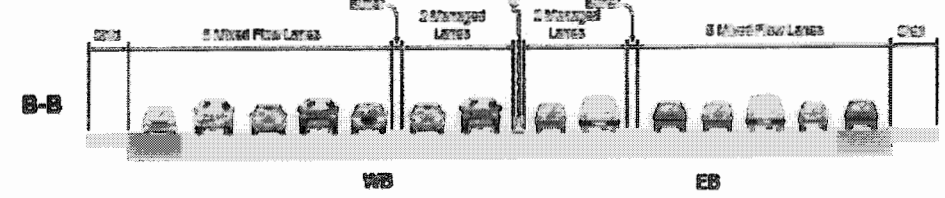


Note: Requires ENECP approval for Corridor A' Highway Improvements within the ENECP right-of-way. Corridor A' improvements could be constructed outside of ENECP right-of-way.

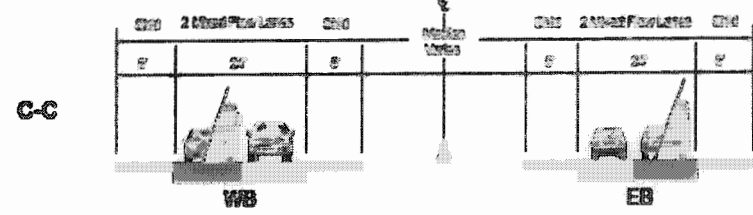
PROPOSED SR-91 CORRIDOR - ADDITIONAL 3 LANES FROM SR-55 TO SR-241



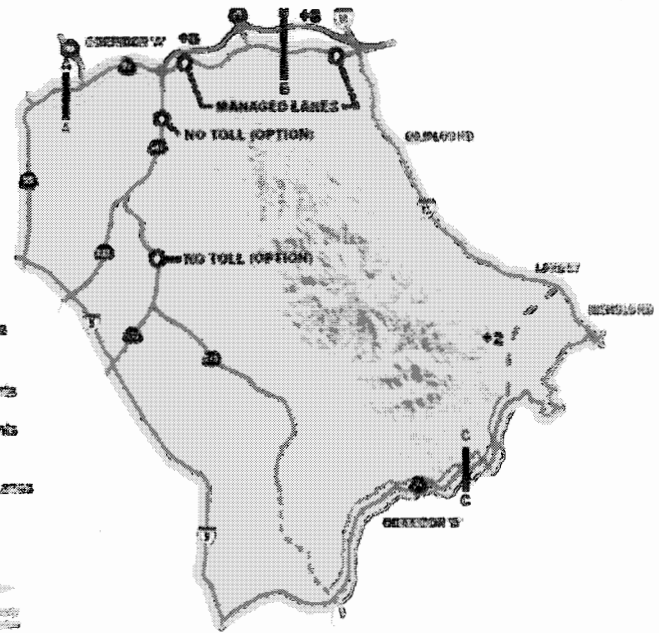
PROPOSED SR-91 CORRIDOR - ADDITIONAL 2 LANES BETWEEN SR-71 AND I-15



PROPOSED CORRIDOR D' CONVENTIONAL 4-LANE ARTERIAL - TUNNEL/SURFACE



RIVERSIDE COUNTY - ORANGE COUNTY NIS  
STRATEGIC ALTERNATIVE I



North Arrow  
FOR ILLUSTRATIVE PURPOSES ONLY

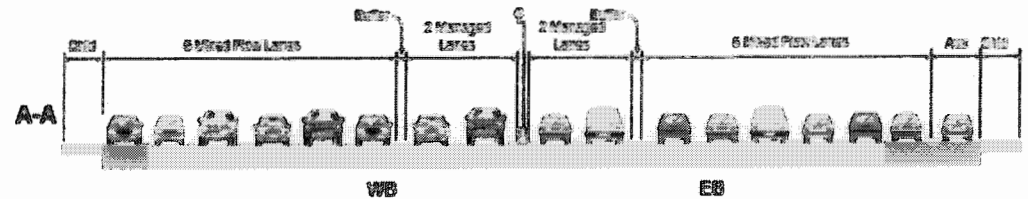
- LEGEND**
- Existing Highway
  - Proposed SR-91 Improvements
  - Proposed Additional SR-91 Lanes
  - Existing SR-91 Lanes
  - Proposed Corridor A Alignment
  - Proposed Corridor A Improvements
  - Proposed Extension of SR-241
  - Proposed Corridor C Improvements
  - Proposed Corridor C Route
  - Proposed Corridor C Lanes
  - +2 Proposed Number of Additional Lanes



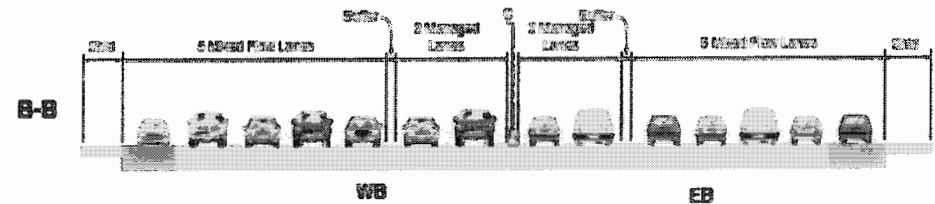
# Strategic Alternative II

- Maximize transit system
- Maximum widening to SR-91
- Possible managed lane changes for SR-91
- Six lane freeway in Corridor B (toll free with two reversible lanes)

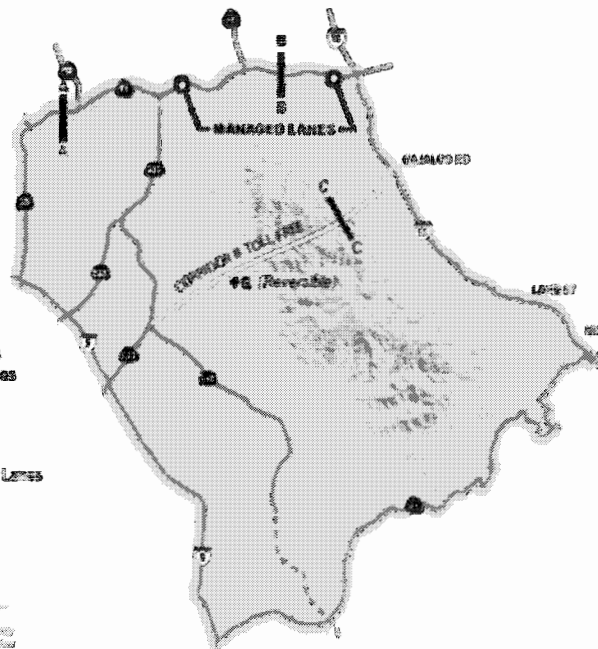
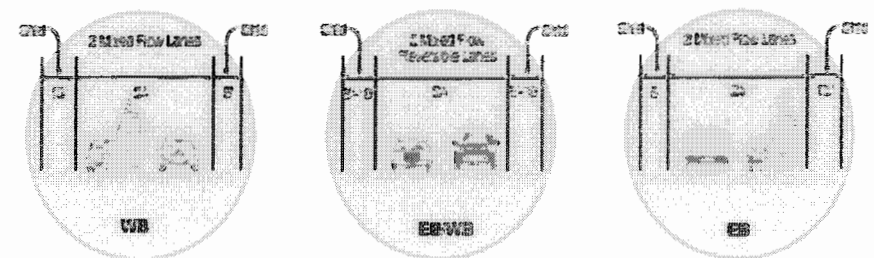
PROPOSED SR-91 CORRIDOR - ADDITIONAL 3 LANES FROM SR-55 TO SR-241



PROPOSED SR-91 CORRIDOR - ADDITIONAL 2 LANES FROM SR-71 TO I-15



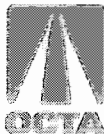
PROPOSED CORRIDOR 'B' CONVENTIONAL 6 LANE FREEWAY - TUNNEL/SURFACE



FOR ILLUSTRATIVE PURPOSES ONLY

**LEGEND**

- Existing Highway
- Proposed SR-91 Improvements
- Proposed Additional SR-91 Lanes
- Existing SR-91 Lanes
- Proposed Extension of SR-241
- Proposed Corridor B Route
- Proposed Corridor B Lanes
- Proposed Number of Additional Lanes



RIVERSIDE COUNTY - ORANGE COUNTY MTS  
STRATEGIC ALTERNATIVE II





**Specific Issues Recommended for More Detailed Analysis (Now to Fall 2005)**

Three major build alternatives are recommended for further technical study over the next several months, as described in the staff report. The results of this technical analysis will be presented to the MIS Policy Committee in October 2005 and the OCTA/RCTC Board in late 2005. OCTA staff recommends the consulting team address the issues below as part of this detailed analysis. These issues are separated by facility below.

**SR-91**

1. Evaluate the benefits and costs associated with relocating the truck scales from SR-91 farther east to reduce truck traffic impacts.

**91 Express Lanes**

2. Evaluate the benefits and costs associated with converting the 91 Express Lanes to a reversible facility in the long-term.

**Corridor A**

3. Work with BNSF on a corporate position regarding the four- and six-lane Corridor A alternatives.
4. Evaluate the traffic impacts with and without a connection from Corridor A to westbound SR-91. The City of Anaheim has raised concerns regarding this connection and a more detailed analysis is recommended to address the City's concerns.
5. Test the impacts of lowering/eliminating tolls on portions of SR-241 versus major improvements to SR-91 west of SR-241 to help distribute traffic. A toll reduction combined with new capacity on SR-241 may be a lower cost option to SR-91 improvements between SR-241 and SR-55 as well as potential SR-55 improvements.

**Corridor B**

6. Evaluate the traffic impacts to circulation systems (arterials and freeways) in Irvine, Orange, and other cities associated with four- to six-lane Corridor B connections to the SR-241/SR-133 interchange. The cities have raised concerns with traffic distribution, and detailed traffic analysis is recommended to address these issues and develop potential solutions.

## **Corridor D (primarily Ortega Highway)**

Evaluate the traffic impacts to circulation systems (arterials and freeways) in San Juan Capistrano, San Clemente, and other cities associated a Corridor D connection to the future SR-241 south.

### **Tolls**

7. Evaluate the revenue impacts to the 91 Express Lanes and the entire TCA toll system associated with all the proposed build alternatives. Include any potential toll revenue loss as a cost of the build alternatives.

### **Anaheim to Ontario Maglev**

8. Work with the Cal-Nevada Super Speed Train Commission on impacts to their proposed “seed” alignment associated with the three build alternatives.

### **Interchanges**

9. Evaluate the impacts of a new Fairmont Boulevard SR-91 interchange (connecting to/from the north side of SR-91). Evaluate impacts of the build alternatives and potential solutions to the SR-91/SR-55 interchange.





**August 22, 2005**

**To:** Members of the Board of Directors  
**From:** Arthur T. Leahy, <sup>ATL</sup> Chief Executive Officer  
**Subject:** Chief Executive Officer's Goals for 2005

**Overview**

The Board of Directors and the Chief Executive Officer agreed upon a set of goals for 2005.

**Recommendation**

Receive and file the Chief Executive Officer's Goals for 2005.

**Discussion**

Attachment A outlines and references the Chief Executive Officer's goals by number, time frame, area of concentration, and status. It surveys and establishes an extensive, comprehensive, and wide-ranging list of key area upon which to assess the agency's progress during the year.

**Summary**

A set of annual goals has been established for the Chief Executive Officer.

**Attachment**

A. Goals for Calendar Year 2005.

# Goals for Calendar Year 2005

CEO Goal  
Reference  
Number

CEO's Goals

Time Frame

Area of  
Concentration

Status

**January**

18	Implement fare increase a) Effective 1/1/05	January 1, 2005	<b>Bus System</b>	Completed								
	b) Achieve operating ratio of 25 percent, an increase over the 23 percent figure in 2004			<table border="1"> <tr> <th colspan="2">Operating Ratio</th> </tr> <tr> <td>1<sup>st</sup> quarter</td> <td>23.5%</td> </tr> <tr> <td>2<sup>nd</sup> quarter</td> <td>23.8%</td> </tr> <tr> <td>Year to date</td> <td>23.7 %</td> </tr> </table>	Operating Ratio		1 <sup>st</sup> quarter	23.5%	2 <sup>nd</sup> quarter	23.8%	Year to date	23.7 %
Operating Ratio												
1 <sup>st</sup> quarter	23.5%											
2 <sup>nd</sup> quarter	23.8%											
Year to date	23.7 %											
	c) Increase bus revenue to \$53.4 million, an increase of 15.5 percent over 2004			<table border="1"> <tr> <th colspan="2">% Increase in Revenue</th> </tr> <tr> <td>1<sup>st</sup> quarter</td> <td>15.4%</td> </tr> <tr> <td>2<sup>nd</sup> quarter</td> <td>14.4%</td> </tr> <tr> <td>Year to date</td> <td>14.9%</td> </tr> </table>	% Increase in Revenue		1 <sup>st</sup> quarter	15.4%	2 <sup>nd</sup> quarter	14.4%	Year to date	14.9%
% Increase in Revenue												
1 <sup>st</sup> quarter	15.4%											
2 <sup>nd</sup> quarter	14.4%											
Year to date	14.9%											
26	Complete new Board Room construction	January 10, 2005	<b>Board Related Activities</b>	Completed								
23	Complete new member orientation sessions	January 2005	<b>Board Related Activities</b>	Completed								

## Goals for Calendar Year 2005

CEO Goal Reference Number	<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
	<b>February</b>			
24	Hold Board retreat on immediate major issues	February 28, 2005	<b>Board Related Activities</b>	Completed
1	Decide whether to proceed with planning for possible Measure M renewal vote in November 2006	February 2005	<b>Major Policy Issues</b>	Completed
2	Decide what to do with the Centerline Project	February 2005	<b>Major Policy Issues</b>	Completed
11	Re-bid the operating contract	Released RFP in February	<b>91 Express Lanes</b>	Proposals evaluations underway

### **March**

27	Complete Central County definition of alternatives	March 2005	<b>Major Planning Activities</b>	BOD approved in April
31	Implement Board decision regarding CenterLine and report to Board as relates to contracts for engineering, right-of-way, outreach and all other activities	March 2005	<b>Fixed-Guideway</b>	Completed
14	Dynamic pricing: assessing real time pricing methods. Meeting w/consultants	March 2005	<b>91 Express Lanes</b>	Completed
7	Open SR-55/I-405 bridges	March 1, 2005	<b>Construction Projects</b>	Completed 5/05/05 (delayed)

## Goals for Calendar Year 2005

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>	
CEO Goal Reference Number <b>1<sup>st</sup> Quarter</b>				
22	Complete mechanics labor contract negotiations	1 <sup>st</sup> Quarter	<b>Bus System</b>	Delayed by OCERS issues. Updated actuaries report now due from OCERS
25	Review federal advocacy activities, priorities, and contracts	1 <sup>st</sup> Quarter	<b>Board Related Activities</b>	Scope reviewed and approved by Board
<b>April</b>				
3	Review causes, issues associated with SR-55/I-405 bridge problems	April 2005	<b>Major Policy Issues</b>	OCTA to seek damages in 9/05
33	Review current approach to local outreach including assessment of ways to improve program effectiveness. Evaluate staffing levels, use of contractors, and objectives in time for '05-'06 budget development	April 2005	<b>Local Outreach Management</b>	Completed



## Goals for Calendar Year 2005

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
CEO Goal Reference Number <b>May</b> 8 Complete Santa Ana Bus Base	May 1, 2005	<b>Construction Projects</b>	Completed
21 Open Santa Ana Bus Base	May 1, 2005	<b>Construction Projects</b>	Completed
4 Explore freight movement issues and develop action plan	May 2005	<b>Major Policy Issues</b>	Completed
29 South County MIS notice to proceed	May 2005	<b>Major Policy Issues</b>	Delayed at request of TCA. 6/27/05 Board authorized CEO to finalize contract. Staff continues to negotiate with URS

### **June**

13 Develop FY 2006 Budget which reflects Board goals and priorities	June 30, 2005	<b>Major Policy Issues</b>	Completed
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## Goals for Calendar Year 2005

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
CEO Goal Reference Number <b>July</b> 32 Develop/modify financial and implementation plans to reflect Board direction regarding CenterLine, potential other technologies, and Measure M rail funds	July 1, 2005	<b>Fixed-Guideway</b>	Completed
15 Explore with TCA areas for potential increased cooperation, especially in such areas as operations and marketing	July 2005	<b>91 Express Lanes</b>	TCA-OCTA collaborating on planning studies. Joint marketing FasTrac underway. Information distributed at OC Fair July 05
20 Implement ACCESS service changes	July 1, 2005	<b>Bus System</b>	Completed
<b>October</b>			
10 Complete Peralta Hills Soundwall	October 2005	<b>Construction Projects</b>	Completed three months ahead of schedule.

## Goals for Calendar Year 2005

<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>	
CEO Goal Number [REDACTED]				
30	Complete Riverside-Orange County Major Investment Study	December 2005	Major Planning Activities	Final alternatives recommended by policy committee 7/1/05
9	Complete design, ROW acquisition, and award I-5 construction contract	December 31, 2005	Construction Projects	

[REDACTED]				
34	Signal Synchronization: a) Develop pilot project to implement signal synchronization on a major arterial to include identification of arteries b) Enter into cooperative agreements with Caltrans, county, and cities c) Issuance of RFP for design and on-going management	4 <sup>th</sup> Quarter	Major Planning Activities	Progress report to RP&H 6/6/05

## Goals for Calendar Year 2005

	<u>CEO's Goals</u>	<u>Time Frame</u>	<u>Area of Concentration</u>	<u>Status</u>
CEO Goal Reference Number	<del>Yearlong</del>			
12	Achieve patronage and revenue projections: need to develop from FY projections	Yearlong	<b>91 Express Lanes</b>	April 1 To be reported to Board monthly
5	Continue Security Review and Planning	Yearlong	<b>Major Policy Issues</b>	
6	Maintain SR-22 widening on-time and on-budget	Yearlong	<b>Major Policy Issues</b>	
19	Operate 80 percent on-time service and 10,000 miles between road calls	Yearlong	<b>Bus Service</b>	85.5% YTD 11,383 miles between road calls YTD
16	Provide 2,461,000 hours of revenue service  a) Provide 32,703,000 revenue miles, a 2.6 percent increase over 2004	Yearlong	<b>Bus Service</b>	
17	*Provide 69,500,000 passenger rides, the same as in 2004	Yearlong	<b>Bus Service</b>	

\*Note: Based upon the fare increase effective January 1, 2005, a 5% or 10% ridership loss may occur. Insufficient historical data exists to project ridership in 2005 with confidence. Therefore, use of a "stretch" goal is appropriate.