



Orange County Transportation Authority

Fiscal Year 2023-24 Budget Workshop Questions & Answers

1. Question: In what format was the proposed budget information provided to the Orange County Transportation Authority (OCTA) Board Members?

Answer: The Clerk of the Board emailed a dropbox link that contained the proposed budget information on May 3, 2023.

2. Question: What was the reasoning behind reducing coach operators by eight full-time equivalent (FTE) positions in the proposed budget?

Answer: The coach operator count is based on the amount of service, overtime assumptions, and hiring assumptions which include attrition and recruiting efforts. This fluctuates annually based on the service delivery plan and OCTA's ability to retain and attract coach operators.

3. Question: Are the reduced coach operator FTE's OCTA positions?

Answer: Yes. All positions in the budget are directly employed by OCTA and do not include any contracted positions. These positions are currently vacant. As a result, no employees are being laid off.

4. Question: What are the costs of the zero-emission buses in comparison to compressed natural gas (CNG) buses and what is the reason for mixing different types of zero-emission buses?

Answer: The current cost of a 40-foot CNG bus is approximately \$700,000. The costs of the zero-emissions vehicles are as follows:

- Hydrogen Fuel Cell 40-foot bus = \$1.4 million each
- Battery Electric 40-foot bus = \$1.2 million each

OCTA is piloting both technologies to see what fits best for the organization in the long term. In doing so, capabilities related to the number of buses that can be fueled, as well as the number of buses that could be charged, were taken into consideration when determining how many buses to purchase as part of the expanded pilot.

5. Question: Can the 18 percent of Measure M2 (M2) sales tax dollars allocated to Local Fair Share be adjusted?

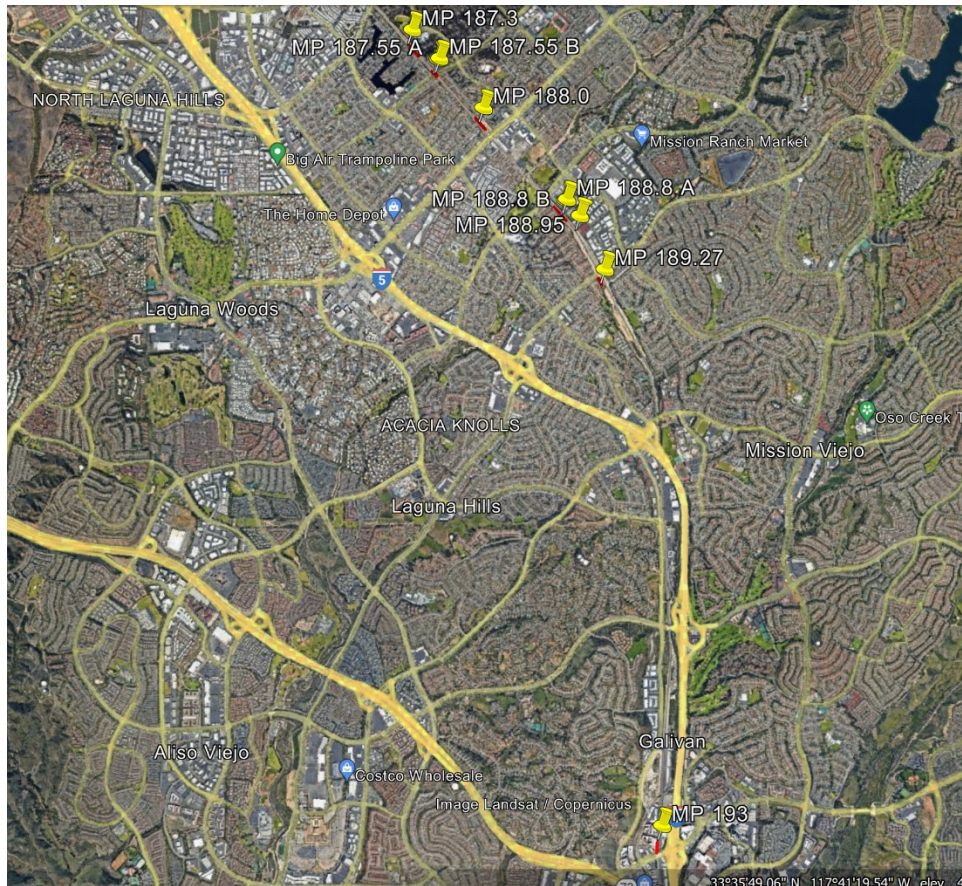
Answer: No. The percentage of the allocation cannot be adjusted. The percentage is codified in OCTA's M2 ordinance.



6. Question: Can you provide some more information on two allocations in the Regional Rail Capital Program (“Coastal Slope Stabilization” & “Mission Viejo/Laguna Niguel Slope Stabilization”)?

Answer: There is \$3.7 million in the proposed budget for “Coastal Slope Stabilization”. Of the \$3.7 million budgeted, \$2 million is to retain a consultant to do the Phase I Study which will address short-term, medium-term, and long-term solutions. This effort will be largely funded with Surface Transportation Block Grant revenues. The remaining \$1.7 million largely relates to Cyprus Shores follow on landscape mitigation and closeout activities for ground anchors related to the emergency tie-back effort in San Clemente. A second study related to the potential relocation of the rail line is not in the proposed budget as it has not yet been determined which agency would lead that effort.

The \$5.7 million budget request for the Mission Viejo/Laguna Niguel Slope Stabilization project relates to preventive activities previously identified for corrective work along the OCTA-owned rail right-of-way. This effort will provide slope and drainage improvements along rail right-of-way in the locations pinned in the map below.





7. Question: Why does the budget for the 405 Express Lanes not include designations for future capital projects?

Answer: The 405 Express Lanes will commence operations in late calendar year 2023. OCTA has a \$629 million Transportation Infrastructure Finance and Innovation Act (TIFIA) loan that was used to construct the 405 Express Lanes. Per the terms of the TIFIA loan, any excess revenues generated during the first five years following the opening of the lanes must be placed in reserve, so designations for future capital projects will not begin before that time.

8. Question: What purpose does the Call Box Program serve in this modern age of cell phones?

Answer: The program still operates today because there are times when motorists using the call boxes do not have a cell phone, their cell phone is not charged, or their cellular carrier does not have a good signal in the area (areas such as Santiago Canyon Road, Carbon Canyon, and some areas of the toll roads) making this service essential for them. The Call Box Program still receives approximately 1,000 calls per year from motorists. Every few years, OCTA staff evaluates cellular service carrier coverage, call box call volumes, and other metrics to evaluate the number of call boxes to retain in service. OCTA has reduced the number of call boxes from more than 1,200 at the program's inception to just under 300 today based on these metrics.

9. Question: How does the proposed 4.5 percent merit pool and 4 percent special performance award pool compare to previous fiscal year's merit and bonus pools?

Answer: Detail below.

	Adopted FY 2019-20	Adopted FY 2020-21	Adopted FY 2021-22	Adopted FY 2022-23	Proposed FY 2023-24
Merit Pool	4%	0%	4%	5%	4.5%
Bonus Pool	4%	0%	3%	4%	4%

10. Question: What is the Additional Retiree Benefit Account (ARBA) and what are the proposed changes?

Answer: ARBA was established in 1994 to support healthcare costs for employees who retire directly from OCTA. ARBA is not a vested benefit and OCTA does not offer any other form of retiree medical. To be eligible for ARBA an employee must retire directly from OCTA with at least ten years of service and be at least 50 years of age. The employee must also receive a retirement benefit under OCERS within 30 days from the date of separation from OCTA. The ARBA plan currently provides \$10 per month per year of service up to a maximum of 15 years of service (maximum of \$150 per month). Since the establishment of the program the dollar amount of the benefit has not been increased. OCTA is proposing to increase the benefit from \$10 per month



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per year of service to \$35 dollars per month per year of service. This would increase the maximum monthly benefit from \$150 to \$525. The benefit is also proposed to increase two percent per year. Both proposed changes are to better align the ARBA benefit with current healthcare costs and to provide OCTA with a retention tool to keep experienced employees. Only employees who retire after July 1, 2023, would be eligible to receive the increased benefit amount.

11. Question: Does ARBA expire for retirees upon reaching the age of Medicare eligibility?

Answer: No, ARBA does not expire for retirees that reach the age of Medicare eligibility. They would continue to be eligible to receive the ARBA benefit throughout their retirement.

12. Question: Are the merit increases and special performance awards performance based?

Answer: Yes, each administrative employee has an annual pay for performance plan and can only earn a merit increase, which is base building, based on their prior year's performance. A special performance award is non-base building and is a one-time award based on exceptional performance.

13. Question: Will the work performed by the eight coach operator positions being reduced in the budget be given to the contracted fixed-route service provider?

Answer: No, OCTA reviews and updates the service delivery plan at several points throughout the FY. Based on the current service delivery plan, OCTA is confident it can run the required service utilizing the coach operator FTEs proposed in the budget. The number of coach operators varies year-to-year based on the service levels and types of service proposed within the service delivery plan. In addition, the 60/40 split between directly operated and contracted fixed-route service will not change. It is important to note that the reduction in coach operator positions will come from vacant positions. No layoffs will occur because of the reduction in budgeted positions.

14. Question: What is the historical distribution of merit and special performance awards provided to employees over the previous few fiscal years.

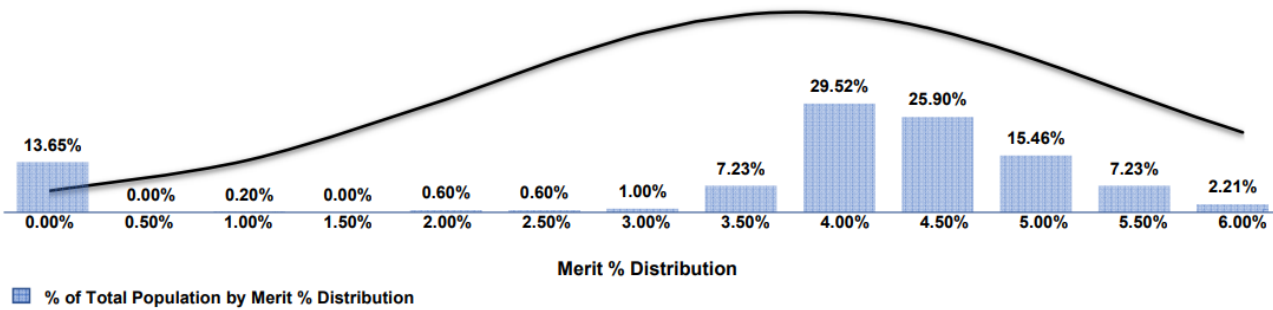
Answer: The merit increase and special performance award distributions for FY 2019-20, FY 2021-22, and FY 2022-23 are included below. Note that no merit pool or special performance award pools were requested in the FY 2020-21 budget.



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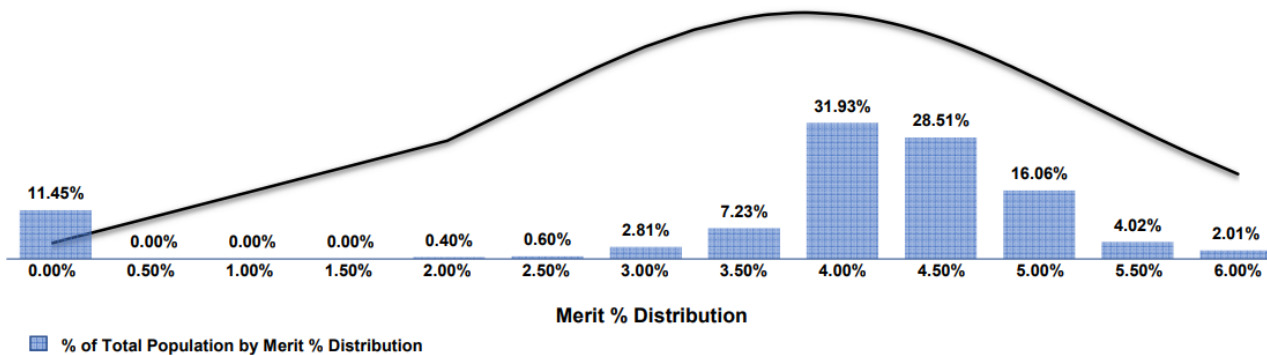
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FY 2019-2020 % of Total Population and Merit % Distribution Bell Curve
4.0% Pool



In the graph above, the bar chart represents the total percentage of administrative positions that received a Merit and what percentage they received. The bell curve line represents the Merit pool distribution by Merit percentage.
Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.

FY 2021-2022 % of Total Population and Merit % Distribution Bell Curve
4.0% Pool



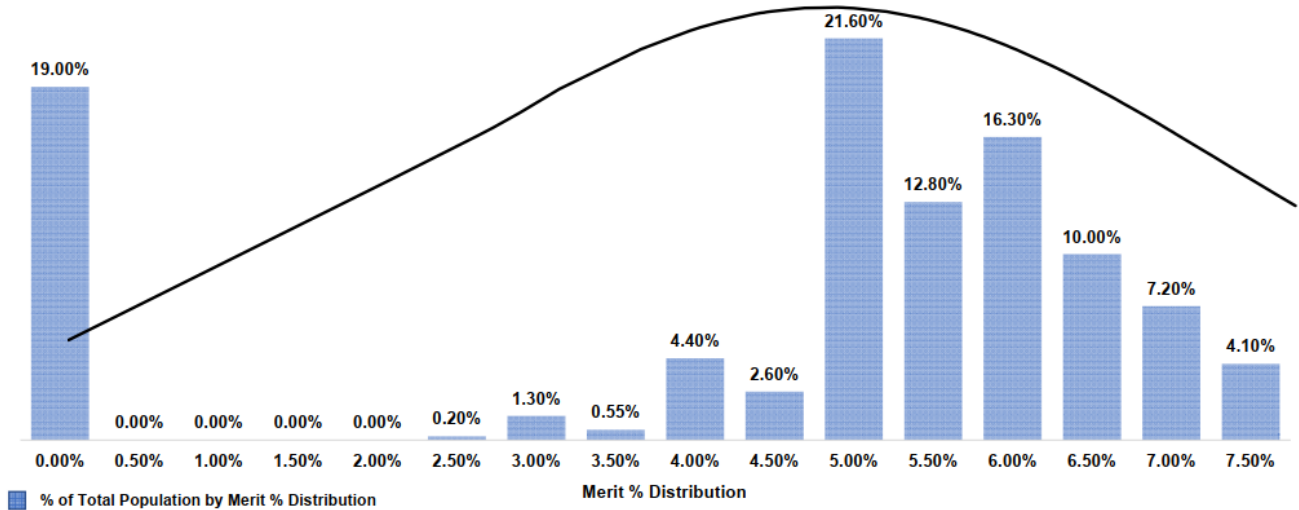
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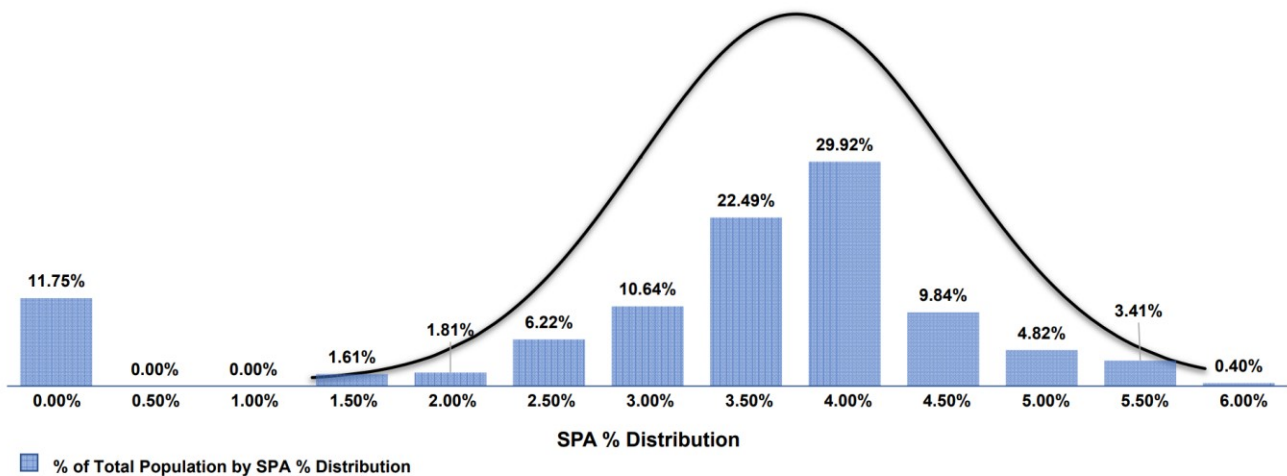
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**FY 2022-2023 % of Total Population and Merit % Distribution Bell Curve
5.0% Pool**



In the graph above, the bar chart represents the total percentage of administrative positions that received a Merit and what percentage total they received. The bell curve line represents the Merit pool distribution by Merit percentage.
 Note: A 1.5% cap above the merit pool was implemented in FY22-23 and going forward. Percentages were rounded to the nearest 0.5 percent for grouping purposes.

**FY 2019-2020 % of Total Population and Special Performance Award (SPA) % Distribution Bell Curve
4.0% Pool**



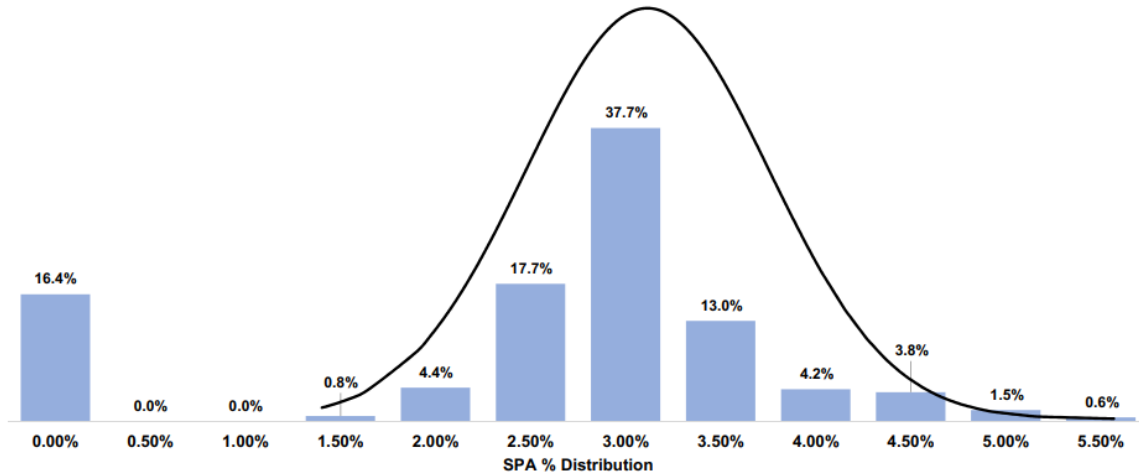
In the graph above, the bar chart represents the total percentage of administrative positions that received a SPA and what percentage they received. The bell curve line represents the SPA pool distribution by SPA percentage.
 Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.



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**FY 2021-2022 % of Total Population and Special Performance Award (SPA) % Distribution Bell Curve
3.0% Pool**

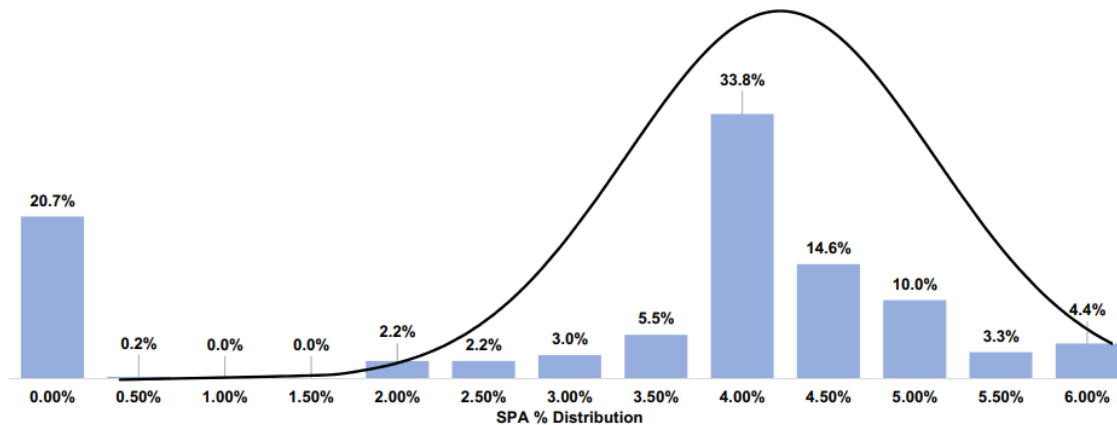


■ % of Total Population by SPA %

In the graph above, the bar chart represents the total percentage of administrative positions that received an SPA and what percentage total they received. The bell curve line represents the SPA pool distribution by SPA percentage.

Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes.

**FY 2022-2023 (in progress) % of Total Population and Special Performance Award (SPA) % Distribution Bell Curve
4.0% Pool**



■ % of Total Population by SPA % Distribution

In the graph above, the bar chart represents the total percentage of administrative positions that received an SPA and what percentage total they received. The bell curve line represents the SPA pool distribution by SPA percentage.

Note: Percentages were rounded to the nearest 0.5 percent for grouping purposes. The fiscal year is still in progress.