

Date: Monday, November 28, 2005

Time: 9:00 a.m.

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



AGENDA

Orange County Transportation Authority Board Meeting
OCTA Headquarters, First Floor - Room 154
600 South Main Street, Orange, California
Monday, November 28, 2005, at 9:00 a.m.

ACTIONS

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

Invocation

Director Green

Pledge of Allegiance

Vice Chairman Brown

Agenda Descriptions

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

Public Comments on Agenda Items

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



AGENDA

ACTIONS

Special Matters

1. **Transit Police Services Mental Health Outreach Team Award**
Beth McCormick/William L. Foster
2. **Presentation of Resolutions of Appreciation for Employees of the Month for November 2005**

Present Orange County Transportation Authority Resolutions of Appreciation Nos. 2005-119, 2005-120, 2005-121 to Jose Sanchez, Coach Operator, Anh Le Trinh, Maintenance, and Michael Litschi, Administration, as Employees of the Month for November 2005.

Consent Calendar (Items 3 through 8)

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

Orange County Transportation Authority Consent Calendar Matters

3. **Approval of Minutes**
Of the Orange County Transportation Authority and affiliated agencies' regular meeting of November 14, 2005.
4. **Approval of Resolutions of Appreciation for Employees of the Month of November 2005**
Approval of Orange County Transportation Authority Resolutions of Appreciation Nos. 2005-119, 2005-120, 2005-121 to Jose Sanchez, Coach Operator, Anh Le Trinh, Maintenance, and Michael Litschi, Administration, as Employees of the Month for November 2005.



AGENDA

ACTIONS

5. **Conflict of Interest Code and Annual Statement of Economic Interests Filing for 2005**
Wendy Knowles

Overview

Pursuant to the Orange County Transportation Authority's Conflict of Interest Code, Members of the Board of Directors and certain designated employees are required to file Statements of Economic Interests and the Conflict of Interest Code must be amended as appropriate.

Recommendations

- A. Adopt the Orange County Transportation Authority Conflict of Interest Code and direct staff to forward the code for approval to the reviewing body, the Orange County Board of Supervisors.
- B. Direct the Clerk of the Board to distribute and monitor Statements of Economic Interests for 2005 for members of the Board of Directors, the Chief Executive Officer, and certain designated employees, and file those statements with the Clerk of the Orange County Board of Supervisors by April 3, 2006.

6. **Customer Relations Service Quality Report for First Quarter Fiscal Year 2005-06**
Adam Raley/Ellen S. Burton

Overview

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

Recommendation

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



AGENDA

ACTIONS

7. **Agreement for Maintenance of Xerox High-Speed Copiers**
Richard H. Smith/James S. Kenan

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2005-06 Budget, the Board approved full service maintenance of the Xerox 5900 and 6135 high speed copying systems. The agreement was handled in accordance with the Orange County Transportation Authority's procurement procedures for sole source professional and technical services. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-2802 between the Orange County Transportation Authority and Xerox Corporation, in an amount not to exceed \$120,000, for full service maintenance of Xerox 5900 and 6135 high speed copying systems for the period February 1, 2006, through January 31, 2008.

8. **Health Benefits for Contractors' Employees**
Virginia Abadessa/James S. Kenan

Overview

The Orange County Transportation Authority does not require contractors doing business with the Orange County Transportation Authority to provide health insurance to their employees. A Board approved policy is required to enact such a requirement.

Recommendations (reflects change from staff recommendations)

Option 5 (offered by Committee Chairman Wilson): Take no action to the current methodology that the Orange County Transportation Authority uses on contracts.



AGENDA

ACTIONS

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

9. **Comprehensive Funding Strategy and Policy Direction, and Adoption of the 2006 State Transportation Improvement Program**
Darrell E. Johnson/Paul C. Taylor

Overview

Orange County receives state and federal funds for use on transportation capital projects. With the recent passage of Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users, adoption of the 2006 State Transportation Improvement Program Fund Estimate, and action by the Board of Directors on the future of transit in Orange County, staff is recommending the adoption of a comprehensive state and federal funding plan along with adoption of the 2006 State Transportation Improvement Program.

Recommendations

- A. Approve overall policy direction for programming of local, state, and federal funds.
- B. Approve a comprehensive local, state, and federal funding plan for \$1.455 billion from fiscal year 2005-06 through fiscal year 2010-2011
- C. Adopt the 2006 State Transportation Improvement Program
- D. Approve a Bristol Street Widening Project Funding Plan:
 - 1. Commit to seek full funding in the amount of \$225 million for the Bristol Street Widening Project
 - 2. Program \$125 million in State Gas Tax Subvention funds in the period from fiscal year 2006-07 through fiscal year 2011-12 for the Bristol Street Widening Project.



AGENDA

ACTIONS

9. (Continued)

3. Direct the Chief Executive Officer to seek an additional \$100 million from other sources, including, but not limited to, federal appropriations, state grants or local funds to complete the Bristol Street Widening Project.
4. Direct the Chief Executive Officer to negotiate a cooperative agreement with the City of Santa Ana that defines the Orange County Transportation Authority's responsibilities for project funding of \$225 million and that City's responsibilities for project implementation.

E. Approve the use of Measure M Transit funds for the Metrolink Service Expansion

F. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program as well as execute any necessary agreements to facilitate the above actions.

10. **Lease to Own Agreement for Design, Construction, Operation and Maintenance of a Compressed Natural Gas Fueling Station at the Santa Ana Bus Base**

James J. Kramer/Stanley G. Phernambucq

Overview

In November 2004, the Board approved the fleet plan for the procurement of vehicles and an alternative fueling station at the Santa Ana Bus Base. A solicitation was issued to secure proposals for either a liquefied compressed natural gas station or a compressed natural gas station. Proposals were received in accordance with the Orange County Transportation Authority's fixed assets, competitive procurement procedures. Board approval is requested to execute agreements as identified below.



AGENDA

ACTIONS

10. (Continued)

Recommendations

- A. Authorize the Chief Executive Officer to execute a contract with Southern California Gas Company, in an amount not to exceed \$2,700,000, for the extension of an underground natural gas line.
- B. Authorize the Chief Executive Officer to execute Lease to Own Agreement C-5-2641, for a period up to 10 years, between the Orange County Transportation Authority and California Trillium Company, at a total contract cost not to exceed \$17,000,000, for the compressed natural gas fueling facility at the Santa Ana Bus Base.

Orange County Transit District Regular Calendar Matters

- 11. **Agreement for the Provision of ACCESS, Contracted Fixed Route, Stationlink and Express Bus Service**
Erin Rogers/William L. Foster

Overview

The Orange County Transportation Authority currently has a contract with Laidlaw Transit Services, Inc., for the turn-key provision of paratransit and contracted fixed route services. This agreement expires on February 28, 2006. A process for re-bidding these services began in December 2004. A competitive procurement has been conducted and offers have been evaluated. Staff is providing an update to this process and seeking approval on a set of recommendations for completion of this process.

Recommendations

- A. Direct staff to reject all proposals submitted in response to Request for Proposal 4-0946 "Contracted Fixed Route, Stationlink and Express Bus Service" and Request for Proposal 4-1253 "ACCESS and Broker Services for the Orange County Transportation Authority Americans with Disabilities Act ACCESS Services."



AGENDA

ACTIONS

11. (Continued)

- B. Authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-4-0301 between the Orange County Transportation Authority and Laidlaw Transit Services, Inc., on a month to month basis, not to exceed four months, increasing the maximum cumulative payment obligation in an amount not to exceed \$11,448,896.
- C. Direct staff to issue a Request for Proposal for ACCESS services, Contracted Fixed Route, Stationlink and Express Bus Services, including a scope of work for a turn-key operation using the Orange County Transportation Authority's Irvine Base.

Other Matters

12. Chief Executive Officer's Report

13. Directors' Reports

14. Public Comments

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

15. Closed Session

- A. Pursuant to Government Code Section 54956.9(a) to discuss Harold Wurmnest and Kerstin Wurmnest vs. OCTA; OCSC No. 04CC11576.
- B. Pursuant to Government Code Section 54956.9(c).
- C. Pursuant to Government Code Section 54957.6 to meet with Orange County Transportation Authority designated representative Marlene Heyser regarding collective bargaining agreement negotiations with the Teamsters Local 952 representing the Maintenance employees.
- D. Pursuant to Government Code Section 54957 to review the performance of the Chief Executive Officer.



AGENDA

ACTIONS

16. Adjournment

The next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/OCSAAV Board will be held at **9:00 a.m. on December 12, 2005**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.

Minutes of the Meeting of the
Orange County Transportation Authority
Orange County Service Authority for Freeway Emergencies
Orange County Local Transportation Authority
Orange County Transit District
November 14, 2005

Call to Order

The November 14, 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
Curt Pringle
Miguel Pulido
Susan Ritschel
Mark Rosen
James W. Silva
Thomas W. Wilson (participated by teleconference)
Gregory T. Winterbottom
Jim Biel, Caltrans, attended for 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: Mark Rosen

Invocation

Director Norby gave the invocation.

Pledge of Allegiance

Director Winterbottom 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. Recognition of Retirees

Victor Virgen was recognized by the Board of Directors for having recently retired from the OCTA.

2. Public Hearing for 2005 Orange County Congestion Management Program Update

Chairman Campbell opened the Public Hearing, and Paul C. Taylor, Executive Director of Planning, Development, and Commuter Services, provided an update on the Congestion Management Program.

Public comment was offered from Darrell Nolta, citizen of Westminster, who expressed his support for this program.

Motion was made by Vice Chairman Brown, seconded by Director Winterbottom, and declared passed by those present, to close the Public Hearing.

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

- A. Conduct a public hearing for the adoption of the 2005 Orange County Congestion Management Program.
- B. Adopt the 2005 Orange County Congestion Management Program.
- C. Direct staff to forward the 2005 Orange County Congestion Management Program to the Southern California Association of Governments for a finding of regional consistency.

Consent Calendar (Items 3 through 18)

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

Item 8 was pulled by Chairman Campbell, Item 4 by Director Pringle, Item 9 by a request from the public, Items 10 and 14 by Director Correa, and Item 12 by Director Buffa.

Orange County Transportation Authority Consent Calendar Matters

3. Approval of Minutes

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to approve the minutes of the Orange County Transportation Authority and affiliated agencies' regular meeting of October 24, 2005.

4. State Legislative Status Report

Director Pringle pulled this item for comment and stated that regarding the Perata bond, the Board should begin contemplating how to participate in discussions regarding the most significant projects.

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

5. Annual Internal Audit Plan for Fiscal Year 2005-06 Quarterly Update

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to receive and file the Annual Internal Audit Plan for Fiscal Year 2005-06 First Quarter Update.

6. Federal Transit Administration Section 5310 Fiscal Year 2005-06 Grant Awards and Action Plan for Federal Fiscal Year 2006-07

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

- A. Authorize staff to amend the Transportation Improvement Program to include the Section 5310 grant awards for federal fiscal year 2005-06.
- B. Direct staff to implement the proposed action plan for the Section 5310 grant program for federal fiscal year 2006-07.

7. Freeway Retrofit Soundwall Program Status Report

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

- A. Direct staff to continue cooperative efforts with the California Department of Transportation to develop projects in support of the Freeway Retrofit Soundwall Program.
- B. Direct staff to return with recommendations to address freeway retrofit soundwall cost issues as part of the development of the 2006 State Transportation Improvement Program.
- C. Approve the proposed revisions to the Freeway Retrofit Soundwall Policy.
- D. Direct staff to shift to an implementation mode, with efforts focused toward construction of eligible retrofit soundwall projects.

8. Anaheim Regional Transportation Intermodal Center Memorandum of Understanding

Chairman Campbell pulled this item for discussion and inquired as to how funding would be distributed and how earnings in the future would be dealt with.

Chief Executive Officer (CEO), Arthur T. Leahy, stated that the initial goal is to meet with the City of Anaheim and the County of Orange to discuss property which might be used for the Anaheim Regional Transportation Intermodal Center (ARTIC) station. OCTA has just begun those discussions, focusing on approach and trying to understand as to what the variables may be in terms of cost, potential problematic issues, etc.

Motion was made by Chairman Campbell, seconded by Director Winterbottom, and declared passed by those present, to authorize the Chief Executive Officer to execute the Memorandum of Understanding by and between the City of Anaheim and the Orange County Transportation Authority relating to the Anaheim Regional Transportation Intermodal Center.

9. Central County Corridor Major Investment Study Status Report

Public comment was heard from:

Ray Kromer, City of Fountain Valley, who spoke to reaffirm the City's opposition to the extension of the State Route (SR) 57.

Darrell Nolta, resident of Westminster, who expressed his concern that there would only be two lanes in each direction on an extension portion of the SR 57 along the Santa Ana River.

9. (Continued)

Chairman Campbell stated that as part of Measure M, the Board has voted to take the SR 57 extension off as a possible project. He stated this would mean that in the request for funding, that project would not be included, and indicated that many alternatives are being studied at this time by OCTA.

Chairman Campbell asked Paul Taylor to address the issue regarding Harbor or Bristol as Super Streets or using them as a way to alleviate the Central County congestion.

Mr. Taylor responded that this is not meant to be the scope for the Major Investment Study; this is the scope for the initial investigations that the Board requested staff to look at before the Major Investment Study (MIS) was begun. Specifically, first, to get an answer from the Army Corps of Engineers with regard to whether they would permit this type of structure within the river right-of-way. The second is to look at what the effective capacity is that remains on the State Route 55 as a potential alternative. Once those two pieces of information are obtained, staff will prepare the broad scope for the entire MIS, which will include looking at enhanced arterials, such as Harbor and Bristol.

A short question-and-answer period followed, along with discussion of possible results out of the MIS.

A motion was made by Director Correa to amend the recommendation by staff to study an extension of the State Route 57 to Pacific Coast Highway. This motion died for lack of a second.

Motion was made by Director Cavecche, seconded by Vice Chairman Brown, and declared passed by those present, to direct staff to further study the feasibility of five multimodal alternatives for improving mobility in central Orange County. One alternative is that of a SR-57 extension, and the Board directed staff to present this alternative to the Army Corps of Engineers, which is the agency responsible for the Santa Ana River flood control, to determine if it is technically feasible given flood concerns.

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

10. Fund Transfer Agreement with the California Department of Transportation for the Fiscal Year 2005-06 Planning, Programming, and Monitoring Program

Motion was made by Director Pringle, seconded, and declared passed by those present, to authorize the Chief Executive Officer to execute Fund Transfer Agreement PPM06-6071(027) with the California Department of Transportation for the use of State Transportation Improvement Program funds for the fiscal year 2005-06 Planning, Programming, and Monitoring Program.

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

11. Cooperative Agreement with the California Department of Transportation for the Chokepoint Improvement Project on the Santa Ana Freeway (Interstate 5) at Culver Drive

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to authorize the Chief Executive Officer to execute Cooperative Agreement 12-533 between the Orange County Transportation Authority and the California Department of Transportation, to address the reimbursement of funds, and outline the roles and responsibilities of each party in the design of the chokepoint improvement project on the Santa Ana Freeway (Interstate 5) at Culver Drive.

12. Selection of a Consultant for Design Services for the Chokepoint on the Santa Ana Freeway (Interstate 5) at Culver Drive

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

- A. Select RBF Consulting as the top ranked firm for design of the chokepoint improvement project on the Santa Ana Freeway (Interstate 5) at Culver Drive.
- B. Authorize the Chief Executive Officer to request a cost proposal from RBF Consulting and negotiate an agreement for their services.
- C. Authorize the Chief Executive Officer to execute the final agreement.

Directors Buffa abstained on this item, citing a conflict due to a proposer being a client of his; Director Silva recused himself due to campaign contributions received in excess of \$250.

13. Purchase Order for Property Insurance Policy

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to authorize the Chief Executive Officer to issue Purchase Order 05-73180, in the amount not to exceed \$200,000, for the purchase of property insurance on behalf of the Orange County Transportation Authority for the period of December 01, 2005, to November 30, 2006.

14. Agreements for Health Services

Director Correa pulled this item for discussion, and inquired if these insurance options are also for Board Members. Mr. Leahy responded that they are included.

14. (Continued)

Director Pringle stated his concern for how benefits are handled for Board Members, and that he does not subscribe to benefits being paid for Members, although he respects that some Members may need the option to sign up for these insurances.

Motion was made by Chairman Campbell, seconded by Vice Chairman Brown, and declared passed, to:

- A. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-5-0455 between the Orange County Transportation Authority and Kaiser Foundation Health Plan, Inc., in an amount not to exceed \$450,000, for prepaid medical services through December 31, 2006.
- B. Authorize the Chief Executive Officer to execute Agreement C-5-2860 between the Orange County Transportation Authority and CIGNA Healthcare, in an amount not to exceed \$850,000, for prepaid medical services through December 31, 2006.
- C. Authorize the Chief Executive Officer to execute Agreement C-5-2861 between the Orange County Transportation Authority and CIGNA Healthcare, in an amount not to exceed \$2,800,000, for preferred provider organization medical services through December 31, 2006.
- D. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-5-0458 between the Orange County Transportation Authority and SmileSaver, in an amount not to exceed \$13,000, for prepaid dental services through December 31, 2007.
- E. Authorize the Chief Executive Officer to execute Agreement C-5-2862 between the Orange County Transportation Authority and Metropolitan Life Insurance Company, in an amount not to exceed \$880,000, for preferred provider organization dental services through December 31, 2007.
- F. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement C-4-0108 between the Orange County Transportation Authority and Vision Service Plan, in an amount not to exceed \$50,000, for vision services through December 31, 2006.
- G. Authorize the Chief Executive Officer to execute Amendment No. 1 to Purchase Order C-4-0081 between the Orange County Transportation Authority and Jefferson Pilot Life Insurance Company, in an amount not to exceed \$50,000, for life and accidental death and dismemberment insurance through December 31, 2006.

14. (Continued)

- H. Authorize the Chief Executive Officer to execute Amendment No. 1 to Purchase Order C-4-0082 between the Orange County Transportation Authority and Jefferson Pilot Life Insurance Company, in an amount not to exceed \$36,000, for long-term disability insurance through December 31, 2006.
- I. Amend the FY 2006 Personnel and Salary Resolution to provide for the new employee contribution amounts for health care benefits, effective January 1, 2006.

Directors Pringle and Correa opposed the recommendations on this item.

15. Amendment to Agreement for Project Management Assistance

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 2 to Agreement C-4-0645 between the Orange County Transportation Authority and KENDA Systems, in an amount not to exceed \$160,000, for project management support.

16. Santa Ana Freeway (Interstate 5) Far North Widening Project Name Change

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to approve changing the name from the Interstate 5 Far North Widening Project to the Interstate 5 Gateway Project in outreach materials.

17. Amendment to Agreement with Alta Resources to Operate the Customer Information Center

Motion was made by Director Norby, seconded by Director Winterbottom, and declared passed by those present, to authorize the Chief Executive Officer to execute Amendment No. 7 for the third option term to Agreement C-1-1853 between the Orange County Transportation Authority and Alta Resources, Inc., in an amount not to exceed \$1,500,000, for calendar year 2006.

Orange County Local Transportation Authority Consent Calendar Matters

18. Measure M Quarterly Progress Report

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

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

19. Metrolink Service Expansion

Darrell Johnson, Manager, Local & Capital Programs, Commuter Rail Services, presented a PowerPoint and verbal presentation to the Board. Mr. Johnson explained the service expansion plan and next steps.

Public comments were presented by the following individuals:

Shawn Nelson, Mayor of the City of Fullerton, who explained parking difficulties at the Fullerton rail station.

Bill Hoppe, Director of Engineering for the City of Fullerton, who expressed his support of this project.

Director Wilson referred to the hand-outs provided by Mr. Johnson and stated that other facilities have had difficulty with providing enough parking space, as well. Director Wilson asked if OCTA is planning on building parking structures, and was advised there are some structures proposed and costed in the documents for this item.

Director Ritschel requested that staff look at increasing Metrolink service down to San Juan Capistrano and San Clemente.

Director Pulido stated he will ask his staff to look into expanding parking in the City of Santa Ana.

Motion was made by Director Pulido, seconded by Director Dixon, and declared passed by those present, to:

- A. Authorize staff to begin implementation of Metrolink Service Expansion for 36 more Metrolink trains serving Orange County, including service every 30 minutes between Mission Viejo/Laguna Niguel and Fullerton by the year 2009. The expansion of Metrolink service is identified in the adopted Commuter Rail Strategic Assessment and Five-Year Program.
- B. Authorize staff to submit a request to the Southern California Regional Rail Authority to increase rail car purchase order quantities to support the requirements for the Metrolink Service Expansion.
- C. Authorize the release of a Request for Proposal for a project management consultant for the Metrolink Service Expansion.

Orange County Transit District Regular Calendar Matters

20. Integrated Transportation Communication System: Proposed Response to Grand Jury Report

CEO, Arthur T. Leahy, provided opening comments with background of this item, and the extensive staff and committee work leading to the final response to the Grand Jury.

Al Pierce, Manager, Bus Operations, addressed the Board and detailed what was learned from comments by Coach Operators. Mr. Pierce stated that 54 responses were received from Coach Operators addressing mechanical issues, coverage problems, radio interference problems, and excessive cue time.

Public comments were heard from the following individuals:

Ian Telfer, representing Cinergy, who urged the Board not to accept this response, and stating the radio system still has serious issues.

Robert Ives, attorney for Cinergy, who read a statement from Mark Lucy, citing issues with the radio system.

Darrell Nolta, resident of Westminster, stated that he opposes approval of the response and claimed there are still issues with the radio system.

Motion was made by Director Winterbottom, seconded by Director Buffa, and declared passed by those present, to approve the response to Orange County Grand Jury's May 31, 2005, report on the Orange County Transportation Authority bus communication system.

Chairman Campbell stated that it is now an appropriate time to respond to the Grand Jury, in light of the fact that several meetings, investigations, discussions, etc., have taken place.

Director Cavecche stated she has concerns with an attorney coming forward speaking for dispatchers, when she did not understand the dispatchers had issues. She requested the record show that there continue to be problems with the system and that the OCTA will continue to work on those issues.

Director Correa also requested that these issues be monitored and effort given to correct any problems that can be corrected as they are identified.

CEO Leahy confirmed that staff will continue to work on any problematic issues that are identified.

Other Matters

21. Chief Executive Officer's Report

CEO, Arthur T. Leahy, stated that it was hoped that staff could come to the Board today to discuss the procurement for the bus services contract. However, recent developments regarding one of the proposers have caused this item to be postponed until the next Board meeting, when staff will request that all proposals be rejected and authorize a re-procurement for this service.

Mr. Leahy introduced Ellen Burton, Executive Director of External Affairs, who provided a PowerPoint presentation regarding bus advertising and television ads that are coming up in Corona.

Ms. Burton stated that one of the Chairman's goals was to look for opportunities to collaborate with the Transportation Corridor Agencies (TCA) on advertising. To that end, a cooperative advertising program has been developed, which involves TCA dovetailing on existing plans that OCTA has for bus advertising for the 91 Express Lanes, and OCTA partnering onto TCA cable television ads that are running in Corona. Both programs are scheduled to run September 2005 through May 2006.

22. Directors' Reports

Chairman Campbell advised that he was appointing Director Wilson to sit in for Director Ritschel at the State Route 91 Major Investment Study Committee meeting on Friday, November 18 and Director Norby to sit in for Vice Chairman Brown.

Director Dixon expressed a concern regarding Metropolitan Water District, as the organization continues to encourage a joint powers agreement be formed and would like this agendized for an upcoming Board meeting.

Director Pringle stated that discussions are underway with Anaheim and Earthlink Corporation to partner in providing wi-fi service. Director Pringle stated he would like staff to look at providing this service along Metrolink lines, and the Chairman agreed.

Director Green inquired that if the Army Corps of Engineers indicates the Central County Corridor Major Investment Study (discussed earlier in this meeting) is not feasible, would the project discussions stop at that point. CEO, Arthur T. Leahy, responded that staff will let the Board know when the response is received, and discussions can take place at that time.

Director Green asked if Robert's Rules of Orders are followed for meetings, and General Counsel stated he will provide this information to Members. This material essentially provides for the Chairman to make decisions on the conduct of the meeting protocol.

22. (Continued)

Vice Chairman Brown informed Members that he and Director Winterbottom attended the Santa Ana Bus Base inspection last Friday and felt it was conducted very thoroughly. He encouraged other Members to attend when the next inspection is announced.

23. Public Comments

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

Comment was heard from Darrell Nolta, resident of Westminster, addressing his concerns regarding the technical problems of the bus radio system. He also indicated his concern for monies spent on efforts for Measure M renewal.

24. Closed Session

A Closed Session was conducted on the following items. Note: General Counsel clarified that Item B should read: Government Code Section 54956.9 (c), not 54956.9 (b) as listed on the agenda for this meeting.

- A. Pursuant to Government Code Section 54957 to review the performance of the Chief Executive Officer.
- B. Pursuant to Government Code Section 54956.9(b).

Directors Rosen and Pulido were not present for the Closed Session.

Directors Silva and Monahan were not present for discussion of the CEO's performance review.

25. Adjournment

The meeting was adjourned at 10:55 a.m. Chairman Campbell announced that the next regularly scheduled meeting of the OCTA/OCTD/OCLTA/OCSAFE/ OCSAAV Board will be held at **9:00 a.m. on Monday, November 28, 2005**, at OCTA Headquarters at 600 South Main Street, First Floor - Room 154, Orange, California.

ATTEST

Wendy Knowles
Clerk of the Board

Bill Campbell
OCTA Chairman



ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

JOSE SANCHEZ

WHEREAS, the Orange County Transportation Authority recognizes and commends Jose Sanchez; and

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

WHEREAS, Jose Sanchez has demonstrated his integrity by maintaining perfect attendance and his dedication exemplifies the high standards set forth for Orange County Transportation Authority employees; and

WHEREAS, Jose Sanchez has demonstrated that safety is paramount by achieving 13 years of safe driving and that courtesy to his customers ensures continued patronage for OCTA; and

WHEREAS, Jose Sanchez's teamwork and partnership is evident by being a valuable Behind-the-Wheel Trainer and Instructor with the Operations Training Department and his can-do spirit elevated him to Chief Mentor at the Anaheim Base.

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

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

Dated: November 28, 2004

Bill Campbell, Chairman
Orange County Transportation Authority

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

OCTA Resolution No. 2005-119





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

ANH LE TRINH

WHEREAS, the Orange County Transportation Authority recognizes and commends Anh Le Trinh; and

WHEREAS, be it known that Anh Le Trinh is a valued member of the Maintenance Department. Through his diligent, conscientious efforts in performing all tasks, Anh has consistently demonstrated a high level of achievement in meeting base mission goals by providing safe, clean, ready for service vehicles at the Santa Ana Base; and

WHEREAS, Anh's expertise on the maintenance service island is exceptional. His skills and superb "can do attitude" in performing all facets of vehicle servicing have earned him the respect of all who work with him; 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 Anh Le Trinh as the Orange County Transportation Authority Maintenance Employee of the Month for November 2005; and

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

Dated: November 28, 2005

Bill Campbell, Chairman
Orange County Transportation Authority

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

OCTA Resolution No. 2005-120





ORANGE COUNTY
TRANSPORTATION AUTHORITY

RESOLUTION

MICHAEL LITSCHI

WHEREAS, the Orange County Transportation Authority recognizes and commends Michael Litschi; and

WHEREAS, be it known that Michael has performed his duties as OCTA's Senior Media Relations Specialist for the Authority's Public Communications and Media Relations Department, demonstrating the highest level of integrity and professionalism in all dealings with the news media, elected officials, Authority staff and the public; and

WHEREAS, Michael's outstanding media relations work in delivering a wide array of communications objectives has qualified him as one of Orange County's top young public relations professionals with a keen sense that helps OCTA navigate through diverse issues; and

WHEREAS, Michael's knowledge and understanding of OCTA projects and services - bus and rail operations, Garden Grove Freeway (SR-22) construction, major investment studies and many others - allow OCTA to effectively communicate with the public via the news media; and

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

NOW, THEREFORE, BE IT RESOLVED that the Authority does hereby declare Michael Litschi as the Orange County Transportation Authority Administrative Employee of the Month for November 2005; and

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

Dated: November 28, 2005

Bill Campbell, Chairman
Orange County Transportation Authority

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

OCTA Resolution No. 2005-121





November 28, 2005

To: Members of the Board of Directors

From: Arthur T. Leahy, Chief Executive Officer

Subject: Conflict of Interest Code and Annual Statement of Economic Interests Filing for 2005

Overview

Pursuant to the Orange County Transportation Authority's Conflict of Interest Code, Members of the Board of Directors and certain designated employees are required to file Statements of Economic Interests and the Conflict of Interest Code must be amended as appropriate.

Recommendations

- A. Adopt the Orange County Transportation Authority Conflict of Interest Code and direct staff to forward the code for approval to the reviewing body, the Orange County Board of Supervisors.
- B. Direct the Clerk of the Board to distribute and monitor Statements of Economic Interests for 2005 for Members of the Board of Directors, the Chief Executive Officer, and certain designated employees, and file those statements with the Clerk of the Orange County Board of Supervisors by April 3, 2006.

Background

The Political Reform Act requires that every local agency review its Conflict of Interest Code each year to determine if it is accurate to date. General Counsel has reviewed the code and the list of designated employees that are required to file Statements of Economic Interests.

Discussion

Members of the Orange County Transportation Authority (OCTA) Board of Directors, the Chief Executive Officer, and certain designated employees are required to file an annual Statement of Economic Interests Form 700 with the Clerk of the Orange County Board of Supervisors. In addition, other designated OCTA employees are required to file Form 700 with the OCTA's Clerk of the Board.

The Finance, Administration, and Human Resources Division reviewed the positions within the agency to determine which employees are required to file a statement, and under which category. General Counsel reviewed the employee list, the current Conflict of Interest Code, and its application to the OCTA.

The Appendix to the OCTA's Conflict of Interest Code lists the disclosure categories and a list of designated positions that are required to file with the OCTA's Clerk of the Board. Group 1 positions are required to disclose that person's interests in real property, investments, income, and business positions in business entities and sources of income. Group 2 positions must disclose that person's interest in investments, income, and business positions in business entities and sources of income.

The Clerk of the Board shall retain copies of all Statements of Economic Interests and forward the original statements of Board Members, the Chief Executive Officer, and certain designated employees, to the Filing Agency (Clerk of the Board, Orange County Board of Supervisors). The OCTA's Clerk of the Board shall retain original statements submitted by certain employees that are not required to be filed with the County Clerk.

Staff requests that all statements be submitted to the OCTA's Clerk of the Board by Friday March 10, 2006, which will allow sufficient time for processing and meeting the California Fair Political Practices Commission's filing deadline of April 3, 2006.

Summary

The Board of Directors annually adopts the OCTA's Conflict of Interest Code, which directs that OCTA Board Members and certain designated OCTA employees file an annual Statement of Economic Interests, and these statements be filed with the Orange County Clerk of the Board of Supervisors and the OCTA's Clerk of the Board by no later than April 3, 2006.

Attachment

- A. Conflict of Interest Code for the Orange County Transportation Authority

Prepared by:



Wendy Knowles
Clerk of the Board
(714) 560-5676

**CONFLICT OF INTEREST CODE FOR THE
ORANGE COUNTY TRANSPORTATION AUTHORITY**

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the Orange County Transportation Authority.

Designated employees shall file Statements of Economic Interests with the Orange County Transportation Authority Clerk of the Board, who will make the statements available for public inspection and reproduction (Government Code Section 81008). Upon receipt of the statements of the members of the Board of Directors, the Chief Executive Officer, Assistant Chief Executive Officer, Director, Finance and Administration, Treasurer, and the Manager, Treasury and Public Finance, the Orange County Transportation Authority Clerk of the Board shall make and retain a copy and forward the original of these statements to the Clerk of the Orange County Board of Supervisors. Statements for all other designated employees will be retained by the agency.

ADOPTED:

CONFLICT OF INTEREST CODE

ORANGE COUNTY TRANSPORTATION AUTHORITY

18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are, in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) **Section 1. Definitions.** The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) **Section 2. Designated Employees.** The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) **Section 3. Disclosure Categories.** This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200; and

(C) The filing officer is the same for both agencies.¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can effect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

Statements of Economic Interests shall be filed as follows:

(A) Members of the Board of Directors and the Chief Executive Officer shall file the original with the OCTA Clerk of the Board, who shall make and retain a copy and forward the original to the code reviewing body, the Board of Supervisors of the County of Orange, and

(B) All designated employees shall file the original with the OCTA Clerk of the Board.²

¹ Designated employees who are required to file Statements of Economic Interests under any other agency's conflict of interest code, or under Article 2 for a different jurisdiction, may expand their Statement of Economic Interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

² See Government Code Section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office. Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

- (1)** File a written resignation with the appointing power, and
- (2)** File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. section 18754.

(D) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting. Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure. When an investment or an interest in real property³ is required to be reported,⁴ the statement shall contain the following:

³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

⁴ Investments and interests in real property which have a fair market value of less than \$1,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported,⁵ the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000).
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and for the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁶ the statement shall contain:

entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

⁵ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her Statement of Economic Interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in excess of \$360.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than three hundred sixty dollars (\$360) in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to

any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f) and (g) of Government Code Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the

loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification. No designated employee shall make, participate in making, or in any way attempt to use this or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating three hundred sixty dollars (\$360) or more in value provided to; received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation. No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees. In addition to the general disqualification provisions of Section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest. When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest.

(11) Section 11. *Assistance of the Commission and Counsel.* Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 and 2 Cal. Code Regs. sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. *Violations.* This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000 - 91014. In addition, a decision in relation to which violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

AUTHORITY: Section 83112, Gov. Code

REFERENCE: Sections 87300-87302, 89503, and 89504, Gov. Code

(Adopted by the Fair Political Practices Commission February 4, 1993, and as amended through **January 1, 2005.**)

DISCLOSURE CATEGORIES FOR FILERS OF FORM 700

1. Designated employees in Group "1" must file:

An annual statement disclosing that person's interests in real property, investments, income, and business positions.

2. Designated employees in Group "2" must file:

An annual statement disclosing that person's interest in investments, income, and business positions.

Conflict of Interest 2006

2 Assistant Base Manager, Bus Operations
1 Base Manager, Bus Operations
2 Business Computing Solutions Specialist, Senior
2 Business Computing Solutions Specialist, Lead
2 Business Systems Analyst, Senior
1 Business Systems Analyst, Senior, Contracts Administration and Materials Management
2 Business Systems Analyst, Principal
1 Chief Executive Officer
1 Chief Engineer
1 Civil Engineer, Principal
1 Civil Engineer, Senior
2 Claims Representative, Associate
2 Claims Representative
2 Claims Representative, Senior
2 Clerk of the Board
2 Code Administrator
2 Code Administrator, Senior
2 Compensation Analyst, Senior, Deferred Compensation
2 Construction Safety Officer
2 Construction Services Supervisor
1 Consultant
2 Contract Transportation Analyst
2 Contract Transportation Analyst, Senior
2 Database Administrator
2 Database Administrator, Senior
2 Data Warehouse Architect
2 Data Warehouse Architect, Senior
1 Deputy Chief Executive Officer
1 Director, Board of Directors
1 Director, Finance, Administration and Human Resources
1 Director, Special Projects
1 Director, Strategic Planning
2 Employee Communications and Project Administrator
1 Executive Director, Construction and Engineering
1 Executive Director, Employee and Labor Relations, and Civil Rights
1 Executive Director, External Affairs
1 Executive Director, Finance, Administration, and Human Resources
1 Executive Director, Planning, Development and Commuter Services
1 General Manager, Operations
1 Field Administrator
1 Field Administrator, Senior
2 Financial Analyst, Principal
2 Financial Analyst, Senior, Contracts Administration and Materials Management
2 Fleet Analyst
2 Fleet Analyst, Senior
1 General Counsel
1 Government Relations Representative, Principal
2 Grants Funding Specialist
2 Grants Funding Manager
1 Internal Auditor

Conflict of Interest 2006

1 Internal Auditor, Principal
1 Internal Auditor, Senior
2 Intranet/Multimedia Specialist
2 Intranet/Multimedia Specialist, Senior
2 Inventory Analyst
2 Investment Officer
2 Investment Officer, Senior
1 IS Business Strategist
2 IS Project Manager I
2 IS Project Manager II
2 IS Project Manager III
2 IS Section Manager, Senior
2 IS Security Analyst, Associate
2 IS Security Analyst
2 IS Security Analyst, Senior
1 Lieutenant, Orange County Sheriff's Department
2 LNG Engineer
2 LNG Technology Specialist
2 Maintenance Analyst, Senior
2 Maintenance Field Administrator, Senior
2 Maintenance Supervisor, Electronics
2 Maintenance Supervisor, Vehicle Maintenance and Physical Support
1 Manager, Accounting and Financial Reporting
1 Manager, Construction Services
1 Manager, Contracts Administration and Materials Management
1 Manager, Community Transportation Services
1 Manager, Compensation, Employment and Benefits
1 Manager, Financial Planning and Analysis
1 Manager, Fixed Route Operations
1 Manager, State Relations
1 Manager, Federal Relations
1 Manager, Information Systems
1 Manager, Internal Audit
1 Manager, Maintenance
1 Manager, Marketing
1 Manager, Operations Analysis
1 Manager, Planning and Analysis
1 Manager, Planning, Development and Commuter Rail
1 Manager, Planning, Scheduling, and Customer Advocacy
1 Manager, Project Development
1 Manager, Risk Management
1 Manager, Safety, Environmental Compliance
1 Manager, Security Threat Assessment
1 Manager, Special Projects
1 Manager, Toll Road and Motorist Services
1 Manager, Transit System Development
1 Manager, Transportation Analysis
1 Manager, Treasury
1 Marketing Contracts Administrator
2 Marketing Program Administrator

Conflict of Interest 2006

1 Media Relations Officer
1 Media Relations Specialist, Senior
1 Motorist Services Programs Administrator
2 Network Analyst
2 Network Analyst, Senior
2 Operations Analyst, Associate
2 Operations Analyst
2 Operations Analyst, Senior
2 Printing and Reprographics Administrator
2 Procurement Administrator
2 Procurement Administrator, Associate
1 Procurement Administrator, Senior
1 Program Manager, Construction and Engineering2 Project Controls Analyst
2 Project Controls Manager
2 Project Manager, Construction and Engineering
1 Project Manager Local Programs
2 Project Manager, Planning Development and Commuter Services
1 Rail Right-of-Way Administrator
1 Right-of-Way Administrator
1 Right-of-Way Administrator, Senior
1 Right-of-Way Administrator, Principal
2 Safety, Health and Environmental Specialist
2 Safety, Health and Environmental Specialist, Senior
1 Schedule Analyst, Associate
1 Schedule Analyst
1 Schedule Analyst, Senior
1 Section Manager, Access Services
2 Section Manager, Accounting
2 Section Manager, Accounting Operations
2 Section Manager, Accounts Payable
2 Section Manager, Benefits
2 Section Manager, Budgets
1 Section Manager, Capital Programs
1 Section Manager, Central Communications Radio Operations
2 Section Manager, Claims
2 Section Manager, Compensation
1 Section Manager, Construction Outreach
1 Section Manager, Corridor Studies
2 Section Manager, Electronics/Radio
2 Section Manager, Employee Relations
2 Section Manager, Employment and Diversity
1 Section Manager, Facilities/Maintenance
2 Section Manager, Financial Planning
2 Section Manager, General Accounting
2 Section Manager, General Services
1 Section Manager, GIS
2 Section Manager, IS Business Support Services
1 Section Manager, Local Programs
1 Section Manager, Long-Range Strategies
2 Section Manager, Maintenance

Conflict of Interest 2006

1 Section Manager, Maintenance Resource Management
2 Section Manager, Maintenance Support Services
2 Section Manager, Maintenance Team Manager
1 Section Manager, Operations Planning and Scheduling
2 Section Manager, Operations Support
2 Section Manager, Payroll
1 Section Manager, Procurement Team Manager
1 Section Manager, Project Development
1 Section Manager, Regional Transportation Modeling
1 Section Manager, Right-of-Way
1 Section Manager, Scheduling
1 Section Manager, Strategic Planning
2 Section Manager, Training and Development
2 Section Manager, Transit Technical Services
1 Section Manager, Vehicle Maintenance (Base Maintenance)
2 Section Manager, Vehicle Maintenance Operations
2 Section Supervisor, Asset Management
2 Section Supervisor, Facility Maintenance
2 Section Supervisor, Office Services
2 Section Supervisor, Stores, Contracts Administration and Materials Management
1 Service Analyst, Senior
1 Small Business Program Administrator
1 Stops and Zones Analyst
1 Stops and Zones Analyst, Senior
1 Stops and Zones Planner, Associate
1 Stops and Zones Planner, Senior
2 Systems Software Analyst
2 Systems Software Analyst, Senior
2 Telecommunications Coordinator / Administrator
2 Training and Development Administrator
2 Training and Development Administrator, Senior
1 Transportation Analyst
1 Transportation Analyst, Principal
1 Transportation Analyst, Senior
2 Warranty Coordinator
2 Warranty Coordinator, Senior
2 Web Developer
2 Web Developer, Senior

BOARD COMMITTEE TRANSMITTAL



November 23, 2005

To: Members of the Board of Directors
From: Wendy Knowles, Clerk of the Board ^{WK}
Subject: Customer Relations Service Quality Report for First Quarter
Fiscal Year 2005-06

This item will be considered by the Transit Planning and Operations Committee on November 23, 2005. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

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



November 23, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Customer Relations Service Quality Report for First Quarter Fiscal Year 2005-06

Overview

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

Recommendation

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

Background

The Customer Relations Department is responsible for identifying and resolving service quality issues through the use of proactive and responsive methods. Customer Relations staff disseminates information to customers concerning Orange County Transportation Authority (OCTA) services and policies and serves as the channel through which customers' opinions about those services and policies are transmitted to OCTA.

Discussion

Responsibilities within the Customer Relations Department are varied. Communications from customers are input into a database, and staff interacts closely with numerous departments to obtain resolution to customers' concerns. Customer Relations participates in monthly meetings with both Fixed Route Operations and Community Transportation Services (CTS), as well as with the contractor responsible for providing ACCESS service, to ensure customer concerns are heard and problems are resolved. Staff also interacts closely with Scheduling and Logistics to accommodate the needs of riders. Another function of the department is: oversight of the Customer Information

Center (CIC) whose responsibilities include: providing routing information to bus riders; the issuance of Reduced Fare Identification (RFID) cards to seniors and persons with disabilities; and the sale of bus passes and ACCESS coupons to the public via mail, phone and online. Customer Relations is also responsible for addressing customer service issues at 91 Express Lanes meetings and resolving complaints from customers about toll violations received on the 91 Express Lanes; oversight of the OCTA Store; production of Riders' Alerts to notify customers of changes to bus routes and schedules; visiting new vendors selling OCTA fare media; oversight of the Special Needs in Transit Advisory Committee, and an ad hoc transit users committee. Below are highlights of Customer Relations activity during the period of July 1 through September 30, 2005.

- **Transit Improvement Initiatives Ad Hoc Meetings**

During this quarter, Operations, Planning and Scheduling and External Affairs met with bus riders to discuss ways that OCTA can improve bus service throughout the County. Attendees discussed designing and maintaining a matrix of suggested improvements, and various issues that customers would like to have investigated both immediately and long-term.

- **Customer Information Center (CIC)**

Customer Relations provided randomly recorded phone calls from Alta Resources (contracted provider of OCTA's CIC) to Planning and Scheduling for review. These calls are being reviewed to monitor the accuracy of bus routing information provided to customers by the CIC.

- **Phone Call Recording System**

Customer Relations has budgeted this year for a new phone call recording system which can be used to monitor and record phone calls received by the department. Staff has attended demonstrations by four vendors to get an idea of what features and capabilities will best meet the department's needs. ACCESS Eligibility will also be able to use any system that is purchased so staff members from this department have attended the demonstrations along with staff from Information Systems.

- **Transportation Research Board**

The customer relations manager, along with staff from other departments, met with a representative from the Transportation Research Board (TRB) to discuss OCTA's Putting Customers First Initiative. OCTA was one of

15 transit agencies interviewed, with results of the interviews being included in one of TRB's future publications.

- **Stationlink Service**

During the quarter, Customer Relations received an increased number of complaints about Stationlink Routes 463, 464, 480, and 482. Customers reported that they were missing their trains because increased Metrolink ridership was causing Stationlink buses to be overcrowded and run behind schedule. Customers requested larger vehicles and increased frequency of service. The Planning and Scheduling Department was made aware of the situation and will be reviewing schedules and making adjustments to improve on-time performance. Discussions are also being held with Metrolink to determine whether Commuter and Urban Rail Endowment (CURE) funds can be made available to increase service on these routes.

- **Special Needs in Transit Advisory Committee**

Customer Relations is responsible for the oversight of this committee. The expansion of the OCTA Board necessitated the expansion of this committee. Each OCTA Board Member appointed two individuals representing constituencies of seniors or persons with disabilities and the reorganization of this 34-member committee was completed during the quarter. Also, a Measure M update was presented by OCTA staff to familiarize committee members with Measure M and the reauthorization efforts.

- **ACCESS Riders' Guide**

Customer Relations served, along with ACCESS Eligibility and several members of the Special Needs in Transit Advisory Committee, on an ad hoc committee to revise the ACCESS Riders' Guide. The team revised the guide to include information about changes to ACCESS service recently implemented as part of the Paratransit Growth Management Plan. They also made formatting and text changes to make the guide easier for customers to understand and use.

- **OCTA Store**

During this quarter, sales at the OCTA Store totaled \$127,202 versus the \$135,812 in sales during the previous quarter. Two-hundred-forty-eight (248) new accounts for the 91 Express Lanes were established during the quarter, compared to 262 in the fourth quarter of the last fiscal year. In August, the OCTA Store began selling Employee Recreation

Association (ERA) tickets to employees. Sales of ERA tickets comprised \$8,096.25 of total sales during the quarter.

- **Pass Sales Vendors**

There are many vendors throughout Orange County who sell OCTA bus passes. Customer Relations is participating in an analysis of the entire Pass Sales program to review current procedures and initiate any changes. This analysis is being undertaken to improve both program and cost effectiveness.

- **Pass Sales**

The Pass Sales Section of the Customer Relations Department was contracted out to Alta Resources in Brea during the quarter. Alta Resources will be responsible for fulfilling pass sales orders received via phone, mail and online. They will additionally be issuing RFID cards to seniors and disabled persons. Customer Relations spent a good deal of time training Alta Resources on the processes involved in performing these functions. There was a total of \$406,876 in passes sold, compared to the \$474,887 sold last quarter.

Communications from Customers

During the quarter, communications from customers were received in the form of telephone calls (10,385), emails (686), and letters (167), for a total of 11,238 communications on a variety of topics, versus the 10,532 communications received last quarter.

Fixed Route Operations

During this quarter, there were 16,901,655 fixed route boardings. Based on the customer communications received, there were 4.63 complaints per 100,000 boardings, which is well within the Operations Division's goal of 6 complaints per 100,000 boardings.

Continuing key issues for fixed route service include:

1. **Pass-bys**

A total of 179 complaints were received from passengers who reported being passed by OCTA buses, compared to 168 complaints received last quarter.

2. Driver Judgment (any questionable decision, action, or omission on the part of a coach operator)

There were 116 complaints received about the judgment displayed by OCTA coach operators. This is 22 less than the 138 complaints received last quarter.

3. Buses Behind Schedule

There were 107 complaints about coach operators running late, which is six less than the 113 complaints received in the previous quarter.

Contracted Fixed Route Service and ACCESS Service

During the quarter, there were 567,362 contracted service boardings. Of these boardings, 296,274 were on ACCESS service, while 271,088 were on contracted fixed route. Based on communications received from customers, there were 12.37 complaints for every 10,000 boardings. These figures remain within performance standards established in the contract with the provider, Laidlaw Transit, Inc.

Continuing key issues for contracted service include:

1. Vehicles Not Arriving

Customer Relations received 184 complaints from riders about contracted vehicles not arriving to pick them up, compared to the 168 complaints reported in the previous quarter. Twenty-nine of the complaints were for contracted fixed routes, while 155 were from ACCESS riders.

2. Vehicles Running Behind Schedule

There were 98 complaints about contracted drivers running late, versus 105 in the previous quarter. Twenty-seven of these complaints were for Laidlaw-operated fixed route service while 71 were about ACCESS rides.

3. Driver Judgment (any questionable decision, action, or omission on the part of the contracted service driver)

Ninety-seven complaints were received from riders about the judgment displayed by contracted drivers, compared to the 77 received last quarter. Sixty of these complaints were reported by ACCESS riders and 37 from riders of Laidlaw-operated fixed route service.

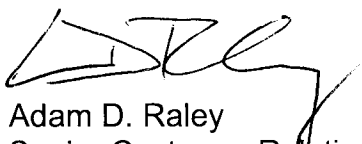
Summary

During the quarter, both OCTA and Laidlaw staff continued to address service quality issues by initiating various measures intended to improve customer service. Customer comments for the first quarter of the fiscal year, as well as a comparison with other quarters, are shown in the attachments following this report.

Attachments

- A. Fixed Route Operations Complaints
- B. Contracted Service Complaints
- C. Total Compliments, Complaints, and Comments
- D. OCTA Store Revenue 2004/2005
- E. Pass Sales Section Monthly Sales Totals/Pass-By-Mail, Telephone, On-Line Orders

Prepared by:



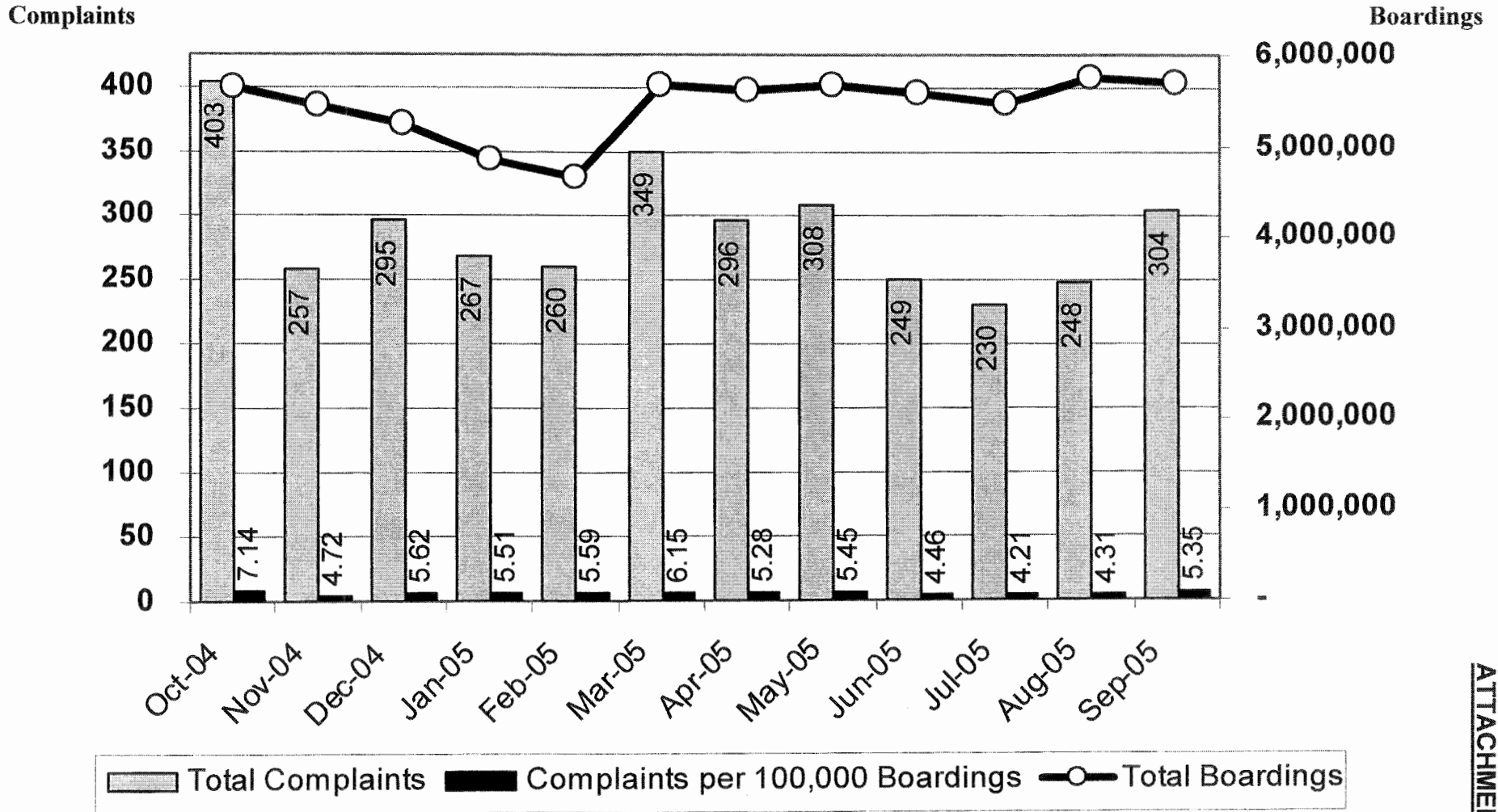
Adam D. Raley
Senior Customer Relations
Specialist
(714) 560-5510

Approved by:



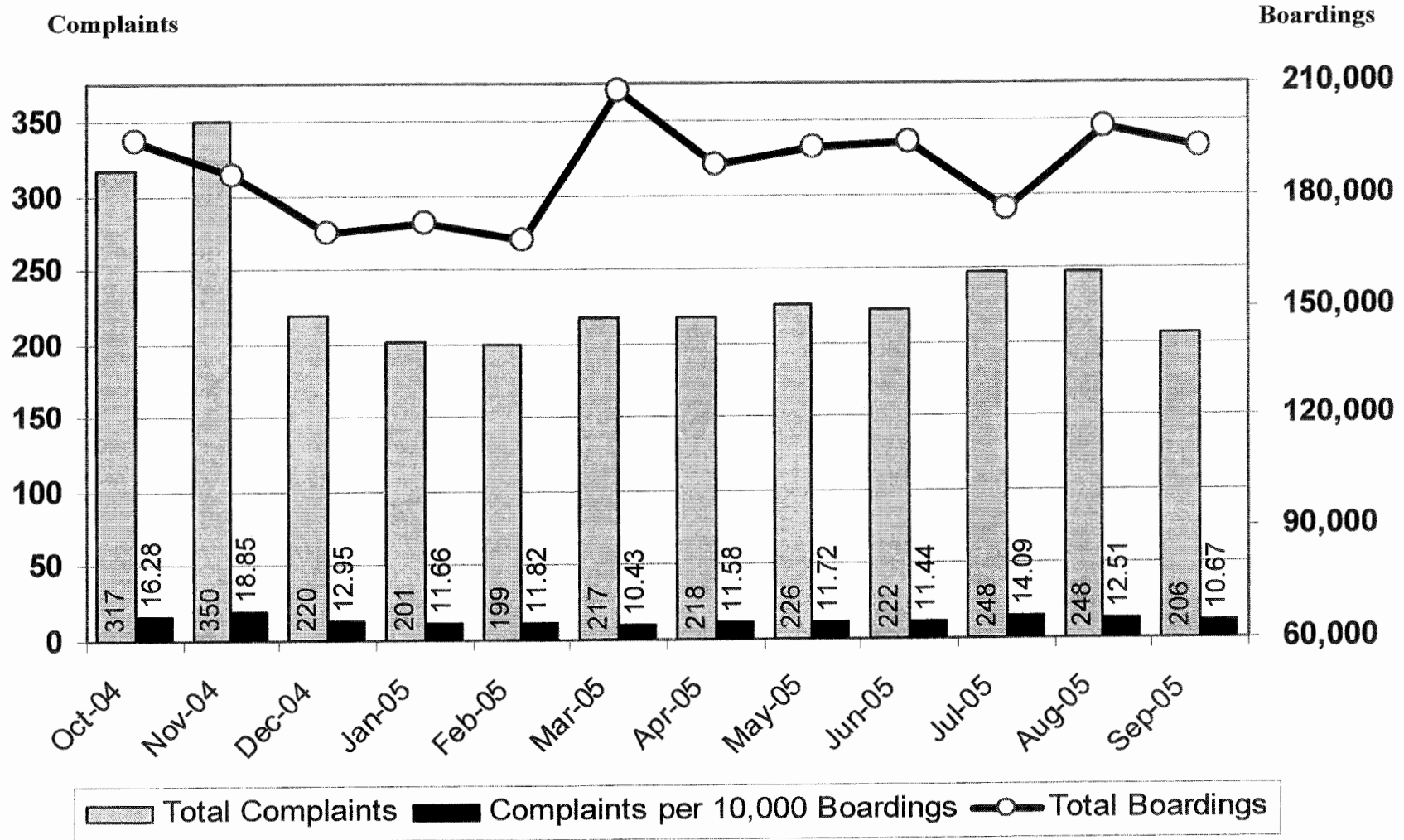
Ellen S. Burton
Executive Director, External Affairs
(714) 560-5923

Fixed Route Operations Complaints



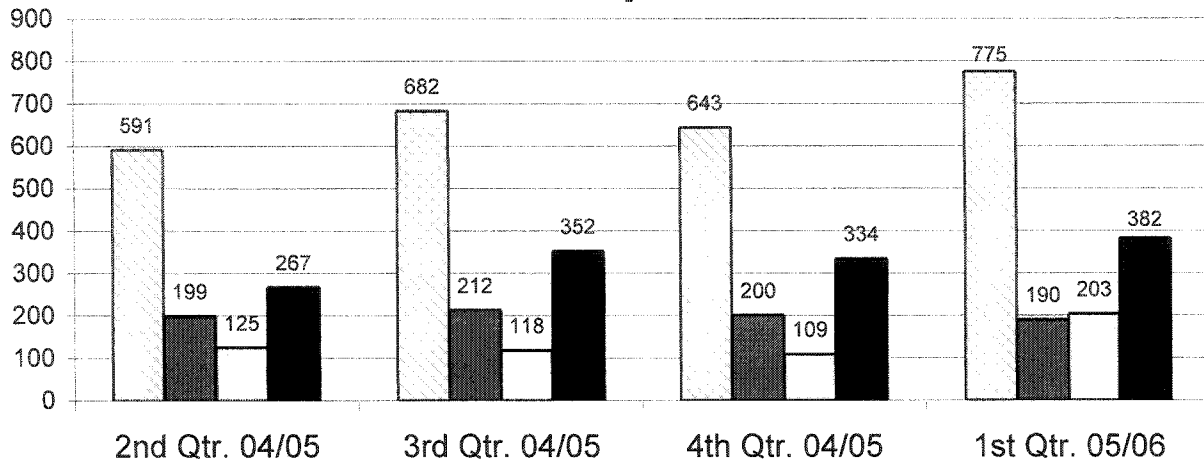
ATTACHMENT A

Contracted Service Complaints

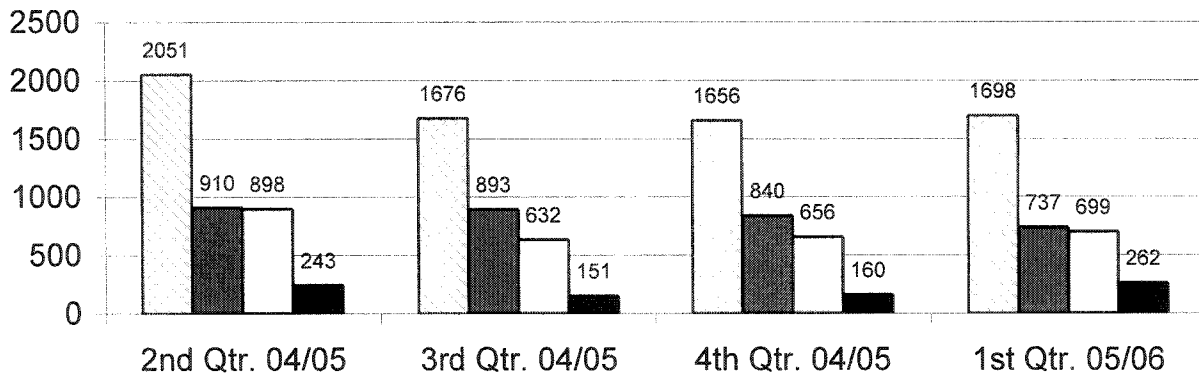


ATTACHMENT B

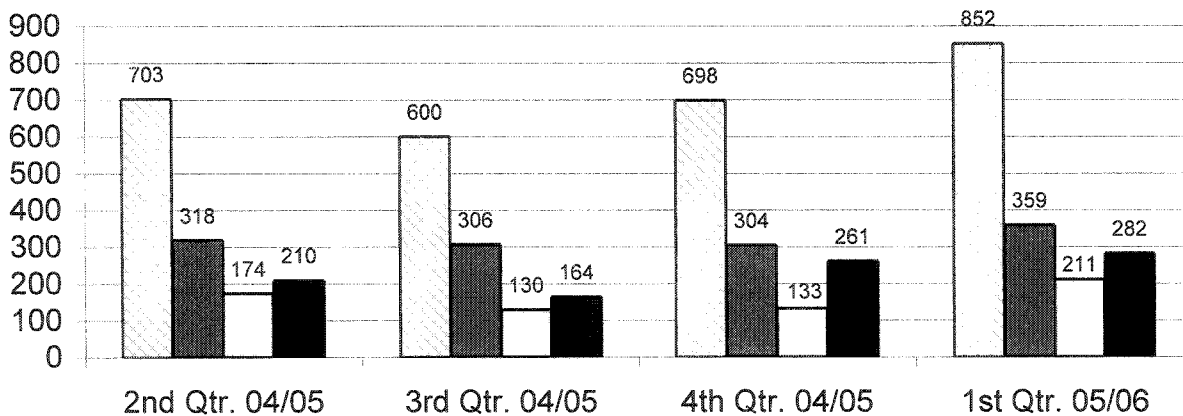
Total Compliments



Total Complaints

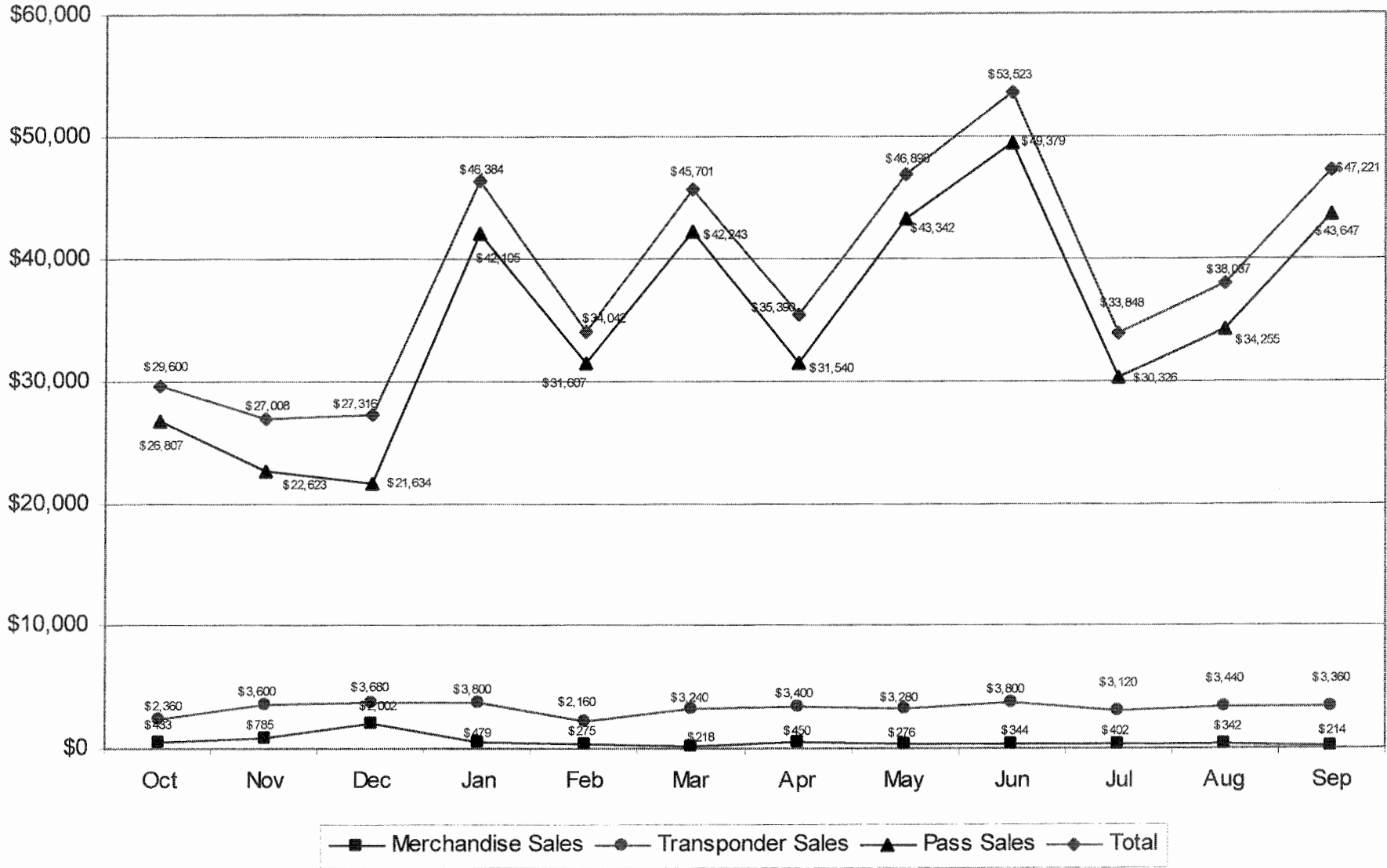


Total Comments



Total
 Fixed Route Operations
 Contracted Service
 Other

OCTA Store Revenue 2004/2005



**Pass Sales Section Monthly Sales Totals
Pass-By-Mail, Telephone, On-Line Orders**

PASS TYPE	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05
	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD	QUANTITY SOLD
Senior/Disabled Pass	607	599	674	452	829	585
Regular Pass	624	581	624	490	596	501
Youth Pass	690	519	218	206	522	1,015
Summer Youth Pass	0	328	785	147	50	0
Regular PP Day Pass	4,207	8,624	11,109	5,650	5,663	6,190
Sr/Disabled PP Day Pass	1,355	990	1,610	930	840	880
7-Day pass	15	67	23	113	5	135
7-Day Sr/Dis pass	4	4	4	53	0	4
15-Day Pass	20	44	25	40	25	29
15-Day Pass	8	5	4	7	5	6
ACCESS Coupons	2,879	2,651	2,679	2,050	2,829	2,262
Door-to-Door Cpns	139	290	117	145	288	161
Express Pass	45	45	46	34	42	50
RFID Duplicates	23	25	19	20	55	15
Exchanges/Refunds	N/A	N/A	N/A	(\$506.30)	(\$431.70)	(\$383.25)
Number of Transactions	1,925	2,287	2,450	1,629	1,986	2,297
On-line Sales <small>(Included in Sales Totals below)</small>	\$22,811.50	\$26,026.00	\$33,881.50	\$20,069.50	\$53,306.00	\$68,271.50
Sales Totals	\$141,028.95	\$ 157,691.15	\$176,166.80	\$115,057.80	\$150,063.80	\$141,755.18

Prior Year Monthly Sales	Sep-04
Senior/Disabled Pass	682
Student Pass	599
Regular Pass	726
Summer Youth Pass	0
7-Day pass	15
7-Day Sr/Dis pass	7
15-Day Pass	28
15-Day Pass	9
Regular PP Day Pass	6,188
Sr/Disabled PP Day Pass	590
ACCESS Coupons	2,987
Door-to-Door Cpns	209
Express Pass	37
RFID Duplicates	15
Number of Transactions	2,019
Sales Totals	\$122,210.50



BOARD COMMITTEE TRANSMITTAL

November 28, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Agreement for Maintenance of Xerox High-Speed Copiers

Finance and Administration Committee

November 9, 2005

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

Committee Vote

This item was passed by all Committee Members present

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

Committee Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-2802 between the Orange County Transportation Authority and Xerox Corporation, in an amount not to exceed \$120,000, for full service maintenance of Xerox 5900 and 6135 high speed copying systems for the period February 1, 2006, through January 31, 2008.



November 9, 2005

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{ATL} Chief Executive Officer
Subject: Agreement for Maintenance of Xerox High Speed Copiers

Overview

As part of the Orange County Transportation Authority's Fiscal Year 2005-06 Budget, the Board approved full service maintenance of the Xerox 5900 and 6135 high speed copying systems. The agreement was handled in accordance with the Orange County Transportation Authority's procurement procedures for sole source professional and technical services. Board approval is requested to execute an agreement.

Recommendation

Authorize the Chief Executive Officer to execute Agreement C-5-2802 between the Orange County Transportation Authority and Xerox Corporation, in an amount not to exceed \$120,000, for full service maintenance of Xerox 5900 and 6135 high speed copying systems for the period February 1, 2006, through January 31, 2008.

Background

The agreement for maintenance of the Xerox 5900 and 6135 is due to expire on January 31, 2006. Maintenance for these systems is required for the period February 1, 2006, through January 31, 2008. These copy machines are used for high volume copying, usually producing from 750,000, to 1,000,000, copies per month, including all service changes, budget documents, and board agenda's. Xerox is the only company authorized to perform full maintenance repairs on the Xerox 5900 and 6135 systems, therefore, Xerox is recommended as the sole source vendor for the maintenance of these copiers.

Discussion

This procurement was handled in accordance with the Orange County Transportation Authority's (OCTA) procurement procedures for sole source professional and technical services. Xerox personnel are the only people authorized to perform full service repairs on the 5900 and 6135 copiers and Xerox has the necessary parts available immediately in order to keep machine down time to a minimum.

The OCTA internal auditor has conducted an audit of this procurement and determined that prices are fair and reasonable.

Fiscal Impact

The project was approved in the OCTA's Fiscal Year 2005-06 Budget, Finance, Administration, Human Resources-General Services Account 1291-7612-GS110-1Q2, and is funded through Local Transportation Fund.

Summary

Based on the information provided, staff recommends award of Agreement C-5-2802 to Xerox Corporation, in an amount not to exceed \$120,000, for full service maintenance of the Xerox 5900 and 6135 high speed copying systems, for the period of February 1, 2006, through January 31, 2008.

Attachment

None.

Prepared by:



Rich Smith
Section Manager
General Services
(714) 560-5693

Approved by:



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



BOARD COMMITTEE TRANSMITTAL

November 28, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject Health Benefits for Contractors' Employees

Finance and Administration Committee

November 9, 2005

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

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendation (Reflects change from staff recommendations)

Official recommendation will be to leave things status quo.

Option 5 (Offered by Committee Chairman Wilson) – Take no action to the current methodology that the Orange County Transportation Authority uses on contracts.

Roll Call Vote:

Director Cavecche – Yes
Director Silva – No
Director Correa – No
Vice Chairman Duvall – Yes
Chairman Wilson - Yes



November 9, 2005

To: Finance and Administration Committee
From: Arthur T. Leahy, ^{ATL} Chief Executive Officer
Subject: Health Benefits for Contractor's Employees

Overview

The Orange County Transportation Authority does not require contractors doing business with the Orange County Transportation Authority to provide health insurance to their employees. A Board approved policy is required to enact such a requirement.

Recommendations

- A. Adopt a policy that encourages contractors, with more than ten employees, performing services for the Orange County Transportation Authority to provide health benefits to their employees.
- B. Select a program option that will implement the adopted policy and report back to the Board on the success of the adopted policy within 12 months.

Background

Currently the Orange County Transportation Authority (OCTA) does not require contractors to provide health benefits to employees. On February 14, 2005, during the discussion on whether to exercise an option term for janitorial services, the Board requested that the staff look into the possibility of requiring the janitorial contractor to provide health benefits to his employees as a condition of exercising the option. Staff was to report back at the next Board meeting.

At the February 28, 2005, Board meeting, the requested information was presented to the Board. It was determined by several Board Members that requiring the janitorial contractor to provide health insurance for its employees at this point in the contract term would be unfair to the contractor. The Board agreed to discuss this issue at a future date.

The movement to require health insurance and other benefits for contractors' employees started in the late 1990s at the city and county level with the passage of Living Wage Ordinances. Living Wage Ordinances require contractors or employers to pay wages that are above the federal or state minimum wage levels. Businesses that have a service contract with a city or county or those employers that receive economic development subsidies are subject to these ordinances. The Public Policy Institute of California recently published a study looking at the effects of the Living Wage Ordinances in California. The study revealed that these ordinances did not produce the effect that was originally hoped for, in that employers were more inclined to pay the higher wage in lieu of providing health insurance benefits to their employees. At the present time, there are 13 cities and 4 counties in California that have adopted Living Wage Ordinances.

Three local universities, University of California Los Angeles, Chapman College, and University of California Irvine, have required their janitorial contractors to provide health insurance for their employees. No transit agencies have been identified that have a policy for providing health benefits to contractors' employees.

In an effort to become more educated on this subject, staff met with the Orange County Health Care Agency, CalOptima, Universal Care Health Maintenance Organization (HMO) and Kaiser Permanente HMO and Mercer to talk about the health services available through the state of California and Orange County. Various program alternatives were discussed and options were presented by the health care professionals. OCTA staff has assembled this information and offers it for Board consideration.

Discussion

OCTA had 446 firms providing various services as of June 30, 2005. A phone survey was conducted to ask the firms if they provide health insurance, and if so, did coverage apply only to employee or include family. Eighty-seven percent of the firms provide health insurance to their employees. Seventy-seven percent provides family coverage and 10 percent provide employee only coverage. Thirteen percent of the firms indicated that they do not provide any type of health insurance, of which 7 percent were self employed and 6 percent were corporations.

In an effort to create a program that would encourage contractors to provide health benefits to their employees, several program options have been developed.

Option 1. Adopt a requirement whereby all service contractors, with more than 10 employees, that have contracts greater than \$50,000, (informal procurement limit) and greater than three months duration must provide health insurance to all employees working on OCTA's contract. The contractors would be required to show proof of insurance at the time they submit their bid or proposal. Those that fail to submit any proof of insurance may be rejected as being non-responsive or scored lower in the evaluation criteria.

Because health insurance rates are based on the number, age, and health conditions of the actual employees, the exact cost to implement this option is difficult to determine. Given the high number of OCTA contractors who already provide some form of health insurance, it is highly probable that OCTA is already paying for some or all of the health benefits in the overhead rates charged to OCTA under the contract cost. Contractors who currently are not providing health benefits will add this additional cost to their bid or proposal price. OCTA's Internal Audit Department reports that they typically see overhead rates in the range of 100 percent to 250 percent of contractor's salaries. Using this percentage range as a guide, OCTA could expect to see contract increases if health insurance was mandated for contract services where health insurance is currently not provided.

Option 2. Adopt a requirement that health benefits be provided for employees working on selected service contracts. This is the area where several of the health organizations recommended that OCTA focus its efforts. OCTA outsources three maintenance type services, janitorial, bus cleaning and detailing, and bus shelter maintenance. These contracts typically have employees that work exclusively for OCTA and on a daily basis at OCTA facilities. OCTA contracts out for these services in lieu of hiring additional staff.

Currently janitorial services are provided by the firm Diamond Contract Services. The company does not provide health insurance to its employees. There are 31 full-time janitors working under this contract exclusively at OCTA. The current contract is set to expire on February 28, 2006.

Bus cleaning and detailing is performed by the firm Corporate Image Maintenance. It has 16 part-time employees and four full-time employees working exclusively at OCTA. The company currently does not provide health insurance and the contract is due to expire on September 30, 2006.

The bus shelter maintenance is performed by the firm, Shelter Clean. It has 15 full-time employees who work exclusively for OCTA. The company does provide health insurance and the contract is set to expire on

November 30, 2006. Two one-year option terms remain beyond the November 30 expiration.

In order to analyze the potential cost impact this option would have on OCTA, staff requested from the janitorial contractor a statistical census of its employees who work at OCTA's facilities. The census data was given to the two HMOs and they were asked to quote plans and rates for these employees. Attachment A shows a comparison of the plans and rates in general as well as an application of these rates to the specific janitorial employee data. Using the potential contract increases shown in Attachment A, if the janitorial contractor had been required to provide health insurance for the first year, the increase to the contract would have ranged from \$147,978, to \$201,640, using Universal Care's rates and from \$159,270, to \$261,264, using Kaiser's rates, depending on the type of coverage offered.

If this option is selected by the Board, reimbursement to contractors could occur in several ways. 1) OCTA could reimburse the contractor at the exact amount of the insurance premium or a percentage of the amount determined by the Board; or 2.) Medical trust funds could be set up whereby a certain dollar amount per employee could be paid by OCTA to the contractor to be used by the employee for medical expenses. The trust would be administered by the contractor with little or no involvement by OCTA.

Option 3. Create incentives to encourage contractors to provide health benefits for their employees. Such incentives might be to award firms additional points in the evaluation process if they provide health insurance to their employees; to offer a longer term contract if firms provide health insurance; or to allow firms to charge a higher overhead rate to allow for the administrative costs associated with implementing a health program. Along with the incentives cited above, OCTA could also provide health insurance contact information to perspective bidders at the time of the pre-proposal meetings. The cost to administer this option would be a minimal increase in staff time.

Option 4. Report to the Board at the time of consultant selection whether the recommended firm provides employee health insurance. As part of the procurement solicitation process, all firms who submit a proposal or bid will be asked to state whether or not the firm offers health insurance to its employees. This information will be presented in the staff report to be used by Board Members in making their decision to select the recommended firm or not.

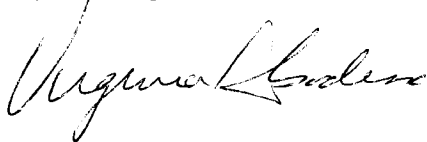
Summary

The Orange County Transportation Authority does not require that contractors provide health insurance to their employees as a prerequisite for doing business with the Orange County Transportation Authority. A Board approved policy is required in order to enact such a requirement.

Attachment

- A. Health Insurance Cost Comparisons

Prepared by:



Virginia Abadessa
Manager, Contracts Administration
and Materials Management
(714) 560-5623

Approved by:



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

Health Insurance Cost Comparisons

HMOs	UNIVERSAL CARE			KAISER PERMENTE		
	Low	Medium	High	Low	Medium	High
Benefit Plan						
Office Visit	\$30	\$10	\$5	\$30	\$20	\$5
Hospital Stay (per admission)	\$1,500	\$500	\$0 (100% paid)	\$200/per day	\$100/per day	\$0 (100% paid)
Perscription Drugs	\$15 generic \$35 brand	\$10 generic \$25 brand	\$10 generic \$25 brand	\$10 generic \$35 brand	\$10 generic \$30 brand	\$5 generic \$15 brand
Emergency Room	\$75	\$100	\$50	\$100	\$100	\$100
Out-of-Pocket max. employee	\$3,000	\$2,500	\$1,000	\$3,000	\$1,500	\$1,500
family	\$4,800	\$7,500	\$3,000	\$7,500	\$3,000	\$3,000
Premiums - monthly						
Employee	\$179.69	\$213.89	\$244.85	\$211.86	\$249.14	\$338.29
Employee +1	\$377.34	\$449.87	\$514.18	\$465.86	\$547.86	\$743.86
Employee +2 or more	\$540.49	\$643.38	\$736.50	\$570.29	\$670.86	\$916.86

Potential Contract Increases - Janitorial Contract

	UNIVERSAL CARE			KAISER PERMENTE		
	Low	Medium	High	Low	Medium	High
Year 1	\$147,978	\$176,147	\$201,640	\$159,270	\$191,574	\$261,264
Year 2*	\$162,775	\$193,761	\$221,804	\$175,198	\$210,731	\$287,390
Year 3*	\$179,053	\$213,137	\$243,985	\$192,717	\$231,804	\$316,129

* assumes a 10% annual increase

Janitorial Contract Employee Census

Employees Only	10
Employee + 1	5
Employees+2 or more	16
Total	31



BOARD COMMITTEE TRANSMITTAL

November 28, 2005

To: Members of the Board of Directors

From: ^{WK} Wendy Knowles, Clerk of the Board

Subject Comprehensive Funding Strategy and Policy Direction, and Adoption of the 2006 State Transportation Improvement Program

Regional Planning and Highways Committee

November 21, 2005

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

Absent: Director Ritschel

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Approve overall policy direction for programming of local, state, and federal funds.
- B. Approve a comprehensive local, state, and federal funding plan for \$1.455 billion from fiscal year 2005-06 through fiscal year 2010-2011
- C. Adopt the 2006 State Transportation Improvement Program
- D. Approve a Bristol Street Widening Project Funding Plan
 - 1. Commit to seek full funding in the amount of \$225 million for the Bristol Street Widening Project
 - 2. Program \$125 million in State Gas Tax Subvention funds in the period from fiscal year 2006-07 through fiscal year 2011-12 for the Bristol Street Widening Project.



Committee Recommendations (Continued)

3. Direct the Chief Executive Officer to seek an additional \$100 million from other sources, including, but not limited to, federal appropriations, state grants or local funds to complete the Bristol Street Widening Project.
 4. Direct the Chief Executive Officer to negotiate a cooperative agreement with the City of Santa Ana that defines the Orange County Transportation Authority's responsibilities for project funding of \$225 million and that City's responsibilities for project implementation.
- E. Approve the use of Measure M Transit funds for the Metrolink Service Expansion
- F. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program as well as execute any necessary agreements to facilitate the above actions.

Attachment A has been revised (see Revised Attachment A)

**Comprehensive Funding Plan
FY 2005-06 through FY 2010-11**

Program Areas	Sources					Measure				Total
	STIP SHA	STIP PTA	STIP TE	RSTP	CMAQ	M Transit	Freeway	Other		
	Estimated Project Costs									
Cost Updates to Existing STIP Projects	\$ 81									
Project contingency for projects out to bid	25	25								25
I-5 @ Oso Parkway	3	3								3
I-5 @ Culver Drive	2	2								2
Imperial Highway Grade Separation	31	31								31
Soundwalls - I-5 in San Clemente (2 locations)	4	4								4
I-5 @ Jamboree	3	3								3
I-405 Magnolia to Beach	1	1								1
I-5 @ Pico	5	5								5
I-5 @ Camino Capistrano	7	7								7
Highways	\$ 150									
91 E/B Auxiliary Lane (Added to RCTC \$5 million for Design) ¹	3								3	3
I-5 Ortega Interchange Improvement (Environmental phase)	2	2								2
Bristol Street Widening ²	125								125	125
Ortega Highway widening between I-5 and Antonio Parkway	5	5								5
Soundwalls	5	5								5
Planning, Programming, Monitoring (PPM) activities	10	10								10
High Occupancy Vehicle (HOV)	\$ 454									
22/405 direct HOV connectors	150						150			150
405/605 direct HOV connectors ³	150	65			75			10		150
HOV drop ramps (405,5,57) ⁴	150				135			15		150
Countywide Rideshare	4				4					4
Local Streets & Roads	\$ 115									
2005 CTFP Call for Projects	115				115					115
Grade Separation Program	\$ 59									
Countywide Grade Separation Program (Environmental & Preliminary Engineering)	10				10					10
Countywide Grade Separation Program	49				49					49
Metrolink⁵	\$ 434									
Turnback Facility at Fullerton Station	4					4				4
Additional Track, La Palma to Fullerton	29					29				29
Relief Sidings between Anaheim Station and La Palma	3					3				3
Pedestrian Grade Separation at Orange Station ⁶	5		5							5
Relief Sidings between Tustin and Santa Ana Stations	2					2				2
Turnback Facility at Laguna Niguel/ Mission Viejo Station	10					10				10
Fullerton Transportation Center Parking Expansion ⁷	11		11							11
Gateway to Regional Rail (Anaheim station relocation, high-speed rail work)	60					60				60
Orange Transportation Center Parking Expansion	28					28				28
Tustin Station Parking Expansion	7		7							7
Laguna Niguel / Mission Viejo Station Parking Expansion	63					63				63
Irvine Transportation Center Parking Expansion ⁸	20		20							20
Rolling Stock	160					160				160
Orange County Metrolink Maintenance Facility (Environmental & Design)	31		4			27				31
Transit	\$ 155									
Bus Rapid Transit - Rolling stock, infrastructure, feeders	125		125							125
City Studies	30					30				30
Transportation Enhancement Activities (TE)	\$ 6									
2006 Call for Projects	6				6					6
Total Program Costs⁹	\$ 1,455									

Notes

- ¹ \$3 million proposed to come from Interregional Transportation Improvement Program (ITIP) funds
- ² \$125 million from Gas Tax Subvention funds
- ³ \$10 million proposed to come from \$3 million proposed to come from Interregional Transportation Improvement Program (ITIP) funds
- ⁴ \$15 estimated from Irvine Business Complex (IBC) developer fees
- ⁵ Metrolink Expansion plan has been escalated from 2005 \$ to Year of Expenditure (YOE) \$ for programming purposes
- ⁶ \$3 million is already funded with STIP funds. Total project cost is estimated at \$8 million
- ⁷ \$14.6 million is already funded with STIP and city funds. Total project cost is estimated at \$25 million
- ⁸ \$6.125 million is already funded with federal and city funds. Total project cost is estimated at \$26 million
- ⁹ Numbers may not add due to rounding



November 21, 2005

To: Regional Planning and Highways Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Comprehensive Funding Strategy and Policy Direction, and Adoption of the 2006 State Transportation Improvement Program

Overview

Orange County receives state and federal funds for use on transportation capital projects. With the recent passage of Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users, adoption of the 2006 State Transportation Improvement Program Fund Estimate, and action by the Board of Directors on the future of transit in Orange County, staff is recommending the adoption of a comprehensive state and federal funding plan along with adoption of the 2006 State Transportation Improvement Program.

Recommendations

- A. Approve overall policy direction for programming of local, state, and federal funds.
- B. Approve a comprehensive local, state, and federal funding plan for \$1.455 billion from fiscal year 2005-06 through fiscal year 2010-2011.
- C. Adopt the 2006 State Transportation Improvement Program.
- D. Approve a Bristol Street Widening Project Funding Plan.
 - 1. Commit to seek full funding in the amount of \$225 million for the Bristol Street Widening Project.
 - 2. Program \$125 million in state Gas Tax Subvention funds in the period from fiscal year 2006-07 through fiscal year 2011-12 for the Bristol Street Widening Project.

3. Direct the Chief Executive Officer to seek an additional \$100 million from other sources, including, but not limited to, federal appropriations, state grants or local funds to complete the Bristol Street Widening Project.
 4. Direct the Chief Executive Officer to negotiate a cooperative agreement with the City of Santa Ana that defines the Orange County Transportation Authority's responsibilities for project funding of \$225 million and that City's responsibilities for project implementation.
- E. Approve the use of Measure M Transit funds for the Metrolink Service Expansion.
- F. Authorize staff to process all necessary amendments to the State Transportation Improvement Program and Regional Federal Transportation Improvement Program as well as execute any necessary agreements to facilitate the above actions.

Background

There are five major funding sources for which staff is seeking programming policy direction. The table below summarizes the current Orange County Transportation Authority (OCTA) policy and the staff proposal for fiscal year (FY) 2005-06 through FY 2010-11 local, state, and federal funding programs. Attachment A identifies proposed funding sources for individual projects.

**Comprehensive Funding Strategy and Policy
Direction, and Adoption of 2006 State
Transportation Improvement Program**

Funding Source	Current Policy	Proposed Policy FY 2005-06 through FY 2010-11
State Transportation Improvement Program	State Highway Projects, Grade Separations, soundwalls	Cost increases on current projects, chokepoints, Metrolink expansion, bus rapid transit, soundwalls
Congestion Mitigation and Air Quality Program	CenterLine light rail	High Occupancy Vehicle (HOV) connectors and drop ramps
Regional Surface Transportation Program	Competitive call to cities and county for local streets and roads	Competitive call to cities and county for local streets and roads and Countywide railroad grade separation projects
Transportation Enhancement Program	Competitive call to cities and County for bicycle and pedestrian projects	Competitive call to cities and county for bicycle and pedestrian projects
Measure M Transit	CenterLine light rail	Metrolink Service Expansion
Measure M Freeway	State Route 22 HOV and Widening, Interstate 5 Far North	State Route 22 - Interstate 405 HOV connectors
Orange County Gas Tax Exchange	Exchange with cities, use for bus operations	Fund up to \$125 million for Bristol Street widening

State Transportation Improvement Program (STIP)

The STIP is the major source of funding for transportation improvements in the State of California. Revenues from federal and state sources are consolidated into the STIP. The STIP is divided into two major funding categories, the Regional Improvement Program (RIP) and the Interregional Improvement Program (IIP). Seventy-five percent of the revenues are programmed to the RIP, which is then sub-allocated to counties by formula. In Orange County, OCTA dedicates these funds for use on projects of countywide significance. The remaining 25 percent is programmed to the IIP, which is then allocated to the California Department of Transportation (Caltrans) for projects of interregional significance.

Every two years, state and federal revenues are forecasted for the subsequent five-year period. OCTA is responsible for the development and programming of the RIP portion of the STIP revenues (RTIP), which is then submitted to the California Transportation Commission (CTC) for their approval and adoption. Consistent with Board of Directors (Board) policies, OCTA has programmed the RTIP capital projects by applying greater revenue allocations towards

freeway interchange and ramp improvements with a fair number of local transit-related projects including grade separations and rail stations.

As part of the 2002 STIP, approved by the Board February 25, 2002, OCTA held a balance in reserve of \$164 million for future programming on The CenterLine Project (CenterLine). However, the CTC did not approve a portion of Orange County's 2002 STIP, leaving an un-programmed balance of approximately \$199 million.

Congestion Mitigation and Air Quality (CMAQ) Program

The CMAQ program was established in 1991 as part of the Federal Intermodal Surface Transportation Efficiency Act (ISTEA). It was reauthorized under both the Transportation Equity Act for the 21st Century (TEA-21) and the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Funds from CMAQ are directed to transportation projects that contribute to the attainment or maintenance of National Ambient Air Quality Standards in non-attainment or air quality maintenance areas.

The estimated annual program level for the state is \$360 million, which represents approximately 25 percent of the total federal program. Orange County's annual apportionment is approximately \$36 million. Consistent with federal guidelines, OCTA has programmed these funds towards large-scale capital projects that bring about emissions reduction benefits in the County. These projects have included construction of high-occupancy-vehicles (HOV) lanes, the Santa Ana Bus Base, procurement of alternate fuel buses, and a county-wide rideshare program.

Recent past Board policy has been to program CMAQ funds to CenterLine.

Regional Surface Transportation Program (RSTP)

The RSTP was also established by Congress in 1991 by ISTEA and reauthorized under TEA-21 and SAFETEA-LU. Funds from this program are intended to be directed to projects and programs for a broad variety of transit and highway work.

Board policy has been to program all RSTP funds as part of the Combined Transportation Funding Program (CTFP). These funds are made available to all cities and the County for local streets and roads rehabilitation and capacity

projects. In June 2005, OCTA allocated \$115 million in RSTP funds for local, streets and roads projects.

Transportation Enhancement (TE) Program

The TE program provides federal funding to transportation-related projects that enhance the quality of life in or around transportation facilities in Orange County. Projects in the TE program include aesthetic enhancements, such as landscaping and monuments signs, as well as bicycle and pedestrian facilities. The TE program is administered by the state and is programmed at the regional level by OCTA.

OCTA awards TE grants to local agencies through a competitive call for projects. Since 1998 the Board has awarded over \$33 million in funds to 58 regional projects. The annual funding for the TE program is estimated to be approximately \$3.5 million per year.

Measure M Transit Funds

Previously, remaining Measure M transit funds were planned for use on CenterLine.

Discussion

State Transportation Improvement Program

In accordance with federal and state regulations, every two years, in every even-numbered year, new revenues are estimated and programmed for the next five-year period.

Due to the on-going state budget crisis, the revenue mix that comprises the STIP has changed significantly. Currently, the STIP is funded through a combination of both federal and state revenues. Historically, the primary funding source had been the State Highway Account (SHA). Funds from the SHA are eligible for a wide range of projects on and off the state highway system. However, due to changes in transportation funding brought about by the passage of the Traffic Congestion Relief Act and the state budget shortfalls, these revenues have become difficult to predict and largely unavailable. In addition, a significant portion of the funds that are available are now being directed to the operation and maintenance of the state highway system.

Based on the 2006 STIP Fund Estimate, adopted by the CTC on September 29, 2005, it is likely that the largest revenue source for the 2006 STIP will be from the Public Transportation Account (PTA). The PTA is a trust fund for transportation planning and mass transportation purposes. The PTA is funded with revenues from state sales tax on gasoline and diesel fuel.

This change in the STIP funding sources will significantly affect the types of projects that OCTA programs in the STIP. The program focus will have to shift from freeway and road related improvements to mass transit and transportation planning related projects. Additionally, the \$199 million STIP reserve (that was designated for use on CenterLine) has been reduced to \$114 million (Attachment B).

In summary, the 2006 STIP fund estimate includes the following funding for Orange County:

- \$114 million - un-programmed reserve balance
- \$ 74 million - of previously unaccessible STIP share balance
- \$ 23 million - Advanced funding of projects (Imperial Highway and Planning, Programming, and Monitoring)
- \$ 26 million - of STIP previously programmed to CenterLine
- \$ 96 million - of new capacity (available in fiscal years 2007-08 forward)
- \$ 6 million - of new Transportation Enhancement Activities capacity

These sources combined provide Orange County with approximately \$339 million in programming capacity for the 2006 STIP.

County STIP proposals are due to the CTC January 30, 2006. The STIP development schedule is as follows:

- | | |
|-----------------------------------|--------------------|
| • Fund Estimate adopted by CTC | September 29, 2005 |
| • Orange County STIP proposal due | January 30, 2006 |
| • Final STIP adoption | April 27, 2006 |

In development of the 2006 STIP, staff and Caltrans have reviewed the schedule and budget for all current STIP projects. Given the recent trends in material costs, and the fact that that most cost estimates were developed prior to the 2002 STIP, there have been significant cost increases associated with existing STIP projects. Staff proposes that all existing STIP projects be fully funded prior to the addition of any new projects. The overall cost increases are \$54.4 million and individual project cost changes are identified in

Attachment C. Additionally, staff proposes setting aside \$25 million in STIP funds for current STIP projects that are currently out to bid and have bid openings scheduled in December 2005.

Staff's proposal for OCTA's portion of the 2006 STIP is included as Attachment D.

Congestion Mitigation and Air Quality Program

Approximately \$216 million in CMAQ funds is expected to be available between from FY 2005-06 through FY 2010-11. Staff is recommending that \$210 million in CMAQ funds be programmed towards the completion of the HOV lane projects included in the Five-Year Program, adopted by the Board on October 14, 2005.

Staff recommends that the remaining \$4 million in CMAQ funds be programmed to continue the countywide rideshare program.

Regional Surface Transportation Program

Approximately \$29 million annually is made available to Orange County from the RSTP. Through FY 2010-2011 approximately \$174 million is expected to be made available to Orange County. Previous Board policy has been to program all RSTP funds as part of the CTFP. These funds are made available to all cities and the county for local streets and roads rehabilitation and capital improvement projects, including railroad grade crossing improvements and separations along the OCTA-owned portion of the Los Angeles to San Diego (LOSSAN) rail corridor and the Burlington Northern Santa Fe (BNSF) Railway Corridor in north Orange County.

As part of the 2005 CTFP call for projects, \$115 million was programmed to local streets and roads projects, and \$10 million was set aside for a future grade separation program.

With the passage of SAFETEA-LU, the RSTP funds made available to OCTA were approximately \$4 million higher per year than previously anticipated, for a total of \$20 million of additional funding. Based upon the three previously approved federal transportation acts, it is reasonable to assume that this program will continue into the foreseeable future. Staff proposes to add one more full year of RSTP funds, estimated at \$29 million, to the \$20 million for a total of \$ 49 million of available funding.

OCTA is facing two issues with this program. The first issue is how the recent material cost increases for asphalt, concrete, and steel will affect the number of projects that can be delivered with the existing funds. Staff proposes to work with the Technical Advisory Committee to prioritize funded rehabilitation projects within the limits of the current program commitments. The second issue is the significant interest in improving railroad grade separations in Orange County. OCTA staff recommends that the balance of \$49 million be programmed to railroad grade separation projects on the LOSSAN and BNSF corridors in Orange County through a future call for projects.

Transportation Enhancement Program

Staff proposes to continue the current policy of awarding TE grants to local agencies through a competitive call for projects for bicycle and pedestrian projects.

Bristol Street Widening

The recently adopted Five-Year Program also addresses the need to increase capacity on major arterial streets with countywide significance. One such project is the widening of Bristol Street. The project sponsor, the City of Santa Ana, has estimated the project cost at \$225 million. Staff proposes funding \$125 million of the project with Gas Tax Subvention funds that are made available to OCTA by the County of Orange as a result of the Orange County bankruptcy recovery plan. (These funds partially offset the transfer of Transportation Development Act funds from OCTA to the County of Orange as part of the Orange County bankruptcy recovery plan).

Currently, Gas Tax Subvention funds are exchanged with cities in Orange County for city general funds that can be used for bus operations. Staff proposes to end the exchange with the cities and program \$125 million in state Gas Tax Subvention funds in the period from FY 2006-07 through FY 2011-12 for Bristol Street widening. Staff will continue to seek the remaining \$100 million from other sources, including, but not limited to, federal appropriations, state grants or local funds to complete Bristol Street widening.

The programming for Bristol Street widening requires a companion action to maintain funding for bus operations: programming of \$125 million in STIP funds to fund the capital improvements required for the implementation of bus rapid transit in Orange County. This action will take advantage of the shift towards transit funding in the STIP program discussed earlier in this report.

Measure M Transit Funds

After the recent cancellation of CenterLine, the Measure M transit funds planned for use on that project are now available for use on another project that meets the requirements of Measure M. The Five-Year Program includes: expand Metrolink commuter rail service, extend the reach of Metrolink through the planning of city-initiated transit projects, and the Irvine Business Center circulator. OCTA staff is recommending that this expansion be primarily funded with Measure M Transit funds. Attachment E shows the project description for use of these funds from the Measure M expenditure plan approved by the voters. The description states, "the primary improvements will be along the LOSSAN rail corridor and designed to provide frequent train service between south and north Orange County . . ." The Metrolink expansion clearly meets this standard so no Measure M plan changes or amendments are necessary to reallocate these funds.

Metrolink Service Expansion

On November 14, the Board approved the Metrolink Service Expansion plan. At that time, staff committed to return with the funding plan for service expansion as part of this comprehensive funding plan. The total capital investment required for Metrolink service expansion is \$403 million (or \$383 million in 2005 dollars). Staff recommends using \$43 million in STIP funds and \$360 million in Measure M transit funds for Metrolink service expansion. Additionally, \$31 million is proposed (\$27 million of Measure M transit funds and \$4 million of STIP funds) for the environmental and design phases of an Orange County Metrolink maintenance facility.

Measure M Freeway Funds

The Measure M Freeway fund has a projected positive variance of \$150 million. These funds are not currently programmed to a project. Staff proposes to amend the Measure M expenditure plan and to program these funds to the Garden Grove Freeway (State Route 22), San Diego Freeway (Interstate 405) HOV connector project.

Federal Discretionary Funding

In addition to the total \$1.455 billion in the recommended comprehensive funding plan, federal discretionary funding is available to Orange County under provisions of SAFETEA-LU. Staff will continue to work with the County's

Congressional delegation on opportunities to appropriate federal funding to supplement and expand on the recommended plan. For example, staff has been discussing with the Federal Transit Administration OCTA's new transit vision and the Board-adopted Five-Year Program. Projects that may be well-suited to federal discretionary transit funding include:

- Additional Orange County-focused Metrolink improvements (e.g., capacity expansion north and east of Fullerton, a local maintenance facility, new trains)
- Design and construction of city-initiated rapid transit
- Construction of intermodal facilities such as the Anaheim Regional Transportation Intermodal Center
- Construction of additional drop ramps between transitway-HOV lanes and major activity centers.

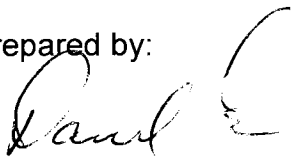
Summary

Staff is presenting a comprehensive \$1.264 billion local, state, and federal funding program for the period FY 2005-06 through FY 2010-11. This comprehensive program identifies future uses of STIP, CMAQ, and Measure M transit and freeway funds, and confirms the existing use of federal RSTP funds. In addition, staff is presenting the 2006 STIP for Board approval.

Attachments

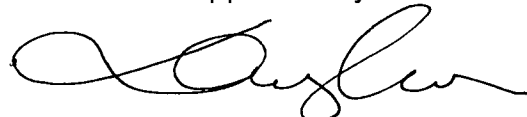
- A. Comprehensive Funding Plan FY 2005-06 through FY 2010-11
- B. Calculation of 2006 STIP Fund Estimate for Orange County
- C. 2004 STIP - Project Cost Updates
- D. Proposed 2006 STIP Submittal Orange County Transportation Authority
- E. Orange County Transit Project Descriptions

Prepared by:



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Approved by:



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Comprehensive Funding Plan
FY 2005-06 through FY 2010-11

Program Areas	Sources	Status	STIP SHA	STIP PTA	STIP TE	RSTP	CMAQ	Measure M			Total
								M Transit	Freeway	Other	
Cost Updates to Existing STIP Projects	\$ 81										\$ 81
Project contingency for projects out to bid	25		25								25
I-5 @ Oso Parkway	3		3								3
I-5 @ Culver Drive	2		2								2
Imperial Highway Grade Separation	31		31								31
Soundwalls - I-5 in San Clemente (2 locations)	4		4								4
I-5 @ Jamboree	3		3								3
I-405 Magnolia to Beach	1		1								1
I-5 @ Pico	5		5								5
I-5 @ Camino Capistrano	7		7								7
Highways	\$ 150										\$ 150
91 E/B Auxiliary Lane (Added to RCTC \$5 million for Design) ¹	3									3	3
I-5 Ortega Interchange Improvement (Environmental phase)	2		2								2
Bristol Street Widening ²	125									125	125
Ortega Highwaywy widening between I-5 and Antonio Parkway	5		5								5
Soundwalls	5		5								5
Planning, Programming, Monitoring (PPM) activities	10		10								10
High Occupancy Vehicle (HOV)	\$ 454										\$ 454
22/405 direct HOV connectors	150								150		150
405/605 direct HOV connectors ³	150		65				75			10	150
HOV drop ramps ⁴	150						135			15	150
Countywide Rideshare	4						4				4
Local Streets & Roads	\$ 115										\$ 115
2005 CTFP Call for Projects	\$ 115					115					115
Grade Separation Program	\$ 59										\$ 59
Countywide Grade Separation Program (Environmental & Preliminary Engineering)	\$ 10					10					10
Countywide Grade Separation Program	\$ 49					49					49
Metrolink⁵	\$ 434										\$ 434
Turnback Facility at Fullerton Station	4							4			4
Additional Track, La Palma to Fullerton	29							29			29
Relief Sidings between Anaheim Station and La Palma	3							3			3
Pedestrian Grade Separation at Orange Station ⁶	5			5							5
Relief Sidings between Tustin and Santa Ana Stations	2							2			2
Turnback Facility at Laguna Niguel/ Mission Viejo Station	10							10			10
Fullerton Transportation Center Parking Expansion ⁷	11			11							11
Gateway to Regional Rail	60							60			60
Orange Transportation Center Parking Expansion	28							28			28
Tustin Station Parking Expansion	7			7							7
Laguna Niguel / Mission Viejo Station Parking Expansion	63							63			63
Irvine Transportation Center Parking Expansion ⁸	20			20							20
Rolling Stock	160							160			160
Orange County Metrolink Maintenance Facility (Environmental & Design)	31			4				27			31
Transit	\$ 155										\$ 155
Bus Rapid Transit - Rolling stock, infrastructure, feeders	125			125							125
City Studies	30							30			30
Transportation Enhancement Activities (TE)	\$ 6										\$ 6
2006 Call for Projects	6				6						6
Total Program Costs⁹	\$ 1,455		\$ 168	\$ 173	\$ 6	\$ 174	\$ 214	\$ 417	\$ 150	\$ 153	\$ 1,455

Notes

- ¹ \$3 million proposed to come from Interregional Transportation Improvement Program (ITIP) funds
- ² \$125 million from Gas Tax Subvention funds
- ³ \$10 million proposed to come from \$3 million proposed to come from Interregional Transportation Improvement Program (ITIP) funds
- ⁴ \$15 estimated from Irvine Business Complex (IBC) developer fees
- ⁵ Metrolink Expansion plan has been escalated from 2005 \$ to Year of Expenditure (YOE) \$ for programming purposes
- ⁶ \$3 million is already funded with STIP funds. Total project cost is estimated at \$8 million
- ⁷ \$14.6 million is already funded with STIP and city funds. Total project cost is estimated at \$25 million
- ⁸ \$6.125 million is already funded with federal and city funds. Total project cost is estimated at \$26 million
- ⁹ Numbers may not add due to rounding

Calculation of 2006 STIP Fund Estimate for Orange County

The \$199 million STIP reserve (that was designated for use on CenterLine) has been reduced to \$114 million. The reduction is due largely to the actual revenues being significantly less than the anticipated revenues in the previous fund estimate. Caltrans develops, and the CTC adopts, the fund estimate consistent with existing state law and reasonably anticipated revenues from each source. Then the estimate is adjusted over time to reflect actual revenues, and each county's share is adjusted in the following fund estimate to reflect actual revenues received.

The STIP is also subject to county share periods. The share periods represent a four-year cycle in which the CTC calculates the funding available to each county through the STIP. Due to loans, shifts, and transfers to balance the state budget, the 2004 STIP included no new funding capacity. However, under state law, the county share was still required to be calculated as if the funding was available. Orange County's calculated share was approximately \$74 million.

Additionally, OCTA has available \$23 million accessible through provisions made available under Assembly Bill (AB) 3090. Due to the state budget crisis and the unavailability of STIP funds, the Board authorized staff to utilize the provisions made available under AB 3090 for two projects programmed in the 2004 STIP. Through this process, a local agency may fund an existing STIP project with other funds and be reimbursed or receive a replacement project at a later date. This enables projects to continue moving forward in the absence of state funding. The two projects that utilized this provision were the Imperial Highway Grade Separation, (\$19 million) and the Planning, Programming, and Monitoring (PPM) program (\$3 million).

In summary, the 2006 STIP fund estimate includes the following funding for Orange County:

- \$114 million un-programmed reserve balance
- \$ 74 million of previously unaccessible STIP share balance
- \$ 23 million AB 3090 projects (Imperial Highway and PPM)
- \$ 26 million of STIP previously programmed to CenterLine
- \$ 96 million of new capacity (available in fiscal years 2007-08 forward)
- \$ 6 million of new Transportation Enhancement Activities capacity

These sources combined provide Orange County with approximately \$339 million in programming capacity for the 2006 STIP.

2004 STIP - Project Cost Updates

Agency	Rte	Project	2004 STIP	Proposed 2006 STIP	Variance	Total	Prior	Current Year FY05-06	2006 STIP (FY06-07 - FY10-11)				
									FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
EXISTING PROGRAMMED PROJECTS													
Caltrans	5	Avenida Pico SB off-ramp, aux lane	2,667	7,275	4,608	7,275	1,918		5,357				
Caltrans	5	Camino Capistrano interchange improvements	9,176	16,072	6,896	16,072	183		1,624		14,265		
Caltrans	5	Culver Drive southbound off-ramp widening	1,902	2,284	382	2,284	74	307	1,903				
Caltrans	5	Oso Parkway SB off-ramp, storage lane	17,444	20,492	3,048	20,492	306	2,490	17,696				
Caltrans	5	HOV, Rt 91-LA Co Line	24,042	24,042	0	24,042	0	24,042	0	0	0	0	0
Caltrans	5	Jamboree SB off ramp and auxiliary lane	4,787	7,469	2,682	7,469			966	6,503			
Caltrans	90	Imperial Hwy grade sep. rear Orangethorpe *	58,493	89,863	31,370	89,863	2,000	6,280	81,583				
Caltrans	405	Magnolia Av-Beach Bl, aux lane	15,812	17,161	1,349	17,161	1,344	1,338	1,669	12,810			
OCTA	loc	Rt 5 San Clemente El Camino Real soundwall	575	3,378	2,803	3,378			304	3,074			
OCTA	loc	Rt 5 San Clemente Avenida Vaquero soundwall	1,286	2,234	948	2,234			276	1,958			
TOTAL			136,184	190,271	54,087	190,271	5,825	34,457	111,378	24,345	14,265	0	0
* Imperial Highway Existing project cost includes programmed STIP as well as the RSTP funding that was used for the AB 3090													

**Proposed 2006 STIP Submittal
Orange County Transportation Authority**

Agency	Rte	Project	Total	Prior	2006 STIP (FY06-07 - FY10-11)					Project Totals by Component					
					FY06-07	FY07-08	FY08-09	FY09-10	FY10-11	R/W	Const	E & P	PS&E	R/W Sup	Con Sup
EXISTING PROGRAMMED PROJECTS															
Caltrans	5	Avenida Pico SB off-ramp, aux lane	7,275	1,918	5,357	0	0	0	0	7	4,507	441	1,470	0	851
Caltrans	5	Camino Capistrano interchange improvements	16,072	183	1,624	0	14,265	0	0	169	12,675	183	1,405	50	1,590
Caltrans	5	Culver Drive southbound off-ramp widening (04S-26)	2,284	381	1,903	0	0	0	0	0	1,581	74	292	15	322
Caltrans	5	Oso Parkway SB off-ramp, storage lane	20,492	2,796	17,696	0	0	0	0	403	14,700	306	1,814	273	2,996
Caltrans	5	HOV, Rt 91-LA Co Line (02S-72)(96 grf)	24,042	24,042	0	0	0	0	0	0	24,042	0	0	0	0
Caltrans	5	Jamboree SB off ramp and auxiliary lane	7,469	0	966	6,503	0	0	0	16	5,625	276	642	32	878
Caltrans	90	Imperial Hwy grade sep. rear Orangethorpe (04S-10) *	89,863	8,280	81,583	0	0	0	0	32,234	39,120	2,000	6,280	4,387	5,842
Caltrans	405	Magnolia Av-Beach Bl, aux lane	17,161	2,682	1,669	12,810	0	0	0	1,307	10,657	1,344	1,338	362	2,154
OCTA	loc	Rt 5 San Clemente El Camino Real soundwall (S/O)	3,378	0	304	3,074	0	0	0	0	2,675	0	279	25	400
OCTA	loc	Rt 5 San Clemente Avenida Vaquero soundwall (S/O)	2,234	0	276	1,958	0	0	0	0	1,551	0	276	0	406
OCTA	5	I-5 Ortega Interchange Improvement (EIR phase)	2,000	0	2,000	0	0	0	0	0	0	2,000	0	0	0
Caltrans	5	Ortega Hwy widening between I-5 / Antonio Pkwy	5,000	0	0	5,000	0	0	0	0	5,000	0	0	0	0
OCTA	loc	Soundwall Program	5,000	0	0	0	2,500	2,500	0	0	3,500	0	0	0	1,500
OCTA		Planning, Programming and Monitoring	15,564	3,064	2,500	2,500	2,500	2,500	2,500	0	15,564	0	0	0	0
Caltrans	605	405/605 HOV Connectors	65,000	0	0	65,000	0	0	0	0	65,000	0	0	0	0
SCRRA		Orange Metrolink Station pedestrian overcrossing	8,000	0	8,000	0	0	0	0	0	8,000	0	0	0	0
Fullerton	loc	Fullerton transportation center parking (RTIP)	23,700	0	0	23,700	0	0	0	6,224	16,476	0	1,000	0	0
Tustin	loc	Tustin Rail Station parking expansion	7,000	0	0	0	500	6,500	0	0	6,500	0	0	0	500
OCTA	loc	Irvine Transportation Center Parking Expansion	20,000	0	20,000	0	0	0	0	0	20,000	0	0	0	0
Santa An	loc	Bus Rapid Transit - Rolling stock, infrastructure, feeders	125,010	0	0	0	41,670	41,670	41,670	0	125,010	0	0	0	0
OCTA	bus	West Orange County Bus Rapid Transit Guideway**	3,573	0	3,573	0	0	0	0	0	0	3,573	0	0	0
OCTA	cash	AB 3090 reimbursement (03-04 PPM)(02S-124)	3,500	0	0	3,500	0	0	0	0	3,500	0	0	0	0
OCTA	repl	AB 3090 replacement (Imperial grade sep)(04S-10)***	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL			473,618	43,346	147,451	124,045	61,435	53,170	44,170	40,360	385,682	10,197	14,796	5,144	17,439

* Imperial Highway Existing project cost includes programmed STIP as well as the RSTP funding that was used for the AB 3090

** This project was part of the 2004 STIP programmed in FY 2005-06; OCTA requested an extension to 2006-07

*** OCTA has programmed against this project.

Orange County Transit Project Descriptions

High-Technology Advanced Rail Transit

Description:

This project would further develop the existing rail right-of-way and initiate a high capacity urban rail system in Orange County. This 20-Year Plan element will also provide matching funds to encourage local development of extensions to major activity centers.

The primary improvements will be along the LOSSAN rail corridor and designed to provide frequent train service between south and north Orange County with nine stops at San Juan Capistrano, San Clemente, Mission Viejo, Irvine, North Irvine, Santa Ana, Anaheim, Fullerton, and Buena Park.

The extension will provide access between the primary rail system and employment centers. Two of the potential candidate projects are the Anaheim People Mover Project and the Irvine Spectrum to John Wayne Airport Fixed Guideway transit line that could ultimately extend further west to the South Coast Metro area and beyond.

Location:

This project would use the Santa Fe/Amtrak line from San Clemente to Buena Park.

Technology and Ridership Estimates:

Selection of technology, ridership estimates and system costs need further analysis and studies.

Costs:

The total capital cost of the urban rail improvements could exceed \$800 million. Rail extension costs will be determined pending selection of technology. It is recommended that \$340 million be allocated toward this system. System connectivity, ridership/performance and availability of matching funds will be used as criteria to determine the relative priority of investment in the system.

Implementation:

Planning work on this project will begin immediately. The goal is to implement the project(s) during the second 10 years of the plan.

Reference:

Transit Strategy Report, April 1989, Orange County Transportation Commission, prepared by Parsons Brinckerhoff Quade & Douglas, Inc.



BOARD COMMITTEE TRANSMITTAL

November 28, 2005

To: Members of the Board of Directors

From: Wendy Knowles, Clerk of the Board

Subject: Lease to Own Agreement for Design, Construction, Operation and Maintenance of a Compressed Natural Gas Fueling Station at the Santa Ana Bus Base

Transit Planning and Operations Committee

November 10, 2005

Present: Directors Winterbottom, Brown, Silva, Pulido, Dixon, Duvall, and Green
Absent: None

Committee Vote

This item was passed by all Committee Members present.

Committee Recommendations

- A. Authorize the Chief Executive Officer to execute a contract with Southern California Gas Company, in an amount not to exceed \$2,700,000, for the extension of an underground natural gas line.
- B. Authorize the Chief Executive Officer to execute Lease to Own Agreement C-5-2641, for a period up to 10 years, between the Orange County Transportation Authority and California Trillium Company, at a total contract cost not to exceed \$17,000,000, for the compressed natural gas fueling facility at the Santa Ana Bus Base.



November 10, 2005

To: Transit Planning and Operations Committee
AL

From: Arthur T. Leahy, Chief Executive Officer

Subject: Lease to Own Agreement for Design, Construction, Operation and Maintenance of a Compressed Natural Gas Fueling Station at the Santa Ana Bus Base

Overview

In November 2004, the Board approved the fleet plan for the procurement of vehicles and an alternative fueling station at the Santa Ana Bus Base. A solicitation was issued to secure proposals for either a liquefied compressed natural gas station or a compressed natural gas station. Proposals were received in accordance with the Orange County Transportation Authority's fixed assets, competitive procurement procedures. Board approval is requested to execute agreements as identified below.

Recommendations

- A. Authorize the Chief Executive Officer to execute a contract with Southern California Gas Company, in an amount not to exceed \$2,700,000, for the extension of an underground natural gas line.
- B. Authorize the Chief Executive Officer to execute Lease to Own Agreement C-5-2641, for a period up to 10 years, between the Orange County Transportation Authority and California Trillium Company, at a total contract cost not to exceed \$17,000,000, for the compressed natural gas fueling facility at the Santa Ana Bus Base.

Background

In November 2004, the Orange County Transportation Authority (Authority) Board of Directors (Board) adopted the update to the Ten Year Fleet Plan and authorized staff to proceed with the design of a liquefied to compressed natural gas (LCNG) fueling facility at the Santa Ana Bus Base.

On July 11, 2005, the Board authorized staff to issue a Request for Proposal (RFP) for the design and construction of a natural gas fueling station and associated building improvements at the Santa Ana Bus Base for fueling of buses identified in the fleet plan. This RFP was to provide for a lease to own approach and requested responses for either a compressed natural gas (CNG) or LCNG fueling station.

An LCNG fueling station would require the following equipment:

- Above ground storage tanks (120,000-gallon capacity)
- Vaporizers
- 100-horsepower pumps
- Fueling dispensers
- Fuel delivery by tanker trucks

By 2010, a daily average of four tankers of liquefied natural gas (LNG) fuel would need to be delivered to the bus base for the CNG bus fleet; however, limited availability of this fuel has raised concerns about expanding the Authority's use of LNG.

A CNG station would require the following equipment:

- Three to four compressor stations
- Minimal storage tanks
- Utilize an underground natural gas line for fuel delivery

In order to supply natural gas to the CNG fueling station, an underground natural gas line will need to be upgraded and extended approximately 2.8 miles to the bus base. This work would be performed by Southern California Gas Company (SCGC) under a time and materials agreement, at an estimated cost of \$4,800,000. The Authority and SCGC have tentatively agreed to a 50/50 cost-sharing arrangement for this installation, pending approval by the Board and the California Public Utilities Commission. Under this proposed arrangement, the Authority's share of costs is approximately \$2,400,000, plus a contingency of \$300,000. While the CNG fueling station requires this initial upfront investment for the underground natural gas pipeline, it would still result in the lowest total cost to the Authority over a 10-year period.

Discussion

This procurement for the natural gas fueling station, was handled in accordance with the Authority's procedures for fixed assets, competitive procurement procedures.

Due to the nature of the technology involved and information obtained from other users, primarily Los Angeles County Metropolitan Transportation Authority (LACMTA) and New York City Transit (NYCT), it was determined that the Authority could lease to own the fueling station equipment, using a competitive negotiated procurement method. A lease to own approach would allow the transfer of development and construction risks associated with the station, from Authority to the contractor. The criteria for selecting a firm is based on meeting the Authority's technical requirements at the most competitive cost. The project was advertised on July 26, 2005, in a newspaper of general circulation and on CAMMNet.

Due to the technical nature of the project requirements, a pre-proposal meeting was held on August 3, 2005, and was attended by 17 firms. Nine addenda were issued to address administrative concerns, respond to questions, and provide clarifications to the plans and specifications.

On September 19, 2005, three firms submitted a total of five offers for this project. Three offers were received for a pipeline CNG fueling system and two offers for an LCNG fueling station. An evaluation committee composed of staff from Contracts Administration and Materials Management, Construction & Engineering, Facility Maintenance, Safety and Environmental Compliance departments, OmniTrans, and LACMTA was established to review the offers submitted by each firm. The evaluation committee was also supported by a non-voting consultant firm experienced in the development, selection, and implementation of similar type stations. The offers were evaluated on the basis of compliance with the requirements identified in the RFP with respect to qualifications of the firm, staffing and project organization, work plan, and cost and price. The evaluation committee reviewed the proposals and determined all three firms should be interviewed in order to provide further clarification of each firm's qualifications and ability to complete the project. The following firms were interviewed:

Firm and Location

California Trillium Company
Salt Lake City, Utah

Clean Energy
Seal Beach, California

The Hanover Company
Broken Arrow, Oklahoma

Following the interviews, each firm was requested to formally respond to issues raised during the interview and provide a Best and Final Offer. The evaluation committee concluded that California Trillium Company's (Trillium) proposal provides the lowest price and complies with all technical requirements identified by the Authority.

The following is a summary of the proposals received:

Trillium's proposal and interview demonstrated that the firm has an excellent understanding of the project requirements and will provide well-qualified key personnel capable of successfully completing design and construction of the facility within the requested project schedule. The firm is very familiar with operating a fueling facility under this type of lease agreement. Trillium also demonstrated large scale transit CNG experience at NYCT and LACMTA, and received excellent references. Trillium's cost proposal offered the lowest overall construction, and operation and maintenance costs to the Authority.

The Hanover Company's (Hanover) proposal was marginally compliant with the project schedule and had a higher cost. Hanover has previous local transit experience and provided a good work plan.

Clean Energy's proposal had a good work plan; however, it also offered the highest construction cost and identified numerous deviations and exceptions in the proposal. Clean Energy has not handled a project of this size.

A lease to own agreement covers the cost for design and construction and provides a mechanism for payment for operation and maintenance expenses. These expenses are paid to the contractor through a multiplier associated with fuel usage. The cost for operating and maintaining this station would be approximately \$790,000 annually. The capital construction cost, including contingency, is approximately \$885,000 annually. Budgetary authority for these expenditures will be requested in future years.

Fiscal Impact

The project was not included in the Authority's Fiscal Year 2005-06 Budget. Funding for the design, construction, and operation and maintenance of the natural gas fueling station will be requested in future budgets. Funding required for the additional cost of the natural gas line extension has been transferred within Account 1722-9022, Construction & Engineering, and is 100 percent funded through the Local Transportation Fund.

Summary

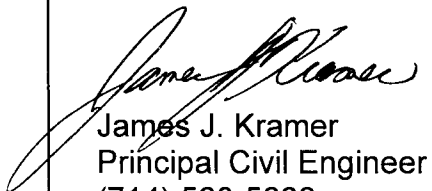
Summary

The evaluation committee recommends approval of a lease to own agreement with California Trillium Company, at a total contract cost not to exceed \$17,000,000, for a compressed natural gas fueling station at the Santa Ana Bus Base. California Trillium Company provided the lowest priced offer and will provide the best value to the Authority as determined by the evaluation committee. Staff also recommends approval of a contract with Southern California Gas Company, in an amount not to exceed \$2,700,000, for the extension of an underground natural gas line to the Santa Ana Bus Base.

Attachment

None.

Prepared by:


James J. Kramer
Principal Civil Engineer
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Approved by:


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

BOARD COMMITTEE TRANSMITTAL



November 23, 2005

To: Members of the Board of Directors
From: ^{WK} Wendy Knowles, Clerk of the Board
Subject: Agreement for the Provision of ACCESS, Contracted Fixed Route, Stationlink and Express Bus Service

This item will be considered by the Transit Planning and Operations Committee on November 23, 2005. Following Committee consideration of this matter, staff will provide you with a summary of the discussion and action taken by the Committee.

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



November 23, 2005

To: Transit Planning and Operations Committee
From: Arthur T. Leahy, Chief Executive Officer
Subject: Agreement for the Provision of ACCESS, Contracted Fixed Route, Stationlink and Express Bus Service

Overview

The Orange County Transportation Authority currently has a contract with Laidlaw Transit Services, Inc., for the turn-key provision of paratransit and contracted fixed route services. This agreement expires on February 28, 2006. A process for re-bidding these services began in December 2004. A competitive procurement has been conducted and offers have been evaluated. Staff is providing an update to this process and seeking approval on a set of recommendations for completion of this process.

Recommendations

- A. Direct staff to reject all proposals submitted in response to Request for Proposal 4-0946 "Contracted Fixed Route, Stationlink and Express Bus Service" and Request for Proposal 4-1253 "ACCESS and Broker Services for the Orange County Transportation Authority Americans with Disabilities Act ACCESS Services."
- B. Authorize the Chief Executive Officer to execute Amendment No. 7 to Agreement C-4-0301 between the Orange County Transportation Authority and Laidlaw Transit Services, Inc., on a month to month basis, not to exceed four months, increasing the maximum cumulative payment obligation in an amount not to exceed \$11,448,896.
- C. Direct staff to issue a Request for Proposal for ACCESS services, Contracted Fixed Route, Stationlink and Express Bus Services, including a scope of work for a turn-key operation using the Orange County Transportation Authority's Irvine Base.

Background

In August 1999, the Orange County Transportation Authority (Authority) Board of Directors approved the award of a five-year contract to Laidlaw Transit Services, Inc., (Laidlaw) for the turn-key provision of paratransit and fixed route services. The term for the initial contract began November 1999 and continued through June 30, 2004. The Board later approved the current sole source agreement with Laidlaw to continue operating the service until June 30, 2005. Since that time, the Board has also approved several extensions to this agreement, the latest operating through February 28, 2006 (Attachment A). A process for rebidding these services began in December 2004.

Demand for ACCESS has grown significantly since fiscal year 2000-01 when the Authority adopted a policy of "zero denials" to comply with Americans with Disabilities Act (ADA) requirements. ACCESS ridership has increased steadily each year during this period, actually doubling in size from 596,000 passengers in fiscal year 2000-01 to over 1.2 million passengers during fiscal year 2004-05.

In a continuing effort to control the rising costs of providing these services, the Board adopted a Paratransit Growth Management Implementation Plan in October 2004. This plan outlines strategies to control the cost of the ACCESS program largely by managing future growth. Many of the strategies discussed and adopted within the scope of this plan focus on strict adherence to the minimum standards and requirements of the ADA, and on continuing to identify creative ways to deliver the service.

In discussions surrounding the Paratransit Growth Management Plan, various members of the Board of Directors expressed their interest in this program and the desire to look at alternative methods of contracting for these services. The decision was made at that time to issue two separate Request for Proposals (RFP): one for the various components of the ACCESS service, and one for the Contracted Fixed Route and Express Bus Services.

The separation of services allowed vendors to respond to any or all service components. In addition, vendors could propose use of their own facility or the Authority's Irvine Base. As directed by the Board, staff used this procurement as an opportunity to explore a wide range of solutions and service scenarios to provide the service.

Staff completed the procurement process and was prepared to recommend a contract award at the October 27, 2005, Board of Directors meeting. In the

time between completion of the evaluation and the Board meeting date, staff became aware of potential improprieties concerning one of the vendors. After investigation and consideration of the situation, staff is requesting that all proposals be rejected and a revised Request for Proposal be issued on December 5, 2005. This action would require that the current Laidlaw contract be extended on a month to month basis, not to exceed four months. This schedule is aggressive and is geared toward a new contract implementation on July 1, 2006, coinciding with the beginning of the Authority's fiscal year.

Discussion

Prior to the procurement for these services in 1999, the Authority provided these services using multiple vendors. During the 1999 procurement, significant cost savings was identified by awarding a turn-key contract to one vendor to provide all of the services. Since that time, the service has been provided by Laidlaw Transit Services, Inc.

The intent of the recent procurement was to reevaluate the way we provide our contracted bus services and determine whether it is still the best service model for the Authority. In an effort to look at a variety of options, two RFP's were issued, one for the various components of ACCESS service (service delivery, maintenance, and broker functions), and one for Contracted Fixed Route, Stationlink and Express Bus Services.

A total of 11 firms responded to one or more of the options described in the RFP. Six proposals were submitted for the Contracted Fixed Route and Express Bus services and eight proposals were submitted for one or more components of the ACCESS program.

The number of scenarios and various cost structures and proposals made the evaluation of the proposals extremely difficult. However, it did provide the information necessary for staff to carefully and deliberately evaluate a number of service scenarios. Of the submittals received, up to 17 different options were evaluated. The evaluation committee identified the two most viable options:

1. Award one contract for ACCESS services and one contract for Contracted Fixed Route and Express Bus Services. Under this scenario, one vendor would operate from the Authority's Irvine Base, and one vendor would provide their own facility. Both firms would provide their own individual maintenance services.

2. Award one contract for the turn-key operation ACCESS, Contracted Fixed Route and Express Bus Services. Under this scenario, the vendor would operate from the Authority's Irvine Base.

Analysis of Service Models

The first service model considered was awarding two separate service contracts: one contract for all functions of the ACCESS service and one contract for Contracted Fixed Route, Stationlink and Express Bus Service. Management oversight and facility capacity make this service model attractive. Under this model, the services are separated and managed as two separate operations. Due to the complexity of the combined services, a dedicated project management team would offer the Authority a more focused management approach. This approach also included a vendor-provided facility. Space constraints are a serious consideration in future planning for these services. With a vendor providing a facility, space constraints would be alleviated and future growth could be accommodated. Unfortunately, awarding the contracts in this manner would make the overall cost of providing the service significantly higher than the combined contracting option.

The second scenario considered would continue the turn-key operation of these services by awarding one contract for all services. There is a significant cost savings realized by awarding the contract to one firm under a turn-key arrangement. The majority of the cost savings is a result of economies of scale in areas such as staffing, management fees and facility costs. The total cost savings identified by the bids received was approximately \$38 million over the term of a five year contract, or \$7.6 million annually

After consideration of the viable options and the issues associated with each, staff is recommending continuation of the operation of ACCESS and Contracted Fixed Route services under a turn-key operation. Separating the services has potential long term advantages, however the recent bids indicate that cost is prohibitive at this time.

Evaluation Procedure

The RFP to solicit competitive offers will be issued December 2005. A defined Scope of Work has been prepared which will require that bidders propose the operations of all services from the Authority's Irvine base.

The proposed procurement schedule outlines milestones of the project including proposal submittals at the end of January 2006 and contract award April 2006. An evaluation committee will be appointed to review all proposals received. The committee will be comprised of Authority staff and will include a representative from another public agency that provides contracted fixed route and paratransit services. The committee members will evaluate each proposal using the following criteria and weights:

Qualifications and Experience	25%
Staffing Capabilities	25%
Work Plan	25%
Cost and Price	25%

During the evaluation, the committee will interview all top-ranked firms. The interview will consist of a short presentation by the proposing firms followed by a question and answer period. At this time the evaluation committee will have an opportunity to ask questions related to the firm's proposal and qualifications.

At the conclusion of the evaluation process, staff will present the findings of the evaluation to the Transit Planning and Operations Committee. This item will be scheduled for review by the full Board of Directors for final action in March 2006.

Fiscal Impact

The project was approved in the Authority's Fiscal Year 2005-06 Budget, Operations Division/Community Transportation Services, Account 2131-7311 and Account 2131-7313, and is funded through the Local Transportation Fund. This increases the maximum cumulative obligation of Agreement C-4-031 with Laidlaw Transit Services, Inc., to \$67,532,303.

Summary

Staff is recommending that all bids received for the recent ACCESS, Contracted Fixed Route, Stationlink and Express Bus Service be rejected and a revised Request for Proposal for these services be issued in December 2005. Due to the cost savings identified in the recent bids, staff is recommending the new scope of work include continuation of operating these services under a turn-key contracting arrangement with all of the services combined. An extension of the current Laidlaw contract on a month to month basis, not to exceed four months, is required to allow time for this process.

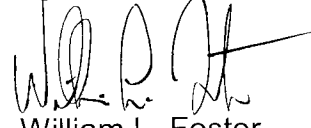
Attachments

- A. Laidlaw Transit Services, Inc., Fact Sheet, Agreement C-4-0301
- B. Proposed Procurement Schedule for ACCESS, Contracted Fixed Route,
Stationlink and Express Bus Service RFP

Prepared by:


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Approved by:


William L. Foster
General Manager, Operations
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Laidlaw Transit Services, Inc., Fact Sheet
Agreement C-4-0301

Original Contract Term August 9, 1999 through June 30, 2004 (C-9-9236)

Current Sole Source Contract Term July 1, 2004 through June 30, 2005

- Amendment No. 1 Purchase of Mobile Data Terminals (MDT) and Automatic Vehicle Locator (AVL) systems.
- Laidlaw to oversee the installation, vendor coordination and field testing of data communication equipment for paratransit bus fleet.
- Amendment No. 2 Provide Late Night ACCESS service for 60 days beginning July 1, 2004 through August 31, 2004 during the hours of 9:00 p.m. through 5:00 a.m.
- Amendment No. 3 Extend term of contract June 30, 2005 through July 31, 2005 for Contracted Fixed Route, ACCESS, Off-Route and Stationlink for one additional month.
- Amendment No. 4 Addition of 30,000 ACCESS vehicle service hours to meet demand for fiscal 2004-2005.
- Additional funding for Late Night ACCESS service from December 1, 2004 through July 1, 2005.
- Funding for major maintenance expenses on Authority-owned vehicles.
- Reimbursement for purchase of diesel fuel for revenue vehicles in excess of \$1.04.
- Credit to Authority for fuel purchased from September 2004 through January 2005.
- Funding for fuel for gasoline demonstration vehicle.
- Funding for tax on purchase of Data Communication System.
- Amendment No. 5 Addition of ACCESS vehicle service hours, 223,286.
- Addition of Contracted Fixed Route vehicle service hours, 21,577.

Addition of Stationlink vehicle service hours, 5,509.

Addition of Late Night ACCESS service hours from July 1, 2005 through November 30, 2005 during the hours of 10:00 p.m. until 4:00 a.m.

Funding for major maintenance expenses from July 1, 2005 through November 30, 2005.

Funding for fuel for gasoline demonstration vehicle July 1, 2005 through November 30, 2005.

Credit to Authority for fuel purchased from August 2005 through November 2005.

Amendment No. 6

Extend term of agreement for additional seven (7) months, July 1, 2005 through February 28, 2006.

Addition of ACCESS vehicle service hours, 155,218.

Addition of Contracted Fixed Route vehicle service hours, 22,508.

Addition of Stationlink vehicle service hours, 5,440.

Addition of Late Night ACCESS service hours from July 1, 2005 through November 30, 2005 during the hours of 10:00 p.m. until 4:00 a.m.

Funding for major maintenance expenses fiscal year 2004-05.

Funding for fuel for gasoline demonstration vehicle fiscal year 2004-05.

Credit to Authority for fuel purchased from August 2005 through November 2005.

ATTACHMENT B

**Proposed Procurement Schedule for ACCESS, Contracted Fixed Route,
Stationlink and Express Bus Service RFP**

- | | | |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 1. | TP & O Committee | November 23, 2005 |
| 2. | BOD meeting to reject the proposals,
extend Laidlaw contract, direct staff to
reissue RFP & to discuss new SOW,
procurement schedule, evaluation
process, criteria, weights | November 28, 2005 |
| 3. | Issue RFP | December 5, 2005 |
| 4. | Finalize evaluation committee members | December 5, 2005 |
| 5. | Pre-proposal Conference/Job Walk | December 14, 2005 |
| 6. | Offerors Questions | December 21, 2005 |
| 7. | OCTA Responses | January 4, 2006 |
| 8. | Proposals Due | January 25, 2006 |
| 9. | Evaluation Committee Meeting | January 31, 2006 |
| 10. | Interviews | February 7, 2006 |
| 11. | TPO Committee Meeting | February 23, 2006 |
| 12. | Award Board Approval | March 13, 2006 |
| 13. | Contract Negotiations | March 13-March 31,
2006 |
| 14. | Transition | April 1–June 30, 2006 |
| 15. | New Contractor | July 1, 2006 |