

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

Call to Order

The November 11, 2019 regular meeting of the Orange County Transportation Authority (OCTA) and affiliated agencies was called to order by Chairman Shaw at 9:02 a.m. at the OCTA Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

Roll Call

Following the Invocation and Pledge of Allegiance, the Clerk of the Board noted a quorum was present, with the following Directors in attendance:

Directors Present: Tim Shaw, Chairman
 Steve Jones, Vice Chairman
 Lisa A. Bartlett
 Laurie Davies
 Barbara Delgleize
 Gene Hernandez
 Mark A. Murphy
 Richard Murphy
 Michelle Steel
 Donald P. Wagner
 Ryan Chamberlain, District Director
 California Department of Transportation District 12

Director Absent: Doug Chaffee
 Andrew Do
 Michael Hennessey
 Jose F. Moreno
 Joe Muller
 Miguel Pulido
 Gregory T. Winterbottom

Also Present: Darrell E. Johnson, Chief Executive Officer
 Ken Phipps, Deputy Chief Executive Officer
 Laurena Weinert, Clerk of the Board
 Olga Prado, Assistant Clerk of the Board
 James Donich, General Counsel
 Members of the Press and the General Public

Chairman Shaw announced that the due to time constraints, the order of the today's Board of Directors (Board) meeting agenda items will be heard in a different sequence. The Board meeting minutes are in order of the posted November 11, 2019 Board agenda packet.

Special Calendar

Orange County Transportation Authority Special Calendar Matters

1. 2019 Veterans Day Appreciation Video

Darrell E. Johnson, Chief Executive Officer (CEO), introduced the video that highlights the annual OCTA Veterans Day event held on November 7, 2019, at the Garden Grove Base, to honor the military services of employees and their family members.

2. Recognition of the Orange County Transportation Authority's 2019 Management Development Academy Graduates

Darrell E. Johnson, CEO, recognized and introduced OCTA's 2019 Management Development Academy graduates as follows:

- Dustin J. Sifford, External Affairs
- Efren Guzman, Operations
- Eric Carlson, Planning
- George Ramirez, Operations
- Iris Deneau, Finance and Administration
- Isaac Ibarra, Operations
- Jack Garate, Operations
- Jason Ko, External Affairs
- Louis Luxenberg, Operations
- Louis Zhao, Planning
- Mark Jackman, Planning
- Masih Bahadori, Finance and Administration
- Michelle Paloma, Human Resources and Organizational Development
- Neddy Villasenor, Operations
- Nhatran Do, Capital Programs
- Paul Burciaga, Finance and Administration
- Ryan Maloney, External Affairs

Consent Calendar (Items 3 through 11)

Orange County Transportation Authority Consent Calendar Matters

3. Approval of Minutes

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to approve the Orange County Transportation Authority and affiliated agencies' regular meeting minutes of October 28, 2019.

4. Public Transportation Agency Safety Plan

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to receive and file as an informational item.

5. Consultant Selection for the Safe Travels Education Program Campaign

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to:

- A. Approve the selection of Alta Planning + Design as the firm to develop the Safe Travels Education Program.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1433 between the Orange County Transportation Authority and Alta Planning + Design, in the amount of \$500,000, to develop the Safe Travels Education Program Campaign for a two-year term.

Orange County Local Transportation Authority Consent Calendar Matters

6. Capital Programs Division - First Quarter Fiscal Year 2019-20 Capital Action Plan Performance Metrics

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

7. Contract Change Orders for the Interstate 405 Improvement Project from State Route 73 to Interstate 605

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute supplemental Contract Change Order No. 13.1 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$460,327, to design and construct additional improvements to support the installation of a permanent traffic signal at the intersection of Warner Avenue and Greenleaf Street in the City of Fountain Valley.
- B. Authorize the Chief Executive Officer to negotiate and execute supplemental Contract Change Order No. 27.1 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$353,106, to provide additional utility work to support Southern California Edison relocations on Milton Avenue in the City of Westminster.
- C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 46 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$389,978, to extend water lines adjacent to the Talbert Avenue and Brookhurst Street overcrossing bridges in the City of Fountain Valley.
- D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 47 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$266,828, to install additional water valves at the Talbert Avenue, Warner Avenue, and Brookhurst Street overcrossing bridges in the City of Fountain Valley.

8. Amendment to Cooperative Agreement with the City of Costa Mesa for the Interstate 405 Improvement Project

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-5-3612 between the Orange County Transportation Authority and the City of Costa Mesa, in the amount of \$249,500, for additional city services for the Interstate 405 Improvement Project. This will increase the maximum obligation of the cooperative agreement to a total value of \$1,256,380.

9. Cooperative Agreement with the California Department of Transportation for the Interstate 5 Widening Project Between Alicia Parkway and El Toro Road

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to:

- A. Authorize the use of \$4,728,000 in Highway Infrastructure Program funds in place of Measure M2 funds for the Interstate 5 widening project between Alicia Parkway and El Toro Road.
- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1600 between the Orange County Transportation Authority and California Department of Transportation, in the amount of \$136,615,000, comprised of a construction capital share of \$117,000,000, and a construction management services share of \$19,615,000, for Segment 3 of the Interstate 5 widening project between Alicia Parkway and El Toro Road.
- C. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above action.

10. Approval to Release Request for Proposals for Construction Management Support Services for the Interstate 5 Widening Project Between Alicia Parkway and El Toro Road

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to:

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 9-1605 for selection of a consultant to provide construction management support services for the Interstate 5 widening project between Alicia Parkway and El Toro Road.
- B. Approve the release of Request for Proposals 9-1605 to provide construction management support services for the Interstate 5 widening project between Alicia Parkway and El Toro Road.

**Orange County Service Authority For Freeway Emergencies
Consent Calendar Matters**

**11. California Department of Transportation Freeway Service Patrol
Program Fund Transfer Agreements**

A motion was made by Director R. Murphy, seconded by Director Davies, and declared passed by those present, to:

- A. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1620 between the Orange County Transportation Authority and the California Department of Transportation for fiscal year 2019-20 Freeway Service Patrol Program State Highway Account funding of approximately \$2,294,286.
- B. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreement No. C-9-1620 between the Orange County Transportation Authority and the California Department of Transportation for fiscal year 2019-20 Freeway Service Patrol Program Senate Bill 1 funding of approximately \$1,969,345.
- C. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreements between the Orange County Transportation Authority and the California Department of Transportation each year for fiscal years 2020-21 through 2028-29 Freeway Service Patrol Program State Highway Account funding in an amount not to exceed \$20,545,608, for the nine fiscal years.
- D. Authorize the Chief Executive Officer to negotiate and execute Cooperative Agreements between the Orange County Transportation Authority and the California Department of Transportation each year for fiscal years 2020-21 through 2028-29 Freeway Service Patrol Program Senate Bill 1 funding in an amount not to exceed \$17,635,726, for the nine fiscal years.

Regular Calendar

Orange County Transportation Authority Regular Calendar Matters

12. Contractor Selection for the Back-Office System and Customer Service Center Operations for the 91 Express Lanes in Orange and Riverside Counties

Darrell E. Johnson, CEO, provided opening comments and introduced Kirk Avila, General Manager of the 91 Express Lanes, who provided a PowerPoint presentation for this item as follows:

- Background;
- Modernizing the 91 Express Lanes:
 - Toll Lane Systems Integrator Services - February 2018,
 - Back-Office System/Customer Service Center Procurement - October 2019, and
 - Roadway Services Procurement - Mid-2020;
- Procurement Includes:
 - Back-Office System,
 - Customer Service Center, and
 - Other Operational Functions;
- Procurement Process;
- Cofiroute USA, LLP (Cofiroute) Proposed Cost;
- Recommendations; and
- Next Steps.

A public comment was heard from:

Douglas Chastan, Conduent Transportation (Conduent), who stated the following:

- Conduent wants to ensure the citizens of Orange and Riverside counties gain the best possible solution and fair value for their tax dollars.
- Asked the Board not to award the agreement to Cofiroute.
- Conduent provided clarification, not included in the Board agenda packet, as follows:
 - After the Best and Final Offer (BAFO), their proposal met all the requirements of the request for proposals (RFP).
 - Their BAFO is \$14 million, minimum, under the budget, and includes 20 percent of the total contract value over the life of the contract.
 - An industry leader in tolling for 20 plus years in some of the biggest back-office operations in New York, New Jersey, Florida, and Texas.
 - Experience migrating data sets from one company to another.

12. (Continued)

- Six plus years of express lanes experience with the Los Angeles County Metropolitan Transportation Authority (LA Metro).
- Operates the biggest back-office system in San Francisco and highlighted what is supported.
- Data migration is a risk, and the RFP required a new system. The differences between firms is that Conduent has experience with much larger programs.
- It appears that Conduent was penalized for using the local Disadvantaged Business Enterprise community as sub-contractors in the proposal.
- The proposal included onsite staff and mitigates risks by pushing payments to Conduent until the implementation period is completed.

A discussion ensued regarding:

- The Board-approved RFP was released in April 2019 and included the weighted factors that OCTA staff highlighted.
- The evaluation committee included external parties.
- Both firms could do the job; however, Conduent's experience is not as in-depth as Cofiroute.
- Cofiroute proposed the following:
 - A strong staffing team with experience working together, including working with sub-contractors,
 - Their responses focused on customer service which is extremely important to both Riverside County Transportation Commission (RCTC) and OCTA.
 - During the interview process, Cofiroute illustrated the robustness of a back-office system and was able to respond to all related questions regarding the system.
 - The proposal was customized to meet the needs of both RCTC and OCTA.
- Clarifications were provided that no new points were brought up, in previous presentations, which had not been evaluated as a part of the recommended actions.

James Donich, General Counsel, provided clarification to this item's Staff Report procurement approach was in accordance with Public Utilities Code (PUC) 130238. Mr. Donich stated that OCTA can award a contract to the most advantageous firm in accordance with the PUC statute. Additionally, the statute does require that the Board make findings as to why the low bidder firm is not recommended for the award of the contract.

12. (Continued)

Mr. Donich recommended an amendment to Recommendation A to include that the Board approves awarding Cofiroute USA, LLC., based upon the findings noted in the Staff Report and findings presented by staff.

A motion was made by Director M. Murphy, seconded by Director Hernandez, and declared passed by those present, to:

- A. Approve, as amended the award based on the findings and evaluation of both the analysis of the proposals, as well as the weighted average of the proposals, the selection of Cofiroute USA, LLC., as the firm to provide the back-office system and customer service center operations services for the 91 Express Lanes in Orange and Riverside counties.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1177 among the Orange County Transportation Authority, Riverside County Transportation Commission, and Cofiroute USA, LLC., in the amount of \$72,982,804, to provide the back-office system and customer service center operations services for the 91 Express Lanes in Orange and Riverside counties, for an initial term of seven years with two three-year option terms. The designated share for the Orange County Transportation Authority will be \$35,420,566.

Orange County Local Transportation Authority Regular Calendar Matters

13. Measure M2 2019 Update: Next 10 Delivery Plan

Tami Warren, Measure M2 (M2) Manager, Program Management Office, provided a PowerPoint presentation for this item as follows:

- M2 – Balanced Plan Which Supports Sustainability;
- M2 Delivery Plan – Goals;
- Next 10 Delivery Plan – 2026;
- M2 Sales Tax Revenue Forecast;
- Freeway Deliverable Breakdown;
- M2 Program Cash Balance;
- Next 10 Plan Progress; and
- Next Steps.

13. (Continued)

A discussion ensued regarding:

- M2's original forecast decreased to \$13.1 billion, and now is \$13.4 billion.
- A takeaway is that OCTA also obtained state and federal funds.
- Andrew Oftelie, Chief Financial Officer, stated the recent increase in M2 revenues is due to the *South Dakota v. Wayfair, Inc.*, (Wayfair) case decision that requires online retailers to remit sales taxes, and effective October 1, 2019.
- OCTA's Board-policy notes that the sales tax revenue forecasts are contracted with MuniServices and three universities.
- The recent conservative sales tax revenue forecasting incorporated the recent Wayfair case decision.
- Director Bartlett referenced freeway Project D, Interstate 5 (I-5) El Toro Road Interchange; and asked about the progress with the cities of Laguna Hills, Laguna Woods, and Lake Forest, developer, and the different options.
- Mr. Johnson responded to Director Bartlett that approximately five weeks ago, he, along with, Director Chamberlain met with the city managers from the three cities about the options. He stated that the discussions were productive, and there will be a follow-up meeting, at each city, with the public works directors.
- In the first quarter of 2020, OCTA will come forward to the Regional Planning and Highways Committee and Board with a status update on Project D.

A motion was made by Director M. Murphy, seconded by Director Delgleize, and declared passed by those present, to:

- A. Adopt the 2019 Measure M2 Next 10 Delivery Plan with updated financial assumptions.
- B. Direct staff to continue to monitor revenue and project cost impacts that could affect the delivery plan and return to the Board of Directors with changes if necessary.

Discussion Items

14. Measure M2 Interstate 5 Corridor Improvements

Due to time constraints, this item was continued to the next Board meeting.

15. 2019 Chief Executive Officer Initiatives and Action Plan - Third Quarter Report

Darrell E. Johnson, CEO, reported on the 2019 CEO Initiatives and Action Plan for the third quarter. He highlighted the action plan statistics and major accomplishments.

No action was taken on this information item.

16. Public Comments

There were no public comments.

17. Chief Executive Officer's Report

Darrell E. Johnson, CEO, reported the following:

“Meet on Beach” Event:

- On Sunday, November 17th, the Southern California Association of Governments and the Renew Beach Boulevard Coalition are hosting a “Meet on Beach” event along Beach Boulevard.
- This multi-city event will transform Beach Boulevard into a more walkable and bikeable street for a day.
- OCTA staff will be present at two hubs along the event corridor at:
 - Anaheim and Buena Park hub providing information about Safe Routes to School.
 - Huntington Beach hub providing information about active transportation and the OC Loop.

La Paz Road Closure:

- Construction on the I-5 through south Orange County is underway.
- This weekend, the demolition of the La Paz Road northbound on-ramp will require overnight closures of La Paz Road between Cabot Road and Muirlands Boulevard.
- The closures will be from 10:00 p.m. to 8:00 a.m. on both Friday and Saturday. Additionally, there will be some freeway lane reductions on northbound I-5; however, the freeway will remain open.
- Residents are encouraged to use Oso Parkway or Alicia Parkway, and as always, OCTA will have a comprehensive public communication effort to notify the community.

18. Directors' Reports

Director Bartlett reported that this morning she was listening to KNX 1070 radio which announced that on Veterans Day, LA Metro provided all veterans and active military free bus passes. She inquired if OCTA provides a similar program.

Darrell E. Johnson, CEO, responded that currently OCTA does not offer a similar program; however, would be glad to look into it and present some options going forward.

19. Closed Session

There were no Closed Sessions scheduled.

20. Adjournment

The meeting adjourned at 9:55 a.m.

The next regularly scheduled meeting of this Board will be held at **9:00 a.m. on Monday, November 25, 2019**, at the OCTA Headquarters, 550 South Main Street, Board Room – Conference Room 07-08, Orange, California.

ATTEST:

Laurena Weinert
Clerk of the Board

Tim Shaw
Chairman